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SENATE

SATURDAY, JULY 30, 1955

The Senate met at 11 o'clock a. m.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, who art above all and in all, apart from Thee life has no meaning or destiny. We are made confident in our hearts that Thy mercy endureth forever, as the perspective of the long years assure us that Thou puttest down the mighty from their seats and dost exalt the humble and the meek. Through the crucial months that are past we have been at best but unprofitable servants, but in spite of our shortcomings we are grateful for the high honor in these tense times of marching with the armies of freedom in the titanic conflict against rampant evil bent on enslaving all people.

Now as the hour of parting for a while draws near, unto Thy holy keeping we commit ourselves and all that has been done and said in this Nation's forum as another chapter of deliberations and decisions ends. Wilt Thou bless and strengthen all that here has been worthily done, as with honest purpose Thy servants have followed flickering lights in perplexing hours. And as this Chamber is left in silence, may the Lord bless and keep us, may the Lord make His face to shine upon us and be gracious unto us. May the Lord lift up the light of His countenance and give us His peace, peace in our own hearts, peace in this dear land where burns so brightly freedom's holy light, and peace throughout this wounded, weary world. We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. CLEMENTS, and by unanimous consent, the reading of the Journal of the proceedings of Friday, July 29, 1955, was dispensed with.

ENROLLED BILL SIGNED

The PRESIDENT pro tempore announced that on today, July 30, 1955, he signed the enrolled bill (H. R. 3626) for the relief of Ilse Werner, which had previously been signed by the Speaker of the House of Representatives.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on July 29, 1955, the President had approved and signed the following acts:

S. 350. An act for the relief of Siegfried Rosenzweig; and

S. 1878. An act to amend the act authorizing the conveyance of certain lands to Miles City, Mont., in order to extend for 5 years the authority under such act.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. CLEMENTS, and by unanimous consent, the Committee on Foreign Relations and the Committee on the Judiciary were authorized to meet during the session of the Senate today.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. CLEMENTS. Mr. President, under the rule, there is a regular morning hour today for the presenation of petitions and memorials, the introduction of bills, and the transaction of other routine business. I ask unanimous consent that statements made in connection therewith be limited to 2 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

RESOLUTIONS OF AMERICAN EX-PRISONERS OF WAR, INC., HOLLYWOOD, CALIF.

Mr. LANGER. Mr. President, I present, for appropriate reference, and ask unanimous consent to have printed in the RECORD, a letter I have received from the American Ex-Prisoners of War, Inc., of Hollywood, Calif., together with two resolutions adopted by that organization, relating to the recognition of Red China, and the release of American prisoners of Red China.

There being no objection, the letter and resolutions were referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

AMERICAN EX-PRISONERS OF WAR, INC.,
Tuscaloosa, Ala., July 27, 1955.

Senator WILLIAM LANGER,
United States Senate, Senate Office Building, Washington, D. C.

DEAR SENATOR LANGER: Enclosed you will find copies of two resolutions unanimously passed at the eighth annual convention of American Ex-Prisoners of War in July 1955.

Our organization is very concerned about these measures and hopes that your Committee on Foreign Relations will give them just and sincere consideration.

Sincerely yours,

JAMES S. BROWNING,
National Legislative Officer.

RESOLUTIONS UNANIMOUSLY ADOPTED AT EIGHTH ANNUAL CONVENTION OF AMERICAN EX-PRISONERS OF WAR IN NEW YORK CITY, JULY 1955

Whereas the Chinese Communist regime stands convicted by the United Nations for the crime of aggression; and

Whereas its admission to the United Nations would serve only to strengthen the prestige of Chinese communism, and help advance its capabilities for further conquests; and

Whereas recognition of Red China would give this arrogant aggressor against the peace of the world a seat in an organization dedicated to maintain the peace of the world: Be it therefore

Resolved, That the American Ex-Prisoners of War, Inc., go on record as being totally opposed to the recognition of Red China by the United Nations.

Whereas the organization of American Ex-Prisoners of War has informed the Government and the public for 3 years that the Chinese Communists were holding many hundreds of American prisoners of war from the exchange lists; and

Whereas the Chinese Communists have admitted to holding American prisoners of war; and

Whereas the Defense Department estimates that over 500 Americans are being held by the Chinese Communists; and

Whereas it has long since become evident that Red China was holding these prisoners to use them for propaganda and ransom; and

Whereas the United States Government is very late in starting to protest against the Communist action of unlawfully holding Americans in violation of the Korean armistice: Be it therefore

Resolved, That the American Ex-Prisoners of War go on record as favoring that the United States Government take the most vigorous and determined action to secure the immediate release of every single American held by the Communists.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. GREEN, from the Committee on Rules and Administration:

S. J. Res. 93. Joint resolution authorizing the acceptance of a gift from the Ericsson Memorial Committee; with amendments (Rept. No. 1267).

By Mr. MCNAMARA, from the Committee on the District of Columbia:

S. 938. A bill to provide for the payment and collection of wages in the District of Columbia; with an amendment (Rept. No. 1266).

By Mr. ANDERSON, from the Joint Committee on Atomic Energy:

S. 2523. A bill to amend section 212 of the Merchant Marine Act, 1936, to authorize the construction of a nuclear-powered prototype merchant ship for operation in foreign commerce of the United States, to authorize research and experimental work with vessels, port facilities, planning, and operating and cargo handling on ships and at ports,

and for other purposes; with amendments (Rept. No. 1269).

By Mr. CHAVEZ, from the Committee on Public Works, without amendment:

H. R. 6102. A bill to change the name of Garza-Little Elm Dam, located in Denton County, Tex., to Lewisville Dam (Rept. No. 1275); and

H. R. 7195. A bill to provide for adjustments in the lands or interests therein acquired for reservoir projects in Texas, by the reconveyance of certain lands or interests therein to the former owners thereof; without amendment (Rept. No. 1270).

By Mr. SMATHERS, from the Committee on Interstate and Foreign Commerce:

S. 898. A bill to amend the Interstate Commerce Act, with respect to the authority of the Interstate Commerce Commission to regulate the use by motor carriers (under leases, contracts, or other arrangements) of motor vehicles not owned by them, in the furnishing of transportation of property; with amendments (Rept. No. 1271).

By Mr. KILGORE, from the Committee on the Judiciary, without amendment:

S. 872. A bill for the relief of Sam Bergesen (Rept. No. 1277); and

H. R. 3063. A bill to confer jurisdiction upon the United States District Court for the Northern District of California, to hear, determine, and render judgment upon the claims of the Bartlett Springs Co. and certain others (Rept. No. 1279).

By Mr. KILGORE, from the Committee on the Judiciary, with an amendment:

H. R. 3027. A bill for the relief of Leo E. Verhaeghe (Rept. No. 1278).

By Mr. KILGORE, from the Committee on the Judiciary, with amendments:

S. 530. A bill for the relief of the Sacred Heart Hospital (Rept. No. 1276).

REPORT ON ARTICLE VII, NATO STATUS OF FORCES TREATY—(S. REPT. NO. 1268)

Mr. ERVIN. Mr. President, on January 8, 1955, the distinguished junior Senator from Vermont [Mr. FLANDERS] and I were appointed members of a subcommittee of the Senate Committee on Armed Services, to investigate the operation of the status of forces treaty and similar arrangements with other nations. We completed our work, after hearing everyone who desired to be heard on the subject; and we filed our report with the full committee.

The full Committee on Armed Services has approved the report, and has suggested that it should be incorporated in the body of the RECORD, for the information of all concerned.

For this reason, Mr. President, I ask unanimous consent that the report be printed, with an illustration, and that an analysis of the report and the report itself be printed at this point in the body of the RECORD.

The PRESIDENT pro tempore. The report will be received and printed; and, without objection, the report and analysis will be printed in the RECORD.

The report (S. Rept. No. 1268) was ordered to be printed in the RECORD, as follows:

OPERATION OF ARTICLE VII, NATO STATUS OF FORCES AGREEMENT

(Senators ERVIN (chairman) and FLANDERS)

PURPOSE OF THE SUBCOMMITTEE

The chairman of the Committee on Armed Services, by letter of January 28, 1955, appointed the subcommittee, consisting of Senator ERVIN (chairman) and Senator FLANDERS, for the purpose of reviewing the operation of article VII of the NATO Status of Forces Agreement. This article recognizes the criminal jurisdiction of countries operating under the Status of Forces Agreement over members of the military and of the civilian components of a sending state who commit off-duty, civilian-type offenses while stationed in the host country against other than persons subject to United States military law. This examination represents a continuation of the review which the Senate Committee on Armed Services initiated in the last Congress regarding criminal jurisdiction over American soldiers by foreign courts.

The statistical data contained in this report was received from representatives of the Office of the Secretary of Defense and from the Office of the Army Judge Advocate General, the latter being charged with monitoring the jurisdictional arrangements over all American servicemen.

REVIEW LIMITED TO OPERATION OF JURISDICTIONAL ARRANGEMENTS

The subcommittee limited its review to the operation of criminal jurisdictional arrangements with foreign countries and the effect of the exercise of such jurisdictional arrangements on the morale and efficiency of American troops serving in those countries.

The treaty has been ratified by the Senate. Since the task assigned to it did not contemplate such action on its part, the subcommittee did not consider the constitutionality of the treaty. Moreover, the subcommittee made no attempt to determine whether it is wise or unwise, as a matter of national policy, for the United States to enter into reciprocal arrangements which recognize the exercise of criminal jurisdiction of foreign countries where United States troops are stationed. Any reexamination of the broad policy questions would properly come before the Senate Foreign Relations Committee which has the sole committee responsibility for considering matters of this nature.

SCOPE OF THE SUBCOMMITTEE REVIEW

Examination of all jurisdictional arrangements

The subcommittee's examination covered the operation of all jurisdictional arrangements which subject American troops to trial in foreign courts. There are approximately 60 countries throughout the world with which the United States has some type of jurisdictional arrangement regarding American servicemen stationed in those countries.

The principal ones are those 10 NATO countries which had acceded to the Status of Forces Agreement as of November 30, 1954. These are Belgium, Canada, France, Greece, Luxembourg, the Netherlands, Norway, Turkey, the United Kingdom, and the United States. Denmark has recently acceded. The remaining NATO countries—Iceland, Italy, Portugal, and the Federal Republic of Germany—have not yet agreed to the arrangement. The jurisdictional arrangements with countries other than the 10 NATO nations are provided for by Executive agreement. It might be noted that some of these arrangements affect very small numbers of men, in some cases under 25, who may be engaged on training missions in particular countries.

Period covered by review

The subcommittee's review covered the 12-month period from December 1, 1953, through November 30, 1954. The material previously received by the committee covered a period which ended November 30, 1953.

Offenses reviewed

The subcommittee limited its review to those offenses which were subject to foreign jurisdiction, with particular emphasis on those cases where jurisdiction was not waived. The subcommittee did not examine those offenses over which jurisdiction was exercised by the United States military authorities.

SIGNIFICANT FEATURES OF JURISDICTIONAL ARRANGEMENTS

The NATO Status of Forces Agreement which was agreed to by the Senate on July 15, 1953, defines generally the legal status of the military forces of one NATO power stationed in the territory of another. Even though the subcommittee is concerned only with the provisions relating to criminal jurisdiction, it is significant to note that the agreement covers other important matters, including passport and visa regulations, immigration inspections, the carrying of arms, the settlement of claims, taxes, customs, and foreign-exchange arrangements.

Article VII, in dividing the jurisdictional areas of the sending and receiving state, made certain offenses subject to the exclusive jurisdiction of each state and others subject to the concurrent jurisdiction of each. In the latter category primary jurisdiction is placed in either the receiving or sending state.

Even though the United States is primarily concerned with the jurisdiction of the host or receiving state, in view of the large number of American troops abroad, it is significant to point out the jurisdiction of the sending state.

Jurisdiction of sending state

The sending state, which would be the United States when our troops are abroad, has exclusive jurisdiction where the offense is an offense against the law of the sending state but not against the law of the host country. An example of such authority would be strictly military offenses, such as absence without leave.

The sending state also has the primary right to exercise jurisdiction where the offense is solely against the property or security of the sending state, or is solely against the person or property of another member of the force (or civilian component or dependent) of that state, or if the offense arises out of any act or omission in the performance of official duty.

Jurisdiction of the host state

The receiving state has exclusive jurisdiction over offenses which are punishable by the law of the receiving state but not by the law of the sending state. Such cases would include espionage against the host state. The Department of Defense knows of no cases involving the exercise of this type of jurisdiction.

With respect to concurrent jurisdiction the treaty provides that the receiving state shall have the primary right in cases where the offenses are not within the primary jurisdiction of the sending state. In practice this means that the receiving state has the primary right of jurisdiction over offenses which are civilian in nature and are committed while off duty against other than members of the Armed Forces, the civilian component, or dependents.

Waiver of jurisdiction

The treaty provides that requests for a waiver of jurisdiction will be considered by any state having the primary right. It has been the policy of Defense to request the host state to waive its jurisdiction in practically all cases.

Procedural rights

It is also provided that when a member is prosecuted by the receiving state he will be entitled to certain procedural rights necessary to a fair trial, which include a prompt trial, statement of charges, confrontation of witnesses, legal counsel, a competent interpreter, and the right to communicate with a representative of the government of the

sending state. In addition the agreement contains a safeguard against double jeopardy.

Reports to the Senate and House Committees on Armed Services

The cognate resolution adopted by the Senate when it agreed to the status of forces agreement provided for two situations where reports would be made through channels to the Committees on Armed Services of the Senate and House.

First, it was provided that the commanding officers would examine the procedural safeguards provided by the laws of the receiving state and where it appeared under all the circumstances that the accused would not be protected because of the absence or denial of the constitutional rights he would enjoy in the United States, the authorities would request the receiving state through diplomatic channels to waive its jurisdiction. If waiver was not granted, reports would be made through channels to the respective committee. The Department of Defense has not reported any cases under this provision.

Second, it is provided that similar committee notification will be given when United States subjects tried in foreign courts do not receive the procedural rights enumerated in the treaty.

The Department of Defense has reported one case under this provision in a letter of August 11, 1954. This case involved a Pvt. Jerry O. Baldwin, who was prosecuted in a French court and was not confronted with witnesses as required by the agreement. Private Baldwin received a fine equivalent to $18 which was increased to $36 by the French court of appeals. The French Ministry of Justice, however, by administrative action remitted the fine. Private Baldwin did not wish to appeal the case. The Department of Defense stated that the French Ministry has taken administrative action to prevent the recurrence of similar errors.

For purposes of reference there is printed at the end of this report the full text of article VII and the cognate resolution, together with article I which contains important definitions.

VIEW OF THE SUBCOMMITTEE

It is the view of the subcommittee that, generally, the criminal jurisdictional arrangements regarding United States troops abroad are operating satisfactorily and that the exercise of jurisdiction by foreign courts has not had an adverse effect on the morale and efficiency of American troops stationed in those countries.

Based on information received from the overseas commanders, however, there are two countries, Turkey and French Morocco, where delays in bringing cases of servicemen to trial have had an adverse effect on the morale and discipline of United States troops in those countries. The delays were not directed especially against the Americans but appear to be inherent in the judicial systems of those countries. The Department of Defense advised that administrative efforts are being made to correct these procedures. Except for the information concerning these two countries, the reports of the overseas commanders uniformly support the view of the subcommittee.

REVIEW OF OFFENSES AND THEIR ULTIMATE DISPOSITION

In reviewing the statistics relative to the offenses committed by American servicemen subject to foreign jurisdiction it is significant to note that as of November 1, 1954, there were approximately 1,300,000 American soldiers serving outside the continental limits of the United States.

Following are two detailed charts submitted by the Department of Defense. Chart I sets forth on a worldwide basis the offenses subject to foreign jurisdiction and the ultimate disposition of these offenses during the 1-year period. Chart II contains a list of the 15 countries throughout the world in which American troops were tried by foreign tribunals during the period, together with the ultimate disposition of these offenses.

CHART I

Department of Defense statistics relative to the exercise of criminal jurisdiction by foreign tribunals over persons subject to United States military law, Dec. 1, 1953–Nov. 30, 1954

	Offenses subject to jurisdiction	Waivers	Dropped	Tried	Acquittals	Fines only
World	7,416 (3,987)	5,424	255	1,475 (793)	122	1,163 (693)
World less NATO	3,696 (1,280)	3,038	106	508 (307)	32	405 (375)
World less NATO SOF	3,966 (1,343)	3,089	145	660 (341)	51	513 (397)
NATO	3,720 (2,707)	2,386	149	967 (486)	91	759 (318)
NATO SOF	3,450 (2,644)	2,335	110	815 (452)	72	651 (296)

	Reprimands	Sentences to confinement	Confinement suspended	Actual confinement	Pending
World	12	178 (38)	101 (12)	77 (16)	308
World less NATO	0	73 (18)	44 (2)	29 (6)	54
World less NATO SOF	10	88 (19)	55 (2)	33 (7)	90
NATO	12	105 (20)	57 (10)	48 (10)	254
NATO SOF	2	90 (19)	46 (10)	44 (9)	218

NOTE.—Figures in parentheses indicate traffic offenses.

CHART II

List of all countries in which United States troops were tried by foreign tribunals during the period Dec. 1, 1953, to Nov. 30, 1954

	Offenses subject to jurisdiction	Waivers	Dropped	Tried	Acquittals	Fines only	Reprimands	Sentences to confinement	Confinement suspended	Actual confinement	Pending
Belgium	20 (19)	0	13	0 (0)	0	0 (0)	0	0 (0)	0 (0)	0 (0)	7
Bermuda	144 (139)	0	0	144 (139)	4	139 (134)	0	1 (1)	0 (0)	1 (1)	0
Canada	312 (157)	62	1	249 (125)	22	221 (115)	0	6 (1)	0 (0)	6 (1)	0
France	2,600 (2,105)	2,179	68	283 (117)	26	181 (91)	1	75 (16)	44 (9)	31 (7)	96
French Morocco	36 (11)	6	12	18 (6)	1	7 (5)	0	10 (1)	8 (1)	2 (0)	0
Iceland	185 (42)	51	9	116 (25)	3	101 (22)	10	2 (1)	0 (0)	2 (1)	9
Italy	85 (21)	0	30	36 (9)	16	7 (0)	0	13 (0)	11 (0)	2 (0)	27
Japan	3,050 (913)	2,886	19	107 (36)	0	47 (31)	0	60 (5)	35 (0)	25 (5)	48
Luxembourg	6 (1)	3	0	3 (1)	0	3 (1)	0	0 (0)	0 (0)	0 (0)	0
Netherlands	5 (0)	4	0	1 (0)	0	0 (0)	0	1 (0)	0 (0)	1 (0)	0
Panama	265 (133)	9	38	216 (104)	19	196 (89)	0	1 (0)	0 (0)	1 (0)	4
Philippines	156 (35)	123	28	1 (0)	1	0 (0)	0	0 (0)	0 (0)	0 (0)	0
Trinidad	33 (33)	2	9	22 (22)	6	16 (16)	0	0 (0)	0 (0)	0 (0)	2
Turkey	14 (1)	2	0	8 (1)	5	1 (0)	0	2 (1)	2 (1)	0 (0)	4
United Kingdom	492 (360)	83	28	271 (208)	19	245 (190)	1	6 (1)	0 (0)	6 (1)	110

NOTE.—Figures in parentheses indicate traffic offenses.

THREE SIGNIFICANT FEATURES OF THE ABOVE INFORMATION

Comparison of offenses with waivers and number of trials

There were throughout the world 7,416 offenses subject to jurisdiction by foreign courts. Only 19.8 percent, or 1,475 cases, were tried by foreign tribunals. Waivers were granted on 73.1 percent, or 5,424 cases. With respect to the remaining cases the charges were either dropped or were pending as of November 30, 1954. The percentages with respect to the status-of-forces countries were similar. Out of 3,450 offenses subject to criminal jurisdiction in those countries, 23.6 percent, or 815 cases, were tried in the foreign courts. Waivers were granted on 67.7 percent, or 2,335 cases.

Number of United States citizens receiving unsuspended sentences to confinement

During the reporting period 77 Americans, representing approximately 1 percent of those offenses subject to foreign jurisdiction, received sentences to confinement which were not suspended. In the status-of-forces countries, 44 Americans, representing approximately 1.3 percent of 3,450 offenses, received such sentences.

There were 10 countries throughout the world in which the 77 Americans served sentences of confinement during this period. Of this number, 31 were confined in France, and 25 in Japan. Chart II lists the details regarding the 15 countries in which Americans were tried and the 10 countries where they were confined.

High degree of traffic offenses

It is significant to note that traffic offenses constitute a high percentage of the offenses subject to foreign jurisdiction and also of those which were tried by foreign courts. Of all the offenses worldwide subject to foreign jurisdiction, about 53 percent (3,987 out of 7,416 cases) were traffic offenses and about the same percentage (793 out of 1,475) was applicable to the trials in foreign courts. It might be noted that in France 2,105 out of the 2,600 offenses subject to

foreign jurisdiction were traffic offenses. With respect to the trials in French tribunals 100 out of 283 were of a traffic nature.

AMERICANS CONFINED IN FOREIGN INSTITUTIONS AS OF FEBRUARY 10, 1955

Information received by the committee from the Department of Defense indicates that as of February 10, 1955, there were 58 United States persons subject to military law who were serving sentences of confinement in foreign institutions. Of this number 42 were in Japan, 6 in France, 5 in the United Kingdom, 4 in Canada, and 1 in Italy.

The number of persons serving various terms of confinement together with the offenses for these terms are as follows:

	Persons
6 months or less (4 aggravated assault and related offenses and 1 lewd and lascivious act)	5
1 year or less (injury by negligence)	1
1 to 2 years (2 larceny, 2 rape and related offenses, 1 negligent homicide, 1 felonious assault)	6
2 to 3 years (5 rape and related offenses, 7 robbery)	12
3 to 4 years (8 robbery and 1 rape)	9
4 to 5 years (13 robbery and 3 rape)	16
Over 5 years (4 murder, 3 rape, and 2 robbery)	9

The maximum sentence has been 15 years. This case involved a joint trial of two persons in Japan for an aggravated robbery-murder.

The chart III (not printed) sets forth the total number of persons serving various terms of confinement, together with the total number of offenses by type.

PHYSICAL PUNISHMENT

The subcommittee has been aware of widely circulated reports which indicate that Americans have received sentences by foreign courts involving cruel and unusual punishment, such as the cutting off of hands. The Department of Defense was requested to furnish information regarding any case of this nature. In response the subcommittee was advised that the Department of Defense knew of no instance where physical punishment of any nature had been received by an American as a result of sentence by foreign court.

WELFARE OF AMERICANS IN CONFINEMENT

The Department of Defense has indicated that American officials and chaplains visit regularly the 58 Americans who are confined in the institutions in the 5 countries. No information has been received which would indicate that the conditions of confinement are other than satisfactory. In France permission to visit prisoners is granted to friends and members of the prisoner's family. The confined soldiers are being extended adequate medical and dental care and have access to recreational facilities. In Japan a portion of a Japanese prison has been set aside solely for American prisoners who are given preferential treatment over Japanese prisoners, particularly with respect to the type of food provided.

The Department of Defense has issued a directive requiring that military commanders abroad seek to conclude agreements with local officials whereby the American commanders may accord servicemen confined in foreign institutions the same privileges that would be extended to Americans confined to United States military facilities. The Department of Defense reports that these arrangements are in various stages of completion at the present time.

FINAL COMMENT OF THE SUBCOMMITTEE

This report is of an interim nature, reviewing for a 1-year period the operation of criminal jurisdiction arrangements between the United States and foreign countries regarding American soldiers stationed in those nations. The subcommittee will continue to examine the operation of the jurisdiction agreements on a periodic basis and at such other times as circumstances require.

The subcommittee would like to note that the available information indicates that honest efforts are being made by all parties concerned to execute the jurisdictional agreements satisfactorily. The subcommittee realizes that whenever troops of one nation are stationed in the territory of another, difficult problems are created and their satisfactory solution depends mainly on the mutual efforts of both the military commanders and the local authorities concerned. The subcommittee feels confident that as long as national policy requires American troops to be stationed abroad, the United States Government will use its best efforts in seeing that the rights of American soldiers who commit offenses abroad are protected.

TEXT OF ARTICLES I AND VII AND COGNATE RESOLUTION OF NATO STATUS OF FORCES TREATY

ARTICLE I

1. In this Agreement the expression—

(a) "force" means the personnel belonging to the land, sea, or air armed services of one Contracting Party when in the territory of another Contracting Party in the North Atlantic Treaty area in connexion with their official duties, providing that the two Contracting Parties concerned may agreed that certain individuals, units or formations shall not be regarded as constituting or included in a "force" for the purposes of the present Agreement;

(b) "civilian component" means the civilian personnel accompanying a force of a Contracting Party who are in the employ of an armed service of that Contracting Party, and who are not stateless persons, nor nationals of any State which is not a party to the North Atlantic Treaty, nor nationals of, nor ordinarily resident in, the State in which the force is located;

(c) "dependent" means the spouse of a member of a force or of a civilian component, or a child of such member depending on him or her for support;

(d) "sending State" means the Contracting Party to which the force belongs;

(e) "receiving State" means the Contracting Party in the territory of which the force or civilian component is located, whether it be stationed there or passing in transit;

(f) "military authorities of the sending State" means those authorities of a sending State who are empowered by its law to enforce the military law of that State with respect to members of its forces or civilian components;

(g) "North Atlantic Council" means the Council established by Article 9 of the North Atlantic Treaty or any of its subsidiary bodies authorised to act on its behalf.

2. This Agreement shall apply to the authorities of political subdivisions of the Contracting Parties, within their territories to which the Agreement applies or extends in accordance with Article XX, as it applies to the central authorities of those Contracting Parties, provided, however, that property owned by political subdivisions shall not be considered to be property owned by a Contracting Party within the meaning of Article VIII.

ARTICLE VII

1. Subject to the provisions of this Article,

(a) the military authorities of the sending State shall have the right to exercise within the receiving State all criminal and disciplinary jurisdiction conferred on them by the law of the sending State over all persons subject to the military law of that State;

(b) the authorities of the receiving State shall have jurisdiction over the members of a force or civilian component and their dependents with respect to offences committed within the territory of the receiving State and punishable by the law of that State.

2. (a) The military authorities of the sending State shall have the right to exercise exclusive jurisdiction over persons subject to the military law of that State with respect to offences, including offences relating to its security, punishable by the law of the sending State, but not by the law of the receiving State.

(b) The authorities of the receiving State shall have the right to exercise exclusive jurisdiction over members of a force or civilian component and their dependents with respect to offences, including offences relating to the security of that State, punishable by its law but not by the law of the sending State.

(c) For the purposes of this paragraph and of paragraph 3 of this Article a security offence against a State shall include

(i) treason against the State;

(ii) sabotage, espionage or violation of any law relating to official secrets of that State or secrets relating to the national defence of that State.

3. In cases where the right to exercise jurisdiction is concurrent the following rules shall apply:

(a) The military authorities of the sending State shall have the primary right to exercise jurisdiction over a member of a force or of a civilian component in relation to

(i) offences solely against the property or security of that State, or offences solely against the person or property of another member of the force or civilian component of that State or of a dependent;

(ii) offences arising out of any act or omission done in the performance of official duty.

(b) In the case of any other offence to the authorities of the receiving State shall have the primary right to exercise jurisdiction.

(c) If the State having the primary right decides not to exercise jurisdiction, it shall notify the authorities of the other State as soon as practicable. The authorities of the State having the primary right shall give sympathetic consideration to a request from the authorities of the other State for a waiver of its right in cases where that other State considers such waiver to be of particular importance.

4. The foregoing provisions of this article shall not imply any right for the military authorities of the sending State to exercise jurisdiction over persons who are nationals of or ordinarily resident in the receiving State, unless they are members of the force of the sending State.

5. (a) The authorities of the receiving and sending States shall assist each other in the arrest of members of a force or civilian component or their dependents in the territory of the receiving State and in handing them over to the authority which is to exercise jurisdiction in accordance with the above provisions.

(b) The authorities of the receiving State shall notify promptly the military authorities of the sending State of the arrest of any member of a force or civilian component or a dependent.

(c) The custody of an accused member of a force or civilian component over whom the receiving State is to exercise jurisdiction shall, if he is in the hands of the sending State, remain with that State until he is charged by the receiving State.

6. (a) The authorities of the receiving and sending States shall assist each other in the carrying out of all necessary investigations into offences, and in the collection and production of evidence, including the seizure and, in proper cases, the handing over of objects connected with an offence. The handing over of such objects may, however, be made subject to their return within the time specified by the authority delivering them.

(b) The authorities of the Contracting Parties shall notify one another of the disposition of all cases in which there are concurrent rights to exercise jurisdiction.

7. (a) A death sentence shall not be carried out in the receiving State by the authorities of the sending State if the legislation of the receiving State does not provide for such punishment in a similar case.

(b) The authorities of the receiving State shall give sympathetic consideration to a request from the authorities of the sending State for assistance in carrying out a sentence of imprisonment pronounced by the authorities of the sending State under the provision of this Article within the territory of the receiving State.

8. Where an accused has been tried in accordance with the provisions of this Article by the authorities of one Contracting Party and has been acquitted, or has been convicted and is serving, or has served his sentence, or has been pardoned, he may not be tried again for this same offence within the same territory by the authorities of another Contracting Party. However, nothing in this paragraph shall prevent the military authorities of the sending State from trying a member of its force for any violation of rules of discipline arising from an act or omission which constituted an offence for which he was tried by the authorities of another Contracting Party.

9. Whenever a member of a force or civilian component or a dependent is prosecuted under the jurisdiction of a receiving State he shall be entitled—

(a) to a prompt and speedy trial;

(b) to be informed, in advance of trial, of the specific charge or charges made against him;

(c) to be confronted with the witnesses against him;

(d) to have compulsory process or obtaining witnesses in his favour, if they are within the jurisdiction of the receiving State;

(e) to have legal representation of his own choice for his defence or to have free or assisted legal representation under the conditions prevailing for the time being in the receiving State;

(f) if he considers it necessary, to have the services of a competent interpreter; and

(g) to communicate with a representative of the Government of the sending State and, when the rules of the court permit, to have such a representative present at his trial.

10. (a) regularly constituted military units or formations of a force shall have the right to police any camps, establishments or other premises which they occupy as the result of an agreement with the receiving State. The military police of the force may take all appropriate measures to ensure the maintenance of order and security on such premises.

(b) Outside these premises, such military police shall be employed only subject to arrangements with the authorities of the receiving State and in liaison with those authorities, and insofar as such employment is necessary to maintain discipline and order among the members of the force.

11. Each Contracting Party shall seek such legislation as it deems necessary to ensure the adequate security and protection within its territory of installations, equipment, property, records and official information of other Contracting Parties, and the punishment of persons who may contravene laws for that purpose.

RESOLUTION OF RATIFICATION, WITH RESERVATIONS, AS AGREED TO BY THE SENATE ON JULY 15, 1953

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive T, 82d Congress, 2d session, an agreement between the parties to the North Atlantic Treaty regarding the status of their forces, signed at London on June 19, 1951.

It is the understanding of the Senate, which understanding inheres in its advice and consent to the ratification of the agreement, that nothing in the agreement diminishes, abridges, or alters the right of the United States of America to safeguard its own security by excluding or removing persons whose presence in the United States is deemed prejudicial to its safety or security, and that no person whose presence in the United States is deemed prejudicial to its safety or security shall be permitted to enter or remain in the United States.

In giving its advice and consent to ratification, it is the sense of the Senate that:

1. The criminal jurisdiction provisions of article VII do not constitute a precedent for future agreements:

2. Where a person subject to the military jurisdiction of the United States is to be tried by the authorities of a receiving state, under the treaty the Commanding Officer of the Armed Forces of the United States in such state shall examine the laws of such state with particular reference to the procedural safeguards contained in the Constitution of the United States;

3. If, in the opinion of such commanding officer, under all the circumstances of the case, there is danger that the accused will not be protected because of the absence or denial of constitutional rights he would enjoy in the United States, the commanding officer shall request the authorities of the receiving state to waive jurisdiction in accordance with the provisions of paragraph 3 (c) of article VII (which requires the receiving state to give "sympathetic consideration" to such request) and if such authorities refuse to waive jurisdiction, the commanding officer shall request the Department of State to press such request through diplomatic channels and notification shall be given by the executive branch of the Armed Services Committee of the Senate and House of Representatives.

4. A Representative of the United States to be appointed by the Chief of Diplomatic Mission with the advice of the senior United States military representative in the receiving state will attend the trial of any such person by the authorities of a receiving state under the agreement, and any failure to comply with the provisions of paragraph 9 of article VII of the agreement shall be reported to the commanding officer of the Armed Forces of the United States in such state who shall then request the Department of State to take appropriate action to protect the rights of the accused, and notification shall be given by the executive branch to the Armed Services Committees of the Senate and House of Representatives.

The analysis presented by Mr. ERVIN is as follows:

1. The subcommittee limited its review to the operation of the criminal jurisdictional arrangements with foreign countries and the effect of the exercise of such arrangements on the morale and efficiency of American troops serving in those countries. It was emphasized by the subcommittee that no consideration was given to the constitutionality of the treaty nor to the question of whether such arrangements were wise as a matter of national policy.

2. The subcommittee examination covered the operation of all jurisdictional arrangements which subject American troops to trial in foreign courts. There are approximately 60 countries throughout the world with which the United States has some type of jurisdictional arrangement, including the 11 NATO countries which have acceded to the Status of Forces Agreement. The review covered the 12-month period from December 1, 1953, through November 30, 1954.

3. It was the consensus of the subcommittee that, generally, the criminal jurisdictional arrangements regarding United States troops abroad are operating satisfactorily and that the exercise of jurisdiction by foreign courts has not had an adverse effect on the morale and efficiency of American troops stationed in those countries. The report did note, however, that overseas commanders have reported that in two countries, Turkey and French Morocco, there have been delays in bringing servicemen to trial with a resulting adverse affect on the morale and discipline of United States troops in those countries.

4. The report noted that of the 7,416 offenses subject to jurisdiction by foreign courts throughout the world, waivers were granted on about 73 percent or 5,424 cases. Only 1,475, or 19.8 percent of the cases, were tried by foreign tribunals.

During the reporting period approximately 77 Americans, representing approximately 1 percent of those cases subject to foreign jurisdiction, received sentences to confinement which were not suspended.

It was also noted that traffic offenses constituted about 53 percent of the cases subject to foreign trial.

5. As of February 10, 1955, there were 58 United States citizens subject to military law who were serving sentences of confinement in foreign institutions. Of this number 42 were in Japan, 6 in France, 5 in the United Kingdom, 4 in Canada, and 1 in Italy.

6. With respect to the welfare of Americans in confinement it was indicated that the conditions of confinement are satisfactory. The prisoners are visited regularly and appear to receive adequate care.

7. It was emphasized that the subcommittee would continue to examine the jurisdictional arrangements on a periodic basis and at such other times as circumstances require. The information available to the subcommittee indicates that honest efforts are being made by all parties concerned to execute the arrangements satisfactorily.

REPORT OF SELECT COMMITTEE ON SMALL BUSINESS ON DIRECTIVES AND ORDERS RELATING TO THE MAINTENANCE OF THE MOBILIZATION BASE (S. REPT. NO. 1272)

Mr. SPARKMAN, from the Select Committee on Small Business, submitted a report on Directives and Orders Relating to the Maintenance of the Mobilization Base, which was ordered to be printed.

REPORT OF SELECT COMMITTEE ON SMALL BUSINESS ON PARTICIPATION OF SMALL BUSINESS IN MILITARY PROCUREMENT (S. REPT. NO. 1274)

Mr. SMATHERS, from the Select Committee on Small Business, submitted a report on Participation of Small Business in Military Procurement, which was ordered to be printed, with illustrations.

REPORT OF SELECT COMMITTEE ON SMALL BUSINESS ON THE BIDDING PROCEDURES OF THE MILITARY SEA TRANSPORTATION SERVICE (S. REPT. NO. 1273)

Mr. LONG, from the Select Committee on Small Business, submitted a report on the Bidding Procedures of the Military Sea Transportation Service, which was ordered to be printed.

FACTORS AFFECTING THE STOCK MARKET—REPORT OF COMMITTEE ON BANKING AND CURRENCY (S. REPT NO. 1280)

Mr. FULBRIGHT, from the Committee on Banking and Currency, submitted a report entitled "Factors Affecting the Stock Market," which was ordered to be printed with illustrations.

REPORT OF COMMITTEE ON BANKING AND CURRENCY ON THE STUDY OF FEDERAL HOUSING PROGRAMS (S. REPT. NO. 1281)

Mr. SPARKMAN, from the Committee on Banking and Currency, pursuant to Senate Resolution 57, 84th Congress, 1st session, submitted a report of that Committee on the Study of Federal Housing Programs, which was ordered to be printed.

ADDITIONAL FUNDS FOR THE COMMITTEE ON LABOR AND PUBLIC WELFARE—REPORT OF A COMMITTEE

Mr. GREEN. Mr. President, from the Committee on Rules and Administration, I report favorably, without amendment, a resolution providing an additional $5,000 for the contingent fund of the Senate in addition to the regulation amount which was previously ordered.

I cannot imagine that there would be any objection to the resolution. The time is so short that I ask unanimous consent for immediate consideration of the resolution.

The PRESIDENT pro tempore. The resolution will be stated by title, for the information of the Senate.

The LEGISLATIVE CLERK. A resolution (S. Res. 132) to provide additional funds for the Committee on Labor and Public Welfare.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the resolution (S. Res. 132) was considered, and agreed to, as follows:

Resolved, That the Committee on Labor and Public Welfare hereby is authorized to expend from the contingent fund of the Senate, during the 84th Congress, $5,000 in addition to the amount, and for the same purpose, specified in section 134 (a) of the Legislative Reorganization Act approved August 2, 1946.

ADDITIONAL REPORT OF JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES—FEDERAL EMPLOYMENT AND PAY

Mr. BYRD. Mr. President, as chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, I submit an additional report on Federal employment and pay for the month of June 1955. In accordance with the practice of several years' standing, I request unanimous consent to have the report printed in the RECORD together with a statement by me.

There being no objection, the report and statement were ordered to be printed in the RECORD, as follows:

FEDERAL PERSONNEL IN EXECUTIVE BRANCH, JUNE AND MAY 1955, AND PAY, MAY AND APRIL 1955

PERSONNEL AND PAY SUMMARY

Information in monthly personnel reports for June 1955 submitted to the Joint Committee on Reduction of Nonessential Federal Expenditures is summarized as follows:

Total and major categories	Civilian personnel in executive branch			Payroll (in thousands) in executive branch		
	In June numbered—	In May numbered—	Increase (+) or decrease (−)	In May was—	In April was—	Increase (+) or decrease (−)
Total [1]	2,384,273	2,366,855	+17,418	$814,396	$787,558	+$26,838
Agencies exclusive of Department of Defense	1,197,592	1,181,898	+15,694	404,640	395,313	+9,327
Department of Defense	1,186,681	1,184,957	+1,724	409,756	392,245	+17,511
Inside continental United States	2,170,131	2,145,590	+24,541			
Outside continental United States	214,142	221,265	−7,123			
Industrial employment	716,509	715,433	+1,076			
Foreign nationals	323,231	332,407	−9,176	28,390	31,347	−2,957

[1] Exclusive of foreign nationals shown in the last line of this summary.

TABLE I.—*Consolidated table of Federal personnel inside and outside continental United States employed by the executive agencies during June 1955, and comparison with May 1955, and pay for May 1955, and comparison with April 1955*

Department or agency	Personnel				Pay (in thousands)			
	June	May	Increase	Decrease	May	April	Increase	Decrease
Executive departments (except Department of Defense):								
Agriculture	85,572	77,635	7,937		$23,729	$22,626	$1,103	
Commerce [1]	46,058	45,219	839		18,185	17,108	1,077	
Health, Education, and Welfare	40,456	39,655	801		14,794	14,013	781	
Interior	55,144	52,374	2,770		19,414	18,307	1,107	
Justice	30,686	30,396	290		13,745	12,352	1,393	
Labor	5,061	5,048	13		2,134	2,029	105	
Post Office	511,613	506,137	5,476		163,240	164,146		$906
State	20,983	20,759	224		6,880	[2] 6,735	145	
Treasury	79,187	81,692		2,505	32,437	32,526		89
Executive Office of the President:								
White House Office	290	281	9		150	147	3	
Bureau of the Budget	444	430	14		264	253	11	
Council of Economic Advisers	35	32	3		21	20	1	
Executive Mansion and Grounds	70	70			23	23		
National Security Council [3]	28	27	1		17	16	1	
Office of Defense Mobilization	299	301		2	158	147	11	
President's Advisory Committee on Government Organization	5	5			3	3		
President's Commission on Veterans' Pensions	23	12	11		2	1	1	
Independent agencies:								
Advisory Committee on Weather Control	16	14	2		4	5		1
Alexander Hamilton Bicentennial Commission	2	3		1	1	2		1
American Battle Monuments Commission	775	809		34	104	101	3	
Atomic Energy Commission	6,077	6,034	43		2,956	2,845	111	
Board of Governors of the Federal Reserve System	591	590	1		260	[2] 252	8	
Civil Aeronautics Board	528	524	4		279	270	9	
Civil Service Commission	3,864	3,842	22		1,647	1,534	113	
Commission of Fine Arts	11	10	1		1	1		
Commission on Intergovernmental Relations	52	56		4	22	23		1
Defense Transport Administration	17	17			9	9		
Export-Import Bank of Washington	148	145	3		79	78	1	
Farm Credit Administration	1,079	1,085		6	518	486	32	
Federal Civil Defense Administration	749	741	8		377	350	27	
Federal Coal Mine Safety Board of Review	8	8			4	4		
Federal Communications Commission	1,094	1,071	23		534	509	25	
Federal Deposit Insurance Corporation	1,125	1,110	15		499	472	27	
Federal Mediation and Conciliation Service	357	355	2		228	220	8	

[1] June figure includes 1,536 seamen on the rolls of the Maritime Administration and their pay.

[2] Revised on basis of later information.

[3] Exclusive of personnel and pay of the Central Intelligence Agency.

TABLE I.—*Consolidated table of Federal personnel inside and outside continental United States employed by the executive agencies during June 1955, and comparison with May 1955, and pay for May 1955, and comparison with April 1955*—Continued

Department or agency	Personnel				Pay (in thousands)			
	June	May	Increase	Decrease	May	April	Increase	Decrease
Independent agencies—Continued								
Federal Power Commission	657	615	42		$314	$292	$22	
Federal Trade Commission	584	575	9		313	293	20	
Foreign Claims Settlement Commission	161	159	2		64	67		$3
Foreign Operations Administration	[4] 6,512	[2] 6,520		8	2,963	2,996		33
General Accounting Office	5,764	5,683	81		2,402	2,299	103	
General Services Administration	25,734	25,778		44	8,394	8,030	364	
Government Contract Committee	15	17		2	5	5		
Government Printing Office	6,723	6,780		57	2,943	2,680	263	
Housing and Home Finance Agency	11,082	10,953	129		4,768	4,485	283	
Indian Claims Commission	13	13			9	9		
Interstate Commerce Commission	1,822	1,797	25		855	831	24	
Jamestown-Williamsburg-Yorktown Celebration Commission	3	4		1	2	2		
John Marshall Bicentennial Celebration Commission	2	2						
National Advisory Committee for Aeronautics	7,508	7,348	160		3,273	3,120	153	
National Capital Housing Authority	276	277		1	93	89	4	
National Capital Planning Commission	24	22	2		11	10	1	
National Gallery of Art	316	316			99	90	9	
National Labor Relations Board	1,150	1,139	11		596	567	29	
National Mediation Board	110	107	3		81	68	13	
National Science Foundation	175	218		43	87	83	4	
National Security Training Commission	5	7		2	4	4		
Panama Canal	15,320	15,329		9	2,609	3,131		522
Railroad Retirement Board	2,344	2,274	70		653	808		155
Renegotiation Board	540	536	4		308	295	13	
Rubber Producing Facilities Disposal Commission	19	19			11	11		
St. Lawrence Seaway Development Corporation	33	26	7		16	15	1	
Securities and Exchange Commission	666	671		5	371	354	17	
Selective Service System	7,123	7,099	24		1,643	1,579	64	
Small Business Administration	736	740		4	395	375	20	
Smithsonian Institution	670	661	9		227	211	16	
Soldiers' Home	1,020	1,003	17		201	189	12	
Soo Locks Centennial Celebration Commission [3]	2		2					
Subversive Activities Control Board	32	32			19	19		
Tariff Commission	198	198			108	102	6	
Tax Court of the United States	141	140	1		85	83	2	
Tennessee Valley Authority	19,854	20,208		354	8,793	8,684	109	
United States Information Agency	10,155	10,093	62		2,533	2,437	96	
Veterans' Administration	177,656	178,052		396	56,674	53,387	3,287	
Total, excluding Department of Defense	1,197,592	1,181,898	19,172	3,478	404,640	395,313	11,038	1,711
Net increase, excluding Department of Defense			15,694				9,327	
Department of Defense:								
Office of the Secretary of Defense	2,005	1,971	34		1,042	974	68	
Department of the Army	462,004	466,252		4,248	151,481	144,555	6,926	
Department of the Navy	410,567	408,667	1,900		151,429	146,463	4,966	
Department of the Air Force	312,105	308,067	4,038		105,804	100,253	5,551	
Total, Department of Defense	1,186,681	1,184,957	5,972	4,248	409,756	392,245	17,511	
Net increase, Department of Defense			1,724				17,511	
Grand total, including Department of Defense	2,384,273	2,366,855	25,144	7,726	814,396	787,558	28,549	1,711
Net increase, including Department of Defense			17,418				26,838	

[2] Revised on basis of later information.
[4] Subject to revision.
[3] New agency created pursuant to Public Law 252, 81st Cong.

TABLE II.—*Federal personnel inside continental United States employed by the executive agencies during June 1955, and comparison with May 1955*

Department or agency	June	May	Increase	Decrease
Executive departments (except Department of Defense):				
Agriculture	84,329	76,339	7,990	
Commerce [1]	42,982	42,169	813	
Health, Education, and Welfare	39,910	39,109	801	
Interior	48,376	46,163	2,213	
Justice	30,128	29,846	282	
Labor	4,928	4,908	20	
Post Office	509,270	503,793	5,477	
State	5,939	5,840	99	
Treasury	78,195	80,707		2,512
Executive Office of the President:				
White House Office	290	281	9	
Bureau of the Budget	444	430	14	
Council of Economic Advisers	35	32	3	
Executive Mansion and Grounds	70	70		
National Security Council [2]	28	27	1	
Office of Defense Mobilization	299	301		2
President's Advisory Committee on Government Organization	5	5		
President's Commission on Veterans' Pensions	23	12	11	
Independent agencies:				
Advisory Committee on Weather Control	16	14	2	
Alexander Hamilton Bicentennial Commission	2	3		1
American Battle Monuments Commission	16	16		
Atomic Energy Commission	6,061	6,018	43	
Board of Governors of the Federal Reserve System	591	590	1	
Civil Aeronautics Board	525	521	4	
Civil Service Commission	3,847	3,825	22	
Commission of Fine Arts	11	10	1	
Commission on Intergovernmental Relations	52	56		4
Defense Transport Administration	17	17		
Export-Import Bank of Washington	148	145	3	
Farm Credit Administration	1,069	1,074		5
Federal Civil Defense Administration	749	741	8	
Federal Coal Mine Safety Board of Review	8	8		

Department or agency	June	May	Increase	Decrease
Independent agencies—Continued				
Federal Communications Commission	1,068	1,044	24	
Federal Deposit Insurance Corporation	1,124	1,109	15	
Federal Mediation and Conciliation Service	357	355	2	
Federal Power Commission	657	615	42	
Federal Trade Commission	584	575	9	
Foreign Claims Settlement Commission	161	159	2	
Foreign Operations Administration	1,671	1,652	19	
General Accounting Office	5,705	5,626	79	
General Services Administration	25,630	25,673		43
Government Contract Committee	15	17		2
Government Printing Office	6,723	6,780		57
Housing and Home Finance Agency	10,939	10,809	130	
Indian Claims Commission	13	13		
Interstate Commerce Commission	1822	1,797	25	
Jamestown-Williamsburg-Yorktown Celebration Commission	3	4		1
John Marshall Bicentennial Celebration Commission	2	2		
National Advisory Committee for Aeronautics	7,508	7,348	160	
National Capital Housing Authority	276	277		1
National Capital Planning Commission	23	22	1	
National Gallery of Art	316	316		
National Labor Relations Board	1,128	1,117	11	
National Mediation Board	110	107	3	
National Science Foundation	175	218		43
National Security Training Commission	5	7		2
Panama Canal	541	541		
Railroad Retirement Board	2,344	2,274	70	
Renegotiation Board	540	536	4	
Rubber Producing Facilities Disposal Commission	19	19		
St. Lawrence Seaway Development Corporation	33	26	7	
Securities and Exchange Commission	666	671		5
Selective Service System	6,925	6,901	24	
Small Business Administration	736	740		4
Smithsonian Institution	668	659	9	
Soldiers' Home	1,020	1,003	17	

[1] June figure includes 1,536 seamen on the rolls of the Maritime Administration.
[2] Exclusive of personnel of the Central Intelligence Agency.

TABLE II.—*Federal personnel inside continental United States employed by the executive agencies during June 1955, and comparison with May 1955*—Continued

Department or agency	June	May	Increase	Decrease
Independent Agencies—Continued				
Soo Locks Centennial Celebration Commission [2]	2		2	
Subversive Activities Control Board	32	32		
Tariff Commission	198	198		
Tax Court of the United States	141	140	1	
Tennessee Valley Authority	19,854	20,208		354
U. S. Information Agency	2,330	2,325	5	
Veterans' Administration	176,393	176,782		389
Total, excluding Department of Defense	1,136,820	1,121,767	18,478	3,425
Net increase, excluding Department of Defense			15,053	
Department of Defense:				
Office of the Secretary of Defense	1,949	1,916	33	
Department of the Army	381,957	378,079	3,878	
Department of the Navy	378,789	377,025	1,764	
Department of the Air Force	270,616	266,803	3,813	
Total, Department of Defense	1,033,311	1,023,823	9,488	
Net increase, Department of Defense			9,488	
Grand total, including Department of Defense	2,170,131	2,145,590	27,966	3,425
Net increase, including Department of Defense			24,541	

[2] New agency created pursuant to Public Law 252, 81st Cong.

TABLE III.—*Federal personnel outside continental United States employed by the executive agencies during June 1955, and comparison with May 1955*

Department or agency	June	May	Increase	Decrease
Executive departments (except Department of Defense):				
Agriculture	1,243	1,296		53
Commerce	3,076	3,050	26	
Health, Education, and Welfare	546	546		
Interior	6,768	6,211	557	
Justice	558	550	8	
Labor	133	140		7
Post Office	2,343	2,344		1
State	15,044	14,919	125	
Treasury	992	985	7	
Independent agencies:				
American Battle Monuments Commission	759	793		34
Atomic Energy Commission	16	16		
Civil Aeronautics Board	3	3		
Civil Service Commission	17	17		
Farm Credit Administration	11	11		
Federal Communications Commission	26	27		1
Federal Deposit Insurance Corporation	1	1		
Foreign Operations Administration	[1] 4,841	[2] 4,868		27
General Accounting Office	59	57	2	
General Services Administration	104	105		1
Housing and Home Finance Agency	143	144		1
National Labor Relations Board	22	22		
Independent agencies—Continued				
Panama Canal	14,779	14,788		9
Selective Service System	198	198		
Smithsonian Institution	2	2		
United States Information Agency	7,825	7,768	57	
Veterans' Administration	1,263	1,270		7
Total, excluding Department of Defense	60,772	60,131	782	141
Net increase, excluding Department of Defense			641	
Department of Defense:				
Office of the Secretary of Defense	56	55	1	
Department of the Army	80,047	88,173		8,126
Department of the Navy	31,778	31,642	136	
Department of the Air Force	41,489	41,264	225	
Total, Department of Defense	153,370	161,134	362	8,126
Net decrease, Department of Defense			7,764	
Grand total, including Department of Defense	214,142	221,265	1,144	8,267
Net decrease, including Department of Defense			7,123	

[1] Subject to revision.

[2] Revised on basis of later information.

TABLE IV.—*Industrial employees of the Federal Government inside and outside continental United States employed by executive agencies during June 1955 and comparison with May 1955*

Department or agency	June	May	Increase	Decrease
Executive departments (except Department of Defense):				
Agriculture	2,836	2,832	4	
Commerce	2,301	2,359		58
Interior	8,080	8,079	1	
Treasury	6,173	6,210		37
Independent agencies:				
Atomic Energy Commission	144	136	8	
Federal Communications Commission	12	12		
General Services Administration	1,066	1,055	11	
Government Printing Office	6,723	6,780		57
National Advisory Committee for Aeronautics	7,508	7,348	160	
Panama Canal	7,365	7,340	25	
Tennessee Valley Authority	16,759	17,068		309
Total, excluding Department of Defense	58,967	59,219	209	461
Net decrease, excluding Department of Defense			252	
Department of Defense:				
Department of the Army:				
Inside continental United States	[1] 206,638	[2] 206,638		
Outside continental United States	[2] 42,810	[2] 42,810		
Department of the Navy:				
Inside continental United States	236,704	236,530	174	
Outside continental United States	6,854	6,876		22
Department of the Air Force:				
Inside continental United States	159,471	158,458	1,013	
Outside continental United States	5,065	4,902	163	
Total, Department of Defense	657,542	656,214	1,350	22
Net increase, Department of Defense			1,328	
Grand total, including Department of Defense	716,509	715,433	1,559	483
Net increase, including Department of Defense			1,076	

[1] Subject to revision.

[2] Revised on basis of later information.

TABLE V.—*Foreign nationals working under United States agencies overseas, excluded from tables I through IV of this report, whose services are provided by contractual agreement between the United States and foreign governments, or because of the nature of their work or the source of funds from which they are paid, as of June 1955 and comparison with May 1955*

Country	Total		Army		Navy		Air Force	
	June	May	June	May	June	May	June	May
Austria	169	170					169	170
England	7,490	7,623			33	33	7,457	7,590
France	24,005	23,984	16,712	16,514			7,293	7,170
French Morocco	5,657	5,619	232	210	868	870	4,557	4,539
Germany	117,816	125,799	94,048	102,023	1,921	1,965	21,847	21,811
Japan	157,727	157,291	95,720	[1] 95,720	18,958	18,546	43,049	43,025
Korea	8,664	10,191	8,664	10,191				
Libya	339	567					339	567
Ryukyus	254	247			254	247		
Saudi Arabia	465	475					465	475
Spain		91						91
Trinidad	645	650			645	650		
Total	323,231	332,407	215,376	224,658	22,679	22,311	85,176	85,438

[1] Revised on basis of later information.

NOTE.—The Germans are paid from funds provided by German Governments. The French, English, and Austrians reported by the Army and Air Force are paid from funds appropriated for personal services. All others are paid from funds appropriated for other contractual services.

STATEMENT BY SENATOR BYRD

Executive agencies of the Federal Government reported regular civilian employment in the month of June totaling 2,384,273. This was a net increase of 17,418 as compared with employment reported in the preceding month of May.

This was the fifth monthly increase in succession and the longest sustained increase since July 1952. The other monthly increases during fiscal year 1955 were in October and November 1954, and February, March, April, and May 1955.

Civilian employment reported by the executive agencies of the Federal Government by month in fiscal year 1955, which began July 1, 1954, follows:

Month	Employment	Increase	Decrease
1954—July	2,388,280		5,761
August	2,375,988		12,292
September	2,355,170		20,818
October	2,359,325	4,155	
November	2,385,024	25,699	
December	2,368,072		16,952
1955—January	2,353,588		14,484
February	2,353,908	320	
March	2,355,810	1,902	
April	2,361,169	5,359	
May	2,366,855	5,686	
June	2,384,273	17,418	

Total civilian agency employment during the month of June was 1,197,592, an increase of 15,694 over the May total of 1,181,898. Total civilian employment in the military agencies in June was 1,186,681. This was a net increase of 1,724 as compared with 1,184,956 in May.

Civilian agencies reporting the larger increases were the Department of Agriculture with an increase of 7,937, the Post Office Department with an increase of 5,476, the Department of the Interior with an increase of 2,770, the Department of Commerce with an increase of 839, and the Department of Health, Education, and Welfare with an increase of 801. Decreases were reported by the Department of the Treasury with a decrease of 2,505, the Veterans Administration with a decrease of 396, and the Tennessee Valley Authority with a decrease of 354.

In the Department of Defense increases in civilian employment were reported by the Department of the Air Force with an increase of 4,038, the Department of the Navy with an increase of 1,900, and the Office of the Secretary of Defense with an increase of 34. The Department of the Army reported a decrease of 4,248.

Inside continental United States civilian employment increased 24,541 and outside continental United States civilian employment decreased 7,123. Industrial employment by Federal agencies in June totaled 716,509, an increase of 1,076 over May.

These figures are from reports certified by the agencies, as compiled today by the Joint Committee on Reduction of Nonessential Federal Expenditures.

FOREIGN NATIONALS

The total of 2,384,273 civilian employees certified to the committee by executive agencies in their regular monthly personnel reports include some foreign nationals employed in United States Government activities abroad, but in addition to these there were 323,231 foreign nationals working for United States military agencies overseas during June who were not counted in the usual personnel report. The number in May was 329,380.

SUMMARY FOR FISCAL YEAR 1955, ENDED JUNE 30, 1955

There was a net reduction of 9,768 in civilian employment by executive branch agencies of the Federal Government during fiscal year 1955, which ended June 30, 1955. The total at the year end was 2,384,273 as compared with 2,394,041 in June 1954.

Civilian and military agencies

There was an increase during the year of 12,524 in employment by the civilian agencies of the Government, and a decrease of 22,292 in civilian employment by military agencies. Employment by the civilian agencies at the year end totaled 1,197,592 as compared with 1,185,068 a year ago. Civilian employment by military agencies totaled 1,186,681 as compared with 1,208,973 in June 1954.

Inside and outside continental United States

There was an increase of 20,177 in employment within the United States by the Federal executive agencies and a decrease of 29,945 in employment outside continental United States. Employment inside the United States as of June 30, 1955, totaled 2,170,131 as compared with 2,149,954 a year ago. Employment outside the United States as of June 30, 1955, totaled 214,142 as compared with 244,087 a year ago.

Employment for the year is summarized as follows:

Federal civilian employment (June 1954–June 1955)

	June 1954	June 1955	Increase or decrease
Total	2,394,041	2,384,273	−9,768
In civilian agencies	1,185,068	1,197,592	+12,524
In military agencies	1,208,973	1,186,681	−22,292
Inside continental United States	2,149,954	2,170,131	+20,177
Outside continental United States	244,087	214,142	−29,945

REPORTS ON DISPOSITION OF EXECUTIVE PAPERS

Mr. JOHNSTON of South Carolina, from the Joint Select Committee on the Disposition of Executive Papers, to which were referred for examination and recommendation three lists of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historical interest, submitted reports thereon, pursuant to law.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BIBLE:

S. 2692. A bill for the relief of Genaro A. Urdaneta; and

S. 2693. A bill for the relief of Friederike Strachwitz; to the Committee on the Judiciary.

By Mr. HILL (for himself and Mr. SPARKMAN):

S. 2694. A bill for the relief of Alfred C. Conder; to the Committee on the Judiciary.

By Mr. MARTIN of Pennsylvania:

S. 2695. A bill to amend the Internal Revenue Code of 1939 and the Internal Revenue Code of 1954 with respect to foreign-tax credit for United Kingdom income tax paid with respect to royalties and other like amounts; to the Committee on Finance.

By Mr. YOUNG:

S. 2696. A bill to provide for the restoration of the stage end of the interior of Ford's Theater in the District of Columbia and for a museum in the remainder of such theater; to the Committee on Interior and Insular Affairs.

By Mr. DOUGLAS:

S. 2697. A bill for the relief of Kimiko Yamada Clark; and

S. 2698. A bill for the relief of Leopold Riedl and his wife, Bozena Riedl, and their daughter, Rostislava Bericochea (nee Riedl); to the Committee on the Judiciary.

By Mr. KILGORE:

S. 2699. A bill to amend title 28 of the United States Code to provide that no citizen shall be excluded from service as juror by reason of his or her sex; to the Committee on the Judiciary.

By Mr. FLANDERS (for himself, Mr. IVES, and Mr. LEHMAN):

S. 2700. A bill to provide deductions for gifts to nonprofit voluntary health insurance plans; to the Committee on Finance.

By Mr. KNOWLAND:

S. 2701. A bill for the relief of Hisakazu Hozaki; to the Committee on the Judiciary.

By Mr. THURMOND (for Mr. EASTLAND, himself, Mr. AIKEN, Mr. ALLOTT, Mr. BENDER, Mr. BIBLE, Mr. BRICKER, Mr. BRIDGES, Mr. BUTLER, Mr. CAPEHART, Mr. CARLSON, Mr. CASE of South Dakota, Mr. CHAVEZ, Mr. COTTON, Mr. CURTIS, Mr. DANIEL, Mr. DIRKSEN, Mr. DWORSHAK, Mr. ERVIN, Mr. FULBRIGHT, Mr. GOLDWATER, Mr. GREEN, Mr. HENNINGS, Mr. HILL, Mr. HOLLAND, Mr. HRUSKA, Mr. IVES, Mr. JACKSON, Mr. JENNER, Mr. KEFAUVER, Mr. KENNEDY, Mr. KERR, Mr. KILGORE, Mr. LANGER, Mr. LONG, Mr. MCCARTHY, Mr. MCCLELLAN, Mr. MCNAMARA, Mr. MAGNUSON, Mr. MALONE, Mr. MANSFIELD, Mr. MARTIN of Pennsylvania, Mr. MARTIN of Iowa, Mr. MONRONEY, Mr. MORSE, Mr. MUNDT, Mr. MURRAY, Mr. NEELY, Mr. NEUBERGER, Mr. PASTORE, Mr. PAYNE, Mr. POTTER, Mr. PURTELL, Mr. SCOTT, Mr. SMATHERS, Mrs. SMITH of Maine, Mr. SPARKMAN, Mr. STENNIS, Mr. SYMINGTON, Mr. THYE, Mr. WELKER, and Mr. YOUNG):

S. 2702. A bill to encourage the sale of cotton for export and to limit imports of manufactured cotton products; to the Committee on Agriculture and Forestry.

Mr. THURMOND subsequently said: Mr. President, earlier in the day I introduced on behalf of the senior Senator from Mississippi [Mr. EASTLAND] and myself and 60 other Senators a bill entitled "A bill to encourage the sale of cotton for export and to limit imports of manufactured cotton products."

I ask unanimous consent to have printed in the RECORD a statement in connection with the bill.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The statement presented by Mr. THURMOND is as follows:

The cotton industry of the United States, from producer through manufacturer, is facing the most critical period in history. Our share of the world cotton export market has dropped from approximately 60 percent to less than 30 percent of the world total and is in danger of being lost.

Cotton acreage in this country has been reduced from 25,244,000 acres on July 1, 1953, to 17,096,100 acres on July 1, 1955. During this period that we have attempted to adjust supplies through use of domestic production controls, foreign production has expanded rapidly with a large part of this expansion being American financed. A further increase in foreign acreage is planned for 1956.

American producers stand alone in their sacrifices to bring the world supply of cotton into balance with demand, and it has not

been fully demonstrated that we cannot adjust world supplies by curtailment of acreage in the United States. Already, thousands of farm families have been seriously affected. By reason of the drastic cut in cotton acreage in 1955 alone, according to records of the United States Department of Agriculture, 55,000 cotton farm families were put out of business and 130,000 additional farmers already making less than $1,000 per year were reduced in income by more than $100.

This deplorable situation is the direct result of our foreign agricultural policy, which has failed to take note of the fact that this problem is of a worldwide nature. The loss of our historical and necessary foreign markets promises to be permanent, and unless corrective action is taken immediately, cotton farm incomes, already among the lowest in the Nation, will be pushed to new lows. In addition, the world cotton surplus is accumulating in the hands of the Commodity Credit Corporation.

The present Cotton Export Advisory Committee, appointed by the Secretary of Agriculture, has by overwhelming majority strongly urged that United States cotton be offered for sale in world markets. The Commodity Credit Corporation Charter specifically authorizes the sale of commodities owned by the Corporation, or acquired for export purposes, in world trade at competitive prices. Furthermore, there is ample precedent for such action in the export programs of 1939–40 and 1944–45, and the fact that Commodity Credit Corporation is selling or has sold approximately 19 other agricultural commodities for export on a competitive price basis.

To cope with the problem of dwindling exports of United States cotton and to prevent further drastic cuts in United States cotton acreages which would be made necessary if we do not reestablish and maintain a fair share of the world fiber market for cotton, the Department of Agriculture has been attempting to develop an export-sales program under which United States cotton may be sold competitively in the markets of the world. Any program to be effective and beneficial to farmers must augment the total available market and not merely serve to displace outlets which would otherwise be available. The position of the domestic mills as customers of the American farmer is already endangered by the foreign trade policies and actions of the United States Government. This grave situation in itself calls for immediate corrective action.

There has been in effect for a number of years for raw cotton, as there has been for wheat, an import quota under section 22 of the AAA to protect the higher price paid to domestic farmers. But, unlike flour, there has been no corresponding quota on cotton textiles. Therefore, if United States cotton is sold in the world market at prices below those paid by domestic mills it would be certain to result in increased imports of cotton textiles, not only displacing cotton which farmers would otherwise sell to domestic mills, but also destroying the ability of the domestic mills to remain in business and continue to serve as the principal outlet for United States cotton.

Adequate cotton acreage is essential for a healthy agricultural America, and vital to our cotton-economy mills and producers.

If farmers are to have the opportunity to maintain their fair share of the world market without destroying their market at home, it is essential that there be established a coordinated program. Such a program would assure cotton sales in the world market at competitive prices and provide a textile import quota under section 22 which would permit foreign exporters of cotton textiles a fair share of the domestic market on an historical basis and at the same time prevent the excessive textile imports which would result if foreign mills were to be given lower-priced cotton than American mills.

This bill directs the adoption of such an overall coordinated program. A program of this nature is essential if we are to prevent complete disruption of the economy of the cotton producing and manufacturing areas.

By Mr. HAYDEN:

S. 2703. A bill to reorganize the Capitol Police; to the Committee on Rules and Administration.

By Mr. BEALL:

S. 2704. A bill to authorize the appropriation of funds for the construction of certain highway-railroad grade separations in the District of Columbia, and for other purposes; and

S. 2705. A bill to authorize the Philadelphia, Baltimore & Washington Railroad Co. to construct, maintain, and operate a branch track or siding over Second Street SE., in the District of Columbia; to the Committee on the District of Columbia.

By Mr. BYRD:

S. 2706. A bill for the relief of Claude Dean; to the Committee on Post Office and Civil Service.

By Mr. POTTER:

S. 2707. A bill directing the Secretary of the Interior to establish, under the Fish and Wildlife Service, a technological laboratory to serve the Great Lakes region; to the Committee on Interstate and Foreign Commerce.

By Mr. DOUGLAS:

S. 2708. A bill to prohibit discrimination on account of sex in the payment of wages by employers engaged in commerce or in operations of industries affecting commerce, and to provide procedures for assisting employees in collecting wages lost by reason of any such discrimination; to the Committee on Labor and Public Welfare.

By Mr. MAGNUSON:

S. 2709. A bill to provide for standby authority for priorities in transportation by merchant vessels in the interest of national defense, and for other purposes; to the Committee on Interstate and Foreign Commerce.

S. 2710. A bill for the relief of Milo Popovich; to the Committee on the Judiciary.

(See the remarks of Mr. MAGNUSON when he introduced the first above-mentioned bill, which appear under a separate heading.)

By Mr. MAGNUSON (by request):

S. 2711. A bill to authorize medals and decorations for outstanding and meritorious conduct and service in the United States merchant marine, and for other purposes; to the Committee on Banking and Currency.

(See the remarks of Mr. MAGNUSON when he introduced the above bill, which appear under a separate heading.)

By Mr. MAGNUSON (for himself and Mr. JACKSON):

S. 2712. A bill to authorize the charging of tolls for transit over the Manette Bridge in Bremerton, Wash.; to the Committee on Public Works.

By Mr. CAPEHART (for himself and Mr. LONG) (by request):

S. 2713. A bill to assist cities and States by amending section 5136 of the Revised Statutes, as amended, with respect to the authority of national banks to underwrite and deal in securities issued by State and local governments, and for other purposes; to the Committee on Banking and Currency.

(See the remarks of Mr. CAPEHART when he introduced the above bill, which appear under a separate heading.)

By Mr. KUCHEL:

S. 2714. A bill for the relief of Daniel Kong; to the Committee on the Judiciary.

By Mr. HENNINGS:

S. 2715. A bill for the relief of Won Dai Ho;

S. 2716. A bill for the relief of 1st Lt. Roy E. Williams; and

S. 2717. A bill for the relief of Jose Boo Lopez; to the Committee on the Judiciary.

By Mr. BRIDGES:

S. 2718. A bill for the relief of Leslie de Szabady; and

S. 2719. A bill for the relief of Aspasia Markesinis; to the Committee on the Judiciary.

By Mr. RUSSELL (for himself and Mr. SALTONSTALL) (by request):

S. 2720. A bill to provide medical care for dependents of members of the Armed Forces of the United States, and for other purposes; to the Committee on Armed Services.

(See the remarks of Mr. RUSSELL when he introduced the above bill, which appear under a separate heading.)

By Mr. LEHMAN:

S. 2721. A bill for the relief of Ursula Jadwiga Milarski Goodman;

S. 2722. A bill for the relief of Fai Hoo;

S. 2723. A bill for the relief of Anna L. De Angelis; and

S. 2724. A bill for the relief of Georgina Feher; to the Committee on the Judiciary.

By Mr. GORE:

S. 2725. A bill authorizing and directing the construction by the Atomic Energy Commission of six nuclear power facilities for the production of electric power; to the Joint Committee on Atomic Energy.

By Mr. HILL:

S. 2726. A bill to prohibit the promulgation of rules and regulations by the Veterans' Administration requiring that real-estate loans to veterans have maturities which are less than the maximum maturities provided for in title III of the Servicemen's Readjustment Act of 1944, or that downpayments be required with respect to such loans; to the Committee on Labor and Public Welfare.

S. 2727. A bill to protect producers and consumers against misbranding and false advertising of the fiber content of textile fiber products, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HENNINGS:

S. 2728. A bill to establish a Missouri Basin Commission and Compact Board to provide coherent and unified direction for the development of the Missouri Basin's natural resources, to give responsible direction to the resource development activities of the Federal Government in the Missouri Basin, and for coordinating those activities with resource development activities of the States; to the Committee on Public Works.

(See the remarks of Mr. HENNINGS when he introduced the above bill, which appear under a separate heading.)

By Mr. BENDER:

S. 2729. A bill for the relief of Paul Kaifas; to the Committee on the Judiciary.

By Mr. KNOWLAND:

S. 2730. A bill to incorporate the McCarran Foundation, and for other purposes; to the Committee on the Judiciary.

By Mr. MORSE:

S. 2731. A bill to authorize and direct the Renegotiation Board to redetermine the amount of excessive profits, if any, received or accrued by the W. A. Rushlight Co. under contracts and subcontracts which were renegotiated under the Renegotiation Act; to the Committee on Finance.

By Mr. MAGNUSON (for himself and Mr. JACKSON):

S. J. Res. 99. Joint resolution to establish the Multiple Uses of Public Lands Commission, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. JENNER:

S. J. Res. 100. Joint resolution proposing an amendment to the Constitution relating to the right of those who work for hire to receive their earnings in full; to the Committee on the Judiciary.

By Mr. MURRAY (for himself, Mr. ANDERSON, Mr. BIBLE, Mr. BUSH, Mr. CASE of South Dakota, Mr. DUFF, Mr. GOLDWATER, Mr. GORE, Mr. HENNINGS, Mr. HILL, Mr. HOLLAND, Mr. HUMPHREY, Mr. JACKSON, Mr. KILGORE, Mr. LEHMAN, Mr. CHAVEZ, Mr. MONRONEY, Mr. LONG, Mr. MAGNUSON, Mr. MANSFIELD, Mr. MCNAMARA, Mr. MALONE, Mr. MUNDT, Mr. NEELY, Mr. NEUBERGER, Mr. O'MAHONEY, Mr. SCOTT, Mr. SPARKMAN, and Mr. YOUNG):

S. J. Res. 101. Joint resolution to provide for the observance and commemoration of the 50th anniversary of the founding and launching of the conservation movement for the protection, in the public interest, of the natural resources of the United States; to the Committee on Interior and Insular Affairs.

By Mr. LANGER:

S. J. Res. 102. Joint resolution amending Private Law 495, 83d Congress, as amended, for the relief of Willmore Engineering Co.; to the Committee on the Judiciary.

(See the remarks of Mr. LANGER when he introduced the above joint resolution, which appear under a separate heading.)

PROPOSED STANDBY SHIP WARRANTS ACT

Mr. MAGNUSON. Mr. President, I introduce, for appropriate reference, a bill to provide for standby authority for priorities in transportation by merchant vessels in the interest of national defense, and for other purposes. I ask unanimous consent that a statement, prepared by me, relating to the bill be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the statement will be printed in the RECORD.

The bill (S. 2709) to provide for standby authority for priorities in transportation by merchant vessels in the interest of national defense, and for other purposes, introduced by Mr. MAGNUSON, was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The statement presented by Mr. MAGNUSON is as follows:

I am introducing, in order to have legislation readily available for consideration in event of sudden need, a standby Ship Warrants Act worded on the Ship Warrants Act of 1941. During war or imminence of war, authority is critically needed to control the use of ports and port facilities by merchant shipping of the United States and foreign countries, and especially of any neutral countries and countries allied with the enemy. This was accomplished by the Ship Warrants Act of 1941.

Under the North Atlantic Treaty Organization, the member nations have made such provision to control in their countries the use of port and other shipping facilities. The Office of Defense Mobilization is concerned with readiness on the part of the United States to be in a position to exercise similar authority in the event that coordinated efforts of the NATO nations should become necessary. The bill would be a vehicle for immediate consideration and enactment of such authority in event of sudden unanticipated need.

I am introducing the bill at this time in order to permit interested departments and shipping interests an opportunity to review and comment on the legislation prior to the next session.

AUTHORIZATION FOR MEDALS AND DECORATIONS FOR MERITORIOUS CONDUCT IN UNITED STATES MERCHANT MARINE

Mr. MAGNUSON. Mr. President, by request, I introduce, for appropriate reference, a bill to authorize medals and decorations for outstanding and meritorious conduct and service in the United States merchant marine, and for other purposes. I ask unanimous consent that a letter from the Secretary of Commerce, requesting this proposed legislation, enclosing a copy of the bill, be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 2711) to authorize medals and decorations for outstanding and meritorious conduct and service in the United States merchant marine, and for other purposes, introduced by Mr. MAGNUSON, by request, was received, read twice by its title, and referred to the Committee on Banking and Currency.

The letter presented by Mr. MAGNUSON is as follows:

THE SECRETARY OF COMMERCE,
Washington, July 22, 1955.

The PRESIDENT OF THE SENATE,
United States Senate,
Washington, D. C.

DEAR MR. PRESIDENT: There are submitted herewith draft and statement of purpose and provisions of a bill to authorize medals and decorations for outstanding and meritorious conduct and service in the United States merchant marine, and for other purposes.

In these days when our merchant marine is so vital to our national defense and security, as well as to our commerce, provision should be made to recognize publicly the deeds of American seamen which deserve the esteem of the people. The proposed legislation is designed to provide medals in public recognition of bravery of a high order or extraordinary skill by our merchant seamen, to show periods of service by seamen in time of war or armed conflict, and to recognize ships and their crews which participate in gallant action in marine disasters or emergencies for the purpose of saving life or property.

The provisions and purpose of the proposed legislation are set forth in detail in the accompanying statement.

The Department urges early consideration and enactment of the proposed legislation.

The Director of the Bureau of the Budget has advised that there would be no objection to the submission of the proposed legislation.

Sincerely yours,

SINCLAIR WEEKS,
Secretary of Commerce.

S. 2711

A bill to authorize medals and decorations for outstanding and meritorious conduct and service in the United States merchant marine, to repeal certain obsolete laws, and for other purposes

Be it enacted, etc., That (a) the Maritime Administration is authorized and directed, under such rules and regulations as it may prescribe, to provide and award with the concurrence of the Secretary of the Treasury: A merchant marine distinguished service medal to any person serving in the United States merchant marine who distinguishes himself by outstanding act, conduct, or valor beyond the line of duty, and a merchant marine meritorious service medal to any person serving the United States merchant marine for meritorious act, conduct, or service in line of duty, but not of such outstanding character as would warrant an award of the distinguished service medal.

(b) No more than one distinguished service medal or meritorious service medal shall be awarded to any one person, but for each succeeding act, conduct, or service justifying such an award, a suitable device may be awarded to be worn with the medal or ribbon. In case any person who so distinguishes himself or so acts or serves as to justify the award of a medal under this section, dies before the award can be made to him, the award may be made and medal presented to such representatives of the deceased as the Secretary of Commerce deems proper.

SEC. 2. The Secretary of Commerce is authorized to provide and issue, under such rules and regulations as he may from time to time prescribe, a distinctive service ribbon bar to each master, officer, or member of the crew of any United States ship who serves or has served after June 30, 1950, in any time of war, or national emergency proclaimed by the President or by Congress, or during an operation by Armed Forces of the United States outside the continental United States, for such period of time and in such area or under such conditions of danger to life as the Secretary may set forth in regulations issued hereunder. Such bars shall be provided at cost by the Secretary or at reasonable prices by private persons when authorized for manufacture and sale by the Secretary. Whenever any bar presented under the provisions of this section is lost, destroyed, or rendered unfit for use, without fault or neglect of the owner, such bar may be replaced at cost by the Secretary or at reasonable prices by private persons authorized by him.

SEC. 3. The Secretary of Commerce is authorized to issue, with the concurrence of the Secretary of the Treasury, a citation as public evidence of deserved honor and distinction to any United States ship or to any foreign ship which participates in outstanding or gallant action in marine disasters or other emergencies for the purpose of saving life or property. The Secretary of Commerce may award a plaque to a ship so cited, and a replica of such plaque may be preserved, under such rules and regulations as the Secretary may prescribe, as a permanent historic record. The Secretary of Commerce may also award an appropriate citation ribbon bar to the master or each person serving on board such ship at the time of the action for which citation is made, as public evidence of such honor and distinction. Whenever such master or person would be entitled hereunder to the award of an additional citation ribbon, a suitable device shall be awarded, in lieu thereof, to be attached to the ribbon originally awarded. In any case of a proposed award or citation to a foreign ship or to a master or person serving aboard such ship, such award or citation shall be subject to the concurrence of the Secretary of State.

SEC. 4. The manufacture, sale, possession, or display of any insignia, decoration, medal, device, or rosette thereof, or any colorable imitation of any insignia, decoration, medal or device, or rosette, provided for in this act, or in any rule or regulation issued pursuant to this act, is prohibited, except as authorized by this act or any rule or regulation issued pursuant thereto. Whoever violates any provision of this section shall be punished by a fine not exceeding $250 or by imprisonment not exceeding 6 months, or both.

SEC. 5. (a) The following acts of Congress are repealed effective July 1, 1954:

(1) The act entitled "To provide for the issuance of devices in recognition of the services of merchant sailors," approved May 10, 1943, as amended (57 Stat. 81, 59 Stat. 511, 60 Stat. 884; U. S. C. title 50—War, Appendix, secs. 753a to 753f).

(2) The act entitled "Providing for a medal for service in the merchant marine during the present war," approved August 8, 1946 (60 Stat. 960; U. S. C. title 50—War, Appendix, secs. 754 to 754b).

(3) The act entitled "To provide reemployment rights for persons who leave their positions to serve in the merchant marine, and for other purposes," approved June 23, 1943, as amended (57 Stat. 162, 60 Stat. 905, 60 Stat. 945; U. S. C. title 50—War, Appendix, secs. 1471 to 1475).

(b) Notwithstanding the repeal of the acts of Congress in subsection (a), the Secretary of Commerce is authorized, under such rules and regulations as he may from time to time prescribe to make replacements at cost or permit replacements at reasonable prices by persons authorized by him of the awards, medals, decorations, or other articles issued under such acts, if lost, destroyed, or rendered unfit for use, without fault or neglect on the part of the owner.

STATEMENT OF PURPOSE AND PROVISIONS OF BILL TO AUTHORIZE MEDALS AND DECORATIONS FOR OUTSTANDING AND MERITORIOUS CONDUCT AND SERVICE IN THE UNITED STATES MERCHANT MARINE, TO REPEAL CERTAIN OBSOLETE LAWS, AND FOR OTHER PURPOSES

GENERAL STATEMENT

There are occasions in peacetime when bravery of a high order or extraordinary skill is shown by merchant seamen in their struggle against the perils of the sea. Sometimes their bravery and skill result in saving lives, sometimes property, frequently both. These heroic efforts by our merchant seamen do not, in the absence of statutory authority, receive appropriate recognition by our Government.

Public Law 524, 77th Congress (56 Stat. 217), Public Law 52, 78th Congress (57 Stat. 81), and certain Executive orders authorized the Maritime Commission and the Administrator of the War Shipping Administration to issue citations, medals, and decorations to merchant seamen, and plaques to ships. These honors were given mainly for bravery under combat conditions. Public Law 524 was expressly repealed and the operation of Public Law 52 was terminated by the act of July 25, 1947 (61 Stat. 450). Public Law 698, 79th Congress (60 Stat. 960), authorized issuance of medals and honorable-discharge buttons to seamen for war-zone service on Government-owned-and-operated vessels in World War II, and to any seaman entitled to receive a certificate of substantially continuous service under Public Law 87, 78th Congress (57 Stat. 162). The operation of these laws was also terminated by the act of July 25, 1947 (61 Stat. 450). All these laws are omitted from the 1952 edition of the United States Code as executed, and the Maritime Administration has revoked all General Orders based on these statutes, effective June 30, 1954 (Federal Register, March 31, 1954, vol. 19, p. 1763).

Existing laws do not make adequate provision for the cases covered in the proposed bill.

The act approved August 4, 1949 (Public Law 207, 81st Cong., sec. 500; 63 Stat. 536), authorizes the Secretary of the Treasury to award a gold or silver medal for rescue, or endeavor to rescue, from drowning, shipwreck, or other peril of the water, if made or attempted at the risk of life. The occurrence must be in United States waters or, if otherwise, one of the parties must be a citizen of the United States or from a vessel or aircraft owned or operated by such a citizen.

Appropriation acts for the Department of State authorize expenditures in the acknowledgment of the service of officers and crews of foreign vessels and aircraft in rescuing American seamen, airmen, or citizens from shipwreck or other catastrophe abroad. (Public Law 490, 79th Cong.; Public Law 166, 80th Cong.; Public Law 179, 81st Cong.; Public Law 188, 82d Cong.; and Public Law 471, 83d Cong.)

Occurrences at sea in the post-World War II period show the desirability and propriety of legislation to authorize official recognition by the Department of Commerce of acts of bravery by our merchant seamen in time of peace as well as in time of war.

The exploits of Henrik Kurt Carlsen, master, steamship *Flying Enterprise*, are recent, and it is unnecessary to repeat them here. A special measure to provide a merchant-marine distinguished-service medal for him was enacted by Congress on March 31, 1952 (Private Law 504, 82d Cong.; 66 Stat. A-32).

The reasons for officially recognizing acts of bravery are well stated in the report of the House Committee on the Judiciary in support of H. R. 5434, 80th Congress, a bill authorizing the issue of a medal of heroism to young Americans, passed by the House on April 20, 1948, as follows:

"It is just human nature to be proud to receive a medal, an award, an honorary degree, or an honorary membership from any worthwhile Christian organization or governmental authority. Such recognition is real evidence of outstanding leadership and unusual ability in some form or another and, simultaneously, creates within the mind and the heart of the person not so selected or honored a deep-seated desire to emulate the person thus recognized.

"Public recognition of individuals, be they young or old, is deeply appreciated by the recipient and serves as an incentive for others to be good neighbors and to do good by their fellow men." (H. Rept. No. 1716, 80th Cong.)

In these days when our merchant marine is essential to the national defense and security, provision should be made to publicly recognize the deeds of the American seamen which deserve the esteem of the people. Official recognition of acts of bravery by the award of decorations as provided in the draft measure would tend to accomplish this purpose.

The decorations awarded for World War II services are highly prized by the recipients. Uniformed personnel of the Navy are required to wear merchant marine awards which they earned while serving in the United States merchant marine. Frequently, requests are received by the Maritime Administration from men in the Armed Forces, as well as from their commanding officers, for a certificate of the decorations received, to be made a part of their service records.

SECTIONS OF THE BILL

The provisions of the proposed bill are summarized as follows:

Section 1

The first section of the draft bill would authorize the Secretary of Commerce to provide, with the concurrence of the Secretary of the Treasury, a distinguished service medal to any person in the United States merchant marine for distinguished service beyond the line of duty, and a meritorious service medal for meritorious acts or service in line of duty.

Section 2

Under this section the Secretary of Commerce would be authorized to issue a service ribbon bar to each master, officer, or member of the crew of a United States ship who serves or has served after June 30, 1950 (the Korean conflict), in any time of war, national emergency, or during an operation by the Armed Forces of the United States outside the continental United States under such conditions as the Secretary may prescribe. The bars shall be provided at cost by the Secretary or at reasonable prices by private persons as authorized by the Secretary of Commerce. When lost or defaced, without fault, they may be replaced.

Section 3

Under this section the Secretary of Commerce would be authorized to issue with the concurrence of the Secretary of the Treasury a citation as evidence of deserved honor to any ship, domestic or foreign, which participates in gallant action in marine disasters or emergencies for the purpose of saving life or property. The Secretary may also award a plaque to such a ship, with a replica thereof for permanent historic record. The master and each person serving on such a ship may also receive a citation ribbon bar. In any case of a proposed award or citation to a foreign ship or to a master or person serving aboard such ship, such award or citation shall be subject to the concurrence of the Secretary of State.

Section 4

This section prescribes the usual punishment for the unauthorized manufacture, sale, possession, or display of any decoration issued under the act or any imitation thereof.

Section 5

This section would repeal obsolete laws providing decorations for merchant seamen and relating to eligibility for such decorations for service in World War II. Periods in which rights could accrue under these laws have ended. (Act of July 25, 1947; 61 Stat. 450-4). They are omitted in the 1952 edition of the United States Code as executed. Notwithstanding the repeals, the Secretary of Commerce would be authorized to make replacements of decorations issued under the repealed laws at cost, or permit replacements at reasonable prices by authorized persons.

AUTHORITY FOR NATIONAL BANKS TO UNDERWRITE CERTAIN LOCAL PUBLIC SECURITIES

Mr. CAPEHART. Mr. President, on behalf of myself, and the Senator from Louisiana [Mr. LONG], by request, I introduce, for appropriate reference, a bill to assist cities and States by amending section 5136 of the Revised Statutes, as amended, with respect to the authority of national banks to underwrite and deal in securities issued by State and local governments, and for other purposes. I ask unanimous consent to have printed in the RECORD a statement, relating to the bill, and also a statement on State and local government financing of public facilities and improvements which has been prepared to indicate some of the major points which may be involved in the consideration of this bill.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the statements will be printed in the RECORD.

The bill (S. 2713) to assist cities and States by amending section 5136 of the Revised Statutes, as amended, with respect to the authority of national banks to underwrite and deal in securities issued by State and local governments, and for other purposes, introduced by Mr. CAPEHART (for himself and Mr. LONG), by request, was received, read twice by its title, and referred to the Committee on Banking and Currency.

The statements presented by Mr. CAPEHART are as follows:

The bill (S. 2713) which was introduced today under the joint sponsorship of myself and the Senator from Louisiana [Mr. LONG], is designed to assist cities and States by helping to create the broadest possible market for the bonds which they must issue

to finance needed public facilities and improvements, and thus permit cities and States to obtain the lowest possible interest costs.

This is a matter of important public concern—particularly to the public officials who are responsible for the management of our State and local governments. The United States Conference of Mayors at its recent session of the full conference unanimously adopted a resolution supporting such legislation. The American Public Power Association also adopted such a resolution at its convention in May of this year. In recent testimony before the Banking and Currency Committee, it received the support of representatives of the American Municipal Association. We understand that members of the executive committee of the Municipal Finance Officers Association of America have indicated their support of such legislation. The principle of this legislation is also supported by the American Bankers Association, having been approved by both the legislative and administrative committees of that organization.

There is good reason for the interest and support of these public officials and organizations in this legislation. They are faced with an increasing volume of non-Federal public works construction which is required to meet the present and future needs of their States and communities. In 1950 the construction of such public facilities and improvements amounted to $6.6 billion. The official estimate of the United States Department of Commerce for 1955 is $10 billion.

This is a tremendous increase in the last 5-year period. But present and future needs are so large that the United States Department of Commerce estimates that in the 10-year period 1955 to 1964 a total of $204 billion would be required—a yearly average of $20.4. The 1955 estimate of $10 billion represents an increase of $1.4 billion over 1954. If that amount of increase continued each year over the next 10-year period, the total would rise to more than $15 billion a year in 1960, and the total for the entire 10-year period would be approximately $149 billion. Thus the State and local governments face an increase of from 50 to 100 percent over the 1955 $10-billion annual rate of public improvements to be financed.

The yearly average annual rate of about $20.4 billion expenditure by State and local governments for needed public facilities and improvements over the 10-year period 1955–64 would consist of approximately the following: Roads, $9.2 billion; schools, $4.2 billion; hospital and other medical facilities, $2.2 billion; water and sewer facilities, $2.5 billion; and other public works (such as parks, prisons, auditoriums, offices, playgrounds, publicly owned gas, power, and transit systems, etc., $2.3 billion.

It is recognized that these data are not absolutes. They are estimates based on informed judgments, and they may vary upward or downward from actuality. But it is unlikely that such variations as may occur would significantly diminish the magnitude of the problem of necessary public improvement financing which our State and local governments face in the relatively immediate future.

The bill simply makes it clear that national banks may underwrite and deal in obligations issued by the States and political subdivisions thereof, or agencies thereof which are eligible for purchase by a bank for its own account. Except in the case of general obligation bonds of States and local governments (which the banks are now authorized to underwrite and deal in without regard to the 10-percent limitation), the bill would provide that no bank shall at any one time hold obligations as a result of underwriting, dealing, or purchasing for its own account in a total amount with respect to any one issuer in excess of 10 percent of its capital stock actually paid in and unimpaired and 10 percent of its unimpaired surplus fund. Thus, the only change in the present law is to make it clear that national banks can underwrite and deal in nongeneral obligation or revenue bond type of public sercurities which are of such quality that the banks could buy them for their own account. In the case of nongeneral obligation or revenue-type bonds, the banks would be subject to the 10-percent limitation referred to above. Consistently with the legislative history of the Glass-Steagall Act, obligations issued by State and local governments which are payable solely from special assessments against benefited property would not be included within the underwriting authority.

In view of these considerations, it might be expected that a bill relating to an area of such important public concern to our States and municipalities would be relatively noncontroversial. We do not understand that such is the case with respect to the bill. Under such circumstances, it would be unreasonable to expect action to be taken on the bill during this first session of the 84th Congress by the Committee on Banking and Currency or by the Senate. But this certainly does not mean that consideration of this matter should be permanently deferred. We are convinced that the important public issues which we believe are involved in this matter should be brought up on the table where they can be openly studied and freely discussed, pending the convening of the second session of this 84th Congress, by all who have an interest in this problem. Thereafter, early during the next session, the Committee on Banking and Currency can schedule open hearings on the bill, during which the merits of the proposed amendment can be subjected to democratic process of free and open discussion, and, on the basis of such discussion and the evidence presented to the committee in the course of the public hearings, the Committee on Banking and Currency can decide whether the proposed amendment should be recommended for favorable consideration by the Senate.

State and Local Government Financing of Public Facilities and Improvements

GENERAL

State and local governments must issue and sell in the competitive market public securities to obtain the capital funds to finance the construction of the various types of public facilities and improvements (such as schools, hospitals, roads, water and sewer systems, etc.) required to serve the needs of their citizens. The broader the market for such public securities, the more assurance there is that State and local governments will be able to obtain lower interest rates.

In the past, the vast majority of needed public facilities and improvements were financed by State and local governments through the issuance and sale of public securities known as general obligation bonds—principally bonds the payment of which is secured by ad valorem taxes levied on all the property within the jurisdiction of the issuing State or local government. As to such general obligation bonds, State and local governments have always had the benefit of commercial bank participation in the marketing of their bonds, since the banks have always had clear authority to underwrite and deal in this type of public security.

With the development of new forms of State and local government financing, however, the proportion of the total issues of public securities which are of the very highest grade but which are "nongeneral obligation" in form has been increasing at an accelerated rate. As a result State and local governments are being deprived of the benefit of commercial bank participation in the marketing of a constantly increasing proportion of their required financing because at present the banks are not authorized to underwrite and deal in nongeneral obligation or revenue bonds.

BENEFITS OF PRESENT COMMERCIAL BANK PARTICIPATION

Within the present statutory limitations imposed upon their authority, the commercial banks discharge an important public-interest function in helping to create the broadest possible market for bonds issued by State and local governments to finance needed public facilities and improvements.

While the number of commercial banks which engage in underwriting bonds issued by State and local governments is relatively small, these banks have more than 30 percent of the total banking capital of the Nation. Thus the commercial banks which do engage in underwriting these bonds can make a most important contribution toward supplying the funds required by State and local governments to finance necessary public facilities and improvements. During the years 1949 to 1953 it is estimated that commercial banks underwrote more than one-third of the total of all general obligation bonds issued by State and local governments. The availability of the capital power of the commercial banks for the underwriting of general obligation bonds issued by State and local governments broadens and strengthens the market for these public securities and materially benefits the States and their political subdivisions through lower interest rates obtainable through increased competition and also benefits the investing public by enhancing the liquidity and marketability of these bonds.

The participation of the banks in this field has been in the public interest in that—

1. It has broadened the market for State and local government securities and thus reduced the cost of public improvements.

2. In addition to their direct assumption of underwriting responsibilities, the banks have encouraged the organization and growth of small investment banking firms specializing in municipal securities, who have benefited from their favored treatment in underwriting syndicates under bank management.

3. It has enabled the banks to maintain departments capable of advising on local financing policies—advice for which State and local officials normally turn to the banks.

4. The policies and standards of State and local government finance thereby have been improved since the banks have a sense of responsibility to taxpayers and investors because of their own status as public instrumentalities. Further, the banks are subject to State banking departments, the Board of Governors of the Federal Reserve System, the Comptroller of the Currency, and the Federal Deposit Insurance Corporation, all of which exercise supervision and regulation of the conduct of their business and the quality of their investments.

PRESENT LIMITATIONS

Section 5136 of the Revised Statutes (the National Bank Act as amended in 1933 and thereafter) defines the powers of banks to deal and invest in securities, providing generally that dealing shall be limited to purchasing and selling as agent for customers. This limitation, however, does not apply to certain exempted securities, principally the obligations of the United States Government and its agencies and the "general" obligations of any State or of any political subdivision thereof. Accordingly, banks may buy and sell these exempted securities as principals for their own accounts or for the account of others. These exemptions continued in effect the powers possessed by the banks prior to 1933, to underwrite and deal in public securities.

THE NEED FOR AMENDMENT

While the banks have always underwritten public securities, they have been limited to general obligations of the States and local governments. Since 1939, general

obligations have been construed by the supervisory authorities as including only those obligations secured by ad valorem taxes on real property (notwithstanding that, prior to 1939 and consistently with the legislative history of the Glass-Steagall Act of 1933, the supervisory authorities had held since 1934 that banks were permitted to underwrite and deal in revenue bonds of the Port of New York Authority and the Triborough Bridge and Tunnel Authority which issued only one class of security to which all net revenues were pledged and which, therefore, were held to be general obligations of the issuer).

As a result, with the new forms of public borrowing which have developed, there are many high-grade revenue bonds issued by State and local governments for self-supporting public improvements or on the security of specifically pledged tax receipts. The banks cannot now underwrite these public securities. The change in methods of public financing is resulting in the loss of the availability of the capital power of commercial banks for underwriting a generally increasing proportion of financing required of State and local governments to carry out necessary public facilities and improvements, and the need for such underwriting power is increasing with the wider use of special purpose issues. This is clearly illustrated in the following table (using the totals compiled by the Daily Bond Buyer) which shows that during the most recent 3-year period 1952–54 the proportion of the total of all State and local government financing which was nongeneral obligation in form and therefore not eligible for bank underwriting was more than 35 percent. In 1954, the proportion of nongeneral obligation State and local government financing reached 46 percent of the total.

The 46.2 percent of the total of 1954 State and local government financing which was nongeneral obligation in character amounted to $3,214,381,000. Of this amount, 128 issues totaling $1,774,377,000—about 55 percent—were eligible for purchase by commercial banks for their own account. Under the proposed amendment of section 5136 of the revised statutes, as amended, these obligations would also be eligible for bank underwriting, as well as for bank purchase. A list of these 1954 State and local government issues is attached hereto.

	Total new issues, State, municipal, and agency	General obligations	Nongeneral	Percent, nongeneral to total
1945	$818,781,000	$615,382,000	$203,399,000	24.8
1946	1,203,557,000	997,697,000	205,860,000	17.1
1947	2,353,771,000	1,968,081,000	385,690,000	16.4
1948	2,989,731,000	2,440,230,000	549,501,000	18.4
1949	2,995,425,000	2,312,472,000	682,953,000	22.8
1950	3,693,604,000	3,093,681,000	599,923,000	16.2
1951	3,278,153,000	2,548,058,000	730,095,000	22.3
1952	4,401,317,000	2,937,967,000	1,463,350,000	33.2
1953	5,557,887,000	3,990,641,000	1,567,246,000	28.2
1954	6,953,304,000	3,738,923,000	3,214,381,000	46.2

In this connection, it is to be noted that many of the revenue bond issues for new construction projects which, under the proposed amendment, would not be eligible either for bank purchase or bank underwriting at the time of original issue, would later become eligible as proven earnings records were established. As a result, bank underwriting would, in many cases, be available when it became desirable to refund or refinance the original bond issues.

These data evidence the great and constantly growing need for an amendment to afford State and local governments the assistance of bank underwriting of public securities of this type.

INCREASING USE OF PUBLIC AUTHORITIES

When the Glass-Steagall Act was enacted by Congress there were few public authorities in existence in this country. Since that time, however, the use of public authorities as a means of financing the construction or acquisition of public improvements has become widespread and many types of securities are now being issued by these authorities which were unknown in the year 1933. Many of these obligations are payable, indirectly, by the levy of ad valorem taxes levied throughout the State or throughout a political subdivision of the State. These obligations, while issued in the name of the authority, for all practical purposes are the obligations of the State or of the political subdivision for the benefit of which the bonds were issued. Obligations of this character are now being issued in many parts of the country. A few examples may be cited to show the character of the obligations and their intrinsic merit.

The State Bridge Building Authority of Georgia is authorized to build bridges and lease them to the State highway board for a rental sufficient to pay the cost of construction, operation, and maintenance of the bridges and the debt service requirements of the bonds issued for their construction. The security of these bonds, therefore, for all practical purposes is the credit of the State of Georgia. Similarly, the State School Building Authority of the State of Georgia is authorized to construct school buildings and to lease them to various political subdivisions at a rental sufficient to pay the cost of construction, operation, and maintenance of the buildings, and the debt service of the bonds issued to construct them. In addition to the obligation to pay the rental being a general obligation of the political subdivision which leases the school buildings, the law requires the State board of education to pay, directly, to the authority so much of the State aid which is allocated to such political subdivision as may be necessary to meet the rental payments, so that for practical purposes the bonds of the authority are secured by the general credit of the political subdivision which leases the buildings, as well as by moneys, raised by general taxation throughout the State of Georgia, which are allocated to such political subdivision.

In the same State, the State office building authority and the State hospital authority are authorized to construct office buildings and hospitals and to lease such buildings and hospitals to the State at a rental sufficient to pay the cost of operation and maintenance of the buildings and the debt service of the bonds issued for their construction. The credit of the State of Georgia is, therefore, indirectly pledged for the payment of these bonds.

In Kentucky, the State property and building commission is authorized to issue bonds for the purpose of constructing buildings to be leased to State agencies, and the Kentucky Highway Authority is authorized to issue bonds for highway purposes payable solely from rentals derived from leases of these properties to the State highway department. As the obligation of the State to pay these rentals is a general obligation of the State of Kentucky, it is evident that, indirectly, the credit of the State of Kentucky is the security for these bonds. In the State of Michigan, joint city-county building authorities are authorized to issue bonds for the purpose of erecting public buildings to be leased to joint governmental units. The obligation to pay the rentals is the general obligation of the governmental units which lease the buildings, and, therefore, indirectly the general credit of these governmental units is the security for the payment of the bonds. In Pennsylvania, the general State authority, the State public school building authority, and the State highway bridge authority are authorized to issue bonds to finance the construction of bridges, tunnels, highways, school buildings, and many other types of public improvements, and to lease these improvements to the State or to political subdivisions at an annual rental sufficient to provide for the payment of the bonds.

The Florida State Improvement Commission is authorized to issue obligations for the construction of various types of public improvements and to lease such improvements to the State or to any political subdivision of the State at an annual rental sufficient to provide for payment of the principal and interest of the bonds.

There is attached hereto a summary statement of various types of public authorities which issue revenue bonds secured by leases, etc.

Many obligations of this type are securities of the very highest grade. For all practical purposes they are the obligations of the lessee of the improvement for which the bonds were issued, and were it not for the fact that the bonds are issued in the name of the lessor rather than in the name of the lessee, they would be eligible securities for bank underwriting and investment. Their exclusion from the class of eligible securities is due to form and not to substance.

Moreover, in recent years a number of the States have issued bonds which are not general obligations but for the payment of which are pledged the avails of a specific tax, such as the gasoline tax, sales tax, tobacco tax, and automobile license tax. The reliability and sufficiency of these taxes over a period of years is a matter of public record, and it is not necessary to make a further pledge of the general credit of the issuer in order to give these bonds a high investment quality. For a variety of reasons there is a persistent trend toward the issuance of such bonds. This type of governmental financing was not usually resorted to in the United States as early as the year 1933.

THE LEGISLATIVE HISTORY OF THE GLASS-STEAGALL ACT OF 1933 SHOWS THAT SUCH OBLIGATIONS WERE NOT INTENDED TO BE EXCLUDED FROM BANK UNDERWRITING

The debate upon the Glass-Steagall Banking Act in the Senate clearly demonstrates that Congress was willing to permit banks to underwrite and invest in bonds of the States and of their political subdivisions, with the exception of bonds which were payable, solely, from special assessments levied upon property located in the portion of the subdivision presumed to be specially benefited by the improvement to finance which the bonds were issued. Such bonds were not regarded as sufficiently safe and liquid to make them desirable securities for bank investment or underwriting, but there is nothing in the debate which would indicate that Congress was of the same opinion with respect to any other type of public security. What Congress was concerned with as to public securities was whether the securities were sound and liquid, and not with the means provided for their payment. Consistently with this legislative intent of the Congress, the proposed amendment would not permit bank underwriting of bonds payable solely from special assessments levied upon specially benefited property.

THE INVESTMENT QUALITY OF REVENUE BONDS

Revenue bonds which banks would be permitted to underwrite pursuant to the proposed amendment (i. e., State and local government obligations which qualify for bank investment) would be generally comparable in investment quality to the general obligations of State and local governments which, under the present statutory limitation, banks are now permitted to underwrite.

It has been suggested by some that revenue bonds as a class are of a generally lower investment quality than general obligation bonds. In support of such suggestion, resort is made to a comparison of the ratings given by Moody's Investors Service to general obligation bond issues of $5 million or over issued over the 5-year period from 1949

to 1953 with revenue bonds issued during the same period. Such a comparison, however, does not accurately reflect the facts which are pertinent to forming a reasoned and intelligent judgment on this point.

The lack of a Moody's Investors Service rating of a bond issue is not evidence of poor quality. The proportion of revenue bonds not rated by Moody's is due to the fact that most of them were very large issues. The large unrated issues number only 2 percent of the number of loans financed during the years 1949–53, and emphasis on this small number of borrowers merely distracts attention from the fact that hundreds of small communities which borrow for improvement of their water, gas, electric, and sewer systems need the help of their local bankers far more than the major borrowers. Most of the unrated construction loans of the past 5 years have been for the construction of toll roads, but there is another large and growing classification of nongeneral obligations, particularly those secured by leases payable from general fund revenues of States and municipalities.

Further, during the period 1949 to 1953, a very large percentage of revenue bond issues of $5 million or over were issued for the construction of toll highways, toll bridges, and other construction projects. Moody's does not ordinarily rate such bonds. A much fairer comparison is obtained by considering the ratings given by Moody's Investors Service to the general obligation bonds and revenue bonds of the same issuers. Moody's 1954 Manual lists 131 municipalities which have issued both general obligation bonds and revenue bonds. For 29 of these municipalities all revenue bonds were rated higher than the general obligation bonds. For 79 municipalities many revenue bonds had the same rating as general obligations, others, were given higher ratings, and a few were given lower ratings. In only 23 municipalities were the revenue bond issues all rated lower than the general obligations. Equally interesting is the fact that of the 178 various purpose groups of revenue bonds rated under the names of these 131 municipalities, 3 revenue credits are rated AAA, 47 are rated AA, 74 are rated A, 50 are rated BAA, all within the usually accepted standard of investment quality; and only 4 are rated BA.

This comparison refutes any suggestion that revenue bonds, as a class, are inferior in investment quality to general obligation bonds. There are, of course, differences in the investment quality of revenue bonds. The same is true of general obligation bonds. It is evident, however, from this comparison of Moody's ratings that the revenue bonds of any issuer may have an even higher investment quality than the general obligation bonds of that issuer.

RELATIONSHIP TO TRUST ACCOUNTS

During more than 20 years of major participation in the underwriting of general obligation bonds of State and local governments, the banks have scrupulously observed sound practices with respect to the investment of trust funds in State and local government bonds.

Throughout the United States it is a fundamental principle of common law as interpreted by the courts, that a trustee may not benefit itself or any affiliate in administering trust funds. In many States this rule is specifically stated in the statutes. For example, in New York State banking law, article 3, section 100–b, there appears this line: "But no corporate fiduciary shall purchase securities from itself." Regulation F of the Board of Governors of the Federal Reserve System relating to trust powers of national banks contains in section 11, paragraph (a), "Funds received or held by a national bank as fiduciary shall not be invested in stock or obligations of, or property acquired from, the bank or its directors, officers or employees, or their interests, or in stock or obligations of, or property acquired from, affiliates of the bank."

Banks which have been active in dealing in State and local securities have followed the rule that they will not buy bonds of an issue underwritten by the same bank, or an affiliate, until the original distribution is completed so that the trustee bank has no further interest in the sale of bonds by the underwriting syndicate. As a rule, this abstinence does no harm to a trust or its beneficiaries since the unlisted market for State and local securities at any given time offers an extremely wide choice of credits running 1,000 or more in number, while any given trustee bank through its underwriting department would ordinarily be participating in not more than 5 percent of the number of different credits. For example, The Blue List of Current Municipal Offerings of January 14, 1955, included offering of 1,028 different issuers totaling $279,387,038 in amount.

In specific cases in which the trust department of a given bank has a special interest in a forthcoming offering of bonds, the underwriting department of that bank refrains from participation. This is a matter of judgment just as in the case of any other conflict of interest. The record shows that in case of any conflict with customer relations, the commercial banks always subordinate their security sales business.

From the viewpoint of the investor, the approval of a municipal credit by a commercial bank underwriter is the greatest possible assurance of quality; first, because the commercial bank is closely supervised and restricted by the Comptroller of the Currency and the Federal Reserve Board in its own judgment of quality; and, second, because the underwriting commercial banks follow the criterion that they will offer to customers only those credits which they accept as satisfactory for their own investment.

THE AMENDMENT WOULD PROMOTE THE PUBLIC INTEREST

Amendment of the present statutory limitations to permit bank underwriting of nongeneral obligations issued by State and local governments which qualify for investment of their own capital funds would encourage increased competition. Such increased competition would facilitate State and local government financing of necessary public improvements on better terms.

It has been suggested that bank capital is not needed in revenue-bond financing. In support of such suggestion, it is said that there is no known instance where the lack of available dealer capital has been responsible for the abandoning of a project by a governmental authority.

This is not the basic point. The merits of the need for amendment cannot be fairly tested on the basis of whether bank capital is essential to any particular underwriting—the real test is whether bank participation would enable such loan to be made more advantageously—on better terms. The experience of States and municipalities in selling their general obligation bonds has proved that the broadest possible competition for such issues tends to lower financing costs. No matter who underwrites the bonds of a particular issue, its marketability is the better for having had the benefit of this broader interest. Assuming that one syndicate acts in complete good faith in appraising the value of a public-bond issue; if another syndicate can be organized to compete, its members because of a different approach or more confidence in the market, or greater capital power, may place a higher valuation on the issue and thus underwrite at lower cost to the borrower.

CONCLUSION

State and municipal finance is not static, and it is neither logical nor reasonable to regard as immutable congressional legislation affecting it. The Glass-Steagall Act, like any other law, should be constantly reexamined by Congress in the light of changing conditions, and there has been a remarkable change in conditions since the year 1933. The proposed amendment does not involve any drastic change in that act; nor any change in its fundamental purpose. On the contrary, the proposed amendment would carry out the original purpose of the Glass-Steagall Act in the light of developments in the field of public finance since the year 1933.

STATE, STATE AGENCY, AND LOCAL GOVERNMENT REVENUE BONDS ISSUED IN 1954 WHICH ARE ACCEPTABLE FOR BANK INVESTMENT AND WOULD HAVE BEEN ELIGIBLE FOR BANK UNDERWRITING UNDER THE PROPOSED AMENDMENT OF SECTION 5136

Department water and power, city of Los Angeles, Calif., $9 million.

Salt River project agricultural bonds, $5 million.

Cedar Rapids, Iowa, sewer revenue bonds, $1 million.

Corpus Christi, Tex., water works revenue, $2,715,000.

Glendale, Calif., electric works revenue, $1 million.

Daytona Beach, Fla., water and sewer revenue, $5,330,000.

Carlisle Area Joint School Authority, Pennsylvania, $3,640,000.

Jefferson County, Ky., school revenue, $3,940,000.

Muncie, Ind., sewer revenue, $3,600,000.

McMinneville, Tenn., water and sewer revenue, $1 million.

Muskogee, Okla., water works improvement bonds, $2 million.

Lubbock, Tex., water works system revenue, $1 million.

Monroe, La., water and electric revenue, $1,620,000.

Jones Beach State Parkway Authority, $40 million.

Birmingham, Ala., water work board revenue, $4 million.

State school building authority of Georgia revenue, $32,512,000.

Lawrence, Kans., water and sewer system revenue, $3 million.

Corpus Christi, Tex., water works and sewer revenue bonds, $8,900,000.

Tacoma, Wash., light and power revenue, $5 million.

Upper Moreland School District Authority (Pa.), $1 million.

Tucson water revenue, Arizona, $3,110,000.

Falls Township School District Authority (Pa.), $3,450,000.

Fort Worth, Tex., water and sewer revenue bonds, $3 million.

Detroit, Mich., sewage disposal system revenue bonds, $2 million.

Omaha public power district electric revenue, Nebraska, $12 million.

Bloomington, Ind., water works revenue, $1,500,000.

Austin, Tex., electric, water and sewer revenue bonds, $15 million.

Purdue University revenue, Indiana, $10,250,000.

Michigan highway revenue, $10 million.

Cleveland, Tenn., water and sewer revenue, $1 million.

New Chicago, Ind., water revenue, $1,100,000.

South Bend., Ind., sewerage works revenue, $17 million.

Lexington, N. C., natural gas system revenue, $1,035,000.

Board of Regents, University of Utah, $1,800,000.

Central Dauphin County Joint School Authority (Pa.), $2,520,000.

Board of Regents of Kansas building revenue, $2 million.

Portland, Maine, water district, $1,300,000.
Port of New York Authority, $20 million.
Atlanta water works revenue (Ga.), $2,200,000.
Livonia, Mich., water supply system revenue, $1,500,000.
Los Angeles department of water and power, $15,000,000.
New Jersey Turnpike Authority 3s (second series), $27,200,000.
Bowling Green State University, Ohio, $2,350,000.
Rome, Ga., water and sewerage revenue bonds, $1,000,000.
Lafayette, Ind., sewer revenue bonds, $4,550,000.
Chicago, Ill., parking facility, revenue bonds, $4,900,000.
Detroit, Mich., sewage disposal system revenue, $3,722,000.
Metropolitan Utilities District, Omaha, water revenue, $6,000,000.
Pennsylvania State Highway and Bridge Authority, $20,000,000.
Connecticut expressway revenue and motor fuel tax bonds, $100,000,000.
El Paso, Tex., water and sewer revenue, $3,000,000.
State Teachers College Board, Indiana, $2,856,000.
Florida State Improvement Commission Revenue, $6,000,000.
County of Jefferson, Ky., school building authority revenue, $1,385,000.
Jacksonville, Fla., municipal parking revenue, $4,000,000.
Rockville, Md., water and sewer revenue, $1,300,000.
Georgia State Bridge Building Authority, $10,250,000.
Erie Sewer Authority revenue (Pennsylvania), $5,300,000.
Palmyra Boro Authority sewer revenue (Pennsylvania), $2,150,000.
Knoxville, Tenn., water revenue, $1,000,000.
Pasadena, Calif., electric works revenue, $6,000,000.
Saginaw, Mich., sewer revenue, $5,000,000.
Des Moines, Iowa, sewer revenue, $1,000,000.
State Board of Education, Florida, $26,692,000.
San Francisco Harbor revenue (California), $5,600,000.
New York State Thruway Authority revenue, $300,000,000.
University of Texas dormitory revenue, $3,042,000.
State Roads Commission of Maryland, $1,290,000.
Board of Water and Sewer Commission Mobile Revenue, Alabama, $6,000,000.
Lakeland, Fla., light and water revenue, $3,500,000.
Kokomo, Ind., sewer revenue, $1,250,000.
General State Authority, Commonwealth of Pennsylvania, $30,000,000.
Jackson, Ohio, first mortgage water works revenue, $1,100,000.
Haverford Township (Pa.) School District Authority revenue, $3,525,000.
Granite City, Ill., sewerage bonds revenue, $1,335,000.
North Texas Municipal Water District revenue, $9,200,000.
Bradenton, Fla., utilities revenue, $2,200,000.
Salt Lake City Suburban District revenue, Utah, $6,000,000.
Consumers Public Power District revenue, Nebraska, $2,250,000.
Manitowac, Wis., electric bonds, $1,250,000.
Henderson, Ky., water and sewer revenue, $2,100,000.
Tampa, Fla., hospital, revenue, $4,500,000.
Gainesville, Fla., public improvement revenue, $1,000,000.
Lower Colorado River Authority, Texas, $27,000,000.
Puyallup, Wash., sewer revenue, $1,000,000.
Kansas City, Mo., Broadway Bridge revenue, $13,000,000.
State Roads Commission of Maryland, $25,000,000.
Elkhart, Ind., sewer revenue, $2,400,000.
Chelan County Public Utility District No. 1, Washington, $8,600,000.
St. John the Baptist Parish, La., gas and water revenue, $1,760,000.
St. James Parish, La., water revenue, $2,220,000.
Department of Water and Power of Los Angeles revenue, $19,500,000.
Jersey City Sewerage Authority revenue, New Jersey, $22,000,000.
Louisville and Jefferson County Metropolitan Sewer District, Kentucky, $8,000,000.
Bald Eagle Joint School Authority revenue, Pennsylvania, $2,050,000.
West Snyder County School Authority, Pennsylvania, $1,185,000.
Shelby, N. C., natural gas, $1,200,000.
Louisiana State Building Authority, $3,750,000.
Ohio major thoroughfare construction bonds, series "A" (fuel tax), $30,000,000.
Clarksburg, W. Va., water board, first lien water revenue, $1,776,000.
Lafayette, La., utility revenue, $3,000,000.
Wyoming Township, Mich., water revenue, $1,000,000.
Orlando, Fla., public-improvement revenue, $3,000,000.
Thomasville, Ga., gas revenue, $1,500,000.
Greenwood, S. C., public-utility revenue, $1,600,000.
Denton, Tex., electric revenue, $4,300,000.
Hollywood, Fla., sewer revenue, $4,150,000.
Kansas City, Mo., water revenue, $12,000,000.
Cleveland, Ohio, waterworks revenue, $6,000,000.
Cleveland, Ohio, electric revenue, $5,000,000.
Oklahoma Planning and Resources Board, $7,200,000.
Alexandria Sanitation Authority, Virginia, $8,200,000.
Holland, Mich., water-supply system revenue, $2,700,000.
Colorado Springs, Colo., water, electric, and power revenue, $10,000,000.
Wheeling, W. Va., sewer revenue, $2,500,000.
Florida State Board of Education, $16,542,000.
Maryland State Road Commission, $180,000,000.
Board of Water and Sewer Commission, Mobile, Ala., $4,000,000.
State Public School Building Authority, Pennsylvania, $23,610,000.
New York State Thruway Authority, $50,000,000.
Orlando Utilities Commission, Florida, $4,000,000.
San Jose, Calif., offstreet parking revenue, $2,450,000.
Louisiana State Building Authority, $2,500,000.
Florida State Improvement Commission revenue, $3,400,000.
Puerto Rico Water Resources Authority, $12,500,000.
Department of Waterworks of Hammond, Ind., $3,600,000.
New York State Power Authority, $335,000,000.
Corpus Christi Tex. sewer-improvement revenue, $1,365,000.
Total, $1,774,377,000.
Issues, 128.

DESCRIPTION OF VARIOUS PUBLIC AUTHORITIES WHICH ISSUE REVENUE BONDS SECURED BY LEASES, ETC.

GEORGIA STATE SCHOOL BUILDING AUTHORITY

Bonds are secured by a prior lien on rentals received from county boards of education and governing bodies of independent school systems within the State pursuant to lease agreements. The rentals, payable each September 1, are sufficient to pay interest and retire bonds at maturity, to provide hazard reserve for insurance, maintenance reserve and operating funds. The State board of education, a party of all lease agreements between local units and the authority, pays the above rentals on behalf of local units directly to the authority.

GEORGIA STATE BRIDGE BUILDING AUTHORITY

Bonds are payable from pledge of rentals derived from lease to State highway department of certain bridges. Annual rentals cover debt service and cost of operating and maintenance costs of said bridges.

GEORGIA STATE OFFICE BUILDING AUTHORITY

Bonds secured by prior lien on revenues received from various State departments and State agencies. Rentals to be charged each lessee, $3.50 per square foot annually, subject to increase if inadequate, are payable quarterly until October 15, 1978, or retirement of bonds, whichever is later.

GEORGIA STATE HOSPITAL AUTHORITY

Bonds secured by revenues from rentals and income received under terms of leases to the State board of health. Lessee agrees to pay quarterly an amount equal to bond requirements and reserve therefor.

STATE HIGHWAY AND BRIDGE AUTHORITY OF PENNSYLVANIA

Bonds are secured by pledge of rentals payable by the Commonwealth of Pennsylvania covering projects leased by the authority to the Commonwealth at annual rentals sufficient to meet the annual principal and interest requirements.

GENERAL STATE AUTHORITY OF THE COMMONWEALTH OF PENNSYLVANIA

Bonds secured by pledge of all rentals payable by State of Pennsylvania from its current revenues under leases covering projects leased by the authority to the State, which leases are to provide for payments at annual rentals sufficient to meet annual principal and interest requirements.

PENNSYLVANIA STATE PUBLIC SCHOOL BUILDING AUTHORITY

Bonds secured by pledge of leases between authority and certain school districts and which the school districts are obligated to pay out of their current revenues including taxes and reimbursements from the State. Rentals on all leases pledged are sufficient to cover 122 percent of the principal and interest requirements on all such bonds.

MARYLAND STATE ROADS COMMISSION

Bonds are secured by an annual tax consisting of such amounts as may be necessary of—(a) the proceeds of the 2-percent excise tax on the issuance of certificate of title for motor vehicles, and (b) a 50-percent share of the gasoline-tax fund allocated to the commission.

LOUISIANA STATE BUILDING AUTHORITY

State law provides for servicing of authority's bonds and prior charges from proceeds of the 1.47-mill State ad valorem tax on all taxable property within the State after payment of principal and interest on certain bonds of the State.

OKLAHOMA PLANNING AND RESOURCES BOARD

Bonds are secured solely from pledge of revenues from park system earnings as follows:

1. Specified minimum lease rentals from concessionaries or specified percentages of lessees' gross revenues, whichever is greater.
2. Gross revenues of facilities operated directly by the State, and
3. Pledge of State to collect, to the extent when necessary when receipts from (1) and (2) are insufficient, admission fees to improved areas of each and every State park.

DETROIT-WAYNE JOINT BUILDING AUTHORITY

Bonds payable from proceeds of fixed annual rentals by the city of Detroit and by Wayne County in amounts sufficient to pay interest and principal.

ALABAMA AGRICULTURAL CENTER CORP.

Bonds secured by pledge of resources of special agricultural center fund into which are deposited rentals paid by agricultural center board. Bonds carry an additional pledge of amounts, if needed, from a special agricultural fund deposited in the State treasury.

ALABAMA BUILDING CORP.

Bonds secured by leases to various State departments and agencies. Current debt service constitutes a prior claim on rentals, ahead of all other claims.

ALABAMA STATE DOCKS BOARD

Bonds secured by pledge of lease agreements with the city of Mobile. There is provision for accrual and maintenance of a reserve fund sufficient to pay principal and interest for 24 months in advance and for use of part of earnings under certain conditions for retirement of bonds.

FLORIDA STATE BOARD OF ADMINISTRATION

Bonds issued on behalf of counties and special districts are secured by the unit's distributive share of a statewide 2-cent-per-gallon tax on gasoline and other motor fuels, and are further secured by full faith, credit, and taxing power of the local unit.

FLORIDA STATE ROAD DEPARTMENT

Bonds are secured by leases of the various properties to the State of Florida. In the majority of cases the rental obligations are equal to aggregate debt-service requirements on lessor bonds issued in acquisition of the projects. All rental contracts between the department and the various instrumentalities provide for purchase by payment of the rentals; title to vest in the State on completion of the payments.

ILLINOIS ARMORY BOARD

Bonds are secured by leases of armories and assigned to a trustee. All rentals under these leases are paid directly by the State to the trustee, to be used for payment of principal and interest.

LOUISIANA STATE BOARD OF EDUCATION

Bonds are secured as to payment solely by an irrevocable dedication of an amount sufficient to pay principal and interest on the bonds and any required reserves from the annual franchise tax on corporations levied by authority of the State legislature.

MAINE SCHOOL BUILDING AUTHORITY

Bonds secured by lease agreements with town and community school districts providing for rentals to be paid by the communities sufficient to pay principal and interest on certain administrative expenses. Further provision is made that if the municipality is delinquent in payments to the authority the State department of education "shall make payments to the authority in lieu of such town, city, or community school district from any amount properly payable to such town, city, or community school district by said department."

MEDICAL CARE FOR DEPENDENTS OF MEMBERS OF ARMED FORCES

Mr. RUSSELL. Mr. President, by request, on behalf of myself and the Senator from Massachusetts [Mr. SALTONSTALL], I introduce, for appropriate reference, a bill to provide medical care for dependents of members of the Armed Forces of the United States, and for other purposes. This bill is requested by the Department of Defense, aud is accompanied by a letter of transmittal explaining the purpose of the bill. I ask unanimous consent that the letter of transmittal be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 2720) to provide medical care for dependents of members of the Armed Forces of the United States, and for other purposes, introduced by Mr. RUSSELL (for himself and Mr. SALTONSTALL), by request, was received, read twice by its title, and referred to the Committee on Armed Services.

The letter of transmittal is as follows:

ASSISTANT SECRETARY OF DEFENSE,
Washington, D. C., July 30, 1955.

Hon. RICHARD B. RUSSELL,
Chairman, Committee on Armed Services, United States Senate.

DEAR MR. CHAIRMAN: There is forwarded herewith a revised draft of legislation, "To provide medical care for dependents of members of the Armed Forces of the United States, and for other purposes."

This revised proposal is in substitution of the proposal submitted to the Congress on January 13, 1955, and introduced in the Congress by you and Senator SALTONSTALL as S. 934.

Since the submission of our proposal in January, the Department has had further discussions within the executive branch of the Government and with certain other interested groups and it has been concluded that the proposal should be broadened to provide the more detailed program for dependent medical care which would be authorized by this proposal.

The Bureau of the Budget has advised that the draft of bill would be in accord with the program of the President. Technical improvements in all probability may be proposed and certain questions will be further considered, such, for example, as the coverage of widows and other dependents of deceased military personnel and the extent to which military personnel may be authorized on their own option to move in and out of insured status.

PURPOSE OF THE LEGISLATION

This proposed legislation would authorize the Department of Defense to provide medical care for all eligible dependents of military personnel wherever located. Heretofore, medical care has been largely confined to those living near military medical installations. Although those living at a distance have been eligible for such care, as a practical matter adequate medical attention could not be provided them. Additionally, in congested areas, military medical facilities are often inadequate to meet the needs.

On April 1, 1953, the Secretary of Defense established a Citizens Advisory Commission on Medical Care for Dependents of Military Personnel to study this problem. The Chairman of the Committee was Dr. Harold G. Moulton, president emeritus of the Brookings Institution, Washington, D. C. Other members were Thomas L. Parkinson, president of the Equitable Life Insurance Company of America, New York City; Dr. Lewis Webster Jones, president of Rutgers University, New Brunswick, N. J.; Mrs. Eugene Meyer, student and writer on social problems, Washington, D. C.; and Dr. George William Bachman, senior staff member in charge of health studies of the Brookings Institution, Washington, D. C. In June 1953 the Commission submitted its report and recommendations, copies of which were sent to the Armed Services Committees of the House and Senate.

Basic recommendations of the Commission are incorporated into this proposed legislation. Some of the salient features of this revised proposal are:

1. Dependents of members of the Armed Forces would be authorized medical care in accordance with specific limitations set forth in the bill and as implemented by regulations as prescribed by the Secretary of Defense and approved by the President under the following optional plans:

(a) In military medical facilities, subject to the availability of space, facilities, and capabilities of the medical staff;

(b) Through an insurance plan; and

(c) Through civilian medical sources for dependents of members of the Armed Forces not participating in an insurance plan, provided no military medical facilities are available to such dependents.

Under option No. 1, the Secretary of Defense would be authorized to establish charges for subsistence provided dependents of members of the Armed Forces in connection with medical care in military facilities. Further, as a restraint on excessive demands for medical attention in military medical facilities, additional charges may be imposed for outpatient care, but such charges would be limited to such amounts as are established by the Secretary of Defense pursuant to special findings that such charges are necessary.

Under option No. 2, members of the Armed Forces would be entitled to participate in an insurance plan wherein the cost of the insurance contract would be apportioned between the member of the Armed Forces concerned and the Federal Government. The contribution by the member of the Armed Forces would not exceed 30 percent of the monthly cost, nor a maimum of $3.00 per month, estimated at the time of his filing of a request to participate.

Under option No. 3, dependents of members of the Armed Forces who do not elect to participate in an insurance plan and who are in need of medical care for which military medical facilities are not available because of inaccessibility, lack of space, facilities, or capabilities of the medical staff would be authorized to receive medical care from licensed physicians and facilities under civilian control. However, under this option no funds would be expended for professional service except in accordance with schedules of maximum fees and costs of such professional services established by the Secretary of Defense. As a restraint on excessive demands under this option, dependents receiving medical care in civilian medical facilities would be required to pay 30 percent of the first $100, plus 15 percent of the remainder of the cost of inpatient care and 30 percent of the cost of outpatient care. However, in cases of protracted periods of illness or other hardship cases, the Secretary of Defense might provide for the transfer of such dependent to a military medical facility or take such other appropriate action to alleviate such hardship.

2. The medical care provided heretofore has not been complete, and it has differed in extent in the three services. The limiting factor in general has been the availability of facilities, but at the same time certain types of illnesses have been excluded. The Commission recommended uniformity in practice throughout the Armed Forces as well as strict limitations with respect to the illnesses covered. Specifically excluded from the bill are the following: Hospitalization for domiciliary care and chronic diseases, and chronic mental and nervous disorders, the provision of prosthetic devices, hearing aids, orthopedic footwear and spectacles (however, overseas and in remote areas of the United States where if available from military stocks prosthetic devices, hearing aids, orthopedic footwear and spectacles may be provided at prices equal to the cost to the Government), ambulance service, except in acute emergency, and home calls, except in special cases as determined by the cognizant physician. Dental treatment is restricted to emergency dental care except outside the United States and in remote areas where adequate civilian dental facilities are not available. In such cases dental treatment might be provided from military dental

sources, but would depend upon the availability of space, facilities and capabilities of the dental staff. The bill specifically provides that dental treatment would not be authorized at Government expense through civilian dental sources, except as a necessary adjunct to medical or surgical treatment.

3. Medical care under the terms of the bill would be limited to the following: diagnosis; treatment of acute medical and surgical conditions; treatment of contagious diseases; immunization; and maternity and infant care.

4. The proposed legislation incorporates various safeguards, and would give the Secretary of Defense the authority to promulgate regulations and to fix such charges as he might deem appropriate in order to implement this legislation fairly, and to prevent excessive demands for medical care. This legislation is also designed to be flexible enough to provide a basis in law for the needs in this area during peacetime and in times of national emergency.

COST AND BUDGET DATA

The following tabulation represents estimated costs covering a year of operation under the proposal using the estimated number of dependents as of December 31, 1954:

Insurance plan	
1. Total dependents in United States as of December 31, 1954	2,204,000
2. Dependents to receive care in other than military hospitals—43 percent x 2,204,000	947,720
3. Dependents to receive care in other than military hospitals who will elect to participate in a private insurance plant—95 percent x 947,720	900,334
Estimated costs	
4. Gross cost of medical care to be performed in other than military hospitals (includes 10 percent administrative overhead)	$88,000,000
5. Less insurance participant contribution of $3 per month per family	$15,000,000
6. Net cost to Government	73,000,000
Estimated cost of medical care for dependents who receive medical care in other than military hospitals who will not elect to participate in a private insurance plan	
1. Gross inpatient care	$2,800,000
2. Less patient's contribution—30 percent of first $100 plus 15 percent of remaining bill	600,000
3. Net cost to Government for inpatient care	2,200,000
4. Gross outpatient care	1,400,000
5. Less patients' contribution—30 percent of cost	520,000
6. Net cost to Government for outpatient care	800,000
7. Net cost to Government for inpatient and outpatient care	3,000,000
Estimated total cost to Government to implement legislation	76,000,000

Sincerely yours,

ROBERT TRIPP ROSS.

PROPOSED MISSOURI BASIN COMMISSION AND COMPACT BOARD ACT

Mr. HENNINGS. Mr. President, I introduce, for appropriate reference, a bill to establish a Missouri Basin Commission and Compact Board. I ask unanimous consent that a statement, prepared by me, in connection with the bill, be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the statement will be printed in the RECORD.

The bill (S. 2728) to establish a Missouri Basin Commission and Compact Board to provide coherent and unified direction for the development of the Missouri Basin's natural resources, to give responsible direction to the resource development activities of the Federal Government in the Missouri Basin, and for coordinating those activities with resource development activities of the States, introduced by Mr. HENNINGS, was received, read twice by its title, and referred to the Committee on Public Works.

The statement presented by Mr. HENNINGS is as follows:

I am today reintroducing my bill to establish a Missouri Basin Commission and Compact Board for the comprehensive development of the land and water resources within the Missouri Basin. This measure was introduced in the last Congress, and I regret that it was not acted upon. I regret Congress failed to act because the problems of water resources are increasingly of great importance. The fact is that we always find ourselves in some kind of an emergency with respect to water problems. Either we are confronted with the devastation of a flood or we are faced with a prolonged and destructive drought. I do not say that we should not take emergency measures to meet emergency situations. I do say, however, that emergency action is no substitute for a carefully planned, well-thought-out program that will insure a lasting solution to our long-term problems. In my judgment, the longer we postpone taking any real and effective action to conserve our land and water resources, the more serious will be our situation and the greater will be the economic loss accumulated year after year—all because we lack the courage and vision to put aside our sectional and jurisdictional differences and act for the good of the Nation as a whole.

My bill deals with the Missouri Basin—a vast section of our country comprising one-sixth of our total land area. I can see no reason, however, why the policies proposed in this measure could not serve as a pattern for land and water resource development in other parts of the country, or for a national land and water resources policy. We have spent many, many years debating these issues. We have had a plethora of studies and investigations; we have had task forces and committees and conferences and commissions. We have taken millions of words of testimony and published millions of pages of reports. But we don't have a policy. We have literally picked the best brains in our country. We have had the advice of competent engineers, of experts in agriculture and irrigation and reclamation, of qualified spokesmen in water pollution and fish and wildlife conservation and power and navigation. And now we have a President's Cabinet Committee, and the Hoover Commission, and the Commission on Intergovernmental Relations studying the same problems all over again. But we still don't have a policy.

This just doesn't make sense. We know that effective use of our land and water resources isn't something that can just happen overnight. It takes years—generations even—and though we are blessed with great riches in our Nation, we cannot go on indefinitely squandering our resources in this reckless and profligate fashion.

In this connection, I would like to call the attention of the Senate to an article by Peter F. Drucker in the June issue at Harper's. Commenting on this precise issue, he stated in his article:

"The geography textbooks have it that the United States is favored above all nations with natural resources. It is certainly true that our food-producing capacity is so great that we will be able to feed even the very much larger population of 1975 out of domestic resources—and at a higher standard of nutrition. And while, 20 years hence, the United States will be a net importer of most industrial raw materials on a gigantic scale, it will still produce a much larger share of its basic needs than other Western countries. But there is one natural resource in which the United States, compared to Western Europe, has always been badly supplied. It is a basic one: water. Not only is rainfall over large parts of the country deficient, and abundant rainfall limited to small areas in the northwest and southeast, but because of geography, geology, or soil structure far too much of the rainfall we get seems to be lost in run-off rather than stored up in the subterranean water table for future use.

"During the past 15 years, the signs have multiplied that we are living off our water capital—running the risk of repeating with our water resources the orgy of destruction we indulged in with our soil. Water tables, once depleted, are even more difficult to restore than eroded and depleted soil. Yet we continuously pour new population and new industries into areas of marginal water supply, inviting disasters that we should have experience enough to forestall."

The situation in the Missouri Basin combines all the aspects of our natural resources problem. We find ourselves repeatedly in a state of emergency growing out of water—too much of it, or lack of it. I have spoken in the Senate and elsewhere in great detail about the land and water problems in the Missouri Basin, so I shall not again go into all of the details at this time. Suffice it to say that repeatedly, over many years, we have had recurring and terrible floods; we have had extended and disastrous droughts; and we have been severely handicapped by the lack of any adequate organization of all the diverse agencies and groups concerned with the problem. What we so urgently need is a program large enough in scope, in leadership, in responsibility, and in authority, to match the size of the tasks in the basin.

The bill I am introducing today would, I believe, provide such a program and it would offer a sound basis for the orderly development of the great land and water resources in the Missouri Basin.

The bill recommends the establishment of a Missouri Basin Commission with authority to coordinate the activities of the various agencies operating in the basin—beginning at the planning stage and carrying through beyond the installation of the projects. It also includes a provision that would grant consent to the Missouri Basin States for the establishment of an interstate compact board. This provision assures a method whereby the various States would formally participate in the program, share in planning, review proposals of the Commission, and exercise a distinct function in approving or disapproving the programs and budgets for resources development which the Commission would submit to the Congress.

From time to time, I have discussed on the Senate floor and elsewhere many of the problems arising out of the lack of a coordinated program in the Missouri Basin. These problems are not new. Ever since the Louisiana Purchase of 1803, early settlers and residents of the basin have periodically

fought a losing battle to protect rich farmlands, communities, and industrial centers against the natural hazards of flood and drought. The records indicate that one of the worst floods in the basin occurred in 1844, but it was not until 100 years later, in 1944, that the Congress, in a belated effort to do something about the repeated losses in lives, crops, livestock, and residential and industrial property, authorized the highly controversial compromise proposal known as the Pick-Sloan plan. The plan evolved from the fact that the many diverse interests represented in the basin—the various governmental agencies concerned with land and water problems, the executives of the several States, the residents of the Valley—had failed to come to any substantial meeting of the minds as to the best method of solving a highly complex and technical problem. Now, after more than a decade and the investment of billions of dollars, there is still little real agreement as to the best means for effectively meeting the water resource needs of the area.

The Task Force on Natural Resources of the first Hoover Commission in its report in January 1949 stated: "The authorized Pick-Sloan plan is essentially a hydraulic engineering approach to solution of the Missouri problems, designed to contribute whatever water control on streams can accomplish. Upstream watershed control, water and soil conservation on farms and ranches, general review of land use, development of mineral and other raw material sources, and social and economic measures for diversification and stabilization of means of livelihood are included only to a limited extent. Although directed toward a cooperative approach, there is no means provided for an integrated, dynamic view of the region as a whole."

That there has been general recognition of the need for coordinated and integrated planning and development of our Nation's land and water resources has been clear for many years. Almost half a century ago President Theodore Roosevelt in a message to Congress on December 8, 1908, said:

"Until the work of river improvement is undertaken in a modern way, it cannot have results that will meet the needs of this modern Nation.

"These needs should be met without further dillydallying or delay. The plan which promises the best and quickest results is that of a permanent commission authorized to coordinate the work of all the Government departments relating to waterways, and to frame and supervise the execution of a comprehensive plan.

"Under such a commission the actual work of construction might be entrusted to the Reclamation Service; or to the military engineers acting with a sufficient number of civilians to continue the work in time of war; or it might be divided between the Reclamation Service and the Corps of Engineers.

"The essential thing is that the work should go forward under the best possible plan, and with the least possible delay. We should have a new type of work and a new organization for planning and directing it."

More recently this same need was reemphasized in a report dated February 19, 1951, submitted by the President's Water Resources Policy Commission. This Commission had made an exhaustive study of our Nation's water resources, and in volume 2 of its report entitled, "Ten Rivers in America's Future," it devoted at least 100 pages to the problems of the Missouri Basin. The report pointed out the tremendous importance of the proper use of water in the whole economy and well-being of the Missouri Basin—and I think summed up the essence very well in the following sentences:

"Water—or lack of it—is the basic cause of Missouri Basin difficulties. It is at the root of many of its special economic difficulties. Floods long have plagued settlement along the river. From one end of the basin to the other they have exacted an enormous toll in money and lives. They have carried away homes and possessions. They have destroyed crops and drowned livestock. Transportation has often been disrupted. Even the land itself has been destroyed or made useless, and cities no less than the smaller hamlets and farms have felt their fury.

"Droughts have left their mark on the basin. Lands have been abandoned, wheat fields have become dust bowls for periods. Cattle have died of starvation and thirst, and people have been forced off the land. Once flowing wells now are pumped; many dug wells have become dry."

The report then went on to say:

"One of the principal missing items for efficient planning of operations is the absence of a measure or guide to the relative importance of the many various interests involved in most of the projects. * * * The many interests involved in the basin program will require coordination for maximum efficiency and beneficial results. Care must be taken that operation of projects is not allowed to get out of balance in favor of any one interest or any one locality or region. A close balance must be maintained with respect to all needs and beneficial effects."

I have long been convinced that without real coordination it would be infeasible if not completely impossible to control and effectively utilize the vast water resources within the Missouri Basin. I have witnessed, as have many of my colleagues in the Senate, the terrible devastation caused by the raging waters of the "Mighty Mo." We have witnessed the equally distressing loss caused by prolonged drought. The fact that we have done nothing to solve these problems is certainly not to our credit.

It was with these thoughts in mind that I introduced a bill in August of 1951 to establish a Missouri Basin Survey Commission to make a full and complete study of this complex question. As I have said, however, many studies have been made and if the job ended there, nothing new would be contributed to our thinking. My resolution, therefore, provided further that the Commission be charged with the duty of formulating an integrated program based on the total land and water use of the area, and still further, the Commission would be directed to make positive and specific recommendations for carrying out such a program.

While my proposed resolution was never acted upon by the Congress, the Commission was, nevertheless, established by Executive order of President Truman. The Commission appointed by the President included Members of the Senate, the House of Representatives, and public members, and was truly a bipartisan or, I might better say, a nonpartisan Commission. President Truman recognized and pointed out again the need for an overall program for the basin instead of the present piecemeal approach which we have been following. In establishing the Commission he said:

"There is general agreement that these previous plans contain much that is valuable and sound today. There is also general agreement that there is a need now for a thorough reevaluation of the whole problem, in order that all who are concerned with the basin—Federal, State, and local governments, and private groups and individuals—may have the benefit of an expert and authoritative judgment on what are the most important steps that should be taken in the future, and which of them should be taken first.

"That is why I have established this Commission. I want them to review the many different kinds of problems that exist in the large area of the basin—ranging from high, arid plains and mountains on the west to the humid, level lands along the lower river. I want them to give the country their advice as to the best way to achieve an orderly, businesslike development of the resources of the basin—a development that places first things first and provides for the greatest resulting benefits for all the people of the basin and the Nation."

The Commission on which it was my privilege to serve as Vice Chairman had been given a tremendous task. Our assignment was to prepare recommendations for the better protection, development, and use of the land and water resources of the Missouri Basin. The scope of our study was to be far broader than flood control and drought. It included irrigation, navigation, and hydroelectric power development, pollution control, recreation, fish and wildlife conservation, as well as the highly controversial question of the allocation of costs for each of the aspects of resource development. As I said, this was a big assignment. In the first place, the Missouri Basin includes all or parts of 10 States. It embraces 529,000 square miles in the heart of our Nation.

The Commission heard more than 400 witnesses at 17 separate hearings. In addition, we studied reports from Federal and State resource agencies and the activities which they regulated. We met in a great many executive sessions to hear spokesmen from these agencies. As a result of our hearings and our further detailed study over many months, it was apparent that there had to be some agency with authority (1) to determine the scope of operations of the various Federal bureaus and departments and (2) to bring these agencies together in a cooperative working relationship with the several States for the development of the resources in the basin. It was, moreover, our conclusion—and it is my own strong belief—that there should be as much State and local responsibility and control as could be achieved on a workable basis.

Our findings and recommendations were contained in a 300-page report entitled, "Missouri: Land and Water," which was submitted to President Eisenhower in February 1953. It was our hope that our recommendations would form the basis for some constructive action in this field.

Time passed; months passed; finally more than a year had passed, and there was still no indication that the administration intended to take any action. Therefore, on April 19, 1954, I introduced the bill which I am today reintroducing—a bill to establish a Missouri Basin Commission and Compact Board.

A little over a month later, on May 26, 1954, the President directed a letter to Secretary of Interior McKay advising him that a Cabinet Committee on Water Resources Policy was being established and designating Secretary McKay as the Chairman.

In a sense, indeed in a very limited sense, this was a gratifying development. It was gratifying because the President in his letters to Secretary McKay clearly stated his recognition of the need for unified water resource development in the following words:

"During the more than a century in which the Federal Government has played a vital part in the harnessing and development of water resources, our policies have been modified repeatedly to reflect changing needs and priorities. Unfortunately, we have often relied on piecemeal or stopgap measures. In other instances the policies covering different Federal agencies concerned with similar water resources have been inconsistent."

But as I say, it was gratifying only in a limited sense because the President, in his letter, directed the Cabinet Committee to "undertake an extensive review of all aspects of water resources policy." He further directed that "its recommendations for the strengthening, clarification, and modernization of water policies, together with a suggested approach to the solution of organizational problems involved, are to be submitted

to me not later than December 1, 1954." What is even more disturbing is that in the same letter to Secretary McKay, the President stated that "the Commission on Organization of the Executive Branch of the Government, under the chairmanship of former President Hoover, is undertaking a comprehensive study of water and power policies and organization."

So here we were again with two new full-fledged studies under way to determine what kind of a national policy we should establish to deal with water resources. In addition, the Commission on Intergovernmental Relations had still another study committee investigating the development of water resources. Those of us who were willing to be patient still a little longer in the hope that these renewed studies might yet result in some constructive action have been doomed to disappointment. The President's Cabinet Committee has to the best of my knowledge not made any recommendations. In fact, an article in the Washington Evening Star on June 10 had this to say about it:

"Informed sources said the President wanted his water resources committee report submitted before the Hoover Commission's so he would have a position from which to comment on proposals by the independent agency. This was the timetable for the transportation suggestions."

But controversy has postponed the President's committee project. At first it had been requested for use in the state of the Union address.

More recently it was presented to the President, but he reportedly rejected it as too vague in defining policy and demanded a more positive statement. Under Secretary of the Interior Clarence A. Davis was supposed to brief the report before the National Rivers and Harbors Congress last week, but he confessed that the subject of his speech "is the occasion of some little embarrassment."

Moreover, on the question of the Hoover Commission Report the same article contained the following comment:

"The subject matter of the Hoover Commission's task force report on water resources —although part of the power section has leaked out—is so closely guarded that members slated to address the American Society of Civil Engineers in St. Louis June 15 do not yet know what they can say."

I would like to digress a moment, Mr. President, to say a few words about that speech before the American Society of Civil Engineers in St. Louis. Mr. John Jirgal, Chicago specialist in utility finance, and chairman of the Hoover Commission's group on power generation and distribution, spoke to the members. The St. Louis Post-Dispatch, reporting the meeting on June 15, stated:

"Speaking in especially critical terms of operation of the TVA, Jirgal declared that rates charged by such agencies should be fixed by the Federal Power Commission on the same rate level fixed for private utilities. Federal power rates, he emphasized, are in urgent need of upward revision."

When the Hoover Commission finally made its report, it contained the same recommendation. In this connection it is interesting to note that Mr. Jirgal's conclusions and the recommendations of the Commission differ markedly from the conclusions reached by the first Hoover Commission. I would like to quote briefly from the Task Force Report on Natural Resources, which the Honorable Herbert Hoover, Chairman, submitted to the Congress on January 13, 1949:

"The contention is often heard that Federal projects should be subject to the same controls that the Power Commission exercises over privately owned utilities. This position, it is submitted, is based upon a failure to understand the differences between a public and a private power enterprise. Regulatory control of a private utility is required to enforce the public responsibility of a profit-seeking project which, because it is normally operating in a monopoly situation on the basis of valuable privileges granted by the public and rendering essential services, cannot be permitted to base its decisions on the principle of maximizing profits.

"In the case of a public project, however, no valuable rights have been granted away by the public, there is no profit-making in the normal sense of the term, and there are a number of methods by which actions of the administrative officers in charge of the project can be directly controlled and their responsibility enforced. The question is whether under these conditions it is necessary to have such important management decisions of a public power agency as the fixing of rates performed or approved by another public agency.

"The arguments for such regulatory control are (1) that the Power Commission is experienced in this work and has a staff of experts who can be of great assistance in helping a public power project accomplish its purposes; (2) that the Power Commission because of its detachment from operating problems or sectional attitudes is better situated to see and protect the general public interest; (3) that Power Commission control will insure uniformity in administration of Federal power projects.

"The principal objection to control is that the Power Commission is given authority without responsibility. The Power Commission would fix the conditions on which the financial success of the enterprises would rest, yet it would not assume any of the management responsibilities involved in operating the enterprises under the conditions fixed.

"Because such division of responsibility does not result in effective or responsible public administration, it is not here recommended as the pattern which a uniform Federal policy should adopt. It is submitted that the proper relationship of the Power Commission to Federal power projects is one of consultation and appraisal, not regulation and control."

In this connection I insert at this point in my remarks a brief editorial from the St. Louis Post-Dispatch of June 21, 1955, entitled "The Voice of Private Monopoly."

"The private monopoly theory of utility operation is not dead. John Jirgal, head of the power section of the Hoover Committee's Task Force on Water Resources and Power, has reiterated it here in just about every conceivable application.

"To the American Society of Civil Engineers, Mr. Jirgal spoke against virtually every public interest in the resources of the country for the production of electric power.

"He spoke against the preference clause which for 50 years has enabled public bodies to obtain a modest share of publicly generated electric power though the lion's share continues to go to privately owned utilities.

"He spoke against Government generation of electric power from atomic energy.

"He spoke against REA, praising the privately owned utilities' record in rural electrification, but deceptively neglecting to say that they hardly started compiling it until forced by REA's example.

"He spoke against low-cost public power, urging an increase in rates which by his own estimate would cost consumers throughout the Nation between $110 million and $130 million a year immediately and, when present projects are completed, $400 million a year.

"He spoke against any federally generated power at all, which would leave the privately owned power monopolies without either the example or the spur of public agencies showing what can be done.

"Views such as these are self-defeating because they are so drastically out of tune with the times. The elementary fact which Mr. Jirgal overlooks is that these measures which he abhors came into existence because a majority of the people of the United States wanted them. They continue in effect for the same reason.

"The people of the United States are not going to give up their interest in their resources of falling water, or in the resources of atomic fission. They are not going to give up their right to have these resources developed primarily for the public and not exclusively private benefit."

I have repeatedly stated that if, in the end, any of these groups were to submit constructive proposals for the development and utilization of our water resources—suggestions which are consonant with the welfare of our country and the best interests of all the American people—and I stress the word all—they would certainly have my wholehearted support. I have made this statement despite my own feeling—and I think it is a feeling shared by the great majority of our citizens—that we have studied this problem long enough. In fact, if I may be forgiven for indulging in hyperbole, I would say that if we piled up all the volumes of research and all the volumes of hearings and statements and reports, we would probably have enough to construct any one of our big multiple-purpose dams without any additional building materials. I think most people agree with me that it is time we stopped "looking into the problem." It is high time we did something about it.

Nevertheless, both the Commission on Intergovernmental Relations and the Hoover Commission have now submitted their reports. I do not intend to discuss their recommendations in detail at this point. In the first place, I admit that I have not had an opportunity to read the 2,000 pages of fine print of the Hoover Commission Task Force's Report. I have, however, read the more than 200 pages of the Commission report itself, as well as the report of the Commission on Intergovernmental Relations and their Study Committee Report on Natural Resources and Conservation. I will not quarrel with the observation that we have failed to achieve a real and effective national policy for developing our water resources, nor that our efforts have been piecemeal and that there have been both duplication of effort and gaps in our efforts. This is not to say that I agree with the Commission's analysis of the reasons for our national failure in this direction. However, their finding that we urgently need a national policy is nothing new. This has been the tenor of one report after another. This was the conclusion of the Missouri Basin Survey Commission. This is the point that I have made over and over again in speeches before the Senate and elsewhere. This is the point I made when I first introduced my bill to establish a Missouri Basin Survey Commission and Compact Board. In this respect, the most recent reports make no contribution to our thinking on this serious problem. Moreover, while the Hoover Commission attempted to deal with irrigation, navigation, flood control, and power, it paid scant attention to other major problems, all of which must be dealt with in formulating any effective water policy. On the neglected list, for example, are such matters as watershed management and land conservation, forestry, domestic and industrial water supply, stream bank stabilization, pollution abatement, mosquito control, drainage, fish and wildlife, recreation, industrial development, and other related matters.

In short, I can find nothing in the recent reports that in my judgment would form a basis for a sound national policy for the development and utilization of our land and water resources. There are many recommendations of the Hoover Commission, to be sure, but they seem, for the most part, to be merely a repetition of the view expressed by Mr. Hoover almost a quarter of a century ago that activities of Government are dangerous and not to be trusted, that they will destroy our free-enterprise system and

will break down the initiative and enterprise of the American people. It is regrettable indeed that Mr. Hoover has apparently not learned a thing in the past 25 years about the workings of a dynamic economy.

It is noteworthy, too, that both Commissioners Herbert Brownell, Jr., and Arthur Flemming found it necessary to file their dissent for a major portion of the recommendations. Congressman HOLIFIELD has done an outstanding job and performed a noteworthy service in his careful analysis of the factual errors and the dangers inherent in the Commission's recommendations. Taking the recommendations in toto, I find myself in complete agreement with the separate statement of Commissioner James A. Farley, who said that "the cumulative effect of the recommendations in this report comes dangerously close to inviting abdication by the Federal Government of its responsibilities to insure the proper development of this country's great natural resources."

So much for these reports. As I have said, I will not belabor them at this point. If and when any of the recommendations come before the Congress, I am sure that many of my colleagues will have a great deal to say about them.

I would like to return briefly to the report of the Missouri Basin Survey Commission. In that report we pinpointed certain deficiencies that have hamstrung the entire resources development program. In particular, we discussed the delay and confusion in the basin program as a result of the inability or the unwillingness of the various Federal agencies to work together, to cooperate in the use of the most effective techniques and to find any solid basis of agreement on financial fundamentals. We discussed in considerable detail the weaknesses in Federal-State relationships and, in particular, the extremely limited participation presently accorded to the States and local communities. We pointed out that under present arrangements, while it is true that the States and local communities may be permitted to review a specific project, this chance actually comes so late in the planning stage that a particular project often has already become a firm part of the program of the sponsoring agency. In effect, the State's participation actually becomes, in many instances, merely a choice of being for or against a particular project. In our recommendations I believe that we made a conscientious effort to deal with and to ease the many conflicts of interest and of jurisdiction which have hindered good resource development.

In looking back over the work of our Commission it seems to me that one brief section of our report which is neither complex nor technical merits being brought to the attention of the Senate. This section sets fourth 10 guiding principles for the program of resource development. While I do not intend to go into each of these in detail at this time, I would like to list them because I think they are sound principles not only for the development of the resources in the Missouri Basin but as guideposts for a national policy of resource development and use:

First. The program should be comprehensive—for the basin as a whole and for all its land and water resources.

Second. The people who will be affected by the program should have ample and continuing opportunity to participate in the formation and to influence the operation of the program.

Third. The combined efforts of the State and Federal Governments should be employed in carrying out the program.

Fourth. Goals should assure a proper balance among all the various phases of the resource program.

Fifth. Each project in the program should offer benefits in excess of all costs.

Sixth. Costs should be borne in more direct relation to the sharing of the total benefits.

Seventh. The program should encourage the diversified development of the basin's resources for both progressive growth and stability.

Eighth. Each part of the program should be flexible enough to respond to changing needs, yet specific enough to direct program and project plan forward in a consistent course.

Ninth. The program should be planned and managed to achieve widespread benefits to the residents of the basin.

Tenth. The program should recognize the basin's limited supply of water and should be based upon a sound preference in the use of this vital asset.

Incidentally, I might point out that these principles are contained in part III, chapter 4, of our report entitled "Missouri: Land and Water." There is also a tremendous amount of additional valuable information in our report. At the time that it was submitted to the President in January 1953, copies were also distributed to every Member of Congress. I do, however, have some additional copies and if any of my colleagues would like to have this report I will be glad to see that they receive it.

The bill which I am reintroducing at this time is substantially in accord with the recommendations of the Missouri Basin Survey Commission. On the issue of State sovereignty this bill combines certain features of both the majority report and the dissent. I would like to explain that because it is a very important provision—perhaps the key provision of this bill.

One important and unique recommendation in our report was that each State, by formally refusing consent, could prevent the operation within its boundaries of the new commission. In addition to this extraordinary proviso, the Survey Commission suggested that the governors should constitute a permanent advisory board and that States would have a voice in selecting members of the new commission.

These several recommendations demonstrated that our Commission wanted to do everything possible to assure State participation. In fact, the minority proposal for an interstate compact, the sole dissent from the formal Commission recommendation (the only other dissent was from a finding), was aimed in the same direction. The Survey Commission, in effect, was unanimous in recognizing the need for according the States a greater role than they now have in the task of resource development. The bill which I am introducing today, therefore, is designed, as I said, in an effort to insure that the full advantages and benefits of both the majority and minority proposals would be combined in the basin program.

The proposed basin commission would have the same source of authority and same duties as the majority of the survey Commission has recommended. As a federally created body, the new commission would not replace or supersede the resource functions of existing Federal agencies but would have authority for the coordination of overall activities of the Federal Government within the Missouri Basin relating to resource development. Coordination would begin at the planning stage and carry through beyond the installation of the projects. In particular, the commission would be responsible for activities relating to watershed management, land conservation, flood control, forestry irrigation, electric power, domestic and industrial water supply, navigation, streambank stabilization, pollution control, mosquito control, drainage, fish and wildlife, and recreation.

In addition, by the proposed interstate compact, the States could set up a board which would have a clearly defined scope of operations. As the instrumentality of the several States in the basin, it would be invested with State sovereignty. Under the authorization of the compact, the States would formally participate in the program, sharing in the planning, reviewing proposals, and approving or disapproving the formal programs and the budgets which the commission would present to the Congress in behalf of the Federal resource agencies, the States, and the basin as an entity.

INSTRUMENT OF PERSUASION AND COMPROMISE

Under its charter sanctioned by Congress, as proposed in my bill, the interstate compact board would actually exercise a limited veto over the recommendations of the commission. It would operate in this way. If the interstate board disapproved of a commission recommendation, the commission would be required, at the time of making its recommendations to Congress, to set forth the board's disapproval and the basis thereof. Disapproval of the board, furthermore, could be the basis for automatically restraining the Federal body temporarily from taking further action. In the interim, the board and the commission would have both the opportunity and the responsibility to work out a mutually satisfactory recommendation.

Machinery of this kind would assure realistic participation by the States without trespassing upon the responsibilities of the agencies authorized and directed by Congress—and accountable to the Congress—to carry out specific tasks. Moreover, the interstate board would open the way for the States to accept and carry out successfully an ever larger share of the resource-development work. The States could cooperate in programs of research and education aimed toward pollution control, recreation improvements, and zoning programs. The board likewise could become the vehicle by which, in the future, the States could participate in sharing the costs for resource developments.

COADMINISTRATION

I believe there are a number of advantages in the plan for the joint administration of a basin resource program, especially in the Missouri Valley, under the cooperative direction of a Federal commission and an interstate compact board. Only by pooling Federal and State authorities can the Missouri basin have a resource program that would be sufficiently comprehensive to meet the many and diverse needs of the area. The Federal activities would be supported, for the first time in a coordinated program, by the regulatory powers which the States may exercise in dealing with the utilization, protection, and improvement of natural resources.

Competent legal authorities have raised the question that the interstate compact proposal of the Survey Commission minority may be unconstitutional because of its provision for direct participation by the United States Government. On the other hand, the nature of the compact board proposed in my bill, and the coadministration of the new commission and the compact board would insure that the States have an adequate voice in all the problems of resource development without the danger of running afoul on a question of constitutionality. In fact, in my judgment, the very protection which this bill could accord the States against Federal encroachment is one of the most important reasons for combining both the majority and minority commission recommendations in this modified proposal.

This proposed plan of resource administration is, I believe, required in order to meet the many complex needs of the Missouri basin. It takes into account the separate problems of resource planning, program execution, and operational management and unites them in an orderly and effective

program. The proposed new commission and compact board would integrate, rather than replace, existing Federal activities. It would maintain an appropriate balance between authority, responsibility, and interest at all levels of Government and, at the same time, provide a workable plan for bringing harmony between regional and local interests and those of the Nation.

I am reintroducing the bill at this time, so that it can be studied during the forthcoming recess. I earnestly hope that hearings can be scheduled early in the next session.

WILLMORE ENGINEERING CO.

Mr. LANGER. Mr. President, I introduce, for appropriate reference, a joint resolution amending Private Law 495, 83d Congress, as amended, for the relief of Willmore Engineering Co.

Last year Congress enacted Private Law 495, as amended by Private Law 501, 83d Congress, 2d session, to settle a claim of Willmore Engineering Co., a partnership, which had been pending against the United States Government since 1943. The act provided for settlement by arbitration.

The law did not name the persons who are Willmore Engineering Co.

Arbitration subsequently determined and designated the persons who are Willmore Engineering Co.

The proposed amendment which I offer simply implements the law passed last year by specifying the persons who are Willmore Engineering Co.

The PRESIDENT pro tempore. The joint resolution will be received and appropriately referred.

The joint resolution (S. J. Res. 102) amending Private Law 495, 83d Congress, as amended, for the relief of Willmore Engineering Co., introduced by Mr. LANGER, was received, read twice by its title, and referred to the Committee on the Judiciary.

EQUAL RIGHTS AMENDMENT TO THE CONSTITUTION—ADDITIONAL COSPONSOR OF JOINT RESOLUTION

Mr. BUTLER. Mr. President, the distinguished Senator from New Hampshire [Mr. BRIDGES] has asked to become a cosponsor of the joint resolution (S. J. Res. 39) proposing an amendment to the Constitution of the United States relative to equal rights for men and women. The Senator from New Hampshire has been a stanch advocate of equal rights for women since 1943. I welcome his cosponsorship. Therefore, I ask unanimous consent that the name of the Senator from New Hampshire be added as a cosponsor to the joint resolution the next time it is printed.

The PRESIDENT pro tempore. Without objection, it is so ordered.

AUTHORITY FOR ALEXANDER HAMILTON COMMISSION TO REPORT AFTER ADJOURNMENT OF THE SENATE

Mr. MUNDT. Mr. President, on behalf of the Alexander Hamilton Commission, of which I am Chairman, I ask unanimous consent to file with the Secretary of the Senate, after the adjournment, an interim report, for the information of the Senate.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. BENDER:

Address delivered by him over 33 Ohio radio stations on July 30, 1955.

By Mr. BEALL:

Article prepared by him relative to Simon E. Sobeloff, recently nominated to be a judge of the Fourth Circuit Court of Appeals.

By Mr. WILEY:

Article entitled "My Faith in the Atomic Future," written by Lewis L. Strauss, Chairman of the United States Atomic Energy Commission, and published in the Reader's Digest for August 1955.

SENATOR JOHNSON OF TEXAS

Mr. KUCHEL. Mr. President, one of the distinguished newspapers of my State is the Woodland Daily Democrat, of Woodland, Calif. It is an independent Democratic newspaper. On the 15th of July 1955, it published editorially some excellent comments with respect to our able friend, the senior Senator from Texas [Mr. JOHNSON] the majority leader of the Senate in the 84th Congress.

Mr. President, in asking unanimous consent that the editorial be printed in the RECORD, I wish to state that all across our country men and women of good will, regardless of their partisan persuasion, continue to voice the hope that that very distinguished American, LYNDON JOHNSON, may completely recover with the greatest possible speed.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from California?

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A STRONG LEADER

Republicans and Democrats alike in Congress are hoping that Senator LYNDON JOHNSON will recover his health. Due to overwork, he was stricken with a heart attack a few days ago. While it is unlikely that he will ever be able to again resume his role as Senate majority leader, it is to be hoped that he will have a voice in future discussions of the vital problems confronting this Nation.

Senator JOHNSON's leadership in Congress has won the praise of President Eisenhower, Senator KNOWLAND and others, prominently identified with the Republican administration.

A lesser man, suddenly thrust in the role of Senate majority leader in an off-year election victory which left the executive department under control of the opposition party, would have played pygmy politics. A rabble rouser in that position would have used the majority to harass and embarrass the man in the White House and defeat the President's program, all for the purpose of making the executive department "ins" the "outs" at the next ballot. But there is nothing small bore about LYNDON JOHNSON.

An urbane, wise, and understanding political leader who sensed the temper of the times, Mr. JOHNSON has been a constructive leader, helping the President shove many important measures through Congress and giving to a divided world a demonstration of the essential political unity of the American people.

Mr. JOHNSON's Democratic Party has not lost stature by this show of responsibility on the part of the "loyal opposition." To the contrary. There is greater cohesion among the Democrats in Congress today than at any time in the last 20 years, thanks largely to Mr. JOHNSON's wisdom in steering clear of petty and divisive issues.

Men of good will of both political parties will pray for the complete recovery of this unusual leader.

FEDERAL ASSISTANCE TO SUBSTANTIAL UNEMPLOYMENT AREAS

Mr. PAYNE. Mr. President, I ask unanimous consent that a statement which I have prepared regarding Federal assistance to substantial unemployment areas, together with supplementary material, be printed in the body of the RECORD.

There being no objection, the statement and supplementary material were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR PAYNE CONCERNING FEDERAL ASSISTANCE TO SUBSTANTIAL UNEMPLOYMENT AREAS

One of the most significant economic and political developments of the past decade has been the commitment of the Federal Government to the principle of full employment. It has become one of the accepted responsibilities of the Government to use all of its resources to prevent the human suffering and the economic loss which has marked our Nation's more serious panics and depressions.

No free and rapidly developing economy can ever isolate itself completely from minor fluctuations and adjustments. As long as we retain our private and competitive enterprise system such fluctuations are bound to occur. We know from our experience, however, that in the long run a free-enterprise system, with proper governmental regulations, can bring, as it has brought in the past, a more abundant life for all Americans.

Today the United States is enjoying a period of economic growth and vitality almost without parallel in our history. Ours is a prosperous and optimistic people, looking to the future with anticipation and hope. What once appeared to be an almost chronic inflationary problem has been solved, at least for the present. For the past 2 years the consumer price index has remained relatively steady. Unemployment, too, has fallen in the past few months, and at the same time, total employment has increased at a rate greater than the normal seasonal rise.

Yet we have not been without our prophets of gloom and doom. Frankly, I welcome their suggestion that all may not be right with our economy. Their warnings serve to put us on guard against smugness and to avoid relaxing from the job we must constantly do in trying to prevent economic imbalances and to correct them where they may already exist.

No political party, however, has a monopoly on the concern for and interest in the health of the economy and the welfare of our people. Both parties believe that America should remain prosperous and that all Americans should share in that prosperity.

As a Republican and as a strong and consistent supporter of the Eisenhower administration, I know that my party, while having confidence in our basic economic strength,

will never be complacent as long as one man who wants a job cannot find a job.

While most of the Nation is now enjoying peace with prosperity, areas of spot unemployment do exist, most of them caused by factors peculiar to the economic structure of the area. New products, technological advances, and the migration of industry are causing hardship in certain cities which depend for their livelihood on one or a few of the affected industries. I know this is true in Maine, where unemployment is one of our most serious problems in certain areas.

The Area Classification Summary of the Department of Labor for May 1955, shows that the major areas with labor surpluses have fallen in the past 2 months to the lowest point since early in 1954. The May report lists 35 major areas of substantial labor surplus and 105 smaller areas.

The Eisenhower administration, while maintaining our general economic prosperity, is anxious that these areas of spot unemployment should also share in that prosperity. Since 1952 significant progress has been made in developing programs to combat local unemployment. A pattern for future action based on our past experience has been set.

These programs represent good intentions on the part of the administration. But it is time, I believe, for a review of those programs designed to help local communities to help themselves. While some good undoubtedly has been accomplished by these programs, I think we have gained enough experience to warrant further efforts to broaden and better coordinate those which already exist and, if it is feasible, to institute new ones.

In this connection I was particularly pleased to see included in the Defense Production Act amendments of 1955 a section directing the Office of Defense Mobilization to investigate the share of military procurement going to small business and the ways this share can be increased.

What is already being done on the local level to assist labor-surplus areas? One step which has been taken is the granting of special rapid tax-amortization certificates to defense industries which desire to expand existing plants or to construct new facilities in labor-surplus areas. Up to June 13, 1955, more than $209 million worth of new plant investment in 33 cities has been covered by these certificates. Awarding of these certificates depends, of course, on application by the industry itself.

Unfortunately, in many areas this policy is not having any substantial effect. No certificates were granted to industries in substantial unemployment areas in Maine or Massachusetts. Only 1 was granted in Kentucky and 2 in New York and West Virginia. This is not necessarily anyone's fault, but it is an example of where better coordination between governmental agencies and private industry might be able to make this policy more effective than it is today.

Another policy is the granting of special preferences for the awarding of military contracts in labor-surplus areas and to labor-surplus industries. Total net procurement actions of $25,000 or more between January 1, 1955, and March 31, 1955, amounted to $316 million, of which about only 4 percent was made because of preference shown to labor-surplus industries or areas. The following net procurement actions in the first quarter of this year, excluding contracts to the textile industry, were made to each geographic area which was designated as a labor-surplus area subsequent to January 1, 1954.

These figures show that no contracts whatsoever were awarded in 60 labor-surplus areas. Of those areas which did receive contracts, 77 received them without benefit of preference. Therefore, there were 137 labor-surplus areas which did not benefit at all from the preference policy. Only 28 labor-surplus areas were awarded contracts totally or in part because of preference.

I am not maintaining that this indicates a failure of the preference policy. There is no information available to indicate whether or not this is true. But I do think the figures show that the entire program should be reviewed with the objective of making it a more effective weapon against unemployment.

Defense contracts are helpful, but one reason for the possibly limited effectiveness of the preferential procurement policy may be the fact that many labor surplus areas do not have the factories to handle defense contracts, even if they had the opportunity. Therefore, the problem may be largely one of getting new facilities and new industrial life into these areas.

The rapid tax amorization procedure is designed to help out in this respect. Other programs include assistance by the Small Business Administration in helping firms in labor surplus areas to meet their particular problems. The Area Development Division of the Department of Commerce also offers valuable technical services and assistance, while the community-employment program of the Department of Labor also works to stimulate concerted community development.

These are just some of the programs and policies designed to stimulate industrial health and growth in our labor surplus areas. The local community must take the initiative itself if any program is to be successful, but the Federal Government must also participate in order to provide the maximum amount of information and opportunities to the communities.

Now that the groundwork has been laid, I believe we should go forward to make our existing programs more effective. I strongly urge the executive branch to thoroughly review its programs designed to assist labor surplus areas. By doing so we may be able to further advance the President's program to bring the blessings of our vigorous, peacetime private enterprise economy to all Americans.

I ask unanimous consent that a copy of a letter I have sent to the Director of the Office of Defense Mobilization be printed at this point in the RECORD. A similar letter has been sent to the Secretaries of Commerce and Labor.

I attach hereto an article on New England textile unemployment from the June 1955, Monthly Labor Review, as well as the Department of Labor's May 1955 list of labor surplus areas, and a letter from me to the Director of Defense Mobilization.

UNEMPLOYMENT IN NEW ENGLAND TEXTILE COMMUNITIES

(By William H. Miernyk [1])

(EDITOR'S NOTE.—This article reviews the employment problems faced by the unemployed textile worker. It is excerpted from a paper presented at the spring meeting of the Industrial Relations Research Association in Philadelphia, April 29, 1955. Suspension marks to denote unused portions of text have been omitted in the interest of easier reading.)

New England textile employment has been declining since the early 1920's. Except during World War II and the immediate postwar years, the decline has been almost continuous. Competition from the low-wage South, technological change, the loss of export markets, increasing imports, the changing pattern of consumer preferences, and interfiber competition have drastically reduced the number of textile jobs in New England.[2] Some of these factors have also contributed to the general decline of textile employment in the Nation as a whole.[3]

The loss of textile jobs has been primarily responsible for the decline in New England manufacturing employment in recent years. Manufacturing employment in the region decreased by 141,000 workers, or 9 percent, between the first quarter of 1947 and the first quarter of 1955 (see table). During the same period, 129,000 textile jobs were lost, accounting for 91.5 percent of the net decline in manufacturing employment.

Employment in other industries increased. The greatest gains were made by the electrical machinery, transportation equipment, apparel, and miscellaneous manufacturing industries. But these gains failed by a considerable margin to offset the loss of textile jobs. Total nonagricultural employment, however, increased during the 8-year period because of an increase in the number of nonmanufacturing jobs.[4]

Because of the rising employment in other manufacturing industries, many New Englanders feel that the displaced textile workers are being absorbed by the region's growth industries, such as electronics. Others have assumed that the workers are finding jobs in the expanding trade and service occupations. A number of recent studies of the experience of displaced textile workers provide us with data to test the validity of these assumptions.

SURVEYS OF DISPLACED WORKERS

Professors Myers and Shultz, of the Massachusetts Institute of Technology, studied the experience of a sample of workers who lost their jobs through the liquidation of a cotton-textile mill in New Hampshire in 1948. They found that a small group of younger workers, who quit when the liquidation was announced, were more successful in finding jobs than those who waited to be laid off. Eighty-six percent of the former were employed when interviewed, but only 35 percent of the latter. There was relatively little movement out of manufacturing employment, and among the workers who found new jobs, there was considerable downgrading in skill classification and earnings. Forty-three percent of the employed quit-group and 68 percent of the employed workers in the layoff-group found new textile jobs.[5]

The Massachusetts Division of Employment Security studied the experience of a sample of 416 millworkers who were displaced by the closing of a worsted mill in 1952. Most of the workers had been laid off at least 18 months by the time of the survey. About

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[1] Director, Bureau of Business and Economic Research, Northeastern University, Boston.

[2] The causes were discussed in the report on the New England textile industry by committee appointed by the conference of New England governors, 1952, Cambridge, Mass., 1953 (pp. 19–33, 101–107), which was summarized in the Monthly Labor Review, August 1953 (p. 832). See also William H. Miernyk and Arthur A. Bright, Jr., the Textile Industries of New England, the Committee of New England of the National Planning Association (% Federal Reserve Bank of Boston), Staff Memorandum No. 10, August 1953 (pp. 1–20).

[3] See statement of Solomon Barkin, research director, Textile Workers Union of America (CIO), before the Special Subcommittee to Investigate Unemployment, Senate Committee on Labor and Public Welfare (84th Cong.), March 23, 1955.

[4] The first quarter of 1947 was chosen as the beginning of the period for making this comparison, since in that year employment data were reclassified from the social security code to the standard industrial classification and no detailed comparisons can be made with an earlier period.

[5] Charles A. Myers and George P. Shultz, The Dynamics of a Labor Market, New York, Prentice-Hall, 1951 (pp. 32, 42–44).

two-thirds of the sample workers were employed, 20 percent were unemployed, and 15 percent were no longer in the labor force. One-third of the employed were still attached to the textile industry, although they had had to move or commute to other textile communities. As in the previous study, there was a downgrading in skills, and 69 percent of the employed workers were earning less than they had in the liquidated mill.[6]

The most recent study of the postliquidation employment experience of textile workers was made by the Bureau of Business and Economic Research at Northeastern University. This survey included 6 case studies—5 in Massachusetts and 1 in Rhode Island—covering more than 1,700 workers over the period from 1951 to the middle of 1954. About 45 percent of the sample workers were employed at the time of the survey, 12 percent had withdrawn from the labor force, and 43 percent were seeking jobs. Seventy-five percent of the employed were in manufacturing and 36 percent were still in textiles. The electrical machinery industry employed 7 percent and apparel 6 percent. Employment in both of these industries was expanding during the period covered by this survey. Sixty-four percent of the employed workers reported lower earnings. Again, a shift to lower skill classifications was found and many of the workers claimed a loss of job satisfaction.[7]

In another instance, a New Hampshire woolen mill, which was liquidated during the last quarter of 1948, displaced 175 workers. It was the only manufacturing establishment of any size in the community. In 1951, an attempt was made to contact all of the displaced workers through their records in the New Hampshire Division of Employment Security.[8] A followup survey of a sample of workers remaining in the community was made in the summer of 1953. (This is the only textile mill inquiry known to the writer where a repeat survey was conducted some time after the initial study was completed.)

After the mill closed, the building was occupied by a firm which manufactures industrial leather belting and packing. At the time of the first survey, 69 percent of the original group were known to have found employment. Of these, 43 percent were at work in the leather products establishment; 26 percent had found other textile jobs which involved moving or commuting to other textile communities. Altogether, 82 percent of the employed were still in manuturing.

Five years after the liquidation, only 13 percent of the sample workers were still in textiles, and the proportion employed by the leather products establishment had increased to 47 percent. During the intervening years there had been a sharp decline in textile employment in New Hampshire, as many small woolen mills throughout the State were liquidated.[9] After the mill closed some of the younger, single workers left the community. Fifty-eight percent of the workers in the original mill were married at the time, and nearly half were under 45. But of the sample workers remaining in the community 5 years later, 81 percent were married and 66 percent were past the age of 45.

In general, the displaced workers have exhibited a relatively low degree of geographical and occupational mobility. To a large extent this is a function of age rather than occupational attachment. Younger workers, particularly those without family responsibilities, will move elsewhere to seek employment, but the older worker is more reluctant to move. Younger workers, too, are better able to find employment in nontextile manufacturing industries. Many of the older workers who have found nonmanufacturing jobs are doing unskilled and relatively low-paying work as janitors, porters, hospital attendants, and so forth.

The continued loss of textile jobs and the relative immobility of the displaced workers have produced a high level of chronic unemployment in many New England textile towns since the end of World War II. A number have been classified as areas of very substantial labor surplus (12 percent or more of the local labor force unemployed) even during periods of high-level employment in the Nation as a whole. In 1954, for example, the 4 textile towns of Lawrence, Lowell, Fall River, and New Bedford accounted for 9.2 percent of nonagricultural employment in Massachusetts, but 25 percent of the State's unemployed. In the Providence labor market area, monthly unemployment averaged 43,000 throughout 1954. There was one unemployed worker for each 6.5 workers employed in nonagricultural occupations.[10]

Depressed conditions in the industry have exerted downward pressure on textile wages. Following arbitrated wage cuts in Maine and in the Fall River-New Bedford area in 1952, the unions voluntarily accepted wage reductions throughout the cotton and rayon industry. These came at a time of rising wages in the more prosperous durable-goods industries. This year the workers went on strike against some mills which proposed a further reduction of 10 cents an hour in wages and fringe benefits.

REMEDIES

What has been the reaction in the textile towns to the adversity they have experienced since the end of World War II? Local industrial development commissions have been formed to create new jobs for the displaced workers. They have relied heavily upon promotional activities, however, and the development of industrial tracts with a few small modern factory buildings offered as inducements to manufacturers to locate in these areas. But, in general, they have assumed that the labor market will take care of itself. They evidently feel that if new industry can be attracted to the textile towns, the displaced workers will find jobs in the new factories.

To some extent this has been true. But the growth industries have, in the main, offered jobs to new entrants into the labor market or to younger workers in general. Many of the displaced textile workers are past the age of 45, however, and they find their age a barrier to further factory employment.[11] Finally, much of the growth of new industries has taken place outside the textile towns.

The most recent Economic Report of the President recommended that, "for the time being, at least, it is * * * desirable to continue the policy of granting special tax amortization benefits for new defense facilities located in surplus labor areas and of placing Government contracts as far as feasible in these areas."[12] Unfortunately, however, neither accelerated tax amortization nor special Government contracts have reduced the level of unemployment in the distressed textile communities of New England.[13] In 4 of the 6 communities included in the survey conducted by the writer last year, unemployment was higher at the beginning of 1955 than it was at the beginning of 1954. In only 1 of the communities, a nontextile area in which the sole textile mill had been liquidated about a year before the survey, was there a substantial drop in unemployment. This community, however, has not been among the surplus labor areas in recent years. This was recognized in the President's report which stated that "these programs can make only a limited contribution to relieving 'spot' unemployment * * *." It was the belief "that a large part of the adjustment of depressed areas to new economic conditions both can and should be carried out by the local citizens themselves."[14] It concluded that the major contribution which the Federal Government can make is to pursue policies that will promise a high and stable level of employment in the Nation as a whole.

Undoubtedly a high level of employment in the Nation is a prerequisite to a successful attack on localized unemployment. Nonetheless, judging by the experience to date, it is doubtful that the distressed communities can solve their unemployment problems entirely on their own. For one thing, the surplus labor areas of New England compete with many other communities throughout the Nation as eager as they to attract new manufacturing establishments. Secondly, they have done little to increase the occupational or geographical mobility of the displaced textile workers.

Normal turnover in those mills which continue to operate in the region has provided jobs for many workers displaced by the liquidation of other mills. However, take a community such as Lawrence, Mass., where textile employment declined from a peak of more than 25,000 workers in the last quarter of 1950 to fewer than 5,000 during the first quarter of 1955. The only answer is to help the displaced workers find nontextile jobs locally or aid them in moving to other areas where employment is available.[15]

The Textile Workers Union of America (CIO) has been sharply critical of the Federal Government for failing to take specific measures to deal with the textile problem. They have suggested Government purchases of American textiles for shipment to needy peoples abroad and have urged Congress to make a full-scale investigation of the problems facing the textile industries. Union spokesmen also have criticized the public relations approach adopted by many of the

[6] Mary E. Wilcox, The Displaced Textile Worker: A Case Study, Boston, research and statistics department, Massachusetts division of employment security, August 26, 1954.

[7] William H. Miernyk, Inter-Industry Labor Mobility, Boston, bureau of business and economic research, Northeastern University, 1955 (pp. 10–26).

[8] Inter-industry mobility of workers and the transfer of worker skills in New England, Boston, the Committee of New England of the National Planning Association, Staff Memorandum No. 5, June 1952.

[9] William J. Roy, Textile Employment Changes in New Hampshire: 1947–1952, Concord, New Hampshire Division of Employment Security, January 1953.

[10] For a discussion covering a longer time period, see William H. Miernyk, Chronic Unemployment in New England from 1947 to 1951, Boston, the Committee of New England of the National Planning Association, Staff Memorandum No. 2, May 1952.

[11] See Inter-Industry Labor Mobility, op. cit. (pp. 14–15, 17–18).

[12] Economic Report of the President, January 1955 (p. 57).

[13] Only two "preference contracts" values at $100,000 or more were awarded to New England firms in labor surplus areas in 1954. The entire program of granting tax amortization assistance was expected to create an estimated 9,000 jobs in the Nation's labor surplus areas by the end of 1954. See The Labor Market and Employment Security, U. S. Department of Labor, Bureau of Employment Security, March 1955 (pp. 16–17).

[14] See footnote 11.

[15] Not all of the 20,000 textile workers who lost jobs in Lawrence are still in the labor force. Approximately 18 percent of a large sample of workers interviewed in Lawrence had withdrawn from the labor force between 2 and 2½ years after their displacement due to mill liquidation.

depressed communities. These communities, union leaders say, "offer inducements to the locating firms, build new plants, grant tax exemptions; protect the firms. But don't insist upon aid or special provisions for the unemployed and the distressed. Such petitions might discourage the potential new firms. A conspiracy of silence envelops the areas only to be broken by the facts of reality and the despair of the people." [16]

A program to encourage mobility should provide for retraining and assistance in job placement outside the depressed communities. This is not a particularly novel suggestion. Such a program would require extremely careful planning. There would be little point in retraining textile workers for nonexistent jobs. But a careful inventory of job vacancies in the Nation, and an analysis of the changing occupational structure of American industry, might provide a clue to the type of retraining necessary to bring vacant jobs and idle workers together. Also, it might be necessary to provide financial assistance to those otherwise unable to relocate in other communities.

New England has had a decade of experience with community efforts to solve local unemployment problems. While there have been some individual successes, the overall results have not been impressive. Efforts to provide employment by attracting industry to surplus labor areas are laudable and should be encouraged, but we should also recognize the limitations of this approach. There is no reason to believe that a balanced labor supply can be achieved in every community by bringing jobs to the workers. Unemployed workers in surplus labor areas should also be encouraged, and assisted if necessary, to move to other areas where job opportunities are more plentiful.

Employment in New England by industry group, first quarter 1947 and first quarter 1955

Industry group	Employment (in thousands)		Change from first quarter 1947 to first quarter 1955	
	First quarter 1947	First quarter 1955	Number (in thousands)	Percent
Nonagricultural, total	3,273.0	3,377.5	+104.5	+3.2
Manufacturing, total	1,566.2	1,425.3	−140.9	−9.0
Durable goods	706.3	680.1	−26.2	−3.7
Ordnance and accessories	14.2	15.7	+1.5	+10.6
Furniture and fixtures	18.2	19.7	+1.5	+8.2
Electrical machinery and equipment	114.1	126.6	+12.5	+11.0
Transportation equipment	58.3	92.2	+33.9	+58.1
Instruments and related products	41.2	41.3	+.1	+.2
Lumber and wood products	52.5	40.4	−12.1	−23.0
Stone, clay, and glass products	21.8	20.8	−1.0	−5.6
Primary metal industries	66.6	56.3	−10.3	−15.5
Fabricated metal products	116.3	101.2	−15.1	−13.0
Machinery (except electrical)	202.3	165.8	−37.5	−18.0
Nondurable goods	859.9	745.2	−114.7	−13.3
Apparel and other finished textile products	78.0	87.5	+9.5	+12.2
Printing, publishing, and allied industries	54.7	58.8	+4.1	+7.5
Leather and leather products	115.5	115.7	+.2	+.2
Miscellaneous manufacturing industries	92.5	102.8	+10.3	+11.1
Food and kindred products	67.5	62.5	−3.2	−4.9
Textile-mill products	301.3	172.4	−128.9	−42.8
Paper and allied products	72.6	71.7	−.9	−1.2
Chemicals and allied products	29.1	28.7	−.4	−1.4
Rubber products	50.7	45.3	−5.4	−10.7
Nonmanufacturing, total	1,706.7	1,952.2	+245.5	+14.4
Contract construction	103.7	128.3	+24.6	+23.7
Wholesale and retail trade	595.9	653.6	+57.7	+9.7
Finance, insurance, and real estate	126.7	158.1	+31.4	+24.8
Service and miscellaneous	327.2	378.2	+51.0	+15.6
Government	327.3	422.2	+94.9	+29.0
Transportation and public utilities	225.9	211.8	−14.1	−6.2

NOTE.—Individual items may not add to totals because of rounding.
Source: U. S. Department of Labor, Bureau of Labor Statistics.

AREAS OF SUBSTANTIAL LABOR SURPLUS, FORMERLY GROUP IV–A OR GROUP IV–B

MAJOR AREAS

California: San Diego.
Indiana: South Bend, Terre Haute.
Maine: Portland.
Massachusetts: Fall River, Lawrence, Lowell, New Bedford.
Minnesota: Duluth-Superior.
New Jersey: Atlantic City, Paterson.
New Mexico: Albuquerque.
New York: Albany - Schenectady - Troy, Utica-Rome.
North Carolina: Asheville, Durham.
Oregon: Portland.
Pennsylvania: Altoona, Erie, Johnstown, Philadelphia, Pittsbugh, Reading, Scranton, Wilkes-Barre—Hazleton.
Puerto Rico: Mayaguez, Ponce, San Juan.
Rhode Island: Providence.
Tennessee: Chattanooga, Knoxville.
Washington: Tacoma.
West Virginia: Charleston, Huntington-Ashland, Wheeling-Steubenville.

SMALLER AREAS [1]

Alabama: Alexander City, Anniston, Decatur, Florence-Sheffield, Gadsden, Jasper, Talladega.
Arkansas: Fort Smith.
Connecticut: Bristol, Danielson, Torrington.
Georgia: Cedartown-Rockmart, Cordele.
Illinois: Harrisburg, Herrin-Murphysboro-West Frankfort, Litchfield, Mount Carmel-Olney, Mount Vernon.
Indiana: Michigan City-La Porte, Muncie, Vincennes.
Iowa: Burlington, Sioux City.
Kansas: Pittsburg.
Kentucky: Corbin, Frankfort, Hazard, Henderson, Madisonville, Middlesboro-Harlan, Morehead-Grayson, Owensboro, Paintsville-Prestonsburg, Pikeville-Williamson.
Maine: Biddeford-Sanford.
Maryland: Cumberland.
Massachusetts: Fitchburg, Milford, North Adams, Southbridge-Webster.
Michigan: Escanaba, Iron Mountain, Port Huron.
Mississippi: Greenville.
Missouri: Joplin, St. Joseph, Springfield.
New Jersey: Bridgeton, Long Branch.
New York: Amsterdam, Auburn, Gloversville, Hudson, Olean-Salamanca, Oswego-Fulton.
North Carolina: Fayetteville, Kinston, Rocky Mount, Shelby-Kings Mountain, Waynesville.
Ohio: Athens-Logan-Nelsonville, Cambridge, Marietta, New Philadelphia-Dover, Springfield, Zanesville.
Oklahoma: McAlester, Muskogee.
Pennsylvania: Berwick-Bloomsburg, Butler, Clearfield-Du Bois, Indiana, Kittanning-Ford City, Lewistown, Lock Haven, Meadville, New Castle, Oil City-Franklin-Titusville, Pottsville, Sunbury-Shamokin-Mount Carmel, Uniontown-Connellsville, Williamsport.
South Carolina: Marion-Dillon, Walterboro.
Tennessee: Bristol-Johnson City-Kingsport, La Follette-Jellico-Tazewell, Newport.
Texas: Texarkana.
Vermont: Burlington, Springfield.
Virginia: Big Stone Gap-Appalachia, Covington-Clifton Forge, Radford-Pulaski, Richlands-Bluefield.
West Virginia: Beckley, Bluefield, Clarksburg, Fairmont, Logan, Morgantown, Parkersburg, Point Pleasant-Gallipolis, Ronceverte-White Sulphur Springs, Welch.
Wisconsin: La Crosse.

[16] Barkin, op. cit. Congressmen representing districts in which there is substantial unemployment have been equally critical. See, for example, the remarks of Congressman JAMES M. QUIGLEY, of Pennsylvania, in the CONGRESSIONAL RECORD, January 25, 1955 (pp. 692–693).

[1] These areas are not part of the regular area labor market reporting and area classification program of the Bureau of Employment Security and its affiliated State employment security agencies.

JULY 29, 1955.

Hon. ARTHUR S. FLEMMING,
Director, Office of Defense Mobilization, Washington, D. C.

DEAR GENERAL FLEMMING: Although unemployment has shown a definite decline in the past few months, there are still many areas of spot unemployment in this country. For the welfare of the people the industries and other businesses located in those areas, it is essential that the Federal Government do all in its power to rehabilitate existing industries and to work in introducing new ones.

I know from the experience of my own State of Maine that much can be done by cooperation between the community, State, and Federal agencies. As you may know, unemployment is an exceedingly serious problem in certain Maine cities and towns and threatens to become even more serious. The town of Sanford, however, has vigorously moved to meet its own problems and in cooperation with governmental agencies has done much to restore some measure of economic health to the community. But there is still much that remains to be done in broadening and perfecting our present programs.

In my study of those Federal programs designed to assist labor surplus areas, I have come to feel that an examination of those programs might result in a more workable approach to the problem. Better coordination between the agencies concerned and an expansion of existing programs and the institution of new ones might well help to advance the administration's program to reduce unemployment to the barest minimum.

It is my hope that you will give serious consideration to the suggestion that you review the programs of your Department and, perhaps, meet with representatives of the Department of Labor and the Department of Commerce in order to shape a coordinated program which could even better meet the needs of labor surplus areas.

I am enclosing a copy of a statement I am making on the floor of the Senate on this subject for your information.

With very best wishes.

Sincerely yours,

FREDERICK G. PAYNE,
United States Senator.

THE PACIFIC COAST TUNA FISHING INDUSTRY

Mr. KUCHEL. Mr. President, I ask unanimous consent that I may speak for a longer time than the 2 minutes allowed under the order which has been entered.

The PRESIDENT pro tempore. Without objection, the Senator from California may proceed.

Mr. KUCHEL. Mr. President, during the past several weeks, a number of the departments of the Federal Government have been studying the problem of the Pacific coast tuna fishing industry, which has been placed in jeopardy by increasing imports of duty-free foreign tuna. This study was ordered by the President after I had written him, calling his attention to the situation.

Yesterday I received a reply from the White House, signed by Mr. I. Jack Martin, administrative assistant to the President, which I desire to have printed in the RECORD, along with a copy of the letter which I had previously written to the White House.

I ask unanimous consent that my letter to the White House and the answer which I received yesterday be printed in the RECORD at this point as a part of my remarks.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

Dr. GABRIEL HAUGE,
The White House, Washington, D. C.

DEAR DR. HAUGE: Increasing deliveries of Japanese tuna to the United States have brought about what is literally a crisis in the industry. Imports during the first 3 months of 1955 have been 21,395 tons, an increase of 63 percent over the comparable period of 1954. Of the gross amount, 17,227 tons were frozen tuna, which is duty-free. Meanwhile, landings by American fishermen operating out of ports in southern California have decreased 24 percent. The landings during the first 4 months of the current year have been 29,200 tons.

You will note that the figures given are for a 3-month period for imports, and a 4-month period for the domestic catch. Thus it is indicated that imports now approximate our domestic production. In recent weeks, American tuna boats have docked at San Pedro and San Diego unable to dispose of their catch because of a glutted market; simultaneously, freighters from Japan with cargoes of tuna are being unloaded upon arrival. This has generated bitterness among our American boatowners, many of whom have their life's savings invested in their boats. Recently, wives of the fishermen have picketed the vessels bringing in imports of tuna.

I am advised that these symptoms of antagonism are causing deep concern in the general business community in Japan, and that this is a factor which could tend to encourage the Japanese tuna industry to discuss a quota agreement with the American industry.

Unless a quota agreement or some other device is adopted to stabilize the tuna market in our country, I very much fear that the producing segment of our own tuna industry faces early obliteration. This would be a tragedy for those who have their money and their lives invested. Moreover, it has national defense implications which in my opinion justify the earnest consideration of our Government. During World War II,, our California fishing fleet was virtually commandeered for war duty, and performed invaluable service as patrol boats. The Department of the Navy has characterized the tuna fishing fleet as "an important facet in the national security." It has pointed out, also, that the fishermen are "a source of manpower for mobilization."

I suggest that it would be in our Nation's interest to include these facts in discussing with the President the recommendations of our American delegation to the recent GATT conferences at Geneva on the trade relations of Japan with GATT signatories.

I believe it would be particularly unfortunate to bind the present free rate on imports of tuna from Japan, and I desire categorically to recommend that it not be bound. To bind would be to give rise to a situation comparable to that involving the recent action on Swiss watch imports, wherein the increase of duty now necessitates concessions to Switzerland on imports of other types. I am confident that our American tuna fishing industry does not want to be responsible, in the event of the imposition of a duty on fresh and frozen tuna imports from Japan, for the necessity of reducing the duty on other products that are in competition with American industry.

Meantime, it appears to me that the moment has arrived for entering into a voluntary quota agreement as between our own tuna fishing industry and the tuna fishing industry of Japan. I believe that the recent agreement with the Argentine and Paraguay with respect to tung oil is a clear precedent for such an agreement. I believe, further, that a quota agreement is in the interests not only of our own fishermen, but of the Japanese as well, because the continued flooding of the American market with foreign tuna could very well demoralize the price structure in our country, wholesale as well as retail.

Obviously, there must be relief of one form of another in this crisis for the American tuna fishing industry.

I write this letter as one who has supported the President's recommendations for continuance of reciprocal trade legislation. I want to see our Nation carry on her friendly relations with Japan, tradewise and otherwise. But I feel sure that in affording some assistance to the American tuna industry, our country would be following an enlightened policy which would benefit proper trade relations between our two nations.

Very sincerely yours,
THOMAS H. KUCHEL.

THE WHITE HOUSE,
Washington, July 28, 1955.

The Honorable THOMAS H. KUCHEL,
United States Senate,
Washington, D. C.

DEAR SENATOR: As a result of your letter to the President about the situation in the tuna fishing industry in southern California, we asked that an exhaustive and careful study be made of the possible courses of action that the Government might pursue to aid the tuna fishing industry in its effort to improve its outlook in the months and years ahead. The Department of the Interior and the Department of Commerce contributed to this examination, as did the Departments of Labor, Defense, State and Treasury. I am now in a position to report to you the following conclusions which represent the judgment of these six executive departments.

A number of possibilities for helping the industry have been considered. As you would expect, upon delving into some of them it was found that for one reason or another the door was closed or the pathway led to a dead end. In other respects, however, I am happy to report that some positive steps by the Government can and are being taken.

Because you specifically suggested it in your letter, and also because Congressman WILSON has raised it as a possibility, the first course of action explored was that of a quota on imports of fresh or frozen tunafish from Japan and other countries, principally Peru. Under existing law, the only way in which such a quota could be imposed by the President by proclamation would be pursuant to an escape clause proceeding under the Trade Agreements Extension Act. This approach is unavailable, however, because, as you know, there is presently no concession on imports of fresh or frozen tunafish in any of this country's trade agreements. An escape clause proceeding before the Tariff Commission may not, as you are aware, be initiated unless there has been such a concession.

This situation will alter when the trade agreement negotiations that were recently completed at Geneva are put into effect on the tenth of September of this year. As you know, during these negotiations, imports into this country of fresh or frozen albacore tunafish, which presently enter free of duty, were bound on the free list. Such a binding can as a matter of law form the basis for an application to the United States Tariff Commission for the commencement of a proceeding under the escape clause. Thus, if the industry were so inclined, it would be free in due course to apply to the Tariff Commission, and in such circumstances, there would be open to the Commission under the law the possibility of considering a recommendation to the President that a quota be imposed on such imports.

The departments which studied this problem also examined the possibility of an executive agreement between the United States and the Japanese Governments as to the amount of fresh or frozen tunafish that Japan would ship into this country. The difficulty with this possibility is that it would be in direct conflict with existing international commitments from which the United States derives important advantages. Under these commitments the use of quantitative restrictions is limited by international agreement to specific situations, none of which appears applicable in this particular case. Other serious problems which have been discussed with you would also be involved in embarking upon this course of action. The departments gave this possibility every test but concluded, in the last analysis, that it was not feasible.

Aside from the question of limitations on imports, it has been concluded that certain other positive steps can be taken by the Government to aid the industry's efforts to better its position.

The Department of State will engage in conversations with the Japanese Government discussing the desirability of Japan's undertaking early action to improve wage standards and practices in its tuna-fishing industry. At the Geneva meetings on the general agreement on tariffs and trade the Japanese Government formally stated that "it was the foremost concern of the Japanese Government that wage standards and practices be maintained at fair levels in industries, including export industries, of Japan." The Department of State will suggest to the Japanese Government that their tuna fishing industry would be a good place to take action to achieve this objective.

Another conclusion that has been reached by the six departments is that it would be of considerable benefit to the American industry if every possible effort were made to promote a continuing expansion of the market for tunafish in the United States. To this end, if the United States tuna industry would be interested, the Department of State is prepared to suggest to the Japanese Government the possibility of the Japanese industry participating financially with the American industry in an advertising and market development campaign. Such a campaign could result in a further expansion of the market to the benefit of all concerned.

Senator O'MAHONEY made this discerning summation of California objectives:

lower basins. Article III of this solemn compact provides:

struction of the upper Colorado River stor-

The Department of the Interior is actively pursuing its current promotional and research activity in support of the tuna industry. This program of positive Government action in market development, production, and consumption research under the Saltonstall-Kennedy act will be stepped up to the long-run, fundamental advantage of the American industry.

The Small Business Administration will give priority attention to loan requests from the tuna industry and has already taken steps to apprise the industry's associations and other organizations of the services available to their members under the programs of the agency.

In addition to these important steps, which are all being currently implemented, other measures are being taken which are designed to further the same end. For example, the Veterans' Administration has increased its purchases and is encouraging greater use of tunafish by its hospitals. In the same vein, the Department of Defense has accelerated its purchases of tunafish.

The six departments which have considered this matter believe that all of these factors which I have described will be of aid to the industry in its effort to strengthen its economic position. In this regard, I can assure you of the administration's continuing interest in the attainment of this important objective.

Sincerely,

I. JACK MARTIN,
Administrative Assistant to the President.

Mr. KUCHEL. Mr. President, I am somewhat encouraged by the suggestions of the various departments, and I shall report later to the Senate with respect to their implementation. Meantime, I have been delighted to have the assistance of the distinguished Senator from Washington [Mr. MAGNUSON], chairman of the Merchant Marine and Fisheries Subcommittee. The problem affects his own State, inasmuch as many of the fishing boats of Washington participate in the tuna fishery during the season. My friend's committee sent a staff representative to the Pacific coast, and he has made an independent report which substantiates the statements contained in my letter to the President.

In California, the situation is having a serious effect on the general economic condition of at least two seaport cities—San Pedro and San Diego. The United States Department of Labor has designated San Diego as a "substantial labor surplus area," which, as Senators know, is a designation applied only to communities where between 6 percent and 8.9 percent of the labor force is found to be unemployed. In contrast, the percentage of the California work force which is working at the present time is, on a statewide basis, 97 percent. This also, as Senators know, is the current national ratio of employment.

Although statistics do not reflect the heartbreak of men and families who see their life's savings in a fishing boat about to be swept away, I ask unanimous consent to have printed in the RECORD a table prepared by the American Tunaboat Association because it tells the hard, cold, economic facts of how an American market is being taken from American producers. In this table, the Tunaboat Association has calculated the share of the tuna market represented by, first, domestic production—boat owners and fishermen, and second, imports. Its data is from the United States Fish and Wildlife Service publications Survey of the Domestic Tuna Industry and Fisheries of the United States and Alaska, 1954. The 1955 figures—January–May—used are domestic landings and imports of frozen tuna, canned tuna, and canned tuna-like fish, all reduced to processed weight.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Year	Domestic	Foreign
1948	91.4	8.6
1949	85.5	14.5
1950	67.4	32.6
1951	70.9	29.1
1952	66.0	34.0
1953	59.3	40.7
1954	57.0	43.0
1955 (5 months)	39.1	60.9

Mr. KUCHEL. Mr. President, Senators will note that the figures up to and including 1954 show a definite, progressive downward trend. I call special attention to the fact that the trend, based on figures for the first 5 months of 1955, is now no less than disastrous. I do not see how the producer segment of the American tuna industry can continue in business unless the trend is reversed—not halted, but reversed.

There is grave probability, moreover, that the canning segment of the industry also will fall victim eventually if the American tuna market is captured by foreign producers. As a matter of fact, it has been suggested that "should the domestic supply of fish disappear through loss of the fleet, the domestic processor, or canner, would follow. If the time comes when the supply of tunafish is almost entirely produced in Japan, it will almost entirely be canned in Japan." Others believe that if this were to happen to the American tuna industry, it would also be the fate of the American salmon industry.

I realize that Japan is one of the outposts in the defense system of the free world. I believe I understand the importance of rehabilitating the Japanese economy. I have supported the President's recommendations for continuance of reciprocal trade legislation. But I do not believe it is the desire of the Government or of the American people that any one industry, any single group of people in our country, should bear a disproportionate share of the burden of foreign assistance and international policy.

In recent weeks, American tuna boats have docked at San Pedro and San Diego, unable to dispose of their catches because of the glutted market. Simultaneously, freighters from Japan with cargoes of tuna aboard have been unloaded on arrival. This has generated bitterness among our American boat owners, many of whom, as I have stated, have their life's savings invested in their boats. Recently, wives of the fishermen have picketed the vessels bringing in imports of tuna. These symptoms of antagonism must be as disturbing in Japan as they are in America. Our Nation wants to carry on friendly relations with Japan, tradewise and otherwise. But I have felt that our country would be following an enlightened policy which would benefit proper trade relations between the two nations, if some assistance were afforded to our own American tuna-fishing industry by our Government.

I believe it will be immediately apparent to Senators that the best possibility for assisting our tuna industry is the suggested joint participation of the Japanese and American tuna industries in an intensive marketing program. I have, therefore, replied this afternoon to the President's letter and urged that this suggestion to the Japanese Government be implemented at once.

Unless the situation is relieved through this or other means within the very near future, I fear that the tuna-fishing fleet of southern California will vanish. With it will vanish the livelihood and the hope of many thousands of the citizens of my State. The Nation will have been deprived, in the process, of one of its auxiliary defense establishments, for during World War II the tuna fleet gave invaluable service to the Nation as patrol boats and in transporting refrigerated food to our troops at Guadalcanal and other battle areas. Shipbuilding yards will lose work, and their workers will lose their jobs. The results of total destruction of any element of the American economy are serious to contemplate, and yet it is total obliteration that faces the Pacific tuna fleet at this moment.

UPPER COLORADO RIVER

Mr. WATKINS. Mr. President, I had prepared a statement which I should have made yesterday, but I was prevented from doing so because of other matters which were being transacted in the Senate during the evening. I ask unanimous consent to have the statement I prepared printed in the body of the RECORD, at this point, together with exhibits which are attached to it.

There being no objection, the statement and exhibits were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WATKINS—A MULTI-BILLION-DOLLAR WATER RESOURCE IS AT STAKE IN THE BATTLE BEING WAGED BY FOUR SMALL SEMIARID STATES TO KEEP SOUTHERN CALIFORNIA AND ITS MILLION-DOLLAR LOBBY FROM APPROPRIATING, BY INDIRECTION, COLORADO WATER ALLOCATED BY COMPACT TO UPPER BASIN STATES MORE THAN A QUARTER CENTURY AGO

A few months ago, in a hearing conducted by the Senate Irrigation and Reclamation Subcommittee, my distinguished colleague from Colorado, Senator MILLIKIN, one of the Nation's top authorities on water-resource development and reclamation law, made this blunt indictment of the southern California water lobby:

"Senator MILLIKIN. I say the whole course of action of the State (of California) representatives from the beginning of time in these matters is to get the whole Colorado River."

This statement gave a completely bipartisan flavor to this accurate delineation of the aims of southern California in the long-standing controversy over the Colorado River, because his statement was preceded by a detailed denunciation of California objectives and methods by my distinguished colleague from Wyoming, Senator O'MAHONEY, also one of the country's top authorities on water-resource development and law.

southern California voiced no objection to

and not 1 cent was levied upon those 2

At the present time, however, for reasons

Senator O'MAHONEY made this discerning summation of California objectives:

"I cannot, sir, avoid saying that, as I listened to the witnesses from California, I can see in their minds the knowledge that if this upper basin can be delayed and obstructed, the water will continue to flow down that stream; it will continue to be of great use to the States in the lower basin and that as time goes on, with nothing being done, California may find ways and means, through subsidies if you please, as in the case of the Central Valley and other projects that you have had, through subsidies as you have in the flood control now going on on the Pacific coast, to obtain the utilization of waterpower.

"And I speak not of electrical energy when I speak of waterpower. I speak of the great beneficence that comes to mankind when a supply of water is available.

"The position of California in this case is that the upper basin shall be condemned to remain in a desert condition while the water flows down beyond."

In order that my associates may have the advantages of reading this testimony in context, I hereby request unanimous consent to reproduce that section of the official hearing record on S. 500 at the conclusion of these remarks (exhibit 1).

In addition to these indictments of southern California, my colleagues from both New Mexico and Arizona have made similar charges here on the Senate floor.

The people of this country should be sufficiently alerted to southern California's clearly outlined, if not admitted, objectives in seeking to delay and defeat development of the upper basin's water resources. There is no doubt that southern California has, for years, been devoting prodigious efforts and spending hundreds of thousands of dollars in trying to bring off the greatest water steal of this or any other generation.

Now that, in and of itself, is a serious charge, but I have come to the conclusion that people, particularly in the East, the Midwest, and the North, in spite of newspapers, magazines, radio and television, have never, and do not now, comprehend the full value of the resource that is at stake in this monumental effort to thwart justice and curtail the development of a 4-State mountain-desert area the size of New England.

The fact is that the upper basin's unused share of the Colorado River is an asset worth many billions of dollars. If one properly understands this fact, he can well appreciate why the private and public interests in southern California have paid their well-organized lobby here in Washington nearly a million dollars since the upper Colorado River project plans were announced in 1951. Lobbyists Northcutt Ely, guiding genius of this rich and powerful lobby, is now reporting to Congress receipts at the rate of $84,000 a year, alone.

But more about these lobbying expenditures later. What I want to do first, is to delineate for you the value of this water resource to an arid area, facts which will help you and the general public understand why southern California is willing to invest so heavily in support of measures deliberately designed to prevent the upper basin's use of its own water resources. The cost of lobbying upper basin authorizing legislation out of existence is a small price to pay for the billions of dollars worth of water and power which will go to the lower basin, and particularly California, if the upper basin States are prevented from using the portion of the waters of the Colorado River allocated to them by solemn compact signed by California and others.

Now let us go back and take a look at the basic document, the Colorado River Compact of 1922, under which the water of the river was divided equally between the upper and lower basins. Article III of this solemn compact provides:

"(a) There is hereby apportioned from the Colorado River system in perpetuity to the upper basin and the lower basin, respectively, the exclusive beneficial consumptive use of 7,500,000 acre-feet of water per annum, which shall include all water necessary for the supply of any rights which may now exist."

Article III (b) authorizes the lower basin to increase its beneficial consumptive use by 1 million acre-feet per year. Article III (c) provides that surplus waters may be used to provide water allocated to Mexico by formal treaty. This allocation, subsequently fixed at 1,500,000 acre-feet, will be jointly met by the 2 basins, from apportioned waters, if the surplus waters are not sufficient to cover the Mexican treaty obligation.

The terms of the 1922 compact were implemented in 1928 in the Boulder Canyon Project Act of December 21, 1928. This was the act which authorized the construction of Hoover Dam, which provided for river regulation, flood control, water for consumptive use, and power to all of the areas in the lower basin. It was this water and power which made possible the great agricultural empire in the Imperial Valley and the tremendous industrial and municipal growth in southern California during the last 20 years.

At that time, in spite of the compact signed in 1922, the upper basin States were extremely fearful lest California take advantage of the large amount of water proposed for storage at Hoover Dam and seek to deprive the upper basin of its allocated half of the river by putting more than its allocated share to use and claiming seniority of right by such use. Arizona, too, was concerned about its allocated share of the lower-basin waters and insisted on protection in the Boulder Project Act.

This led to the incorporation of the extraordinary and, to my knowledge, absolutely unique self-limitation clause in the Boulder Canyon Project Act. This provision stated that the act shall not take effect and no work begun or moneys expended on Hoover Dam construction "until the State of California, by act of its legislature, shall agree irrevocably and unconditionally with the United States and for the benefit of the States of Arizona, Colorado, Nevada, New Mexico, Utah, and Wyoming, as an express covenant and in consideration of the passage of this act, that the aggregate annual consumptive use (diversions less returns to the river) of water of and from the Colorado River for use in the State of California, including all uses under contracts made under the provisions of this act and all water necessary for the supply of any rights which may now exist, shall not exceed 4,400,000 acre-feet of the waters apportioned to the lower basin States by paragraph (a) of article III of the Colorado River compact, plus not more than one-half of any excess or surplus waters unapportioned by said compact, such uses always to be subject to the terms of said compact."

In other words, Congress in 1928 was so suspicious of southern California's future intentions in respect to utilizing the water of the Colorado River, that it directed that the State of California, by formal legislative action, must limit itself to use only the water apportioned to it by the Colorado River compact and the Boulder Canyon Project Act. Such action was taken by the California Legislature when it passed the California Self-Limitation Act before construction of Hoover Dam was allowed to proceed.

With specific statutory safeguards against southern California's greed for water that doesn't belong to them, Hoover Dam was built, and its entire cost is now being paid off, to a large extent, with power produced by water allocated to the upper basin States by the compact of 1922, which the upper basin States cannot use pending the construction of the upper Colorado River storage project and participating projects.

The Hoover Dam and Lake Mead behind it completely control the flow of the Colorado River below the dam. The dam was built to regulate the flow of the river, to provide flood control and to generate power, the revenues from which are being used to pay off the cost of the dam and power features. The repayment contracts were drawn so as to pay off the construction costs, plus interest, in 50 years. The power rates are slightly more than 2 mills for firm power and 1.3 mills for dump or emergency power per kilowatt-hour. The cheap dump power is largely that which is generated with water allocated to the upper basin States and which will not be available for generating power after the upper basin project is constructed and water allocated to the upper basin is put to consumptive uses.

While southern California counted on utilizing for power generation a large part of the presently unused 5 million acre-feet of upper basin water, during the upper basin development period, it must be recognized that she didn't contemplate using all of it throughout the entire 50-year Hoover Dam repayment period. The planning estimates for repayment of Hoover Dam construction costs clearly recognized and contemplated that the upper basin States would gradually put to use a large portion of their share in the river. The average annual depletion of water supply at Lake Mead, therefore, was estimated at about 79,000 acre-feet, or a total depletion during the 50-year period of about 3,950,000 acre-feet. The anticipated depletion was plainly reflected in the preamble to the power regulations, issued under terms of the Boulder Project Readjustment Act of 1940, which provided for an annual reduction in firm energy from the project of 8,760,000 kilowatt-hours throughout the life of the repayment contract.

This means that by the very terms of the Hoover Dam power contracts, the lower basin power users have been on a power gravy train for the past 17 years. The programed depletions by the upper basin of water going into Lake Mead have not occurred during that period, essentially because of the delays associated with the war and with the planning and legislation consideration of the proposed Colorado River storage project. During the past 17 years, the power produced with water allocated in 1922 to the upper basin, which the Hoover Dam planners considered would not be available downstream, represents a value of $12 million, and this power gravy will amount to $115 million by 1987, if the southern California water lobby is successful in preventing upper basin development. (See exhibit 3.)

Californians themselves are not reluctant to admit that they like this business of using upper basin water to produce power for southern California. They like it because they can get this power from Hoover Dam at a cost of 1.3 mills per kilowatt-hour, whereas it would cost them 3 times as much, or 4 mills per kilowatt-hour, for fuel alone to generate replacement power in Los Angeles. This, in effect, was admitted by Representative CRAIG HOSMER of Los Angeles County in an article in the San Diego Evening Tribune of June 24, 1955, and republished in the CONGRESSIONAL RECORD of July 7. This article contains an estimate by a Los Angeles official that southern Californians are benefiting by $2,152,000 a year because the upper basin has not been able to develop and use its allocated share of Colorado River water.

Hence, when you hear southern Californians complain about the disastrous effect of upper basin development upon that downstream area, you only have to consider that the downstream depletions caused by this planned upper basin development were taken into consideration in repayment contracts for Hoover Dam and that

southern California voiced no objection to this programed depletion of Colorado River flowback in the 1930's. They are just objecting to it today because they stand to lose millions of dollars in gravy derived from the inability of the upper basin to put its water to use, and they like it so well that they would like to continue on that basis indefinitely. It is not surprising that the opposition lobby is well financed and will continue to be so financed as long as they can continue to use the upper basin water to generate power, the revenues from which are used in part to prevent the upper basin from ever using their water.

The upper Colorado River project will not impair operations and power generation at Hoover Dam. The planned operating program contemplated a diminishing power output at Hoover Dam as the consumptive uses in the upper basin increased. Hoover Dam contracts will be paid on schedule and there will be absolutely no loss of revenue to the Federal Treasury. To the contrary, the waters now wasting into the Gulf of Lower California will be used consumptively in the upper basin States.

Construction of a dam at Glen Canyon would give the lower basin, at no expense, a tremendous financial asset in the prolongation, through silt removal at Glen Canyon, of the life of Hoover Dam by some 150 years, or 50 percent of its presently estimated life. This upstream dam also would enhance the value of other potential power production sites on the lower river. The construction of upstream regulatory units will relieve Lake Mead of a substantial part of its flood control requirements—now a storage factor of 9½ million acre-feet, and make available, thereby, a greater effective reservoir capacity for production of power and irrigation for the lower basin. Let me repeat that this would all be done at no cost to southern California.

These are some of the tangible benefits that southern California will receive from the construction of the Colorado River storage project.

The upper basin States have supported the lower basin States in securing authorizations and appropriations for the construction of the lower basin facilities. These facilities constructed with Federal funds produce regulation and control of the river flow, water for consumptive use and power. Without these facilities, the water and the power, the Southwest in the Colorado Basin would still be a raw desert.

This is how southern California's $80,000-a-year lobbyist, Mr. Northcutt Ely, described before the Senate Irrigation and Reclamation Subcommittee the condition that existed in southern California before the construction of Hoover Dam was authorized:

"By 1916 the whole natural flow (of the Colorado River) had been appropriated, and the river was dry for long periods in the summer at the Mexican boundary. Nevertheless, the spring floods, depositing great quantities of silt and raising the river bed several feet in some years, were an increasing menace to lands in Imperial Valley, lying below sea level, and to lands in the Yuma Valley in Arizona. Junior appropriators in the upper basin faced a probable law suit by senior appropriators in the lower basin. A great storage dam was a necessity not only for flood control, but also to make possible any further development at all in either the upper basin or the lower, and for power generation."

The Hoover Dam saved from destruction, as a great and growing agricultural empire, the Imperial and Coachella Valleys. The water for this empire is made available to these valleys without cost for its use, storage, or delivery (Boulder Canyon Project Act).

In other words, the construction of Hoover Dam represented a tremendous Federal subsidy for the Imperial and Coachella Valleys, and not 1 cent was levied upon those 2 southern California areas for that invaluable contribution to the economic stability of a flood-controlled agricultural asset. Of the Imperial Valley, I shall have more to say later.

Southern California has benefited in great measure by Federal appropriations for virtually complete development of river regulatory and power-producing facilities in the lower basin.

Since the use right to flow of the river was divided equally between the upper and lower basins in the 1922 compact, a total of $404,227,225, or more than twice that in present-day values, has been spent on Federal projects in the lower basin, contrasting with $26,758,082 on upper basin projects. Installed powerplant capacity on the lower river at mid-1953 was 1,594,800 kilowatts, as compared with 21,600 in the upper basin.

Irrigable area in lower basin reclamation projects in service in 1952 totaled 621,075 acres, compared with only 149,405 in the upper basin. I ask unanimous consent, Mr. President, that the table from which these figures were taken be printed in the RECORD at this point. (Exhibit 2.)

As to water actually being used in the two basins, I refer you to Lobbyist Ely's replies to questioning in the Senate hearings on the project bill last March:

"Mr. ELY. Arizona's existing and authorized projects, as I understand it, will require altogether about 1,200,000 acre-feet from the main stream. California's existing and authorized projects would require 5,362,000. The Nevada uses are as yet relatively minor, from the main stream. As to the upper basin uses, I will accept your statement as to what they are."

The upper basin present uses were accepted at roughly 2,500,000 acre-feet during the hearing.

In other words, out of the basic apportionment of 15 million acre-feet, divided equally between the upper and lower basins by the Colorado River Compact of 1922, the lower basin is now using, or preparing to use, a total of 6,562,000 acre-feet, while the upper basin is able at present to utilize only 2½ million acre-feet of its allocated 7,500,000 acre-feet.

Southern California, which is helping to pay for its downstream power dams with upper basin water resources, also is using, or preparing to use, 5,362,000 acre-feet of Colorado River water, an amount 962,000 acre-feet more than its basic apportionment of 4,400,000 acre-feet under the Boulder Canyon Project Act and the lower basin compact.

Furthermore, southern California is casting covetous eyes upon the upper basin's presently unused 5 million acre-feet of water and, obviously, would like to delay or defeat upper-river development with the hope of getting that water by established use, along with all the other advantages that it has received from the river, without contributing a drop of water to the river itself.

Other considerations pertaining to this upper basin water and its relationship to southern California agriculture also warrant our attention. But before proceeding to this aspect of southern California's interest in water belonging to the 4 upper basin States of Utah, Colorado, Wyoming, and New Mexico, I want to explain just why it is that the upper basin States cannot utilize their 5 million acre-feet entitlement presently flowing down the Colorado River unless the proposed storage dams are built.

Mr. President, article III (a) of the Colorado River Compact signed in 1922 by the upper and lower Colorado River Basin States and later ratified by the Congress provided that:

"There is hereby apportioned from the Colorado River System in perpetuity to the upper basin and lower basin, respectively, the exclusive beneficial consumptive use of 7,500,000 acre-feet of water per annum."

At the present time, however, for reasons which I shall presently explain, the upper basin States are unable to utilize more than 2,500,000 acre-feet of their 7,500,000 acre-feet entitlement, guaranteed by article III (a) of the compact. The proposed Colorado River storage project would permit the utilization by the upper basin of an additional 1,700,000 acre-feet, making for a total of 4,200,000 acre-feet of water which could be diverted from the headwaters of the Colorado River. You will note, Mr. President, that even after construction of the Colorado River storage project, some 3,300,000 acre-feet of water belonging to the upper basin States, which was apportioned to them under the 1922 compact, would continue to flow down the Colorado River.

Now, before the upper basin States can utilize any appreciable amount of its water entitlement, large storage reservoirs must be built on the Colorado River so that the lower basin States can be assured of delivery of the water allotted to them under the 1922 compact. This is essential because the Colorado River, as are most western streams, is a snow-fed stream. By that I mean the major portion of the water which flows into it through many tributaries comes from the snow which falls on the high mountain watersheds and which is accumulated throughout the winter. This snow, of course, melts during the late spring and early summer months.

The runoff is not uniform. In fact, two-thirds of the annual discharge of the Colorado River, as measured at Lees Ferry, the place on the river where the flow of the river is determined, occurs during April, May, June, and the early part of July. The runoff does not coincide with the demand for water, and without storage facilities as proposed in the Colorado River storage project, the waters that are available for consumptive use are limited to the low-water flow during the other months of the year.

In general, then, the purpose of the proposed storage reservoirs is to impound the peak flow and hold it until it is needed and can be beneficially used. Without storage the huge water runoff wastes into the Gulf of California. Due to the very erratic virgin flow of the river, which has varied from 5,640,000 acre-feet in 1934 to 24,037,000 acre-feet in 1917, it is absolutely essential that the upper Colorado River storage project be constructed, since before the upper basin States can divert water to satisfy their entitlements they must guarantee the downstream delivery of 75 million acre-feet to the lower basin States each successive 10-year period. In order to meet this guaranty and at the same time provide water for consumptive use in the upper basin, long-time holdover storage must be provided in the upper basin. The upper Colorado River storage project will provide this storage.

At the present time, the upper basin States are using consumptively approximately 2,500,000 acre-feet of water. Construction of the upper Colorado River storage project would enable the upper basin States to increase their diversions for consumptive use by an additional 1,700,000 acre-feet. At the completion of the proposed project 25 or 30 years from now, the total consumptive use in the upper basin States will probably not exceed 4,200,000 acre-feet annually. There will still remain unused at that time over 3 million acre-feet of water annually allocated to the upper basin.

Why has the California congressional delegation continued to fill the CONGRESSIONAL RECORD day after day with misstatements of fact concerning the upper Colorado River storage project? Specifically, why have certain Congressmen from southern California likened the cost features of the 12 participating or irrigation projects to the cost of growing bananas on Pikes Peak? Why have

they distorted the per-acre cost of the irrigation features by using dishonest arithmetic and imaginary conditions? Why have they so vigorously claimed that the irrigation features will be used to produce crops which are now in surplus, when the facts of the matter indicate that these lands principally will be used to grow fruits and vegetables and feed and forage crops for livestock—the principal agricultural industry of the four upper basin States—products from which the Department of Agriculture tells us will be in short supply long before 1957? Why have the opponents of this project, led by southern California interests, spent nearly a million dollars on direct lobbying activities against this project, and no one will ever know how many millions indirectly?

Why? Simply because water and power from the upper Colorado represent, over the years, billions of dollars. It means wealth and prosperity to those who put it to use. The only issue is: Who gets the water and the power? The southern California interests apparently want to insure that the 5 million acre-feet annually of water that belongs to the upper basin States, but which they cannot utilize without storage regulation, participating projects and power, as well as all the excess water not exclusively allotted to either the upper or lower basin States, will be reserved for their exclusive present and future use. Defeat of the Colorado storage project will deny the rights of the people of the four upper basin States to their share of the Colorado River. Literally it means the destruction of their economic future. If this Congress defeats this legislation, it will be aiding and abetting the steal of the century when one Commonwealth which has enjoyed the fruits of Federal financing of its projects now opposes the construction of work in the upper basin under the same conditions because such opposition if successful will give them their neighbors' water.

Now let us examine in detail the specific reasons why southern California interests, through their congressional spokesmen and their $80,000-a-year chief lobbyist, has so vigorously opposed the construction of the upper Colorado River project. Let us put the "red herring" back in the fish barrel; let us see the real motivations for their distortion of the facts.

Southern California has uncontested entitlement to approximately 3,850,000 acre-feet of water for agricultural use. Their ability, however, to utilize this water entitlement has depended upon the expenditure by the Federal Government of approximately $400 million over the past 25 years to develop the water and power resources along the Colorado River. These developments provide water for municipal, industrial, and agricultural uses and power to help pay for the projects.

Projects along the lower Colorado River, including the Hoover Dam, Parker Dam, Davis Dam, Imperial Dam, All American Canal and River levee systems, have brought water to more than 600,000 acres of desert land in Imperial County, making it one of the greatest agricultural areas in the world.

Three Federal reclamation projects in southern California, which are similar in purpose to the 12 participating or irrigation projects authorized by the upper Colorado River storage project, have made possible the irrigation of about 514,550 acres of land in Imperial and Riverside Counties. Prior to irrigation, this land was worthless; it was desert land producing very little vegetation. But today, this land, with a permanent assured supply of Colorado River water, has a minimum valuation of at least a half billion dollars, according to the economists of the Bureau of Reclamation. This once worthless land, due to the application of water, now has an average market value of $1,000 per acre, with much of that in special uses selling for as high as $2,000 per acre.

These 3 Bureau of Reclamation irrigation projects, encompassing as they do some 514,550 acres, brought into production approximately 4 times the 132,360 new acres which the 12 participating projects, if authorized by the upper Colorado River project, will put under cultivation and irrigation. However, whereas the new acreage which will be brought into production in the upper basin States will be used to produce feed and forage crops for livestock—the principal agricultural industry of the intermountain States—which are not under price support, some 128,929 acres, over 40 percent of the total acreage, in these 3 Bureau of Reclamation projects in California utilizing Colorado River water, were in 1953 planted to cotton, a basic commodity which the Hoover Commission Task Force on Water Resources and Power has said was the only significant crop in surplus which is "produced on irrigated lands in the West." (Task Force Report, vol. 2, p. 635.)

The largest of these three southern California reclamation projects is the Imperial division project. This project encompasses most of the land in the great Imperial Valley, located in Imperial County, Calif. Farmers on this project had placed 445,000 acres under irrigation by 1953. In 1945, only 9 acres of cotton were produced; by 1950, cotton acreage had increased to 750 acres; but by 1953, cotton production had accelerated to the phenomenal number of 110,000 acres. This cotton acreage, Mr. President, is only 22,360 less than the total number of new acres for which the upper Colorado River storage project would provide water. If the upper basin is denied the right to utilize its share of the Colorado River, that water will run downhill to the lower basin and be available for the production of still more cotton.

And since southern California Congressmen have been screaming about surpluses, they should be aware that from the 1952, 1953, and 1954 crops, California farmers in Imperial County received nonrecourse CCC commodity loans on cotton in the amount of $5,214,458.

In this connection also, Mr President, I should like to point out that whereas as of May 31, 1955, the Commodity Credit Corporation had inventories of some 6,512,142 bales of upland cotton valued at $1,113,018,141, livestock, the principal agricultural product produced in the four upper basin States, is not under price support.

The people of the four upper basin States of Utah, Colorado, Wyoming and New Mexico do not object to California's use of her legal entitlement of 3,850,000 acre-feet of Colorado River water for agricultural purposes of her own choosing, but they do object to the unfair and dishonest tactics used by certain southern California Congressmen to depict the agriculture of those upper basin States as a great producer of crops which are in surplus and whose production would be increased if the Colorado River storage project is built. Especially do they resent this when the facts indicate that Southern California agriculture, served by Colorado River water, is fast increasing its acreage planted to cotton, the only crop in surplus in the West which is produced on irrigated land in any significant quantity. In fact, as I have already pointed out, over 40 percent of the acreage irrigated in 1953 on southern California's reclamation projects by Colorado River water was planted to cotton.

Why the distortion then? One reason could be that land speculators and farmers in Imperial and Riverside Counties hope to bring into production an additional 50,000 acres of arable desert lands on the West Mesa on the west side of the Salton Sea and the Imperial Irrigation District. Other southern California desert land that could be converted into valuable farmland with Colorado River water is 15,000 acres to the east of the Imperial Irrigation District in the Pilot Knob area, and probably some 40,000 acres north of the Imperial District in the East Mesa area.

What has prevented them from doing this? Only lack of water, and the obvious source of such water is the Colorado River. But how do they expect to get it from that source, since they do not today have legal entitlement to it? There is only one answer. They expect to get it from the upper basin States' annual legal entitlement of 5 million acre-feet, a supply which now flows down the river and wastes into the Pacific Ocean. This water will continue to flow down the Colorado, lost to the people of the States of Utah, Colorado, Wyoming, and New Mexico, unless the upper Colorado River storage project and its irrigation features are constructed and developed.

The extreme degree of distortion of the facts and the use of "red herring" and legal proceedings to delay and defeat the Colorado River project, and the expenditure of hundreds of thousands of dollars in reported lobbying expenditures, clearly indicate that the southern Californians have no intention of honoring the provisions of the 1922 Colorado River compact, which divided the water equally between the two basins. Their actions have made it apparent that they will go to any ends necessary to get all the water they can from the Colorado whether legally entitled to it or not.

A few months ago a spokesman for one of the conservationist groups was in my office, and a staff member showed him some quarterly reports of lobbying receipts and expenditures reported by the southern California water lobby. "My goodness," he exclaimed in obvious disbelief, "are they spending all that money"?

This man didn't know the value of the upper basin's water resources, and, consequently, it seemed somewhat incredible to him that one area of a State would be spending close to a million dollars in water lobbying activities.

I asked the Library of Congress to tabulate the lobbying expenditures reported by Mr. Northcutt Ely's law firm, the Colorado River Association, and the Six Agency Committee, the three principal lobbying organizations supported here by southern California interests. This report showed receipts by these three lobbying groups of $855,098.58 since 1951 when the Colorado River storage project plans were announced. During the first half of 1955, Mr. Ely himself reported receipts totaling $42,096.25, an income from a high interest source which makes him one of Washington's best-paid lobbyists.

Under the circumstances, I hereby request unanimous consent to reproduce at the close of my remarks the Library's summarization of receipts and expenditures by these three chief units of the California water lobby. (Exhibit 3.) In addition I have a rather complete collection of the quarterly reports of these lobbying organizations, if anyone is interested in examining them for details of their reported activities.

This report sums up the import of this discussion: The upper basin has a water resource in the Colorado River worth billions of dollars. Southern California is currently benefiting by millions of dollars per year through use of allocated upper basin water in its hydropower plants on the lower river. Southern California users have contracted for more than their basic apportionment from the Colorado River, and could, for agricultural purposes alone, use several million more acre-feet of water in the southern California area in the near future, if it were available or attainable by fair means or foul. Southern California is spending at least $200,000 a year in direct lobbying activities for its interested water and power users, the principal aim being the defeat of the Colorado River storage project.

Under these circumstances, is it any wonder that a multitude of lies and misrepresentations have been fabricated by the California water lobby, and circulated throughout the country? And is it any wonder that we residents of the upper Colorado River Basin, who vitally need the use of these valuable water and hydropower resources, resent the tactics employed by the California water lobby?

I hereby request unanimous consent to have reproduced at the conclusion of my remarks two additional exhibits, exhibit 4, a letter from me to Representative HOWARD W. SMITH, and exhibit 5, a letter to me from the Bureau of Reclamation. Both of these letters contain information bearing on this subject.

EXHIBIT 1

Senator O'MAHONEY. Are there any further questions?

Senator WATKINS. No.

Senator O'MAHONEY. Mr. Matthew, I am sorry I did not have the opportunity of coming in at the beginning of your statement so I cannot question you about what you may have said before I came in. Of course, I do not want to seem to get into an argument with the witness about the matter, but I cannot refrain from saying that as I have listened to that portion of your testimony I have had the privilege to hear, I cannot avoid the conclusion that you are setting a rule of supercaution to prevent development in the upper basin States while in the bill before us there is plain language of the intent of Congress to make as certain as possible the feasibility of projects.

Let me read it, because I think it is important not to convince you, sir, but so that those who may read your testimony will also have the opportunity of reading this language from the bill immediately following what you have had to say.

I am reading from the first section of S. 500, beginning on page 2, line 11, just a few words authorizing: "* * * the Secretary of the Interior (1) to construct, operate, and maintain the following initial units of the Colorado River storage project. * * *"

Now, that is the basic authorization.

Then when that sentence is concluded, following a colon there is this proviso—in this list we have the participating projects concerning which you have been testifying:

"*Provided*, That (a) construction of the participating projects set forth in clause (2) shall not be undertaken until the Secretary has reexamined the economic justification of such project and, accompanied by appropriate documentation in the form of a supplemental report, has certified to the Congress, through the President, that, in his judgment, the benefits of such project will exceed its costs, and that the financial reimbursability requirements set forth in section 4 of this act can be met."

Now, there is a clear definite injunction which makes it absolutely certain that before any construction shall be undertaken there will be filed with the Congress in appropriate documentary form, a supplemental report, a certification by the Secretary, through the President. Congress in this bill is undertaking to place the responsibility on the highest officers in the Government.

Your whole testimony is based upon the assumption that the Secretary of the Interior and the President of the United States, whoever they may happen to be when this time comes and it may be long in the future, are unworthy of trust and confidence, and the Congress, or the sponsors of this bill, have been reckless in exercising this supercaution to prevent the waste of public money.

I cannot, sir, avoid saying that, as I listened to the witnesses from California, I can see in their minds the knowledge that if this upper basin can be delayed and obstructed the water will continue to flow down that stream; it will continue to be of no use whatsoever to the upper basin States; it will continue to be of great use to the States in the lower basin and to California, which furnishes not a single drop of the whole system, and that as time goes on, with nothing being done, California may find ways and means, through subsidies if you please, as in the case of the Central Valley and other projects that you have had, through subsidies as you have in the flood control now going on on the Pacific coast, to obtain the utilization of waterpower.

And I speak not of electrical energy when I speak of waterpower. I speak of the great beneficence which comes to mankind when a supply of water is available.

The position of California in this case is that the upper basin shall be condemned to remain in a desert condition while the water flows down beyond.

We feel certainly that we who have contributed so unhesitatingly in the past to the development of California ought to have your cooperation and help now in building in the upper Colorado River Basin.

Mr. MATTHEW. Mr. Chairman, I appreciate your remarks, but I want to say it is unfair as to the attitude of California. All we have been seeking to do here is to protect our rights, what we consider our just rights, and prevent water being taken away from us.

Senator O'MAHONEY. But you will not accept the certification of the President of the United States, and you want us to wait until a report comes in—Lord knows, what that report will be—of the Hoover Commission, knowing well that the report will have no effect or significance or legal power or force until Congress has acted upon it.

It is just another delay.

Mr. MATTHEW. We are pointing out that it would seem that those th'ngs ought to have consideration of Congress.

Of course, it is the prerogative of Congress to decide how they shall legislate.

Senator O'MAHONEY. I am glad that is recognized.

Senator WATKINS. The reports of the commissions come and go. I think we had one in the Truman administration. Now we have this one coming along. And how many more we will have before we start on this project—somebody will not like the Hoover Commission report and they will object to it.

And we will have another report. In the meantime, the river will go roaring away to California.

Mr. MATTHEW. That is an unfair statement. I don't think you mean to imply that. We are trying to protect our water rights and we don't want to have those water rights invaded.

Senator WATKINS. I do not want to be unfair to California, and I do not think we have been unfair to California.

Mr. MATTHEW. On the face of your saying that California wants the whole river.

Senator WATKINS. The only thing, the only way we can judge is by the way they act. And what they said in the committee room in early times that they would not put any obstacles in the river. If I do not think what you are doing is intended to assist us, notwithstanding some of your people are feeling sorry for the people in the upper-basin States who are willing to pay 6 mills per kilowatt-hour. When you put it on the basis of that kind of objection, it looks like purely and simply an obstruction.

After all, whether we pay that much for power ought to be of no concern of yours as long as we are willing to pay for it and will pay for it.

Mr. MATTHEW. What we are concerned with again is the protection of our just rights.

Senator KUCHEL. Mr. Chairman, before Mr. Matthew retires, I would like to make a very brief statement.

Senator O'MAHONEY. Senator KUCHEL.

Senator KUCHEL. I want to say that there is no Member of the Senate for whom I have a higher respect than the acting chairman of this subcommittee. He is my friend.

Senator O'MAHONEY. I thank you, sir.

Senator KUCHEL. For which I am proud.

Senator O'MAHONEY. The feeling is reciprocated.

Senator KUCHEL. And I am flattered and honored.

But I do want to say that I regret the remarks of the chairman. The chairman has the honor to look upon his Gaelic background. I do feel he has been a little bit overcome with emotion here, because, Mr. Chairman, it is true that this gentleman and those others who have testified in opposition to S. 500 come from an area of this country which has attracted millions of people and who each year sees hundreds of thousands of citizens of Wyoming and Utah and Alabama and Arkansas come West to live.

Now, here we have a problem where the legal advisers and the engineers who work for public agencies in California are apprehensive that implicit in this bill is damage and injury and breach of a compact. That is their judgment.

It is their considered judgment. They ought to be run out of town if having arrived at that considered judgment, they failed to speak up, as I know you would want them to do in this committee. And they come here, Mr. Chairman, let me say, in complete sincerity. They come here because they believe that in S. 500 is potential damage to the water supply of millions of people in southern California.

I discussed this problem with them last year. I knew very little about this controversy. I do believe that I can say I make up my mind on these questions as I decide them, and I decided, Mr. Chairman, last year, that there were grave dangers to California and her people in S. 1555 then and S. 500 now.

Now, reasonable people may differ, but I do want the chairman to credit those who oppose this bill with sincerity because I am very glad to credit those who sponsor it with the utmost sincerity.

That is all.

Senator MILLIKIN. Mr. Chairman, I do not have the slightest doubt the representatives of California are sincere in their desire to have the whole Colorado River.

Senator KUCHEL. I regret that comment from my good friend from Colorado.

Senator MILLIKIN. I have accepted your theory that you gentlemen are sincere.

Senator O'MAHONEY. I would like to ask the gentleman from Colorado if there is any Gaelic emotion in that remark.

Senator MILLIKIN. No emotion at all. I accept the full sincerity of the gentleman from California. I think we should take it for granted that they are perfectly sincere and that they are sincere in getting all of the Colorado River and they think they have a right to it. I think you gentlemen should also agree that we are sincere in the belief that you are not entitled to any such thing.

Senator KUCHEL. I reiterate that and I deny that the people of my State who are here proceed on the premise that they should have all the water in the Colorado River.

Senator MILLIKIN. I say the whole course of action of the State representatives from the beginning of time in these matters is to get the whole Colorado River.

Senator KUCHEL. Your able former colleague, now the governor of your magnificent State himself suggested that the compact that was entered into by your State and mine and five others had to be interpreted differently than what the Department of the Interior interpreted it in administering this project were this bill to become law.

Senator MILLIKIN. I am not speaking of my former associate, the present Governor of

Colorado. I am speaking of the attitude of California's representatives being completely sincere from the first time there was ever any controversy over the Colorado River that their attitude should be one which in the end should bring all of the Colorado River down into California.

Senator KUCHEL. And because I know that the Senator will not take the position that I urge here as conclusive, I cite the testimony of his own colleague from Colorado.

Senator MILLIKIN. Well, I have no question but there may be some differences of opinion about the matter, but I am entitled to my own opinion, having watched many of these procedures, having participated in many aspects of this matter, that I think California is thoroughly sincere, that she wants the Colorado River to come down to California, although not contributing a drop of this water.

Senator KUCHEL. The Senator is far wiser than I am, or ever will be, but the Senator is wrong in saying that that is the position of my people.

Senator MILLIKIN. If that is not the position of the people, they are not doing proper justice to their own State. They should be trying to get all of the Colorado River to California and it is the duty of the other States to see that it will not happen, and it will not happen. That is my completely logical position.

Senator O'MAHONEY. There being no questions evidently, Mr. Matthew, addressed to you, we thank you for your presentation, sir.

Senator WATKINS. I think he has made quite a contribution to stirring up some discussion. It has been very interesting.

Mr. MATTHEW. Thank you, Mr. Chairman and members of the committee.

EXHIBIT II

Projects authorized for construction in the lower and upper basins of the Colorado River Basin since approval of 1922 compact

	Irrigable area in project for service in 1952		Installed powerplant capacity as of June 30, 1953	Construction costs as of June 30, 1953
	Full water supply	Supplemental supply		
LOWER BASIN	*Acres*	*Acres*	*Kilowatts*	
Boulder Canyon project:				
All American Canal system, Arizona-California	60,715	[1] 517,000		$59,473,506
Hoover Dam and powerplant, Arizona-Nevada			1,249,800	161,368,432
Colorado River front work and levee system, Arizona-California-Nevada				9,649,846
Davis Dam project			225,000	113,056,361
Gila project, Arizona	41,750	1,610		35,982,960
Parker Dam power project, Arizona-California			120,000	24,696,120
Total	102,465	518,610	1,594,800	404,227,225
UPPER BASIN				
Colorado-Big Thompson project [2]		(?)		
Colorado-Green Mountain Dam, Colo.[3]			21,600	11,453,028
Eden project, Wyoming				3,463,652
Fruitgrowers Dam project, Colorado		2,662		200,309
Mancos project, Colorado		8,612		3,894,978
Paonia project, Colorado	11,500			1,520,484
Moon Lake project, Utah		75,256		1,799,859
Pine River project, Colorado		35,766		3,481,935
Scofield project, Utah		15,609		943,837
Collbran project, Colorado [4]				
Total	11,500	137,905	21,600	26,758,082

[1] Water supply delivered through project works to privately constructed distribution system.
[2] Transmountain diversion project, partial or supplemental water supply exported for distribution through privately constructed works for 615,000 acres of out-of-basin lands in Colorado. Total project cost as of June 30, 1953, $145,260,125.
[3] Green Mountain Reservoir constructed on western slope for replacement purposes.
[4] Authorized but not under construction.

EXHIBIT III

MAJOR ELEMENTS OF THE SOUTHERN CALIFORNIA WATER LOBBY ACTIVELY WORKING AGAINST APPROVAL OF THE COLORADO RIVER STORAGE PROJECT

Name, address, and activities in connection with legislative interests, as reported in reports to Congress under the Federal Lobbying Act, between 1951 and 1955:

"Colorado River Association, 306 West Third Street, Los Angeles, Calif.; citizens' organization for presentation of public information concerning Colorado River water matters. Opposes any legislation jeopardizing California's water rights on the Colorado River.

"Six Agency Committee, 315 South Broadway, Los Angeles, Calif. Interest in legislation affecting California's rights in the Colorado River and legislation relating to reclamation and water-resources policies.

"Northcutt Ely, counselor at law, 1209 Tower Building, Washington, D. C." Reports list multiple employers including:

"Department of water and power of the city of Los Angeles, 207 South Broadway, Los Angeles, Calif. Conferences and reports to clients on legislation affecting California's rights in the Colorado River and other matters.

"Imperial Irrigation District, El Centro, Calif. A public agency organized under State law which operates and maintains canals and distribution systems furnishing water for irrigation and which develops and distributes electric power. Conferences and reports to clients on legislation affecting California's rights in the Colorado River and other matters.

"Six Agency Committee and Colorado River Board of California, 315 South Broadway, Los Angeles, Calif. Colorado River Board is an agency of the State of California created by act of the legislature charged with the duty of protecting interests of California in waters of the Colorado River. Six Agency Committee is composed of representatives of public agencies of California having Colorado River water and power rights. Conferences and reports to clients on legislation affecting California's rights in the Colorado River and other matters."

NOTE.—Full details on these entries and on the receipts and expenditures summarized in the attached report are available in the quarterly reports filed under the Federal Lobbying Act and published in the CONGRESSIONAL RECORD. The reports themselves are available for public inspection at the office of the Secretary of the United States Senate.

THE LIBRARY OF CONGRESS,
Washington, D. C.

TOTAL ANNUAL RECEIPTS AND EXPENDITURES REPORTED UNDER THE FEDERAL LOBBYING ACT BY NORTHCUTT ELY, THE COLORADO RIVER ASSOCIATION, AND THE SIX AGENCY COMMITTEE, 1951–55 (2D QUARTER)

NORTHCUTT ELY (INCLUDING LAW OFFICES OF NORTHCUTT ELY AND (DURING THE TWO REPORTED PERIODS FOR 1955) ELY, M'CARTY & DUNCAN) [1]

1. Receipts (including contributions and loans): The term "contribution" includes anything of value such as a gift, subscription, loan, advance, or deposit of money, or anything of value, amount received for services (e. g., salary, fee, etc.), and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution.

A.	1951	$59,176.04
B.	1952	60,520.26
C.	1953	56,727.42
D.	1954	59,118.29
E.	1955	42,096.25
	Total	277,638.26

2. Expenditures: The term "expenditure" includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure.

A.	1951	$2,349.37
B.	1952	2,456.31
C.	1953	1,357.42
D.	1954	774.75
E.	1955	429.25
	Total	7,367.10

Colorado River Association (where listed as organization filing; does not include where listed as employer of any individual filing).

1. Receipts [2] (including contributions and loans): The term "contribution" includes anything of value such as a gift, subscription, loan, advance, or deposit of money, or anything of value, amount received for services (e. g., salary, fee, etc.), and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution.

A.	1951	$109,400.48
B.	1952	140,608.00
C.	1953	59,680.00
D.	1954	136,102.84
E.	1955	34,260.00
	Total	480,051.32

2. Expenditures: The term "expenditure" includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure.

A.	1951	$92,622.70
B.	1952	111,538.15
C.	1953	50,595.81
D.	1954	20,410.46
E.	1955	19,330.14
	Total	294,497.26

[1] Totals listed cover only the following organizations as employers: Department of Water and Power of the City of Los Angeles, East Bay Municipal Utility District, Imperial Irrigation District, Six Agency Committee and Colorado River Board of California, Water Project Authority of the State of California, and the Water Resources Board of California.

[2] Totals listed cover contributions of $500 or more.

Six agency committee (where listed as organization filing; does not include where listed as employer of any individual filing).

1. Receipts[3] (including contributions and loans): The term "contribution" includes anything of value such as a gift, subscription, loan, advance, or deposit of money, or anything of value, amount received for services (e. g., salary, fee, etc.), and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution.

A. 1951	$17,400
B. 1952	20,000
C. 1953	20,000
D. 1954	20,000
E. 1955	20,000
Total	97,400

2. Expenditures: The term "expenditure" includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure.

A. 1951	$26,280.72
B. 1952	22,269.96
C. 1953	17,821.35
D. 1954	17,938.55
E. 1955	23,171.27
Total	107,481.85

JULY 13, 1955.

Hon. HOWARD W. SMITH,
Chairman, House Rules Committee,
House Office Building, Washington, D. C.

DEAR MR. SMITH: I greatly appreciate the opportunity you gave me to discuss with you recently the upper Colorado River Basin project. You asked a number of questions with respect to production of power for California with the waters which normally would go to the upper Colorado Basin States. I was unable for lack of time to fully explain the situation to you. With your permission, I should like to discuss this matter further.

I have also enclosed a number of exhibits which give more details on the matter under discussion. There are also other exhibits which you may not have had an opportunity to study which may throw light on the project as a whole.

The lower Colorado River Basin—essentially southern California—has benefited tremendously from inability of the upper-basin States to put to beneficial use any more than one-third of its half of the water in the river, allocated to it in the Colorado River compact of 1911.

The upper basin's unused portion of the river, approximately 5 million acre-feet per year, represents a hydropower asset worth roughly $5,600,000 a year in terms of fuel costs for alternate steam power generation in the Los Angeles area. Since 1937 this water has been utilized in reservoirs built on the main stem of the lower Colorado River to produce power for the lower basin. Without this water, southern California would have to use steam-power generation or go without the power.

Division of the river under the Colorado compact, permitted the construction of Hoover Dam in the midthirties, thereby opening the way to the extensive, federally financed utilization of the lower basin's water and hydropower potentialities, the chief economic mainspring behind the tremendous economic and population growth of southen California.

Hence, in the period since completion of the construction of Hoover Dam, the lower basin has had access to, and used, a water resource reserved for ultimate use by the upper basin, and, as I have said, at present value, some $5½ million a year. During this period, that resource, if utilized completely, would have represented a total value of $72,800,000 in terms of fuel costs for steam-power generation in the Los Angeles area. Over the 50-year repayment period for Hoover Dam, the total value of this water-power, if the water is not put to consumptive use in the upper basin, will be approximately $252 million for its energy in present-day values.

This is not the total value of the water resource represented by the upper basin's unused portion of the Colorado River. This represents merely the hydropower value over 50 years. After passing through the turbines of the lower basin, two-thirds of the water allocated to the upper basin now flows into Mexico, and, we presume, wastes into the Pacific Ocean.

Water is a renewable resource; therefore, the upper basin's allocated but unused—at least by the upper basin itself—water must be considered in terms of many billions of dollars of potential value to present and future organizations.

In view of this estimate of the value of the upper basin's water resource, and its unobstructed use, at least for energy, by the lower basin during the past 17 years, what substance, then, is there to these complaints by southern Californians that construction of the Colorado River storage project will result in a diminution of the power potentialities of Hoover Dam?

Well, it so happened that southern Californians in the 1930's were more inclined to recognize that the upper basin had a right to put to use its allocated share of the river. In fact, the planning estimates for repayment of Hoover Dam construction costs clearly recognized that the upper basin would gradually put to use a large portion of its share in the river. The average depletion of water supply at Lake Mead was estimated at about 79,000 acre-feet annually, or a total depletion during the 50-year period, ending in 1987, of some 3,950,000 acre-feet. The anticipated depletion was plainly reflected in the preamble to the power regulations issued under terms of the Boulder Project Readjustment Act of 1940, which provided for an annual reduction in firm energy from the project of 8,760,000 kilowatt-hours throughout the life of the repayment contract.

This means that by the very terms of the Hoover Dam power contract, the lower basin users have been on a "power gravy train" for the past 17 years. The programed depletions by the upper basin have not occurred, essentially because of the delays associated with the planning and legislative consideration of the proposed Colorado River storage project. During the past 17 years, the power produced with upper basin water which the Hoover Dam planners considered would not be available downstream, represents a value of $12 million. Furthermore, if the southern California water and power lobby is successful in blocking passage of the Colorado River storage project bill and preventing further development of upper basin water, they will continue to reap another $103 million of this power windfall, according to Bureau of Reclamation estimates.

Californians themselves are not reluctant to admit that they like this business of using upper basin water to produce power for southern California. They like it because they can get this power from Hoover Dam at a cost of 1.3 mills per kilowatt-hour, whereas it would cost them three times as much, or 4 mills for fuel alone to generate replacement power from steam in Los Angeles. This, in effect, was admitted by Representative CRAIG HOSMER in an article in the San Diego Evening Tribune of June 24, 1955, and republished in the CONGRESSIONAL RECORD of July 7, 1955, which contains an estimate that southern Californians are saving $2,152,000 a year because the upper basin hasn't been able to develop its Colorado River water.

Southern California, according to Representative HOSMER, doesn't like the proposed Colorado River storage project, because it would make it possible for the upper basin States to put their water to use and end the gravy train ride that southern California has enjoyed because the upper basin has not been able to put its water to use. It would mean that southern California would be required to recognize and apply a planned reduction in Hoover Dam power, as contemplated in the long-standing project power regulations and contracts, so that the four upper basin States could utilize part of the unused two-thirds of their half of the river and produce power for use by their own residents.

The article estimates the diversion of upper-basin water by project units at $2,152,000 a year in power fuel costs in the Los Angeles area, but makes no mention of the fact that southern California has had the opportunity of getting this equivalent power as just plain gravy since Hoover Dam reached its peak power output in the early 1940's. Apparently southern California expects to continue on this selfish basis indefinitely.

The same article contains a misstatement, which I feel sure was inadvertent. It states: "At the same time, and for the remaining life of the power contracts at Hoover Dam (until 1987) the Federal Government, and thus the United States taxpayers, would lose a total of $187 million in revenue from power not sold because there was no water to generate it." The fact is that the repayment of the Hoover Dam construction costs is based on the estimated generation of 274,908,200,000 kilowatt-hours of firm energy between 1937 and 1987. These estimates, as I have indicated, are based on the expectation, under terms of the 1922 compact, of extensive depletion of the river by the upper basin, starting in 1937. Because of the 17-year delay, the estimated upper-basin depletions will never be fully achieved in the 50-year contract period, so there is no possibility that construction of the Colorado River storage project will interfere with repayment, on schedule, of Hoover Dam construction costs, and there will be no resulting loss to the taxpayers.

In addition to this, so far, unlimited use of water allocated to the upper basin in 1922, the lower basin will receive certain direct benefits from construction of the Colorado River storage project. These, briefly, are:

1. Creation by the Glen Canyon Reservoir of a desirable power opportunity at the Marble Canyon site in the lower basin and enhancement of the value of the proposed Bridge Canyon site, also in the lower basin.

2. Construction of Glen Canyon Dam would prolong the useful storage life of Hoover Dam for at least 150 years. Because of this contribution in sediment removal from the waters entering Lake Mead, some observers have felt strongly that the lower basin should be made to contribute to the cost of the Glen Canyon unit. No such participation, however, is called for in the bills before Congress.

3. The construction of upstream regulatory units should relieve Lake Mead of a substantial part of its flood-control requirement—now a storage factor of 9½ million acre-feet—and make available, thereby, a greater effective reservoir capacity for production of power and irrigation for the lower basin.

In addition, the large producing area of the lower basin would participate indirectly, to a large degree, in the economic development of the neighboring upper basin made possible by the Colorado River storage project.

All of these reasons make it somewhat difficult to comprehend why southern California is opposing the Colorado River storage project. If they are sincere in their avowed statements that the upper basin should be able to develop its allocated share

[3] Totals listed cover contributions of $500 or more.

of the river, then they above all others, outside the upper basin itself, should be supporting the project enthusiastically. The only conclusion one can draw from their heavy, persistent opposition is that southern California opposes the Colorado storage project, and pays its lobby hundreds of thousands of dollars to delay and defeat it, only because the southern Californians know that water runs downhill and they want to be able to continue to use all of the water now in the river for the production of low-cost power, and for ultimate use in their own industries, homes, and on their farms, in spite of the fact that 90 percent of the river originates in the upper basin and that one-half of the river was allocated to the upper basin in the Colorado River compact of 1922, to which California is a party.

Previously, I mentioned that my discussion in this letter is limited to power production. It should be kept in mind that the primary purpose of the dams to be authorized under H. R. 3383 is the storage of water now belonging, under the compact, to the upper basin States, which they can release when needed to supply the rights of the lower basin States and at the same time take from the tributaries of the Colorado River at higher elevation, water needed for consumptive uses in the four upper basin States.

It is accepted without question in the West that water for consumptive purposes, such as irrigation, municipal use and industry, has priority over water for power and navigation. That is also the law of the Colorado River written into the Colorado River compact of 1922.

Again thanking you for your very courteous reception, I am,

Sincerely yours,

ARTHUR V. WATKINS.

UNITED STATES
DEPARTMENT OF THE INTERIOR,
BUREAU OF RECLAMATION,
Washington, D. C., July 12, 1955.

Hon. ARTHUR V. WATKINS,
United States Senate,
Washington, D. C.

MY DEAR SENATOR WATKINS: As requested by telephone on July 8, 1955, I am glad to provide you the information herein concerning the effects of the proposed Colorado River storage project on the generation of power and its development in the lower basin States.

The operation of the storage project will not prejudice the rights of those having interests in power development in the lower basin of the Colorado River. It is true that because of the current drought condition in the basin power generation at existing plants is being curtailed. Such infrequent curtailment was anticipated, however, by the Congress when the Boulder Canyon project was authorized, and by the Secretary of the Interior and power allottees of the lower basin when contracts for the sale of power were negotiated.

In addition to the infrequent years of drought and low runoff it was anticipated that firm power generation would be decreased, as is provided for in the power contracts. This decrease in power production is in recognition of the condition of a diminishing water supply which results from the upper basin's potential progressive increase in its apportioned consumptive use of Colorado River water.

For the first time since power generation at the Hoover Dam started, in 1937, under the contractual arrangements the anticipated infrequent curtailment in firm power generation is being realized. The regulatory effect of the Colorado River storage project on the water supply at Hoover Dam will be to minimize the impairment of firm energy production.

Contrary to the claim that rights of lower basin power users will be affected detrimentally, the power allottees have been receiving a very favorable rate of secondary energy production at the Hoover powerplant. As stated above, it was recognized at the time of power contract negotiations that the water supply at Hoover Dam would be decreased because of increased upper basin uses. This decrease, which was estimated to average about 79,000 acre-feet annually during the 50-year repayment period, has not actually materialized to date. Consequently, the power allottees have been receiving a substantial benefit through generation of secondary electrical energy.

Since 1938 the value of this secondary energy in terms of fuel replacement in the Los Angeles area represents savings of about $12 million. If the upper basin States were unable to increase their consumptive uses these savings to the power allottees over the contract period could amount to $115 million. The inability to increase upstream uses was not anticipated by the Congress and was not anticipated at the time of power contract negotiatons. The power allottees had no reason to expect the favorable advantages resulting from such situations. On the other hand, the curtailment or interruption of this secondary energy is not a justifiable reason to forestall upstream development of consumptive use of water apportioned by the Colorado River compact.

The construction and operation of the proposed Colorado River storage project would, contrary to claims of detrimental effect, contribute beneficially to power development in the lower basin. A new source of electric-power energy of particular interest to the lower basin power users would be created at the potential Marble Canyon site on the lower Colorado River. In addition, the upper Colorado River storage project would greatly enhance the value of the proposed Bridge Canyon site.

Sincerely yours,

E. G. NIELSEN,
Acting Commissioner.

ABUSE OF CONGRESSIONAL INVESTIGATORY POWER

Mr. LANGER. Mr. President, day before yesterday there was a controversy on the floor with the Senator from Mississippi [Mr. EASTLAND] relative to a citation of Harry Sacher for contempt. I called the attention of the Senate to the fact that many persons who have been cited by this body for contempt have had their contempt citations reversed by the courts. I particularly mentioned the fact that the case of Corliss Lamont was pending. I think Senators are now aware that the court has held that Mr. Lamont was improperly cited. In this morning's Washington Post and Times Herald there appeared an editorial which is on all fours with the Sacher case. The editorial is entitled "Out of Bounds," and reads as follows:

OUT OF BOUNDS

Corliss Lamont deliberately defied the McCARTHY subcommittee in 1953 in order to bring about a court test of the subcommittee's authority to question him concerning his opinions and associations. The subcommittee was an appendage of the Senate Committee on Government Operations. Mr. Lamont was a private citizen not employed by the Government in any capacity. The pretext under which the subcommittee summoned him before it in the course of an investigation of military intelligence was that a book which he had written was included in the bibliography of an Army Intelligence Manual titled "Psychological and Cultural Traits of Soviet Siberia." After asserting that "I am not now and never have been a member of the Communist Party," Mr. Lamont said: "This committee has no authority to examine into the personal and private affairs of private citizens. Any action with regard to my books by officials of the Government was done without my prior knowledge or consultation with me. I took no part in any proceedings involving any governmental authority and therefore this committee is without power to examine me under the rules and statutes governing it."

Much as we disagree with Mr. Lamont's political views, he was, in this instance, precisely right. On Wednesday a Federal judge dismissed the Lamont indictment for contempt of Congress on the ground that it was "barren of any allegation or fact from which the authority of the permanent subcommittee to conduct an inquiry can be ascertained." Manifestly, a Subcommittee on Government Operations has no business probing into matters wholly unrelated to Government operations. It's jurisdiction is fixed by the terms of the Legislative Reorganization Act which established it; and these give it nothing whatever in the nature of a roving commission to investigate at will outside the Government.

"A witness," said the Supreme Court in a case involving contempt of Congress in 1927, "rightfully may refuse to answer where the bounds of the power are exceeded or the questions are not pertinent to the matter under inquiry." By applying this rule of law a Federal judge has once more set appropriate bounds to the power of investigating committees. Their power is not plenary. It can be exercised only within constitutional limits —and within limits of the authority specifically delegated to them by the House or by the Senate.

Mr. President, I hope every Senator will read the editorial. It seems to me outrageous that citizens can be subpenaed before a congressional committee and asked about private affairs which have no connection with the Government in any way, shape, form, or manner. So long as I am a Member of this body, I intend to protest against such action. I protested in connection with the Peters case. Nevertheless, a resolution citing him for contempt was adopted.

In the Scheiner case, a Federal judge in Florida has just held that Scheiner was not guilty of contempt.

It seems to be a custom in this body to hold in contempt of the Senate anyone who refuses to answer any question which any Senator may ask him, no matter how private may be the matter to which the question relates.

Mr. President, I desire to compliment my friend, the Senator from New York [Mr. LEHMAN], who stood on this floor and protested against the citation of Corliss Lamont. I know the Senator from New York agrees with me in congratulating Mr. Lamont for having the courage to take his case to the Federal court, which yesterday held him not guilty.

Mr. WILEY. Mr. President, will the Senator from North Dakota yield to me?

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). Does the Senator from North Dakota yield to the Senator from Wisconsin?

Mr. LANGER. I yield.

Mr. WILEY. I think the comments of the distinguished Senator from North Dakota are very helpful. If all Members

of the Senate would read them, I think they would understand that the investigatory power of this body and of the House of Representatives is based primarily on obtaining facts on which the Congress can legislate. Of course, the Congress has additional authority in connection with the investigation of Government efficiency or of wrongdoing in the Government service.

However, I agree fully that, generally speaking, Congress must not abuse its power of investigation, by extending it beyond those limits, and applying it to matters as to which we really have no power or jurisdiction to investigate.

Mr. LEHMAN. Mr. President——

The PRESIDING OFFICER (Mr. HRUSKA in the chair). Does the Senator from North Dakota yield to the Senator from New York?

Mr. LANGER. I yield.

Mr. LEHMAN. Mr. President, I desire to thank the Senator from North Dakota for the comments he has made. Like the Senator from North Dakota, I felt that that citation seriously curtailed the constitutional rights of the man who was accused; and therefore I was very glad indeed to join the Senator from North Dakota and, I believe, one other Senator—I think there were only three of us—in opposing the citation and in voting against it.

Mr. LANGER. Mr. President, the distinguished Senator from New York has, time and time again, demonstrated on the floor of the Senate his great courage in following his conscience, no matter how unpopular his course of action may be, in protecting the rights of private citizens. I hope we may go along together for a great many years in this body, even though we may be in the hopeless minority time and again—if that should happen—and that we shall stand fast in following our conscience and doing what is right, in accordance with the truth, in any matters which may develop, even though such a course may be unpopular.

Mr. LEHMAN. Mr. President, I reciprocate the expression of the hope that we shall be associated in fighting for human rights for many more years.

Mr. LANGER. I thank the Senator from New York.

MR. AND MRS. HARRY HOLT, OF CRESWELL, OREG., AND EIGHT KOREAN WAR ORPHANS

Mr. NEUBERGER. Mr. President, by passing Senate bill 2312, the United States Senate has made it possible for a truly humanitarian and generous deed to be fulfilled.

Mr. and Mrs. Harry Holt, a fine married couple in my State, desire to adopt eight Korean war orphans and to bring them to America for a better chance in life. Under the law, only two can come. Senate bill 2312 will make it possible for an additional six to migrate to the United States under the sponsorship of the Holt family.

There are many fine people whom I want to thank for cooperating in the passage of this worthy measure. The senior Senator from West Virginia [Mr. KILGORE] and the staff of the Judiciary Committee held a hasty meeting just off the Senate floor to report the bill favorably. Both the acting majority leader [Mr. CLEMENTS] and the minority leader [Mr. KNOWLAND] took up the bill out of order, just before midnight on July 30, so the Senate could act prior to adjournment. Senator CLEMENTS told me he would not let such a measure die. Senator KNOWLAND, with his deep and abiding interest in Korea, studied the committee report in the midst of many pressing legislative matters for him to consider.

Harry Holt and his wife symbolize to me the Bibical Good Samaritan, as of 1955. I like to think that, when the hearts of men are sifted out before the judgment seat, we shall be measured by deeds, rather than by words. What nobler and more unselfish deed could there be than to bring to the security and comfort of America, eight small children from the ravaged and tormented country of Korea? If the brotherhood of man still has meaning in this troubled world, then that sentiment is exemplified by Harry Holt and his family.

Mr. President, Harry Holt, of Creswell, Oreg., is now in Korea, awaiting final passage of Senate bill 2312, so he can hasten to America with his eight adopted charges. Their names are: Joseph Han Holt, Mary Chae Holt, Helen Chan Holt, Paul Kim Holt, Betty Rhee Holt, Nathanial Chae Holt, Christine Kim Holt, and Robert Chae Holt.

News of our action will help Mr. Holt to recover from an illness from which he has been suffering. It also will assure him that men in high places in the American Government—regardless of political party or what State of the Nation they represent—are eager to help in connection with so lofty a purpose.

I ask unanimous consent to include in the RECORD a poignant letter which I received from Harry Holt, in Seoul, Korea, only the day prior to final and favorable Senate action on Senate bill 2312, which I introduced for myself and my senior colleague from Oregon [Mr. MORSE].

Let me also include a letter from Seoul, Korea, from Mr. Erwin W. Raetz, overseas director of World Vision, the international humanitarian and religious organization which has worked closely and cooperatively with Harry Holt to make possible this illuminating deed of nobility and generosity.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

WORLD VISION, INC.,
Seoul, Korea, July 22, 1955.

RICHARD L. NEUBERGER,
United States Senator,
Washington, D. C.

DEAR SENATOR NEUBERGER: Thank you for your letter of July 7 and copies of the bill introduced by yourself and Senator MORSE. Senator, words cannot express my gratitude to you for what you have done for us. Thank you, too, for giving the names of the children to the Immigration and Naturalization Service.

It is a wonderful thing to live under a government such as ours with men in high places as yourself, who find time to help little orphan children. I am sure the Lord will bless you for it.

We in America often say "Thank God I am an American" without knowing what it really means. It has taken a trip to Korea to make me appreciate America.

I surely hope the bill to Congress will soon be passed. I am having quite a time with all my little children and the nurses who do not speak any English. Also, there has been some sort of summer complaint or stomach flu going around and I have had it myself. I'll certainly be glad to see the green hills of Oregon again.

With many, many thanks for all you are doing for us.

Sincerely yours,

HARRY HOLT.

WORLD VISION, INC.,
Seoul, Korea, June 30, 1955.

Hon. RICHARD L. NEUBERGER,
United States Senate, Washington, D. C.

DEAR SENATOR: Mr. Harry Holt has been a guest in our house since June 3. The mission on which he has come to Korea is indeed a most worthy and humanitarian one. We, who are in orphanage work in this country of Korea, appreciate more than we can put into words the help he is being to us in trying to deal with the problem of mixed-blood (or GI children). They simply are not accepted into Korean society and do not thrive well under the same conditions in our orphanages that pureblooded Korean orphans do.

The enclosed pictures of the children he has selected, have all passed physicals and proceedings for their passports are being started. He has been looking after these children during processing, under deplorable conditions in a hospital; he has just been offered the use of a missionary's home until the end of August. It will be ideal as long as it lasts, but due to the time limit, we trust you will do all it is humanly possible to do to get the enabling act passed so that he can start for the States with the children before the end of August without having to make a move with them—to where we do not know—as housing is a major problem here in Korea.

We all appreciate your interest in this splendid effort of his, and wish you every success in having the enabling act passed before Congress adjourns for the summer.

Respectfully yours,

ERWIN W. RAETZ,
Overseas Director.

PROPOSED AWARD OF MEDAL TO DR. JONAS SALK

Mr. LEHMAN. Mr. President, I warmly support the pending bill to award a medal to Dr. Jonas Salk.

Dr. Salk is a resident of my State, and of the city of New York. He is, indeed, a resident in the congressional district represented in the other House by Representative IRWIN DAVIDSON. Mr. DAVIDSON introduced this bill in the House, and I am glad to express my strong support for this measure, which I am confident will be passed by the Senate and signed by the President.

Representative DAVIDSON is to be commended for having introduced and pushed this measure through to passage in the House.

INVESTIGATION OF THE NARCOTICS TRAFFIC AND RELATED PROBLEMS BY THE SUBCOMMITTEE ON IMPROVEMENTS IN THE FEDERAL CRIMINAL CODE

Mr. KILGORE. Mr. President, I desire to take this opportunity to commend the work of the Senate Judiciary's

Subcommittee on Improvements in the Federal Criminal Code, headed by the Senator from Texas [Mr. DANIEL], for its excellent work in conducting the investigation of the narcotics traffic and related problems.

The chairman of the subcommittee, Senator DANIEL, and his fellow members, the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Mississippi [Mr. EASTLAND], the Senator from Idaho [Mr. WELKER], and the Senator from Maryland [Mr. BUTLER] are to be commended on the manner in which they have tackled this, the first nationwide investigation on one of the most important problems facing our country.

I especially commend the Senator from Texas for his work as chairman of the subcommittee, and I ask unanimous consent that there be inserted in the RECORD comments from newspapers in his State.

There being no objection, the editorial and articles were ordered to be printed in the RECORD, as follows:

[From the Beaumont Journal]

DANIEL IN LION'S DEN

Senator PRICE DANIEL has proved his loyalty to Texas in many ways and on many occasions. But his concern for the welfare of his home State has never been more brightly reflected than in a new job he has tackled.

The job—heading a nationwide investigation of the narcotics traffic—is perhaps the toughest he has ever taken on. He will attempt to uncover the ugly ramifications involved in the dope traffic and to find out what can be done to stop or slow the deadly business.

Senator DANIEL asked for the assignment after hearing disturbing reports of narcotics traffic in Texas. He received a resolution from a Galveston grand jury pointing out the extent of the traffic in south Texas and asking that the hands of Federal agencies be strengthened. A similar report reached him from Austin, and at about the same time he was learning, as a member of the Senate Internal Security Subcommittee, how Red China is flooding the Far East with narcotics to undermine countries friendly to the United States.

Flanked by Senators JOSEPH C. O'MAHONEY, of Wyoming, and HERMAN WELKER, of Idaho, the junior Senator from Texas is delving into the devious dealings of the poisonous trade. He is gathering data, digging for cold facts and preparing a case that may later knock a hole in the dope racket and at the same time provide for rehabilitation of its victims.

The Senate would have had to go far to find a better equipped man than Senator DANIEL to head this first full-scale probe of the narcotics traffic. As Texas attorney general he struck hard and solidly at organized crime and ended most of the State's racetrack gambling by stopping bookies from getting wire information. He was counsel for the House Crime Committee, and when he went to the Senate he introduced a bill directed at interstate racetrack information for the purposes of gambling.

Senator DANIEL is in the lion's den. But we predict that when he emerges he will be greeted with a roar of approval.

[From the Fort Worth Star Telegram]

DANIEL GETTING RESULTS IN BATTLE ON NARCOTICS

(By Vernon Louviere)

WASHINGTON, July 23.—The manner in which Senator PRICE DANIEL, of Texas, is pursuing his investigation of the Nation's narcotics problem and the results already achieved has drawn praise from his colleagues on both sides of the Senate aisle.

Only 2 months along, the investigation already has shown there is a desperate need for action at city, State, and national levels if the illicit narcotics traffic is to be wiped out or even minimized.

The Daniel judiciary subcommittee also has taken a critical look at the limited facilities available for treating narcotics victims.

DANIEL already is convinced that one solution will have to be in the nature of new legislation to plug loopholes in some laws and thoroughly revamp others.

DANIEL DRAWS PRAISE

On the Senate floor recently Senator SPARKMAN, Democrat, of Alabama, rose to congratulate DANIEL and his subcommittee.

"The conduct of the subcommittee," he said, "is exemplary of the finest type of congressional investigating committee."

Operating on an extremely low budget as far as congressional investigations go, DANIEL had to ask recently for an additional $20,000 to pay the cost of out-of-town hearings and to add to his subcommittee staff. Republicans and Democrats alike on the Senate Judiciary Committee told DANIEL, in effect, he could have all the money he needs to continue the probe.

Senator KILGORE, Democrat, of West Virginia, chairman of the Judiciary Committee, wholeheartedly has supported the work of the Daniel subcommittee. In a report to the Senate Rules Committee he pointed out:

"Innumerable practical recommendations for improving the Federal laws relating to the control of the illicit narcotics traffic have been received from Federal, State, and city officials and now are under study by the subcommittee. Evidence indicates that a major overhaul of Federal narcotics laws is urgently needed."

ADDICTS SPREAD USE

KILGORE noted that in 12 days of public hearings in Washington, Philadelphia, and New York, 100 witnesses were heard and 2,330 pages of testimony recorded.

DANIEL, meanwhile, said he has definite plans to hold public hearings in Houston, San Antonio, New Orleans, and 1 or 2 California cities. These probably will be scheduled in the fall.

Reviewing the progress of his investigation, DANIEL believes the widespread narcotics problem will not be eliminated until something is done to cure an estimated 60,000 narcotics addicts concentrated in a few large cities.

"We have found that nothing is being done in an effective way to isolate these people from the rest of the community," according to the Senator. "It is the addict who spreads this evil habit to his friends and associates and even to members of his own family."

DANIEL said many addicts soon turn from customer to seller to pay the high price of addiction. Statistics show that about 70 percent of the addicts are engaged in some other criminal activity—burglary, shoplifting, prostitution, to name a few.

The Senator noted that Washington has 889 known and registered addicts, yet only 47 have ever been treated for addiction.

"We will have to devise some way through legislation to set up more treatment facilities for addicts who will accept treatment," he pointed out. "And we'll have to isolate those who won't accept treatment voluntarily—like lepers or typhoid victims, they must be segregated."

[From the Dallas News]

SPOTLIGHT ON NARCOTICS—SENATORS TACKLE A VICIOUS TRADE

(By Walter C. Hornaday)

Senator PRICE DANIEL has taken on another big job.

He's launched a nationwide investigation of the narcotics traffic determined to uncover all of its ramifications and to find out what can be done to stop or at least slow down the vicious business.

Startling facts about the extent of the illicit trade in narcotic drugs already have been brought to light by DANIEL's group, and it has hardly gotten started.

The investigation is being made by a Senate judiciary subcommittee headed by DANIEL, and including Senators JOSEPH C. O'MAHONEY, Democrat, of Wyoming, and HERMAN WELKER, Republican, of Idaho.

DANIEL was led to ask the Senate for authority to look into the narcotics situation after he received disturbing reports from Texas.

A Galveston County grand jury sent him a resolution, through Federal Judge Joe Ingraham, pointing to the extent of the traffic in south Texas and asking that the hands of Federal agencies be strengthened.

This was followed by a similar report from Charles F. Herring, of Austin, then United States attorney for the western district of Texas.

About the same time DANIEL, as a member of the Senate Internal Security Subcommittee, heard how Red China is flooding the Far East with narcotics to bring its treasury money and, more important to the Communists, to undermine the countries friendly to the United States.

American soldiers and sailors stationed in Korea and Japan naturally were subject to the influence, as the committee has learned through witnesses familiar with the situation in that part of the world.

The junior Texas Senator is well equipped to direct this probe. As Texas attorney general, he expended much energy in breaking up organized crime. He ended most of the State's racetrack gambling by stopping the bookies from getting wire information. He was counsel for the House Crime Committee. When he came to the Senate he introduced a bill aimed at interstate communication of racetrack information for gambling purposes.

DANIEL proceeded carefully before he started his narcotics hearings. He obtained the loan from the FBI of Wayland L. Speer, formerly of Amarillo, as his chief investigator. Speer had looked into the narcotics situation in the Far East and set up a narcotics control in Japan.

He also obtained background data from the Narcotics Bureau of the Treasury Department, and gave Narcotics Commissioner Harry J. Anslinger plenty of time to prepare a statement for the committee.

DANIEL has made it plain he's not seeking headlines. He wants to prepare his case as would a competent attorney, then lay the facts as he finds them before the Senate. The subcommittee will make a report on what it learns and recommend corrective legislation.

The probe is the first full-scale investigation ever made by Congress of the narcotics traffic, according to DANIEL. It has been touched on, such as the extent of narcotics use among juveniles, but no congressional group has tried to develop the whole story.

Testimony from Anslinger and other experts has shown there are around 60,000 narcotics addicts in the United States, most of them users of the deadly heroin. The known addicts, by actual count from police records for more than 2 years, were 28,514, and the number was growing at the rate of 1,000 a month. That is, this number of additional cases were being reported.

While DANIEL plans to stick pretty close to cold facts and figures, the hearings undoubtedly will get more dramatic later.

To drive home the problem, the Senate group will call in witnesses who have actually been in the business of peddling and using narcotics. From them, DANIEL expects to

show the devastating effects of the use of the drugs, and the difficulty of cure and rehabilitation.

Hearings will be held later in some of the cities where the drug traffic has been reported to be particularly bad. The subcommittee will pick the sites of these hearings shortly.

The Federal Government is making a valiant stab at rehabilitation. The Public Health Service has hospitals for treatment of narcotic drug addicts at Fort Worth, Tex., and Lexington, Ky.

The Fort Worth Hospital admitted 707 addicts during the 12 months ending last June 30. The larger Lexington Hospital admitted 3,475.

Taking on this narcotics probe has made DANIEL one of the busiest men on Capitol Hill. He is bearing a load that only a young and vigorous lawmaker could successfully carry.

WORK OF THE SUBCOMMITTEE ON ANTITRUST AND MONOPOLY

Mr. KILGORE. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a statement on the work of the Subcommittee on Antitrust and Monopoly. This is a standing subcommittee of the Judiciary Committee; and the subcommittee's membership consists of the Senator from Tennessee [Mr. KEFAUVER], the Senator from Missouri [Mr. HENNINGS], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from North Dakota [Mr. LANGER], the Senator from Illinois [Mr. DIRKSEN], the Senator from Wisconsin [Mr. WILEY], and myself, as chairman.

Mr. President, I have had prepared a statement on the work done to date by the subcommittee; and I ask unanimous consent to have the statement printed at this point in the body of the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR KILGORE

The Subcommittee on Antitrust and Monopoly is a standing subcommittee of the Judiciary Committee, whose membership consists of Senator ESTES KEFAUVER of Tennessee, Senator THOMAS C. HENNINGS, JR., of Missouri, Senator JOSEPH C. O'MAHONEY of Wyoming, Senator WILLIAM LANGER of North Dakota, Senator EVERETT MCKINLEY DIRKSEN of Illinois, Senator ALEXANDER WILEY of Wisconsin, and myself as chairman.

We have an excellent subcommittee whose members have all had considerable experience and background in this field. For several years the members of this subcommittee have felt that the time had come when a comprehensive study and investigation of the entire antitrust field was due in order to determine how the antitrust laws are working. For this reason the subcommittee requested and the Senate passed S. Res. 61 on March 18, 1955, authorizing an expenditure of up to $200,000 to enable this subcommittee "to make a complete and comprehensive study and investigation of the antitrust laws of the United States and their administration, interpretation, operation, enforcement, and effect, and to determine the nature and extent of any legislation which may be necessary or desirable to (a) clarify existing statutory enactments, and eliminate any conflicts which may exist among the several statutes comprising such laws; (b) rectify any misapplications and misinterpretations of such laws which may have developed in the administration thereof; (c) supplement such statutes to provide any additional substantive, procedural or organizational legislation which may be needed for the attainment of the fundamental objects of such statutes; and (d) improve the administration and enforcement of such statutes."

The need for this study and the appropriation to carry it out were set forth in a letter which I sent to the chairman of the Rules Committee on February 21, 1955, which is as follows:

UNITED STATES SENATE,
COMMITTEE ON THE JUDICIARY,
February 21, 1955.

Hon. THEODORE FRANCIS GREEN,
Chairman, Committee on Rules and Administration, United States Senate, Washington, D. C.

DEAR SENATOR GREEN: The Senate Judiciary Committee has today favorably reported Senate Resolution 61, proposing a study and investigation of the administration and enforcement of the antitrust laws. The resolution proposes the sum of $250,000 for the expense of this undertaking.

Attention is invited to the fact that the basic law, the Sherman Act, is now 65 years old, the Clayton Act is 41 years old, and the Robinson-Patman Act is 19 years old. During this 65-year period, no attempt has yet been made by the Congress to survey the entire field of antitrust laws with a view toward a comprehensive revision and coordination of these basic laws. Controversy has arisen as to whether these basic policies may have become outmoded. Because of the many differences of opinion about the objectives of these antitrust statutes, suggestions have been made by many sources that a complete study should be made of our present antitrust policy. Criticism has been raised regarding the procedures and remedies of the antitrust laws. The overlapping of jurisdiction of Federal antitrust agencies, highlighted especially by the overlap in jurisdiction of the Department of Justice and the Federal Trade Commission, has generated demands for congressional action to centralize antitrust administration and enforcement in one source of authority or at least to coordinate through a central agency the concurrent jurisdiction of the several Federal agencies.

Questions have been raised in many quarters as to the adequacy of the present-day antitrust laws in the face of the apparent growth and concentration of economic power in fewer corporations and the consequent effect on the consumer dollar as contrasted with the situation existing at the time of the enactment of the Sherman Act in 1890. In view of the fact that the United States Government is the largest single customer of business and industry, it has been suggested that a study be made of the adequacy of our antitrust structure with relationship to the Government's procurement program and its effect upon the small business of the country and as to whether such large procurements are contributing to the growth of monopoly control, and a weakening of our free competitive economy.

The many questions raised as to the adequacy and present effectiveness of the antitrust laws point up the necessity for a comprehensive study and investigation of the Federal antitrust laws. The committee realizes the enormity of the task and the necessity of providing a staff of technicians thoroughly skilled in the complex field of antitrust law.

Attorney General Brownell recognized the need for a study of the antitrust laws on June 26, 1953, in announcing the appointment of the Attorney General's National Committee To Study the Antitrust Laws. The Attorney General's committee is expected to report its recommendations for revision of the antitrust laws to the Congress sometime next month. As the Committee of the Judiciary, under the Legislative Reorganization Act, has jurisdiction over the subject matter of the "protection of trade and commerce against unlawful restraints and monopolies," those recommendations will be referred to the Committee on the Judiciary for consideration. The Committee on the Judiciary will immediately be faced with the task of evaluating and analyzing the recommendations which have occupied the attention of the Attorney General's 60-man committee for almost 2 years. Because of the necessity of reconciling conflicting points of view, extensive and lengthy hearings on these recommendations are contemplated.

In view of the tremendous technological progress of American industry since the enactment of the Sherman Act in 1890, it is imperative that a thorough review be made of the antitrust field in order to achieve such realinement of the antitrust laws as will determine an effective Federal antitrust policy which can be enforced vigorously, effectively, and uniformly to achieve the desired goal of competition in a free economy.

The Committee on the Judiciary respectfully requests that your committee approve the sum set out in Senate Resolution 61 for the expenses for such study and investigation.

Enclosed herewith for the information of your committee are copies of a proposed budget.

With kindest regards, I am,

Most sincerely yours,

H. M. KILGORE,
Chairman.

At the time the resolution was passed by the Senate, there was a proviso that the staff should not be appointed until after the Attorney General's National Committee To Study the Antitrust Laws had made its report to the Attorney General on March 31. Shortly after that date, on April 5, the subcommittee met and appointed Joseph W. Burns as chief counsel and staff director. He immediately commenced to organize a staff of competent, experienced antitrust lawyers, as well as the necessary investigators and clerical help required to carry out so comprehensive a study and investigation. On April 26 the subcommittee met and approved the staff, and a tentative plan of study and investigation.

It is the responsibility of the staff to obtain all the available evidence, facts, and worthwhile opinions on each side of every problem. The subcommittee desires an objective study in order that it may reach conclusions based upon all the available data submitted on both sides of each important question.

The subcommittee is convinced that our economy thrives best under a system of free enterprise and free competition and that the antitrust laws are a major instrument in carrying out this basic philosophy. In the 65 years since this basic philosophy was first set forth by Congress in the Sherman Act, Congress has found it necessary from time to time to pass additional laws to provide for various situations which did not appear to be adequately covered by the Sherman Act. To a certain extent it was found that completely unrestricted competition might result in the elimination of small business and the creation of the very monopolies which the Sherman Act was designed to prevent. In other instances it was found necessary to create exemptions where on balance the social welfare seemed to be better served by granting specific exemptions from the unrestricted competition which Congress had felt to be desirable as a basic principle. Also the tremendous technological progress which has occurred has created an economy in which the picture is far different from that which was presented to Congress in 1890. The subcommittee is cognizant of the complaint of businessmen and their advisers that the uncertainties of the present laws make it difficult to know what conduct and practices are prohibited. As a result, the subcommittee feels that an objective study and investigation should be conducted of the entire complex antitrust

field, to determine whether clarification, unification or revision of the present laws is required.

In recent years there have been many speeches made, articles written, and symposiums conducted in which conflicting opinions were expressed with respect to various antitrust problems. Some of the problems which it has been suggested this subcommittee study include: (1) the adequacy of the present laws in the face of the apparent growth and concentration of economic power in fewer corporations; (2) monopolies and oligopolies; (3) the adequacy of the present laws affecting mergers; (4) price discrimination, exclusive dealerships, and other distribution practices; (5) the effect of the Government's procurement policies on the small business of the country; (6) restrictive patent licenses; (7) the economic and social justification for continuing exemptions afforded to certain industries, business or pursuits, such as electric power, transportation, etc.; (8) problems affecting foreign trade; (9) alleged overlapping of jurisdiction of the Department of Justice and the Federal Trade Commission; and (10) administration and enforcement.

As the first step in our study, this subcommittee held a hearing on May 3 at which four members of the Attorney General's Committee To Study the Antitrust Laws explained the recommendations of the report. These members were: Stanley N. Barnes, Assistant Attorney General, Prof. Milton Handler, Columbia University Law School, Prof. Eugene V. Rostow, Yale University Law School, and Wendell Berge, former Assistant Attorney General in charge of the Antitrust Division. This was an introductory hearing to enable the members of the subcommittee to learn firsthand from members of the Attorney General's Committee the nature of their report and recommendations.

The report of the Attorney General's Committee contains over 80 specific recommendations, which may be divided into 3 categories: (1) recommendations for legislation; (2) administrative changes recommended to the Department of Justice and Federal Trade Commission which require no legislation; and (3) recommendations of changes to be followed by the courts. One of the tasks of this subcommittee is to study these recommendations.

On June 1, 1955, the subcommittee commenced hearings which continued for 15 days and concluded on July 1, 1955. These hearings had a twofold purpose; one was to have some of the country's leading economists from universities, industry, and the Government discuss the nature of our economic structure today, the kind of competition which exists, and the effect of our antitrust laws in aiding competition or retarding it. The other was to consider the important problem of mergers. This economic information is necessary as a background against which the various antitrust problems must be considered.

A major question before the country is what the national economic policy should be with respect to big business in our mid-20th century economy. In determining the effects of large business size on a traditionally competitive system, the subcommittee is interested in learning about great concentration of economic power which results from merging previously independent enterprises. We recognize there is no easy answer to these problems and that we must probe deeply into the causes and effects of such mergers if we are to fulfill our legislative responsibilities. Since the Federal Trade Commission had just issued a report on corporate mergers, this series of hearings began with the appearance of FTC Chairman Edward Howrey and FTC Commissioner John W. Gwynne.

The subcommittee selected the auto and steel industries as the two fields which could prove most profitable in learning about current economic conditions which have brought the question of mergers to public attention. Invited to testify were all six automobile companies—General Motors, Ford, Chrysler, Studebaker-Packard, American Motors, and Kaiser—and Bethlehem Steel and Youngstown Sheet & Tube. All except General Motors accepted the invitation. At a later stage of our hearings we shall insist upon the appearance of General Motors' representatives. These companies were chosen in order to help the subcommittee understand the action of the executive branch in approving two mergers in the auto industry while disapproving a proposed merger in the steel industry.

The subcommittee felt that the proposed Bethlehem-Youngstown merger illustrated the complexity of the problem. Here was an industry in which the dominant producer, United States Steel, controlled about 30 percent of the Nation's steelmaking capacity. Bethlehem, the second leading producer, accounted for 15 percent, and Youngstown, which ranked sixth, for about 4 percent. Would the economy be benefited by allowing Bethlehem and Youngstown to merge so as to provide a combined enterprise perhaps capable of competing more vigorously with United States Steel? Or would the competitive situation in the industry be better if these two enterprises which have already achieved substantial size remain separate? To what extent should big corporations be allowed to expand by acquiring competitors rather than by internal growth?

The Department of Justice, interpreting what it believes was the intent of Congress in enacting the Kefauver-Celler Anti-Merger Act in 1950, has declined to approve this merger. The statute prohibits mergers which may substantially lessen competition or tend to create a monopoly. As in the case of the antitrust laws generally, it does not provide any specific standards or guides but leaves it to the enforcement agencies and courts for interpretation.

As part of these hearings, we also heard witnesses from banking and the textile, chemical, and food industries—from Burlington Industries, Olin-Mathieson Chemical Corp., and the Borden Co., which in the past 6 years have had, respectively, 12, 16, and 17 mergers.

It is not the province of the subcommittee to pass on the legal merits of any of these mergers. However, in our appraisal of the working of the antitrust laws, we want to give due consideration to the views of businessmen who were affected. We are interested in obtaining the facts of actual situations in order to understand the practical considerations which businessmen face. From these hearings the subcommittee received a great deal of valuable information which will be studied in the weeks to come.

The staff is now studying several of the important problems which have been suggested. The complexity of the problems of concentration of economic power and mergers will necessarily involve considerable further study. Particular industries will be investigated to determine the effects of concentration and mergers on competition. In the field of distribution practices, the confusion appearing in court decisions interpreting the Robinson-Patman Act will be examined. In particular, the problem of exclusive dealing contracts, functional pricing, delivered pricing, and price discrimination will be studied.

A problem which will be given considerable study is the overlapping jurisdiction of the Department of Justice and the Federal Trade Commission. One of the inconsistencies resulting from overlapping jurisdiction is that in several instances the same conduct may be prohibited by each agency, with entirely different penalties. It seems incongruous that the infliction of a civil or criminal penalty should depend upon which agency chooses to bring suit.

Some problems have been posed in the area of private treble damage suits. While their effectiveness has increased in recent years, complaints have been made that on the one hand procedural difficulties often handicap a plaintiff in a case where a defendant's conduct clearly calls for severe penalties, while on the other hand treble damages is considered a harsh penalty in cases where the law is vague and a defendant could not be certain he was violating the law. Some have suggested as a solution giving the court discretion in the awarding of treble damages. Others believe Congress should make the penalty fit the offense.

In the field of foreign trade there is considerable study to be done. American businessmen engaging in trade with foreign countries are often met with restrictions on competition in conflict with our laws. We must also consider to what extent our antitrust policy should recognize the desirability of encouraging investments abroad by American companies.

Study will also be made of the procedures for enforcing the antitrust laws both in the courts and administrative agencies. Shortening of lengthy trials and proceedings, and other improvements in procedure, would be of considerable aid in strengthening antitrust enforcement.

We plan to resume hearings shortly after Congress adjourns. At that time we expect to consider distribution practices and foreign trade problems.

The subcommittee has invited each of the 61 members of the Attorney General's Committee to give us the benefit of his views on any of the recommendations contained in the report and any other area of the antitrust laws not covered by the report. Similarly the subcommittee has invited leading professors of law and economics throughout the country to assist us in our study and investigation and present any views or suggestions that they may have for legislation. We are extending a similar invitation to all of the Federal judges who have the burden of interpreting these laws, and finally all groups of business, industry, and other pursuits throughout the country who are affected by these laws and wish to present their views. We especially invite suggestions from all Members of the Congress, both in the Senate and in the House, in order that our study and investigation may be as complete and objective as possible. Our purpose is to ascertain the facts in order to enable Congress to legislate wisely in this field which so widely affects the entire economy.

Among those who have appeared before the subcommittee are the following:

WITNESSES AND DATES APPEARING IN 1955

Hon. Stanley N. Barnes, Assistant Attorney General in charge of the Antitrust Division, Department of Justice and Cochairman, Attorney General's Committee To Study the Antitrust Laws, accompanied by Robert A. Bicks, executive secretary of the Attorney General's Committee and legal assistant to Stanley N. Barnes, May 3, June 7.

Milton Handler, professor, Columbia University Law School, May 3.

Eugene V. Rostow, professor of law, Yale University, May 3.

Wendell Berge, attorney, Washington, D. C., May 3.

Edward F. Howrey, Chairman, Federal Trade Commission, accompanied by John W. Gwynne and Robert T. Secrest, members, Federal Trade Commission; Robert M. Parrish, secretary; Alex Akerman, Jr., executive director; Earl W. Kintner, general counsel; Joseph E. Sheehy, director, Bureau of Litigation, June 1.

Carl Kaysen, assistant professor of economics, Harvard University, June 2.

Louis B. Schwartz, professor, University of Pennsylvania, June 2.

M. A. Adelman, associate professor of economics, Massachusetts Institute of Technology, June 2.

Donald F. Turner, assistant professor of law, Harvard Law School, June 3.

Myron W. Watkins, Boni, Watkins, Mountcer & Co., New York City, June 3.

L. L. Colbert, president, Chrysler Corp., accompanied by George W. Troost, vice president, June 8.

Clare E. Griffin, professor of business economics, University of Michigan, June 9.

Jesse W. Markham, associate professor of economics, Princeton University, June 9.

J. Fred Weston, associate professor of finance, University of California, June 9.

George Romney, president, American Motors Corp., June 10.

Arthur B. Homer, president, Bethlehem Steel Corp., accompanied by R. E. McMath, financial vice president and secretary; C. H. H. Weikel, commercial research division; Donald C. Swatland, attorney, June 14.

George McCuskey, vice president, the Youngstown Sheet & Tube Co., accompanied by John E. Bennett, secretary and general counsel; R. F. Doolittle, assistant secretary and general counsel, June 14.

Edgar F. Kaiser, president, Kaiser Motors Corp., accompanied by Walston S. Brown, counsel, June 15.

H. A. Toulmin, Jr., attorney, Dayton, Ohio, June 16.

Robert R. Nathan, president, Robert R. Nathan Associates, consulting economists, June 16.

Clair Wilcox, Joseph Wharton professor of political science, Swarthmore College, June 21.

Lewis D. Crusoe, executive vice president, car and truck divisions, Ford Motor Co., accompanied by W. T. Gossett, vice president and general counsel; Walker Williams, vice president, sales and advertising; Theodore Yntema, vice president, finance, June 23.

William McChesney Martin, Chairman, Board of Governors, Federal Reserve System, accompanied by J. L. Robertson, member, Board of Governors, Federal Reserve System, June 24.

Ray M. Gidney, Comptroller of the Currency, accompanied by L. A. Jennings, Deputy Comptroller, June 24.

J. Spencer Love, chairman of the board, Burlington Industries, accompanied by: James Rowe, Washington counsel, Stephen Upson, secretary, Burlington Industries, June 29.

Solomon Barkin, director of research, Textile Workers Union of America, CIO, accompanied by John W. Edelman, Washington representative, June 29.

Thomas S. Nichols, president, Olin Mathieson Chemical Corp., accompanied by Roswell L. Gilpatric and Robert E. McCormick, counsel, June 30.

James J. Nance, president, Studebaker-Packard Corp., accompanied by Robert Blythin, counsel, June 30.

Theodore G. Montague, president, the Borden Co., accompanied by John Wood, counsel; Roy W. Wooster, vice president, fluid milk and ice cream division; Joseph O. Eastlack, general manager, fluid milk operations, July 1.

CHICAGO'S ROLE AS THE INDUSTRIAL AND COMMERCIAL HUB OF MIDWESTERN AMERICA

Mr. DIRKSEN. Mr. President, Chicago's roles as the industrial and commercial hub of midwestern America is too well known to require amplification here. Nor do I flatter myself that anything I might say could add to the luster of that city's already bright record. But I would have you know that in addition to being a thriving business center, Chicago is rapidly acquiring a reputation as the cultural center of the Midwest as well.

This coming fall Chicago joins hands with another fabulous city—Paris—in cosponsorship of what may easily prove to be one of the year's outstanding cultural events. I refer to a regional art competition which promises not only to bring national and international recognition to the fortunate American artist who wins it but which should generate for the United States abroad a tremendous amount of goodwill in a quarter in which it is sorely needed.

The event is sponsored by a group of Chicago property owners, professional men and merchants who make their business headquarters along Michigan Boulevard, a thoroughfare we refer to, with pardonable pride, as the "magnificent mile." It is truly one of the world's finest business districts, comparing favorably with New York's Fifth Avenue, London's Bond Street or Paris' Rue de la Paix. These Chicago businessmen have organized themselves as the Greater North Michigan Avenue Association. It is one of the most active and most respected organizations of its kind in the State of Illinois and numbers among its members such well-known names on the American business scene.

For many years this group held a small annual art contest in Chicago to encourage local talent. This year, after a number of these local successes, the competition has been thrown open to artists in other cities in the Midwest. The art world is cooperating enthusiastically, beginning with Daniel Caton Rich, director of the Chicago Art Institute, and including all the other directors of the truly important art museums throughout the Central States.

The contest has three specific and, in my opinion, laudable purposes:

First. It is designed to extend the radius of Chicago's art influence as a mecca for top talent throughout the Middle West.

Second. It is designed to discover new talent and offer incentives for its development; and

Third. It is designed to reaffirm Chicago's stature as a national center of culture and to reflect credit on the people of the community.

Invitations to the competition have been sent to more than 200 ranking artists within a 400-mile radius of Chicago. The winner will be announced in October by a distinguished panel of judges headed by Vladimir Visson of Wildenstein Art Galleries, Paris; Frederick H. Sweet, curator of paintings at Chicago Art Institute; and Jay Z. Steinberg, Chicago art patron and collector.

The principal prize in the competition—and the aspect of the program that seems to offer the promise of increased goodwill for the United States abroad—is an all-expense trip to Paris with an 11-day one-man show arranged at the Wildenstein Galleries in the French capital, perhaps one of the best known and certainly one of the most important art galleries in the world.

Following the Paris showing, the winning painting and 23 other award-winning canvasses will be on public display during December in the Tower of Art exhibition in the Chicago Avenue Water Tower, an historic city landmark.

On behalf of the city of Chicago and the members of the "magnificent mile" art contest committee, let me extend a warm invitation to the Members of this body and, through you, to each of your constituents, to visit Chicago next December and see firsthand these outstanding examples of American artistic talent. I can assure anyone who makes the trip of convincing proof that the cultural development of the Midwest need take second place to no other area of the country or, indeed, of the entire world.

The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded.

Mr. CLEMENTS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CLEMENTS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. PAYNE in the chair). Without objection it is so ordered.

THE CALENDAR

Mr. CLEMENTS. Mr. President, pursuant to the order entered yesterday, I ask unanimous consent that the Senate proceed to the consideration of bills on the calendar to which there is no objection.

The PRESIDING OFFICER. Without objection, it is so ordered, and the call of the calendar will be proceeded with.

RESOLUTIONS AND BILLS PASSED OVER

The resolution (S. Res. 17) to amend rule XXV of the Standing Rules of the Senate was announced as first in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

Mr. ERVIN. Mr. President, I ask that the resolution be passed over.

The PRESIDING OFFICER. Objection is heard. The resolution will be passed over.

The bill (S. 300) to authorize the construction, operation, and maintenance by the Secretary of the Interior of the Fryingpan-Arkansas project, Colorado, was announced as next in order.

Mr. ERVIN. Mr. President, I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 51) to amend the act entitled "To confer jurisdiction on the States of California, Minnesota, Nebraska, Oregon, and Wisconsin, with respect to criminal offenses and civil causes of action committed or arising on Indian reservations within such States, and for other purposes," was announced as next in order.

Mr. PURTELL. Over.

The PRESIDING OFFICER. The bill will be passed over.

The joint resolution (S. J. Res. 31) proposing an amendment to the Constitution of the United States providing for the election of President and Vice President was announced as next in order.

Mr. PURTELL. Over, by request.

The PRESIDING OFFICER. The joint resolution will be passed over.

The bill (S. 63) to provide for the appointment of the heads of regional and district offices of the Post Office Department by the President by and with the advice and consent of the Senate was announced as next in order.

Mr. PURTELL. Mr. President, I ask that the bill be passed over. In our opinion it is not calendar business.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 636) to revise the Federal election laws, to prevent corrupt practices in Federal elections, and for other purposes, was announced as next in order.

Mr. HRUSKA. Mr. President, I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The resolution (S. Res. 131) relating to refusal of Harvey M. Matusow to answer questions before a Senate subcommittee was announced as next in order.

Mr. BIBLE. I ask that the resolution go over.

The PRESIDING OFFICER. The resolution will be passed over.

The bill (S. 2603) to authorize the providing of family housing for the Chairman of the Joint Chiefs of Staff was announced as next in order.

Mr. BIBLE. Over.

The PRESIDING OFFICER. The bill will go over.

The bill (H. R. 6043) to amend section 216 (b) of the Merchant Marine Act, 1936, as amended, to provide for the maintenance of the Merchant Marine Academy, was announced as next in order.

Mr. BIBLE. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2577) to define bank holding companies, control their future expansion, and require divestment of their nonbanking interests, was announced as next in order.

Mr. BIBLE. I ask that the bill go over.

The PRESIDING OFFICER. The bill will go over.

The bill (S. 2576) to amend the joint resolution entitled, "Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes," approved January 14, 1933, and for other purposes, was announced as next in order.

Mr. PURTELL. I ask that the bill go over.

The PRESIDING OFFICER. The bill will go over.

The bill (H. R. 4663) to authorize the Secretary of the Interior to construct, operate, and maintain the Trinity River division, Central Valley project, California, under Federal reclamation laws, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. PURTELL. Mr. President, inasmuch as an expenditure of $225 million is involved, we feel that it is not proper business to be transacted on the call of the calendar. For that reason alone, I ask that the bill go over.

The PRESIDING OFFICER. The bill will go over.

UTILIZATION OF PRIVATELY OWNED SHIPPING SERVICES—BILL PASSED OVER

The bill (S. 2286) to amend the Merchant Marine Act of 1936 so as to provide for the utilization of privately owned shipping services in connection with the transportation of privately owned motor vehicles of certain personnel of the Department of Defense was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 901 of the Merchant Marine Act of 1936 is amended by inserting "(a)" after "SEC. 901."; and (2) adding at the end thereof a new subsection as follows:

"(b) (1) That notwithstanding any other provision of law, privately owned American shipping services may be utilized for the transportation at Government expense of motor vehicles owned by personnel of the Armed Forces and by civilian employees of the Department of Defense and of the Departments of the Army, the Navy, and the Air Force on other than temporary duty orders, except that nothing contained herein shall be construed to authorize the inland transportation of any motor vehicle within the United States. The Secretary of Defense may by regulations authorize such transportation by commercial means if available at reasonable rates and conditions or by Government means on a space available basis, and shall limit such transportation to one vehicle for the personal use of each authorized person. Transportation other than by water (unless in an overseas area as a part of a move involving transportation by water) shall not be authorized except upon approval in advance of the Secretary of Defense or such other officials as he may designate."

Mr. BIBLE subsequently said: Mr. President, I ask unanimous consent that the Senate reconsider the vote by which S. 2286 was passed.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the vote by which the bill was passed is reconsidered.

Mr. BIBLE. Mr. President, I ask that the bill go over.

The PRESIDING OFFICER. The bill will go over.

AMENDMENT OF DISTRICT OF COLUMBIA CODE—MENTAL DISORDER AS A DEFENSE IN CRIMINAL PROSECUTIONS — BILL PLACED AT THE FOOT OF CALENDAR

The bill (H. R. 6585) to amend the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, and for other purposes, was announced as next in order.

Mr. KNOWLAND. Mr. President, may we have an explanation of the bill?

Mr. HRUSKA. Mr. President, I ask that the bill go to the foot of the calendar.

Mr. KNOWLAND. I join in that request.

The PRESIDING OFFICER. Without objection, the bill will be placed at the foot of the calendar.

Mr. MORSE subsequently said: Mr. President, I should like to have the attention of the acting majority leader and the minority leader.

With reference to Calendar No. 1182, H. R. 6585, I understand that it went to the foot of the calendar until I could come to the floor. I was in a very important conference. I should like to make an explanation of the bill at this time.

Mr. CLEMENTS. Mr. President, I should like the members of the calendar committees, as well as the minority leader, to hear the statement of the Senator from Oregon, and I ask unanimous consent to return to Calendar No. 1182, H. R. 6585, for the purpose of hearing an explanation with reference to that bill.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of Calendar No. 1182, H. R. 6585, to amend the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, and for other purposes.

Mr. MORSE. Mr. President, this bill comes to the Senate because it has been recommended as a result of a study and report of the Committee on Mental Disorder as a Criminal Defense, of the Council on Law Enforcement in the District of Columbia.

The council was created by section 401 of the District of Columbia Law Enforcement Act of 1953, and its purpose is to make a continuing study and appraisal of crime and law enforcement in the District of Columbia and make annual reports to the Senate and House of Representatives.

On October 25, 1954, the council appointed a committee to study and report on the substantive and procedural law of the District of Columbia bearing on mental disorder as a defense in a criminal prosecution. As a result of a 5-month study, the committee, in its report to the council, made specific recommendations for amendments to several sections of the District of Columbia Code.

The bill would authorize the court to commit for treatment a person found insane or incompetent to stand trial by the psychiatric staff of a mental hospital, but reserving to the accused the right to a judicial determination to determine sanity or competency if he so desires. This is designed to speed up procedures without prejudicing the accused.

Permit the court to order to trial an accused who had been found incompetent to stand trial, on the basis of a certificate from the superintendent of the hospital that the accused has recovered, except in cases where the accused or the Government objects, in which case a judicial determination, after hearing without a jury, would be required. This is designed to avoid the burden of a

judicial hearing and determination unless the accused or the Government desires it.

Provides that in every case where an accused is found not guilty of a crime solely by reason of insanity he shall be confined in a hospital for the mentally ill. This is designed to protect the public against the immediate unconditional release of accused persons who have been found not responsible for a crime solely by reason of insanity.

Provides that a person who has been held not responsible for a crime by reason of insanity and committed to a hospital for the mentally ill shall be unconditionally released therefrom only on order of the court after the superintendent of the hospital has certified the accused has recovered his sanity and that, in the opinion of the superintendent, such person will not in the future be dangerous to himself or others; that notice of an impending release be given to the office which prosecuted accused a reasonable time before the accused is released; that the court, on its own motion, may hold a hearing, and on objection by the office which prosecuted accused must hold a hearing before release, and that the court, on recommendation of the superintendent of the hospital, and with the same notice and opportunity for hearing above provided, may order the conditional release of accused to a legal guardian or other person subject to such conditions as the court may impose. These changes are designed to protect the public against premature release of insane accused persons and also to give maximum protection and treatment to such accused persons.

The committee heard the testimony of Dr. Overholser in support of this procedure. It was brought out in the hearings that the proposed procedure would interfere in no way with the rights of a person under habeas corpus, as it could not anyway.

Provision is made specifically that nothing shall preclude a person from establishing his eligibility for release by habeas corpus at any step of the proceedings. This is deemed desirable to eliminate the possibility that it might be construed that the release provisions in the section were exclusive of habeas corpus proceedings.

Section 2 of the bill provides that a prisoner serving a sentence for a crime in a District of Columbia penal institution who, in the opinion of the Director of the Department of Corrections, is mentally ill, shall be referred to the Legal Psychiatric Service Division of the District of Columbia Department of Public Health.

At hearings on June 28, 29 and July 8, 1955, the Chairman and members of the Committee on Mental Disorder as a Criminal Defense of the Council on Law Enforcement of the District of Columbia were present and testified in favor of this legislation, as well as Dr. Winfred Overholser, Superintendent, St. Elizabeths Hospital, a representative from the District of Columbia General Hospital, a representative from the Office of the United States attorney for the District of Columbia, the Corporation Counsel for the District of Columbia, and a representative of the Chief of the Metropolitan Police Department.

The PRESIDING OFFICER. Is there objection to the present consideration of H. R. 6585?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

RESOLUTIONS AND BILLS PASSED OVER

The joint resolution (S. J. Res. 97) to amend certain laws providing for membership and participation by the United States in the Food and Agriculture Organization and International Labor Organization and authorizing appropriations therefor was announced as next in order.

Mr. ELLENDER. Over.

The PRESIDING OFFICER. The joint resolution will be passed over.

The bill (S. 2402) to amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill.

Mr. PURTELL. Mr. President, inasmuch as the bill contemplates expenditures of approximately $540 million, we do not consider it to be proper calendar business. For that reason I object.

The PRESIDING OFFICER. The bill will be passed over.

REQUIREMENT THAT CONFERENCE REPORTS BE ACCOMPANIED BY STATEMENTS — RESOLUTION PASSED OVER

The concurrent resolution (S. Con. Res. 36) requiring conference reports to be accompanied by statements signed by a majority of the managers of each House, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

Mr. ERVIN. Mr. President, I ask that the concurrent resolution go over, on the ground that it is not properly calendar business.

Mr. KNOWLAND. I wonder whether the Senator will withhold his objection.

Mr. ERVIN. I do.

Mr. KNOWLAND. An identical resolution was passed by the Senate on two occasions. It had been submitted jointly by the minority leader and by the former chairman of the Committee on Rules and Administration, the Senator from Arizona [Mr. HAYDEN]. It had bipartisan sponsorship. All the concurrent resolution seeks to do is to provide that Senate conferees shall be permitted to submit statements setting forth their views on conference reports. At the present time only the managers on the part of the House do so. As a result of that practice we have encountered some difficulties in the past. We feel that the Senate conferees should have an opportunity to submit their views on conference reports. So far as I know, the resolution was reported without opposition by the Committee on Rules and Administration. It was sponsored by both the majority and minority members of the committee.

Mr. ERVIN. Mr. President, I ask that the concurrent resolution go over.

The PRESIDING OFFICER. The resolution will be passed over.

AMENDMENT OF FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949

The bill (S. 2591) to amend section 602 of the Federal Property and Administrative Services Act of 1949, with respect to the utilization and disposal of excess and surplus property under the control of the executive agencies was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Government Operations with amendments on page 2, line 14, after the word "or", to strike out "inplace"; in line 16, after the word "rights-of-way", to strike out "to power distributors"; and on page 3, line 11, after the word "interest", to strike out "Each such proposed Executive order shall be published in the Federal Register not less than 30 days prior to the issuance thereof. The President shall submit a report to the Congress in January of each year to and including the year 1960 of all Executive orders issued hereunder during the preceding calendar year and the reasons therefor", so as to make the bill read:

Be it enacted, etc., That section 602 of the Federal Property and Administrative Services Act of 1949 (63 Stat. 399, 40 U. S. C. 474), as amended, is hereby amended by adding at the end thereof a new subsection to read as follows:

"(g) (1) Notwithstanding the provisions of subsection (d) of this section or of any law other than this act, the Administrator shall exercise the authority vested in him by this act with respect to the utilization and disposal of all excess and surplus property, real and personal, which is under the control of any executive agency, except that nothing in this act shall impair or affect any authority of—

"(A) any executive agency to dispose of property under its control when such disposal is made as specifically authorized by law in a particular manner, to a particular class or classes of persons, or for particular purposes, as part of or in furtherance of program activities of such agency, including, but not limited to, disposal by the Department of Agriculture of agricultural commodities acquired under price support or other agricultural assistance programs, and disposal by the Tennessee Valley Authority of reservoir lands, or power equipment facilities with appurtenant rights-of-way, and of other property similarly disposed of by such Authority in connection with its program activities, but the agency carrying out such program shall, to the maximum extent practicable consistent with the fulfillment of the purposes of the program and the effective and efficient conduct of its business, coordinate its operations with the requirements of this act and the policies and regulations prescribed pursuant thereto; or

"(B) the Joint Committee on Printing under the act entitled 'An act providing for the

public printing and binding and the distribution of public documents', approved January 12, 1895 (58 Stat. 601), as amended, or any other act.

"(2) The President may by Executive order make such specific exemptions from the exercise by the Administrator of General Services of his authority under this subsection with respect to the utilization and disposal of excess and surplus property as the President deems to be necessary in the public interest.

SEC. 2. This act shall become effective 90 days after its enactment.

Mr. HILL. I should like to ask a question of one of the sponsors of the bill, the Senator from Iowa [Mr. MARTIN], who has just entered the Chamber. Would the bill, in its present form, preclude the Tennessee Valley Authority from disposing of sand, gravel, vehicles, or other construction equipment or materials?

Mr. MARTIN of Iowa. The general exemption written into the bill by the subcommittee would cover that type of vehicle, equipment, or material if the disposal of it is essential to a statutory program of the Tennessee Valley Authority, including construction equipment or materials. If the method of disposal is of no consequence or significance in the TVA program in question, of course, the GSA would handle the disposal.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

DISPOSAL OF EXCESS SURPLUS PROPERTY

The Senate proceeded to consider the bill (S. 2364) to amend the Federal Property and Administrative Services Act of 1949, regarding transfer of records to Archives, with respect to the utilization and disposal of excess and surplus property under the control of executive agencies, which had been reported from the Committee on Government Operations, with amendments, as follows:

Be it enacted, etc., That the Federal Property and Administrative Services Act of 1949, as amended, is hereby further amended by inserting a comma after the word "shall" in the first line of section 505 (a), and adding the following: "with due regard to the program activities of the agencies concerned, prescribe the policies and principles to be followed by Federal agencies in the conduct of their records management programs, and."

SEC. 2. The Federal Property and Administrative Services Act of 1949 is hereby further amended as follows:

(a) By designating paragraphs (2) and (3) of subsection (a) of section 507 as paragraphs (3) and (4) and adding a new paragraph (2) to read as follows:

"(2) to direct and effect the transfer to the National Archives of the United States of any records of any Federal agency that have been in existence for more than 50 years and that are determined by the Archivist to have sufficient historical or other value to warrant their continued preservation by the United States Government, unless the head of the agency which has custody of them shall certify in writing to the Administrator that they must be retained in his custody for use in the conduct of the regular current business of the said agency."

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ESTABLISHMENT OF UNIFORM FEES BY GOVERNMENT AGENCIES—RESOLUTION REFERRED TO COMMITTEE ON RULES AND ADMINISTRATION

The resolution (S. Res. 140) relative to the establishment of uniform fees and charges by Government agencies for work or other things of value performed by them was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

Mr. McCLELLAN. Mr. President, I ask unanimous consent that the resolution be referred to the Committee on Rules and Administration.

The PRESIDING OFFICER. Without objection, it is so ordered.

RELIEF OF CERTAIN DISBURSING OFFICERS

The bill (H. R. 7034) to provide permanent authority for the relief of certain disbursing officers, and for other purposes was considered, ordered to a third reading, read the third time, and passed.

RELIEF OF ACCOUNTABLE OFFICERS OF THE GOVERNMENT

The bill (H. R. 7035) to amend section 1 of the act entitled "An act to authorize relief of accountable officers of the Government, and for other purposes," approved August 1, 1947 (61 Stat. 720), was considered, ordered to a third reading, read the third time, and passed.

CONVEYANCE OF CERTAIN LAND TO KERR COUNTY, TEX.

The joint resolution (H. J. Res. 276) to authorize the Texas Hill Country Development Foundation to convey certain land to Kerr County, Tex., was considered, ordered to a third reading, read the third time, and passed.

CONVEYANCE OF PORTION OF FORMER O'REILLY GENERAL HOSPITAL, SPRINGFIELD, MO.

The bill (H. R. 482) to provide for the conveyance of a portion of the former O'Reilly General Hospital, Springfield, Mo., to the State of Missouri, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

ACCEPTANCE AND MAINTENANCE OF PRESIDENTIAL LIBRARIES

The Senate proceeded to consider joint resolution (H. J. Res. 330) to provide for the acceptance and maintenance of Presidential libraries, and for other purposes, which had been reported from the Committee on Government Operations, with amendments, on page 2, line 10, after the word "subsection", to strike out "(g)" and insert "(h)"; and in line 12, after the word "new", to strike out "subsections" and insert "(subsection)."

The amendments were agreed to.

The amendments were ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was ordered to a third reading, read the third time, and passed.

IMPROVEMENT OF ROCKLAND HARBOR, MAINE

The Senate proceeded to consider the bill (S. 1749) adopting and authorizing the improvement of Rockland Harbor, Maine, which had been reported from the Committee on Public Works, with amendments, to strike out all after the enacting clause and insert:

That the modification of the project for improvement of Rockland Harbor, Maine, is hereby adopted and authorized substantially in accordance with the recommendations of the Chief of Engineers contained in Senate Document No. 82, 84th Congress, 1st session, at an estimated cost of $710,000, and subject to the conditions set forth therein, the work to be prosecuted under the direction of the Secretary of the Army and the supervision of the Chief of Engineers.

SEC. 2. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

WATER FOR MUNICIPAL WATER SUPPLIES

The Senate proceeded to consider the bill (S. 2374) to authorize the Secretary of the Army to enter into contracts to furnish water for municipal water supplies from flood-control and river and harbor projects, which had been reported from the Committee on Public Works, with amendments, on page 1, line 8, after the word "contract", to strike out "either (1)"; on page 2, line 2, after the word "interest", to strike out "not exceeding the rate of 3½ percent per annum if the Secretary determines an interest charge to be proper, of an appropriate share as determined by the Secretary" and insert "at a rate equal to the current average rate (which rate shall be certified by the Secretary of the Treasury) paid by the United States on its marketable long-term (15 years or longer) loans outstanding"; at the beginning of line 10, to strike out "him" and insert "the Secretary"; and in the same line, after the word "supply", to strike out "or (2) shall be for such periods, not to exceed 40 years, and at such rates as in the Secretary's judgment will produce revenues at least sufficient to cover" and insert "together with"; in line 14, after the word "cost", to strike out "and an appropriate share of such fixed charges as the Secretary deems proper,"; and in line 16, after the word "payment", to strike

out "of such rates each year", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Army (hereinafter referred to as the Secretary) may, in the operation of any flood-control or river and harbor project heretofore or hereafter constructed, enter into contracts to furnish water for municipal water supplies, including water for domestic and industrial uses. Any such contract shall require repayment to the United States, over a period of not to exceed 40 years from the year in which water is first delivered for the use of the contracting party, with interest at a rate equal to the current average rate (which rate shall be certified by the Secretary of the Treasury) paid by the United States on its marketable long-term (15 years or longer) loans outstanding, of that part of the construction costs allocated by the Secretary to municipal water supply, together with an appropriate share of the annual operation and maintenance cost, and shall require the payment in advance of delivery of water for such years.

SEC. 2. No such contract shall be entered into if it will interfere with the flood-control or navigation-improvement purposes of any such project.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MODIFICATION OF PROJECT FOR FLOOD PROTECTION ON THE SAN JOAQUIN RIVER, CALIF.

The bill (H. R. 6066) authorizing modification of the project for flood protection on the San Joaquin River and tributaries, California, was considered, ordered to a third reading, read the third time, and passed.

CONSTRUCTION OF BRIDGE ACROSS THE MISSISSIPPI RIVER NEAR FRIAR POINT, MISS., AND HELENA, ARK.

The bill (H. R. 6417) to revive and reenact the act authorizing the Arkansas-Mississipi Bridge Commission, its public successors or public assigns to construct, maintain, and operate a bridge across the Mississippi River at or near Friar Point, Miss., and Helena, Ark., approved May 17, 1939 was considered, ordered to a third reading, read the third time, and passed.

Mr. CASE of South Dakota subsequently said: Mr. President, I wish to state that Calendar No. 1209, H. R. 6417, is the House-passed bill to which on yesterday I proposed an amendment which might be offered, which would make a start toward accelerating the program for the interstate road program.

It was not my intention, of course, in any way to delay passage of the bill, but I desired to point out that by a simple amendment to the existing 1954 highway act, the construction of the Interstate System could be accelerated. I asked that that amendment be printed on yesterday for the information of Senators in connection with a statement which I made. That made it possible to confer with the responsible parties in the House of Representatives as to whether or not if the Senate did attach such an amendment to the bill the House would take it up for a separate vote, in the House.

I wish to report, as a matter of record, that I did confer with responsible Members in the House of Representatives, including members of the Public Works Committee. I was advised that because of the situation which developed there following their action on the bill reported by the committee, the House would not entertain a request for a separate vote on the amendment at this time. Therefore, I see no purpose in pressing for the amendment in the Senate.

Mr. President, I ask unanimous consent that the amendment which on yesterday I asked to have printed for the information of Senators, be printed as a part of my remarks at this point in the RECORD today.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

At the end of the bill, add the following new section:

"SEC. 3. (a) The first sentence of section 2 (a) of the Federal-Aid Highway Act of 1954 (relating to the appropriation authorizations for the National System of Interstate Highways for the fiscal years 1956 and 1957) is amended by striking out '$175,000,000' and inserting in lieu thereof '$575,000,000'.

"(b) The last proviso to the second sentence of section 2 (a) of such act (relating to the Federal and State shares payable with respect to projects on the National System of Interstate Highways) is amended by striking out '60 percent' and inserting in lieu thereof '80 percent' and by striking out '40 percent' and inserting in lieu thereof '20 percent'.

"(c) The amount of the increase in the appropriation authorization for the National System of Interstate Highways for the fiscal year ending June 30, 1956, made by subsection (a) of this section shall be apportioned among the several States in the manner and in accordance with the formula now provided by law, except that such apportionment may be made at any time prior to December 15, 1955.

"(d) In any case in which a project agreement has been entered into by the Secretary of Commerce under the provisions of section 2 (a) of the Federal-Aid Highway Act of 1954 and such project agreement fixes the Federal and State shares payable on account of such project in accordance with the provisions of such section as it read prior to its amendment by subsection (b) of this section, the Secretary of Commerce is authorized to enter into a modification of such project agreement providing for the fixing of such shares in accordance with the provisions of such section, as amended by subsection (b) of this section."

BILL PASSED OVER

The bill (H. R. 2889) to provide for the conveyance of certain land in Nedecah, Wis., to the village of Nedecah was announced as next in order.

Mr. BIBLE. Over, Mr. President.

The PRESIDING OFFICER. The bill will be passed over.

RECONVEYANCE OF CERTAIN LANDS ACQUIRED FOR THE JIM WOODRUFF RESERVOIR, FLA. AND GA.

The bill (H. R. 1599) to provide for adjustments in the lands or interests therein acquired for the Jim Woodruff Reservoir, Fla. and Ga., by the reconveyance of certain lands or interests therein to the former owners thereof was considered, ordered to a third reading, read the third time, and passed.

RECONVEYANCE OF CERTAIN LANDS ACQUIRED FOR THE DEMOPOLIS LOCK AND DAM, ALABAMA

The bill (H. R. 3235) to provide for adjustments in the lands or interests therein acquired for the Demopolis lock and dam, Alabama, by the reconveyance of certain lands or interests therein to the former owners thereof was considered, ordered to a third reading, read the third time, and passed.

PAYMENT OF SALARY OF A COMMISSIONER OF THE ATOMIC ENERGY COMMISSION

The bill (S. 2671) to authorize the Atomic Energy Commission to pay the salary of a Commissioner during the recess of the Senate, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc.—

AUTHORIZATION

SECTION 1. Notwithstanding the provisions of the act of June 7, 1924 (43 Stat. 669; 5 U. S. C. 56), the United States Atomic Energy Commission is authorized to pay the salary of any person appointed by the President during the recess of the Senate to fill the presently existing vacancy on the Atomic Energy Commission: *Provided,* That a nomination to fill such vacancy shall be submitted to the Senate not later than 40 days after the commencement of the next succeeding session of the Senate.

LIMITATION

SEC. 2. The authority granted in section 1 hereof shall not extend beyond the recess of the Senate next following the session of Congress during which this act is enacted.

SEC. 3. The fifth sentence of section 21 of the Atomic Energy Act of 1954 is amended to read as follows: "Each member of the Commission, including the Chairman, shall have equal responsibility and authority in all decisions and actions of the Commission, shall have full access to all information relating to the performance of his duties or responsibilities, and shall have one vote."

Mr. ERVIN. Mr. President, I ask unanimous consent that the vote by which Senate bill 2671 was just passed be reconsidered.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the vote by which the bill was passed is reconsidered.

Mr. ERVIN. Mr. President, I understand that a companion bill, H. R. 7684, which is identical in form with the Senate bill, has passed the House.

The PRESIDING OFFICER. The Chair advises the Senator that the House bill has not been received.

Mr. ERVIN. Then, Mr. President, I ask that Senate bill 2671 go to the foot of the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

RELIEF OF THE STATE OF ILLINOIS

The Senate proceeded to consider the bill (S. 125) for the relief of the State

of Illinois, which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert:

That the State of Illinois shall have the exclusive right in interstate commerce to use, manufacture, and to control the right to manufacture the emblematic design heretofore published by the secretary of state of the State of Illinois consisting of a profile of the head of Abraham Lincoln superimposed upon an outline map of the State of Illinois which is surmounted by the name "Illinois" and overlaid by the caption "Land of Lincoln".

SEC. 2. Nothing in this act shall be construed to confer any right to recover damages for violation of this exclusive right, by any act performed before the date of enactment of this act, or to prevent the use of any matter utilized before that date.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RESOLUTION PASSED OVER

The resolution (S. Res. 142) to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of Joseph H. Lym, doing business as Lym Engineering Co., was announced as next in order.

Mr. PURTELL. Over, Mr. President.

The PRESIDING OFFICER. The resolution will be passed over.

BILL PLACED AT FOOT OF CALENDAR

The bill (S. 1455) to amend the Flammable Fabrics Act to exempt from its application scarves which do not present an unusual hazard was announced as next in order.

Mr. ERVIN. Mr. President, I ask that Order 1219, Senate bill 1455, go to the foot of the calendar.

Mr. KNOWLAND. Mr. President, my understanding was that we would proceed to the point where reports are unavailable. There may be some sandwiched in. Some bills may have reports and others may not. I understood from the acting majority leader that the intention was to suspend the call of the calendar when we reached the point where there were no committee reports. So I suggest that any bill to which objection is made because there is no report, go to the foot of the calendar until the report is available.

Mr. PURTELL. Mr. President, there are many bills on the calendar on which the reports are at hand.

Mr. KNOWLAND. I know nothing as to the particular bills, but I think a bill should go to the foot of the calendar when the only objection to it is the fact that the report on it is not available.

Mr. CLEMENTS. Mr. President, the intention is to proceed with the Calendar No. 1248, House bill 6645. Up to that point, I understand the reports are available.

As to calendar numbers which follow No. 1248, it is hoped that some time during the day reports on many of the bills will be ready. For that reason it is the intention of the acting majority leader to move to suspend the calendar call when we complete work up to Calendar No. 1248, and then take up some of the other bills later in the day when reports may come in and an opportunity has been afforded to the calendar committees and other Members of the Senate to study them.

Mr. PURTELL. I asked that order 1218, Senate Resolution 142, go over, because no report on it was available. Within the last few minutes a report has been handed to me. If the resolution goes to the foot of the calendar, I shall offer no objection.

Mr. BIBLE. Mr. President, I ask that Senate Resolution 142 go to the foot of the calendar.

The PRESIDING OFFICER. Without objection, Calendar No. 1218, Senate Resolution 142 will go to the foot of the calendar.

SPYROS NICHOLAOU LEKATSAS

The bill (S. 792) for the relief of Spyros Nicholaou Lekatsas was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Spyros Nicholaou Lekatsas shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

ANNA MERTIKAS

The bill (S. 1415) for the relief of Anna Mertikas was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Anna Mertikas, shall be held and considered to be the natural-born alien child of Mr. and Mrs. D. Jim Mertikas, citizens of the United States.

LADISLAV MENCL

The bill (S. 2088) for the relief of Ladislav Mencl was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Ladislav Mencl shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

LUCIA MARY ANN LUCCHESI MARCHI

The bill (S. 2154) for the relief of Lucia Mary Ann Lucchesi Marchi was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That Lucia Mary Ann Lucchesi Marchi, who lost United States citizenship under the provisions of section 401 (a) of the Nationality Act of 1940, may be naturalized by taking, prior to 1 year after the date of enactment of this act, before any court referred to in subsection (a) of section 310 of the Immigration and Nationality Act or before any diplomatic or consular officer of the United States abroad, an oath as prescribed by section 337 of such act. From and after naturalization under this act, the said Lucia Mary Ann Lucchesi Marchi shall have the same citizenship status as that which existed immediately prior to its loss.

NICKOLAS MENIS

The bill (S. 2166) for the relief of Nickolas Menis was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child Nickolas Menis shall be held and considered to be the natural-born alien child of Mr. and Mrs. Antonio N. Panopoulos, citizens of the United States.

NICHOLAS JOHN BELTSOS

The bill (S. 2130) for the relief of Nicholas John Beltsos was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Nicholas John Beltsos shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

RAYMONDE ROUXEL WILLIAMS

The bill (H. R. 1423) for the relief of Raymonde Rouxel Williams was considered, ordered to a third reading, read the third time, and passed.

RICHARD RAFFO HANSON

The bill (H. R. 3275) for the relief of Richard Raffo Hanson was considered, ordered to a third reading, read the third time, and passed.

BRIGITTA POBERETSKI

The Senate proceeded to consider the bill (S. 1255) for the relief of Brigitta Poberetski, which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert:

That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Brigitta Poberetski, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Hugo Wendt, citizens of the United States.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

HOLDING OF REGULAR TERMS OF THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF NEBRASKA

The Senate proceeded to consider the bill (S. 1512) to amend section 107 of title 28 of the United States Code so as to eliminate separate divisions and reduce the number of places of holding regular terms of the United States District Court for the District of Nebraska, which had been reported from the Committee on the Judiciary, with an amendment in line 10, after the word "on", to strike out "July 1, 1955" and insert "January 1, 1956", so as to make the bill read:

Be it enacted, etc., That section 107 of title 28 of the United States Code is amended to read as follows:

"§ 107. Nebraska.

"Nebraska constitutes one judicial district.

"Court shall be held at Lincoln, North Platte, and Omaha."

SEC. 2. The amendment made by the first section of this act shall take effect on January 1, 1956.

Mr. HRUSKA. Mr. President, I have an amendment to the committee amendment, which I ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Nebraska will be stated.

The CHIEF CLERK. On page 1, line 10, it is proposed to strike out "January 1, 1956" and insert in lieu thereof "September 1, 1955."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Sentaor from Nebraska to the committee amendment.

The amendment to the amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CITY OF ELKINS, W. VA.—BILL PASSED OVER

The bill (S. 2182) for the relief of the city of Elkins, W. Va., was announced as next in order.

Mr. PURTELL. Mr. President, reserving the right to object, and without in any way indicating a personal opinion as to the merits of this particular bill, I call attention to the fact that it is a precedent-setting bill. On that basis, and that basis alone, I ask that the bill go over, so that it may be called up and considered on motion.

The PRESIDING OFFICER. The bill will be passed over.

LEONG DING FOON QUON AND KEN C. QUON

The Senate proceeded to consider the bill (H. R. 1496) for the relief of Leong Ding Foon Quon and Ken C. Quon, which had been reported from the Committee on the Judiciary, with an amendment, in line 4, after the name "Quon", to strike out "and Ken C. Quon."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "A bill for the relief of Leong Ding Foon Quon."

AMENDMENT OF AGRICULTURAL ADJUSTMENT ACT OF 1938, AS AMENDED

The Senate proceeded to consider the bill (S. 2511) to amend the Agricultural Adjustment Act of 1938, as amended, which had been reported from the Committee on Agriculture and Forestry, with amendments, in line 3, after the word "Agricultural", to insert "Adjustment"; at the beginning of line 6, to strike out *"Provided"* and insert *"Provided, however"*; in the same line, after the word "That", to insert "for 1956"; and in line 7, after the word "than", to strike out "75" and insert "85", so as to make the bill read:

Be it enacted, etc., That section 352 of the Agricultural Adjustment Act of 1938, as amended, is amended by striking out the period at the end of the first sentence thereof and inserting: ": *Provided, however*, That for 1956 no national acreage allotment shall be established which is less than 85 percent of the final allotment established for the immediately preceding year."

The amendments were agreed to.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that a statement in explanation of the bill be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR FULBRIGHT

With the committee amendments, this bill would establish a minimum rice acreage allotment for 1956 equal to 85 percent of the 1955 allotment, thereby preventing a reduction of more than 15 percent next year. Rice acreage was cut this year 22.7 percent and without this legislation might be cut as much as 25 percent next year. On the basis of the current figures the Department estimates that the 1956 allotment would be approximately 59 percent of the 1954 acreage. The bill is necessary to prevent such a sharp reduction with its necessary economic consequences.

The only substantive changes made by the committee amendments would be to limit the effect of the bill to the 1956 allotment, and limit the reduction permitted to 15 percent instead of 25 percent.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 1853) to amend the Natural Gas Act, as amended, was announced as next in order.

Mr. BIBLE. Over, by request.

The PRESIDING OFFICER. The bill will be passed over.

RETIREMENT OF TEMPORARY OFFICERS OF THE NAVAL SERVICE

The bill (H. R. 2112) to amend the act of Feb. 21, 1946 (60 Stat. 26), to permit the retirement of temporary officers of the naval service after completion of more than 20 years of active service, was considered, ordered to a third reading, read the third time, and passed.

TRANSPORTATION ALLOWANCE AND TRANSPORTATION OF DEPENDENTS OF MEMBERS OF THE UNIFORMED SERVICES

The bill (H. R. 6600) to amend sec. 303 of the Career Compensation Act of 1949, to authorize travel and transportation allowance and transportation of dependents, and of baggage and household effects of members of the uniformed services, and for other purposes was considered, ordered to a third reading, read the third time, and passed.

CONVEYANCE OF CAMP LIVINGSTON, CAMP BEAUREGARD, AND ESLER FIELD, LOUISIANA

The Senate proceeded to consider the bill (S. 637) to provide for the conveyance of Camp Livingston, Camp Beauregard, and Esler Field, La., to the State of Louisiana, and for other purposes, which had been reported from the Committee on Armed Services, with an amendment on page 1, after the enacting clause, to strike out:

That the Secretary of the Army is authorized and directed to convey to the State of Louisiana all the right, title, and interest of the United States in and to the real property comprising Camp Livingston, Camp Beauregard, and Esler Field, being in the aggregate thirteen thousand eight hundred sixty-two and sixty-two one-hundredths acres of land, more or less, in Grant and Rapides Parishes, La., together with improvements thereon, and appurtenances thereounto belonging, the property to be used for the training and support of the National Guard of Louisiana, and the conveyance to be made without monetary consideration therefor, but subject to the reservation by the United States of all mineral rights, including oil and gas; the right of reentry and use by the United States in the event of need therefor during a national emergency; and such other reservations, restrictions, terms, and conditions as the Secretary determines to be necessary to properly protect the interests of the United States.

And in lieu thereof to insert:

That the Secretary of the Army is authorized and directed, if he determines that the real property comprising Camp Livingston, Camp Beauregard, and Esler Field, or any part thereof, is available for conveyance to the State of Louisiana for the training and support of the National Guard of Louisiana, to convey all the right, title, and interest of the United States in such property, together with improvements thereon and appurtenances thereunto belonging, to the State of Louisiana by quitclaim deed, without monetary consideration therefor, but upon condition that it shall be used for the aforesaid purposes and if such real property shall ever cease to be used for such purposes, all the right, title, and interest in and to such real property shall revert to and become the property of the United States which shall have the immediate right of entry thereon,

and to be further subject to the reservation by the United States of all mineral rights, including oil and gas; the right of reentry and use by the United States in the event of need therefor during a national emergency; and such other reservations, restrictions, terms, and conditions as the Secretary determines to be necessary to properly protect the interests of the United States.

So as to make the bill read:

Be it enacted, etc., That the Secretary of the Army is authorized and directed, if he determines that the real property comprising Camp Livingston, Camp Beauregard, and Esler Field, or any part thereof, is available for conveyance to the State of Louisiana for the training and support of the National Guard of Louisiana, to convey all the right, title, and interest of the United States in such property, together with improvements thereon and appurtenances thereunto belonging, to the State of Louisiana by quitclaim deed, without monetary consideration therefor, but upon condition that it shall be used for the aforesaid purposes and if such real property shall ever cease to be used for such purposes, all the right, title, and interest in and to such real property shall revert to and become the property of the United States which shall have the immediate right of entry thereon, and to be further subject to the reservation by the United States of all mineral rights, including oil and gas; the right of reentry and use by the United States in the event of need therefor during a national emergency; and such other reservations, restrictions, terms, and conditions as the Secretary determines to be necessary to properly protect the interests of the United States.

SEC. 2. The cost of any surveys necessary as an incident of the conveyance authorized herein shall be borne by the State of Louisiana.

Mr. MORSE. Mr. President, I wish to make a very brief statement on the bill. What I say about this bill will apply to other National Guard bills on the calendar. I have made this record before, but I intend to make it again when bills of this type are considered.

The bill would authorize the conveyance of all or any part of property used for National Guard purposes, reserving to the United States all mineral rights.

In these National Guard transfers the Federal Government gets a distinct Nation Guard benefit from the transfer. Therefore, the bill does not violate the Morse formula.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

SALE OF PORT NEWARK ARMY BASE

The bill (S. 2624) to amend an act entitled "An act to provide for the sale of the Port Newark Army Base to the city of Newark, N. J., and for other purposes was announced as next in order.

Mr. HRUSKA. Mr. President, may we have an explanation of the bill?

Mr. CASE of New Jersey. Mr. President, the bill amends the act of 1936, by which the Port Newark Army Base was sold to the city of Newark by the Defense Department. The amendment of the act would provide a new formula for ascertaining the price at which the property could be recaptured by the Department of Defense in the event of an emergency.

The Department of Defense, as the report shows, is completely in agreement with the main purpose of the bill. The only objection raised by the Department of Defense to the bill is that the Department would like to have an amendment of the basic law to provide that the retaking by the Army, resulting in the application of the formula provided in the bill, would result from a Presidential declaration of an emergency, instead of a Congressional declaration of an emergency, as the bill now provides. The Army testified that it was statisfied in all respects except that one.

Subsequent to that expression by the Defense Department, another hearing was held by a subcommittee of the Committee on Armed Services, in which representatives of both the Defense Department and Port of New York Authority, the present lessee of the city of Newark, were present and testified.

It was made clear by representatives of the Port Authority that if the basic law were changed as requested by the Department of Defense, it would be impossible to get anyone to build the facilities which are necessary in order to rehabilitate the whole area and make it a going concern. For that reason, no change has been made by the committee in the basic law. The bill still provides that, if it be passed, the property may be retaken by the Defense Department and the formula for compensation applied upon a declaration of an emergency by Congress.

Mr. MORSE. Mr. President, there was so much noise that I did not hear all that was said by the Senator from New Jersey, but I think I got the gist of his remarks. Am I correct in my understanding that if, as, and when property transfers are made as a result of the passage of the bill, the Federal Government will be compensated on the basis of fair value for the property?

Mr. CASE of New Jersey. That is true, under the formula provided by the basic law, as amended by the bill.

Mr. MORSE. I have no objection.

Mr. SMITH of New Jersey. Mr. President, I ask unanimous consent that a statement I have prepared on the bill be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR SMITH OF NEW JERSEY

This bill, S. 2624, was reported favorably by the Armed Services Committee. Hearings were held and testimony was heard by Senators STENNIS and CASE of South Dakota.

The purpose of this bill (and I quote from the Report, No. 1223), is to "* * * revise the basis on which the Government would compensate the city of Newark, N. J., or its authorized lessee, for a taking by the United States during a war or national emergency of the marine terminal known as the Port Newark Army Base."

The original act providing for the sale of the Army base to Newark, N. J., was approved on June 20, 1936. The Government retained the right to reenter and to use the property in the event of war or a national emergency declared by Congress, by paying 3 percent of the purchase price. The original sale was for $2 million. So the maximum compensation that could be paid to Newark or its authorized lessee for the use of the facilities during a national emergency declared by the Congress, or war, is $60,000 per annum.

Since improvements in the next 5 years by the authorized lessee will total about $10 million, this statutory limitation of $60,000 constitutes, as the committee report states, "a serious deterrent to the substantial rehabilitation or improvement of the facility by the city of Newark, or its lessee, the Port of New York Authority."

Again quoting from the report, "The principal effect of this bill is to provide a sliding-scale formula of compensation in the event the United States recaptures use of this property during a war or national emergency declared by the Congress. The sliding scale is based on the amounts expended for rehabilitation and reconstruction of the property. It should be emphasized that these amounts to be expended are not Government funds, but will be expended by private groups."

The Defense Department has no objection to this bill, but suggested that the bill be amended to permit utilization of these facilities during a national emergency declared by the President, in addition to the authority contained in the bill for such use during a war or national emergency declared by the Congress.

If this was provided in the bill, it would constitute, as the report states "* * * such a deterrent to private investment in the rehabilitation of the terminal that no rehabilitation or reconstruction would be accomplished. Thus, the property would remain in its present deteriorated condition, and if required by the Government in a future emergency, the rehabilitation and construction would probably have to be acomplished through the use of Government funds." For this reason the committee did not accept the Defense Department recommendation.

The committee commented that while the inclusion of Presidential authority, in addition to congressional authority, is "a commendable objective," nevertheless, to include such authority in this bill would prevent—in fact—the private sources who intend to improve and use the area from so doing—and the Government would be the loser.

In conclusion, the report notes that this bill "* * * does not deny the United States the power that it has under other authority to acquire and to use this property if it is needed during such an emergency. The difference is that in an emergency declared by the President, the Government in taking the property under other authority would be obligated to pay the fair rental value."

I wish to express my appreciation to the Junior Senator from Mississippi and the Junior Senator from South Dakota for their work on this important bill.

Mr. CASE of New Jersey. Mr. President, I ask unanimous consent that a statement made by Albert L. King, director of marine terminals, the Port of New York Authority, in support of S. 2519 (S. 2624) before the Subcommittee on Real Estate and Military Construction of the Armed Services Committee of the Senate, be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF ALBERT L. KING

The bill now before this subcommittee relates to the annual rental to be paid by the United States upon a retaking by them of the premises at Newark, N. J., known as the

Port Newark Army Base, an area of approximately 136 acres located on the deep-water ship channel at Port Newark.

The port authority, which I represent here, is the joint public agency of the States of New York and New Jersey. It was created by a treaty between the States adopted in 1921 and approved by the Congress in the following year. It now operates approximately $500 million worth of terminal and transportation facilities in the New Jersey-New York port district. It has absolutely no taxing powers and is not authorized to pledge the credit of the States. It is, therefore, financially wholly dependent on the revenues of the facilities which it operates.

The authority presently leases from the city of Newark, under a 50-year lease effective in 1948, all of the marine terminal facilities at Port Newark, including the Army base area. In accordance with the duties imposed upon it by the States with regard to the development of the trade and commerce of the port district, and the development and operation of marine terminals, it has been developing Port Newark as a modern and efficient port.

Senate bill 2624, the successor to Senate bill 2519, is a proposed amendment to Public Law 730 of the 74th Congress under which the United States and the city of Newark entered into a contract for the purchase by the city of the Army base. The law and the contract provide that if the Congress declares a state of war or national emergency to exist, the United States may retake the premises, in which event the United States is required to pay a maximum annual sum of $60,000 for the use thereof.

On July 13, when Senator SMITH of New Jersey introduced on behalf of himself and of the junior Senator from New Jersey, Mr. CASE, Senate bill 2519, he made a statement, which appears in the CONGRESSIONAL RECORD for that date at pages 10381–10382, in which he summarized the history of the Army base area. In the interest of brevity I will not repeat it here except to stress the facts that all the structures now located on the premises are of World War I vintage, having been erected by the Quartermaster Corps in 1918 as temporary wartime construction, and that no reconstruction or rehabilitation work other than routine maintenance has ever been performed on them. As a result, these structures, as well as the other major installations such as the wharf, utilities, roads, etc., are now just about at the end of their useful life.

Since 1948 the port authority has been actively engaged in developing Port Newark. In excess of $23 million has been expended in the construction of piers, wharves, warehouses, and other marine facilities. Payrolls have increased from $5 million in 1948 to over $13 million per year at the present time. Employment has increased from 1,500 steady workers to 3,800 steady workers. The tonnage volume has more than doubled. The authority is now ready to rehabilitate and develop the Army base area. It is a prime area for such developmental work, in view of its strategic location with respect to water, highway, rail, and air transportation, and with respect to the major industrial plants of the metropolitan area. The authority is convinced that over the next 10 years major expenditures will be required for capital repair and improvement and rehabilitation and reconstruction of the area, if it is to continue as an efficient marine terminal facility in good operating condition. While the authority is ready and willing to make the necessary expenditures from its own funds, at absolutely no cost to the United States Government, it is obvious that such an expenditure of public funds cannot be made on any reasonable economic basis if, in the event of retaking by the United States, the only possible return is limited to $60,000 per year as is the case under the provisions of Public Law 730. The proposed expenditure is desirable from the standpoint of the United States. If the premises are allowed to fall into ruin, as they will if the necessary expenditures are not made very soon, there will be nothing for the United States to retake in time of war. In view of these facts, and having obtained prior approval of the city of Newark, we entered into discussions with the Department of Defense with the view to amending the annual-payment provisions of the retaking section of Public Law 730. Senate bill 2624, the substitute for Senate bill 2519, resulted from these discussions. It contains a new rental formula to be applied in the event the area is retaken by the United States upon a congressional declaration of war, or of a state of national emergency, which has been agreed upon by the Department of Defense and the port authority acting for the city of Newark and on its own behalf.

It is my understanding that the Department of Defense has reported to your committee that it has no objection to the enactment of this bill, but it has suggested that the bill be amended to extend to the Government the reduced-rental formula contained in the bill, not only in the event of a congressional declaration of war or emergency, but also in the event of the declaration of an emergency by the President. We have consistently advised the Department that such a provision is impossible from our standpoint. It would constitute a complete revision of the original purchase agreement embodied in Public Law 730 inasmuch as no such right is granted in Public Law 730. The absence of such a right in the original agreement does not mean that the United States may not take the property in the event of a presidentially declared emergency. It, of course, has full recourse to all provisions of existing laws authorizing the taking of property necessary for governmental use. Nor is there anything contained in Senate bill 2624 which will alter the situation. Section 2 of the bill specifically continues all such rights.

The rental formula embodied in the new bill was carefully worked out to provide a reasonable economic basis for the investment of the funds needed for the rehabilitation of the premises. When we considered the possible grant of the right to retake at reduced rent in the event of presidentially declared emergency, we found that there was an overriding consideration which required us to advise the Department that we were unable to accede to their request for the additional right. Such a right would completely prevent our commitment of the substantial funds required for the necessary rehabilitation and reconstruction work. These premises are a deep-water port facility. The proposed bill requires the city and the port authority to continue them as such. Therefore, the investment made must be in that type of facility. Experience has shown that such a facility, at this location, is of great value to the United States in time of war. To support the necessarily large investment we will be required to make it is essential that substantial commercial tenants be induced to locate in the rehabilitated area. Necessarily, such tenants are large industries or corporations which use this type of facility for the in and out movement by water of their goods, and for the handling, sorting, storing, and distribution of them. This type of tenant makes a sizable investment in locating on such premises, not primarily in the physical structure, but in business methods, personnel relocation, trucking and rail arrangements, customer relations, and similar matters which are essential to the successful production and distribution of goods. Normally industries or corporations of the type we will need as tenants to support our investment select only one such location in a port area and when they do their basic activities are directly and comprehensively tied to it. They cannot and will not lease short-term. Defense's suggestion here would force us to incorporate in any lease document offered to such a tenant provisions which would indicate that the tenure of the tenant could be terminated abruptly. From my experience in dealing with this type of tenant, I can assure you that under such circumstances we would be completely unable to negotiate successfully the necessary long-term leases. Under the circumstances the port authority was forced to the conclusion that it could not justify the necessary commitment of its public funds if the Defense Department's request was granted.

As we understand it, the Department has reported that its major interest in the additional retaking right is an economic one. Bluntly put, the Department wants to be able to enjoy the benefits of the reduced rental formula in additional cases. But, it must be borne in mind that if the bill is adopted in its present form, the United States will have available in the immediate future an efficient marine terminal in good operating condition. If, however, the additional retaking right is added, the inevitable result will be the elimination of any possibility that the Army base area will be rehabilitated, and thus the value of even the existing retaking right will deteriorate rapidly and in a very short time will be completely destroyed. The addition of the Defense Department's proposed new right, knocks out any possibility that the investment necessary to prevent this result will be made.

We urge that you act favorably on the bill in its present form as promptly as possible. Enactment of this legislation will not only be of real benefit to the United States but also to the city of Newark, the 1,500 workers who will receive from it an assurance of future employment, the industrial community, which will be served through the area, and the State of New Jersey.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the bill (S. 2624) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in view of the national interest in the future maintenance and development of the Port Newark Army Base as a marine terminal in good operating condition, and to encourage, by providing a sound economic basis therefor, the investment by the Port of New York Authority, during the remainder of its term as lessee of the premises, of such sums for maintenance, repair, rehabilitation, or reconstruction of wharves, buildings, or other installations as may be necessary to provide and maintain such a terminal, now therefore, the first section of the act entitled "An act to provide for the sale of the Port Newark Army Base to the city of Newark, N. J., and for other purposes," approved June 20, 1936, as amended, is further amended by striking out "*And provided further*, That such conveyance shall be made upon the condition that the United States, in the event of war or of any national emergency declared by Congress to exist, shall have the right to take over said property and shall pay to the city of Newark as liquidated damages a sum equal to 3 percent per annum on the amount theretofore paid on the purchase price of the said property by the said city during each year or part thereof that the said property is occupied under such taking by the United States, the said property to be returned to the city of Newark upon the expiration of such war or national emergency," and inserting in lieu thereof the following: "*And provided further*, That such conveyance shall be made upon the condition that the deed executed by the Secretary of the Army shall include a provision prohibiting the city of

Newark from utilizing or allowing the property to be utilized for purposes other than as a marine terminal and shall contain the express condition that whenever the Congress of the United States declares a state of war or other national emergency to exist, the United States shall have the right, subject to the obligation to make payments as hereinafter provided, to reenter the property and use the same or any part thereof, including any and all improvements made thereon during its occupancy by the city of Newark or its lessees, for the duration of such state of war or other national emergency. If the property is not returned by the United States to the city of Newark prior to the termination of such state of war or other national emergency, it shall revert to the city of Newark upon the termination of such state of war or other national emergency. During each year or part thereof that the said property is occupied by the United States under a reentry during such state of war or other national emergency, the United States shall pay to the city of Newark or, if the property is then under lease, then to the city's then lessee, a rental or rentals to be computed as follows:

"(1) If subsequent to August 1, 1955, but prior to the date of such reentry there has been expended (other than by the United States) less than the sum of $3 million for the capital repair or improvement, and reconstruction or rehabilitation, other than normal maintenance, of the said property including any part thereof and the wharves, building, structures, or other installations thereon or therein, then and in such event the United States shall pay as the annual rent a sum equal to 3 percent of the amount theretofore paid on the purchase price of said property by or on behalf of the city of Newark.

"(2) If subsequent to August 1, 1955, but prior to the date of such reentry, there has been expended (other than by the United States) $3 million or more but less than $10 million, for the capital repair or improvement, and reconstruction or rehabilitation, other than normal maintenance, of said property including any part thereof and the wharves, buildings, structures, or other installations thereon or therein, then and in such event the United States shall pay as the annual rent $60,000 plus a sum equal to three-fifths of the annual fair rental value of said property on the date of such reentry.

"(3) If subsequent to August 1, 1955, but prior to the date of reentry, there has been expended (other than by the United States) $10 million or more for the capital repair or improvement, and reconstruction or rehabilitation, other than normal maintenance, of the said property including any part thereof, and the wharves, buildings, structures, or other installations thereon or therein, then and in such event the United States shall pay as the annual rent $60,000 plus a sum equal to that part of the annual fair rental value of the property on the date of such reentry which is the same proportionate part of the annual fair rental value on that date as the excess of the fair market value of the premises on the date of such reentry over $3,200,000 is of the total fair market value on that date.

"The deed shall further provide that in establishing the fair market value or the annual fair rental value as of the date of reentry when such value or values are required for rent computation purposes, the United States and the city of Newark, or if the property is then under lease, then the United States and the city's lessee, shall be guided by two appraisers, one to be appointed by the United States and one by the city or the city's lessee, and if the United States and the city, or if the property is then under lease, then the United States and the city's lessee are unable to agree on the fair market value or the annual fair rental value as of the date of reentry, then said value or values shall be determined by the United States District Court in and for the District of New Jersey, and jurisdiction is conferred on that court for such purpose.

"The deed shall further provide that there shall be excluded from consideration as part of the sums expended by others than the United States any moneys that may be paid to the city of Newark or its lessee by the United States in lieu of restoration, if any, of the said property to be performed under any lease to the United States of said property or as restoration costs incurred by the United States, during any period of reentry as herein provided, regardless of whether or not the funds are thereafter actually expended for capital repair or improvement, or reconstruction or rehabilitation, of the said property.

"The deed shall further provide that during any period of reentry hereunder, the United States shall have the right to make additions, alterations, modifications, or improvements to the property and that such additions, alterations, modifications, or improvements placed in, upon, or attached to said property may be removed by the United States prior to the return of the property to the city of Newark or its lessee.

"Prior to or at the expiration of the state of war or other national emergency during and on account of which the right to reenter said property herein granted, is exercised, but not later than the expiration thereof, the property shall be returned to the city of Newark or if the property is then under lease, then to the city's then lessee: *Provided, however,* That unless the United States shall return the property and the wharves, buildings, structures, and installations thereon and therein in the same condition as at the time of reentry the fair and reasonable restoration costs (which costs shall include the fair and reasonable costs of the reinstallation of any machinery, equipment, or fixtures placed on the property prior to the reentry and removed therefrom by or at the request of the United States during the period of its occupancy), as agreed upon by the United States and the city of Newark or if the property is then under lease, then by the United States and the city's then lessee shall be allocated between the United States and the city of Newark or its then lessee as follows:

"(a) If the annual rent paid by the United States is computed in accordance with subparagraph (1) hereinabove, then and in that event the United States shall pay no part of such costs;

"(b) If the annual rent paid by the United States is computed in accordance with subparagraph (2) hereinabove, then and in that event the United States shall pay to the city of Newark or if the property is then under lease, then to the city's then lessee three-fifths of such costs; and

"(c) If the annual rent paid by the United States is computed in accordance with subparagraph (3) hereinabove, the United States shall pay to the city of Newark or, if the property is then under lease, then to the city's then lessee so much of the said costs as is the same proportionate part of the total of such costs as the annual rental paid by the United States (less $60,000) is of the annual fair rental value.

"In the computation of restoration costs damage caused by reasonable wear and tear, by action of the elements, or by circumstances beyond the control of the United States other than acts of war or of enemies of the United States, shall be excluded.

"If the United States and the city of Newark or its then lessee are unable to agree on the fair and reasonable restoration costs, then said costs shall be determined by the United States District Court in and for the District of New Jersey in accordance with the provisions of this act and jurisdiction is conferred on that court for such purpose."

SEC. 2. Nothing contained in this act shall impair, or be construed to impair, in any manner whatsoever, any other right or rights the United States may now or hereafter possess to condemn, seize, lease, or otherwise take over the property in accordance with the applicable provisions of the laws of the United States.

SEC. 3. The Secretary of the Army is authorized to execute a supplement to the contract of sale entered into with the city of Newark, N. J., pursuant to the act of June 20, 1936, in order to make effective the amendments made to said act by this act, but, in any event, the deed to be delivered to said city by the United States upon receipt of the final payment of the purchase price shall conform to these amendments.

CONVEYANCE OF TRACT OF LAND IN ORANGE COUNTY, N. Y., TO VILLAGE OF HIGHLAND FALLS, N. Y.

The bill (H. R. 1459) to provide for the conveyance of a tract of land in Orange County, N. Y., to the village of Highland Falls, N. Y., was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. MORSE. Mr. President, the bill would authorize a gratuitous conveyance by the Secretary of the Army to the village of Highland Falls, N. Y., of a tract containing approximately 6.4 acres, which the United States acquired in 1943 for $1,000 through condemnation proceedings. The conveyance is to be made upon condition that the land be used for a trash dump, incinerator, or related purposes.

The bill provides for reversion in case of nonuse for such purposes.

There is no mineral reservation involved.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 1459) to provide for the conveyance of a tract of land in Orange County, N. Y., to the village of Highland Falls, N. Y.

Mr. MORSE. Mr. President, I send an amendment to the desk, and ask to have it stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. It is proposed, on page 1, line 4, after the word "to", where it first occurs, to strike out "donate and";

On page 1, line 5, after the word "interest", to insert a comma and "except mineral rights (including oil and gas)" and a comma.

On page 3, line 1, after the word "condition" to insert "(1) that the village of Highland Falls shall pay to the Secretary of the Army as consideration for the land so conveyed an amount equal to 50 percent of its fair market value as determined by the Secretary of the Army after appraisal of such land, and (2)."

The question is on agreeing to the amendments of the Senator from Oregon [Mr. MORSE].

The amendments were agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the

amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

CONVEYANCE OF CERTAIN LAND IN HARRIS COUNTY, TEX., TO THE STATE OF TEXAS

The bill (S. 1959) to direct the Secretary of the Army or his designee to convey certain land in the vicinity of Houston, Harris County, Tex., to the State of Texas, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. MORSE. Mr. President, this is another National Guard transfer. The Federal Government, in my judgment, is getting adequate compensation by way of service to the national defense from the State of Texas under the bill. I have no objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 1959) which had been reported from the Committee on Armed Services with amendments on page 2, line 13, after the word "land", to strike out "herein transferred" and insert "to be conveyed", and on page 5, after line 4, to insert:

SEC. 7. The cost of any surveys necessary as an incident to the conveyance authorized herein shall be borne by the State of Texas.

So as to make the bill read:

Be it enacted, etc., That the Secretary of the Army or his designee is authorized and directed to convey by quitclaim deed, without consideration, to the State of Texas all right, title, and interest of the United States, except as retained in this act, in and to six and eighty-nine one-hundredths acres of land out of the P. W. Rose survey, abstract numbered 645 situated in Harris County, Tex., and being a part of and out of the northwest corner of a one hundred ninety-nine and nine hundred fifty-nine one-thousandths acre tract of land out of the D. W. C. Harris survey, abstract numbered 325, and the P. W. Rose survey, abstract numbered 645, being known as the Veterans Hospital site and having been acquired by the United States of America in condemnation proceedings in civil action numbered 2430 in the cause entitled United States of America against 209.01 acres of land situated in Harris County, Tex., and R. S. Sterling et al., in the District Court of the United States for the Southern District of Texas, Houston Division. The six and eighty-nine one-hundredths acre tract of land to be conveyed to the State of Texas is more particularly described as follows:

Beginning at the intersection of the southerly right-of-way line of United States Highway numbered 59 (Old Spanish Trail) with the easterly right-of-way line of Knight Road (sometimes called old Main Street Road), said intersection being marked by a Texas Highway Department concrete monument, and being the northwest corner of the one hundred ninety-nine and nine hundred and fifty-nine one-thousandths acre tract above referred to, and running thence with the present southerly right-of-way line of United States Highway numbered 59 (Old Spanish Trail) north 74 degrees fifty-seven minutes east 477 feet; thence south 15 degrees 03 minutes east 600 feet; thence south 74 degrees 57 minutes west 523.55 feet to the easterly right-of-way line of Knight Road (Old Main Street); thence along easterly right-of-way line of Knight Road (Old Main Street) north 10 degrees 36 minutes 50 seconds west 601.8 feet to place of beginning, containing six and eighty-nine one-hundredths acres of land more or less.

SEC. 2. All mineral rights, including gas and oil, in the lands authorized to be conveyed by this act shall be reserved to the United States.

SEC. 3. There shall be further reserved to the United States in the conveyance of the above-described lands, rights of ingress and egress over roads in the above-described lands serving buildings or other works operated by the United States or its successors or assigns in connection with the remaining portion of such one hundred ninety-nine and nine hundred and fifty-nine one-thousandths acre tract of land, rights-of-way for water lines, sewer lines, telephone and telegraph lines, power lines, and such other utilities which now exist, or which may become necessary to any operations of the United States on or in connection with the remaining portion of said one hundred ninety-nine and nine hundred and fifty-nine one-thousandths acre tract of land.

SEC. 4. The conveyance of the property authorized by this act shall be upon condition that such property shall be used for training of the National Guard and the Air National Guard and for other military purposes, and that if the State of Texas shall cease to use the property so conveyed for the purposes intended, then title thereto shall immediately revert to the United States, and in addition, all improvements made by the State of Texas during its occupancy shall vest in the United States without payment of compensation therefor.

SEC. 5. The conveyance of the property authorized by this act shall be upon the further provision that whenever the Congress of the United States declares a state of war or other national emergency, or the President declares a state of emergency, and upon the determination by the Secretary of Defense that the property conveyed under this act is useful or necessary for military, air, or naval purposes, or in the interest of national defense, the United States shall have the right, without obligation to make payment of any kind, to reenter upon the property and use the same or any part thereof, including any and all improvements made thereon by the State of Texas, for the duration of such state of war or of such emergency. Upon the termination of such state of war or of such emergency plus 6 months such property shall revert to the State of Texas, together with all appurtenances and utilities belonging or appertaining thereto.

SEC. 6. In executing the deed of conveyance authorized by this act, the Secretary of the Army or his designee shall include specific provisions covering the reservations and conditions contained in sections 2, 3, 4, and 5 of this act.

SEC. 7. The cost of any surveys necessary as an incident to the conveyance authorized herein shall be borne by the State of Texas.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CONVEYANCE OF CERTAIN PROPERTY WITHIN FORT McCLELLAN, ALA., TO CITY OF ANNISTON, ALA.

The bill (H. R. 46) to authorize the conveyance to the city of Anniston, Ala., of certain real property within Fort McClellan, Ala., was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. MORSE. Mr. President, I wish to thank the authors of the bill for providing the requirement that there be a payment of fair market value for the property.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Armed Services, with amendments, on page 1, line 3, after the word "authorized", to strike out "after" and insert "if"; and in line 10, after the word "for", to strike out "cemetery" and insert "municipal."

The amendments were agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

APPOINTMENT OF RESERVE MIDSHIPMEN IN THE NAVY

The Senate proceeded to consider the bill (S. 1748) to authorize the appointment of Reserve midshipmen in the United States Navy, and for other purposes, which had been reported from the Committee on Armed Services with amendments, on page 2, after line 4, to insert:

SEC. 4. Service as a Reserve midshipman shall not be credited in the computation of retired pay and such service shall not be considered as service in a reserve component for the purposes of section 4 (d) (3) of the Universal Military Training and Service Act (62 Stat. 609), as amended (50 U. S. C. App. 454 (d) (3)).

And at the beginning of line 11, to change the section number from "4" to "5", so as to make the bill read:

Be it enacted, etc., That section 220 of the Armed Forces Reserve Act of 1952 is hereby amended by inserting immediately before the period at the end thereof the following: "and in the grade of midshipman."

SEC. 2. Section 223 of the Armed Forces Reserve Act of 1952 is hereby amended by inserting immediately after "officers" the following: "and Reserve midshipmen."

SEC. 3. Subsection (a) of section 6 of the Universal Military Training and Service Act is hereby amended by striking out "midshipmen, Merchant Marine Reserve, United States Naval Reserves" and inserting in lieu thereof: "Reserve midshipmen (merchant marine), United States Navy."

SEC. 4. Service as a Reserve midshipman shall not be credited in the computation of retired pay and such service shall not be considered as service in a reserve component for the purposes of section 4 (d) (3) of the Universal Military Training and Service Act (62 Stat. 609), as amended (50 U. S. C. App. 454 (d) (3)).

SEC. 5. The amendments made by this act shall take effect as of January 1, 1953.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

INCREASE IN COMPENSATION OF ACADEMIC DEAN OF UNITED STATES NAVAL POSTGRADUATE SCHOOL

The bill (H. R. 2149) to increase the annual compensation of the Academic Dean of the United States Naval Postgraduate School was considered, ordered to a third reading, read the third time, and passed.

APPOINTMENT OF MALE NURSES AND MEDICAL SPECIALISTS AS RESERVE OFFICERS

The bill (H. R. 2559) to authorize male nurses and medical specialists to be appointed as Reserve Officers, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. PURTELL. Mr. President, reserving the right to object, and I shall not object, I think it is a unique piece of legislation, because it calls for equal rights for men. I have no objection to the bill.

There being no objection, the bill (H. R. 2559) was considered, ordered to a third reading, read the third time, and passed.

INCREASE IN ANNUITIES OF CERTAIN RETIRED CIVILIAN MEMBERS OF TEACHING STAFFS, UNITED STATES NAVAL ACADEMY AND NAVY POSTGRADUATE SCHOOL

The bill (H. R. 4672) to increase the annuities of certain retired civilian members of the teaching staffs of the United States Naval Academy and the United States Naval Postgraduate School was considered, ordered to a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (H. R. 5614) to amend the Communications Act of 1934 in regard to protests of grants of instruments of authorization without hearing, was announced as next in order.

Mr. BIBLE. Over.

The PRESIDING OFFICER. The bill will go over.

The bill (H. R. 6645) to amend the Natural Gas Act, as amended, was announced as next in order.

Mr. BIBLE. Over.

The PRESIDING OFFICER. The bill will go over.

Mr. BIBLE. Mr. President, I move that the calendar call be suspended.

The PRESIDING OFFICER. Does the Senator desire to have that order apply to the measures which were placed at the foot of the calendar?

Mr. BIBLE. My impression was that with respect to the two bills which went to the foot of the calendar, we were waiting for House bills to come from the House of Representatives, so that they could be substituted for the Senate bills. Since they have not yet arrived——

The PRESIDING OFFICER. The Chair wishes to inform the Senator that one Senate resolution went to the foot of the calendar.

Mr. CLEMENTS. Mr. President, will the Chair state the number of the resolution to which he has referred?

The PRESIDING OFFICER. Calendar No. 1218, Senate Resolution 142, to confer certain jurisdiction upon the Court of Claims.

Mr. CLEMENTS. Mr. President, it is my impression that the Senator from Connecticut asked that Calendar No. 1218, Senate Resolution 142, go to the foot of the calendar.

Mr. KNOWLAND. Mr. President, if the Senator will yield, I should like to say that I had suggested that the resolution go to the foot of the calendar, and I meant the complete foot of the calendar, so we would have a chance to study the report, which has just been made available.

Mr. CLEMENTS. Mr. President, I move that further call of the calendar be suspended until later in the day.

Mr. CASE of South Dakota. Mr. President, will the acting majority leader withhold his motion?

Mr. CLEMENTS. I withhold my motion.

Mr. PURTELL. Mr. President, will the Senator from South Dakota yield so that I may make an inquiry?

Mr. CASE of South Dakota. Mr. President, I do not have the floor.

Mr. CLEMENTS. Mr. President, with the consent of the Senator from South Dakota, I yield to the Senator from Connecticut.

Mr. PURTELL. Mr. President, I rise to inquire which measures have gone to the foot of the calendar, so the record may be clear.

Mr. CLEMENTS. Mr. President, I ask the Chair to state the measures which have gone to the foot of the calendar.

The PRESIDING OFFICER. The following measures have gone to the foot of the calendar: Calendar No. 1213, S. 2671, to authorize the Atomic Energy Commission to pay the salary of a Commissioner during the recess of the Senate, and for other purposes; Calendar No. 1218, Senate Resolution 142, to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of Joseph H. Lym, doing business as Lym Engineering Co.; and Calendar No. 1219, S. 1455, to amend the Flammable Fabrics Act to exempt from its application scarves which do not present an unusual hazard.

Mr. CLEMENTS. Mr. President, am I correct in my understanding that those measures will be considered as other measures on the calendar are considered this afternoon if a motion is made that there be a call of the calendar?

The PRESIDING OFFICER. If there should be a further call of the calendar.

The Chair wishes to state that the Senator from Kentucky has the floor. He has yielded to the Senator from South Dakota. Does he yield further so that an inquiry may be made?

Mr. CLEMENTS. I yield.

Mr. CASE of South Dakota. Mr. President, if I may make my inquiry, it may simplify the situation. I desired to ask what had happened to Calendar No. 1209, H. R. 6417, which had to do with the Arkansas-Mississippi Bridge Commission.

The PRESIDING OFFICER. Calendar No. 1209, H. R. 6417, was passed.

Mr. CASE of South Dakota. Mr. President, after making that statement, I wish to say that of course I have no objection to the passage of House bill 6417; and I shall not press the interstate highway amendment to that bill or to any other bill at this session.

Mr. CLEMENTS. Mr. President, may some action be taken on the pending motion?

The PRESIDING OFFICER (Mr. PAYNE in the chair). It has been moved that further proceedings under the unanimous-consent agreement for the call of the calendar be suspended, and that the three bills which went to the foot of the calendar be included in the next call of the calendar.

Mr. CLEMENTS. That is correct.

Mr. President, I should like to state that it is the intention of the acting majority leader to move that the Senate return to the calendar at the earliest possible time. Of course, that will be contingent upon the reports being printed and being made available to the Members of the Senate, and in time for the calendar committees to study them.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Kentucky.

The motion was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Bartlett, one of its clerks, announced that the House had passed the bill (S. 2260) granting the consent of Congress to the States of Arkansas, Louisiana, Oklahoma, and Texas to negotiate and enter into a compact relating to their interests in, and the apportionment of, the waters of the Red River and its tributaries, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2168) to amend the Fair Labor Standards Act of 1938 in order to increase the national minimum wage, and for other purposes.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 4249) for the relief of Orrin J. Bishop.

The message also announced that the House had agreed to the report of the the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5078) for the relief of the estate of Victor Helfenbein.

The message also announced that the the House had agreed to the amendment of the Senate to the bill (H. R. 6232) to include as Spanish-American War service under laws administered by the Veterans' Administration certain service

rendered by Stephen Swan Ogletree during the Spanish-American War.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7278) making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 2, 19, 20, 28, 29, 34, 37, 38, 39, 40, 41, 43, 48, 49, 50, 58, 59, 61, 64, 78, 80, 82, 83, 85, 86, 88, 89, 92, 95, 98, 117, 127, 128, 131, 142, and 143 to the bill, and concurred therein; that the House receded from its disagreement to the amendments of the Senate numbered 3, 22, 23, 25, 27, 31, 33, 35, 56, 75, 76, 84, 93, 104, 109, 116, and 123 to the bill, and concurred therein, severally with an amendment, in which it requested the concurrence of the Senate, and that the House insisted on its disagreement to the amendment of the Senate numbered 62.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 6102. An act to change the name of Garza-Little Elm Dam, located in Denton County, Tex., to Lewisville Dam;

H. R. 6182. An act to amend the Federal Property and Administrative Services Act of 1949 to make temporary provision for making payments in lieu of taxes with respect to certain real property transferred by the Reconstruction Finance Corporation and its subsidiaries to other Government departments;

H. R. 7195. An act to provide for adjustments in the lands or interests therein acquired for reservoir projects in Texas, by the reconveyance of certain lands or interests therein to the former owners thereof;

H. R. 7227. An act to amend further the Federal Property and Administrative Services Act of 1949, as amended, to authorize the disposal of surplus property for civil defense purposes, to provide that certain Federal surplus property be disposed of to State and local civil defense organizations which are established by or pursuant to State law, and for other purposes; and

H. R. 7684. An act to authorize the Atomic Energy Commission to pay the salary of a Commissioner during the recess of the Senate, and for other purposes.

HOUSE BILLS REFERRED OR PLACED ON THE CALENDAR

The following bills were severally read twice by their titles and referred, or placed on the calendar, as indicated:

H. R. 6102. An act to change the name of Garza-Little Elm Dam, located in Denton County, Tex., to Lewisville Dam; and

H. R. 7195. An act to provide for adjustments in the lands or interests therein acquired for reservoir projects in Texas, by the reconveyance of certain lands or interests therein to the former owners thereof; to the Committee on Public Works.

H. R. 6182. An act to amend the Federal Property and Administrative Services Act of 1949 to make temporary provision for making payments in lieu of taxes with respect to certain real property transferred by the Reconstruction Finance Corporation and its subsidiaries to other Government departments; placed on the calendar.

H. R. 7227. An act to amend further the Federal Property and Administrative Services Act of 1949, as amended, to authorize the disposal of surplus property for civil defense purposes, to provide that certain Federal surplus property be disposed of to State and local civil defense organizations which are established by or pursuant to State law, and for other purposes; to the Committee on Government Operations.

RETIREMENT OF GOVERNMENT CAPITAL IN CERTAIN INSTITUTIONS UNDER SUPERVISION OF THE FARM CREDIT ADMINISTRATION

Mr. CLEMENTS. Mr. President, I move that the Senate resume the consideration of Calendar No. 1216, House bill 5168.

The motion was agreed to; and the Senate resumed the consideration of the bill (H. R. 5168) to provide for retirement of the Government capital in certain institutions operating under the supervision of the Farm Credit Administration; to increase borrower participation in the management and control of the Federal Farm Credit System; and for other purposes, which had been reported from the Committee on Agriculture and Forestry, with an amendment, on page 12, line 9, after the word "allocated," to insert a colon and "*Provided*, That any surplus and contingency reserves shown on the books of the banks as of the effective date of title I of the Farm Credit Act of 1955 shall not be distributed as patronage refunds."

Mr. HOLLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. HOLLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLAND. Mr. President, I would appreciate the attention of the distinguished Senator from Delaware [Mr. WILLIAMS], who, I understand, wishes to be heard in opposition to the pending bill.

House bill 5168, now pending, and a companion Senate bill, Senate bill 1286, were introduced to carry out the recommendations of the Federal Farm Credit Board which were made by it in response to the direction of Congress contained in section 2 of the Farm Credit Act of 1953.

The purpose of the bill is to increase borrower participation in the ownership, management, and control of the Federal Farm Credit System, and to allow for the retirement of the Government capital in that system. As recommended by the Farm Credit Board, the bill provides for the retirement of Government capital in the banks for cooperatives.

The Senate will recall that when Congress passed the 1953 act one of the first mandates which was imposed upon the new Board which was established under the terms of the act—12 of whose members were to come from the areas served by the entire credit system and to be appointed by the President, presumably from nominations made from the groups of borrowers—was that the Board should speedily consider recommending to the Congress a workable program for the retirement of Government capital in the various institutions which comprise the Federal Farm Credit System, and the taking over of the control of that system and its component parts as speedily as possible, and as largely as possible, by representatives of the borrowers themselves, that is, representatives either of individual farmers, in some cases, or of cooperative associations in other cases.

This recommendation has come back to Congress. It has been acted upon by the House. The Senate committee has reported the House bill, which is now before the Senate for action.

Under the provisions of the bill as reported by the Senate committee, the surplus and reserves of the banks for cooperatives as of the date of enactment of this bill would be left with the banks; and the committee amendment makes it perfectly clear that they could not be used for the payment of patronage refunds. In other words, the surpluses should be available on a continuing basis as a cushion against losses, if there should be losses.

The committee report also makes it perfectly clear that interest rates shall be established on such a basis as to continue the operations on a satisfactory and profit-making basis, rather than to draw down the amount of the surplus. A provision under which the Government would have retained an interest in these surpluses and reserves upon liquidation, even after the Government investment in the banks had been completely retired, was eliminated by the House, and is not now in the bill.

That same provision was before the Senate committee, and was not acceptable to the committee, except one member; and the committee, except for one member, voted to approve and recommend to the Senate passage of the bill in the form in which it passed the House, with one minor amendment, which will be stated in a moment.

The committee felt that this sum—the surplus and reserves—should be left with the banks to cushion possible future losses, but that the retention of an interest by the Government, to be effective only upon the remote possibility of liquidation of the banks, was neither necessary nor consistent with either the history of the system or the objective of the bill of providing for borrower ownership.

The Farm Credit Board's recommendations and the bill as originally introduced also provided for retirement of the Government capital in the production credit corporations and for the assumption by the production credit associations of the ownership and expenses of the production credit corporations.

At the hearings conducted by the subcommittee of the Committee on Agriculture and Forestry, it was evident that there was a great difference of opinion among those served by those institutions as to the appropriate method and time for retirement of the Government's investment in those corporations and the assumption of their expenses. So it appeared that further work on this matter

would be absolutely necessary. Consequently, those provisions, that is, the provisions applying to the production credit corporations, for the retirement of Government capital in the production credit corporations, were eliminated from the House bill before passage, and the Senate committee agreed with this action by the House.

The bill as it is reported from the Senate committee contains, in its major references, provision for the retirement of the Government capital in the banks for cooperatives. I think it would be advantageous to recite briefly the only point of difference which I understand exists between the distinguished Senator from Delaware [Mr. WILLIAMS] and other members of the committee.

The facts are these: The present investment in the capital stock of the banks for cooperatives consists of $150 million of Federal investment, and about $20 million of private investment, that is, investment out of the pockets of those who comprise the membership of the cooperative organizations which have utilized the services of the banks for cooperatives. The surplus and reserves which were held by the 12 regional banks for cooperatives and the central bank for cooperatives, in the aggregate, were, on January 1, about $81 million.

In the case of the membership of the committee, with the exception of the distinguished Senator from Delaware, we all felt that that surplus and reserve should remain in the banks, and should constitute, insofar as we could make it possible, a cushion against possible losses. It should be so safeguarded as never to be the subject of melon cutting or payment as patronage refunds, but should subserve the purpose for which it was created, that is, to operate as a surplus to be called upon in the event of an unsuccessful year's operations.

We believe that the amendment which we have suggested would adequately safeguard that continued use of such surplus funds, amounting, in the aggregate, as I have said, to about $81 million.

In order that Senators may understand exactly how small an amount this constitutes in any particular case, I may state that that surplus fund is scattered through the 12 regional banks for cooperatives, and the central bank for cooperatives.

The reasons why the committee, with the exception of one member, felt that the Government should not retain any continuing interest in these surpluses and reserves were these:

First, the surplus and reserves were created from the interest paid by the users of the funds loaned by the banks, and in every instance the interest rates, in order to establish such reserves, had to be in an amount substantially larger than would be necessary merely to meet the cost of the operation. In other words, those who have been operating the banks have charged the cooperatives, which borrowed from the banks, sufficient rates of interest to create sizable surpluses, because they felt that was the only sound method of doing business, and they thought, in order to assure a stable and continuing operation, there must be this sizable surplus to rely upon.

Mr. President, if the operators of those banks had wanted to operate other than on a sound business basis, they could have set lower rates of interest, which would not have created these surplus and reserve funds.

In the second place, we felt that the Federal Government was adequately safeguarded. If there should be a liquidation—and we cannot dream that there will ever be a liquidation—the Government would participate in the distribution of this surplus to the extent of its then capital investment balanced off against that which came out of the pockets of the growers who are members of the cooperatives. If there should be any speedy liquidation, the Government would be adequately protected.

Furthermore, we believe the method of setting up the board of directors of the banks for cooperatives adequately cares for the Government interest, because until the time the Government's investment is cut down to where it constitutes only one-third of the total investment, the Government directly or indirectly will appoint a very active part of the board of directors in each case.

Mr. President, we believe it would stultify the purpose of the operation for the Federal Government to hold onto any continuing interest in the surplus and reserve funds. We believe, furthermore, it would defeat the purpose of this proposed legislation. I say that because no sensible growers in a cooperative organization would proceed to retire Government capital if by retirement they had to turn over a large part of the surplus to the Government, which never intended to claim any part of such surplus.

There is not the slightest evidence in any part of the history of these organizations, from their beginning in 1933 to the present time, that the Government expected to assume any interest in these surpluses. The question arose when the Board of Directors of the Farm Credit Administration unanimously reported the program and it was submitted to the Bureau of the Budget. The directors had unanimously recommended that the legislation follow the same course that had been followed in the case of the Federal land banks, under which surpluses went back to the banks, to assure their continuing stable condition.

Thereupon, the Bureau of the Budget insisted upon a change in these recommendations by which the Government would assert, because of the fact that a large part of the surplus had been created by the use of interest-free Government capital, a right to reclaim a major portion of the surplus in each case. It was upon that recommendation of the Bureau of the Budget that the question arose.

The members of the committee, as I have said, with one exception, felt that the Bureau of the Budget has taken an unsound position on this question; that the original purpose all the way through was to enable the operators to have a steady source of credit to which they could go, and which would be so sound that it could not be wiped out by misfortune, and that that purpose was a good one, and should be retained.

I close by mentioning only two additional points. At the same time I apologize for taking so much of the time of the Senate. The first point is that in the case of the Federal land banks, which were allowed to retain their surpluses, the surpluses were decidedly larger than those which are in the hands of the banks for cooperatives. This question was not raised with reference to the land banks, but the surpluses were allowed to remain where they were.

The second point I wish to make is that in the case of the land bank system, the total investment of the Government at one time considerably exceeded $150 million of Government capital.

It seems to me if the practice was sound as applied to Federal land banks, and if it worked in that instance toward encouraging the retirement of Government capital, so that control by the borrowers had shown a fine result, we would be very foolish indeed to impose a different rule in this case as to weaker institutions, and to impose a rule under which, my personal belief is, we would find an immediate stoppage of any effort to obtain for the grower organizations complete control of the institutions, or as nearly complete control as the law permits.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. CARLSON. The State of Kansas is a part of the farm credit system. I have received many letters and resolutions from representative officers of production credit associations. How would they be affected by this legislation?

Mr. HOLLAND. The proposal for the retirement by those associations of the Government capital in the production credit corporations was eliminated from the proposed legislation by an amendment adopted by the House and approved by the Senate committee, because there were so many differences of opinion. The element of time was also involved. It became clear, also, that that question ought to be relegated for future consideration. In all probability it should be considered in connection with a similar question applicable to the intermediate credit banks, which were not involved in the pending legislation as originally introduced.

Mr. CARLSON. What the Senator has stated will be very well received by the production credit associations in the farm districts of Kansas. I commend the distinguished Senator from Florida for doing a fine job in protecting the program. I am sure it should be further studied.

Mr. HOLLAND. This is not a new program. When we passed the Farm Credit Act of 1953, we started upon a program by which we hoped the agricultural organizations of the Nation would be encouraged to take over in a large part the control of their lending institutions, which had made such a fine record.

The land bank system is fully within the legislation of 1953 and is as nearly grower-controlled and citizen-controlled as is possible. This bill, if passed, will, we think, bring about results speedily in some cases; in others it may take 12

or 15 years. But it will work out so that this same result can be accomplished in the case of banks for cooperatives.

Mr. THYE. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I yield.

Mr. THYE. I should like to associate myself with the remarks of the distinguished Senator from Florida in connection with his explanation of the bill. It is very constructive and sound legislative proposal to provide self-control and self-reliance for the producer groups. They have an enviable record, and have proved that they have the ability to stand on their own feet, irrespective of any governmental assistance. They have paid back the funds advanced by the Federal Treasury for the support of these land agencies in their early history.

I have been rather opposed to the retention of section 401 (a) in the bill, and I so expressed myself in the committee. However, the reason for having it remain in the bill for the time being is that if there is no floor amendment to the bill it will not involve delay in reaching final agreement with the House. Therefore, the enactment of the bill will be assured by favorable action by the Senate. But I think at some future time it would be well to reexamine this particular section of the bill, because I know that only two Members would serve in the joint capacity of a board, and, therefore, there would be no danger that they would establish policies favoring themselves.

I make this statement merely as an explanation of my views, with the hope that at some future time we may reexamine the question of whether we want a restrictive measure on the books, such as section 401 (a) would provide.

I wish to associate myself with the remarks of the Senator from Florida in his explanation of the bill. He not only made a thorough study of it as subcommittee chairman, but he came to the full committee with an excellent report. The bill should be immediately passed by this body.

Mr. HOLLAND. Mr. President, I am grateful to the distinguished Senator from Minnesota for his fine comment. As the Senator knows, I supported his position with reference to section 401 (a), because I felt it was a troublemaking section at this particular time. The situation has in a way reversed itself, since we are considering the matter in the closing hours of Congress, and I am very happy that no one is offering any amendment to eliminate that section of the bill.

Section 401 (a) of H. R. 5168, as passed by the House and as now contained within the bill being considered by the Senate, prohibits a salaried officer or employee of the Farm Credit Administration or of any corporation under the supervision of that Administration from being appointed or elected to membership on the District Farm Credit Board. Appointment to the Board is already prohibited, and election to the Board would be prohibited by this provision of the House bill. No action on this provision was taken by the subcommittee appointed to consider the bill, and the full committee by a tie vote disapproved a motion to eliminate it.

Mr. President, unless the distinguished Senator from Delaware wishes the matter to be presented otherwise, I should like to ask that at this time the committee amendment be adopted.

The PRESIDING OFFICER. The committee amendment will be stated.

The LEGISLATIVE CLERK. On page 12, line 9, it is proposed to insert the following proviso:

Provided, That any surplus and contingency reserves shown on the books of the bank as of the effective date of title I of the Farm Credit Act of 1955 shall not be distributed as patronage refunds.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

Mr. HOLLAND. Mr. President, that provision, when taken in conjunction with certain wording in the report, is a valuable and adequate safeguard on the proper use of the surplus and reserve funds as a sound cushion against disappointing operations in a bad year.

Mr. President, I yield the floor.

Mr. WILLIAMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

The legislative clerk proceeded to call the roll.

Aiken	George	Millikin
Allott	Goldwater	Monroney
Anderson	Gore	Morse
Barkley	Green	Mundt
Beall	Hayden	Murray
Bender	Hennings	Neely
Bennett	Hickenlooper	Neuberger
Bible	Hill	O'Mahoney
Bricker	Holland	Pastore
Bridges	Hruska	Payne
Bush	Humphrey	Potter
Butler	Ives	Purtell
Byrd	Jackson	Robertson
Capehart	Jenner	Russell
Carlson	Johnston, S. C.	Saltonstall
Case, N. J.	Kefauver	Scott
Case, S. Dak.	Kerr	Smathers
Chavez	Kilgore	Smith, Maine
Clements	Knowland	Smith, N. J.
Cotton	Kuchel	Sparkman
Curtis	Langer	Stennis
Daniel	Lehman	Symington
Dirksen	Long	Thurmond
Douglas	Magnuson	Thye
Duff	Malone	Watkins
Dworshak	Mansfield	Welker
Eastland	Martin, Iowa	Wiley
Ellender	Martin, Pa.	Williams
Ervin	McCarthy	Young
Flanders	McClellan	
Fulbright	McNamara	

Mr. CLEMENTS. I announce that the Senator from Delaware [Mr. FREAR] and the Senator from Massachusetts [Mr. KENNEDY] are absent on official business.

The Senator from Texas [Mr. JOHNSON] is absent by leave of the Senate because of illness.

Mr. SALTONSTALL. I announce that the Senator from Wyoming [Mr. BARRETT] is absent because of illness in his family.

The Senator from Kansas [Mr. SCHOEPPEL] is necessarily absent.

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). A quorum is present.

The bill is open to amendment.

Mr. HOLLAND. Mr. President, before the Senator from Delaware [Mr. WILLIAMS] begins his address, I call the attention of the Senate to one omission from the Senate report, evidently an omission made by the Government Printing Office.

On page 29, in explaining the changes in present law, there was left out, following the word "allocated", which is the first word in the 17th line from the bottom, the description of the committee amendment, which appears on page 12 of the bill, beginning on line 9, which has already been agreed to by the Senate. I do not think anybody is being misled, but I did want the RECORD to show that error was called to the attention of the Senate.

Mr. WILLIAMS. Mr. President, I shall be very brief in my remarks. The Senator from Florida has already explained the bill. However, I think that as the Senate votes we should have one clear understanding in mind; namely, that the bill, if passed, would authorize the sale of Government property which is valued at $220 million for $150 million, and it would authorize the taking in exchange for that sale $150 million of Class A stock with the proviso that the stock is nonvoting, nondividend paying, and payable pretty much at the option of the buyer over the next 10 or 15 years; and there is nothing in the bill that says it could not be 20 years. The bill proposes to give away the Government's interest in approximately $82 million surplus, and under the bill in case of liquidation of the new corporation this can be divided as windfalls.

This corporation at the present time is capitalized at around $170 million. One hundred and fifty million dollars is Government capital. Twenty million dollars is in the hands of the cooperative banks throughout the country. There is approximately $82 million of surplus. That means about $71½ million to $72 million of the surplus automatically should accrue to the Government for its capital stock.

There is no provision in the bill which would do anything other than give the $71½ million or $72 million of Government funds to those who are supposedly going to buy the Government's interest for $150 million.

The corporation is so flush with money that it is actually lending back some of this interest-free money to the United States Government and charging the United States Government 2¾ percent interest on it. No one in the Congress challenges these facts.

The only question before the Senate is: Do we want to give away $72 million? Certainly the Government's interest should be protected better than that. After all the United States Government will have to borrow the money before it can give it away. Our budget is out of balance now.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. BUSH. What is the justification for that substantial giveaway?

Mr. WILLIAMS. The only justification advanced was that Congress a few years ago gave a similar group an equal amount of money, and the suggestion was that if Congress gave it to that

group, why not give it to this one? The argument is made that Congress did the same thing with respect to the Federal land banks. If Congress did, it slipped by me; otherwise, I would have protested it. I do not think this bill can be justified on the basis that heretofore a loose piece of similar legislation was enacted. Either the bill is meritorious or it is not.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. ANDERSON. I wish to comment on what the Senator from Delaware has said, but before I do so, I am forced to say he did valuable work in bringing the matter to our attention. I joined with him in the fight to make the changes which were made. I believe the bill has now been changed to such a degree that he can feel justified in abandoning his fight. There is a difference of opinion between us, but that does not change my respect for him or affect the compliment I paid to him.

There is this answer to the question of the able Senator from Connecticut. The Government loaned money to a great many institutions to start off the capital stock subscription. Some of those institutions so managed their affairs that they acquired a surplus. It is true they did not have to pay much interest, and at times no interest at all. However, to allocate the money and give it to those whom it belonged would require hunting through a whole group of people who were really entitled to dividends for many years.

I say that because I happen to be president of a mutual insurance company. That company has accumulated a surplus. If the strict principle of mutuality were to be applied, we would have to pay out every dollar we have accumulated. That would leave the company without any surplus or protection.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. ANDERSON. I am speaking by the courtesy of the Senator from Delaware.

What the Senator from Delaware has said is completely correct. The $71 million comprised earnings. Technically, if the company had been charged interest, that whole amount of money might have gone back to the Federal Government. It is a situation in which cooperatives are involved. The theory is that they should be so well financed that they will not return to the Federal Treasury for help.

Mr. BUSH. Would it be necessary to finance the surplus as well as the capital?

Mr. WILLIAMS. That was the only difference between the Senator from New Mexico and myself. I felt there should be a proviso to the effect that in case of liquidation the Government would recover its proportionate share of the surplus, representing about $71 million. As the bill is written, theoretically it is possible for the group to liquidate the organization after this bill is passed, which would result in about a $70 million windfall.

Do not forget that the scores of little cooperatives will get practically nothing from this amount; in fact, over 80 percent of the $70 million windfall will go to about 10 large cooperatives.

Mr. ANDERSON. Theoretically that is possible. I do not think that practically it is possible. If simple language had been offered to take care of that situation, I would have been willing to accept it. If the surpluses were taken away from cooperatives all over the country, I believe they would fail.

Mr. WILLIAMS. The Senator from New Mexico and I were in full agreement that we did not want to do that. My only contention is: Let us write it in the bill so that the Government's interest will be protected. Why should we make an outright gift of $70 million to this group?

If the Senator from Florida will join in a motion to amend the bill so as to provide that in the event of ultimate liquidation, the Government will retain its part of the surplus, my attitude toward the bill would be different.

Mr. ANDERSON. Mr. President, I may say to the Senator from Delaware that I contended for the same thing he did in this respect, and therefore I would not be opposed to what he has just suggested. However, we simply could not find the proper language to accomplish that purpose.

Mr. WILLIAMS. I think adequate language can be written into the bill to accomplish the desired result. There is general agreement that under the bill as it is now written windfalls can result.

If such an amendment can be agreed upon I shall withdraw my objection instantly. I am in complete agreement with the Senator from New Mexico [Mr. ANDERSON] that the Government should get out of this corporation as soon as possible and that we should not write terms which would be a handicap to those who would use these banks.

I am perfectly willing to go along with all the provisions of the bill if we can include a simple amendment providing that in case of a future liquidation, the Government will always retain its proportionate right to the accumulated surplus in the accounts as of the time of the passage of this measure.

If the Senator from Florida will accept such an amendment, I will be ready to make a motion to that effect. Then we can pass the bill, send it to conference, and let the staff work out the necessary technical language.

Mr. ANDERSON. Mr. President, I agree with the Senator from Delaware; but I simply cannot find language to accomplish that purpose. It was not possible to suggest language for that purpose without tying up the bill. I believe it might be possible to arrive at such language in conference, but I do not know how long that would take, and I do not know whether it could be done now.

Rather than jeopardize the enactment of the bill, I would prefer to have the bill passed as it now stands, because I do not think this organization is going into liquidation; or, if it does, I think it will go all the way into liquidation, and then the $71 million will not be worth anything.

Mr. WILLIAMS. I am confident that the legislative counsel can frame appropriate language; and if the Senator in charge of the bill will accept such an amendment, I would say that rather than oppose the bill I would be one of its most enthusiastic supporters.

Mr. HOLLAND. Mr. President, will the Senator from Delaware yield to me?

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). Does the Senator from Delaware yield to the Senator from Florida?

Mr. WILLIAMS. I yield.

Mr. HOLLAND. Mr. President, I thoroughly respect the sincerity of the distinguished Senator from Delaware, but I do not think he is correct in his conclusion, and I cannot agree at all with what he is attempting to do.

I call his attention, in the first instance, to the fact that he is incorrect in his statement that the Federal Government does not receive any payments for its capital. The Congress in its wisdom determined that the rate of payment to the Government for the capital would be, not on the strict basis of an interest rate, but on the basis of a so-called franchise tax rate, based on 25 percent of the net savings of the banks beyond the amount required for restoring capital impairment and creating an adequate surplus account. Last year that amounted to one-million-one-hundred-thousand-odd dollars; and this year, to $1,600,000, a little more than 1 percent on the total capital stock.

The point I am making is that the Congress itself fixed that measure of the charge for the use of the money, and that the banks must pay it until the Federal capital is retired; and that the Federal capital will not be retired for a good, long time. That is the first point I should like to make to the distinguished Senator from Delaware.

Mr. WILLIAMS. I should like to reply to it now.

Mr. HOLLAND. Very well.

Mr. WILLIAMS. I point out that this franchise tax has been on the books only for 1 year. Last year was the first year it was paid. As the Senator from Florida pointed out, it averaged about $1,150,000, and during the same year they loaned to the Government from $42 million to $46 million upon which they collected $1,500,000. They paid only three-quarters of 1 percent; and the Government borrowed some of the same money right back from them, and paid them 2¾ percent. There is no rhyme or reason to that.

Also, in this case we are proposing—and I do not think the Senator from Florida will contradict this statement—that we give away $71 million, representing the Government's right to the surplus without any strings attached, and theoretically within the law.

After the bill is passed it will be possible for this group to dissolve the corporation, call the Government's capital, pay it off at par, and in liquidation proceedings have an $80 million melon to distribute with the $20 million stock they have.

Mr. ANDERSON. Mr. President, I believe the Senator from Delaware would wish to say that could not be done without the approval of the Federal intermediate credit banks.

Mr. WILLIAMS. That is true. But in the law there is no provision that the Federal intermediate credit banks could not give such approval.

Mr. ANDERSON. That is correct.

Mr. WILLIAMS. I agree that it could not be done if such persons said "no." But under the law, there is a way it could be done. I wish to spell out in the law that it cannot be done. Everyone says it should not be done, and I see no reason why we should not spell out in the law that which everyone is in agreement we do not wish to have done.

Mr. HOLLAND. Mr. President, will the Senator from Delaware yield again to me?

Mr. WILLIAMS. I yield.

Mr. HOLLAND. When the Senator from Delaware says everyone is in complete agreement, he may be in error. Everyone is in complete agreement on one thing alone, namely, that this surplus and reserve should be kept as intact as possible, so as to operate as a stabilizing influence in connection with the operation of the banks.

However, we are not in agreement at all as to where the equities regarding that money are. The Federal Government has never claimed, under any legislation, any right to the surplus. If it had, the Senator from Delaware knows and I know and everyone else knows that the rates of interest would not have exceeded to such an extent as they have the necessary operating rates. All these institutions in good faith have proceeded to establish a surplus out of the payment of interest rates higher than those which were necessary for them to continue to operate.

I should like to make one other point, and then I shall yield. The Senator from Delaware, of course, is in strict accord with what I regard as the fact when he says that liquidation could be accomplished at any time. However, to accomplish liquidation there would have to be $150 million in cash on hand, in order to retire the Government capital.

But these banks have never had any such amount of money, and they do not have it now, because their money is invested in loans to small cooperatives all over the country—in loans which would not be regarded as standard loans, for bank purposes. So they do not have $150 million in cash, with which to retire the Government capital, and will not have at any time in the foreseeable future.

We are trying to allow them to retire it in fractions, year after year, until the Government capital is completely retired; and in the meantime—and I think this is one thing the distinguished Senator from Delaware has entirely overlooked—the owner of the largest surplus, namely, the central bank of cooperatives, is controlled by directors who are appointed by the Farm Credit Administration, and directors so appointed will continue to constitute a majority of the board until the capital of the central bank is two-thirds privately owned. That would be, let us say, when $100 million of the $150 million of capital stock, or about that much, had been retired.

So I think the Senator from Delaware is seeing visions that I cannot see at all as practical possibilities in this matter.

I think he knows, and I know, and all the rest of us know, that these banks were not created to be liquidated, and there is no one who wishes to have them liquidated. They were created to operate, to give a steady, dependable source of credit, at a reasonable interest rate, to persons who cannot get adequate credit from existing institutions. So it is stretching one's imagination beyond the remotest degree of reasonableness to say that those who have worked together to build these programs over the years, and who have done so by imposing upon themselves higher rates of interest than those which would otherwise be required, would suddenly decide that, after all, they had been mistaken, and that adequate sources of credit were available somewhere else, and that therefore they would immediately sell their mortgages and their loans, and thus would obtain $150 million, and with it would pay off the Government capital, and then would cut the melon, as the Senator from Delaware calls it, in the central bank, which is controlled by directors, a majority of whom are appointed by the Farm Credit Administration, and in the other banks. It is such a visionary possibility that the Senator from Florida cannot regard it as a practical possibility in any sense of the word.

The Senator from Florida thinks the situation is fully safeguarded, as does the Senator from New Mexico [Mr. ANDERSON], who stood by the Senator from Delaware in his fight in the committee until the committee amendment was agreed upon. When the committee amendment had been agreed upon, the Senator from New Mexico stated, as he has stated on the floor today, that he thought we had gone as far as we could to assure the continued servicing by these institutions of the people of the country who are engaged in agriculture.

Mr. WILLIAMS. Mr. President, I should like to reply to the Senator from Florida by pointing out that he says this surplus was created in the beginning by the cooperative banks' charging interest rates higher than those which were necessary, thereby accumulating a surplus; it is not that simple.

The surplus was built up over a period of years by the cooperative banks charging these organizations interest rates on money which the banks, in turn, were getting absolutely free of interest charges. For the past 21 years this agency has had interest-free money from the Government, varying from $110 million to $178,500,000 every year. It has averaged more than $150 million a year. Certainly any bank which receives $150 million of interest-free Government funds for lending purposes over a period of 20 years can make a profit by lending that money.

Had there been a loss in this agency, no one would have said, "You owe the Government for the money which was lost, and you must pay it back." I am sure of that. As it is, the institution made money. I point out that the money which was made, the $80 million which has been accumulated, was made from loans to farmers in depression years and from interest charged on money they received from the Treasury interest-free. Furthermore, not one farmer who helped to build up the surplus would benefit from the distribution. The beneficiaries would be those who borrow in the future. There is nothing in the bill, as the Senator from Florida will admit, which would prevent a legal distribution of this surplus as a melon should they so desire and assuming the Board agrees.

Mr. THYE. Mr. President——

Mr. WILLIAMS. I will yield in a moment.

The Senator from Florida points out that the liquidation must be approved at the Board level, and at the local level. That is true, but these institutions are operated by men. The Board members could, within the law, make the decision that it was necessary to liquidate this organization and cut the $70 million melon. There is not a thing in the bill which would prevent such action.

All the amendment which the committee adopted would do would be to say that during the process of operation the Board members could not declare patronage dividends from this surplus.

I point out that during the next 10 years this organization may operate 1 year at a $5 million profit, and the next year at a $5 million loss. It can charge the loss each year against surplus, and distribute the profits in years in which a profit is made as patronage dividends, thereby gradually whittling away the surplus. There is another manner in which it can be done lawfully. The other way would be to call the Government capital at par and then liquidate, dividing the $70 million melon.

There is no disputing the fact what you are doing here is just giving away about $72 million.

The Senator from Florida says he is positive that this surplus will not be distributed; then I cannot see why there is any objection to placing in the bill a provision to that effect. If such a distribution is ever made the Government will get its $72 million. Such an amendment would safeguard the interest of the Government in the capital reserve as it stands today. If he will accept such an amendment, no one will be hurt. If there is never to be a liquidation—and the Senator from Florida is confident that there never will be—the amendment will be inoperative.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. HOLLAND. I point out the fact that the Senator from Delaware was invited to submit amendments to the committee. The best amendment we could arrive at is the amendment in the bill, and the Senator from Florida thinks it is adequate.

In the next place, I wish to point out to the Senator that a deliberate operation involving a $5 million loss by reason of imposing lower interest rates than those necessary to carry the operation is impossible, because the directors of the Farm Credit Administration must approve the interest rates. They have a

control of the picture which would certainly give them the right to stand up against the elimination of this surplus by any such deliberate method of diminution of assets as the Senator has suggested.

Mr. WILLIAMS. I am not speaking of distributing the surplus through lower interest rates. I am saying that the corporation might have losses as the result of economic conditions. It might have losses in 1 year and profits in another. It is not required to charge losses against profits. It can charge losses each time against the $80 million surplus, and distribute the profits. I do not see why the United States Government, which has a debt of approximately $276 billion today, should just give away $70 million for nothing. We must borrow the money to do it. To make it more ridiculous, we are borrowing over $42 million of it back from those to whom we are giving it, and we are paying 2¾ percent interest.

Mr. HOLLAND. The borrowing back, as the Senator terms it, is the purchase of Government bonds by these corporations out of surplus funds.

Mr. WILLIAMS. That is the way the Government is financed.

Mr. HOLLAND. The Government is inviting not only this corporation, but everyone else, to show confidence in the Government by investing surpluses and reserves through the purchase of Government bonds. I am sure the Senator would not say that it would be prudent business for a concern with substantial surplus and reserves to wrap up the money in a napkin and not allow it to produce any earnings whatsoever.

The Senator from Florida believes that these boards have not only proceeded wisely in investing in Government bonds, but have proceeded in accordance with the request of the Federal Government that surplus funds be so invested.

Mr. WILLIAMS. But we, as Members of Congress—as the board of directors of the United States Government—are not proceeding wisely when we authorize the Government to borrow money in order to give it to an organization which has so much surplus today that it is lending it back to the United States Government. I repeat there is nothing in the bill which would prevent the organization from making a prompt liquidation and dividing the melon.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. AIKEN. The Senator from Delaware has mentioned the fact that cooperative banks lend money to the Government at a higher rate of interest than the franchise tax has amounted to so far. I am sure the Senator will agree that the members and borrowers in these banks have themselves invested about $20 million. That $20 million is loaned to the Government at a higher rate of interest. It is impossible to identify or earmark that particular fund, so it does not necessarily follow that the full amount is being taken from the interest-free money which has been put up by the Government.

Mr. WILLIAMS. The Senator from Vermont is correct in saying that we cannot identify separately the $150 million of Government capital and the $20 million invested by the members. The $150 million of Government capital, plus $20 million invested by members, brings the capital up to $170 million. There is a surplus of $80 million, which, added to the capital, makes a total sum of $250 million. The Senator from Vermont is correct in saying that we cannot identify the separate items from which the $42 million comes. Nevertheless, we cannot escape the fact that the institution is lending back to the Government $42 million and charging the Government 2¾ percent interest. That is more than it is paying the Government for the use of the entire $250 million.

Mr. AIKEN. Will not the Senator from Delaware agree that the purpose of the Government in furnishing interest-free money to the banks for cooperatives, as well as to other farm credit organizations, was to enable such organizations to build themselves up and become strong, so that when the time came they might assume the entire responsibility themselves, take the banks over, and get the Government out of the banking business? That was the reason for putting up the taxpayers' money.

Mr. THYE. Mr. President, these farm credit agencies have done that. They build themselves up with credit reserves, which enable them to assist the depressed farmer in financing himself. The Government principal has been repaid. The interest money can now be used as a sort of cushion against any disastrous situation which may occur in the future.

Mr. WILLIAMS. The Senator from Vermont and the Senator from Minnesota, who claim that the corporation was formed in the beginning with the thought that after it got on its feet the United States Government would sell it to the farmers without any regard to the amount earned, I believe are in error in their statement. The act was passed, in 1934, when the Government put up $110 million, and if the result had been a loss, no one in Congress would have said that the farmers should pay off the back loss. I am sure no one would have advocated that the farmers pay off such a loss.

Mr. AIKEN. I would not recommend it.

Mr. WILLIAMS. No; nor would any one else. In fact, before World War II, it looked as though there would be a loss. At that time no one proposed that the cooperative banks should pay off a loss if there was one. As the operation has proceeded over the years, largely as the result of World War II and the Korean war and not so much the result of good business management but because agricultural prices were inflated, the loans became good loans instead of bad ones, and a profit has resulted. That profit should go to the Government. Just as the Government would have had to sustain a loss, it now should get the profit.

I believe the issue is very simple. It is whether we want to give away the rights of the United States Government to the $71 million and do it under a bill by which it would be legally possible for the recipients to distribute that amount of money as a windfall at some future date to be determined by the Board. That is the only question before us. Shall we give away these millions?

I say again that if the bill could be amended so as to prohibit such a thing happening, I would favor the bill.

Mr. President, I move that the bill be amended to provide that in the event of any future liquidation——

Mr. KNOWLAND. Mr. President, I make a point of order. The rule requires that an amendment be written out and submitted to the Senate.

The PRESIDING OFFICER (Mr. MONRONEY in the chair). The minority leader is correct.

Mr. WILLIAMS. The Senator from California is correct. I was only trying to expedite the consideration of the bill. I will write out the amendment. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ANDERSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILLIAMS. Mr. President, I offer the amendment which has been referred to.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Delaware.

The CHIEF CLERK. Beginning on page 13 with line 25, it is proposed to strike out all through line 17 on page 14, and insert in lieu thereof the following:

(c) Application of assets on liquidation or dissolution: In the case of liquidation or dissolution of any bank for cooperatives, after the payment or retirement, as the case may be, first, of all liabilities; second, of all capital stock issued before the effective date of title I of the Farm Credit Act of 1955 held by cooperative associations at par, all class A stock at par, and all class B stock at par; and third, of all class C stock at par; any surpluses and contingency reserves then remaining shall be distributed as provided in this subsection. If necessary in absorbing losses, allocated contingency reserves and allocated surpluses shall be exhausted first in accordance with rules prescribed by the Farm Credit Administration and other contingency reserves and surpluses shall be used pro rata. Any surpluses and contingency reserves which were on hand as of the effective date of said title I, shall be apportioned on the basis of stock ownership in the bank on such date and that part of such surpluses and reserves so apportioned to stock owned by the United States, shall be paid into the Treasury as miscellaneous receipts and that part of such surpluses and reserves so apportioned to stock owned by all others shall be paid to the holders of outstanding stock issued before the effective date of said title I and class C stock pro rata: *Provided*, That if the central bank is liquidated or dissolved before the regional banks, that part of such surpluses and reserves so apportioned to stock owned by the United States shall be distributed to the regional banks on the basis of stock held by them in the central bank, and the amount so distributed shall be added to the corresponding surplus and reserve of each regional bank subject to payment into the Treasury as miscellaneous receipts upon

liquidation or dissolution of such regional bank. Any allocated surpluses and allocated contingency reserves then remaining shall be distributed as allocated on the books of the bank.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Delaware.

Mr. WILLIAMS. Mr. President, the amendment simply strikes out paragraph (c), which begins on page 13 of the bill, and inserts in lieu thereof paragraph (c) of the bill as it was originally introduced in the Senate. The language was recommended by the Director of the Budget as necessary to protect the interest of the Government. Unless it is adopted, we lose all rights to the surplus.

I think there is one paragraph in the testimony of Mr. Smith before the committee which will very simply explain the amendment. I read from the testimony of Mr. Smith, on page 79 of the printed hearings:

> Under the bill before the committee there is a difference in that if the banks were liquidated, any part of any assets which represented reserves and surplus which were in existence at the effective date of the title, and remain at the date of liquidation, would be divided between the Government and between the voting stockholders of the banks at the date of liquidation. The basis of distribution would be: If the amount of these surpluses and reserves were $82 million, and if at the effective date of title I the Government capital in the bank was 88 percent of the total, the Government would get 88 percent of these surpluses, upon liquidation. The balance, 12 percent, would be paid to voting stockholders of the banks at the time of liquidation.

The amendment may be very simply explained in this manner: There is a surplus of approximately $82 million in the corporation we propose to sell. In the event of any future liquidation, the United States Government, which today owns about 88 percent of the capital stock, would upon liquidation receive in distribution 88 percent of the existing reserves as of the date of the enactment of the bill.

The amendment has no connection with any future reserves which may be accumulated after the enactment of the bill. Those reserves would go in their entirety to future stockholders. If the reserves were lost, the loss would be sustained by the United States Government just the same. But in the event of liquidation at any future date, that portion of the reserves which today is applicable to the interest of the United States, which is approximately 88 percent, would go to the United States Government.

Every member of the committee and everyone else who urged the passage of the bill has said that there will never be any liquidation, and that there is no intention of that happening. If that be true, the amendment might be useless; but certainly if that be true then there can be no objection to its adoption.

The only reason, as I see it, why there might be objection to the adoption of the amendment is that at a future time someone might get the thought in the back of his head that it might be desirable to liquidate the bank and cut the melon.

Mr. President, on this amendment I ask for the yeas and nays.

The yeas and nays were not ordered.

Mr. WILLIAMS. Mr. President, I again ask for the yeas and nays.

The yeas and nays were ordered.

Mr. AIKEN. Mr. President, as a member of the subcommittee which considered the bill, I may say that we had rather extensive hearings on it. Everyone who asked for a hearing was heard. We considered all the points raised in favor of the bill, and all the points raised against certain provisions of the bill, as has been pointed out by the Senator from Delaware. At least 4 of the 5 members of the subcommittee concluded that the bill, together with the single amendment which we proposed to guard against dissipation of the reserve fund, should be enacted.

We believe the bill will be of great benefit to agriculture and to the Government. We think there is no better time, and that there is not likely to be a better time, to get the Government out of the banking business.

It is true that the Government loaned interest-free money in the 1930's to the Bank for Cooperatives, just as interest-free money was provided for many other persons.

It is true that the Government invested, altogether, about $178 million. About $31 million of that amount has been retired. Under the bill, all the rest will have to be retired in the years to come. Until it is retired, a franchise tax must be paid to the Federal Government in lieu of interest, and nothing can be added to the reserve account until 25 percent of the earnings of the Bank for Cooperatives, over and above the amount necessary to make up for impaired capital and the 25 percent required for surplus account, has been used.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. WILLIAMS. Will the Senator from Vermont agree with me that the adoption of the amendment would not in any way affect the operations of the Corporation except as there might at some future date be a liquidation?

Mr. AIKEN. I do not think it would. I do not believe there will be any liquidation, because the Bank for Cooperatives certainly would not liquidate until its reserves had been dissipated by losses. They cannot be lost, or spent by melon cutting.

If a time came when the Bank for Cooperatives had lost $81 million, it would mean that the economy of the country, especially the agricultural economy, was in such poor condition that the Federal Government would have to step in anyway.

The main reason for transferring the fund was that it is not possible to spend for anything except to make up losses. The cooperative organization must make certain that it does not have to come to the Government again to make up losses in the event it has some bad years.

Mr. WILLIAMS. Mr. President, will the Senator further yield?

Mr. AIKEN. I yield.

Mr. WILLIAMS. Would not the Senator from Vermont agree with me that if there were a liquidation at some future date, then, before the reserves had been dissipated, the Government would be entitled to its 88-percent equity in the distribution?

Mr. AIKEN. There is a difference of opinion as to that, because the Government never intended to make a profit on its investment in the Bank for Cooperatives. Whatever profit has accrued, has accrued from overpayments of interest by persons who have borrowed money. I say "overpayments." Probably the only reason for happening to have this amount of money is that back in the late 1930's many of the cooperatives, which were borrowers, were not in a very sound financial situation, and the interest rate was fixed so as to take care of any possible losses which might have been anticipated at that time. Then the war came, and instead of sustaining losses, the bank for cooperatives received a profit. But the people who borrowed the money are the ones who were responsible for the accrual of a surplus.

I agree that the Senator from Delaware has an argument on his side, that the question of what to do with the reserve funds should be weighed. We decided the best thing to do was to let the banks for cooperatives keep them, so that they would not have to go to the Government in the event of 3 or 4 difficult years.

Mr. WILLIAMS. The Senator from Vermont will agree with me, will he not, that the adoption of the amendment will not force the banks to get rid of the surplus unless they were liquidating the corporation, and that would be at their own discretion? The accumulated profits belong to the Government. If there is to be liquidation, which everybody says is not intended, why should not the Government get its proportionate part of the accumulated dividends?

Mr. AIKEN. If substantial equity were left in the fund in the name of the Federal Government, those who would be taking over the banks for cooperatives could not take over the financial institutions which had been owned and operated by the farm group. There would still be a Government equity hanging over them. That might not be calamitous. In fact, I do not think it would be. Neither do I see that there would be any advantage in it if the time should come when the banks for cooperatives should liquidate. It would mean that the economy of the country would be in pretty bad shape, and the Federal Government would have to step in again as it did in the thirties.

Mr. THYE. Mr. President, I shall have to oppose the amendment. It was debated at length in committee. A subcommittee had the subject under consideration for many weeks, held public hearings, and made a study of it. The subcommittee made a recommendation to the full committee. The full committee studied the recommendations of the subcommittee, arrived at a decision, and reported the bill which is now before the Senate.

If the amendment were agreed to, it would mean that the bill would have to

go to conference. This late in the session, the possibilities are that the bill would be lost. That is one objection I have to the amendment.

We must go back into the history of the Farm Credit Act. We know that the Federal land bank system was created by an act in July 1916. It was amended over the years, both in 1933 and in 1934. A fund was made available to the farm-credit system by an act of Congress at a time when agriculture was suffering from an extreme depression. There was a question at that time as to what percentage of the landowners of the Nation would be able to retain their farms and continue to be farm operators, and what percentage would have their farms foreclosed and watch insurance companies or bankers possess the farms which they had operated, and in which they had a substantial equity. Because of the depression, land values went almost to zero. Therefore, a renewal of farmers' loans was impossible, and foreclosures were inevitable.

It was because of such conditions that Congress enacted the law and created the fund of the Farm Credit Administration. The Federal Government has not lost a cent. The Federal Government has had a substantial return in payments. The Federal Government has securities in the sum of $150 million in stock. If the bank were to be liquidated, the Federal Government would be the first creditor to be paid.

The reserve of $81,720,000 which has been mentioned has been built up from the earnings and interest paid by the borrowers, by the farmers who have used the fund. This sum of more than $81 million is a financial cushion which will assure the Nation that if agriculture should suffer any recession or depression at any future time, there will be a cushion which will be capable of absorbing a few delinquent payments on the loans which the Farm Credit Administration has advanced to the farmers and farm operators throughout the land.

The fund would be a safety reliance which would assure the country that there would not be a liquidation of the farm credit association which was serving a particular community.

I think the subcommittee which conducted hearings on the bill, and the full committee of the Senate which approved the bill which is now before the Senate, were wise in their decision. The distinguished Senator from Florida [Mr. HOLLAND] was the chairman of the subcommittee which conducted the hearings. There is no member serving in the Senate who has a greater concern for safeguarding the Treasury of the United States than has the Senator from Florida. I know that he not only has a judicially trained mind, but that he is most prudent in all of his legislative work.

The Senator from Florida and the subcommittee members who served with him, after due and lengthy hearings submitted their recommendation to the full committee. If the Senate does not adopt that recommendation as contained in the bill now before the Senate, my colleagues can be certain that the bill will be lost in conference and there will not be the enactment of this legislation, which would safeguard the future of the Farm Credit Administration.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. THYE. I yield.

Mr. LANGER. I wish to commend the Senator from Minnesota, who understands the farm situation so well in his State and in the country. Being a farmer himself, and having been a governor of Minnesota, and having lived in Minnesota during the thirties, nobody is better qualified to speak on this subject than is the Senator from Minnesota.

Mr. THYE. I will say to the Senator from North Dakota that I probably know the operating procedure of the Farm Credit Administration better than I would if I had been merely a borrower. I have not been a borrower from the fund, but I was an appraiser for the Federal land bank in 1933, 1934, and a part of 1935.

I went from farm to farm and listened to the mothers and fathers who had not only operated their farms as tenants, but had paid up the total obligation owed on their farms. Throughout the depression of the early thirties, 1 year after another, they could not pay the interest on their loans and could not meet their operating expenses. The losses they suffered year after year finally accumulated to such a point that the outstanding indebtedness on their respective farms would be as much as $3,000, $4,000, or $5,000, and they would lose their farms. A certain farm might be worth as much as $12,000, $13,000, or $14,000, but the farmer might not be able to refinance a $5,000 mortgage, and foreclosure was inevitable. It was common to see sheriffs proceeding to sell farms in order to try to satisfy creditors.

What would have happened if the land bank had not been in existence and if the Farm Credit Administration had not been in existence, and if the Congress in 1933 had not provided the fund which was known as the "Commissioners Fund," and which was used in the form of second mortgages to the land-bank loans?

If it had not been for that act in the farm credit field, the farm families would not have been on the farms when we escaped from the agricultural depression of the early 1930's, and out of which we emerged only because of the changed economic conditions brought about by World War II. If during the depression we had not had the kind of farm credit system that is provided for in the pending bill, today there would be far fewer families on the farms; instead, great numbers of the farms would now be controlled by insurance companies, banks, or financiers who had the means to buy farms at sacrifice sales. As a result of that process, today there would be tenants, rather than owners, on many of the farms.

It is for that reason that I wish to see the $81 million remain as a financial cushion, so to speak, so that if there is another depression—and of course that is possible, although today financial conditions are greatly improved over what they were in those days, despite the fact that today's situation is not so good as I should like it to be—that fund can be called upon, so as to take care of the situation in case of default on certain loans. If that financial cushion remains available, then if some loans are in default, the associations which borrowed the money will not be liquidated because of inability to repay the central bank.

Furthermore, the Government has not lost one penny in this operation. This fund is not one which we consider belongs to the Government, because the fund has been created from the excess interest rates which have been paid on the loans, going back to 1934.

Mr. LANGER. Mr. President, will the Senator from Minnesota yield to me?

The PRESIDING OFFICER (Mr. MONRONEY in the chair). Does the Senator from Minnesota yield to the Senator from North Dakota?

Mr. THYE. I yield.

Mr. LANGER. At the time to which the Senator from Minnesota has referred, the Governor of Minnesota was Floyd Olson. At that time the Legislature of Minnesota almost unanimously voted for a moratorium. The legality of the moratorium was contested, and the case went to the Supreme Court, and the Supreme Court sustained the legality of the moratorium.

In North Dakota we had a moratorium too, although at first it was not the same kind of moratorium, because the North Dakota Legislature was not then in session. But a little later the North Dakota Legislature passed such a moratorium.

Mr. AIKEN. North Dakota had a so-called "pitchfork moratorium" in those days.

Mr. LANGER. In Nebraska and in Kansas, Minnesota's example was followed, by declaring constitutional moratoriums.

The Senator from Minnesota is entirely correct in the statements he has made about the conditions which existed at that time. I did not know he had been an appraiser; but certainly the appraisers knew the conditions which existed.

Mr. THYE. Mr. President, I helped organize the first production credit association which was set up in Minnesota, and it is still operating and is still sound, and is serving the credit needs of the farmers within the association.

The Senator from North Dakota has referred to the moratoriums. In some communities there were so-called moratoriums which were not very commendable—I refer to those which the farmers organized, defying the sheriffs who attempted to conduct sheriff's sales on the properties. Many times the sheriffs were forced to vacate the premises and not conduct the sales.

In the winter of 1934, when the Northwest was covered with 5 or 6 inches of snow, I went forth and appraised for the emergency applications for loans, under the farm credit bank, because there were sheriff's sale notices on the properties. So the land was appraised even though it had many feet of snow on it. That was done in order to make certain that the loans could be granted before the sheriff sold the property.

The $81 million fund which is under discussion amounts to more than mere dollars and cents. It has been said that

the $81 million should revert to the Federal Government. However, that money belongs more to the farmers who accumulated it in order to have it available for use in connection with the functioning of these credit institutions. But despite that fact, it was found that the money could not be given back to the farmers. Therefore, the best judgment of the committee was that the fund should be retained, so that if, in the case of various associations, some loans should be in default, this $81 million fund would be available as a financial reserve in connection with the operations of the Farm Credit Administration.

Mr. LANGER. In one case the commissioner's loans in North Dakota took care of $21 million of loans which were in that very situation. I mention this one instance to emphasize the wonderful job that farm credit did for the farmers of North Dakota.

Mr. THYE. Mr. President, I shall not take further time of the Senate.

Again I wish to commend the Senator from Florida [Mr. HOLLAND], the chairman of the subcommittee, for the very able job he did in bringing this recommendation to the full committee, which accepted it.

Mr. President, the pending bill is a sound one. If Senators wish to delay enactment of the bill until a later session, let them vote for the amendment; for if the amendment is adopted at this time, it will certainly prevent passage of the bill and its final enactment during this session.

Mr. HOLLAND. Mr. President, first I wish to say I am very much indebted to the Senator from Minnesota for his kind remarks about me. I wish I could feel I merited them.

Second, let me say that what is being discussed now is a complete change of policy from that existing when the Farm Credit Administration was set up during the great depression. We do not have to guess about it, because in the case of the land banks—which had more money invested out of capital belonging to the Government than did the banks for cooperatives—the surpluses, which were larger than the ones with which we are now dealing, were allowed to remain where they should be, namely, in the banks themselves, when the farmers took over control of the banks.

Furthermore, in the case of these very institutions, at times the Government has had more capital invested in them than it has now. When the capital was paid off—and I believe that approximately $30 million has been paid off—there was no question of interest, and there never has been a question of interest, because the Government went into the situation in an effort to stabilize a declining agriculture all over the Nation.

In 1953, for the first time, these institutions were so strong that Congress in its wisdom thought they should begin to pay to the Federal Government some interest on these advancements. By means of the so-called franchise tax, Congress prescribed the standard for those payments. I have said that last year the banks for cooperatives paid a little more than $1 million on that tax—or not quite 1 percent; and this year they have paid $1,600,000, or a little more than 1 percent.

But my point is that that was the rate set by us as the one to be paid on the borrowed Government capital. The surpluses were created out of the sweat and toil of those who worked in the depression years; they paid higher interest rates than were necessary, in order to make sure that those institutions, which the Government had given them, and for which they were grateful, would not be weak, but would have some surplus. So they knowingly paid higher interest rates than were required for administration purposes, because they wanted the institution to be strong and to have some reserves.

Mr. LANGER. Mr. President, will the Senator from Florida yield to me?

Mr. HOLLAND. I yield.

Mr. LANGER. Is it not true that that program saved hundreds and hundreds of banks which had loaned money to farmers? When the loans were ordered by the bank examiners to be paid, if it had not been for the land commissioner loans, the banks would have had to close.

Mr. HOLLAND. Of course that is correct, and I thank the Senator from North Dakota for his contribution.

Mr. LANGER. In that way, thousands of small banks all over the country were saved from becoming insolvent.

Mr. HOLLAND. I thank the Senator from North Dakota.

Mr. President, this amendment was in the bill when it came before us. We knew where the amendment came from, and that fact was developed in the hearings. The amendment came from a demand by the Bureau of the Budget.

Mr. President, I am glad we have an agency which is cautious and which looks at things through bankers' eyes; and I think it is an asset for the Government to have such an agency. I am not falling out with that agency, but I would fall out with the Congress if it voted to destroy the basis of the strength required for the maintenance of these institutions from the time when they were set up. If Congress now were to say, "We should have charged you interest then, and now we will charge you more interest, and will require you pay it out of the fund you created during the bad years, when you charged yourselves interest at a higher rate than that required for the making of your payments under the franchise tax."

Mr. President, Senators can figure it out for themselves, and can see that we would then be requiring the payment of twice as much interest as would have been required during those years.

Now, at a time when we are trying to restore these institutions to private hands, it is proposed to go back and say, "We ought to have charged interest back there, and we are going to charge you now, out of the surplus fund created through those bad years, more interest than you are now being required to pay under the franchise tax." We would be charging more than twice as much interest against that operation back in those distressing years.

I have not the faintest idea that any Members of the Senate would vote for the amendment if he understood that it involves the suggestion that we reverse the policy of the Government, change the philosophy of all those who have supported the system, and be guided solely by the overcautious, overeconomically minded attitude of the Bureau of the Budget, which desires to substitute the attitude of the banker for the attitude of a Government which was trying to help agriculture in this Nation at a time when it was prostrate and needed help.

I hope the amendment of the Senator from Delaware will be rejected.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Delaware [Mr. WILLIAMS] on which the yeas and nays have been ordered.

Mr. WILLIAMS. Mr. President, I shall not delay the Senate on this matter.

The point has been made that if the amendment is adopted it will represent a complete reversal in the Government's policy. I take exception to that statement because there can be no reversal. There is no policy. This is the first time we have ever voted on the question of whether we will sell the cooperative banks. Therefore there is no policy on the question of whether they should be sold or not.

Furthermore, the bill as it is written does not affect in the slightest the farm credit loans made under the Federal land banks, Farmers' Home Administration, or the Commissioner's loans, which were so eloquently defended by the Senator from Minnesota [Mr. THYE]. Neither the bill nor the amendment affects that type of loan.

You cannot escape the fact that what we are voting upon is the question of making an outright gift of $72 million to this group of cooperatives plus loaning them another $150 million interest free for the next 10 or 15 years.

The bill proposes the sale of the Government corporation of which the capital stock is $170 million. Of that $170 million, the Government owns $150 million, and $20 million is owned by the cooperative banks.

In addition to that stock, there is an accumulated surplus of $82 million plus. That surplus belongs to the stockholders by any line of reasoning.

The proposal under the bill which is not affected by the amendment is that the Government, by selling the $150 million stock, will accept at par value, share for share, class A stock, which is nonvoting and noninterest paying—no dividend can be paid on it—and is redeemable by the agencies, which have the option of buying it over a period of 10 years, 15 years, or perhaps 20 years. During that period they get the use of the money free.

In addition to that, without this amendment the bill gives to the same buyers of the stock 100 percent of the Government's right in the $82 million accumulated surplus, which amounts to about $71½ million.

The amendment which I have offered merely proposes that in the event of any future liquidation, the United States Government would recover its proportionate part of the accumulated surplus

which was accumulated prior to its liquidation. What is wrong with that?

There is nothing in the bill which would prevent this group, if they so decided, from legally dissolving the corporation and distributing the $82 million to the stockholders as a melon. It can be done by calling the Government stock at par.

I do not say that will be done. Every member of the committee has testified it will not be done. However, I say it is legally possible under the bill to do that unless the amendment I have offered is written into the bill. If the fund is liquidated, certainly the Government has a right to its $70 million. The defeat of the amendment will amount to an outright gift of $70 million.

I ask for a vote on the amendment.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Delaware [Mr. WILLIAMS]. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CLEMENTS. I announce that the Senator from Delaware [Mr. FREAR], the Senator from Massachusetts [Mr. KENNEDY], and the Senator from North Carolina [Mr. SCOTT] are absent on official business.

The Senator from Texas [Mr. JOHNSON] is absent by leave of the Senate because of illness.

I further announce that if present and voting, the Senator from Texas [Mr. JOHNSON] and the Senator from North Carolina [Mr. SCOTT] would each vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Wyoming [Mr. BARRETT] is absent because of illness in his family.

The Senator from Kansas [Mr. SCHOEPPEL] is necessarily absent.

The Senator from New Hampshire [Mr. BRIDGES] is detained on official business.

The result was announced—yeas 9, nays, 80, as follows:

YEAS—9

Beall	Goldwater	Payne
Bush	Jenner	Robertson
Byrd	Malone	Williams

NAYS—80

Aiken	George	McNamara
Allott	Gore	Millikin
Anderson	Green	Monroney
Barkley	Hayden	Morse
Bender	Hennings	Mundt
Bennett	Hickenlooper	Murray
Bible	Hill	Neely
Bricker	Holland	Neuberger
Butler	Hruska	O'Mahoney
Capehart	Humphrey	Pastore
Carlson	Ives	Potter
Case, N. J.	Jackson	Purtell
Case, S. Dak.	Johnston, S. C.	Russell
Chavez	Kefauver	Saltonstall
Clements	Kerr	Smathers
Cotton	Kilgore	Smith, Maine
Curtis	Knowland	Smith, N. J.
Daniel	Kuchel	Sparkman
Dirksen	Langer	Stennis
Douglas	Lehman	Symington
Duff	Long	Thurmond
Dworshak	Magnuson	Thye
Eastland	Mansfield	Watkins
Ellender	Martin, Iowa	Welker
Ervin	Martin, Pa.	Wiley
Flanders	McCarthy	Young
Fulbright	McClellan	

NOT VOTING—7

Barrett	Johnson, Tex.	Scott
Bridges	Kennedy	
Frear	Schoeppel	

So Mr. WILLIAMS' amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

PUBLIC COMMENT ON THE POSTAL FIELD SERVICE COMPENSATION ACT OF 1955

Mr. CARLSON. Mr. President, during the discussion that preceded the passage and signing into law of the Postal Field Service Compensation Act of 1955 (S. 2061), many unfair statements were made. Some of these were against the Postmaster General of the United States, the Honorable Arthur E. Summerfield.

Now that the passage of the law is history, I think it only fair that a more objective view be recorded. Letters and telegrams have been received in the office of the Postmaster General from all ranks and grades of postal employees. They expressed their appreciation to the Postmaster General for the courageous and unwavering stand he had taken in behalf of all postal employees.

The employee magazines of the National Association of Rural Letter Carriers, the National Association of Postmasters, the National League of Postmasters, and the National Association of Postal Supervisors have been loud in their praise of the Postmaster General and his supporters in both Houses of the Congress.

The leadership of the National Association of Special Delivery Messengers has been equally generous in its support of, and admiration for, the present administration of the Post Office.

For example, here is a statement by Raymond V. McNamara, president of the National Association of Postmasters, which appeared in the July issue of the Postmasters' Gazette:

THIS IS INDEED OUR FINEST HOUR

Never in the history of the National Association of Postmasters of the United States have such benefits accrued to the individual members as those provided for in the salary legislation which President Dwight Eisenhower signed into law on June 10.

The far-reaching consequences, as they apply to the individual postmasters of the Nation, are known to you all. Almost without exception, every man and woman charged with the responsibility of administering a post office, large or small, has at long last had that responsibility recognized by his Government. This recognition, so merited, has been too long delayed.

Many worked for the successful passage of this liberal legislation and to each must go a measure of credit. However, you, the beneficiaries, have your Postmaster General, the Honorable Arthur Summerfield, more than any other person to thank for your new found status which means so much to all of us.

In Arthur Summerfield, the postmasters of the United States have found a champion who placed principle above all else and fought our fight for weeks without end in the corridors and the hearing rooms in the Nation's Capitol.

Over the years, others had acknowledged the justification of our premise that our responsibilities as postmasters were inadequately compensated. Similar legislation was introduced, but when opposition developed of any size, our patrons succumbed to political expediency and the pressures of numerically larger groups.

Following that pattern, Arthur Summerfield could have turned his back on us, justifying his stand on precedent. But no, he chose to espouse our cause and wage an unrelenting campaign on our behalf. He chose not to yield to the pressures which sought to smother him from many sides. He fought courageously for a principle in which he believed with all his heart. He chose to ignore the dictates of political expediency that right might triumph. In so doing he crossed lances with formidable antagonists, but he never flinched. He campaigned as a dedicated champion on behalf of thousands of little people whose welfare he had sworn to uphold and improve.

Never in our days will a greater friend appear to stand with us. To me and your other national officers he gave courage when all seemed lost. Without him, we could have accomplished little. With him, we accomplish much.

How can we show our sincere gratitude to this man, known personally to so few of us, but loved by so many?

If Arthur Summerfield were asked that question, I feel certain that there would be but one answer, "Be the very best postmaster to your community and your country that you can."

Until that epochal day when President Eisenhower signed our salary bill, the scales hung in our favor. We were giving more than we were receiving. A pen stroke has balanced the scales and forever we must maintain that balance by industriously improving ourselves, our offices and our service.

Your national officers would be bereft of pride, indeed, if we knew no elation in our association's great victory. Yet, humbly we know that our labors were spent for the finest group of American citizens and public servants in our glorious land. "This is indeed our finest hour."

On page 13 of the same issue, Arthur V. Smith, editor of the Postmasters Gazette, in an editorial entitled "Joy in the Post Office," has this to say:

There is reason for joy among postmasters and all other postal field personnel, about the pay raise to be cited hereafter as the "Postal Field Service Compensation Act of 1955."

It is the culmination of many years of striving and hoping by the National Association of Postmasters which had caused the introduction of many similar measures designed to place postmasters' salaries in proper relationship to the salaries of the people they supervise.

The association's proposals usually were in separate measures, and because we are a relatively small group, Congress gave us no special attention in a salary bill of our own, although the Members generally agreed that adjustments should be made.

The old postal salary structure had become what Postmaster General Summerfield called a "patchwork which stifled incentive, imposed serious injustices on employees, and interfered with service efficiency." In many formal reports based on extensive studies, President Eisenhower, the Postmaster General, the Civil Service Commission, the Hoover Commission, and the Advisory Council to the Senate Post Office and Civil Service Com-

mittee have recommended a complete new system very much like the measure that has been signed into law.

In approving the bill President Eisenhower said the new law "represents the greatest forward step for our postal employees in more than a century." Editorials in the country's leading newspapers, and the opinions of personnel experts in and out of Government agree with the President's comment.

We predict this new salary law will become the "bill of rights" of postal personnel. That is what many called the reclassification act of 1945, although when it was enacted there were a few who said that it might take some rights away from them. They were wrong just as we believe they are wrong in their appraisal of the new law.

Postmasters should be eternally grateful to Postmaster General Summerfield, Assistants Postmasters General Abrams and Lyons and their staffs for the long months of study and work in preparing and perfecting the legislation and especially for their earnest and unwavering support of its principles. Without their persistence and unflagging activity Congress would have rejected the reclassification feature entirely.

The outstanding accomplishment which the legislation will achieve, it is generally agreed, is the acceptance of the principle of equal pay for equal work. It abandons the across-the-board method which has distorted salaries in the past. It recognizes that a pay increase should be on a percentage basis, applicable to all alike.

In a statement issued immediately after President Eisenhower signed the bill, Postmaster General Summerfield said he was particularly grateful to those postal organizations which offered their complete cooperation at the beginning of the year in the development and enactment of the program.

We are confident that the Department will administer the new law with care and fairness and with the rights of everyone in mind. In addition to more pay, all of us will have greater incentive to improve ourselves and to give better mail service to the American people.

Whatever imperfections or inequities may develop under fair and able administration of the law can be rectified by another Congress; but to the Members of this Congress, who correctly appraised our needs, we are grateful for what they have done for us and the postal service.

In the July issue of the Postal Superviser, Michael C. Nave, president of the National Association of Postal Supervisors, issued the following statement of gratitude and praise:

At 8 a. m., June 10, 1955, President Dwight D. Eisenhower, without fuss or fanfare, in the quiet of his study, affixed his signature to the Postal Field Service Compensation Act of 1955. In announcing his approval of the pay measure the President said the legislation is "the greatest forward step for our postal employees in more than a century."

It was an historic event that, for the National Association of Postal Supervisors, wrote a glorious finis to its most sought and cherished objective. It ended a chase for a phantom that for more than 10 long years defied capture. As time is reckoned, it seems ages ago that we started on our quest for a realistic reclassification of postal supervisory salaries, little realizing at the time what an epochal adventure we were really embarking upon. None expected as easy rosy road, but no one expected either the many bitter disappointments and heartbreaking reverses which for more than a decade it fell to our lot to endure. But adversities only served to sharpen the desire and transformed keen disappointments into increasingly grim determination. Organizationally it was inspiring to find stout hearts aplenty and willing hands ever ready to close ranks and carry on the crusade. Many of the noblest have gone on to their eternal reward while many others will never enjoy the benefits they worked so hard to secure. In Heaven or on earth they rejoice with us. For many of us when the end of a long, long trail was reached a stunning joy and elation became mixed with many nostalgic memories and choked emotions.

In grateful appreciation we should long remember:

President Eisenhower for his insistence, emphasized by two vetoes, that the principle of equal pay for equal work was a must in any pay bill in order to be acceptable.

Postmaster General Summerfield for making our fight his fight all the way and his limitless courage when the going was the toughest.

Chairman TOM MURRAY for his unwavering stand and masterful handling of the reclassification measures in the turbulent committee meetings and on the House floor where he was so ably assisted by Congressman ED REES.

And don't forget a special thank you for the Post Office Department staff headed by Deputy Postmaster General Hook and Assistant Postmasters General Abrams and Lyons whose genius for organization and passion for detail did such a teriffic job in the development and promotion of the salary program.

At a quickly arranged celebration at the Mayflower Hotel, I endeavored, not too successfully, I am sure, to convey the association's appreciation to Postmaster General Summerfield and his staff and such Congressmen and Senators that on short notice honored us by attending. To President Eisenhower, I sent the following telegram:

"In grateful appreciation for the realization of our most cherished objective—reclassification of postal salaries on the basis of equal pay for equal work—permit me to voice a thunderous 'thank you' from the hearts of 20,000 postal supervisors. The Postal Field Service Compensation Act of 1955 is important legislation, but even more important is the fact your leadership renewed faith in the traditions of fair play and simple justice, which are held so dear in the hearts of all Americans. May God bless you and keep you ever faithful to your high ideals and trust."

But each in your own way can do a much better job, I am sure, of expressing your own gratitude and appreciation to each and every one of these men and the host of others which took up the cudgels in your behalf. It should be a must. And a labor of love for the auxiliary, too.

In the same issue, he was joined by J. V. Horton, the legislative representative of the Association, who said:

From every viewpoint, the new law is an excellent one, with provisions for supervisers for which we have striven for many years. Its real merit will be fully realized when the reclassification becomes effective late next fall and the bigger pay checks begin to fill your pockets. All supervisors owe a great debt of gratitude to President Eisenhower, the Postmaster General and his staff, and to Senators FRANK CARLSON and OLIN D. JOHNSTON, and Congressman TOM MURRAY and EDWARD H. REES, for their persistence in championing the cause of the postal supervisors and insisting on a fair and equitable law, with reclassification, based on the principle of "equal pay for equal work, higher pay for greater responsibility," and containing a real incentive for all employees, including supervisors, to seek more difficult jobs which carry higher pay.

Why not show that appreciation now, by writing a simple letter to President Eisenhower and to Mr. Summerfield and the Members of Congress who did so well by you, expressing your gratitude. They would really like to know that you appreciate their cooperation in giving you a fair and equitable salary law.

The National League of Postmasters consists mostly of postmasters in the smaller offices throughout the country. In the July edition of their magazine the Postmasters' Advocate, their president, Lawrence P. Jones, made the following statement:

The enactment of the Postal Field Service Compensation Act of 1955 came just at the time the Postmasters' Advocate was going to press last month, making it impossible for me to have time to prepare comments regarding this all-important legislation. However, it is never too late to publicly thank anyone for a job well done, and certainly we owe our appreciation and gratitude to those who have worked so long and hard to get this historical piece of legislation passed.

To the Postmaster General and officials of the Department, to the Senate and House Post Office and Civil Service Committees, the National League of Postmasters is grateful for the opportunity to have worked with you on legislation which wipes out the injustice and inequities of the past and restores incentive to the postal field.

We feel that for the first time the postmasters of this country are the recipients of a just pay system. The league for a long time has studied and expended proper effort to help obtain legislation which would remedy the situation. We are very pleased with the annual increase provision of Public Law 68 for this is a piece of legislation we have especially wanted and worked for for years.

We know that important strides have been made in correcting many of the ills that have plagued the postal service, and that there are many more problems yet to be overcome, but with understanding, sincerity of purpose, and cooperation these too will be rectified.

The National League of Postmasters pledges to the Postmaster General and the Post Office Department our continued efforts in behalf of a better postal service.

Mr. President, it is my considered opinion that once this new, modern, and forward-looking postal-pay legislation is understood by postal employees, and once the benefits they receive therefrom are realized, this legislation will receive the widespread endorsement of the fine group of men and women who so capably serve their fellow Americans by the expeditious delivery of the mails.

SUPPLEMENTAL APPROPRIATION BILL, 1956—CONFERENCE REPORT

Mr. HAYDEN. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7278) making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of July 30, 1955, pp. 12342–12345, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 7278, which was read, as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,
July 30, 1955.

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 2, 19, 20, 28, 29, 34, 37, 38, 39, 40, 41, 43, 48, 49, 50, 58, 59, 61, 64, 78, 80, 82, 83, 85, 86, 88, 89, 92, 95, 98, 117, 127, 128, 130, 131, 142, and 143 to the bill (H. R. 7278) making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes, and concur therein.

That the House recede from its disagreement to the amendment numbered 3, and concur therein with an amendment as follows: In lieu of the sum named in said amendment insert "$250,000."

That the House recede from its disagreement to the amendment numbered 22, and concur therein with an amendment as follows: In lieu of the first sum named in said amendment insert "$100,000."

That the House recede from its disagreement to the amendment numbered 23, and concur therein with an amendment as follows: In lieu of the second sum named in said amendment insert "$225,000."

That the House recede from its disagreement to the amendment numbered 25, and concur therein with an amendment as follows: In lieu of the first sum named in said amendment insert "$500,000", and in lieu of the last sum named in said amendment insert "$4,750,000."

That the House recede from its disagreement to the amendment numbered 27, and concur therein with an amendment as follows: In lieu of the first sum named in said amendment insert "$2,000,000."

That the House recede from its disagreement to the amendment numbered 31, and concur therein with an amendment as follows: In lieu of the sum named in said amendment insert "$485,077,000."

That the House recede from its disagreement to the amendment numbered 33, and concur therein with an amendment as follows: In lieu of the sum named in said amendment insert "$442,628,300."

That the House recede from its disagreement to the amendment numbered 35, and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment insert:

"DEPARTMENT OF THE AIR FORCE

"MILITARY CONSTRUCTION, AIR FORCE

"For an additional amount for acquisition, construction, installation, and equipment of temporary or permanent public works, military installations, and facilities for the Air Force as authorized by the act of September 11, 1950 (Public Law 783), the act of September 28, 1951 (Public Law 155), the act of July 14, 1952 (Public Law 534), the act of August 7, 1953 (Public Law 209), the act of April 1, 1954 (Public Law 325), the act of July 27, 1954 (Public Law 534), the act of September 1, 1954 (Public Law 765), and the act of July 15, 1955 (Public Law 161), without regard to sections 1136 and 3734, Revised Statutes, as amended; including hire of passenger motor vehicles, including research and development facilities at Wright-Patterson Air Force Base, Dayton, Ohio; to remain available until expended, $994,291,000 of which $255,000,000 shall be derived by transfer from the appropriation 'Procurement and production, Army': *Provided*, That not to exceed $350,000 of this appropriation shall be used for the purposes authorized by section 303 of the act of July 15, 1955 (Public Law 161)."

That the House recede from its disagreement to the amendment numbered 56, and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment insert:

"SITES AND PLANNING, PURCHASE CONTRACTS, AND PUBLIC BUILDINGS PROJECTS

"For expenses necessary in carrying out the provisions of the Public Buildings Purchase Contract Act of 1954 (68 Stat. 518), $15 million, to remain available until expended and to be in addition to and available for the same purposes as any unobligated balances which have been or may be made available, by any law enacted during the 1st session of the 84th Congress, for carrying out the purposes of said act: *Provided*, That any such unobligated balances may be consolidated with this appropriation."

That the House recede from its disagreement to the amendment numbered 75, and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment insert:

"NATIONAL SECURITY TRAINING COMMISSION

"Salaries and expenses

"For necessary expenses of the National Security Training Commission, including services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), at rates for individuals not in excess of $50 per diem, and contracts with temporary or part-time employees may be renewed annually; and expenses of attendance at meetings concerned with the purposes of this appropriation; $40,000."

That the House recede from its disagreement to the amendment numbered 76, and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment insert:

"SELECTIVE SERVICE SYSTEM

"Salaries and expenses

"Not to exceed $180,000 of the amount made available under this head in the Independent Offices Appropriation Act, 1956, for registration, classification, and induction activities of local boards, shall be available during the current fiscal year for expenses of the National Advisory Committee on the Selection of Physicians, Dentists, and Allied Specialists, including not to exceed $30,000 for expenses of travel."

That the House recede from its disagreement to the amendment numbered 84, and concur therein with an amendment as follows: In lieu of the sum proposed by said amendment insert "$120,000."

That the House recede from its disagreement to the amendment numbered 93, and concur therein with an amendment as follows: In lieu of the sum named in said amendment insert "$1,500,000."

That the House recede from its disagreement to the amendment numbered 104, and concur therein with an amendment as follows: In lieu of the sum proposed by said amendment insert "$30,000,000."

That the House recede from its disagreement to the amendment numbered 109, and concur therein with an amendment as follows: In lieu of the sum proposed by said amendment insert "$90,000,000."

That the House recede from its disagreement to the amendment numbered 116, and concur therein with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,000,000."

That the House recede from its disagreement to the amendment numbered 123, and concur therein with an amendment as follows: In lieu of the sum proposed by said amendment insert "$5,000,000."

That the House insist on its disagreement to the amendment of the Senate numbered 62.

Mr. HAYDEN. Mr. President, I move that the Senate concur in the amendments of the House to the amendments of the Senate numbered 3, 22, 23, 25, 27, 31, 33, 35, 56, 75, 76, 84, 93, 104, 109, 116, and 123.

The motion was agreed to.

Mr. HAYDEN. I move that the Senate recede from its amendment numbered 62.

The motion was agreed to.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. MORSE. Is this the conference report which involves more than $2 million for a transmission line at The Dalles, Oreg., which line is necessary if the Harvey Aluminum Co. is to be able to operate a plant at The Dalles?

Mr. HAYDEN. Yes. The House would not agree to appropriate money for that line. There is nothing in the bill for that purpose. The Senate placed the item in the bill, but the House would not agree to accept it. The House Members are not satisfied as to exactly what those who propose to build the aluminum plant intend to do, and they desire to learn more about the subject. They wish to know whether there is any certainty that the plant will be built.

Mr. MORSE. I think the record is very clear as to what the Harvey Aluminum Co. proposes to do. It has been trying to get power from the Bonneville Power Administration so that it can build this plant and provide some very much needed competition in the field of aluminum production. The company cannot build the plant until it can have assurance that it will have power. The Bonneville Power Administration requires the money to build the transmission line. I think it is very clear in the record that the money would not be spent unless the company went ahead and built a plant.

Mr. HAYDEN. We pointed that out in our report. It was directed that the money should not be spent unless the Government was thoroughly satisfied that the Harvey Co. would build an aluminum plant.

A statement has been made which is not quite clear to me. It is said that on a former occasion the same company had indicated that it would build an aluminum plant in Montana, I believe, and then had sold out to someone else. I do not know the facts in that connection.

Mr. MORSE. It is very difficult for me to understand the House attitude. Here is a company ready and willing to build a plant to give us the aluminum production we need and to give us something else that we need in the aluminum industry, and that is competition.

The taxpayers would not lose a single cent on this item, because not a cent would be spent unless the plant were built. There are powerful economic forces which would like to see this plant not built. But we are spending the money of all the taxpayers of the United States for the development of power re-

sources across the Nation. Unless we make use of the power resources, once they are developed, we shall throw the entire power program into disrepute.

Mr. HAYDEN. We were in a situation involving an appropriation bill containing many items. Everyone was anxious to get the bill through. The House conferees were adamant. They would not accept the item. We had no choice but to yield.

Mr. MORSE. I understand the Senator's position. I am about through making my record.

We are not through with this subject. Another day is coming. I want the record to show very clearly two things.

First, I think the Harvey Aluminum Co. has been very fair and frank with us. It has been urging the Bonneville Power Administration to provide it with the necessary power. The Bonneville Power Administration cannot furnish the power without the transmission line.

As the Senator from Arizona has pointed out, no money would be spent under this item until the plant was built. I think that is a very fair position for the company to take, for the Bonneville Power Administration to take, and for the Senate to take.

Secondly, I wish to make it clear that I think it is very important that we bring competition into this industry. I can well imagine that there are economic forces in this country which would like to keep the Harvey Aluminum Co. out of the Dalles region. Nevertheless, from the standpoint of the best economic interests of the people—not of my State alone, but of the Nation—we should have competition in this industry. We are spending the taxpayers' money to develop great electric power resources. I think they ought to be used to strengthen competition, and not to strengthen monopoly.

The monopolistic problem is involved in connection with this project. I am keenly disappointed that the House would not go along; but I also say that we intend to meet this problem in the future. I shall continue to press for competition in the aluminum industry in my section of the country.

Mr. NEUBERGER. Mr. President, I wish to express my agreement with my senior colleague from Oregon on the question of eliminating funds for the transmission line to The Dalles, Oreg., to serve the proposed Harvey Aluminum Co. plant.

I wish to invite the attention of Senators to an anomalous and ironic situation. To begin with, I realize full well that the elimination of this item was not made with the acquiescence or approval of the distinguished Senator from Arizona.

Mr. HAYDEN. Not at all. This is the second time the Senate has approved an appropriation to construct such a transmission line.

Mr. NEUBERGER. I realize that, and I give full credit to the distinguished Senator from Arizona for what he has done to try to have this item included in the bill.

One of the things which seems very strange and disturbing to me is this: A recent story in the New York Times business section pointed out that the vast Aluminum Co. of Canada is about to expand its plant in Kitimat, British Columbia, twice, in a series of two jumps, ahead of scheduled capacity, so that it can sell aluminum to the United States, to meet the current American demand for aluminum.

If we believe in employment of our own people and development of our own industrial potential, it seems ironic that we should eliminate a relatively small item, of slightly more than $2 million, to serve a great aluminum plant in the United States, while an aluminum smelter in British Columbia is to be expanded twice in the next few years to meet the demand of American consumers and American industries for aluminum.

Also, I hope the Senator from Arizona realizes that the State of Oregon has had one of the greatest proportional population gains in the Nation in recent years. We are having a hard time keeping some of our people at work. In fact, between the years 1952 and 1954 our State has had one of the largest percentage reductions in income-tax collections of any State in the Union. That has created a critical economic situation, and the development of our hydroelectric power for new employment is therefore very important.

As indicated by the Senator's studies of the problem, aluminum offers a great opportunity for putting these people to work to produce the items which are necessary to all the people of the country. It will also result in more employment as secondary industries come in to fabricate this aluminum.

For that reason, plus the ironic fact that we are buying aluminum from Canada, when we could produce it ourselves on the banks of the Columbia River, makes me share the disappointment felt by my senior colleague that the item was eliminated from the appropriation bill.

I thank the Senator from Arizona for all he has done. I am sure he shares our disappointment and regret over what has occurred.

SEVERAL SENATORS. Vote! Vote!

Mr. MORSE. Mr. President, will the Senator from Arizona yield?

Mr. HAYDEN. I yield.

Mr. MORSE. I not only associate myself with the remarks made by my distinguished junior colleague, but I wish to raise a point for the RECORD, so that it may be shown that notice is being given that this company may be in the legal position where it can bring suit against the Government because of the contract for power which has been entered into. I cannot decide that question today. However, I believe the company should go ahead and build its plant, to show its good faith. It ought to proceed to make whatever commitments are necessary to be made, so that the question cannot be raised later that the company has not shown good faith. I am for that. I do not want anyone to think that I am making a plea for the Harvey Aluminum Co. unless the Harvey Aluminum Co. takes such legal steps as will put it in such a position that it will be bound and delivered.

On the other hand, the Government has no right to expect the Harvey Aluminum Co. to spend the huge sums of money which it will be necessary to spend for the building of the plant, unless it can count on the Government to deliver power to it.

Mr. HAYDEN. The fact that there was a contract which may have been breached because of which the aluminum company might have a claim against the United States came to the attention of the conferees.

Mr. MORSE. The fact that it will be 2½ years before we can get power at the Dalles Dam means we still have an opportunity to get this matter into shape. However, I think that in this matter time is fast becoming of the essence. I wish to make it clear that between now and when the next bill comes before the Senate we will investigate the matter, so that we will then be able to present such a legal commitment that no one in the House will be able to raise a question as to good faith.

Mr. NEUBERGER. Mr. President, will the Senator from Arizona yield?

Mr. HAYDEN. I yield.

Mr. NEUBERGER. In the first place, am I correct in understanding that the item for the transmission lines to The Dalles to serve the proposed Harvey plant was not included in the original administration budget?

Mr. HAYDEN. No; it was not.

Mr. NEUBERGER. In all candor, why does the distinguished Senator from Arizona believe that the conferees on the part of the House made such a point about eliminating the item?

Mr. HAYDEN. I did not inquire as to what their motives were. They simply said they could not take it at this time and would not take it. The Senate conferees could do nothing about it.

Mr. NEUBERGER. There was absolutely no chance at all of getting the House conferees to yield on that point, was there?

Mr. HAYDEN. No. They were adamant. They would not take it at this time. They said if it were made a part of a regular appropriation bill they would take a look at it, but they would not consider it on a supplemental appropriation bill.

Mr. NEUBERGER. When a regular appropriation bill is considered next year, will the able Senator make every effort to add a provision for the construction of the transmission lines which are so badly needed?

Mr. HAYDEN. I am satisfied that, our committee having twice recommended the provision, it is most likely that it will do it a third time. That is all I can say.

COMPACT FOR APPORTIONMENT OF WATERS OF RED RIVER

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 2260) granting the consent of Congress to the States of Arkansas, Louisiana, Oklahoma, and Texas to negotiate and enter into a compact relating to their interests in, and the apportionment of, the waters

of the Red River and its tributaries, which were, on page 1, line 5, strike out all after "compact" down to and including "and" where it appears the second time in line 7; on page 1, line 9, strike out "and for matters incident thereto,", and to amend the title so as to read: "An act granting the consent of Congress to the States of Arkansas, Louisiana, Oklahoma, and Texas to negotiate and enter into a compact providing for the apportionment of the waters of the Red River and its tributaries."

Mr. KERR. The amendments made by the House do not impair the bill, but leave it so that the objective for which it was intended can be attained. Therefore I move that the Senate concur in the amendments of the House.

The PRESIDING OFFICER. The question is on the motion of the Senator from Oklahoma [Mr. KERR].

The motion was agreed to.

MAINTENANCE OF ORDER IN THE SENATE

The PRESIDING OFFICER. (Mr. STENNIS in the chair). The Chair calls the attention of the membership of the Senate to the fact that the Senate has a large amount of business which it is trying to transact this afternoon and tonight. The Chair wishes everyone in the Chamber to pay attention, because he may be affected by what the Chair is about to say.

The Chair knows that there are many matters to which Senators must attend. They must confer with one another.

Furthermore, there are many reasons why administrative assistants, committee clerks, and committee assistants should be in the Chamber. It may be that the Senate cannot transact its business without them. But conditions have reached such a point that the Senate cannot possibly transact its business with them present unless they maintain order.

There is so much confusion, and so much laughing and talking, among those who are exercising the privilege of the floor, that the Senate can hardly transact its business, as the Chair has said.

Earlier this morning, in coming down the aisle of the Senate to make a report from the Committee on Armed Services, I had to go around two clerks in the aisle. While I was attempting to speak, an administrative assistant came up and touched one of these clerks on the shoulder and began to talk to him. I took no offense at that; I simply cite it as an illustration.

The rule pertaining to the privilege of the floor begins:

> No person shall be admitted to the floor of the Senate while in session, except as follows.

In other words, the main rule is a prohibition against being on the floor. Among the exceptions are:

> Clerks to Senate committees and clerks to Senators when in the actual discharge of their official duties.

Such persons have no right to be on the floor unless they are actually in the discharge of their official duties. The rule does not refer to my official duties or to some other Senator's, but to the official duties of clerks.

The Chair is not challenging the right of anyone to be in the Chamber, but if there is not better behavior, the Chair will let some of those concerned come to the bar of the Senate and state their official business. Then the Senate can pass on whether or not those persons are entitled to the privilege of the floor. We will ask for the person's name. While he may not make a speech, he may state his name to the clerk, who will pass it up to the Presiding Officer. The Presiding Officer will then read it to the Senate for the benefit of the record, and a permanent record will be made of exactly what business that person has in the Senate this afternoon.

I wish to give fair warning that so long as the junior Senator from Mississippi is acting as the Presiding Officer, and until he is overruled by the Senate, that will be the ruling of the Chair.

If anyone does not understand the warning, let him not complain later. That will be the order.

The Chair thinks that there should be a good showing of manners when assistants are in the Chamber on official business. If one's business is not being considered, it is good manners to vacate the floor or to wait in a place convenient to the assistant and his Senator until his business actually can be considered.

Mr. CLEMENTS. Mr. President, I could not commend one more than I now commend the Presiding Officer for the observations he has just made. I take it that anyone on the floor at the present time recognizes whether or not he comes under the rule which was read by the Presiding Officer. If he does not, I assume he will take due notice of what the Presiding Officer has said.

Mr. KNOWLAND. Mr. President, I want the Presiding Officer to know that he has bipartisan support in the statement which he has made. I think the admonition will be helpful in the closing hours of the session, because the Senate is working under great stress and great strain. We are dealing with legislation which affects our citizens, affairs at home, and perhaps affairs abroad as well.

It would be very easy for an amendment to be offered or adopted, or a bill to be introduced, which the Senate did not fully understand if Senators could not even hear the presentation made by the Senator who offered or spoke on an amendment or a bill.

So far as the minority leader is concerned, he will fully support the ruling of the Chair.

The PRESIDING OFFICER. The Presiding Officer wishes to thank the floor leaders, and he thanks them on behalf of the membership.

SALARIES OF GOVERNORS OF THE STATES AND TERRITORIES

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed at this point in the body of the RECORD a tabulation of the salaries of the governors of the 48 States and the several Territories, and their names.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

Governors of the States and Territories

State or Territory	Governor	Salary
Alabama	James E. Folsom	[1] $12,000
Arizona	Ernest W. McFarland	[2] 15,000
Arkansas	Orval Forbus	[1] 10,000
California	Goodwin J. Knight	[1] 25,000
Colorado	Ed C. Johnson	[2] 17,500
Connecticut	Abraham A. Ribicoff	[2] 15,000
Delaware	J. Caleb Boggs	12,000
Florida	LeRoy Collins	15,000
Georgia	Marvin Griffin	[1] 12,000
Idaho	Robert E. Smylie	[1] 10,000
Illinois	William G. Stratton	[1] 25,000
Indiana	George N. Craig	[1] 15,000
Iowa	Leo A. Hoegh	[2] 12,000
Kansas	Fred Hall	[1] 15,000
Kentucky	Lawrence W. Wetherby	[1] 10,000
Louisiana	Robert F. Kennon	[1] 18,000
Maine	Edmund S. Muskie	[1] 10,000
Maryland	Theodore R. McKeldin	[1] 15,000
Massachusetts	Christian A. Herter	20,000
Michigan	G. Mennen Williams	[2] 22,500
Minnesota	Orville L. Freeman	[2] 15,000
Mississippi	Hugh L. White	[1] 15,000
Missouri	Phil M. Donnelly	[1] 10,000
Montana	J. Hugo Aronson	[1] 10,000
Nebraska	Victor E. Anderson	[1] 10,000
Nevada	Charles H. Russell	[1] 7,600
New Hampshire	Lane Dwinell	[2] 12,000
New Jersey	Robert B. Meyner	30,000
New Mexico	John F. Simms, Jr.	[1] 15,000
New York	Averell Harriman	[2] 50,000
North Carolina	Luther H. Hodges	[1] 15,000
North Dakota	Norman Brunsdale	[2] 9,000
Ohio	Frank J. Lausche	20,000
Oklahoma	Raymond Gary	[1] 15,000
Oregon	Paul Patterson	11,000
Pennsylvania	George M. Leader	[1] 25,000
Rhode Island	Dennis J. Roberts	15,000
South Carolina	George Bell Timmerman, Jr.	[1] 15,000
South Dakota	Joe J. Foss	[1] 9,500
Tennessee	Frank G. Clement	[1] 12,000
Texas	Allan Shivers	[2] 12,000
Utah	J. Bracken Lee	10,000
Vermont	Joseph B. Johnson	[2] 11,000
Virginia	Thomas B. Stanley	[1] 17,500
Washington	Arthur B. Langlie	[1] 15,000
West Virginia	William C. Marland	[1] 12,500
Wisconsin	Walter J. Kohler	[1] 14,000
Wyoming	Milward L. Simpson	[1] 12,000
Puerto Rico	Luis Munoz Marin	[1] 10,600
Alaska	B. Frank Heintzleman	[1] 15,000
Guam	Ford Q. Elvidge	[1] 13,125
Hawaii	Samuel Wilder King	[1] 16,000
American Samoa	Richard Barrett Lowe	
Virgin Islands	Archie A. Alexander	[2] 15,000

[1] Use of executive mansion and fund for maintenance and expenses.
[2] Executive mansion furnished.
[3] No executive mansion; nominal appropriation for expenses.

Mr. BENDER subsequently said: Mr. President, the distinguished minority leader, the Senator from California [Mr. KNOWLAND] placed in the RECORD a moment ago a list of the Governors of the States and Territories, together with their salaries. I wonder if there was included in that list the amount of money appropriated for each Governor for his personal use, as well as which Governors are furnished with a Governor's mansion, and money for other expenses.

Mr. KNOWLAND. Mr. President, what I placed in the RECORD is a matter of information to the Senate. If the Senator from Ohio will examine the list, he will see that it contains a series of footnotes, which indicate Governors who have the use of an executive mansion and a fund for its maintenance and expenses, Governors who have an executive mansion furnished, and Governors who have no executive mansion furnished but receive a nominal appropriation for expenses. I have no precise memory of what is furnished in that respect, but the list indicates that the

Governors are furnished at least with expenses, if not with a mansion.

Mr. BENDER. I think most of the Governors of the States are grossly underpaid. I know of one or two—and I would be glad to give the names to the Senator privately—who I think are overpaid, but generally the Governors are underpaid.

PAYMENT OF SALARY OF A COMMISSIONER FOR THE ATOMIC ENERGY COMMISSION

Mr. CLEMENTS. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1213, Senate bill 2671.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (S. 2671) to authorize the Atomic Energy Commission to pay the salary of a Commissioner during the recess of the Senate, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Kentucky.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. ANDERSON. Mr. President, I do not intend to take any time on the bill, S. 2671, unless there are questions, but I do wish to say the bill was reported unanimously from the Joint Committee on Atomic Energy.

The Chairman of the Atomic Energy Commission, Admiral Strauss, has already flown to Geneva. One other member of the Commission, Dr. Libby, plans to leave for Geneva on Friday night. That leaves Commissioner Murray and Dr. von Neumann, but not a quorum to do business. The President of the United States might decide to appoint a Commissioner, but under the present situation he could not be paid for his services, since the vacancy has existed for more than 30 days. It obviously would not be proper to appoint only a person who because he had sufficient wealth would not care whether he was paid or not paid.

The Atomic Energy Commission sent to the Joint Committee on Atomic Energy a proposal covering this subject. We have decided to report the bill to the Senate. It provides that the President of the United States, notwithstanding any other provisions of law, may name a commissioner to serve, and that such commissioner may draw pay until the Senate meets again, and 40 days thereafter. That would give the Senate time enough to make an investigation and report on the nomination.

Furthermore, the bill contains a provision that all commissioners shall receive full information. That provision is proposed because one of the President's projects revealed that all information was not being furnished to all the commissioners. I am convinced that was not a result of decision by any one commissioner, but because it was not the responsibility of any of the employees to make sure that all commissioners were advised.

Therefore, Mr. President, I hope the bill will be passed, so that permission will be given to the President to appoint a commissioner.

Mr. KNOWLAND. Mr. President, I wish to concur in what the Senator from New Mexico has said. The bill in its present form has been reported unanimously by the Joint Committee on Atomic Energy. I think both parts of the bill are important. The first part is important because, as the able Senator from New Mexico has said, as a matter of public policy, No person should be called upon to serve in an official capacity, without being paid the compensation established by law. Otherwise the appointee would either have to be a man of sufficient means so that he would not require a salary which I think would be bad policy, or he would have to finance himself in some way until his salary could be paid, which again I think would not be good public policy. The Joint Committee on Atomic Energy felt that, as a matter of equity and good public policy, that should not be done.

As to the second part of the bill, I think it is fair to say it was the general feeling of the joint committee that what was in it was the law at the present time. As a matter of fact, I think a number of members of the joint committee were surprised that they could not find the precise language which fitted in with the provision.

There are, of course, honest differences of opinion on a number of other matters. I would not want passage of the bill to be an intimation that the members of the Atomic Energy Commission are not already entitled to get information relating to atomic energy and to all its various phases. I think that is part of the job and understanding of each Commissioner.

It might be well in this connection to establish some legislative history. As a matter of fact, a question was asked me by the distinguished ranking Republican member of the Armed Services Committee [Mr. SALTONSTALL], and I gave him an answer, but I should like to pass the question on to the Senator from New Mexico.

The Chairman of the Atomic Energy Commission also happens to sit as a member of the National Security Council, wherein matters of a very high level, other than those relating to atomic energy, are discussed. I would not wish to have the record indicate, and I do not believe it is the legislative intent, that the Chairman would be required to go to the other members of the Atomic Energy Commission and divulge matters coming before the National Security Council having no direct relationship to atomic energy, because I think that would be violative of the confidential relationship which exists between the President, his Cabinet, and the members of the National Security Council. I thought that, in all fairness, I should make that point clear.

Mr. ANDERSON. I may say to the able Senator from California that I fully subscribe to his statement.

Mr. President, there is at the desk House bill 7684, which I ask the Chair to lay before the Senate.

The PRESIDING OFFICER. The Chair lays before the Senate H. R. 7684, which will be stated by title, for the information of the Senate.

The bill (H. R. 7684) to authorize the Atomic Energy Commission to pay the salary of a Commissioner during the recess of the Senate, and for other purposes, was read twice by its title.

Mr. ANDERSON. I move that the Senate proceed to the consideration of the House bill.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New Mexico.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. ANDERSON. Mr. President, I move to strike out all after the enacting clause of the House bill, and to insert in lieu thereof the text of Senate bill 2671.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New Mexico.

The motion was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 7684) was read the third time and passed.

The PRESIDING OFFICER. Without objection, Senate bill 2671 is indefinitely postponed.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 38. An act for the relief of Joseph Jerry Earl Sirois (also known as Jeremie Earl Sirois);

S. 71. An act for the relief of Ursula Else Boysen;

S. 85. An act for the relief of Rosetta Ittner;

S. 86. An act for the relief of Wilhelmine Scheltef;

S. 91. An act for the relief of Luzia Cox;

S. 92. An act for the relief of Irene C. (Karl) Behrman;

S. 100. An act for the relief of Hermine Lorenz;

S. 119. An act for the relief of David Wei-Dao Lea and Julia An-Fong Wang Lea;

S. 135. An act for the relief of the Elkay Manufacturing Co., of Chicago, Ill.;

S. 141. An act for the relief of Pauline Ellen Redmond;

S. 167. An act for the relief of Ernesto DeLeon;

S. 176. An act for the relief of Gerda Irmgard Kurella;

S. 181. An act for the relief of Manhay Wong;

S. 191. An act for the relief of Liselotte Warmbrand;

S. 214. An act for the relief of Ahmet Suat Maykut;

S. 223. An act for the relief of Mary Freida Poelti Smith;

S. 235. An act for the relief of Melanie Schaffner Baker;

S. 238. An act for the relief of Andreas Georges Vlastos (Andreas Georges Vlasto);

S. 239. An act for the relief of Apostolos Vasili Percas;

S. 240. An act for the relief of Mrs. Helena Planinsek;

S. 254. An act for the relief of Giussepina Cervi;

S. 293. An act for the relief of Miss Cecile Patricia Chapman;

S. 326. An act for the relief of Leopoldine Maria Lofblad;

S. 346. An act for the relief of Klara Anna Maria Fleischer;

S. 352. An act for the relief of Isaac Glickman, Reghina Glickman, Alfred Cismaru, and Anna Cismaru;

S. 388. An act for the relief of Petre and Liubitza Ionescu;

S. 394. An act for the relief of Ali Hassan Waffa;

S. 397. An act for the relief of Maria Bertagnolli Pancheri;

S. 430. An act for the relief of Hedwig Marie Zaunmuller;

S. 466. An act for the relief of Capt. George Gafos, Eugenia Gafos, and Adamantios George Gafos;

S. 470. An act for the relief of Edith Winifred Loch;

S. 474. An act for the relief of Maria Elena Venegas and Sarah Lucia Venegas;

S. 476. An act for the relief of Harold Swarthout and L. R. Swarthout;

S. 503. An act for the relief of Cirino Lanzafame;

S. 518. An act for the relief of Elsa Alwine Larsen;

S. 541. An act for the relief of Martin Aloysius Madden;

S. 606. An act for the relief of Gisela Hofmeier;

S. 707. An act for the relief of Christos Paul Zolotas;

S. 843. An act for the relief of Gerda Graupner;

S. 884. An act for the relief of Gabor Lanyi;

S. 1035. An act for the relief of Ambrose Anthony Fox;

S. 1044. An act for the relief of Edward Naarits;

S. 1105. An act for the relief of Mrs. Lieselotte Emilie Dailey;

S. 1126. An act for the relief of Dimitrios Antoniou Kostalas;

S. 1155. An act for the relief of Iva Druzianich (Iva Druzianic);

S. 1159. An act for the relief of Wilma Ann Schilling and her daughter, Ingertraud Rosalita Schilling;

S. 1266. An act for the relief of Helene Margareta Jobst;

S. 1296. An act for the relief of Maria Anna Coone;

S. 1337. An act for the relief of Joseph Vyskocil;

S. 1353. An act for the relief of Mrs. Jeannette S. Hamilton;

S. 1367. An act for the relief of Antonio Jacoe;

S. 1397. An act providing for the conveyance of certain lands to St. Louis Church of Dunseith, Dunseith, N. Dak.;

S. 1496. An act for the relief of Ruriko Hara;

S. 1521. An act for the relief of Garabed Papazian;

S. 1522. An act for the relief of Lieselotte Brodzinski Gettman;

S. 1541. An act for the relief of Ernst Fraenkel and his wife, Hanna Fraenkel;

S. 1581. An act for the relief of Constantinos Pantermalis;

S. 1706. An act for the relief of Spyridon Saintoufis and his wife Efrossini Saintoufis;

S. 1730. An act for the relief of Anna Marie Hitzelberger Scheidt, and her minor child, Rosanne Hitzelberger;

S. 1974. An act for the relief of Rosa Birger;

S. 2269. An act for the relief of Mualla S. Holloway;

S. 2270. An act for the relief of Nadia Noland and Samia Ouafa Noland; and

S. 2575. An act for the relief of Mrs. Gertrud Hildegard Nichols.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 6373) to amend the Domestic Minerals Program Extension Act of 1953 in order to extend the programs to encourage the discovery, development, and production of certain domestic minerals; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. ENGLE, Mr. ASPINALL, Mr. ROGERS of Texas, Mr. SAYLOR, and Mr. YOUNG were appointed managers on the part of the House at the conference.

The message further announced that the House had severally agreed to the amendment of the Senate to the following bills of the House:

H. R. 1060. An act for the relief of Grace Casquite Hwang;

H. R. 1301. An act for the relief of Karlis Abele;

H. R. 1552. An act for the relief of Dalisay Lourdes Cruz;

H. R. 2753. An act for the relief of Geraldine Gean Hunt and Linda Marie Hunt;

H. R. 2791. An act for the relief of Ofelia Martin;

H. R. 3189. An act for the relief of Dorothy Claire Maurice;

H. R. 3507. An act for the relief of Luise Pempfer (now Mrs. William L. Adams);

H. R. 3628. An act for the relief of Luise Isabella Chu, also known as Luise Schneider;

H. R. 3635. An act for the relief of Birgit Camara, also known as Birgit Heinemann;

H. R. 4468. An act for the relief of Margarethe Bock; and

H. R. 5546. An act for the relief of Francisca Alemany.

The message also announced that the House had agreed to the amendments of the Senate to each of the following bills of the House:

H. R. 1034. An act for the relief of Erwin S. DeMoskonyi; and

H. R. 1958. An act for the relief of Ingeborg Luise Fischer.

The message further announced that the House had agreed to the amendment of the Senate to the bill (H. R. 2065) for the relief of Sada Zarikian, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the amendment of the Senate to each of the following concurrent resolutions of the House:

H. Con. Res. 167. Concurrent resolution approving the granting of the status of permanent residence to certain aliens; and

H. Con. Res. 168. Concurrent resolution favoring the granting of the status of permanent residence to certain aliens.

MERGER OF STREET-RAILWAY CORPORATIONS IN THE DISTRICT OF COLUMBIA

Mr. CLEMENTS. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1164, S. 2576.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 2576) to amend the joint resolution entitled, "Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes," approved January 14, 1933, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Kentucky.

The motion was agreed to, and the Senate proceeded to consider the bill, which had been reported from the Committee on the District of Columbia with amendments.

Mr. CLEMENTS. Mr. President, the measure just called up for consideration by the Senate is of vital importance to the District of Columbia. Consequently it is of vital importance to the Senate and the House, since they act as the housekeeping agency for the District.

Both the minority leader and the acting majority leader have discussed with the sponsors of this measure, on both sides of the aisle, the proposed unanimous-consent agreement which I now send to the desk and offer for both the minority leader and myself.

The PRESIDING OFFICER. The proposed agreement will be read.

The legislative clerk read as follows:

Ordered, That during the further consideration of the bill (S. 2576) to amend the joint resolution relating to merger of street railway corporations in the District of Columbia, debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to 30 minutes, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader: *Provided*, That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further*, That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill debate shall be limited to 1 hour, to be equally divided and controlled, respectively, by the majority and minority leaders.

Mr. CLEMENTS. Mr. President, in order that all Members of the Senate may have proper notice that the unanimous-consent agreement is pending, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CLEMENTS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CLEMENTS. Mr. President, the proposed unanimous-consent agreement is before the Senate. I request that it be adopted.

The PRESIDING OFFICER. Is there objection to the proposed unanimous-consent agreement, The Chair hears none, and agreement is entered.

Mr. KNOWLAND. Mr. President, I rise to a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from California will state it.

Mr. KNOWLAND. I understand that under the agreement just entered, the time is controlled, with one hour, to be equally divided, on the bill itself; and with half an hour, to be equally divided, on each amendment. Is that correct?

The PRESIDING OFFICER. The Senator from California is correct.

Mr. McNAMARA. Mr. President——

Mr. CLEMENTS. Mr. President, let me inquire how much time the distinguished Senator from Michigan desires to have.

Mr. McNAMARA. I shall need only 2 or 3 minutes.

Mr. CLEMENTS. Mr. President, I yield five minutes to the Senator from Michigan.

The PRESIDING OFFICER. The Senator from Michigan is recognized for five minutes.

Mr. McNAMARA. Mr. President, the pending bill represents an effort to bring about a solution of the emergency situation which has developed in the District of Columbia and which has been caused by the strike of the employees of the Capital Transit Co. and the continuing disagreement between those employees and the company itself.

It would be useless for me to burden the RECORD by making lengthy remarks on this question. The subcommittee of which I have the honor to be chairman spent many hours on this problem, in the hope of bringing about a settlement of the controversy so that transportation could be resumed. However, it was early evident that there was no prospect of the two parties getting together soon.

We had considerable difficulty in getting the proper witnesses before the subcommittee. When we got them there they had nothing to contribute to the settlement of the strike.

Conditions have now become such that it is generally agreed Congress must take some action before adjournment.

I think the lead editorial in the Washington Post and Times Herald today describes the present situation about as well as it could be described. I am sure that nearly all Senators have read and heard so much about this question that little time need be consumed in debate. Let me read a paragraph from the editorial to which I have referred:

> For Congress to adjourn in these circumstances, without giving the Commissioners means of ending the strike, would be a shocking abdication of its responsibility. The leadership should intervene immediately to avert any such possibility. Indeed, we think that the leaders of both the Senate and House should make it plain to the membership that there can be no adjournment until the District's emergency situation has been met.

The purpose of the proposed legislation is to do just what the editorial indicates, namely, to give to the District Commissioners authority to restore a transportation system for the people of the District.

Mr. President, I ask unanimous consent that the editorial in its entirety be printed in the RECORD at this point as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

AN APPEAL TO CONGRESS

Yesterday's efforts to draft a bill to carry out the Capital Transit Co.'s offer to give up its franchise appears to satisfy no one. The House District Committee will meet today to discuss the bill, but it is said to have met with objections from Chairman McMILLAN, Representative BROYHILL, the District Commissioners and spokesmen for Capital Transit. District Building officials drafted the bill, but the Commissioners prefer the measure before the Senate which would allow seizure of the company's rolling stock if that should become necessary to restore transit service.

In the face of this many-sided disagreement some legislators appear to be inclined to discard all transit legislation and go home without doing anything about the transit strike. That would impose a critical handicap upon the Capital. No other body can legislate for the voteless District. Capital Transit has already indicated its intention to liquidate its operations here; apparently it has no intention of trying to end the strike. Congress is the only agency on which the city can rely in this emergency to bring order out of the present chaos.

For Congress to adjourn in these circumstances, without giving the Commissioners means of ending the strike, would be a shocking abdication of its responsibility. The leadership should intervene immediately to avert any such possibility. Indeed, we think that the leaders of both the Senate and House should make it plain to the membership that there can be no adjournment until the District's emergency situation has been met.

The easiest and best way to meet it is to pass the bill already carefully worked out by the Senate District Committee. This measure, with possibly minor amendments, would enable the Commissioners to accept Capital Transit's offer to operate its equipment under direction of the local government for 1 year pending termination of its franchise. At the same time it would enable the city fathers to deal with any situation that might arise from failure of the company to carry through its offer or failure to enter into an agreement that would be acceptable to the Commissioners. Yesterday's disagreements show how easy it would be for the voluntary liquidation plan to founder on technicalities.

It is true, of course, that many Members of Congress have no stomach for seizure of property. But the seizure authorized in the Senate bill would be only temporary, and it would be limited to property which, under the law, is devoted to a public purpose and is not now serving that purpose. In our opinion, the public interest is overriding in this case. As Congress itself is about to leave town, the public interest calls for authorization of the Commissioners to deal with this emergency. To do nothing or to grant inadequate powers would serve only the causes of confusion, stagnation and (for some groups) economic ruin.

I close by saying that the people who can least afford it are the ones who are most inconvenienced by the stoppage of the transit system. There is no other solution but to enact legislation authorizing the District Commissioners to provide the necessary transportation. That is the aim of the pending bill.

Mr. President, I am sure there are several other Senators on both sides of the aisle who wish to be heard, so I will conclude.

Mr. MORSE. Mr. President, I should like to have the majority leader yield to me 10 minutes. I do not think I shall require that much time.

Mr. CLEMENTS. Mr. President, I yield 10 minutes to the Senator from Oregon.

The PRESIDING OFFICER. The Senator from Oregon is recognized for 10 minutes.

Mr. MORSE. Mr. President, I call up the amendment at the desk, identified as amendment "A," and ask that it be stated.

The PRESIDING OFFICER. The committee amendments are first in order.

Mr. MORSE. Then I will speak to the committee amendments. I ask to have them considered en bloc, and I will comment on the other amendment. What I have to say will be in partial explanation of the bill.

The PRESIDING OFFICER. Does the Senator request that the committee amendments be considered en bloc?

Mr. MORSE. I do.

The PRESIDING OFFICER. Is there objection?

Mr. CAPEHART. I object.

The PRESIDING OFFICER. Objection is heard. The first committee amendment will be stated.

The first amendment of the Committee on the District of Columbia was, on page 3, line 1, after the numeral "3," to strike out "In" and insert "It is hereby declared that because of cessation of mass transportation service in the District of Columbia an emergency exists and therefore, in."

Mr. MORSE. Mr. President, I will use my time on the amendment to make a very brief statement as to the purpose of the bill.

The purpose of this bill is to accomplish the following:

First. Repeal the franchise of the Capital Transit Co.;

Second. Grant the Commissioners of the District of Columbia power to take possession of and operate the properties of the Capital Transit Co. as may be necessary until the repeal of the franchise legally becomes effective;

Third. Grant the Commissioners, as an alternative, authority to provide public transportation by contract or otherwise;

Fourth. Permit the Commissioners, with the approval of the Public Service Commission of Maryland, to provide public transportation within the State of Maryland as formerly provided by the Capital Transit Co.; and

Fifth. Provide for continuity and eliminate duplication of accounting for the operations of the company during the period of operation by the Commissioners.

The full committee and the Subcommittee on Public Health, Education, Welfare, and Safety have conducted extensive hearings on this entire subject, as well as upon several legislative proposals. Hearings were held on June 27 and 30 and on July 7, 12, and 21, 1955.

In behalf of two members of the subcommittee, the Senator from New Jersey [Mr. CASE], and myself, I wish to express to our chairman, the Senator from Michigan [Mr. McNAMARA], deep appreciation for the able leadership he has given to the subcommittee during the rather trying period when it considered the problems of the Capital Transit Co. as they are involved in this work stoppage.

After thorough consideration, the committee has reached the conclusion that the responsible officials of the local government have presented a strong case

to substantiate their submission of this legislation. It is the duty of Congress to grant to these officials this form of self-rule to enable them to provide public transportation.

Mr. President, I wish very quickly to summarize our position on the bill. The bill is that of the District of Columbia Commissioners. I should say that 99 percent of the bill is the bill of the District of Columbia Commissioners. We have added to the bill, after hearings and consultation with them, a provision whereby they would be authorized to enter into contracts with the Capital Transit Co. for the operation of this transportation line during the next year while the franchise is expiring.

What we are really dealing with is a request on the part of the city administration of the District of Columbia to be allowed to exercise the right of home rule in connection with operating a transportation system. The members of the District of Columbia Committee really are seeking to provide what the government officials of the District of Columbia say they need if they are to perform their public service functions as District Commissioners. Although they belong to a different party than mine, two of the Commissioners being Republicans and the third a general of the Army, the District Commissioners have demonstrated to us, beyond any question of doubt, that they are motivated by only one desire, and that is to provide the people of the District of Columbia with an efficient government. I think the Congress should delegate to them a power which ought to be vested in them anyway, and that we should stop functioning as a city council with respect to the District of Columbia affairs.

One of the main provisions of the bill is the cancellation of the franchise. There is some difference of opinion among some of us in the Senate as to whether or not the franchise should be canceled, but I should like to have Senators take a look at the history of the franchise provision.

Let us bear in mind that in the Transit Act of 1933, section 13 was added by Senators Blaine, of Wisconsin, and Capper, of Kansas. Senators Blaine and Capper made it very clear on the floor of the Senate, in making the legislative history of section 13, that they wanted section 13 in the act to empower the Congress to amend or cancel the franchise at any time the Congress saw fit to do so. They wanted that section in the act so as to make it very clear that the Congress could cancel the franchise without any compensation so far as the value of the franchise itself was concerned.

We are confronted with the question of whether or not we are to give the District of Columbia Commissioners the legal authority they need in order to handle this transit problem without imposing on the taxpayers of the District of Columbia an obligation to pay book value for a company which already, as the record of our hearings shows, has paid itself out at least three times, so far as its original investment is concerned. The company has milked the system, so that, in round numbers, about $2½ million of investment has paid out approximately 3 times. Unless we give to the District of Columbia Commissioners a law which cancels this franchise, the District Commissioners will be placed in a very difficult position in negotiations with the company. A great many legal questions are involved. As Senators have heard me say before, the problem will never be solved without resort to court proceedings. However, that is true whenever such a situation arises in any municipality.

That leads me to stress the point that what the District of Columbia Commissioners are seeking is governmental authority possessed by the city fathers in other cities. The first requirement is the cancellation of the franchise. That necessitates congressional action. Then the District Commissioners can be on their own.

The second point is the provision—if they decide to use it in the alternative—for seizure and operation. That is not confiscation. The Capital Transit Co. is guaranteed due process of law. The Capital Transit Co. can collect fair compensation for the use of its property if the District of Columbia Commissioners decide that, to meet the emergency which exists, it must, by way of the legislative seizure provided for in the bill, operate the properties of the company for a year.

In the third place, the bill provides for an alternative entering into contractual relationship with the Capital Transit Co. or with some other company, in order to provide mass transportation to the District.

The members of the committee are satisfied that that is the route the District Commissioners will undoubtedly follow, provided they are met with a reasonable set of proposals from the Capital Transit Co.

Therefore, what we are doing—and I close with this observation—is fulfilling our legislative duty under existing law to cancel the franchise, if we are to put the Commissioners in the position where they can carry out their municipal governmental functions.

In the second place, we are giving them a choice between seizure or a contract for providing transportation in the District for the next year. It is a fair bill.

Mr. ERVIN. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from North Carolina?

Mr. MORSE. I shall yield as soon as I shall have completed this final observation. It is a fair bill. It is a bill the city fathers are requesting. I think the time has come for us to turn over to the city fathers the governmental responsibility which they are in a position best to exercise.

I now yield to the Senator from North Carolina.

Mr. ERVIN. I should like to ask the Senator from Oregon, If Congress should enact the proposed legislation, repealing the franchise of the Capital Transit Co., would it not thereby relieve the Capital Transit Co. of its duty to furnish a public system of transportation?

Mr. MORSE. It is not furnishing it now. Certainly it would not be relieved of its franchise during the year before the franchise would expire.

Mr. ERVIN. As I understand the bill, it provides for the cancellation of the franchise of the Capital Transit Co. As I understand the law, when a franchise is canceled, the company is relieved of any legal obligation to perform the functions imposed by the franchise.

The bill also provides:

> The District of Columbia, the Commissioners, and their agents shall not be liable, individually or officially, to suit or action or for any judgment or decree for any damage, loss, or injury.

I should like to ask the distinguished Senator from Oregon how he can reconcile that provision with the Constitution, which provides that no person's property shall be taken from him without due process of law, and which also provides that a person is entitled to damages caused by illegal seizure of his property.

The PRESIDING OFFICER. May the Chair state the parliamentary situation? The first committee amendment has been stated, and under the unanimous-consent agreement the Senator from Michigan controls the time. Does the Senator from Michigan yield more time to the Senator from Oregon?

Mr. McNAMARA. I yield the necessary time to the Senator from Oregon.

The PRESIDING OFFICER. The Senator from Michigan has 5 minutes remaining on the first amendment.

Mr. MORSE. I shall not take all the time. I wish to answer the first part of the Senator's question. I do not accept the premise he has stated. I read to him section 13 of the resolution:

> The Congress reserves the right to alter, amend, or repeal this resolution, or any charter or certificate of incorporation made thereunder, and any and all rights of franchise created by this resolution shall terminate 1 year following its repeal.

I do not accept the Senator's conclusion that the Capital Transit Co. would not be bound to furnish transportation for the year it takes the franchise to expire under the law. I believe the company would be bound. In the meantime we are confronted with the fact that no transportation is being supplied. Therefore, the District of Columbia Commissioners under the law are authorized to do one of two things. I do not accept the Senator's conclusion that the Capital Transit Co., while this franchise is expiring, is not legally bound to supply service for a year.

Mr. ERVIN. The repeal does not take effect for a year?

Mr. MORSE. It takes a year for the cancellation to run.

Mr. ERVIN. Therefore the duty to perform the public transportation service exists during that time on the part of the Capital Transit Co.

Mr. MORSE. That is correct.

Mr. ERVIN. How does the Senator reconcile the seizure provisions of the bill with the provision that the "District of Columbia Commissioners and their agents shall not be liable, individually or officially, to suit or action or for any

judgment or decree for any damage, loss, or injury claimed by any persons for any action taken pursuant to the authority granted by section 3 of this act," which section authorizes the seizure?

Mr. MORSE. As I understand, counsel who drafted this part of the bill took it from the laws which have governed previous seizures. Under those laws the Government, because of failure on the part of the company to perform its public duties, operates in behalf of the company, and any liabilities which occur in the operation become the liabilities of the company because of the breach of its public-service duty. There is nothing unconstitutional about that.

Mr. ERVIN. The Senator from Oregon does not construe the provision I read to him as undertaking to regulate the rights of the Capital Transit Co., but only the rights of third parties. Is that correct?

Mr. MORSE. That is correct. In closing, I should like to say what I think will happen if we pass the bill. As the Senator knows, the company seems desirous of relinquishing its franchise at the end of the year anyway, and with the franchise canceled, I believe the Commissioners then will be in a position to sit down with the company and work out fair and reasonable contracts for the operation of the transportation system during the year.

What we are dealing with, I may say to the distinguished judge and Senator from North Carolina, is a problem of mitigated damages. The Commissioners and the committee do not feel that we ought to let the Capital Transit Co. get the Commissioners into a position where they will have to pay book value for the stocks. If the franchise is not canceled, that is the damage that will have to be paid.

Mr. ERVIN. I thank the Senator for his responses. It is a very unfortunate condition that exists, and I am a little bit troubled by some of the problems.

Mr. KNOWLAND. I yield 10 minutes to the Senator from Indiana.

Mr. CAPEHART. Mr. President, I do not want anything I may have to say on this subject to be considered as applying personally to any member of the Committee on the District of Columbia. I realize the problem they have to deal with. It is not a pleasant one, and I know that no one has an exact answer to it. However, I wish to say that now, at the end of the session, we are considering one of the most far-reaching pieces of legislation which could possibly come before Congress. The action we take today with respect to this matter may haunt us for ages to come. Yet very few Senators are on the floor, and there is very little interest in the proposed legislation.

I cannot, as yet, make up my mind that we should do what is proposed. It seems to me that one of the good features of the Eisenhower administration has been that the President has said to both employees and managers in situations of this kind, "Get together and settle your own problems." And that is what they have been trying to do. We are talking in this instance about seizing the property of the Capital Transit Co. We are talking about canceling that company's franchise——

Mr. MORSE. Mr. President, will the Senator from Indiana yield at that point?

Mr. CAPEHART. I yield.

Mr. MORSE. I fully understand the Senator's position. I have the same fears the Senator has with regard to seizure, if seizure is unnecessary; but it is a mistake for the Senator to argue from the premise that the only problem we have in this situation is a labor dispute. We have a much greater problem than that. We have a situation in which the District of Columbia Commissioners have made very clear to the committee that they do not feel they can make successful arrangements with the Capital Transit Co. under the existing franchise, and that they need a cancellation of the franchise if they are going to supply the people of the District of Columbia with the mass transportation service they are entitled to receive. In other words, we have a conflict between the Commissioners and the transit company in connection with matters far in excess of any labor dispute. So they are asking us to give them the power so they can put the transportation house in order in the District of Columbia by permitting them to negotiate for a new transportation service.

Mr. CAPEHART. I am not a member of the Committee on the District of Columbia, but if I understand correctly, the committee has this problem, namely, that the transit company may be anxious to sell or dispose of its property and relinquish the franchise because of its failure to settle the strike. What exactly does the bill do? In reality, and we may as well be practical about it, it permits the transit company to sell its property to the city of Washington. It is like saying to labor, "If you hold out long enough you will get what you want, because the Capital Transit Co. wishes to dispose of its property to the city." The result is that both sides are going in a similar direction, one side wanting the city to own the property, and the other side wanting the city to purchase it. Is that a fair conclusion?

Mr. MORSE. I do not think it is an accurate summing up of the situation; but the Senator is always fair, and it is certainly a fair statement from his standpoint. This is not prolabor legislation.

Mr. CAPEHART. I understand that.

Mr. MORSE. We warned the union at the beginning of the hearings——

Mr. CAPEHART. I do not want anyone to believe that I am thinking in terms of prolabor or antilabor. I am not thinking in those terms at all; but in the closing hours of the Congress there is an attempt to have Congress pass legislation providing for the seizure of property in order to settle a strike.

Mr. MORSE. It is propublic legislation, I wish to make very clear; and so far as concerns the intentions of the Capital Transit Co., it is not going to sell its property or dump its property and receive any such return as it might receive if it were able to dump it without cancellation of the franchise. That is what the District Commissioners have stressed over and over again, that we put them into a position where they will not have to deal with a company that is seeking to enforce its so-called book value. The company can sell the property if it can work out a contractual arrangement with the District Commissioners.

Mr. CAPEHART. Did the committee consider legislation calling for compulsory arbitration with respect to the matter?

Mr. MORSE. Yes. The committee considered it and rejected it.

Mr. CAPEHART. On what basis?

Mr. MORSE. On the ground that the committee opposes compulsory arbitration for the reason that compulsory arbitration is always an effective weapon to be used by the side which thinks it has more to gain by it. In such situations the side that wants to force compulsory arbitration always says, "No, no," until it gets compulsory arbitration. We have suggested voluntary arbitration.

Mr. CAPEHART. Is there anything more compulsory than canceling a franchise? I think it is as compulsory as anything could possibly be. We are establishing a bad precedent.

Mr. MORSE. There is no precedent involved here. There are scores of cases in the history of public utilities of this country of franchises having been canceled. We are dealing with a city government which is saying, in effect, "We have had enough of this company. We want a cancellation of the franchise." But they have not the power to cancel it. Only Congress can do that. They are asking us to give them enough home rule so that they can cancel the franchise.

Mr. CAPEHART. It goes beyond canceling the franchise.

Mr. MORSE. That is the first step, so that the Commissioners can operate the streetcars and buses.

Mr. CAPEHART. What is the difference in this instance between seizing the property of the transit company, regardless of how many sins or virtues it may have, and situations which have faced Congress in the past? I remember the railroad strike and the steel strike. We were always opposed to the seizing of property; but that is what is being done in this instance.

Mr. MORSE. We have opposed seizure when it was by Executive order. Take the steel seizure, for example. The day after the Executive order was issued that brought forth the steel seizure, I introduced a bill providing for legislative seizure which would protect the property rights of the steel company, just as the property rights of the transit company would be protected under this proposed seizure. The courts would be wide open to protect them if they could not work out a fair and reasonable contract for the settlement of their differences with the District of Columbia Commissioners.

Mr. CAPEHART. Is it not a fact that if we pass this bill and the Commissioners cancel the franchise, they will be forced to seize the property?

Mr. MORSE. That does not follow. If we pass the bill and the House concurs in it and the President signs it, the franchise will be canceled.

Mr. CAPEHART. And the city, then, will seize the property.

Mr. MORSE. No. It will have the power to do it if it should decide that is the only way it can provide the people with transportation to meet the emergency. The Commissioners will sit down with the Capital Transit Co. representatives and work out a fair contract with the company for the operation of its lines for the year it takes the franchise to expire.

Mr. CAPEHART. Does the bill call for canceling the franchise, and does it likewise permit the Commissioners to reinstate the franchise?

The PRESIDING OFFICER. The time of the Senator from Indiana has expired.

Mr. KNOWLAND. Mr. President, I yield an additional 5 minutes to the Senator from Indiana.

Mr. CAPEHART. Does the bill permit the Commissioners to grant a new franchise to the transit company?

Mr. MORSE. In my legal judgment—

Mr. CAPEHART. Does it, or does it not?

Mr. MORSE. They would have the right to enter into a contract with the company for a year, but not the right to enter into a new franchise at that time.

Mr. CAPEHART. Would they have a right to grant a franchise with any other company?

Mr. MORSE. As the law presently stands, I think they would have to come back to the Congress to get approval for such a franchise.

Mr. CAPEHART. If this bill permits them to cancel the franchise but does not permit them to grant a new franchise to the present company or to any other company, it simply means that the city of Washington will operate its own transportation system.

Mr. MORSE. The Senator has misunderstood me. The Commissioners will have the authority to enter into a contractual relationship with the company for the year it takes the franchise to expire.

Mr. CAPEHART. I understand that one of the provisions of the bill requires that the present company be given 1 year's notice. It could not be otherwise. But my point is that if the District Commissioners cancel the franchise, which the proposed legislation gives them the right to do, can the Commissioners then enter into a new contract, if they wish to, with the present company or any other company?

Mr. MORSE. I now understand the Senator's question. I correct my previous statement, because I did not understand the Senator's question.

The District Commissioners would have authority to enter into a contract with a private concern. I understand there are some private concerns which might be interested in rendering service after the franchise of the Capital Transit Co. had been canceled.

Mr. CAPEHART. Would the Commissioners have the right to do that now?

Mr. MORSE. Yes.

Mr. CAPEHART. Without coming back to Congress for authority?

Mr. MORSE. Without coming back to Congress.

Mr. CAPEHART. Is that provided in the bill?

Mr. MORSE. No; it is in the Transit Merger Law of 1933, which is already on the books. The Commissioners have the power under that law to grant a franchise with any company.

Mr. CAPEHART. Is the Senator from Oregon saying that in the bill we are giving the Commissioners the right to cancel the franchise, and that then they will have the right to enter into a new contract, if they wish to, with the present company or with any other private companies?

Mr. MORSE. But, in my judgment, a new franchise could not take effect until the expiration of the year.

Mr. CAPEHART. Under the bill which is being considered or under present law, are the Commissioners required to enter into a contract with private enterprise, or may they operate the company as a publicly owned utility?

Mr. MORSE. The Commissioners themselves could operate it for the year, but they certainly would be confronted with an appropriation problem if they tried to engage in municipal operation of the system beyond the year without congressional approval.

Mr. CAPEHART. Is it not true that what is being sought to be done today is exactly what both management and labor have been wanting Congress to do?

Mr. MORSE. Not at all. This is about the last thing which management wants Congress to do; and labor is so concerned about this that they have not been willing to testify concerning any proposed legislation on the subject.

But the people of the District of Columbia are the ones who count. The people of the District are entitled to have their city Commissioners possess the power to provide them with a transportation system.

Mr. CAPEHART. Is there not another way in which the Commissioners can supply the people of the District with transportation?

Mr. MORSE. The District Commissioners take the position that there is not.

Mr. CAPEHART. There is no other way in which to proceed than in the manner proposed in the bill?

Mr. MORSE. The Commissioners have said that so far as the efficient administration of a transportation system in the District of Columbia is concerned, they need the authority and power which would be granted by the bill.

Mr. CAPEHART. It seems to me that in cases of this kind it would be much better to require compulsory arbitration on the part of both management and labor, for at least a period of a year.

The PRESIDING OFFICER. Under the unanimous consent agreement, all time for debate on the first committee amendment has expired.

The question is on agreeing to the first committee amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The second committee amendment will be stated.

The CHIEF CLERK. On page 3, in line 22, after the word "powers" it is proposed to strike out "herein."

The PRESIDING OFFICER. Fifteen minutes has been allotted to each side. The Senator who is the proponent of the amendment would have the first opportunity for recognition.

The Senator from Michigan [Mr. MCNAMARA] has 15 minutes on the amendment.

Mr. MCNAMARA. I yield the first 5 minutes to the junior Senator from New Jersey.

The PRESIDING OFFICER. The junior Senator from New Jersey is recognized for 5 minutes.

Mr. CASE of New Jersey. Mr. President, I do not expect to take all of my time. If I do not, I shall yield back the remainder and use it later, as it may become necessary.

A few points have been raised by the Senator from Indiana [Mr. CAPEHART], which I think should be made clear. In the first place, in my opinion, the Senate should pass upon the question of cancellation or noncancellation of the franchise, apart from the other features of the bill. It seems to me to be quite clear, in view of the picture of the whole operation of the company since the present management acquired it, that cancellation of the franchise is in the interest of the people of the District of Columbia, and in the interest of providing an effective transportation system in Washington. The whole history of the present company, as demonstrated by the record in the hearings held by the subcommittee of the Committee on the District of Columbia, and as the record in the hearings of the previous Congress shows, in my judgment, is that the management of the company has not displayed a proper attitude toward its responsibilities as the operator of a public utilities system. The management has so handled the affairs of the company and has so dealt with its assets—I am not suggesting illegality in the matter at all—as to disable the company, under its management, from meeting its responsibilities. The management of the company have said, in effect, they did not believe it was possible for them to operate a transportation system in Washington under the present or other rate schedule.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. CASE of New Jersey. I am glad to yield.

Mr. CAPEHART. The bill, then, is really put upon the basis that even though there had been no strike, the company's franchise ought to have been canceled. Is that correct?

Mr. CASE of New Jersey. As I have studied the matter, I may say to the Senator from Indiana that it is my conclusion that whether or not there had been a strike, there were reasonable grounds for cancellation of the franchise, and it

would have been in the public interest to cancel it.

Mr. CAPEHART. In other words, regardless of the strike, and assuming there had been no strike, is it still the opinion of the Senator, and the opinion of other members of the committee who have studied the problem, that the franchise ought to be canceled in the best interest of the people?

Mr. CASE of New Jersey. I cannot answer for others, but so far as I am concerned, I believe that if the strike had not occurred, it still would have been in the best interests of the people of the community to have had the franchise canceled. I think legal justification would have existed for its cancellation.

Indeed, under the terms of the franchise, no cause or specification is required for its cancellation. I think it is clear that it can be canceled without cause.

Mr. CAPEHART. That is the point I was trying to make. The franchise could have been canceled without cause.

Mr. CASE of New Jersey. That is correct.

Mr. CAPEHART. By giving a year's notice.

Mr. CASE of New Jersey. By giving a year's notice. It is my personal judgment that the franchise could have been canceled for cause, and in that event it would not have been necessary to rely, in my opinion, upon the provision for cancellation which requires a year's notice.

Mr. CAPEHART. As I understand, the present law gives the right to cancel the franchise without giving a year's notice.

Mr. CASE of New Jersey. The present law provides specifically that upon a year's notice the franchise may be canceled without cause.

Mr. CAPEHART. What could be done with cause?

Mr. CASE of New Jersey. In my judgment, there could be cancellation with cause at any time. In my judgment, adequate cause exists. I think, in the circumstances, I would prefer not to rely on action to take effect immediately, but to rely on the provisions of the franchise itself, and to cancel under those provisions of the law.

Mr. CAPEHART. How long has the strike been in progress?

Mr. CASE of New Jersey. It started on July 1.

Mr. CAPEHART. It seems to me that unless there are other reasons for canceling the franchise—and cancellation means that it will be necessary to seize the property, and that the city of Washington will be going into the transportation business—the franchise should not be canceled unless the Committee on the District of Columbia and the Commissioners of the District of Columbia have made up their minds that, regardless of the fact that there is a strike, the franchise ought to be canceled on other grounds. I do not think the franchise should be canceled merely on the ground that a strike is in progress.

Mr. CASE of New Jersey. My own opinion is completely in agreement with that of the Senator from Indiana. I should not have been willing to vote for the bill as the means of dealing with a single strike situation. I fully agree with the Senator. But I think a valid reason exists for cancellation of the franchise, and that it should be done in the public interest.

Mr. BUTLER. Mr. President, will the Senator yield?

Mr. CASE of New Jersey. I yield.

Mr. BUTLER. Does not the Senator believe that, if the franchise shall be canceled, it will deprive the State of Maryland of public transportation?

Mr. BEALL. Mr. President, I have an amendment to propose which will take care of that situation, and it has the approval of the Maryland Public Service Commission.

Mr. BUTLER. As I understand the situation, that is not the answer. If the franchise shall be canceled, there will be, to begin with, a grave legal question as to whether the Commissioners of the District of Columbia could operate in the State of Maryland, even with the consent of the Maryland Public Service Commission.

The PRESIDING OFFICER. The time of the Senator from New Jersey has expired.

Mr. CASE of New Jersey. Mr. President, may I have an additional 5 minutes?

Mr. McNAMARA. I yield the remainder of my time to the Senator from New Jersey.

The PRESIDING OFFICER. The Senator from New Jersey has 10 additional minutes.

Mr. BUTLER. Mr. President, will the Senator yield?

Mr. CASE of New Jersey. I yield.

Mr. BUTLER. I understand also that if the District Commissioners operate the company, they will operate it only for the period of time sufficient for its disposal to a private operator; and any private operator who takes over the company will immediately abandon all fixed wheel vehicles and convert to buses. If that is to be done, it should be remembered that every bus line running into Maryland from the District of Columbia has in the past been operated unprofitably. The Capital Transit Co. has tried to rid itself of those lines. If that should happen, there will be no transportation from the counties of Maryland into the Capital City.

Mr. CASE of New Jersey. I do not want to attempt to foreclose what the junior Senator from Maryland [Mr. BEALL] who is the ranking minority member of the Committee on the District of Columbia, may say, because I know he has been almost primarily concerned with this phase, and will wish to answer on that point.

But I will first point out that, as the Senator understands, under the bill, the committee amendments, and the amendments suggested by the Senator from Maryland, the District Commissioners will have authority, subject to the approval of the Maryland Commission, to operate the lines from Maryland this year.

Mr. BUTLER. The Senator says they will, but I think there is a grave legal question whether they will.

Mr. CASE of New Jersey. I would not like to believe we are faced with a situation where the Federal Government and the sovereign State of Maryland could not join in an agreement which would permit that to be done.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. CASE of New Jersey. I yield.

Mr. CASE of South Dakota. It seems to me one fact ought to be brought out clearly for the information of all Senators, namely, that section 13 of the existing law reads as follows:

> That Congress reserves the right to alter, amend, or repeal this resolution, or any charter or certificate of incorporation made thereunder, and any and all rights of franchise created by this resolution shall terminate 1 year following its repeal.

In other words, at the time the basic law was enacted under which the Washington Railway & Electric Co. and its successors in interest acquired the right to operate in the District of Columbia, Congress reserved to itself the right to alter, amend, or repeal the resolution or any charter or certificate made thereunder, and that any and all rights of franchise should terminate 1 year following its repeal.

It is my understanding that because of the provision for such a repeal, it was necessary to take some action such as that now proposed if the Congress was to be able to provide for a cancellation of the franchise, and there was provided a year of grace, so to speak, before the franchise would be actually forfeited.

Mr. CASE of New Jersey. I thank the Senator. He is correct.

Mr. CAPEHART. There is no question that Congress has the right to cancel the franchise, if a year's notice is given. The question is, For what reason are we seeking to cancel the franchise? Is it because we are dissatisfied with the present franchise owner? Is it because there happens to be a strike which has been going on for 5 weeks? I am thinking just as much in terms of labor as I am in terms of management, but I do not like the idea of either the Federal Government or a State government interfering in a strike, at least within 5 weeks' time.

If we get in the habit of having the Federal Government step in whenever there is a dispute between labor and management, we may well make an end of collective bargaining entirely, because if a business should happen to be in a bad way, or if the owners should desire to sell or get rid of it, all they would have to do would be to say, "Well, I will wait 5 weeks. Then it will be finished, and I will get my money out of it." All labor would have to do would be to say, "We would much prefer to have another employer," or in the case of utilities, certain persons could say, "We would prefer to have the city or State take it over, so we will hold out 5 weeks and we will get what we want." That would not be the reason why the workers struck, or what the dispute was about, but would simply represent a desire to have a change of scenery or new bosses, or on the part of management to get rid of its property.

Mr. CASE of New Jersey. The Senator from Indiana is completely right that we should not use cancellation of a franchise as a means of dealing with the labor situation. As I said earlier, I think the franchise should be canceled because of the whole situation involved, and apart from the fact that there has been a strike and a cessation of operations because of it. I think the fact that the strike exists, and there is a negative attitude on the part of management toward meeting and negotiating with those on the other side, are additional reasons pointing up the basic reason why Congress should cancel the franchise.

I summarize the situation by saying that the present management gained control of a company which was in good financial shape so that it could weather ups and downs during good periods and bad periods, because the company had adequate reserves. It could live through such a situation as public utilities must live through, in which sometimes increases in cost of operation take place before raises in rates can be made. Utilities should be able to carry on operations in such circumstances.

The present management has taken the company's assets and used them to the point where the management says it is unable to meet any increases in wages unless there is a promise of full reimbursement in the way of rate increases. That was the company's position for many days, and, in fact, for months before a strike finally took place.

The management of the company has indicated, both privately and publicly, that no matter what increases there may be in fares, it will be unable to operate a utility profitably in the District of Columbia.

Those are conclusive indications to me that the time has come when the exclusive right of the company to operate a transportation system in the District of Columbia should be taken away. I will say to the Senator from Indiana and my other colleagues that it is on that ground that we are compelled to ask for a cancellation of the franchise.

The fact that a strike has occurred and has brought the matter to a head is only a circumstance which has forced us to take action.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. CASE of New Jersey. I have only a few minutes left, but I shall be glad to yield.

Mr. CAPEHART. I wished to ask the able chairman of the subcommittee, the Senator from Michigan [Mr. McNAMARA], which handled the matter, a question.

Mr. CASE of New Jersey. I yield for that purpose.

Mr. CAPEHART. Was it the opinion of the Senator from Michigan and the opinion of the subcommittee that the time had arrived when Congress ought to use its authority under the law to cancel the franchise, regardless of the fact that there was a strike?

Mr. McNAMARA. Yes. The strike is incidental, as has been pointed out. The strike is one of the elements behind our recommendation that the franchise be canceled, and we ask that the Commissioners be given authority which in any other city the municipal authorities already have.

Mr. CAPEHART. Is it the opinion of the chairman of the subcommittee that if Congress should cancel the contract, the Commissioners would be able to enter into a new arrangement with the present Capital Transit Co.?

Mr. McNAMARA. If the franchise should be canceled, I know the Commissioners would have the right to enter into a new arrangement.

Mr. CAPEHART. I know that is the opinion of the Senator, but does he think they could enter into a satisfactory arrangement?

Mr. McNAMARA. No. I do not think anyone could enter into a satisfactory arrangement with the present management of this company.

Mr. CASE of New Jersey. Mr. President, I should like to say that we have been advised by the District Commissioners that, in their opinion, they will be able to make arrangements with other interests for the operation of a transit system in this city. The Commissioners are quite confident they will be able to do so.

Mr. CAPEHART. I gather, from listening to the members of the committee and the subcommittee, that the Senate is being asked to cancel the franchise on the ground that the members believe the best interests of the people lie in getting rid of the present franchise, rather than on the basis that there is a strike existing. Is that correct?

Mr. CASE of New Jersey. The Senator is absolutely correct. I am sure all members of the subcommittee, as well as the full committee, have that feeling.

The PRESIDING OFFICER. What is the pleasure of the Senate? The time for one side on the amendment has been exhausted. The opponents have 15 minutes remaining to them, if there are opponents.

Mr. MORSE. Will the Senator yield me 1 minute?

Mr. CASE of New Jersey. I yield, if I have time.

Mr. KNOWLAND. Mr. President, I yield 2 minutes to the Senator from Oregon.

Mr. MORSE. Mr. President, I should like to have the attention of the Senator from Indiana.

Mr. CAPEHART. Very well.

Mr. MORSE. We now have a whole series of so-called technical amendments. I wonder whether the Senator from Indiana will be willing to have the committee amendments agreed to en bloc, because the other amendments—the Beall amendment, the Allott amendment, and my amendment on reimbursing the Capital Transit Co. for the use of its property—will be called up as soon as the committee amendments are agreed. to.

Mr. CAPEHART. Mr. President, I objected a moment ago because I assumed that a number of Senators wished to speak on this subject, and I knew that if the committee amendments were agreed to en bloc, very little time would be available for further remarks, under the unanimous-consent agreement.

But now I find that there do not seem to be other Senators who wish to be heard.

Mr. ALLOTT. Mr. President, let me say that a few moments ago the time did not seem to be propitious for me to address myself to the bill, but I do desire to discuss it.

Mr. CAPEHART. Mr. President, let me say that I have no objection to having the committee amendments considered en bloc.

Mr. McNAMARA. Mr. President, I move that the committee amendments be considered and agreed to en bloc.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Michigan that the committee amendments be considered and agreed to en bloc, with the reservation that subsequently any amendment thus agreed to may be reopened for amendment, at the request of any Senator.

Mr. KNOWLAND. Mr. President, if the Senator from Florida desires to be heard at this time, I have some time available, and shall be glad to yield some of it to him, if he will indicate how much time he desires to have.

Mr. HOLLAND. I wish to engage in what I believe will be a brief colloquy with the Senator from Oregon; and I should like to do so in the remaining time on the pending amendment.

Mr. KNOWLAND. Then I yield 10 minutes to the Senator from Florida.

The PRESIDING OFFICER. The Senator from Florida is recognized for 10 minutes.

Mr. HOLLAND. Mr. President, I have been deeply concerned about various phases of the pending measure, one of which I have just discussed with the Senator from Oregon. That point is that we see to it that this measure, if passed, shall not place Congress in the position of indicating, even slightly, that it understands that the company in this instance, or any property owner in any other instance, could be deprived of its property without due process of law and without due compensation, to be assessed by court.

The Senator from Oregon and I have hurriedly gone through the bill—or hurriedly insofar as I, at least, am concerned; I am sure he is much more familiar with the bill than I am, for I have not had a sufficient chance to familiarize myself with the bill to the extent that I should like to.

Let me state that in the bill we find no clear declaration that in the event of any loss—for instance, depreciation of rolling stock or of other properties, or loss due to carelessness of operation, or any other loss—in the event the District of Columbia seized and operated the property under section 3 of the bill, the District of Columbia would be answerable in damages for the complete amount of any such loss or destruction or depreciation of property.

I find that the distinguished Senator from Oregon believes, as I do, that even if the bill were completely silent on this point, nevertheless under the Federal Constitution and as a result of the op-

eration of law, the company could not be deprived of its rights in court.

However, I feel rather keenly that in establishing a precedent which will be very far-reaching—in the event the bill is enacted—Congress should not leave it at all to any reader—whether casual or in the performance of a judicial duty—to wonder whether the Congress of the United States realized that it was taking a very drastic step in authorizing the seizure of property and its operation for up to one year.

For that reason, I think definite words specifically setting forth the fact that Congress does understand that such loss would have to be compensable, and that in the courts the company would be protected, should be included in the bill.

I find the Senator from Oregon in accord with that view, both as to the fact that the remedy will exist, regardless of whether Congress says so in the law, and also regarding the point that it is wise for us to say so in the law, both in order that there may be no question, and also in order that at a later time no one may think that the members of a legislative body which considered a measure of so drastic a nature as this one, lost sight of the Constitution, but that, instead, we recognized clearly that property rights do exist and have to be preserved and safeguarded.

Therefore, I understand that the Senator from Oregon has drafted an amendment which, it seems to me, may meet this point. At this time I should like to ask whether the Senator from Oregon is prepared to suggest an amendment which would be in line with such a purpose.

Mr. MORSE. Mr. President, I completely agree with the observation the Senator from Florida has made.

As I explained to him—and I wish the Senate to know that in our committee hearings this matter was thoroughly discussed with the Corporation Counsel for the District of Columbia—the Corporation Counsel agreed with me, in the committee, that of course this constitutional right could not be taken away from the company, because it is entitled to due process of law, and property cannot be taken without due process of law, and the courtroom doors will swing open to the company, for a determination of its rights.

Therefore, the representatives of the District of Columbia thought it unnecessary to include in their bill, language which would make perfectly clear what the Senator from Florida now is pointing out to the Senate, namely, that the company will have a right to sue to recover for damages for the use of its property.

So in the committee we did not insist that the Commissioners change the draft of their bill in this respect. I may say their counsel drafted the bill; we did not.

But I so completely agree with the Senator from Florida, that I think we owe it to the Senate to remove any question of doubt about what our intention is. So I have prepared a rough draft of an amendment to be added to the bill on page 4, in line 13, after the word "thereof"; and I have sent the rough draft to the committee counsel, to have him perfect it. Perhaps the perfected copy is ready.

The amendment will read as follows, and in due course I shall offer the amendment:

Provided, That the Capital Transit Co. shall be reimbursed by the District of Columbia for the use of its property in accordance with the terms of any contract which may be negotiated between the Commissioners and the company or as determined in an appropriate court action.

The PRESIDING OFFICER. Is the Chair to understand that such an amendment will be offered in due course of time?

Mr. MORSE. Yes; in due course of time, as an amendment.

Mr. HOLLAND. Mr. President, the amendment as read is not in the form it was in when it was offered to counsel, because originally it applied to the seized property.

Mr. MORSE. Let me read the rough draft—in my own handwriting—of the amendment:

Provided, That it shall be understood that the Capital Transit Co. shall be reimbursed from the public funds of the District of Columbia for the use of the property in accordance with the terms of any contract that may be negotiated between the Commissioners and the company, or as determined in an appropriate court action for the recovery of the same.

Mr. HOLLAND. I suggest the addition of the words "in the absence of any such contract."

Mr. MORSE. I did not have those words in my original draft, but I shall include them.

Mr. HOLLAND. Yes; I suggest that after the word "or", there be added the words "in the absence of any such contract."

Mr. MORSE. That part of the amendment then will read "or in the absence of any such contract."

Mr. CASE of New Jersey. Mr. President, will the Senator yield?

Mr. MORSE. First let me ask the Senator from Florida if that conforms to the informal understanding he and I had, when I said I was sending the amendment out for legal drafting?

Mr. HOLLAND. I think it does conform, and I hope that counsel who have gone into this subject more carefully than I have, will feel that such is the case, on checking it.

I do not think the amendment should be considered at once, but at some time immediately before the third reading of the bill.

I am satisfied with the colloquy, assuming that the Senator from Oregon and I are completely in accord that, within the bill, there should appear in writing a statement showing clearly, whether or not a contract is reached between the Commissioners and the company, that in the event of seizure and public operation there shall be saved to the company, by the very provisions of the bill, all its property rights, with respect to use, depreciation, destruction, or any other impairment of any kind of its property rights.

Mr. MORSE. I agree; but the Senator knows that I pointed out to him at the very beginning of our conversation that we could not take such a right away from the company by legislation if we tried, because under the due process clause of the Constitution it would be entitled to such right. But I am always willing to spell out constitutional provisions in any legislation I advocate.

The PRESIDING OFFICER. The Senator from Florida has exhausted his time.

Four minutes remain to the Senator from California [Mr. KNOWLAND].

Mr. KNOWLAND. Mr. President, I yield 4 additional minutes to the Senator from Florida.

Mr. HOLLAND. Mr. President, I desire to yield to the Senator from New Jersey [Mr. CASE]. I had completed my brief remarks.

Mr. CASE of New Jersey. I thank the Senator from Florida. I wish to speak to the point he raised.

First, I point out that the Senator from Oregon is completely correct. All members of the subcommittee and the full committee believe absolutely that, first of all, the company could not be deprived of its property without compensation, upon seizure and operation by the District Commissioners; and, secondly, that it should not be.

Mr. HOLLAND. Mr. President, I wish to make it rather clear at this point that it seems to me that the wording in the bill negatived or attempted to negative such a right. If the Senator will turn to lines 6 to 13 on page 4, he will find the following language:

The District of Columbia, the Commissioners, and their agents shall not be liable, individually or officially, to suit or action or for any judgment or decree for any damage, loss, or injury claimed by any person for any action taken pursuant to the authority granted by section 3 of this act, or for any act of commission or omission of Capital Transit Co. or any officer or employee thereof.

Section 3 is the seizure and operation section. I think the drafters of this part of the bill meant that language to refer to personal injuries, and the like, but it is more general.

Mr. CASE of New Jersey. Actions by third parties, and so forth. The Senator is completely correct as to the intention.

Mr. HOLLAND. The language is not confined to actions by third parties. It is not confined to personal injuries, but includes the general term "loss." It seems to me, therefore, that the wording indicated rather clearly on its face, unless corrections were made, that the bill was blind to the fact that the company was entitled to be compensated for any loss of any nature to be sustained if there were seizure and operation.

Mr. CASE of New Jersey. I thank the Senator.

Mr. SALTONSTALL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Florida yield; and if so, to whom?

Mr. HOLLAND. I yield to the Senator from New Jersey. I apologize for having interrupted, but I wish to make clear why I was most disturbed by this question.

Mr. CASE of New Jersey. I understand fully the Senator's concern. He raises a very important question.

The Senator from Oregon may have pointed out that the bill as it came to us had an additional provision which would have given the Senator real concern. In terms, I believe, it was intended to fix the compensation to the company out of net revenue, if any, realized from the operation of the property during the seizure. The fact that that language was deleted by the committee and is not now in the bill should, I am sure, reassure the Senator as to the intention of the members of the committee on this point.

I raise only the question of whether, in connection with the language suggested by the Senator from Oregon and discussed in his colloquy with the Senator from Florida, or in connection with other language, we may be getting into a very difficult situation if we attempt to fix a measure of damages, or enumerate the things which may give rise to damage. When we add words of this kind we may be doing things which we do not intend to do, and taking away from the courts the power they ought to have to deal with the situation.

The PRESIDING OFFICER. The Chair advises Senators that all time for debate on the pending amendment has expired.

The unanimous-consent request before the Senate is that the committee amendments be agreed to en bloc, each Senator reserving the right later to offer amendments to committee amendments.

Mr. KNOWLAND. Mr. President, reserving the right to object, may I inquire as to the time remaining on each side, on the bill itself?

The PRESIDING OFFICER. Thirty minutes on each side remain, on the bill itself.

Mr. KNOWLAND. As I understand, no time has been used on the bill.

The PRESIDING OFFICER. No time has been used on the bill.

Is there objection to the unanimous-consent of the Senator from Michigan [Mr. McNAMARA]?

Mr. HOLLAND. Mr. President, I object, solely——

The PRESIDING OFFICER. Objection is heard. That ends it.

Mr. HOLLAND. In consideration——

The PRESIDING OFFICER. All time is exhausted for debate on the second committee amendment.

The question is on agreeing to the second committee amendment, on page 3, line 22.

The amendment was agreed to.

The PRESIDING OFFICER. The next committee amendment will be stated.

The next amendment was on page 3, at the beginning of line 23, to insert "in section 3 of this act."

Mr. HOLLAND. Mr. President——

The PRESIDING OFFICER. The Senator from Michigan [Mr. McNAMARA] has 15 minutes on the pending amendment.

Mr. McNAMARA. Mr. President, I yield to the Senator from Florida [Mr. HOLLAND] such time as he may require to develop his point.

The PRESIDING OFFICER. How much time does the Senator from Michigan yield?

Mr. McNAMARA. I yield 5 minutes to the Senator from Florida.

The PRESIDING OFFICER. The Senator from Florida is recognized for 5 minutes.

Mr. HOLLAND. Mr. President, my sole reason for desiring a little time is to state that I shall have no objection to the consideration of all the remaining committee amendments en bloc, as soon as this particular question has been settled.

I fully agree with the Senator from New Jersey [Mr. CASE] that in dealing with a technical subject of this kind in the course of debate on the floor we are likely not to do a good job. It was for that reason that the Senator from Oregon and I were in agreement that the proposed amendment should not be considered at once, but should be turned over to legislative counsel for study, to be called up, let us say, immediately before the third reading of the bill.

It seems clear to me now that this point has been left in poor shape by the bill as drafted, and I am very strongly of the feeling that a clear amendment is necessary, setting forth the situation so that there can be no question whatsoever, if seizure be permitted as a matter of very drastic exercise of the police power to meet a public emergency, that everyone having a part in the allowance of that drastic procedure must have knowledge of the fact that there are looming on every side possibilities of damage, whether by use, value or rental, whether as a matter of disposition or destruction of private property, or whether by reason of loss of sales, or other matters which may not occur to us at this time.

There is no escape from the fact that if we wade into this problem in this way, and there comes from the Congress such a drastic act, there are such prospects in the offing. We do not wish even to seem to wink at the fact that they exist.

I thank the Senator from Michigan, and I yield back the remainder of the time.

Mr. MORSE. Mr. President, will the Senator yield to me for a moment?

Mr. HOLLAND. I yield.

Mr. MORSE. I completely agree with the Senator from Florida that we should clarify the bill by the addition of an amendment which he and I worked out in our informal conversation.

I invite the attention of the Senator from Florida to page 6 of the bill, section 7 thereof, in connection with another amendment which the committee added, in line 21.

We are discussing here, of course, section 3 of the bill, provided the District Commissioners should follow out the so-called seizure, which I doubt they would do. However, we wish to give them the power to do so if necessary.

The Senator from Maine [Mr. PAYNE] called my attention to the following language, and I should like to have his attention during this colloquy:

The operation authorized in section 3 of this act shall be deemed for and on behalf of the Capital Transit Co. and there shall be continuity of accounting for the operations of the company during the period of operation by the Commissioners. Nothing herein shall deny the Capital Transit Co. the right to bargain with its employees or their bargaining agent nor deny it the right to take over the operation of its properties when the Commissioners are satisfied that the management can and will satisfactorily carry on its franchise duties.

The Senator from Maine has pointed out that one of such duties is to maintain the whole accounting system of the operation. Therefore, the records with regard to depreciation of equipment, and the like, will be maintained just as they have been maintained previously. The Senator from Maine has pointed out that the provision gives the company adequate bookkeeping protection. I thought I ought to call that point to the Senator's attention.

Mr. HOLLAND. I saw those words and——

The PRESIDING OFFICER. The Senator's time has expired.

Mr. McNAMARA. I shall be glad to yield two more minutes to the Senator from Florida.

Mr. HOLLAND. I saw those words. They were partly responsible for my concern in the matter, because they appeared to create a situation in which the agent might not be held to be accountable for anything short of fraud or gross abuse of power.

There is nothing in the recital of the last sentence of what was read by the distinguished Senator which comforts me on that point. Although there is specifically reserved to the Capital Transit Co., the right to bargain with the employees' bargaining agent, and declaration is made that it shall not be denied the right to take over the operation of the properties when the Commission is through with them, it does not seem to set up a clear recognition of the fact that the Capital Transit Co. has rights which go far beyond that. I was disturbed by that section as much as I was by the one I read a while ago.

Mr. PAYNE. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. PAYNE. The Senator from Oregon read the portion of section 7 which relates to operation. If we turn to the next page and read section 8, which is in the form of a committee amendment, we note that it deals with the dedication of revenues received from the operation of the company.

It should be remembered that if the corporation is taken over under what we call normal operating circumstances—even though I do not like the other word which has been used here—it must be understood that the company would be operated in the same way in which it was operated by the original operators, and just as though the original owners were operating the business. In doing that the operators take hazards, and they set up reserves for losses and for insurance on equipment. Therefore if any damage is caused as a result of the operation, such damage would be no different from that which would ordinarily result

to taking over such operation and they shall

from the daily operation of the equipment under normal circumstances.

Mr. HOLLAND. I say to the distinguished Senator from Maine that that is a question for the courts to decide. It would be a question for the courts to decide whether any loss was a normal loss resulting from the normal hazards of business. Section 8 protects in every way the Capital Transit Co.——

The PRESIDING OFFICER. The time of the Senator has again expired.

Mr. McNAMARA. I shall be glad to yield to the Senator from Maine [Mr. PAYNE] such time as he may desire to take.

The PRESIDING OFFICER. The Senator from Michigan has 7 minutes remaining.

Mr. McNAMARA. I yield 7 minutes to the Senator from Maine.

Mr. HOLLAND. Mr. President, I was in the middle of a sentence.

Mr. PAYNE. Mr. President, I yield to the Senator from Florida.

Mr. HOLLAND. Section 8 certainly makes it clear that the operation of the company by the Commissioners would be such that the Commissioners could pay the costs and expenses incident to the operations, and that all the receipts could be used for and on behalf of the company in carrying out its franchise obligation.

However, the Commissioners would also be answerable in a very real degree for things that might happen to the business which would not be in the normal course of operation. There is no way for us to gloss over the fact that once there is seizure, there is liability for those things that happen because of improper operation or because of careless operation or because of a destructive attitude.

Mr. PAYNE. Who is to make determination of that?

Mr. HOLLAND. The courts.

Mr. PAYNE. Who is to make determination of carelessness of operation and attendant costs?

Mr. HOLLAND. The courts.

Mr. PAYNE. Unless the Senator desires me to yield further at this time, I should like to make a brief statement.

The subject before the Senate is something I believe I know something about, because of the fact that I was delegated by the Senate in 1953 to conduct what resulted in a very extensive investigation into the operations of the Capital Transit Co., and into its financial activities and business motivation, whether it was acting in the public interest, and whether it acted in the public interest in providing mass transportation in Metropolitan Washington.

The record is very complete in that regard. I feel very bad to have the situation get into the status it has now reached. However, it is typical, I am sorry to say, of the attitude the management has taken down through the months of its operation, in establishing itself as a solid wall of resistance against anything that was ever discussed which affected the common well being of the people of the District of Columbia. The people of the District of Columbia have but one body to which to appeal, only one tribunal which can preserve their rights and give them the benefits of a transit system. The people of the District do not have self-government. They must appeal to Congress and to the duly elected representatives of the people, not of the District, but of the 48 States. That is one of the strongest reasons I know of why Congress should not be faced with the situation of having to iron out difficulties which pertain to the well-being of the people of the District of Columbia.

If the bill is the one medium by which Congress can assure to the people of the District of Columbia that they can have public transportation, so that they may go back and forth from their work in an orderly fashion, then certainly I am going to urge, and urge very strongly, that the procedure outlined in the bill be followed.

The original resolution, which granted the franchise, likewise protected it very wisely by enabling Congress to take away the franchise. That franchise can be taken away when the Congress decides that in the public interest it is desirable to do so.

In the present case there is apparently a deadlock and an unwillingness to budge—yes, on the part of both parties, perhaps, but more on the part of the Capital Transit Co. The company will not sit down and arbitrate voluntarily. It will not sit at an arbitration table and discuss the problem as man to man and try to work out a satisfactory arrangement in the operation of a transportation system which means must to nearly a million people.

I believe it is high time we laid down a set of ground rules for the operation of this utility, which will provide that either the Capital Transit Co. will be operated in the public interest and for the benefit of the people of the District of Columbia, or we will decide to take care of the needs of the people in some other way.

I think the bill basically meets the situation, and does it in the only way possible under the circumstances. Certainly, Mr. President, I do not wish to see the Capital Transit Co. or any other free enterprise deprived of their rights under the law. I would be the last one to stand for that. But neither do I wish to see the people of the District of Columbia deprived of their right by the unwillingness of those who have gained great financial benefits at the expense of the people in conducting the company to sit down and arbitrate man to man with those with whom the company is in dispute.

Mr. President, I shall close by saying that if the study which was carried on was worth anything at all, it points up, word by word, that which has now taken place, because it was predicted at that time exactly what would result eventually. I am sorry to say that the prediction has apparently come true.

The PRESIDING OFFICER. All time on this amendment has expired.

The question is on agreeing to the amendment.

Mr. SALTONSTALL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. SALTONSTALL. Has any time been used in opposition to the amendment?

The PRESIDING OFFICER. The Chair is mistaken. Only one side has been heard.

Mr. SALTONSTALL. Mr. President, I shall wait until the next amendment is offered.

The PRESIDING OFFICER. Does the Senator yield back his 15 minutes?

Mr. SALTONSTALL. Yes, Mr. President.

Mr. HOLLAND. Mr. President, I have no further objection to the amendment.

The PRESIDING OFFICER. Will the Senator from Michigan restate his unanimous-consent request?

Mr. McNAMARA. Mr. President, I asked unanimous consent that the remaining committee amendments be considered and agreed to en bloc.

The committee has accepted an amendment which is at the desk, having been offered by the Senator from Colorado [Mr. ALLOTT]. We shall be glad to accept that amendment.

The PRESIDING OFFICER. That amendment may be presented later.

The unanimous-consent request is that the remaining committee amendments be agreed to en bloc. Is there objection? The Chair hears none, and it is so ordered.

The committee amendments agreed to en bloc are as follows:

At the beginning of line 23, to insert "in section 3 of this act"; on page 4, line 1, after the word "necessary", to strike out "and" and insert "or file any legal action they deem"; in line 11, after the word "by", to insert "section 3 of"; on page 5, line 8, after the word "authority", to strike out "herein"; and in the same line, after the word "granted", to insert "in section 3 of this act"; in line 21, after the word "the", to strike out "revenues received from operations or from other"; in line 24, after the word "authority", to strike out "herein"; and in the same line, after the word "granted", to insert "in section 3 and this section"; on page 6, line 9, after the word "authority", to strike out "herein"; and in the same line, after the word "granted", to insert "in section 3 of this act"; in line 13, after the word "to" where it appears the second time, to strike out "take, expropriate," and insert "take"; in line 15, after the word "Company", to strike out "The operation herein authorized shall be deemed for and on behalf of Capital Transit Co. and shall not deny it the right to bargain with its employees or their bargaining agent nor deny it the right to take over the operation of its properties when the Commissioners are satisfied that the management can and will satisfactorily carry on its franchise duties." and in lieu thereof to insert "The operation authorized in section 3 of this act shall be deemed for and on behalf of the Capital Transit Co. and there shall be continuity of accounting for the operations of the company during the period of operation by the Commissioners. Nothing herein shall deny the Capital Transit Co. the right to bargain with its employees or their bargaining agent nor deny it the right to take over the operation of its properties when the Commissioners are satisfied that the management can and will satisfactorily carry on its franchise duties."; on page 7, after line 5, to strike out:

"SEC. 8. The revenues received from the operation of the properties of Capital Transit Co. shall be used to carry on the business and to pay the costs and expenses incident

to taking over such operation and they shall be accounted for to the appropriate officers of Capital Transit Co., and receipted for, when such temporary operation shall be discontinued. All revenues so received shall be deemed to be the property of Capital Transit Co. and shall be used for and on its behalf in carrying out its franchise obligations. After payment of all such costs and expenses, any balance shall be accounted for and returned to Capital Transit Co."

And in lieu thereof to insert:

"SEC. 8. The revenues received from the operation of the properties of the Capital Transit Co. shall be used to carry on the business and to pay the costs and expenses incident to taking over such operations and they shall be used for and on behalf of the company in carrying out its franchise obligations."

On page 8, line 3, after the word "powers," to strike out "herein"; and in the same line, after the word "granted," to insert "in sections 3 and 6 of this act"; after line 7, to insert:

"SEC. 10. The Commissioners of the District of Columbia, during the year following the date of enactment of this act, may authorize (including authorization under such contractual agreements as may be necessary) such public transportation within the District of Columbia, in addition to that which may be provided by the Capital Transit Co. during such year, as may be necessary for the convenience of the public. Such additional transportation shall be furnished to the public at such rates and under such terms and regulations as may be recommended by the Public Utilities Commission, and approved by the Commissioners of the District of Columbia, for the purpose of providing a satisfactory system of public transportation within the District of Columbia during the year following the date of the enactment of this act.

"SEC. 11. The Commissioners of the District of Columbia may, with the approval of the Public Service Commission of the State of Maryland, exercise any of the powers granted in this act to seize and operate property of the Capital Transit Co. or to provide public transportation, or both, within the portion of the State of Maryland which is provided with public transportation by such company."

On page 9, line 4, after the word "Sec.", to strike out "10" and insert "12"; and in line 9, after the word "Sec.," to strike out "11" and insert "13."

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. McNAMARA. Mr. President, there is at the desk an amendment offered by the Senator from Colorado [Mr. ALLOTT].

The PRESIDING OFFICER. The amendment offered by the Senator from Colorado will be stated.

The LEGISLATIVE CLERK. It is proposed to insert, on page 9, after line 8, the following new section:

SEC. 13. Nothing in this act shall affect the right of Capital Transit Co. or its successors in interest to continue railroad service to the Potomac Electric Power Co. as currently performed by the East Washington Railway Co., nor shall it affect its present rights with relation thereto.

On page 9, line 9, to renumber the section.

The PRESIDING OFFICER. The Senator from Colorado has 15 minutes on his amendment.

Mr. ALLOTT. Mr. President, I do not desire to take 15 minutes on this amendment; I wish merely to explain what it is.

A few years ago the Capital Transit Co. ceased its operations in carrying coal and other supplies to the Potomac Electric Power Co., such service being currently performed by the East Washington Railway Co. The only purpose of my amendment is to save from harm the East Washington Railway Co. by reason of the passage of the pending bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Colorado.

The amendment was agreed to.

Mr. SALTONSTALL. Mr. President, I should like to ask the Senator from Oregon a couple of questions.

The PRESIDING OFFICER. The time will have to be taken out of the time allotted on the bill.

Mr. McNAMARA. Mr. President, there will be 15 minutes remaining.

Mr. SALTONSTALL. I merely wish to take time enough to ask the Senator from Michigan or the Senator from Oregon two or three questions. Will the Senator from Michigan yield me 5 minutes?

Mr. McNAMARA. Yes.

Mr. SALTONSTALL. The first question I wish to ask the Senator from Michigan or the Senator from Oregon is this: Do I correctly understand that the reason why Congress is asked to repeal the franchise as set forth in section 2, at the bottom of page 2, is that Congress gave the franchise to the company, and only Congress can end the franchise?

Mr. McNAMARA. That is correct.

Mr. SALTONSTALL. Do I correctly understand that the powers given to the District Commissioners in section 3 and the remainder of the bill are permissive powers which have to be given by Congress, because the Commissioners do not now have them, although they are the ordinary powers which other municipalities have?

Mr. McNAMARA. The Senator is eminently correct.

Mr. SALTONSTALL. In other words, in the city of New York or the city of Boston or the city of Chicago or the city of Detroit, the mayor has power to take over and operate a transit company in case there is a cessation of operation?

Mr. McNAMARA. I am so advised; and the hearings brought out the fact that that is generally the case.

Mr. MORSE. Mr. President, will the Senator from Massachusetts yield at that point?

Mr. SALTONSTALL. I yield.

Mr. MORSE. It is covered by State law in other municipalities. Congress passes what amounts to State law. Legislation which we pass concerning municipal affairs in Washington is really dual legislation. We pass legislation affecting the District which corresponds to State legislation affecting municipalities in the States. We also pass legislation which really takes the form of municipal ordinances.

Mr. SALTONSTALL. So, the Congress has never given the District Commissioners the powers which are ordinarily and customarily granted to and are possessed by other cities?

Mr. MORSE. That is correct; and until we give the people here home rule the Commissioners cannot exercise such powers.

Will the Senator from Massachusetts permit me to go further at this point, because I think it is germane and goes back to a colloquy I had some minutes ago with the Senator from Indiana [Mr. CAPEHART], when I corrected an earlier statement in my remarks concerning what will happen after the franchise is canceled under this bill?

The record will show that I said the District Commissioners would have authority, once the franchise is canceled, to grant a new franchise. I have checked into the question and I find that it is the Public Utilities Commission which has the authority to grant the appropriate certificates of convenience and necessity in the District of Columbia. So the franchise would be granted by the Public Utilities Commission, and not by the District of Columbia Commissioners.

Mr. SALTONSTALL. Then, do I correctly understand that the reason we are asked now to cancel the franchise, to take effect a year from now, is that it was granted by the Congress in a special situation?

Mr. MORSE. In 1933.

Mr. SALTONSTALL. So that any new franchise, if the present one is canceled, will not be granted by Congress, but will be granted by the Public Utilities Commission?

Mr. MORSE. That is correct.

Mr. SALTONSTALL. Do I understand correctly that the bill covers all the problems which may arise from a constitutional point of view when, as, and if the District of Columbia Commissioners decide to take over the transit company and operate it?

Mr. MORSE. In fairness to the committee and in fairness to the Commissioners, I think it did in the first instance, but the Senator from Florida has suggested language which so clarifies the intention of the Commissioners and of the committee that there can be no doubt about it.

Mr. SALTONSTALL. There is no question with reference to the Constitution, so far as the cancellation of the franchise is concerned, because that is covered by the power given to the Congress, and Congress is now exercising that power.

Mr. MORSE. That is correct.

I should like to read to the Senator that provision of the law, and he will see for himself why what he states is sound.

SEC. 13. That Congress reserves the right to alter, amend, or repeal this resolution, or any charter or certificate of incorporation made thereunder, and any and all rights of franchise created by this resolution shall terminate 1 year following its repeal.

Mr. SALTONSTALL. I thank the Senators for their answers. I have asked these questions because in the Greater Boston area it took a period of more than 20 years, from the ending of private operation through public trusteeship, to public operation of the transit facilities. We have found that it is a pretty expensive operation.

I hope that the Commissioners of the District of Columbia will not have to

Mr. MORSE. I yield to the Senator from South Dakota.

The PRESIDING OFFICER. For the information of Senators, the Chair

willing to say that in this strike the fault is upon the part of the Capital Transit

operate this company for any longer period than they can help, and that either this franchise will be renewed to the present company or to some other private company to operate the utility in the future; otherwise, I am very much afraid that the operation will be very expensive, and will become more and more expensive, to the District of Columbia.

Mr. McNAMARA. The committee is in complete agreement with that statement.

Mr. BEALL. Mr. President, I call up my amendment which is at the desk.

The PRESIDING OFFICER. The clerk will state the amendment offered by the junior Senator from Maryland.

The LEGISLATIVE CLERK. On page 8, after line 21, it is proposed to strike out section 11 and in lieu thereof to insert a new section, as follows:

SEC. 11. The Commissioners of the District of Columbia may, with the approval of the Public Service Commission of the State of Maryland, exercise any of the powers granted in this act (1) within the portion of the State of Maryland which is provided with public transportation by the Capital Transit Co. (including subsidiaries), and (2) with respect to any property of such company (including subsidiaries) within such portion of such State.

The PRESIDING OFFICER. The junior Senator from Maryland has 15 minutes.

Mr. McNAMARA. Mr. President, will the Senator yield?

Mr. BEALL. I yield.

Mr. McNAMARA. The committee is glad to accept the amendment and will be responsible for it.

Mr. BEALL. Being a salesman, I think that after the amendment has been sold there is no reason to consume any more time on it. Therefore, I yield back the remainder of my time.

The PRESIDING OFFICER. Does the Senator from Michigan yield back his time?

Mr. McNAMARA. Yes.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the junior Senator from Maryland [Mr. BEALL].

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. MORSE. Mr. President, I call up my amendment A.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Oregon.

The LEGISLATIVE CLERK. On page 8, lines 12 to 14, it is proposed to strike out the words "in addition to that which may be provided by the Capital Transit Co. during such year."

On page 8, line 15, strike out the word "additional."

The PRESIDING OFFICER. The Senator from Oregon has 15 minutes.

Mr. MORSE. Mr. President, the amendment really originated upon a suggestion of the Senator from Colorado [Mr. ALLOTT]. I think it is a very sound amendment. What it does is to make perfectly clear that the Commissioners may contract not only with companies other than the Capital Transit Co., but that they may contract with the Capital Transit Co., as well.

As the Senator from Colorado has said at the committee meetings on this matter, I think it can simply be taken for granted that the Commissioners will try to make arrangements with the Capital Transit Co. which will be fair and equitable to the interests of all concerned; but that if they cannot, then they will have to contract with some other company. But it was thought that the language in its present form left some ambiguity as to whether or not the Commissioners were estopped from contracting with the Capital Transit Co. The Senator from Colorado raised that point in committee. Although I prepared the amendment, it is really the idea of the Senator from Colorado in the first instance. It is a sound idea and a very good amendment.

The PRESIDING OFFICER. Does the Senator from Oregon yield back his time?

Mr. MORSE. I yield back the remainder of my time.

The PRESIDING OFFICER. The Senator from California has 15 minutes on the amendment.

Mr. KNOWLAND. May I inquire if any other Senators desire time?

Mr. President, have we reached the point of the third reading of the bill?

Mr. MORSE. No; I have another amendment.

The PRESIDING OFFICER. Without objection, the amendment offered by the Senator from Oregon [Mr. MORSE] is agreed to.

Mr. MORSE. Mr. President, I offer an amendment, which I ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Oregon.

The LEGISLATIVE CLERK. On page 4, line 6, after the word "may," it is proposed to strike out "prescribe" and insert "prescribe: *Provided*, that the Capital Transit Co. shall be compensated by the District of Columbia for the use of its property in accordance with the terms of any contract that may be negotiated between the Commissioners and the company, or in the absence of any such contract, as determined in an appropriate court action."

Mr. MORSE. Mr. President, all this amendment seeks to do is to cover the point the Senator from Florida [Mr. HOLLAND] raised, so as to leave no room for doubt that the company will have the right to go into court and sue for any damages, or for the use of its property, which it can show in an appropriate court action it is entitled to under the due-process clause of the Constitution; and furthermore, the amendment makes clear that the Commissioners, in turn, may seek to settle any differences which may arise over the matter of compensation by way of contract.

The PRESIDING OFFICER. Is all time yielded back?

Mr. MORSE. In fairness to the Senator from Florida, I wish to state that the language as I have finally drafted it carries out his intentions.

Mr. HOLLAND. I think it carries out the intention which is common to both the Senator from Oregon and to myself.

Mr. MORSE. I wish to make certain that the amendment is satisfactory to the Senator from Maine [Mr. PAYNE] because he and I had a short conversation about the matter. The amendment, in my judgment, restates in the proposed legislation the legal rights under the due process clause of the Constitution.

Mr. PAYNE. I have no objection to the amendment. I think it is proper.

Mr. CASE of New Jersey. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. CASE of New Jersey. I thoroughly agree with the amendment the Senator from Oregon has proposed. I think the amendment is very much in order. We are in complete agreement with the Senator from Florida as to what we are trying to do. But I want to be absolutely certain, so if I may, I wish to ask the Senator from Florida a question.

The Senator suggested that there should be assurance that damages could be recoverable for the improper handling of the property or the misuse of the property, for negligent handling of the property. But then he used a few words which were not entirely clear, which pertained to bad motives.

I wish to make it very clear that there should not be any provision for punitive damages, but only for actual damages arising from the operation of the property in the normal course. I agree completely that actual damages should be recoverable, but nothing in the way of punitive damages by reason of the fact that what is called seizure has taken place.

Mr. HOLLAND. It had not entered my mind that the language of the amendment or anything which has been said in the debate involved such damages as punitive damages or multiplied damages, or anything of that kind. I simply wanted it to be very clear to all who read that, first, Congress wanted to see constitutional rights preserved, and understood what they were, as I am certain the committee did; and second, that the language is spelled out in such a way that there cannot be ground for a great waste of time and effort when the matter comes to court, if it should.

Furthermore, I have wanted this discussion in order to make it very clear to all concerned that if it is possible for a voluntary agreement to be reached, in the event such a bill is passed, then by all means that is the preferable course not only from the standpoint of good relations and certainty of responsibilities, but also from the standpoint of avoiding possible lawsuits, damages, and recriminations, which might last from now until the end of time.

I think the record will show rather clearly that Congress prefers voluntary agreement, if it is possible for such an agreement to be reached——

Mr. McNAMARA. Amen.

Mr. HOLLAND. The Senator from Michigan says "Amen." That sounds like good Methodist doctrine from Florida. I think that is the way we all feel.

Mr. McNAMARA. I thank the distinguished Senator.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

appointment of a receiver, Congress could have done so by adding 1 or 2

Congress can do nothing which will revoke the franchise before that time. A

Mr. SALTONSTALL. Assuming that

Mr. MORSE. I yield to the Senator from South Dakota.

Mr. CASE of South Dakota. My position on the bill is that Congress ought not to adjourn and leave the Commissioners of the District of Columbia helpless. The bill of itself apparently does not require seizure.

Mr. MORSE. The Senator is correct. I made that clear in my opening statement. It does not require seizure; it authorizes seizure as one of the alternative methods which the Commissioners may use if they decide that is the best way in which to provide transportation.

Mr. CASE of South Dakota. I believe the bill should be passed, because Congress ought not to leave the Nation's Capital helpless, as it would be for 4 or 5 months, unless a special session were called. The Commissioners ought to have a remedy. They will not have a remedy, unless Congress passes legislation.

Mr. ERVIN. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. ERVIN. I commend the action of the senior Senator from Oregon in offering an amendment which has cleared up the constitutional question.

Mr. MORSE. The Senator from North Carolina knows that he and I have yet to differ on a constitutional point. Although I think the bill provided adequate constitutional protection, I believe the amendment now makes it perfectly clear that that was the intention. To that extent, we are indebted to the Senator from Florida.

I thank the Senator from Florida for the contribution he has made to the clarification of the bill.

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. Does the Senator from California wish to yield any time?

Mr. KNOWLAND. I yield back my time on the amendment.

The PRESIDING OFFICER. All time has been yielded back on the amendment. The question is on agreeing to the amendment offered by the senior Senator from Oregon [Mr. MORSE].

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. ALLOTT. Mr. President, I ask the majority leader to yield me 15 minutes.

The PRESIDING OFFICER. Are there further amendments to be offered to the bill?

Does the Senator wish to speak now, or does he wish to wait until action on all amendments has been completed?

Mr. ALLOTT. Mr. President, if there are further amendments to be offered, I shall wait.

The PRESIDING OFFICER. Is there further amendment to be offered to the bill?

If not, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and read the third time.

The bill was read the third time.

The PRESIDING OFFICER. For the information of Senators, the Chair states that the proponents of the measure have used 6 minutes and have 24 minutes remaining. The opponents have 30 minutes.

Mr. KNOWLAND. Mr. President, I yield 15 minutes to the Senator from Colorado.

Mr. ALLOTT. Mr. President, the pending bill and other bills have been before the District of Columbia Committee for what now amounts to a month. First of all, I wish to pay my own personal compliments to the members of the subcommittee and the committee who worked so very hard, and I think ably, upon the bill.

It is unfortunate that I find myself in a very paradoxical position today, that of not desiring or really believing in the bill, but being compelled to vote for the bill by the necessities in which we find ourselves today. It is a situation in which thousands and thousands of people are suffering economically, in loss of time, and otherwise. Therefore, I do not believe we can go home and leave the people of Washington without recourse.

However, I want to make my position very clear upon this matter, because I believe, like ghosts, this bill will rise to plague us in the future. It is a matter of public record that the junior Senator from Colorado was the only Senator in the committee who failed to vote "yea" to report the bill. If I were back in committee today, that would still be my vote. It is only because I realize that thousands and thousands of people are being injured day by day, and that the additional 5 or 10 minutes which it takes any of us to drive to the Capitol is only a minor inconvenience compared with what they are suffering, that I am willing to support the bill as a possible way out.

First of all, I want to point out that there are several features in the bill which should be carefully noted, and no Senator on the floor should vote for it without a realization of these facts.

First, on page 2, line 10, there is a recitation that the Capital Transit Co. in the District of Columbia has disregarded its franchise obligations to render public service and has forfeited its right to enjoy franchise privileges.

I associate myself completely with the remarks of the Senator from Maine [Mr. PAYNE], in which he described and discussed what has been done in the company; but the truth of the matter is that it takes a great strain of the intellect to determine that that is what caused the present situation, and not a strike. The strike is what has created the present situation. So when we vote "yea" on the bill, we must, first of all, decide in our minds whether the company has disregarded its franchise, because I do not believe it has done so completely.

In the hearings I believe it was evident that both sides were recalcitrant. It was evident that both sides were dragging their feet. It was evident that both sides were not too desirous of dealing with each other. And so in this respect I, who have a vote upon the bill, am unwilling to say that in this strike the fault is upon the part of the Capital Transit Co. or upon the part of the union. However, I agree with the remarks of the Senator from Maine concerning the past financial transactions of the Capital Transit Co.

Second, if seizure is practiced in this case—and it is not compulsory—we, as the Senate and House of Representatives must realize, will be placing the District of Columbia, and probably in the end the United States, behind a tremendous bill for damages. The damages may be of many kinds. One kind which has not been mentioned as yet is the damage which will result not merely to the equipment, but the damage which will result to the company by reason of the seizure of the equipment, loss of profits, and the use of the equipment while the Commissioners are operating it, if they exercise that prerogative. So we should not vote "yea" on the bill without realizing that is an element of damage, and that it is going to be a tremendous one.

Next, the dispute is more than a labor dispute. There must be other methods of handling it. In the committee—and this is one of my strongest reasons for not being in favor of the bill—it was my suggestion that the committee explore the possibility of the use of a receivership. To my knowledge, that was never followed up, and I do not condemn anyone for not doing it. The committee were simply not of that mind.

First of all, we lawyers have a saying that there is no wrong without a redress, and that is true, and the Senate ought to know first, before it decides upon this matter, that there has not been one step taken by the Commissioners of the District of Columbia to enforce their rights or to seek redress in a court of law or a court of equity.

Under an analysis of the Code of the District of Columbia, it may well be that the Commissioners may not have power to ask for a receiver and obtain the appointment of a receiver. Several points were suggested as to how that might be done. One was to allege that the Capital Transit Co. is failing to conform to its duties under the franchise. Second, it might be said, and it might be proved, that the Capital Transit Co. was failing to live up to its obligations to bargain in good faith with the union. But if the Commissioners do not have the right in a court of equity or in a court of law, then it is up to the Congress of the United States to provide such a law, so that when a strike in a public utility, such as a gas, electric, or, as in this case, a transportation company paralyzes a community and wreaks irrevocable damage upon that community, the Congress of the United States will have provided laws for receivership, or even injunction, so that relief may be given to those who suffer the greatest, and these are the average people on the street.

That would be a much cleaner and much better and much less expensive way, as compared with the method provided by this bill, because then the Commissioners could have taken over; and if there had been a necessity to provide them with additional grounds for the

appointment of a receiver, Congress could have done so by adding 1 or 2 clauses, including a simple clause revoking the franchise, and providing that that would be one of the grounds for the appointment of a receiver. Then, when a receiver was appointed, the contract they made with the union would have been approved by the court, and damages would have been minimized all along the line. That would have been a complete and much better, cleaner, cheaper, and simpler operation, as compared with the one under the bill as reported.

In conclusion, Mr. President, let me say that I have tried to make clear my position in this matter. It is not my feeling, and never has been—and in committee we have debated the matter on a completely friendly basis, as I think the senior Senator from Oregon [Mr. MORSE], the Senator from Michigan [Mr. MCNAMARA] and the other members of the committee will agree——

Mr. MORSE. Mr. President, will the Senator from Colorado yield at this point?

Mr. ALLOTT. I yield.

Mr. MORSE. I wish to say that is so; and I also wish to say that the committee is indebted to the Senator from Colorado for the many helpful suggestions he made in the course of the committee's marking up of the bill.

On several occasions he said, "Although I do not agree, and although I will vote against the bill, I should like to make such-and-such a suggestion which I think will improve the bill." We listened to his suggestions and on several occasions we accepted them.

So we are indebted to him for the very helpful way he participated in our sessions.

Mr. ALLOTT. I thank the Senator from Oregon for his extremely kind remarks.

Mr. President, my position in this matter has simply been one based on legal principles. I believe that a receivership would have provided a better means of procedure. I believe we could have made a receivership applicable, and thus could have handled the matter better and more cleanly, without incurring great liability to the District in ultimate damages.

Let me comment on one point which thus far I have failed to cover. I desire to direct attention to section 10 of the bill, which will pose a real problem. I read from section 10, which was reported as a committee amendment:

SEC. 10. The Commissioners of the District of Columbia during the year following the date of enactment of this act, may authorize (including authorization under such contractual agreements as may be necessary) such public transportation within the District of Columbia—

And so forth. As that committee amendment has been amended by the amendment of the Senator from Oregon [Mr. MORSE].

The fact is that the Congress cannot revoke this franchise until 1 year has passed. At this time Congress can pass an act completely revoking the franchise at the end of 1 year, but at this time Congress can do nothing which will revoke the franchise before that time. A receivership in a court of law might conceivably—and I believe that is a conservative statement—have terminated the company's immediate rights in the franchise. But because of the present law and the franchise, Congress cannot terminate the franchise before that time.

However, by the same token, Mr. President, since the company has a monopoly, if you will, it has the sole right to a franchise for public transportation in the District of Columbia. Thus it is, that I desire to direct attention to the fact that I have grave doubts as to whether, even if Congress enacts this measure, the Commissioners can authorize such additional transportation because of the franchise which has been granted by the Congress.

Mr. SALTONSTALL. Mr. President, will the Senator from Colorado yield?

Mr. ALLOTT. I am happy to yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I should like to ask several questions.

Do I correctly understand the Senator from Colorado to say that he does not believe that the reason given in section 1 of the bill, regarding the Capital Transit Co.'s disregard of its franchise obligations, has been sufficiently proved to warrant having the Congress repeal the franchise?

The PRESIDING OFFICER. The time of the Senator from Colorado has expired.

Mr. ALLOTT. Mr. President, will the Senator from California yield 5 more minutes to me, to enable me to reply to the questions of the Senator from Massachusetts?

Mr. KNOWLAND. Mr. President, first, let me inquire whether other Senators wish me to yield time to them. I have already made a commitment to yield 10 minutes to the Senator from Florida [Mr. HOLLAND], and that will leave me with 5 minutes.

If no other Senator desires me to yield time, I now yield 2 minutes to the Senator from Colorado, for the purpose for which he desires additional time.

Mr. ALLOTT. I thank the Senator from California.

The PRESIDING OFFICER. The Senator from Colorado is recognized for 2 minutes more.

Mr. ALLOTT. Mr. President, to answer the question of the Senator from Massachusetts, let me say that I am not certain that the company has completely disregarded its franchise. I know that the real trouble existing now is not entirely because of an abuse of the franchise, but is also because of the strike. We must face that face.

Mr. SALTONSTALL. If a Senator votes in favor of the bill, in the opinion of the Senator from Colorado, must such Senator find that the company has disregarded its franchise; or could a Senator vote in favor of repealing the company's franchise, without having any valid reason for so voting?

Mr. ALLOTT. Under the law, a Senator can vote to repeal the franchise without having any reason whatever therefor.

Mr. SALTONSTALL. Assuming that the bill is passed and is enacted into law, why could not the Commissioners then, instead of taking over the company—that being a permissive right—request the Congress to pass a bill providing for a receivership, such as the Senator from Colorado has suggested?

Mr. ALLOTT. Under this measure—and that is one of its provisions, as a result of the representations I made to the District of Columbia Committee, such a bill can be introduced. If that is done, in my opinion, certain provisions should be included—at least in the conference committee—to strengthen the bill.

Mr. SALTONSTALL. So such a bill could be introduced at the request of the Commissioners, could it?

Mr. ALLOTT. Yes.

The PRESIDING OFFICER. The 2 additional minutes yielded to the Senator from Colorado have expired.

Mr. KNOWLAND. Mr. President, I yield 10 minutes to the Senator from Florida [Mr. HOLLAND].

The PRESIDING OFFICER. The Senator from Florida is recognized for 10 minutes.

Mr. HOLLAND. First, Mr. President, I wish to comment on a point made by the Senator from Arkansas [Mr. MCCLELLAN] in regard to section 12, reading as follows:

SEC. 12. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such amounts as may be necessary, if any, over and above the revenues received from operations herein provided for, to carry out the provisions of this act.

I have said to the distinguished Senator that that means such funds belonging to the District of Columbia, and by no means constitutes any claim upon the general fund or other Federal funds.

In that connection let me ask the Senator from Oregon whether he agrees that that is correct.

Mr. MORSE. Yes, Mr. President, the Senator from Florida has joined with me in discussing the legislative intent, and we agree that that is the meaning of that section.

Mr. MCCLELLAN. Then, Mr. President, if the Senator from Florida will yield to me, let me ask this question: Why could not that be definitely stated in the bill, so there would be no question about it?

Mr. MORSE. Because we are advised by counsel that in District of Columbia bills it is standard practice to use the provision we have used at this point in the pending bill.

Mr. HOLLAND. Let me say it was because of that advice that I did not propose such an amendment to this section.

Mr. President, the duty facing Members of Congress in connection with this matter is an extremely disagreeable one. Each Member of Congress must face it as he sees fit.

So far as I personally am concerned, I am most reluctant to support the enactment of such legislation as is now proposed, because I think it is very drastic and goes much further than I would have preferred to go.

I find myself in strong accord with the able statement made by the distinguished Senator from Colorado.

However, Mr. President, it seems to me that in this situation we are both a national Congress and a city commission. Whether we want it or not—and, personally, I do not want it and have been trying for years to have home rule given to the District of Columbia—we have entrusted to us the preservation of the health, welfare, policing, and so forth, as well as the general protection, of more than 800,000 persons, besides the millions of persons who in the course of every year come from all over the United States to visit the National Capital.

So far as I am concerned, notwithstanding the fact that this bill is not in the form I would prefer it to be, I certainly shall not leave the Commissioners without plain authority to deal with this terrible, vital emergency situation which exists in Washington. So, with reluctance, I expect to support the bill.

I think I have not seen a worse mess, so far as the collapse of sound democratic government is concerned, than that which is presented in the present situation. I think it would be idle to try to distribute the responsibility and the blame. I think there are four agencies which will have to share the blame.

One of them is the company. It has practiced poor public relations. It has done things which are destructive of local goodwill.

Another is the union. I think the union has made arbitrary demands. When I compare its demands in this case with the rates of pay received by others in similar positions, in similar communities all over the Nation, I am compelled to come to the conclusion that the union has been badly led, badly advised. It cannot escape some of the blame.

As to the District Commission I think its attitude has too frequently been punitive in this matter, and I think the fact that it has chosen a dictatorial approach and a drastic approach rather than a reasonable one is not to its credit.

I would much have preferred receivership. I would much have preferred compulsory arbitration. I would much have preferred any of the other methods—for example, an injunction with a cooling-off period, which is applied nationally to much graver emergencies than this, under the terms of the Taft-Hartley law.

But none of those things were asked by the Commission. None of them are recommended here, and none of us, in the closing hours of Congress, have the time to lay aside all other duties and work up substitute provisions. Certainly I have made no effort to do so. If I did so, it would be practicing horseback law, which does not result in sound legislation.

So, reluctantly, I shall vote for this measure as the only prepared proposal available.

No truer words were ever spoken than those of the Senator from Oregon [Mr. MORSE] a while ago when he stated that we are legislating in a dual capacity. We are a National Congress. We are also a local lawmaking body. Because of that fact I remind Members of the Senate that in passing this bill we are doing something on a local basis which we have refused to do for 48 States in the Union, and for every other city and every other unit of public government in the Nation, by amending the Taft-Hartley Act so as to provide clearly that State laws may be applied which afford remedies to prevent the stoppage of public utilities. State laws may provide for arbitration, or for seizure, as in the case of Virginia, across the river, or for receivership, or for injunctive relief, or for various other types of remedies.

When the Taft-Hartley law was enacted there was not the slightest intention so to cripple local communities or States throughout the Nation. We have been endeavoring for some years to enact a bill which would do half of what we are asked to do here now, that is, as a Federal legislature, to make it clear that State law and municipal law may be applied elsewhere in the Nation to avert a tragedy such as we have seen enacted before our eyes.

I remind Members of the Senate that when they vote for this bill they are voting to do more for Washington than they have been willing to do for my own State, which has a compulsory arbitration statute on its books to apply in such cases, and for many other States, such as Wisconsin, which is so ably represented on the floor at this moment. Other States have State statutes effectively to ward off such catastrophes as that now being visited upon the good people of the District of Columbia.

As a national legislature, we are asked to do something—and we are about to do something—which goes further than what we have been willing to do for our own States, our own cities, and our own public units of government.

In addition, we are asked to take the most drastic of the various remedies which are applied in various parts of the Nation. Other States besides Virginia permit seizure in such cases, but most States have not gone that far, because they have compulsory arbitration, the injunction feature with a cooling-off period, receivership, or perhaps a combination of those methods.

We are asked here to take the most drastic step, and no alternative is afforded, because neither the committee nor the Commissioners have suggested any other form of legislation to provide any other sort of tool to deal with this problem than that embodied in the present bill.

Mr. PAYNE. Mr. President, will the Senator yield?

Mr. HOLLAND. I cannot yield. My time is extremely limited.

I regret that we are in that position; but, for myself, with greater regret than other Senators who intend to vote for this legislation, I shall vote for it because my primary duty in a matter of this kind is to the people of the District of Columbia, who have no other place to look for the passage of legislative measures to protect them against shutdowns in their vital utilities. I close by saying that I think Congress has a good share of responsibility in this case, and I am willing to accept my part of it. There has been in force in the District of Columbia for many years a 3-cent fare for school students. That was put into effect by arbitrary Federal law nearly 30 years ago, as I recall. We have been trying for years to undo that action. We turn over to the Public Utilities Commission a job to do, and do not give them the tools with which to do it. We do not permit them to deal with that subject alone in the rate picture.

Personally I introduced some years ago—and I have reintroduced and reintroduced—proposed legislation to allow that fare to be increased to not more than half the normal adult fare. I think that is fair. Yet the Congress has not done a thing in that connection.

Likewise, Congress has not passed home rule. We certainly could have avoided this bad day and this heavy decision if we had done that sensible thing some years ago.

We have not given any tax amelioration to the public utilities in this District, such as is commonly found in States and in other cities throughout the Nation.

However, much as we would like to avoid it, therefore, I think the Congress must share responsibility for this lamentable breakdown in the democratic process. I have never seen a worse one. We have failed in every aspect of relationship between employer and employee, between local government and National Government, and between public agencies and the people. We are faced with the responsibility of either passing this drastic legislation, which we do not like, or else doing nothing, and leaving the people of the District of Columbia helpless.

So far as I am concerned, I shall reluctantly vote for the bill.

The PRESIDING OFFICER. The proponents of the amendment have 24 minutes remaining. The opponents have 3 minutes.

Mr. ERVIN rose.

The PRESIDING OFFICER. To whom does the Senator from North Carolina yield?

Mr. ERVIN. I yield 2 minutes to the Senator from Maine [Mr. PAYNE].

Mr. PAYNE. Mr. President, there is one thing which I think should be very clear in the minds of all Senators. The distinguished Senator from Florida [Mr. HOLLAND] has referred to the action being taken by this national body. I think we must bear in mind very emphatically the fact that we are really acting as a board of aldermen of the city of Washington, and the House of Representatives is acting as the common council.

The District of Columbia has no local government to which it can appeal on matters of this type. There is a definite distinction when we act upon these matters affecting the lives and the happiness of the more than a million people who live in and in the immediate vicinity of the District of Columbia. It should be pointed out very clearly that that is in effect what we are doing today when we vote on this measure.

Mr. ERVIN. Mr. President, I yield 10 minutes to the Senator from West Virginia [Mr. NEELY].

Mr. NEELY. Mr. President, my text is the 30th verse of the 10th chapter of the Gospel according to St. Luke, which is as follows:

A certain man went down from Jerusalem to Jericho, and fell among thieves, which stripped him of his raiment, and wounded him, and departed, leaving him half dead.

Let us substitute for the man who made that famous journey to Jericho the million people of the District of Columbia who, for many weeks, have severely suffered from weary, wounded feet as a result of excessive walking enforced by loss of bus and streetcar service much more valuable than their wearing apparel. And substitute for the thieves who stripped the unfortunate traveler of his raiment, and wounded him and departed, leaving him half dead, the Wolfson gang which, in 1949, obtained control of the Capital Transit Company, and ruthlessly despoiled it, fabulously enriched themselves by plundering its patrons, and last, but not least, heartlessly refused to bargain with their employees concerning an increase in their wages.

After the performance of this elementary algebraic operation, even the feeblest minded of wayfaring men will understand the relevancy of the text to the intolerable misfortune which the people are suffering from the discontinuance of bus and streetcar service in the District of Columbia.

Since Warren Hastings confiscated the wealth of India, devastated its territory, and agonized its people, there has been nothing described in fact or fiction that transcends the Wolfson gang's greed for gain, its disregard for business and industrial relations ethics, its hindrance of the general welfare, and its defiance of public opinion manifested in its sacking of the Capital Transit Company. The irrefutable record evidence before us is the premise on which this sweeping assertion is made.

In determining whether we shall vote for the pending measure to provide transportation and revoke the franchise which the Wolfson crew now controls, let us not forget the following material facts:

The Wolfson wolf-like raiders, at a cost of $2,200,000, obtained their transit company control. On this initial investment they, in 5 short years, wrung from the company in dividends and stock sales, to the irreparable injury of the exploited public, more than $5,300,000—a three million one hundred thousand dollar profit. Thus for 5 years the gang's income on its $2,200,000 purchase averaged 48 percent a year. It is conservatively estimated that the 28 percent of the company's stock which the Wolfsons still own is worth four million four hundred thousand dollars. What the Wolfsons have already obtained and the $4,400,000 equity they still own amount to the magnificent sum of nine million seven hundred thousand dollars.

The mythological Midas, who turned everything he touched into gold, was never more avaricious than Louis E. Wolfson and his raiders have been in enriching themselves by means of that often repeated expedient of pocket-picking, euphemistically called increasing bus and car fares, to the incessant injury and irritation of the people of the Nation's Capital.

John Law's Mississippi Bubble, the 18th century colossal, fraudulent scheme, in pursuance of which its author assumed the payment of the national debt of France in return for the exclusive control of all the trade of Louisiana "on the banks of the Mississippi River," was not more fantastic or reprehensible than the Wolfson scheme of manipulating the transit company in the city of Washington. Let me make it perfectly clear that my reference to Mississippi is entirely free from insinuation or thought of anything derogatory to the great State of that name, or any of its people, specifically including their distinguished Senator [Mr. STENNIS] [laughter] who, with unsurpassable grace and propriety, for the nonce is presiding over this body.

The PRESIDING OFFICER. The Senator from West Virginia will suspend for a minute. Let us see if we cannot get some semblance of order in the Senate. The gentlemen who do not have any business on the floor will please retire from the Chamber. In that way we will lessen the confusion to that extent. Those who are here as a matter of privilege, not as a matter of right, will please refrain from talking and adding to the confusion and motion on the floor of the Senate.

Mr. NEELY. Mr. President, the trustworthy Washington Post and Times Herald yesterday carried an impartial and luminous dissertation by Mr. S. Oliver Goodman entitled, "Four Million Four Hundred Thousand Dollars Last Ride—Capital Transit's Death Would Profit Wolfsons." An understanding of the relevant facts expounded in this article is indispensable to the proper performance of our duty in the grave matter now before the Senate.

Distinguished colleagues, please hear and heed the following from Mr. Oliver's disquisition:

The latest liquidation offer of the Wolfsons is the simple and very profitable way for them to get rid of their Capital Transit Co. headache, informed observers pointed out last night.

Louis E. Wolfson, the Florida financier and CTC chairman, yesterday estimated that liquidation of the transit system would yield stockholders not less than $10 a share.

This presumably is a net figure, after an estimated cost to the company of about $5 million for removing streetcar tracks and repaving the streets.

Neutral sources place the yield to stockholders at more than $16 a share and base their estimate on figures in the company's balance sheet as of December 31, 1954.

Stockholders' equity is put at a conservative $20,967,912 figure. Less the $5 million cost of track removal, there still would be an equity of nearly $16 million.

Divided by the 960,000 outstanding shares, this would mean that shareholders should realize about $16.66 a share.

Of the remaining equity of $16 million, the Wolfsons still own approximately a 28-percent interest, or a neat $4.4 million.

As previously reported, the Wolfsons in their 5 years of CTC management already have reaped more than $5.3 million in dividends and sale of stock, while still holding a 28-percent interest in the company. All this came from an original investment of $2.2 million in 1949.

In other words, that means they received a little more than a million dollars a year on an initial investment of two million two hundred thousand dollars.

Mr. Oliver further says:

Liquidation of the company would be right up their alley. Their 28-percent interest in CTC at current market value is worth about $2.7 million—but in liquidation about $4.4 million.

Neutral sources also point out that the book value of CTC assets probably is far under what actually could be realized in liquidation.

In liquidation, observers emphasize, properties such as the M Street headquarters building and land, plus bus garages, would bring a fancy price in today's real-estate market.

Liquidation apparently has been an objective of the Wolfsons for many months.

Back in the spring of 1954, the Florida financier was quoted by a Senate subcommittee as follows:

I have a responsibility to see that stockholders of Capital Transit Co. get a fair return.

Evidently the magnanimous Mr. Wolfson did not consider 48 percent a year a fair return to him and his fellow financial wizards, for he said:

If there is no fair return then I will have to take other action to protect their equity. If necessary, I will even go so far as to liquidate the company. I will protect the shareholders within the limits of the law, in spite of anything—including Congress and the Public Utilities Commission.

Mr. President, the autobiography which Mr. Wolfson has thus supplied should facilitate our task of appropriately appraising him and his responsibility for the troublesome transit problem which he has created and which we are striving to solve.

An able investigator for the Interstate Commerce Commission gave timely warning that Wolfson and his associates were utterly destitute of experience in operating a public utility of the Capital Transit Company type. One of the Wolfson spokesmen made it as "plain as way to parish church" that the cardinal purpose of those whom he represented was to obtain satisfactory dividends, and that his principals were not greatly concerned about the welfare of the people of the District of Columbia.

The proposal in the bill to revoke the transit company's franchise is in strict accordance with the condition upon which it was granted. The right to revoke is unquestioned; the proved necessity for revocation is overwhelming.

Please mark the prediction. If the Congress fails to solve the transit problem before it adjourns, it will find when it reconvenes next January, that the streetcars and buses are still in "mothballs," and that the people are still without bus and streetcar transportation. Let it be well remembered that notwithstanding the Wolfsons' 48-percent yearly profit, they stubbornly refuse to negotiate any increase of compensation for their employees, except upon the outrageous condition that all the expense of any increase granted be borne by the

taxpayers and none of it by the company under Wolfson control.

Let me vigorously dissent to the feebly made charge that labor is, or has been, at fault in relation to the transit company's discontinuance of service.

A few days ago, under cross-examination which it was my privilege to conduct in cooperation with the distinguished Senators MCNAMARA, MORSE, CASE, and BEALL, Louis Wolfson, the supreme commander of his controlling group, testified that the company's employees "certainly are entitled to an increase in their compensation." Nevertheless, as previously shown, he refused to bargain or even negotiate with these deserving employees regarding this very question. During the cross-examination, Mr. Wolfson was asked whether the company employees were faithful. He answered, "They are the very best in this whole country." Mr. Wolfson thus gave the employees an unconditional certificate of perfect conduct and unlimited merit.

If the Wolfsons had agreed to bargain collectively in the manner generally recognized and approved by both capital and labor, the present distressing strike never would have occurred. The only reason that it was not settled long ago was made clear by Mr. Wolfson during his cross-examination when he answered in the negative the simple question, "Will you sit down with Mr. Bierwagen and try in good faith to reach a collective bargaining agreement which would enable transportation service to be restored?"

Mr. President, the Wolfson organization, by deliberately and notoriously failing to provide transportation in the District of Columbia, has become a continuing scourge to the community. The convenience, necessity, prosperity, progress and happiness of the people of Washington and the surrounding territory demand that the Wolfson financial wizards be promptly expelled from the Nation's Capital as the wicked Tarquins were expelled from ancient Rome. The bill before us provides the means, and the only means, of translating this most desirable consummation into reality. The hour of deliverance is at hand. Senators, let us rise to the occasion and, by passing the bill, render a lasting, priceless service to a million faultless, suffering men, women and children of the District of Columbia, and thus demonstrate anew that in a contest between the people on the one hand, and the forces of exploitation, pillage and plunder, on the other, the United States Senate may be confidently depended upon to support and serve the people every time.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that there may be a quorum call without the time being charged to either side, if there is any time remaining.

The PRESIDING OFFICER. The proponents have 10 minutes and the opponents have 1 minute remaining.

Mr. KNOWLAND. Mr. President, with the understanding that the time shall not come out of either side, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered. The proponents of the bill have 10 minutes remaining; the opponents have 1 minute remaining.

Mr. ERVIN. Mr. President, I yield 2 minutes to the senior Senator from Oregon.

Mr. MORSE. Mr. President, in closing my argument on the bill, I wish to thank sincerely the Senator from Michigan [Mr. MCNAMARA], the Senator from New Jersey [Mr. CASE], the Senator from Maryland [Mr. BEALL], and the Senator from Maine [Mr. PAYNE] for the great help they rendered to the subcommittee.

I thank also the Senator from West Virginia [Mr. NEELY], chairman of the full committee, and the Senator from Colorado [Mr. ALLOTT], a member of the full committee, for the many constructive suggestions which they gave to the subcommittee.

This has not been an easy task, but I am satisfied that as a result of the cooperation we have received from our colleagues, we have brought to the Senate today, in behalf of the Commissioners of the District of Columbia, a bill for which the Commissioners have asked to enable them to perform their governmental duties in the District of Columbia, and to provide the many thousands of suffering people of the District with the transportation service they need.

Mr. ERVIN. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The remaining time of the proponents has been yielded back.

The opponents have 1 minute remaining.

Mr. KNOWLAND. Mr. President, if there be no request for the 1 minute, I yield it back.

The PRESIDING OFFICER. All time on the bill has been exhausted. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. NEELY. Mr. President, let me, as the chairman of the Committee on the District of Columbia, proclaim my gratitude to the able Senator from Maryland [Mr. BEALL], the ranking minority member of the committee, for his generous cooperation, and to the distinguished Senators MCNAMARA, MORSE, and CASE for their faithful, efficient subcommittee service in conducting the hearings on the bill, and in skillfully helping to pilot it through the Senate this afternoon.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had passed, without amendment, the following bills and joint resolution of the Senate:

S. 464. An act to authorize the Secretary of the Interior to issue patents for certain lands in Florida bordering upon Indian River;

S. 535. An act to provide for the conveyance to the State of North Dakota, for use as a State historic site, of the land where Chief Sitting Bull was originally buried;

S. 878. An act to amend the act extending the exterior boundary of the Uintah and Ouray Indian Reservation in the State of Utah so as to authorize such State to exchange certain mineral lands for other lands mineral in character;

S. 1051. An act to amend section 8a (4) of the Commodity Exchange Act, as amended;

S. 1167. An act to amend the Soil Conservation and Domestic Allotment Act;

S. 1187. An act to amend section 5221 of the Revised Statutes, relating to voluntary liquidation of national banks;

S. 1210. An act to amend the Public Buildings Act of 1949 to provide a 5-year limitation on the period of leases of space for Federal agencies in the District of Columbia;

S. 1340. An act to authorize the conveyance by quitclaim deed of certain land to the Brownsville Navigation District of Cameron County, Tex.;

S. 1391. An act granting the consent of Congress to the States of California and Nevada to negotiate and enter into a compact with respect to the distribution and use of the waters of the Truckee, Carson, and Walker Rivers, Lake Tahoe, and the tributaries of such rivers and lake in such States;

S. 1512. An act to amend section 107 of title 28 of the United States Code so as to eliminate separate divisions and reduce the number of places of holding regular terms of the United States District Court for the District of Nebraska;

S. 1577. An act to amend the acts granting the consent of Congress to the State of Connecticut, acting by and through any agency or commission thereof, to construct, maintain, and operate toll bridges across the Connecticut River;

S. 1758. An act to amend the Bankhead-Jones Farm Tenant Act, as amended, to modify, clarify, and provide additional authority for insurance of loans;

S. 1965. An act to repeal a particular contractual requirement with respect to the Arch Hurley Conservancy District in New Mexico;

S. 2198. An act to extend the period of restrictions on lands belonging to Indians of the Five Civilized Tribes in Oklahoma, and for other purposes;

S. 2253. An act to reemphasize trade development as the primary purpose of title I of the Agricultural Trade Development and Assistance Act of 1954;

S. 2277. An act authorizing the Administrator of General Services to convey certain land to the city of Sioux Falls, S. Dak., for park and recreational purposes, for an amount equal to the cost to the United States of acquiring such lands from the city;

S. 2297. An act to further amend the Agricultural Adjustment Act of 1938, and for other purposes;

S. 2403. An act to authorize the dual employment of custodial employees in post office buildings operated by the General Services Administration, and for other purposes;

S. 2511. An act to amend the Agricultural Adjustment Act of 1938 as amended;

S. 2573. An act to amend the rice marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended;

S. 2630. An act to facilitate the establishment of local self-government at the communities of Oak Ridge, Tenn., and Richland, Wash., and to provide for the disposal of federally owned properties of such communities; and

S. J. Res. 82. Joint resolution to authorize the Secretary of the Interior to execute a certain contract with the Toston Irrigation District, Montana.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 1235. An act for the relief of Vera Gregovich Kenter;

H. R. 4544. An act for the relief of Andrew Carrigan;

H. R. 4643. An act for the relief of Mrs. Lee Shee Yee (also known as Lee Lai Koon);

H. R. 5082. An act for the relief of Mrs. Koto Nakagawa;

H. R. 5913. An act for the relief of Mock Jung Shee (Mock Jung Liu);

H. R. 6994. An act to provide for entry and location, on discovery of a valuable source material, upon public lands of the United States classified as or known to be valuable for coal, and for other purposes;

H. R. 7245. An act to amend Public Laws 815 and 874, 81st Congress, which provide for assistance to local educational agencies in areas affected by Federal activities, and for other purposes; and

H. R. 7588. An act for the relief of Jane Edith Thomas.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles, and referred to the Committee on the Judiciary:

H. R. 1235. An act for the relief of Vera Gregovich Kenter;

H. R. 4544. An act for the relief of Andrew Carrigan;

H. R. 4643. An act for the relief of Mrs. Lee Shee Yee (also known as Lee Lai Koon);

H. R. 5082. An act for the relief of Mrs. Koto Nakagawa; and

H. R. 5913. An act for the relief of Mock Jung Shee (Mock Jung Liu).

ASSISTANCE TO FEDERAL PERSONNEL AND MEMBERS OF ARMED FORCES IN EXERCISING THEIR VOTING FRANCHISE

Mr. GREEN. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on the bill (H. R. 4048).

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H. R. 4048) making recommendations to the States for the enactment of legislation to permit and assist Federal personnel, including members of the Armed Forces, and their families, to exercise their voting franchise, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. GREEN. Mr. President, the bill, as it passed the House on April 24, 1955, repealed all the provisions of the Act of September 16, 1942. When the House bill was passed by the Senate, on July 20, 1955, the Senate adopted an amendment which would retain title 1 of the act of September 16, 1942, in effect. To this amendment the House has now disagreed.

I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer pro tempore appointed Mr. GREEN, Mr. GORE, and Mr. CURTIS conferees on the part of the Senate.

THE FEDERAL ELECTIONS ACT OF 1955

Mr. HENNINGS. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a short statement I have prepared concerning the Federal Elections Act of 1955 (S. 636), together with several articles and editorials taken at random from the Nation's press and periodicals.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HENNINGS

Mr. President, I would like to say a few words on a subject of the highest concern to each Member of this body. My remarks will be brief, but they will not be final; for I shall have much more to say on this subject in the future.

Mr. President, the statesmen who drafted the Constitution of the United States 168 years ago intentionally and deliberately established a republican form of government. They believed that such a government could best promote the greatest good for all the people. History has proved them correct. But history has also proved that this Republic will be preserved only if we constantly struggle to reduce and defeat the evil forces which frequently appear among us. The history of progress in this country is a chronicle of such struggle.

The character and soundness and integrity of a Republic is completely dependent upon the continued maintenance of a free system of elections. A Republic cannot function effectively unless the election of its public officials is a matter of free choice, uncorrupted and uncontaminated by venal influences of whatever kind and description. On the whole, our country has been blessed with honest elections, but this fact can be attributed to the innate fairness of our people rather than to the character of our Federal election laws. These laws, at best, are inadequate for the task they should accomplish. At worst, they are so fashioned as to breed and encourage deception, dishonesty, and corruption. They have needed revision for many years, and frequent attempts have been made to revise them. In the past, all such attempts have failed.

This session of Congress has witnessed the latest attempt to revise these laws—an attempt which has made considerable progress, more progress than has been achieved in three decades. It is my hope and my belief that this attempt will succeed in the second session of this Congress, and I assure the Senate and the country that I shall continue to press for the enactment of this law which is so sorely needed. Last January 21 I introduced a bill (S. 636) to revise and modernize Federal laws relating to corruption in elections. On January 26 a companion bill (H. R. 3139) was introduced in the House of Representatives by Representative STEWART UDALL, of Arizona. Hearings have been held on this measure in each House of this Legislature, and an amended bill has been reported favorably to the Senate by the Committee on Rules and Administration. For good and sufficient reasons, in view of the widespread desire for adjournment at the end of this month, floor action on the bill has been deferred until the second session of this Congress. At that time Congress will be called upon to take decisive action on this measure. I trust that action will be favorable.

There is little point in my describing once again the weaknesses and shortcomings of existing laws. On several occasions I have discussed these in this Chamber. Next year, I will again comment on this subject in detail. For the moment, I will be content to point out that in my 5 years of service on the Subcommittee on Privileges and Elections, and during my 2 periods as chairman of that group, I have discussed existing laws with many persons familiar with the subject; in those 5 years, I have never heard a single defense of existing law. I have heard much criticism of these laws, but absolutely no commendation. Opinion regarding the character of existing law has been unanimously condemnatory. Never have I seen such agreement on the defects of any legislation. Honest differences of opinion as to precisely how these laws should be changed may well exist, but there can be no disagreement concerning the need for revision.

Mr. President, until an adequate election law is adopted, every elected Federal official in this country will continue to occupy his seat under a cloud of suspicion and distrust. Every elected official must continue to feel that to many people he is a suspect individual pursuing a questionable career. For the truth is that in the United States a political career is looked upon with a skeptical eye. Because of the obscurities and inadequacies of existing laws, there is a general belief that politics are corrupt and venal; that money is the determining factor in matters political, and that success in elections depends upon the amount of money in a candidate's "war chest." All of us know that these beliefs are unsound, and that they have little basis in fact. But still they do exist. In a public-opinion poll last spring, more than 75 percent of the parents polled disclosed that they would never wish their children to pursue a political career. If this discouraging attitude is to be combatted (and the future of our country requires that this be done), action must be taken to demonstrate to the people that our profession is an honorable one—and an essential one. We must enact laws which will assure that the true role of money in elections is revealed to the people. We must enact election laws that will sweep away the many misconceptions which exist concerning politics, and which will correct the evil situations which do occasionally arise. S. 636 suggests such a law.

I can well understand the reluctance of many persons to support a revision of existing Federal election laws. There is always a natural hesitancy against disturbing any status quo. Although all of us would agree that present laws are unequal to their assigned task, too many of us are inclined to feel that any change may react to our disadvantage. I can understand such attitudes. I can appreciate the honest reasons which underlie them. But I believe that a thorough study of the proposed revision will demonstrate the fact that this law, if enacted, will assist every officeholder and every section of the country, since it will increase the respect and confidence in Government which is possessed by the American people. And I can assure my colleagues that in the end our reluctance will be swept aside by a rising tide of popular indignation. Such has always been the case.

The history of the suffrage in our country has been a record of popular demand for increasingly representative elections, in the face of reluctance on the part of Congress. Decades were required to effect a system of direct election of Senators, but eventually the 17th amendment was enacted. It required almost a century to produce what is generally described as "universal suffrage," but in the end it came. One hundred and twenty years passed by before the first Federal Corrupt Practices Law was adopted—but eventually the law was passed. However, this law was inadequate for the task it was designed to accomplish, even at the time it was enacted. Reform of this law has been needed, and has been advocated, for more than 30 years. Every attempt to achieve such reform has failed because of the reluctance of incumbents of elective offices, but eventually reform will occur. Sooner or later Congress will enact a modern

election law such as is proposed in the present bill. I hope, and I trust, that such a law will not require an additional 120 years. In this era of rapidly increasing invention and discovery, I should think 30 years of inadequacy would be sufficient to convince us of the need for a better law. Congress did not take final action this year; next year the demand for reform will be even greater. If Congress does not act next year, the 1956 elections will demonstrate vividly the need for reform. I do not know when reform will occur, but I am positive that eventually reform is coming. Pressure for action will continue to mount, until the American people are provided with adequate and modern election laws. The people are entitled to know how much money is spent in elections, how it is spent, and by whom it is furnished. The people will insist on this right. I trust that my colleagues will reflect on this fact between now and the first of next year. To indicate the extent of the support for revision of the election laws, I ask unanimous consent to have inserted in the RECORD at the conclusion of my remarks, articles and editorials selected at random from the Nation's periodicals and newspapers.

In conclusion, I wish to mention my full realization that no single step can produce the good we all seek. Enactment into law of S. 636 or a similar bill will substantially improve the state of politics. However, the ideal political situation will not be attained until most of our people participate in political affairs in a real manner. To further assist in achieving that end, I recently introduced a bill (S. 2302) to allow political contributions to be deducted from gross income for tax purposes. I do not believe that such a measure will increase contributions in small amounts solely because of the fact that a contributor may save a few dollars in taxes. I rather feel that placing political contributions on a plane of equality with contributions to religious, charitable, and fraternal causes will serve to dignify and ennoble the field of politics. It will demonstrate vividly that politics is an honorable and a necessary activity. It will indicate that this Government truly understands and appreciates the essential role which political parties play in our society. It will encourage more people to participate in political activity by contributing money; and when more of our people participate financially in such activity more of them will participate in other ways, for they will become interested in all aspects of politics. This end, together with realistic reform of the corrupt practices laws, will alter fundamentally the nature of American politics, and will assist in the attainment of the goal we all seek—a political system truly representative of the people, and free from any taint of corruption or criminality.

[From the New York Times of April 8, 1955]

IN THE NATION

(By Arthur Krock)

IT CAN'T ALL BE BLAMED ON TELEVISION

WASHINGTON, April 7.—Next Tuesday Senator HENNINGS, of Missouri, will open hearings before his Subcommittee on Privileges and Elections in an effort to get fuller disclosure of the amounts spent in the process of choosing the holders of elective Federal office. He calls the present accounting laws unrealistic, inadequate, and antediluvian. To these terms he could add "grossly deceptive," because only an indeterminate part of the money raised and spent is ever acknowledged to Congress.

Congressional Quarterly has just completed the task of compiling partial spending statistics of the 1954 Federal elections from the more than 1,000 reports the laws require. These show that on the record about $13.7 million was spent to elect the 84th Congress. But there is no doubt that spending illegally concealed, and that which need be reported only to State authorities, amounted to many millions more. When it is noted that the cost of primary campaigns is not accounted for (in some parts of the country these are the conclusive contests) a fair speculation is that the $13.7 million represents but part of the spending, perhaps the lesser portion.

The high cost of television, to which most candidates now resort, provides one of the reasons why the midterm spending reported to Congress in the 1950 Federal election was $10.9 million as contrasted with $13.7 in 1954. But that is only a contributory cause of the excessive electoral splurges which Senator HENNINGS apparently hopes may be checked by the public shock of fuller revelation.

The compilation by CQ

The statistics compiled by Congressional Quarterly are the more startling because of the inadequacy of the reporting laws. So in considering the following figures it should be borne in mind that much more was spent in each instance:

In 1952 the electioneering costs reported were $17.5 million in the presidential race, $5.6 million in the contests for Congress.

Republican groups accounted for $7,251,590, and Democrats for $3,798,413 in the 1954 congressional elections. Democratic candidates were most of those assisted by the $2,057,613 disbursed by 41 union labor committees. And primary contests are not included.

In 5 Senate races in 1954 $50,000 was the minimum sum reported. The unsuccessful Republican in Rhode Island and two assisting committees spent $105,255.59 to $13,638.30 in Senator GREEN's behalf. Senator Guy Cordon, defeated by RICHARD L. NEUBERGER in Oregon, was the beneficiary of $141,264.01 paid out by 30 committees and 4 individuals, and for NEUBERGER a spending of $87,652.64 was reported. In Illinois the total was $66,626.75; in New Jersey, $64,151.99; in Michigan, $58,523.97. And of these 3 States only in New Jersey was more spent for the Republican than for the Democratic candidate.

Senators RUSSELL, of Georgia; ELLENDER, of Louisiana; EASTLAND, of Mississippi, and JOHNSON, of Texas, reported no expenditures in getting reelected. SPARKMAN, of Alabama, ERVIN, of North Carolina, SCOTT, of North Carolina, and MCCLELLAN, of Arkansas, reported spending, respectively, $100, $100, $50, and $37.50. But ELLENDER, SPARKMAN, and MCCLELLAN had to overcome strong primary opposition, the cost not required for accounting to Federal authorities.

Ohio led New York

New York carried off the doubtful honor of housing the district—the sixth, Queens—in which the second largest outlay in the Nation was recorded for the choice of a representative. This amount was $38,596.24, with the defeated Republican candidate the beneficent object of almost $34,000 of it. First place was won by the spenders in the ninth district of Ohio, who reported to Congress the total of $42,639.42.

Of the 96 political committees which made the required reports to Congress, 27 listed contributions of $1,000 or more from individuals. The Republican grist from 738 high contributors was $1,434,084.30, the Democratic was $418,900 from 244. But these totals are especially misleading because the Hatch Act limit of $5,000 is merely on what may be given to 1 candidate or 1 committee by 1 individual.

Senator HENNINGS proposes several reforms. He would include primary costs; require congressional accounting from all committees active in campaigns for Federal office (only those operating in two or more States are now covered by the law); and require written authority from a candidate for a committee to operate in his behalf. He wants to raise the widely disregarded spending limits imposed on candidates for Congress and the $3 million limit now fixed for the official national political committees. Representative BOGGS, of Louisiana, has advocated another set of increases to the same purpose.

Both would uncover the local political committees which currently need not report their spending to Congress. Hence, in HENNINGS' words, the Federal law merely lends false respectability to a social abuse.

[From the St. Louis Post-Dispatch of April 15, 1955]

HIGH COST OF RUNNING

Filled with recollections of campaigning against a better financed opposition, Oregon's Senator RICHARD L. NEUBERGER is warning of new difficulties in the high cost of reaching public office. His concern is with the relatively short presidential campaign implied by the lateness of the Republican nominating convention in San Francisco.

Short campaigns generally have been regarded as desirable. A few weeks of intensive effort ought to be enough to explore issues and to examine candidates. Senator NEUBERGER points out, however, that the picture has been changed by money and television. With far more funds for the buying of radio and TV time, he says, the one party might sweep to a 1956 victory over the other in a political blitzkrieg.

Candidates of both major parties ought to have roughly the same opportunities to reach the same voters. Here no precedent should be seen in the story of David and Goliath.

This is one point on which European democracy is ahead of ours. The cost of filling an office is regarded as part of the cost of government. So with varying safeguards against abuse, the public treasury allots funds for candidates' expenses. American customs are so different and American campaigns are so extensive that the adoption of this principle seems unlikely.

Yet as Senator NEUBERGER now suggests and as others have suggested before him, it might find a limited application—and just in this new and costly field of radio and television campaigning. The air waves are public property. Private interests are licensed to use them for the public good. So Congress could require all radio and TV stations to set aside time for campaign appeals in accordance with a fair formula.

But if even this seems too radical, there is a principle which Congress has adopted and which it is being asked to make more realistic. This is putting a ceiling on campaign expenditures and disclosing the sources of campaign funds. The present ceilings are unrealistically low, but it is the easiest thing in the world to top them—and without any legal liability. Under these circumstances, money can become a major factor in deciding an election.

A safeguard, however, is readily available. It is the adoption of Senate bill 636, introduced by Senator HENNINGS, of Missouri. This offers a formula for reasonable ceilings. It recognizes present-day costs, yet would keep one party from having an insurmountable money advantage. Further, it assures full publicity—twice before election day—for all contributions so that if money is to play a role it must do so openly. The Hennings plan would advise the voter of the sources of campaign money and enable him to form an opinion of its implications.

Here is a proposal which is simple and fair, and which introduces no new principles into American campaign financing. Since Senator NEUBERGER is by no means the only man in Washington apprehensive on this score, will Congress take advantage of a nonelection year to control what could become

an open scandal and—what's worse—a threat to true democracy?

[From the Toledo Blade of April 15, 1955]

WATCHING $100 MILLION

One of the most horse-and-buggyish laws on Federal books today tries to halter national political campaign expenditures. Its latest revision, the Hatch Act of 1940, was found so feeble when first tested that its own sponsor pleaded for its repeal. Now Senator THOMAS HENNINGS, of Missouri, has introduced a bill which would make sense out of legislation that has become a laughingstock among politicians.

Present law limits a candidate's campaign expenditures for the United States Senate to $25,000. Former Senator Robert A. Taft admitted campaign activities on his behalf in 1950 probably cost between $600,000 and $700,000.

The law limits expenditures by a national political committee to $3 million. The last presidential campaign cost both parties something like $75 or $85 million, and estimates are that in 1956 the outlay will top the $100 million mark.

The law limits individual contributions toward a Federal candidate or a national committee to $5,000. Yet individuals have been known to shell out as much as $125,000 to a political party during a single campaign.

The trouble with existing law is threefold. It tries to place ridiculously low limits on campaign expenditures at a time when costs—particularly in the age of television—are necessarily high. It does not effectively regulate total party or candidate expenditures because so many political, private and "nonpolitical" organizations spring up to do battle for their favorites. It does not demand adequate accounting and publicity for money which is spent.

Senator HENNINGS proposes a formula which would raise national committee spending to a current maximum of about $12 million. He would permit Senators in the more populous States to spend up to $250,000. Similarly, some Representatives could legally spend up to $25,000, 5 times as much as at present.

These or similar proposals may go through, since parties and candidates have nothing to lose (in most cases) and something to gain by them. But other reforms which are considerably more important will certainly be fought by those with a stake in keeping the people in the dark.

Under the Hennings bill, every political committee which works for a candidate for Federal office would have to report how much it spent and where the money came from. Individuals spending over $100 would have to report, also. And no committee could receive or spend money for political purposes without the approval of the candidate.

Provisions such as these would let the public know a lot more about that $100 million due to be spent in 1956. They would not tell the whole story, since this is an area which rivals the income tax as a stimulus to circumvention. But if most of the information required by the bill were made public before elections, parties and voters alike would do their job with more discretion.

[From Labor's Daily of April 16, 1955]

HENNINGS HITS OUTMODED FEDERAL ELECTION LAWS

WASHINGTON.—What's wrong with Federal laws governing campaign expenditures of candidates for Congress?

They are "inadequate and antediluvian," say Senator THOMAS C. HENNINGS, Jr., Democrat, Missouri, as reported by Congressional Quarterly. They are inadequate, he maintains, because they do not require full disclosure of all spending for electioneering, and outmoded because they set unrealistic ceilings on permissible expenditures.

HENNINGS is chairman of the Senate Subcommittee on Privileges and Elections, which opened hearings Tuesday on his proposed Federal Elections Act of 1955. Among those invited to testify were the chairman of the Republican and Democratic National committees.

Whether the reforms proposed by HENNINGS will get the approval of a majority of his colleagues in the Senate and House is another matter. The Federal Corrupt Practices Act, adopted in 1925, and the Hatch Political Activities Act, passed in 1939, were criticized from birth, but Congress has yet to alter them in any basic respect.

FULL DISCLOSURE PROPOSED

Major changes proposed by HENNINGS are:

Campaign costs in primary elections, now excluded from Federal regulation, would be included, as amounts both to be reported and to be weighed in determining whether a candidate had exceeded legal spending limits.

All committees active in campaigns for Federal office would have to file financial reports. Only political committees active in two or more States are now required to file.

No committee could operate without the written authorization of the candidate for whom it was acting. Although not required by Federal law, this feature is embodied in Florida's law.

Spending limit for senatorial candidates would be raised to $50,000, or the sum obtained by multiplying 10 cents by the total vote cast for that office in the last primary or general election, but not more than $250,000. This limit would govern total spending, including that of committees, but it would apply separately to primary and general elections. Present limit for Senate races is $10,000, or the sum obtained by multiplying three cents by the total number of votes cast for that office at the last general election, but not more than $25,000.

Spending limit for House candidates would be raised to $12,500, or the sum obtained by the 10-cent formula, but not more than $25,000. Present limit for House races is $2,500, or the sum obtained by the three-cent formula, but not more than $5,000.

TWELVE MILLION DOLLAR LIMIT

The Hennings bill also would raise the present $3 million limit placed on the spending of natural political committees, such as the Republican and Democratic National Committees and their Senate and House campaign committees. The new limit would equal the sum obtained by multiplying 20 cents by the total vote cast for President in any one of the last three elections. With a vote of more than 61 million in 1952, this formula would raise the committee spending limit above $12 million.

Another spending limit proposal has been submitted to the 84th Congress by Representative HALE BOGGS, Democrat, of Louisiana. The Boggs bill differs in several respects from the Hennings measure and its identical House bill which was introduced by Representative STEWART L. UDALL, Democrat, of Arizona.

BOGGS would fix the national committee limit at $10 million, and hold the limit for senatorial candidates to $50,000 and for House candidates to $5,000. However, neither of the latter limits would include committee spending.

There is little question that major loopholes in the present law permit candidates and their supporters to spend sums far in excess of the limits now imposed. The increasing cost of political campaigns, particularly in the use of television, has forced politicians to seek legal means of evading the intended limits. Chief device employed is the local political committee, which need not report to Congress. As a result, says HENNINGS, Federal law now serves "merely to lend a false air of responsibility and respectability."

[From the St. Petersburg Times of April 16, 1955]

BETTER CAMPAIGN SPENDING LAWS HAVE ONE GOAL: BETTER GOVERNMENT

Election campaigns in Florida and the Nation may cost less as the result of proposals now before the Legislature in Tallahassee and Congress in Washington.

At least, if the proposed laws are enacted, the State and Nation will have a more complete and accurate idea of what is being spent to elect Congressmen.

FLORIDA PROPOSALS

Two proposals at Tallahassee serve to strengthen the now-famous Florida who-gave-it-who-got-it law, passed by the 1951 legislature and based on a series of Times articles highlighting the high cost of running for office in Florida. One would make it mandatory that all contributions, including those of the candidate himself, be listed. The other would define enforcement powers in event of suspected violation. Both are needed to make better an already good law. The need for the contribution amendment was exposed in the 1954 congressional race when WILLIAM C. CRAMER, Republican, reported expenditures in excess of contributions.

FEDERAL PROPOSALS

In Washington, two bills regarding congressional campaigning are under study. One bill by Senator THOMAS C. HENNINGS, Democrat, of Missouri, would correct what he calls "inadequate and antediluvian" Federal laws. It calls for full disclosure of all spending for electioneering and for more realistic ceilings on expenditures. HENNINGS would limit spending by senatorial candidates to $50,000 or the sum obtained by multiplying by 10 cents the total vote cast for that office in the last primary or general election, but not to exceed $250,000. The present limit is $10,000 or the sum obtained by multiplying 3 cents by the total number of votes cast for that office in the last general election but not more than $25,000. Spending for House candidates would be raised to $12,500 or the sum obtained by the 10-cent formula, but not more than $25,000. The present limit is $2,500 or the sum obtained by the 3-cent formula. The Hennings bill also would raise the present $3-million limit placed on national political committees, including the Democratic and Republican national committees and their Senate and House campaign committees. The new limit would equal the sum obtained by multiplying 20 cents by the total vote cast for President in any 1 of the last 3 elections. With a vote of 61 million in 1952, this formula would raise the committee spending limit above $12 million.

Another spending limit proposal has been submitted to the 84th Congress by Representative HALE BOGG, Democrat, of Louisiana. He would fix the national committee limit at $10 million and hold the limit for senatorial candidates to $50,000 and for House candidates to $5,000. But his bill, unlike the Hennings bill, would not include committee spending.

LOOPHOLES MUST BE CLOSED

All agreed there is little question that major loopholes in the present law permit candidates and their supporters to spend sums far in excess of the limits now imposed. Increased cost of political campaigns, particularly in the use of paid television, has forced politicians to seek legal means of evading the intended limits. The chief device is the local political committee which need not report to Congress. For instance,

a Congressional Quarterly survey of all spending reported to Congress to elect the 84th Congress shows a total of $13,700,000. Most observers agree, however, that as much or more spending either was not reported or was reported only to State authorities.

But even on the basis of reports to Congress, the 1954 congressional election was the most expensive since 1948 when Congressional Quarterly first tabulated returns.

A HAPPY MEETING GROUND

Somewhere between the Hennings limitations and the Boggs limitations on congressional races there should be a happy meeting ground. The committee limitations of $12 million proposed by HENNINGS and the $10 million proposed by BOGGS, seem too high. The problem, of course, is finding a limit that would fit all States. Naturally a campaign in New York or California, by the nature of the size of the State and voters to be reached, would cost more than a campaign in Nevada or Rhode Island.

Chairman Paul Butler, of the Democrats, believes the limit should be raised to at least $6 million, and Chairman Leonard Hall, of the Republicans, said the $12 million under the 20-cent plan should be enough "to get along with." In 1954 the Republicans reported spending $7,251,590 against a Democratic report of $3,798,413. The Congressional Quarterly survey showed that 41 labor committees spent $2,057,613, of which the Democrats were the chief beneficiaries. Independent groups and candidates accounted for another $546,621.

The Florida law puts no limit on expenditures, going on the theory that listing of all contributions and expenditures is a deterrent in itself to big spending by groups that have an ax to grind. That same principle, with realistic limits, should be included in the national law.

OTHER PROPOSED CHANGES

HENNINGS has some other good proposals:

1. Campaign costs in primary elections, now excluded from Federal regulation, would be included, as to amounts to be reported and to be weighed in determining whether a candidate had exceeded legal spending limits.

2. All committees active in campaigns for Federal office would have to file financial reports.

3. No committee could operate without the written authorization of the candidate for whom it was acting. This is a good feature of the Florida law.

Better campaigns and less expensive elections will result if a good Federal law is enacted. It should make it impossible for a candidate or a party to buy an election. It should give a good candidate without money an even chance to compete with a poor candidate with money. Thus better government results.

[From the St. Louis Post-Dispatch of April 19, 1955]

TELEVISION COSTS AND CAMPAIGN FUNDS

(By Thomas L. Stokes)

WASHINGTON.—How much of a campaign asset—and necessity—television has come to be regarded is being emphasized directly and indirectly in current Senate privileges and elections subcommittee hearings on the bill sponsored by Senator THOMAS C. HENNINGS, JR., Democrat, of Missouri, for revision of existing laws regulating campaign expenditures.

The cost of television is listed high among the heavy and increasing expenditures that political managers feel are essential to get their cases before the public. There is general agreement that professional politicians appearing before the subcommittee that television costs are now fixed items in campaign budgets and must be considered in any laws fixing a limit on campaign expenditures.

That, of itself, attests to the importance now attached to getting politics and political candidates on the TV screens in the homes.

DEMOCRATS HAVE LESS MONEY

In this comparatively new field for politics there can be special advantages on one hand, and disadvantages and discriminations on the other, depending upon the plenitude or lack of money to pay for television time. That raises basic questions of equality of treatment.

Democrats, who traditionally have less money to spend in political campaigning than Republicans and regularly spend less as records over the years reveal, are especially concerned about how extensively they will be able to use television in future campaigns, including the 1956 presidential campaign.

Aside from the matter of cash to pay for time, of which they foresee they will have less than their opponents, Democrats are conscious that control of radio and television already is in comparatively few big units and that the country is in an era of mergers in all sorts of business and industry.

MORE FREE TIME ON AIR?

Democrats talk privately of the possibility of difficulties in getting their story told as completely as fairness demands if the control of communication facilities, including television, should get into the hands of fewer and fewer persons who might not be too kindly inclined to economic doctrines supported by the Democratic Party.

These dangers may be mere imagingings, but the fear of them is reported here because it is discussed so frequently among Democrats.

This fear has an expression in suggestions, made before the Senate subcommittee as they have been elsewhere in recent months, that the big chains assign more free time for campaign speeches during the period of presidential campaigns so that political organizations less favored financially can get closer to an even break with the public.

Both parties, as we know, are trying to shorten the campaigns, at least that is the purpose of setting both conventions later than previously.

Reporters who have covered national campaigns closely know the difficulties met—even by presidential candidates on the Democratic ticket—in financing radio and television time.

STEVENSON AT CLEVELAND

Recalled by this reporter was an episode in the Adlai Stevenson campaign of 1952. About 6:30 in the early evening the word came through the campaign train, then traveling in Ohio toward the end of the campaign, that Governor Stevenson's speech at Cleveland about 3 hours later would be televised, instead of being carried only on radio.

This was because he was replying to a speech attacking him and some of his aides by Senator JOE MCCARTHY, which had been televised the night before and paid for by a group that included wealthy Texas oilmen.

We learned later what had been necessary to get the Stevenson speech televised. Campaign assistants had got on the telephone during the afternoon to contact persons who might contribute to finance a televison half hour for the Democratic candidate. Enough was pledged on the cuff to pay for the speech.

DEWEY'S TIME AND TRUMAN'S

Then arrangements were made for television time. The arrangements were completed so late, however, that it was impossible to get an announcement in the newspapers or a spot announcement on radio.

President Truman was on even leaner fare, campaign expensewise, in 1948. Still vivid is the contrast between his campaign and that of Gov. Thomas E. Dewey, of New York, the Republican candidate, especially in the West where this reporter traveled, alternately, on both campaign trains.

Governor Dewey had frequent State, regional, and national radio hookups. President Truman had but very few, and on those occasions campaign aides would get on the telephone and round up enough angels to finance them. It was a hand-to-mouth campaign, financially speaking.

Harry Truman did win, as you recall. So, perhaps Democrats are more worried about a fair break on television in the next campaign than they need to be.

[From the St. Joseph (Mo.) News-Press of April 20, 1955]

TO CURB SMEARING

Missouri's Senator THOMAS C. HENNINGS, Jr., is chairman of the Senate Privileges and Elections Subcommittee. He is currently holding hearings on his own bill (S. 636) directed toward the modernization of Federal laws on campaign spending.

But Senator HENNINGS also wants provisions on scurrilous campaign literature tightened. In the April 12 hearing he denounced "the dirty money, the under-the-counter money" that helps finance defamatory literature in campaigns. The Missourian believes that any candidate should be held responsible for literature circulated during his campaign.

Bipartisanship threads its way through efforts to curb or bar smears from political campaigns, or to establish penalties for smearing, or to establish that smearing be considered grounds for either the House or the Senate to refuse to seat a Member. The late Senator Robert A. Taft had suggested that direct misstatements of fact in a campaign might be made punishable by payment of civil damages to the injured party.

Some campaigns have gotten far out of hand on the subject of defamatory literature, whispered innuendo, and "doctored up" pictures. And as false as these tactics are they plant a seed of thought in the public's mind. Some measure to curb such despicable practices should be adopted. In search of same, the Hennings committee will continue to study this problem at regular intervals through April 27.

[From the Kansas City Star of April 21, 1955]

ELECTION SPENDING CONTROLS

It has been common knowledge for years that restrictions on spending in Federal election campaigns were both inadequate and usually ignored. While the laws designed to govern the activity are obsolete, it is recognized that effective control would be difficult even if the statutes were revised and otherwise brought down to date.

A Senate Subcommittee on Privileges and Election is at work on proposals to tighten up and modernize the statutes. Chairman HENNINGS, of Missouri, has pointed to the need by showing that in numerous cases the Federal regulations have been openly flouted, with little or no attempt at enforcement. It is hardly a situation that creates respect for laws in general.

One explanation is that the spending restrictions go back to the days before television and take no account of the expenditures it requires or of the present higher costs of virtually everything because of inflation and a decline in the value of the dollar. Thus, a legal maximum of $3 million for national committees in a presidential campaign is completely inadequate. The chairmen of the two national committees recently stated that the amount should be double the present figure or more.

Present maximum limits of $5,000 for a candidate for the House and $25,000 for a senatorial candidate are equally meaningless and frequently disregarded in practice along with the $3 million restriction. So

the limitations for congressional candidates would be made $25,000 and $250,000.

Another complication has arisen from the difficulty or the failure in controlling the expenditures of local and State committees. A person complying with the Federal restriction against contributing more than $5,000 to a national committee may give several times that amount to State and local committees. Also, Federal restrictions against corporation gifts do not apply to labor organizations and other groups.

Senator HENNINGS indicates that he and other members of his committee are determined to see what can be done to remove present loopholes in the law and to establish a better system of control. They ought to have the support of political leaders and of every citizen or group in that endeavor.

[From the Newark (N. J.) Evening News of April 26, 1955]

MONEY AND SMEARS

In advance of 1956, the Senate Elections subcommittee is exploring some much-explored territory.

It is searching for means to "modernize" Federal laws on campaign spending which, in many respects, are as unrealistic as State laws and as widely ignored.

Still better, this committee, under Senator HENNINGS, Democrat of Missouri, also is intent upon curbing or outlawing scurrilous campaign smears of the type that disgraced New Jersey last fall.

Money and smears are aspects of American politics that have long engaged investigating committees, Federal and State, without effective result.

Who believes, for example, that the $3 million ceiling placed on election expenditures of national committees represents the true cost of a presidential campaign? Closer estimates run to a $100 million.

On a State basis does anyone suppose that a going campaign for United States Senator or Governor, in contested primary or general election, could be had for the merger $50,000 allowed by New Jersey's election law? Existing Federal and State "limitations" would hardly be a down payment on television, radio and advertising bills. The result is subterfuge.

Ultimately, Congress and assorted legislatures may take the hypocrisy out of laws governing campaign spending, and presumably inquiries such as that by Senator HENNINGS will help speed the day.

The other objective of the Hennings committee, the introduction of campaign morality, is the more emergent. No State has had more bitter or recent experience with the election smear than New Jersey.

The dark brand of stuff used against Senator Case and his sister last fall has kept this State intermittently in the national press and magazines as a horrible example ever since.

There is an Election Law Study Commission abroad in the State. It seems to us that it could, like the Hennings committee, devote some thought to protecting candidates for office against the specialists in malice, smear and slander who, when caught, wring hypocritical hands and try to pretend their dirty work was a "public service."

[From the Washington Post and Times Herald of June 2, 1955]

HOW TO FINANCE CAMPAIGNS

About 67 percent of the people, according to a recent Gallup poll, agree with Senator HENNINGS that the laws on campaign spending should be tightened. A large majority of those expressing an opinion believe, quite rightly, that the present limits on campaign expenditures are broadly ignored. They want a law that will be respected. What many do not realize is that the present restrictions can never win respect, for the reason that campaigns in the 1950's cannot be conducted for the small sums allowed. Even the most economical campaigns cost many times the $3 million allowed for national committees, the $10,000 to $25,000 allowed senatorial candidates, and the $2,500 to $5,000 allowed congressional candidates.

One of the major purposes of Senator HENNINGS' bill before a Senate Rules Subcommittee is to boost these obsolete limitations. He would allow national committees to spend up to $12 million, senatorial candidates up to $50,000 or 10 cents per vote cast in the last election, and candidates for the House up to $12,500 or 10 cents a vote. Even these new limits, however, are far out of line with what many candidates and political committees have found to be necessary to get the issues adequately before the people. In a large State an active candidate using radio, television, and air travel is almost certain to spend $250,000 or more. Some estimates place the cost of the 1952 presidential campaigns as high as $100 million. These vast expenditures are an emphatic argument for practical steps to shorten campaign periods along with other efforts to reduce political costs. Realism compels the acknowledgment, however, that such reforms will take some time to accomplish on a meaningful scale.

Meanwhile, a great deal could be done, in our opinion, by shifting the focus from the price tag alone to the source of campaign funds. Effective democratic contests require liberal use of television, radio, printing, telephone, and similar facilities to inform the people. There is no evil in the use of money for these purposes, unless the effect is to leave the winning candidate under questionable obligations. The frightening thing, as pointed out by Philip L. Graham, the publisher of this newspaper, in a speech at the University of Chicago last night, is that so much of the financial support for political candidates comes from the underworld, special-interest groups, and people expecting to be rewarded by public positions. At present candidates are virtually forced to rely upon these sources for want of any other.

Mr. Graham cited a Gallup poll showing that only 1 family out of 20 made any political contribution in 1954. Yet, 33 percent indicated that they would have given $5 if they had been asked. If 16 million families gave $5 each for the support of candidates of their choice this would mean a total of $80 million to finance the 1956 campaigns. Such an outpouring of funds for political purposes from the rank and file would do more to undercut the special interests and favor-seekers than any law Congress could pass.

The country needs a better Corrupt Practices Act with realistic limits on campaign spending. But the best way to beat corruption is to finance good candidates through small contributions from the rank and file. A skillfully planned movement of this kind should bring about a double rejuvenation of democracy at the grassroots.

[From the Washington Post and Times Herald of June 9, 1955]

THESE DAYS

(By George Sokolsky)

HIGH COST OF ELECTIONS

When an election costs too much, it gives the appearance, if not the substance, of being bought. The British are aware of this and have laid down ground rules that are rigidly obeyed.

The costs of elections are higher here, but they need not be so high as to invalidate the principle of freedom of choice. No one can even estimate the cost of an American general election.

The figures that are reported are a small fraction of the expenditures. Not only is cash passed "under the table," but numerous nonreporting committees, foundations, and educational divisions of labor unions expend money for political purposes.

The Fund for the Republic, for instance, has become engaged in political operations. But it is not the only sinner, in the sense that tax-free money is used for purposes termed educational but actually designed to affect votes.

Philip L. Graham, publisher of the Washington Post and Times Herald, in a speech in Chicago recently called attention to conditions which deprive politicians of self-respect. He said:

"We maintain an official lie about political expenditures. We do this by having a Federal law which limits expenditures by a candidate for Congress to a maximum of $5,000, by a candidate for the Senate to $25,000, and by a national political committee to $3 million. Now a Senator, even in a small State, cannot run for $25,000 and in a State like Illinois he cannot run for $250,000. But the law remains on the books, the myth is maintained by a series of long-practiced manipulations and evasions, and so we force the able man entering politics to launch his career with an initial act of blatant hypocrisy. And to endure this indignity every time he runs again."

It is estimated that the 1952 Presidential campaign cost somewhere in the neighborhood of $100 million. The exact figure will never be known. The official reports showed $17,500,000. The high cost of television is going to raise the true 1956 figure above that of 1952.

A candidate may with the best of intentions enter upon a campaign, hoping to avoid expenditures which amount to many times his salary for his entire term. He may believe that once he is in office, he can change the world. His first great compromise is that to win he has to spend money and his managers will get the money where they can.

A congressional committee, headed by Senator THOMAS C. HENNINGS, JR., of Missouri, is at work on this problem. Graham suggests that one solution could be if large numbers of citizens made small contributions. This is a moral solution designed to make the election honest by removing the necessity for going to racketeers or special interests for money.

In addition, campaigns should be of short duration. With the advantage of radio and television, 3 weeks ought to be ample. Maybe the candidates would be more serious about their speeches if they made fewer of them. All collateral organizations, committees, etc., should be required to report every detail of expenditure, and the punishment for failure to report ought to be very severe.

Unless something is done about our elections, they will cease altogether to represent the choice of the people. They will be bought elections, the office going to him who can spend the most money on radio and television. Already candidates go to instructors who teach them how to act on television. We do not want to elect television actors; we want to elect men who we expect to be competent administrators and legislators.

[From Labor of June 11, 1955]

LET YOUR MONEY TALK IN ELECTION CAMPAIGNS

Labor is glad to add its voice to those of the Senators and Congressmen who this week welcomed an extraordinary and constructive speech by Philip Graham, publisher of the conservative Washington Post and Times Herald. That speech, entitled "How To Finance Political Campaigns," has a message which points out two steps vital to preservation of our democracy.

As Graham says, it takes a lot of money to run election campaigns and such expenditures are rising all the time. It makes a big difference where candidates get that

money. At present far too much of it comes, openly or secretly, from dubious sources. Graham lists them as follows:

"1. The underworld: The sums raised by gangsters are much larger than anyone imagines. In 1949, for example, it was reported to our newspaper that the numbers-game operators in Washington had raised $100,000 to be spent against 2 Senators who tried to investigate local gambling. The illegal horserace wire service makes millions every year, has survived every sort of attempt to break it up, and clearly is a large source of political funds.

"2. Special-interest groups: This includes the array of individuals and organizations which have something to gain from Government. So important is this source of funds that it is practically impossible to find any Senator or Congressman who has not lost his freedom of decision in some particular area.

"A recent addition to this special-interest group," Graham says, "can be found among some foreign governments. Part of our foreign aid has come back to us in the form of political contributions.

"3. The hopefuls: They are the people who contribute in expectation of receiving high public office. This, to a large extent, explains why in the 1954 election less than 1,000 people contributed $1.8 million—more than one-fifth of the amount reported by both major national political committees.

"So dominating is the need for political money," Graham adds, "that this outright sale of positions of public trust is accepted."

What can be done about these democracy-destroying evils? Graham discusses two remedies:

First, Congress should drastically amend the Federal election laws, as proposed in a bill sponsored by Senator HENNINGS (Democrat, of Missouri). This bill would bring more of the campaign money raising and spending out in the open, by raising the legal limits on the amounts which can be spent, and by providing penalties for secret contributions and spending.

Under the present election laws, Graham points out, "we maintain a boldfaced, official lie about the cost of political campaigns and the amounts of contributions."

Second—and even more important than the Hennings bill—Graham declares, is finding some way to raise enough honest, untainted money to permit politicians to run for office without becoming obligated to corrupt or selfish forces. Such money can come only from the people themselves, as individual citizens and too few of them are awake to the need.

According to a Gallup poll, Graham recalls, "only 1 family out of 20, and only about 1 individual American out of 100, made any political contribution in 1954."

Gallup also put this question: "If you were asked to do so, would you give $5 to the party you prefer?" Thirty-three percent of the families—about 16 million families—said "Yes." A little over half said "No," and about 13 percent had no views.

"Now, $5 from 16 million families equals $80 million, and even a fraction of that amount of new, untainted money would revolutionize American politics," Graham says. "Moreover, it is ridiculously defeatist to assume that the other 66 percent of our families cannot be convinced of their obligations of good citizenship.

"The problem then," Graham declares, "is how to convince millions of Americans of an obvious fact—that good citizenship requires contributions by each individual to the party or candidates of his choice."

Graham is right, and we would like to add just one more suggestion. Organized workers are more fortunate than most other folks, because they have a sure way to make their political contributions count for their own good and the good of the whole country.

They have such voluntary organizations as the AFL League for Political Education and Railway Labor's Political League. They put before their members the facts about candidates and their records. These facts speak louder than the campaign propaganda paid for by wealthy special interests.

By all means do what Graham urges—contribute to the party and candidates of your choice. But you'll be able to choose them better if you get the facts from your labor political league. So contribute to it also.

Unless workers take a bigger hand in politics in this and other ways, they may soon find themselves barred from effective participation in politics. A sign of that came during this week's Senate discussion of Graham's speech.

While other Senators were praising the speech, Senator BARRY GOLDWATER, rich and reactionary Arizona Republican, rose and sounded a discordant note. He said organized labor is the special interest most to be feared in elections. He urged passage of legislation forbidding workers and their voluntary political groups to raise or spend campaign funds.

Such a bill has been passed in Wisconsin, is before the legislatures of Michigan and several other States, and has even been proposed in Congress. Why do legislators elected by the people dare try to take from free born American workers their political rights?

Graham has pointed out the reason: Special interests contribute the campaign funds, while too many workers and other people don't help the candidates who are their friends.

[From the St. Louis Post-Dispatch of May 10, 1955]

CAMPAIGNING OVER THE AIR

In suggesting that radio and television stations be required to make a certain amount of free time available to candidates for public office, Miss Frieda Hennock, member of the Federal Communications Commission, was not bringing up a brand-new idea.

Appearing before the Senate subcommittee which is holding hearings on Senator HENNINGS' bill to rationalize campaign expenditures, she said that existing legal provisions do not really meet the difficulties raised in campaigning by air. If one candidate buys time for a political speech, the law requires a station or network to give his opponent the opportunity to purchase equal time. Yet 1 man or 1 party may have money enough to buy hours and hours of radio or TV time while the opposition's purse may be so lean that it can provide almost no time at all.

Since the air waves are public property and since elections are serious public business, Miss Hennock says, it would not be unfair to ask those licensed to use the air waves to allow a reasonable use of their facilities as a contribution to the democratic process of holding free and fair elections.

A spokesman for the Columbia Broadcasting System promptly opposed the suggestion as "unsound, unwise, and unworkable." This may be rather sweeping, but Senator HENNINGS himself has made no "free time" proposal in his bill. He wants campaign expenditures put under a more realistic limit—roughly 20 cents per voter—and all such spending reported even before election day. This would be a great improvement on existing regulations, which set no real limit, since they permit so much political spending which need not be reported.

But a spending ceiling which is adequate in this TV age is not an automatic guaranty that even both major parties may be able to raise the permitted sum even in a Presidential year. As long ago as 1907 Theodore Roosevelt was worrying about this problem. He suggested campaigns at public expense—as they are conducted in Europe. So the question may yet come up whether the Government should pay for campaign radio and TV time, or make its contribution a condition to licensing stations. But before letting any hair turn gray over that, the Hennings proposals ought to be adopted and tried.

[From the Washington Post and Times Herald, June 13, 1955]

TELEVISION FOR CANDIDATES

Dr. Frank Stanton, president of the Columbia Broadcasting System, has raised a highly significant question about the regulations governing the use of television in national political campaigns. CBS will give free television time to presidential candidates of the 2 major parties in 1956 for a series of Lincoln-Douglas type debates—provided that there is a modification of the requirement of equivalent free time for all other candidates. Such an offer, if it was made feasible by proper amendment of the law, undoubtedly would be repeated by the other networks. While the availability of some free time would by no means eliminate the need for paid political programs on television and radio, it certainly would help reduce to more manageable proportions costs that keep both the Republican and Democratic National Committees begging for funds.

The key point, of course, is to retain essential safeguards while modifying section 315 of the Federal Communications Act, which stipulates that if a network gives free time to one candidate it must extend the same privilege to all other candidates for the office. Section 315 was adopted for a reason of fundamental importance—to prevent rank political favoritism on federally regulated airwaves. It has prevented this favoritism, however, by freezing out much of the national political discussion that otherwise would take place on radio and television. Because it obviously would be impossible to extend free time to each of the 18 candidates for the Presidency in 1952, most of whom polled a mere handful of votes, there was for practical purposes no free television and radio time on the national level.

Obviously there would be need for great care in amending the regulations so as to preserve the principle of impartiality. In this respect the specific amendment proposed by Dr. Stanton is deficient, for it would raise the possibility of favoritism for one candidate through repeated appearances on panel discussions or other public-affairs type programs at the discretion of the networks. The aim ought to be to preserve the equal-time principle for serious contenders while affording greater flexibility in format.

What could reasonably be done, it seems to us, would be for Congress to amend the Federal Communications Act to recognize that the country has two major parties. Certainly the law should not discriminate against the possible rise of new parties on a national basis. But Congress could fairly provide that the free-time principle on the presidential level would extend only to parties that polled, say, 1 million votes each in the last Presidential election or that could muster 200,000 or 300,000 signatures on a petition. In this way the public interest in equal free time for parties with a national following could be met without placing the vegetarians or prohibitionists on a par with the Democrats and Republicans.

As this newspaper views it, three broad avenues are open for reform in controlling campaign expenditures. The first is in more realistic limits on political outlays and more rigorous reporting of contributions, as provided in the Hennings bill in the Senate. The second is in greater public participation in campaign financing through much more widespread individual contributions. An im-

portant third is in bringing television and radio regulations up to date with political realities.

[From the St. Louis Post-Dispatch of June 6, 1955]

THE COST OF BEING ELECTED

Realism in controls over presidential and congressional campaign spending has been brought a step nearer with advancement of a bill sponsored by Missouri's Senator HENNINGS that would modernize the Federal laws against corrupt practices in elections. The measure, approved by the Senate Subcommittee on Privileges and Elections, now goes to the full Senate Committee on Rules and Administration where it should receive the speedy recommendation that it merits.

In speaking of the two principal laws that the measure would supplement, the Corrupt Practices Act of 1925 and the Hatch Act of 1939, Mr. HENNINGS points out that they are "hopelessly unrealistic" as they do not regulate nor control and "scarcely begin to touch the subjects which they were intended to cover." Strong as that criticism is, it is correct.

In the last presidential campaign, the national committees spent the pennies and the various and sundry volunteer committees spent the greenbacks. And there were from 5,000 to 25,000 separate committees working and spending on behalf of the 2 candidates, according to Representative BOGGS, of Louisiana, who was chairman of the House committee that investigated the sky-high campaign costs of 1952. No wonder the two major parties were estimated to have spent close to a total of $100 million on the campaign.

The Hennings proposal would remedy this situation by preventing a committee of any kind from operating without authorization of the candidate. It also would cover all Federal elections, including primaries and conventions. Yet the measure takes into account the high cost of vote getting in this day when candidates appear over television instead of on a stump. Today's $3 million limit on spending by national political committees would be altered by a formula that would increase the limit to $12 million in 1956. The limits on Senate and House contests would be proportionately raised.

The high cost of campaigning probably will continue to be a general characteristic of politics in the United States but it should be possible to mitigate the present evil with the reforms proposed in the Hennings bill.

[From the New Orleans Times-Picayune of June 15, 1955]

LIMIT CAMPAIGN MONEY

A Senate elections subcommittee approval of a bill to control and limit campaign expenses of national and congressional candidates is a reminder that it is high time to take some effective action on election expenditures.

Existing law does not actually limit outlays in the Presidential election. National committees can spend only about $3 million but any number of State and subsidiary political organizations can spend up to the same amount each on the campaign. In this situation money can become the deciding element in the election of national officials.

The Hennings bill (approved by the subcommittee) would put an overall ceiling of about $12 million on spending for a presidential nominee. All expenditures, except of a minor sort, would have to come within that maximum. It would become a criminal offense to spend money on a candidate without his permission—a good provision provided that it does not apply to individuals acting alone and without the advice of a political club, group, or organization. Individuals have rights that Congress or anyone else should not try to take away from them as long as they are acting completely "on their own."

The $12 million ceiling would be no hardship, since neither party admits spending that much in past elections. Active Republican organizations admitted expenses for the 1952 presidential election of $9,700,000; Democrats, $5,082,000; labor groups, $2 million; miscellaneous groups, $1 million. Thus the proposed ceiling would easily allow for several millions of unreported spending.

The important thing in holding down the "power of money" in the national election is to get all organization or group expenditures reported and see that they come within the overall limit.

Probably Congress ought to relieve itself of the detail of keeping up with campaign money. It might do that by having a supervisor, under civil service, to gather the facts, make the reports, and recommend the prosecution of violators.

The new bill sets a limit of $50,000, or 10 cents a voter, for Senators; $12,500, or 10 cents a voter, in their districts, for Representatives.

Congress has a chance to set a good pattern for States to follow in setting up election-expenditures control. It ought to do so.

[From the Detroit News of June 17, 1955]

SPENDING GAG

The true worth of the Hennings bill to limit political campaign spending is found not so much in new and realistic ceilings as in its enforcement provisions.

Senator HENNINGS proposes raising the $3 million limit on presidential campaign budgets to $12 million. At the same time, he would hold any Federal candidate personally responsible for violation of the code. This provision is made possible by another, which would impose criminal penalties on those spending in behalf of a candidate without his consent.

There lies the correction for evasions which make present Federal campaign limits meaningless. The presidential candidate and party officers now may spend $3 million while any number of other groups, of which he is intentionally or innocently unaware, may organize and spend like amounts for him. There is no enforceable limit.

Leaders of both parties have scoffed publicly at the suggestion that a presidential campaign costs under $3 million; yet their reports show conformity with the law.

Adoption of the Hennings bill, with its enforcement machinery intact, could have a salutory effect on the 1956 campaign. In Oregon, where Senator MORSE, Republican-turned-Independent-turned-Democrat, is running, Republicans are talking of a $250,000 campaign pot. Democrats may match that figure.

But the Hennings bill would provide a $50,000 limit on senatorial campaigns in smaller States. In larger States, the limit would be 10 cents for each vote in the preceding primary, amounting to about $63,700 in Michigan on the basis of 1954 figures. Here it should go far to settle the perennial dispute over contributions by both corporations and unions.

For the public, an advantage greater than any yet debated could derive from the Hennings bill. The public careerist, precluded by enforceable law from hysterical campaign spending, might have to fall back on a good public record as an attraction at election time.

[From the Louisville Courier-Journal of June 19, 1955]

CLEAN MONEY FOR CAMPAIGN COSTS

Senator HENNINGS' bill to permit more spending in election campaigns, now approved by the Senate Rules Committee, moves in the right direction. It would increase the present unrealistic $3 million limit on party expenditures in a national campaign to about $12 million—based on an allowance of 20 cents for each vote cast in any of the past 3 presidential elections. Congressional candidates could spend 10 cents for each vote cast in their State in the last primary or election, with minimums of $12,500 for House Members and $50,000 for Senators. The present limits are $2,500 to $5,000 for House candidates, $10,000 to $25,000 for senatorial candidates. The new arrangement would permit a New York senatorial nominee to spend as much as $700,000, and would greatly increase the permissible spending of all candidates.

In addition, the Hennings bill would limit total individual contributions to all committees and candidates to $10,000 (it is now $5,000, but individuals can and do contribute to as many committees and candidates as they wish). It would extend the limitations to primary and preconvention expenses, and it would require stricter accounting and reporting of all donations.

Political campaigns cost money, and money must be provided if they are to achieve the democratic objective of reaching the people. They cost more every year, thanks to the urgent need and the expense of using television, radio, the airlines, and the railroads, and the printing press. The higher limitations and the stricter accounting required under the Hennings bill are a realistic concession to need and to the public's right to know who is footing the bill, and we hope Congress will enact the bill into law.

But both major political parties can do far more than any law to improve a perennially troubling situation—the problem of where the money comes from and what political strings may be attached to the larger donations. It is a frightening fact, as publisher Philip L. Graham of the Washington Post and Times Herald has pointed out, that much of the financial support for political candidates comes from the underworld, special interest groups, and people expecting reward of public positions.

What the parties can do—and what the Democratic Party in 1952 made a notable beginning toward doing—is to accept Mr. Graham's advice that they finance good candidates through small contributions from the rank and file. The 1952 Democratic scheme started too late to be properly tested, but a Gallup Poll has shown that, while only 1 family in 20 made any political contribution in 1954, fully a third of those polled would have given $5 had they been asked—a reasonable finding, we believe, and one which if projected into 1956 could net the parties $80 million or more from millions of small contributors and end the too great reliance on the big givers.

Those we would still have, at least some of them, and properly so as long as the Nation refuses to heed Theodore Roosevelt's advice that political campaigns be paid for with public funds. But their proportionate importance would be democratically diminshed, and the tightening-up provisions of the Hennings bill would shed more light on all campaign spending. The combination should go far toward destroying the farcical bookkeeping and reporting of 1952, when reported electioneering costs came to only $17.5 million in the Presidential race and $5 million in congressional contests, whereas most political scientists, and street-corner accountants as well estimated the costs of the two national campaigns alone at $80 million or more.

[From the St. Louis Post-Dispatch of June 20, 1955]

HENNINGS BILL WOULD BARE VOTE FUNDS

(By Thomas L. Stokes)

WASHINGTON.—A continually fascinating aspect of the political show here is the discovery of the impact of economic influences

upon politics, those forces behind the scenes that are responsible for what the actors, the Members of Congress, do on the public stage.

It is partly to enlighten the voters about such influences that Senator HENNINGS, Democrat, of Missouri, brought forward his bill to revise existing laws on campaign expenditures, which now has been approved by the Senate Rules and Administration Committee. For that measure, among its other desirable aims, would require a public report of every cent contributed and spent in primary and general elections for nomination and election of candidates for Congress, and for the Presidency and Vice Presidency.

This would include collections by the multitude of special local, State, and national committees, often with fancy names, which now escape under existing laws.

WHO PAYS AND WHY

Under Senator HENNINGS' bill you would be able to learn who and what interests are paying toward the election of our national officials. This is important to know in watching Congress and judging what it does, whether the contributors be wealthy individuals, organizations like labor and farm groups, or business, financial, and industrial interests with particular objectives in legislation.

This look-see is offered as a result of the intense public interest generated in the attempt to get a bill through this Congress to exempt natural-gas producers from regulation by the Federal Power Commission.

After an exemption bill recently was approved by the House Interstate Commerce Committee by a narrow vote, 16 to 15, its sponsor, Representative OREN HARRIS, Democrat, of Arkansas, introduced a resolution to authorize the committee to investigate the transportation and distribution of natural gas as it affects the cost to consumers.

A WIDE INVESTIGATION

Mr. HARRIS and other supporters of exemption bills have become very sensitive to the consumer, who has raised such an uproar here against such bills. The Arkansas Congressman presumably wants to show what part of the cost of gas to the consumer is chargeable to those who transport and distribute it, as a way of taking the heat off the producer, who would be exempt from Federal regulation under his bill.

However, another committee member, the ranking Republican member, the veteran Representative CHARLES A. WOLVERTON, Republican, of New Jersey, says information is needed also about the producer, about his costs and how he determines his price for gas in the first instance, and also about the control and ownership of the natural gas industry.

So he has introduced an amendment to the Harris resolution for an investigation also of the producer.

An important part of the control story is, of course, how a few big oil companies who own the major part of our natural gas reserves have spent a million-and-a-half dollars for lobbying in Congress. Representative WOLVERTON stressed the ownership angle by inserting the veto message of former President Truman (April 21, 1950) which killed a previous bill to exempt producers.

THE FEW THAT COUNT

Mr. Truman pointed out that competition in the natural gas industry is limited, among other factors he cited, "by the degree of concentration of ownership of natural gas reserves."

He said, "While there are a large number of producers and gatherers, a relatively small number of them own a substantial majority of the gas reserves." The New Jersey Republican said it is necessary to investigate the producer to bring out this story.

His resolution called upon the Federal Power Commission to help with the investigation. This it can do, for it has detailed breakdowns of ownership of natural gas.

We might, for example, take the Phillips Petroleum Co., which was the company involved in the Supreme Court ruling a year ago that producers must be regulated by the FPC under the 1938 Natural Gas Act, a decision which the Harris bill would completely nullify.

ONE OF THE OIL GIANTS

In 1950, the Phillips company owned leases covering 8,757,452 acres, mostly in Arkansas, Louisiana, Mississippi, New Mexico, Oklahoma, and Texas, of which 841,451 acres were then developed.

On December 31, 1949, Phillips owned or controlled by contract 15.22 trillion cubic feet of proved gas reserves, in addition to huge oil reserves. In April 1950, it owned 4,380 miles of gas lines in 5 States through which a substantial part of the gas it produces moves, and also owned 25 natural gasoline plants, and a part interest in 10 others, 3 of which it operates.

This is one of the giants that control so large a part of the industry. All of them would be enriched lavishly by an increase in the price of natural gas which it is forecast will follow exemption from Federal regulation. This whole story ought to be brought out, as Representative WOLVERTON urges, for it is part of the bigger story of how we are governed, and by whom, and who is the piper that we pay.

[From the St. Louis Post-Dispatch of June 24, 1955]

FOR CLEAR CAMPAIGN FUNDS

Most politicians favor one feature of Senator THOMAS C. HENNINGS's proposed new campaign spending rules. They like the higher ceilings. These would spare national committeemen the necessity of pretending that, so far as they know, a $100 million campaign cost little more than the now legally sanctioned $6 million.

But some of them do not at all like the HENNINGS bill's provision for early and full reporting of every cent spent. They would rather have uncounted shadow committees spending uncounted dollars as the law now allows. But a man who periodically appeals for votes cannot say this frankly. The Republican minority on the Rules Committee, including Senator JENNER and Senator MCCARTHY, just calls the measure "cumbersome." It has nonetheless been reported favorably.

For those who believe their political spending is nobody's business, the mildest restrictions on slush funds must seem cumbersome. But the voter hardly sees it that way. Nor is he impressed by the argument that an accounting of funds locally collected for Federal office-seekers is an intolerable Federal invasion of local authority, and that a ban on spending not approved by the candidate would violate the constitutional rights of repudiated supporters.

As Washington Post and Times Herald publisher Philip L. Graham suggests, the sources of a campaign fund are even more significant than its amount. It is an old story that far too much campaign money comes from the underworld, special interests and favor-seekers. This is why men like Senator HENNINGS and Senator PAUL H. DOUGLAS of Illinois are now pushing for reforms just as President Theodore Roosevelt, President Taft, William Jennings Bryan and others did in the past.

Mr. Graham's answer to the problem is more novel but it, too, is not brand new. He urges $5 contributions by voters to the party of their choice. Beardsly Ruml asked just such gifts for Adlai Stevenson in 1952. The Post-Dispatch has more than once suggested that millions of individual $5 contributions—or even $1 contributions—could meet the need without the unsavory implications and obligations now forced on even the most honorable candidates. In 1952 a dollar from every voter would have given the Republican National Committee $33 million and the Democrats $27 million—enough for the shorter campaigns made possible by radio and television.

A poll shows that at least 16 million families are ready to make $5 contributions. Americans dig into their pockets for everything from the Community Chest to the recruiting of a better football team for Old Siwash. Surely many would respond to an honest political solicitation.

Congress can give impetus to a change in the raising of party funds. If it insists on adequate preelection publicity, few office-seekers will be tempted to dirty their hands.

[From the St. Louis Post-Dispatch of June 28, 1955]

TRYING TO SEPARATE POLITICS FROM MONEY

(By Thomas L. Stokes)

WASHINGTON.—Recently we have been hearing a lot again about the problem of political campaign contributions, as we do periodically—in particular about ways to curb large contributions from special interests. We know they are not motivated entirely by the spirit of sweet charity. They usually expect something in return in the way of favors from the Government, and such are not always in the general public interest.

Revived again also, as it is periodically, is a proposal to reduce dependence of political parties upon a few big contributors with axes to grind. This would be done by encouraging multitudes of small contributions from the party rank and file. This idea, in fact, was tried in the 1952 campaign by the Democrats, who cannot call upon as many big contributors as the Republicans. But, it got off to a late start and was a success only in a spotty fashion.

This was the plan devised by Beardsley Ruml, New York department store executive, for sale of Stevenson-Sparkman certificates for $5 apiece. They were in booklets that were distributed to volunteers who wanted to help raise campaign funds.

FOR ALL PARTY BELIEVERS

Each certificate carried on its back a message of thanks from Adlai Stevenson and Senator JOHN SPARKMAN, of Alabama, his running mate, and this sentiment which now has become the theme for broadening the base of campaign contributors:

"It is fitting that the expenses of a national election should be borne by all the people who believe in the party and its candidates."

On the theory that talking about getting more contributors to donate small amounts, or even nice messages of thanks from the candidates, may not be enough, a practical incentive is offered by Senator THOMAS C. HENNINGS, Democrat, Missouri. He has introduced a bill to permit deduction from income taxes of political campaign contributions up to the amount of $100.

HENNINGS FOR NEW CONTROLS

This, he says, is "designed to encourage greater financial participation by average citizens, with the hope that this, in turn, will stimulate increased participation in all other phases of political life." Thereby, he added, "we can reduce the reliance of political committees on contributions derived from special interests."

Senator HENNINGS, as you know, is sponsor of a comprehensive measure designed to strengthen present inadequate laws for regulating and controlling campaign contributions and expenditures and for assuring full and complete publicity for all contributions and contributors.

This reporter can recall an episode of several years ago involving the peculiar problem

of campaign financing now being discussed. At a secret session of the Republican National Committee a fervent appeal for adoption of some plan whereby the party could be financed by small, widespread, "grass-roots" contributions from the rank and file, was made by Representative JOSEPH W. MARTIN.

THE PEW-RASKOB DAYS

MARTIN is a veteran Massachusetts Republican leader, who is now Republican House leader. He was Speaker in the 80th Republican Congress, and also has served as chairman of the Republican National Committee.

At that time he deplored the dependence upon a few men of wealth and singled out for mention Joseph N. Pew, Philadelphia oil and shipping magnate, who bore the brunt of expenses of Republican National Committee headquarters here in Washington during the early part of the long period beginning in March 1933, when the Republicans were out of power.

Republicans were only copying a Democratic scheme. For the late John J. Raskob, General Motors magnate, had shouldered the financing of Democratic National Committee headquarters here after the 1928 defeat of Gov. Alfred E. Smith, of New York, whose campaign had been managed by Mr. Raskob who had, accordingly been chairman of the national committee.

ALMOST UP TO DU PONTS

A familiar practice still is for wealthy families to donate substantial amounts and at the same time comply with the law by dividing up contributions—now limited to $5,000 per person—among various members of the family, including in-laws and cousins.

This was the subject of a whimsical item in the latest issue of the Machinist, organ of the International Association of Machinists.

The Machinist explained that the union's entire political contribution in the last campaign, $50,310, or at the rate of about 8 cents per member per year, almost matched that of the Du Pont family, which was $51,500; and that if the rate had been increased to about 11 cents a member, it would have been as much as the contribution of the Rockefeller family, which was $66,000.

[From the Washington Post and Times Herald of June 30, 1955]

TAX AID IN CAMPAIGNS

Senator HENNINGS and Representative UDALL have demonstrated that there is something Congress can do about political contributions. The similar bills they have introduced in their respective houses permitting citizens to deduct contributions to political campaigns from their taxable income, up to $100, could bring about a most significant political reform. These bills are designed to encourage greater participation by the rank and file in the financing of political campaigns. In a broader sense they should help greatly to relieve candidates for public office from obligations to special interests and make them responsible to the people.

A wholesale exemption of campaign contributions from taxation could be an unmitigated evil. It could encourage wealthy people to pour large sums into political campaigns and thus defeat the purposes of the Corrupt Practices Act. But the $100 limitation in the Hennings-Udall bills eliminates this danger and throws the emphasis on small contributions. No public servant is going to feel any special obligation to a constituent contributing $100 or less to his campaign. And the multiplication of small contributions from many sources is one of the best ways of enhancing the feeling of a legislator or executive that he is indeed a representative of the people.

The bill ought to be enacted so as to make it effective in the 1956 campaign. As we have previously noted, political campaigns have never been so expensive as they are today. In some measure these expenses can and should be limited, but a self-governing people would be extremely unwise to deny to candidates for office the means of making themselves and their views known to the public. The simple fact is that government by the people is an expensive necessity, which must have financial support as well as sustained interest and alertness from the rank and file. Congress can aid the cause by making small political contributions tax exempt, as the Legislature of Minnesota has already done, but self-government can reach its full flower only when people recognize the obligation to support their party and their candidates as they now support their churches, and their fraternal, educational and charitable organizations.

[From The Kansas City Times of July 7, 1955]

CAMPAIGN SPENDING CONTROL

Election laws that have become obsolete or meaningless in practice obviously ought to be modernized and tightened up. The revision bill sponsored by Senator HENNINGS, of Missouri, is aimed at the needed reforms. Whatever the differences over certain provisions of the measure the principle of it is sound and ought to have attention.

The Hennings bill has been approved by the Senate rules committee after strong testimony in its support. It has encountered opposition by some Democrats and Republicans that may block or delay its enactment. Southern Democrats want no Federal interference with their State primaries which really are elections as everybody knows. Republicans want the labor unions barred from campaign spending as the corporations are.

These contentions should not obscure the basic reforms that are at stake. Notorious abuses have arisen under both the Hatch act and the corrupt practices act. Limits on campaign contributions are evaded or ignored. The restrictions themselves have been outgrown as campaign costs have mounted because of television and other advances of recent years. Consequences are that such restrictions as $25,000 and $5,000 for Senate and House candidates respectively have often turned out to be farcical in practice.

The Hennings proposal would make the maximum ceilings $250,000 and $12,500 in the two cases and provide workable restrictions in others. It would hold the national committees of the two parties to a strict accounting of amounts spent in relation to the State and local committees. As it is now the total money that flows into campaigns and the actual sources of the funds are largely matters of guesswork and all sorts of loose practices have arisen.

Chosen representatives of the people hardly can afford to close their eyes to the gross irregularities that now exist. Whatever the excuses their motives would be questioned. Senator HENNINGS is on the right track in his determination to keep at it until the needed reforms are achieved.

REFUND OR CREDIT OF INTERNAL REVENUE TAXES AND CUSTOM DUTIES PAID ON DISTILLED SPIRITS AND WINES

Mr. ERVIN. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1279, H. R. 5249.

The PRESIDING OFFICER. The bill will be stated by title, for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 5249) to amend the Internal Revenue Code of 1954 to provide for refund or credit of internal-revenue taxes and custom duties paid on distilled spirits and wines lost, rendered unmarketable, or condemned by health authorities as a result of the hurricanes of 1954.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from North Carolina.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. PURTELL. Mr. President, may we have an explanation of the bill?

Mr. PASTORE. The explanation of the bill is very simple. It is to reimburse persons who have bought internal-revenue stamps for liquor which had to be destroyed because it was contaminated as a result of the hurricane damage which was suffered in Rhode Island. Unless this situation shall be remedied, those persons cannot be reimbursed the money which they have already paid, and cannot recover it from the sale of the liquor, because the liquor was destroyed under regular governmental supervision.

Mr. PURTELL. I thank the Senator from Rhode Island. I thoroughly agree with the objective of the bill.

The PRESIDING OFFICER. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

HOWARD I. YOUNG, PRESIDENT, AMERICAN ZINC, LEAD & SMELTING CO.

Mr. SYMINGTON. Mr. President, I ask unanimous consent to have printed at this point in the RECORD an editorial entitled "The Case of Howard I. Young," published in the Joplin (Mo.) Globe of Sunday, July 24, 1955.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE CASE OF HOWARD I. YOUNG

People in this district naturally have been interested in recent publicity concerning Howard I. Young, president of the American Zinc, Lead & Smelting Co. He is a product of this district, sharing with Alton Jones, head of Cities Service, the honor of being our finest examples of smalltown boys who made good in the city.

Starting as a clerk with the important company he has now headed for so long, Howard Young has received almost every honor the American mining industry could offer, including the presidency of the American Mining Congress, a position he still holds.

It is understandable that a man who has received such convincing evidence of the trust of the leaders of his profession as to his ability, honesty, and integrity should have been astounded to pick up the newspapers recently and discover that a United States Senator, WILLIAMS, of Delaware, had made a speech in the Senate in which he reported that the head of the General Accounting Office of the United States suspected him, Young, of misconduct while acting as the nonsalaried Deputy Administrator of the Defense Materials Procurement Agency from 1951 to 1953.

The amazing thing is that such a charge should have been made and publicized without giving Young a chance to present his side of the matter. There is no room here to print the multitudinous details of the case as it progressed, including sizzling castigation of Senator WILLIAMS on the Senate floor by

Senator CAPEHART, of Indiana, for what he termed "character assassination" before hearing from the person accused. Suffice it to say that Young immediately asked for and did present his side of the case and that after he had done so it was obvious the charges were completely unreasonable and unfair.

In 1951, shortly after Young's appointment to the position with the Government as a dollar-a-year assistant, he visited this district and addressed mine operators in Joplin. Here is a brief excerpt from an editorial in this column following this visit:

"If district mining men had hoped a plan for generous subsidy of local mining operations would be announced for the DMPA by Deputy Administrator Howard I. Young, in his address here Friday night, they were disappointed. He made no such announcement. The best he had to say was that the matter of encouraging increased production is being studied and that he will do what he can, consistent with the best interests of the Nation at large, to promote the interests of the mining industry here and elsewhere in the country.

"Howard Young is one of the most capable and highly honored men of the Nation in the mining industry. In addition, he is a 100 percent American, earnestly devoted to the task in which he now has an important part—that of allocating critical mineral resources for America and the free world. It is encouraging to feel and believe that there are many men of similar high repute and sterling character engaged in cooperating for the Nation's safety and protection."

We reiterate this sentiment today. But it is self-evident that Uncle Sam will find it harder and harder to get capable business leaders to cooperate in Government operation if they are to be maligned without cause and without a chance to tell their story before absurd charges are given general publicity. It is a procedure idiotic on its face and unqualifiedly condemnable.

Mr. SYMINGTON. Mr. President, this citizen of Missouri, highly thought of by his friends and neighbors, as well as by his associates in his industry, formerly president of the American Mining Congress, was charged with wrongdoing by the General Accounting Office before he ever had a chance to present his side of the case to the GAO or to anybody, even though Mr. Young pleaded with GAO that he be allowed that normal Anglo-Saxon right.

After this right was denied him, Mr. Young was pilloried in the press.

Now it turns out that some of the accusations originally made in the GAO report against Mr. Young are admitted by the GAO to have been false.

There is also one accusation GAO reiterated in the paper this morning as true, which I have investigated and now declare to be false in implication.

The article in question, from the New York Times, read in part, as follows:

Mr. Eckert (Charles E. Eckert, Legislative Counsel, General Accounting Office) said the accounting office advised the committee Wednesday that "we were wrong" in contending that American Zinc or a subsidiary had sold machinery to the Mid-Continent Mining Co. after the procurement agency had loaned money to Mid-Continent.

But he said the charge that American Zinc had sold 1,167 tons of zinc to the stockpile in 1952 at a price of 1½ cents above the market price "still stands."

Now let us look at the facts:

American Zinc Co. was in the process of negotiating a contract with the Defense Materials Agency when it was in the Interior Department.

Those negotiations were completed and the contract was in process of preparation prior to Howard Young's coming with the Government.

The lawyers, however, did not complete the contract until approximately 20 days after Howard Young was appointed Deputy Administrator of the new agency DMPA—Defense Materials Procurement Agency.

The administrator signed the contract at that time. Mr. Young had absolutely nothing to do with it in that period of time. All the details had been completed.

The American Zinc. Co. proceeded to deliver under that contract. At the time the contract was made, the market price for zinc was higher than that quoted in the contract.

As deliveries were being made under the contract, the market price fell below the quoted price.

If these facts as given me by Mr. Young's former superior in Government are true, then this member of the GAO organization is guilty of base deception in his effort to further damage Mr. Young with false information.

If the above facts are true, the era of the General Accounting Office under the great Lindsay Warren has drawn to a close.

Apparently charges are now to be made without giving the accused an opportunity to present his position.

Charges now demonstrated false have been only partially retracted.

Here is a man who has devoted his entire life to the mining industry since the days he started work as a boy in western Missouri.

He had become an outstanding executive in this industry, respected in his community, respected nationally and internationally in his field.

Mr. Young had that asset prized by most citizens more than any other—belief in his integrity.

Overnight much of that asset has been besmirched, without giving him a chance to defend himself.

Mr. President, I do not judge the actions of either Mr. Young, his superiors in Government, or his subordinates. But I do believe that the way this man has been handled marks a new low in Government from the standpoint of justice and fair play.

Mr. WILLIAMS subsequently said: Mr. President, I ask unanimous consent that the statement I desire to make at this time be printed in the RECORD immediately following the previous remarks of the Senator from Missouri [Mr. SYMINGTON].

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILLIAMS. Mr. President, about 4 weeks ago the Comptroller General submitted a report dealing with certain activities on the part of the American Zinc, Lead & Smelting Co., of which Mr. Howard I. Young is president. In the report certain allegations were made, the principal one being that there was a possible conflict of interest in the case of certain contracts.

Since the report was submitted many statements have been issued to the press. Some of them have been contradictory of the report. The Comptroller General has subsequently issued corrections of some statements contained in the report, and, likewise, Mr. Young has made certain statements correcting his previous denials of allegations contained in the report. But the fact remains that, with all the corrections made, the Comptroller General still stands behind his basic conclusions as contained in the report, namely, that the contracts referred to were not in the best interest of the United States Government, that Mr. Young did take part in the negotiation of these contracts in which his company had an interest, and that the Government did lose practically all of its investment in at least two of these loans.

I thoroughly agree with the Senator from Missouri [Mr. SYMINGTON] that any American citizen has a right in connection with any such allegations affecting him, to have all the facts openly stated, not only for the benefit of Congress but also in order that the American people shall be able to draw their own conclusions.

With that thought in mind, I serve notice that on Monday I shall seek recognition for the purpose of reviewing the entire transaction.

Several other Members of the Senate have indicated their opinions on the report, and I request that on Monday they be present. That invitation is extended in particular to those unidentified Senators who have been quoted as having questioned the accuracy of this report. In my discussions I shall be glad to yield at any point.

Mr. President, I may say that I have great confidence in the Comptroller General, Mr. Campbell. I believe that in submitting the report he is trying to be objective.

Mr. Campbell has not withdrawn the basic conclusions set forth in the report. He has never charged Mr. Young with violating any law, yet there is a question of a possible conflict of interest and whether the Government's interest was properly protected.

Recently the President of the United States said that a Government official's performance cannot be judged solely on the basis of whether a law has been violated, but that, in addition, the ethics involved should be considered.

Mr. President, I ask unanimous consent to have the Comptroller General's statement of July 27, 1955, made before the Joint Committee on Defense Production, printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF JOSEPH CAMPBELL, COMPTROLLER GENERAL OF THE UNITED STATES, BEFORE THE JOINT COMMITTEE ON DEFENSE PRODUCTION

At the conclusion of the hearing of July 14 on the report of the General Accounting Office pertaining to the production and sale of zinc under the program for expansion of minerals production facilities, your committee directed that we confer with the other two witnesses at the hearing, Mr. Howard I. Young and his attorney, for the purpose of

cooperatively clarifying the answers to certain questions which had arisen at the hearing and on which we were not in agreement.

Our staff has met with Mr. Young and his staff a number of times and has had very helpful discussions pertaining to certain phases of the report and to certain statements made by Mr. Young at the hearing, upon both of which it is believed the committee will be interested in having information developed to this moment.

Mr. Young and his attorney, Mr. Lane, have pointed out two specific items in the report which they feel require correction. However, they have indicated there may be a number of others on which fuller explanation is in order; but we have not been furnished a list of the other items, nor has any language been offered as a suggested explanation.

We have discussed with them a number of specific points of Mr. Young's testimony, some of which are quite significant, which we think are erroneous.

While there are said to be a number of facts stated in the report upon which Mr. Young and Mr. Lane wish to furnish an explanatory or supplementary statement, and while we now feel there are numerous items of Mr. Young's testimony which seem to call for correction, we are told that the two items referred to by Mr. Young call for immediate revision. Likewise, we have fully developed two points of Mr. Young's testimony which seem equally to require immediate revision. In reply to Mr. Lane's request that the clarification on his two points issue forthwith, without waiting for a discussion of the other questions, we informed him at our last meeting, on July 22, that we would consider explanatory language on the two points, but felt that any statement issued at that time should include like explanation of errors we thought already established in Mr. Young's testimony. In reply to this suggestion we have now been informed by Mr. Lane that any such approach is unsatisfactory, and he has requested that we make immediate changes on the two points of special interest to Mr. Young.

In view of this attitude, which excludes other questions which we feel are of equal importance to the committee so that they may have all the facts, the further efforts to arrive at a cooperative statement are necessarily suspended, although we are quite ready and willing to take up the preparation of a full statement on all issues at the convenience of Mr. Young and his attorney.

In order that the committee may be fully apprised the four issues upon which it was attempted to get some measure of agreement (aside from the several points in the report which Mr. Young and his attorney say are subject to amplification, and the numerous other points of Mr. Young's testimony that we feel require revision) are as follows:

1. Sale of equipment: In the case of Mid-Continent, we stated that the proceeds of the Government's loan to the contractor were in part dissipated for the acquisition of certain mining equipment, which was not included in the plans at the time the loan of $325,000 was negotiated and which, accordingly, was not included in the contractor's budget. It was pointed out that the particular equipment was obtained upon the recommendation of representatives of Mr. Young's firm, American Zinc, Lead & Smelting Co. The next statement was to the effect that this equipment was bought from American Zinc.

While these statements were predicated on a letter from the president of Mid-Continent to General Services Administration, corroborated by other information we had, it now appears that the equipment was purchased from Western Machinery Co., but the fact remains that the use of this equipment was in the interest of Zinc, Lead & Smelting Co. since it held an interest in the process patent for the process used by the machine, rather than the title to the machine itself. Since the mine did not get into production, the royalty was not collected, and the only figures that can be furnished as to the amount involved are those derived from the usual rates collected by American Zinc, Lead & Smelting Co. for the use of the process. This is understood from Mr. Young to approximate 5 cents per ton. Based on the total claimed ore body, the eventual royalty would have approximated $15,000. The company has advised us that this collection is subject to certain division with 1 or 2 other coholders of the patent and that its share might not greatly exceed $3,000.

2. Freight: Statement was made in the testimony and the report that the arrangement for smelting in the American Zinc works near St. Louis was not in the Government's interest and discriminated against other smelters located at points closer to the mines. Mr. Young points out that for final delivery from the mines to stockpile in the St. Louis area, total freight charges applicable to slab zinc produced at American Zinc's plant would be slightly lower. However, his conclusion that this would result in a saving to the Government does not follow. The necessity for contract provision for delivery in the St. Louis area has not been established, since other Government stockpiles were located elsewhere, at least one of which was within a very short distance from an available smelter. Furthermore, the cost to the Government for slab zinc delivered to the stockpile from any smelter in the area apparently was the same as for delivery from East St. Louis, Ill., inasmuch as the Tri State smelters are in competition with those in the St. Louis area.

3. Mr. Young's testimony is quite firm and repeated to the effect that we did not interview him at any time on the subject of this report. The committee, it will be recalled, took occasion to question us at some length as to our procedure in that regard. In fact, it is our definite statement that Mr. Young and other officials of his company were interviewed on January 25, 1954. The questions developed background on the transaction and points of the connection between American Zinc and the borrower, Mid-Continent. It is not, however, represented that the particular issue as to the source of the heavy media separator was then discussed.

4. Mr. Young's testimony as to the direct contracts between American Zinc, or its parent company, and the Defense Materials Procurement Agency is very clearly and unequivocally to the effect that no such binding arrangements were entered into during his tenure as Deputy Administrator. This, of course, was erroneous, as he has now agreed, since two such contracts for the sale of zinc were entered into during this period. In at least one of such contracts it is evident the negotiations leading up to the contract may have antedated his appointment; but the contract itself was signed a month after the date of his acceptance of the position.

We are not aware of any other point contained in our reports or testimony on which any further elaboration by us is called for. However, there remain a number of important questions raised by the report itself and others from Mr. Young's testimony which do not seem to have been considered at the hearing.

The claims made before your committee to the effect that Mr. Young did not participate in the actions leading up to the granting of these loans reported upon is quite contrary to the plain facts of record as shown by the report, and if the committee wishes to examine this question a number of witnesses could, of course, be called to testify to the extent of that activity.

In any event, it should be emphasized that quite apart from any question of conflict of interest raised in the report, several serious questions remain for consideration; for example, what action, if any, is being considered to require realization upon the understanding of the American Zinc, Lead, & Smelting Co. to advance $75,000 toward this project; and (2) what basis there may be for any payment by the General Services Administration of further claims of upward of $100,000, comprising other debts owed by Mid-Continent to suppliers and others.

I personally have no reason to think that Mr. Young did not believe he was acting in good faith and well serving his country.

On the other hand, the investigation report under discussion does raise the question whether or not sound principles of public administration were exercised.

Mr. WILLIAMS. Mr. President, at this time I should like to read several paragraphs from Executive Order No. 10182, issued on November 21, 1950, by the then President of the United States, Harry S. Truman, outlining the rules under which these officials, such as Mr. Young, were employed:

PART I

SEC. 101. (a) The head of any department or agency delegated or assigned functions under the act pursuant to Executive Order No. 10161 of September 9, 1950, is hereby delegated the authority provided by subsection 710 (b) of that act to employ persons of outstanding experience and ability without compensation. The authority delegated by this subsection 101 (a) may not be redelegated.

I now read from part II:

SEC. 201. Any person employed under part I of this order is hereby exempted, with respect to such employment, from the operations of sections 281, 283, 284, 434, and 1914, of title 18, United States Code, and section 190 of the Revised Statutes (5 U. S. C. 99), except as specified in the following subsections:

(a) Exemption hereunder shall not extend to the negotiation or execution, by an appointee under this order, of Government contracts with the private employer of such appointee or with any corporation, joint stock company, association, firm, partnership, or other entity in the pecuniary profits or contracts of which the appointee has any direct or indirect interest.

(b) Exemption hereunder shall not extend to making any recommendation or taking any action with respect to individual applications to the Government for relief or assistance, on appeal or otherwise, under the provisions of the act made by the private employer of the appointee or by any corporation, joint stock company, association, firm, partnership, or other entity in the pecuniary profits or contracts of which the appointee has any direct or indirect interest.

I wish to say to the Senator from Missouri that I fully agree with him. We must be very careful to be objective in our criticism of any American citizen. I have tried to do so. I join with him in saying that I hope we can clear up this question to the satisfaction of all concerned on Monday.

Mr. SYMINGTON. Mr. President, I should like to emphasize that I am not discussing the merits or the demerits of the case of Howard I. Young. What I was discussing was the fact that Mr. Young pleaded with the General Accounting Office to be given an opportunity to present his case, after the investigation had started. Such opportunity was refused. The first thing he read

about it was in the newspapers. That is not the way the Government should be conducted, and I thought such action was reprehensible.

Mr. WILLIAMS. That point was dealt with in the Comptroller General's statement which was released last Thursday. The Comptroller General said, and Mr. Young agreed, that the General Accounting Office had discussed this investigation with him in January 1954.

I understand that Mr. Young took that position at first but has since remembered the conference. I leave that point for determination between the Comptroller General and Mr. Young. It has nothing to do with the facts of the case. The facts are what we will discuss Monday.

Mr. BENDER. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. BENDER. I merely wish to observe in this situation that I am not altogether conversant with the facts, but since the question of ethics has been raised, I am sure that, whether the question of ethics affects a Missourian, an Ohioan, a Californian, or a man from Delaware, after all, we all understand what "ethics" means. I am sure we shall be very much interested in the exchange next Monday.

MAJ. GEN. VERNE D. MUDGE

Mr. RUSSELL. Mr. President, I wish to make a brief observation on the departure from the public service of the Congress of one of the most efficient, loyal, and consecrated public officials it has ever been my good fortune to know. Gen. Verne Mudge, who has been serving on the professional staff of the Senate Committee on Armed Services since the committee was created, is leaving the committee for private life at the end of this session of Congress.

It has been a privilege to know and work with General Mudge. He is one of the most remarkable men it has ever been my good fortune to know. He was a distinguished and heroic soldier in the Army of the United States. He is a graduate of West Point. He was in command, during the war in the Pacific, of the 1st Cavalry Division, an outfit which in battle made a name for itself that was unsurpassed.

General Mudge received almost every citation that could be given a soldier in the Army of the United States. He was selected to lead a combat team on that spectacular dash across Luzon to liberate the Americans from Santo Tomas Prison in Manila before they could be destroyed by the Japanese on the entry of our soldiers.

He was gravely wounded in action just at the close of the war.

I ask unanimous consent that a brief statement relating to General Mudge's services, together with some of the citations which were awarded to him, be printed in the RECORD at this point in my remarks.

There being no objection, the statement and citations were ordered to be printed in the RECORD, as follows:

Verne D. Mudge was born on September 2, 1898, at Bangor, S. Dak. He attended the University of Florida for 2 years prior to enrollment in the United States Military Academy, West Point, N. Y. Following graduation from the United States Military Academy, he was commissioned a second lieutenant, Cavalry, on July 2, 1920.

PROMOTIONS

He was promoted to first lieutenant on that same date, July 2, 1920; to captain on August 1, 1935; to major on July 1, 1940; to lieutenant colonel (temporary) on December 11, 1941; to colonel (temporary) on February 1, 1942; to brigadier general (temporary) on February 4, 1943; to major general (temporary) on August 8, 1944.

SERVICE

He enrolled in the Cavalry School, Fort Riley, Kans., in September 1920 and was graduated in June 1921. He then served a brief tour of duty at Camp Devens, Mass., and the following September proceeded to Fort Bliss, Tex., for duty with the 7th Cavalry.

In March 1924 he was assigned to the Presidio of San Francisco, Calif., in command of Headquarters Detachment, Ninth Corps Area. In September 1925 he became professor of military science and tactics at Northwestern Military and Naval Academy, Lake Geneva, Wis. Returning to Fort Bliss, Tex., in July 1930, he became aide to Brig. Gen. W. C. Short, commanding officer of the 2d Cavalry Brigade at that point.

He enrolled in the Command and General Staff School, Fort Leavenworth, Kans., in August 1933 and was graduated from the 2-year course in June 1935. He was then assigned to Fort Ringgold, Tex., where he commanded Troop F, 12th Cavalry. He returned again to Fort Bliss, Tex., in November 1936, in command of Headquarters Troop, 2d Cavalry Brigade. In March 1938 he became plans and training officer of the 2d Brigade, S–3.

He enrolled in the Army War College, Washington, D. C., in September 1939, and upon his graduation in June 1940 was assigned to the Personnel Division, War Department General Staff, Washington, D. C.

In March 1942, he proceeded to Fort Bliss, Tex., where he became chief of staff of the 1st Cavalry Division. In December 1942 he was assigned to Fort Clark, Tex., where he commanded the 5th Brigade of the 2d Cavalry Division, and in February 1943 took command of the 2d Cavalry Brigade, Fort Bliss, Tex.

He was serving in this capacity in June 1943, at which time the 1st Cavalry Division embarked for the southwest Pacific. It landed at Brisbane, Australia, in July and remained there about 4 months. It then participated in the campaigns of New Guinea and was next stationed at Oro Bay. In March 1944, the division seized the Admiralty Islands. At this time General Mudge's brigade was assigned the mission of occupying Manus Island, which was to become the largest naval base under the American flag except Pearl Harbor. General Mudge's brigade landed on Manus Island on March 15, in what was said to be at the time one of the most highly organized amphibious landings up to that time in the southwest Pacific.

He assumed command of the 1st Cavalry Division in August 1944. Shortly thereafter, the division participated in the initial landing on Leyte in the Philippine Islands. The 1st Cavalry Division landed on Tack Loban airstrip and within 48 hours was in possession of the provincial capital. The division participated in the long, difficult operations on Leyte and in the occupation of Samar.

Late in January 1945, the division proceeded to Luzon, landing on the 27th. The division then participated in the spectacular dash to Manila and its troops were the first Americans to return to Manila after its long period of Japanese occupancy. This was an odd quirk of fate inasmuch as General Wainwright had for many years been a member of the 1st Cavalry Division back on the Texas border. General Mudge participated in the occupation and the cleaning up of the city of Manila. Late in February 1945, when the city had been pacified, the 1st Cavalry Division was withdrawn to the northeast of the city where it participated in the bitter fighting in the vicinity of Antipolo. The fortifications and caves encountered in this area were among the most difficult found anywhere in the Pacific. General Mudge was severely wounded by a Japanese grenade in this area on the 28th of February 1945, while he was accompanying the frontline elements of the 8th Cavalry.

He was hospitalized at Walter Reed General Hospital, Washington, from June 1945 until February 1946, when he was assigned to the Secretary of War's Personnel Board, Washington, D. C.

DECORATIONS

General Mudge has been awarded the Distinguished Service Cross, the Distinguished Service Medal, the Silver Star, the Legion of Merit, the Bronze Star, the Air Medal, and the Purple Heart, and has 6 Battle Stars and 1 Bronze Arrowhead on his campaign ribbons.

CITATION FOR DISTINGUISHED SERVICE MEDAL

Maj. Gen. Verne D. Mudge, commanding the 1st Cavalry Division from August 1944 to February 1945, led his forces in their highly successful combat operations on the islands of Leyte, Samar, and Luzon. Constantly present with his forward elements, often at great risk to himself, he personally supervised and coordinated the advance of the division. On Leyte, in the face of increasingly strong enemy resistance, he moved his division from Guimba to Manila, a march of approximately 100 miles, in 3 days. On February 4, 1945, his leading elements in Manila liberated more than 3,700 allied nationals interned by the enemy at Santo Tomas. For more than 2 weeks, despite repeated enemy attacks, he held the left flank of the XIV Corps and the Sixth Army through its entire 100 miles. His division captured the Novaliches Dam, the Balara filters, and the Manila water department, and, guarding the pipeline connecting these installations, held them against the attacks of an enemy intent on destroying what remained of Manila. Through his sound judgment and skillful and courageous leadership, General Mudge made an outstanding contribution to the success of our operations in the Philippines.

CITATION FOR THE DISTINGUISHED SERVICE CROSS

For extraordinary heroism in action near Antipolo, Luzon, Philippine Islands, on February 28, 1945. General Mudge, division commander, was inspecting his frontline troops who were driving ahead in the face of heavy opposition to secure a series of high ridges. While he was returning from one portion of the front, the driver of his vehicle was seriously wounded by enemy sniper fire. Disregarding his own safety, General Mudge remained in the dangerous area until his driver had received aid and been evacuated. He then proceeded on foot to another part of the division front. Arriving at an enemy-fortified position previously captured, he undertook a personal reconnaissance of the enemy works, which included caves and spider-type foxholes. As he was investigating the mouth of a tunnel, an enemy, believed dead, threw a hand grenade into the crevice. Although General

Mudge was seriously wounded and suffering great pain, he remained calm and directed and encouraged the litter bearers who evacuated him. By his fearless visits to the most forward areas, General Mudge exercised personal control of the action of his troops against stubborn resistance, and inspired his command throughout a successful attack.

CITATION FOR THE SILVER STAR

For gallantry in action in the vicinity of Sigud, Leyte Province, Philippine Islands, on November 9, 1944. In order to establish contact with a leading element of his command, General Mudge, accompanied by only a small patrol, made a forced march on foot of about 5 miles through mountainous terrain occupied by the enemy in various and unknown areas and numbers. After making contact with the unit, this officer advanced with it toward the objective. During a fire fight with the enemy, General Mudge, in the face of enemy fire, with entire disregard for his own safety, moved about encouraging the members of the unit in their advance to the objective and aiding in the disposition of weapons and personnel. This display of personal courage and coolness under fire by General Mudge was of great inspiration to the members of his command and was of great benefit to our forces.

Mr. RUSSELL. Mr. President, many loyal and dedicated men and women have served in the committees of Congress, but I think certainly never one who was more peculiarly qualified for the service he rendered than was Gen. Verne Mudge. He naturally accrued a vast store of information on the operation of the Army as a result of a lifetime of military service, but he applied that knowledge to legislation which came before the committee with the eyes of a civilian. It was a remarkable accomplishment. If anyone had ever told me that a man who had spent a lifetime in the military service could approach problems as a civilian should, I would never have believed him.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. HOLLAND. I greatly appreciate the fact that the distinguished Senator from Georgia is making these remarks, so fully merited as they are, about Maj. Gen. Verne Mudge. His family lives in Fellsmere, Fla., a little town of which perhaps few of my colleagues have heard.

I had the pleasure many years ago to represent a statewide citrus growers' organization of which his father was one of the leaders; he served as director for some years. I first learned to know of the general through that source, and I later found he lived up fully to even the very high admiration which a father understandably had for his son.

We are very proud of the general in Florida and we shall always wish for him health, success, and happiness. I appreciate the remarks of the distinguished Senator.

Mr. RUSSELL. I thank the Senator. General Mudge was born in South Dakota, but Florida has a way of catching people, and he wound up in Florida for some period before he went to West Point.

Mr. President, General Mudge will be greatly missed in the work of the Senate Committee on Armed Services. He is modest almost to the point of humility, but he is an extremely able man, who has made a vast contribution to the operations of the committee since it was created by act of Congress.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I should like to add a few brief remarks to what the Senator from Georgia has said, because I had worked with General Mudge when I was formerly chairman of the committee which the distinguished Senator from Georgia now so honors by his ability. General Mudge was selected to serve on the staff of the committee after the reorganization of Congress. He was the first man chosen for the job. As the Senator has said, he has proved to be a man who, even though he has had a lifelong career as a military man, could look upon legislative problems from a broad point of view. He brought us his knowledge as a military man, but he could advise us as a civilian just as ably.

General Mudge has the confidence of every member of the committee, past and present, whether he be a Democrat or a Republican. We have never asked General Mudge what his politics were.

General Mudge, under Gen. Douglas MacArthur, was the first American to enter Manila when the United States took over Manila from the Japanese. He certainly has been the first man, or tops, in his assistance as an administrator for the Committee on Armed Services of the United States Senate.

I am very happy to add my feeble tribute to that of the Senator from Georgia. General Mudge has many happy years and many useful years ahead of him, and he has a wife who is waiting for him in San Diego. We look forward to meeting him in the future.

Mr. CASE of South Dakota. Mr. President, will the Senator from Georgia yield?

Mr. RUSSELL. I yield to the Senator from South Dakota.

Mr. CASE of South Dakota. I merely wish to associate myself with the very greatly deserved tributes which have been paid to General Mudge by the Senator from Georgia, the Senator from Florida, and the Senator from Massachusetts. I may say that in the 82d Congress, I believe it was, I had occasion to note the way in which Verne Mudge provided some information for, and was of real assistance to, the late Senator Taft when there was legislation before the Senate. I was almost amazed by the way in which General Mudge was able to provide every bit of information sought by Senator Taft, then majority leader of the Senate. I came to appreciate the general at that time.

I know that Senator Taft thought very highly of Verne Mudge, because of his nonpartisan and professional service. I am sorry he is leaving the committee.

Mr. MORSE. Mr. President, will the Senator from Georgia yield?

Mr. RUSSELL. I yield to the Senator from Oregon.

Mr. MORSE. Mr. President, we have very many able and fine public servants working for the Senate on various committees of the Senate, but in the past few days we have lost two of our most able professional staff members. We have lost Dr. Wilcox from the Foreign Relations Committee. Now we are losing the services of Gen. Verne Mudge.

I worked with General Mudge for many years on the Armed Services Committee, and I am glad to have the opportunity to say that, in my judgment, in his civilian capacity on the Armed Services Committee, as in the military service, he was constantly acting beyond the line of duty. He gave his whole heart, soul, and being to his work. It happens that he is a good example of a great truth we should keep in mind when we come to selecting staff members for our committees; namely, that there is no substitute for brains.

Verne Mudge is a brilliant man; and as a member of the professional staff of the Armed Services Committee he has devoted his brains to the public service. I believe it will be practically impossible to replace him.

I wish to take this occasion to wish him the best of good fortune and the happiness he deserves, as he returns to private life; and, as one Senator, I desire to thank him for the great service he has rendered his country, both in a military capacity and in a civilian capacity.

Mr. KEFAUVER. Mr. President, will the Senator from Georgia yield to me?

The PRESIDING OFFICER (Mr. BARKLEY in the chair). Does the Senator from Georgia yield to the Senator from Tennessee?

Mr. RUSSELL. I yield.

Mr. KEFAUVER. I wish to join in the sentiments voiced by the chairman of the Armed Services Committee and the other members of the committee and to express my sincere and deep appreciation of the outstanding service Verne Mudge has rendered to the Armed Services Committee and to the Senate as a whole.

I am very glad the chairman of the committee has risen on the floor, to point out the extremely valuable service rendered by this excellent head of the committee staff. The remarks of the chairman of the committee and of its other members show the appreciation which all of us have of the outstanding service rendered by General Mudge, who has been a most able administrative assistant to the committee and its members.

It has been my pleasure and privilege to be a member of the Armed Services Committee for somewhat more than 6 years, so I can join in the tributes to General Mudge. I have never known a more faithful and deserving public servant.

Mr. RUSSELL. Mr. President, I conclude by saying that hard as it is from the standpoint of the committee to lose Verne Mudge, yet from his own personal standpoint we are delighted to know that he is going to take a well deserved rest.

As he leaves his employment here, he carries with him the best wishes of all Senators who have been associated with him in his service to Congress.

Mr. BYRD. Mr. President, will the Senator from Georgia yield to me?

Mr. RUSSELL. I yield to the distinguished Senator from Virginia.

Mr. BYRD. Mr. President I wish to be associated with the very eloquent remarks of the chairman of the Armed Services Committee regarding General Mudge.

I have for General Mudge a great personal affection and a great admiration and regard him as one of the ablest and most patriotic men with whom I have ever been associated. I join with the other Members in saying that I do not know how his place can be filled.

My deep regret at the departure of General Mudge is on both a public and a personal basis. Speaking personally, I particularly remember the pleasure I had in being with him on a trip abroad.

The excellent service rendered to all of us, on all occasions, by General Mudge will long be remembered.

Mr. KNOWLAND. Mr. President, will the Senator from Georgia yield to me?

Mr. RUSSELL. I yield.

Mr. KNOWLAND. I should not like to have this opportunity pass without joining in the sentiments expressed by the distinguished Senator from Georgia and in endorsing everything he has said about Gen. Verne Mudge.

During the time I was privileged to serve on the Armed Services Committee, which the distinguished Senator from Georgia heads, I had the opportunity of observing General Mudge's work and of knowing something of the great ability he brought to the committee and to the staff and to its work. I join in saying that it is a great loss to the Senate and, in particular, to the Armed Services Committee that General Mudge is leaving to enter private life.

Mr. MARTIN of Pennsylvania. Mr. President, will the Senator from Georgia yield to me?

Mr. RUSSELL. I yield to the distinguished Senator from Pennsylvania, who formerly was a distinguished major general in the United States Army.

Mr. MARTIN of Pennsylvania. Mr. President, although I have never had the opportunity of serving on the Armed Services Committee, yet I have had the privilege, many times, off the floor of the Senate, of discussing with General Mudge various matters pertaining to the defense of our country and related problems.

I consider General Mudge to be one of the most understanding soldiers from the Regular establishment with whom it has been my privilege to be associated. He has been especially helpful. Not only is he a great soldier, but he is a most understanding American. He understands the meaning of America and he has a very fine conception of the Reserve components of the Armed Forces upon which we must depend.

I regret exceedingly that he is leaving the work of the committee, not only because I shall miss his advice, from a defense standpoint, but also because we have been very closely associated, in view of our previous military duties and experience.

Mr. SYMINGTON. Mr. President, will the Senator from Georgia yield to me?

Mr. RUSSELL. I yield to the Senator from Missouri.

Mr. SYMINGTON. Mr. President, I should like to associate myself with the remarks made by the distinguished chairman of the Armed Services Committee and also with those made by other Senators.

In my opinion it would be difficult, if not impossible, to obtain a staff member who would be of greater service than General Mudge has been to the Armed Services Committee.

I know that in leaving the committee, General Mudge has the highest regard of every member of the committee, and also the best wishes of all of us.

FUNDAMENTAL IMMIGRATION AND NATURALIZATION POLICIES

Mr. KILGORE. Mr. President, I ask unanimous consent to have printed in the RECORD, a statement I have prepared, with appendixes, giving a report to the United States Senate on efforts to ascertain the position of the Eisenhower administration in 1955 on fundamental immigration and naturalization policies.

I have written, as chairman of the Senate Judiciary Subcommittee on Immigration, to the Secretary of State and the President requesting an appearance before our subcommittee by the Secretary of State himself and the Cabinet officers heading other executive departments concerned in one way or another with our immigration programs. We have still not received definite word when Mr. Dulles and other administration spokesmen will testify before us.

The need for us to hear from authorized spokesmen for the administration is indicated because of the widespread confusion existing over just what the administration immigration policy is. It may be a dormant interest in the 1952 presidential campaign promises to revise the Immigration and Nationality Act; it may be concerned only with a palliative program such as the emergency legislation embodied in the Refugee Relief Act; or there may be no real interest at all. The only way the Congress can be correctly informed is to question top administration officials in open hearings; we should not be required to attempt to interpret the meaning of ambiguous language found in polite, official, and noncommittal replies to written inquiries.

My statement and the appendixes present the history of our attempts to ascertain the administration's present position. The exchange of correspondence I have had to date with the administration is presented in full, plus (a) the exchange of correspondence between Senator WATKINS and President Eisenhower, containing the often-discussed April 6, 1953, letter on immigration, as given in the CONGRESSIONAL RECORD, May 4, 1953; (b) the letter from President Eisenhower to Vice President Nixon regarding emergency refugee legislation; (c) a compilation of news conference and other statements made by President Eisenhower, other than communications to the Congress; (d) a recent Gallup poll regarding national interest in the immigration law; (e) a compilation of Eisenhower presidential campaign statements on immigration made in 1952; and (f) a compilation of statements on immigration made by Secretary of State John Foster Dulles.

There being no objection, the material referred to was ordered to be printed in the RECORD, as follows:

This is a report on efforts to ascertain the position of the Eisenhower administration in 1955 on fundamental immigration and naturalization policies.

It is highly desirable for the Senate Committee on the Judiciary and initially its Subcommittee on Immigration and Naturalization to have the current attitudes of the executive branch of the Federal Government before them. It is important to further orderly study of the subjects for the Senate committee members to hear first from authorized spokesmen for the administration. To this end, on behalf of the subcommittee of which I am chairman, I have invited the Secretary of State and the Attorney General to appear before us in person and present the views of the administration relating to the immigration and nationality matters coming within the range of operations of their executive departments. Also, I have written the President of the United States suggesting that he direct certain Cabinet officers to testify before our subcommittee. In addition to the Secretary of State and the Attorney General, I suggested the Secretaries of Defense, Commerce, Labor, and Agriculture.

A curious situation exists in relationship to policies of our basic immigration and naturalization laws: While it is true in the main that we have fairly clear ideas of the stands on the Immigration and Nationality Act of 1952 taken by private citizens and organizations working in those fields, we do not have anything approaching a clear understanding of the present attitude of the present administration regarding immigration and naturalization. And I do not believe the failure to possess this understanding is due to any pronounced obtuseness on our part. Confusion over the precise position of the administration is fairly widespread, and seems to occur among newspaper editors and publishers, members of the general public, and even among some Members of Congress. For example: President Eisenhower's message on May 27, 1955, recommended several changes in the Refugee Relief Act but contained no references at all to the basic Immigration and Nationality Act; nevertheless, the message was reported in one widely read businessmen's legislative newsletter thusly: "The President proposed to Congress a substantial overhauling of the McCarran-Walter Immigration Act." (Legislative Daily, Chamber of Commerce of the United States, vol. 4, No. 96, May 27, 1955, p. 193.) A short speech on the floor of the United States Senate a few days later, favoring constructive changes in our current immigration and naturalization laws, left the impression that President Eisenhower's recent recommendations related to basic immigration laws. (CONGRESSIONAL RECORD, June 7, 1955, pp. 7718 and 7719; Senator WILEY.)

The responsibility for the development of this situation of confusion rests, I suggest, with the administration. The first way to examine this situation is to look at the record of the statements made by Mr. Eisenhower.

During the closing weeks of the presidential campaign of 1952, Dwight D. Eisenhower criticized the then recently enacted Immigration and Nationality Act in several of his speeches. He always referred to the act as the McCarran Act or the McCarran immigration law; in Newark, N. J., on October 17, 1952, he said, "We must get a better law than this McCarran Act" and "The McCarran immigration law must be rewritten. A better

law must be written." In Bridgeport, Conn., on October 20, 1952, he said, "We must repeal, for example, the unfair provisions of the McCarran Act." Other Eisenhower statements on immigration during the remaining days of the campaign follow, with notations showing the place and date for each quotation:

"No man's race or creed or color should count against him in his economic or civil or any other rights. Only second-class Americanism tolerates second-class citizenship. It's time to get rid of what remains of both, and that includes rewriting the unfair provisions of the McCarran Immigration Act." (Boston, Mass., October 21, 1952.)

"There has been brought up my attitude about the McCarran Act * * * the law in many of its provisions is unfair and unjust, both to ourselves and to the other people, and it must be corrected." (Question and answer telecast, October 28, 1952.)

"We need to rewrite the unfair provisions of the McCarran Immigration Act to get the bigotry out of it." (Bronx, N. Y., October 29, 1952.)

"I believe also that we need to rewrite the unfair provisions of the McCarran Immigration Act to get the bigotry out of it." (7th Avenue and 38th Street, "garment district," New York, N. Y., October 30, 1952.)

In his first state of the Union address, delivered before a joint session of the Senate and the House of Representatives, on February 2, 1953, President Eisenhower said:

"There is one sphere in which civil rights are inevitably involved in Federal legislation. This is the sphere of immigration.

"It is a manifest right of our Government to limit the number of immigrants our Nation can absorb. It is also a manifest right of our Government to set reasonable requirements on the character and the numbers of the people who come to share our land and our freedom.

"It is well for us, however, to remind ourselves occasionally of an equally manifest fact: we are, one and all, immigrants or the sons and daughters of immigrants.

"Existing legislation contains injustices. It does, in fact, discriminate. I am informed by Members of the Congress that it was realized at the time of its enactment that future study of the proper basis of determining quotas would be necessary.

"I am therefore requesting the Congress to review this legislation and to enact a statute which will at one and the same time guard our legitimate national interests and be faithful to our basic ideas of freedom and fairness to all." (H. Doc. No. 75, 83d Cong., 1st sess., p. 13, sec. X.)

Then we come, 2 months later, to what I believe is the beginning of the confusion over the position of the President and this administration on the subject of immigration. The CONGRESSIONAL RECORD for May 4, 1953, contains an exchange of correspondence between Senator WATKINS and the President. (These are reprinted in full in the appendix to this report.) One of these is the now famous, often quoted, and—I sincerely believe—generally misinterpreted letter from President Eisenhower to Senator WATKINS, dated April 6, 1953; it does not contain a single recommendation from the President for positive legislation but instead it lists 10 points "among the administrative provisions of the law which it is claimed may operate with unwarranted harshness * * *." Instead of recommending legislation, the President suggested a study of the operation of many of the provisions of the Immigration and Nationality Act of 1952.

On April 22, 1953 (which is the same day, incidentally, on which Senator WATKINS was given the famous letter dated April 6, 1953, according to Senator WATKINS' statement in the CONGRESSIONAL RECORD, above), President Eisenhower wrote Vice President NIXON concerning the plight of refugees in Europe, and in this letter recommended legislative action in specific terms:

"Therefore, after consideration of all the points of view which have been presented, I recommend, within the framework of the immigration laws, the enactment of emergency immigration legislation for the special admission of 120,000 immigrants per year for the next 2 years."

This emergency immigration legislation, it will be remembered, was urged by President Truman in his veto message of the bill which became the Immigration and Nationality Act of 1952. The emergency legislation resulted in the Refugee Relief Act of 1953.

I supported the emergency program on what I felt were its merits totally aside from the regular flow of immigration provided for in the basic immigration law.

The question of a possible shift in attitude at that time on the part of the administration is suggested by a comment on the floor of the Senate by the late Senator Pat McCarran:

"In substance, is it not true that the President stated to the Senator from Utah and the Senator from Nevada, together, that it was not his intention at all to interfere with the Immigration Act of 1952?" (CONGRESSIONAL RECORD, 83d Cong., 1st sess., vol. 99, pt. 8, July 28, 1953, p. 10095.)

In the New York Times report (Apr. 24, 1953, final edition, p. 16) of President Eisenhower's news conference of April 23, 1953, there is the following reference to immigration:

"Question. In the letter you sent to Congress today regarding the change in immigration laws, do you think, first, have you had any indications from the congressional leaders about their attitude, and secondly, does that meet the objections you raised last fall to the McCarran-Walter immigration law?

"Answer. They are two separate questions. First, he had had communication with the leaders of the subcommittee and he had listed for these people those directions in which complaints had come to him about the operation of the law. The other, the emergency question, was entirely different and he had asked for special legislation because he believed it would be necessary."

This could be taken as an indication that the administration was abandoning all campaign promises to seek changes in the Immigration and Nationality Act, and putting all its interest in the emergency legislation. Yet the impression has persisted throughout the country that the President favors changes and has made specific proposals for amendments to the basic immigration law.

Although no mention was made in his second address on the state of the union, President Eisenhower did mention the subject of immigration again in the third address, at the beginning of the 84th Congress, on January 6, 1955:

"Two years ago I advised the Congress of injustices under existing immigration laws. Through humane administration, the Department of Justice is doing what it legally can to alleviate hardships. Clearance of aliens before arrival has been initiated and, except for criminal offenders, the imprisonment of aliens awaiting admission or deportation has been stopped. Certain provisions of law, however, have the effect of compelling action in respect to aliens which are inequitable in some instances and discriminatory in others. These provisions should be corrected in this session of the Congress." (H. Doc. No. 1, 84th Cong., 1st sess., p. 13.)

The above statements made this year would indicate some interest in basic immigration law changes but, to date, there has not been a single positive recommendation to the Congress by the Eisenhower administration. (The recommendations in the May 27, 1955, message referred solely to the refugee relief program; the State Department suggestions in accordance with the veto message of June 6, 1955, Senate Document No. 47, relate solely to the exchange visitors' program consistent with provisions of the Immigration and Nationality Act; the latter suggestions are being considered by the Senate Foreign Relations Committee because the law, sought to be amended, originated in that committee.)

To add to the confusion over what the administration's attitude may be toward the Immigration and Nationality Act, a recent news report of a statement by Rolland Welch, the newly appointed director of the Visa Office in the State Department, should be noted. An Associated Press news story contained the information that Mr. Welch told a House Judiciary Subcommittee on July 1, 1955:

"I think this (McCarran-Walter) Act is the best act we've ever had." (Washington Post and Times Herald, July 2, 1955, final edition, p. 7.)

If Mr. Welch is quoted accurately, was he speaking officially for the State Department? Does the view expressed represent the present attitude of the Eisenhower administration toward the McCarran-Walter Act? If so, what accounts for the change from the campaign speeches, two messages on the state of the Union, and the April 6, 1953, letter to Senator WATKINS? Or were there ever really any interests on the part of the President and the administration in changes in the basic law?

An examination of statements made by the President at his news conference since taking office, in reply to questions about his attitudes on immigration, is appended to this report. No matter how favorably they are interpreted, I do not think anyone can disagree with me in the conclusion that the remarks do not reveal interest in amendments to the basic law as being important to the President's legislative program.

Therefore, with the record in a confused state regarding the precise attitude at the present time held by the Eisenhower administration on the basic immigration and nationality law, I first sought to obtain the testimony of the two Cabinet officers whose departments are most concerned, both with the fundamental policies involved, and administratively, with the operation of the various provisions of the present Immigration and Nationality Act. After what I considered a reasonable length of time, I again wrote the Secretary of State and finally the President of the United States. The exchange of correspondence follows:

APRIL 19, 1955.

Hon. JOHN FOSTER DULLES,
Secretary of State, Washington, D. C.

MY DEAR MR. SECRETARY: I am prompted to write this letter to you by the remarks which you are reported to have made concerning the Immigration and Nationality Act at your press and radio news conference on April 12, 1955.

It is my understanding that at that conference, in response to a question whether you favored revision of the national origins quota system, as contained in the Immigration and Nationality Act, you stated in effect that the administration is not at all satisfied with the law as it stands, that the administration favors a much more liberal law than the present law, and that the administration is seeking amendments to the present law. In view of those statements, as chairman of the Committee on the Judiciary, which has jurisdiction over all matters relating to immigration and naturalization before the Senate, and also as chairman of the Immigration and Naturalization Subcommittee, I shall be happy to receive any recommendations and suggested amendments you may wish to submit to the committee in connection with any proposed revisions of the Immigration and Nationality Act.

There are, at the present time, several bills pending before the committee which propose substantial revisions of the Immigration and Nationality Act, and I am sure that your views would be of invaluable aid to the committee in its consideration of the overall problem of the immigration and nationality policies of this country.

With kindest regards, I am

Most sincerely yours,

H. M. KILGORE, *Chairman.*

DEPARTMENT OF STATE,
Washington, April 26, 1955.

Hon. H. M. KILGORE,
Chairman, Committee on the Judiciary,
United States Senate.

DEAR SENATOR KILGORE: The Secretary has asked me to thank you for your letter of April 19, which arrived during his absence from the Department. You stated that you will be happy to receive any recommendations and suggested amendments concerning possible revisions of the Immigration and Nationality Act which he may wish to propose.

In your letter you refer to several bills which are pending before the Committee on the Judiciary which propose substantial revisions in the Immigration and Nationality Act of 1952. The Department is now making a study of a number of these bills concerning which the committee has asked for the Department's comments. Pending a completion of this study the Secretary feels that he is not in a position to make specific suggestions to the Committee. Upon its completion, however, and after the appropriate approval of the Bureau of the Budget has been obtained, the Department will be prepared to comment on the bills on which our views have been specifically requested, as well as to make any other recommendations which may be considered advisable.

Sincerely yours,

THRUSTON B. MORTON,
Assistant Secretary.

MAY 10, 1955.

Hon. JOHN FOSTER DULLES,
The Secretary of State,
Washington, D. C.

MY DEAR MR. SECRETARY: The Subcommittee on Immigration and Naturalization of the Senate Committee on the Judiciary, intends to commence open hearings in the near future on the subject of immigration and naturalization laws and policies of the United States.

Before hearing any other witnesses, we desire to hear you first, and then the Attorney General. Because of this, we would be happy to work out a date as soon as possible for your convenience; I suggest the period of the last part of May or the first part of June, but I will welcome hearing from you of any other time more available in your crowded schedule within the next few weeks.

Perhaps it should be emphasized that we are interested in obtaining views from you in person concerning the effects of our immigration and naturalization policy upon the best interests of the United States in our relations with other nations and their peoples today. We are concerned about fundamental policies and therefore, at this time are not seeking your opinions on technical details of existing law nor on pending bills. Consequently, we do not want to delay until the State Department has completed a study of current legislation, as indicated in the letter to me from Assistant Secretary Thruston B. Morton, dated April 26, 1955. However, we should be glad to hear you discuss your views as fully as you would care to.

Since we do not plan to schedule any other witnesses before our committee prior to your testimony, please let me know when you will be able to appear before us. Again, if a date in the period above suggested conflicts with prior commitments on your part, we will entertain an alternate proposal from you.

With kindest regards, I am,

Most sincerely yours,

H. M. KILGORE, *Chairman.*

DEPARTMENT OF STATE,
Washington, May 19, 1955.

Hon. H. M. KILGORE,
Chairman, Committee on the Judiciary,
United States Senate.

DEAR SENATOR KILGORE: Upon my return from Europe, my attention was called to your letter of May 10, 1955, in which you request that I meet with your committee to give my views concerning the effect of our immigration and naturalization policy on our foreign relations. Assistant Secretary of State Morton wrote to you on April 26 in response to your letter of April 19, which arrived during my earlier absence.

As Mr. Morton informed you in his letter, the Department is now studying a number of bills which your committee has submitted to the Department for comment. It is my understanding that the administration will soon have certain recommendations to the Congress on the subject of immigration. It is expected that amendments will be requested to the Refugee Relief Act of 1953 which would serve to speed up that program.

Until the position of the administration is firmly formulated and transmitted to the Congress, it would be most embarrassing for me to be required to testify on the subject. I therefore hope that you will postpone your request for my presence. If, after any administration request has been received by your committee, to which it would undoubtedly be referred, you feel that my appearance would be useful, we can then reconsider the matter.

With warm personal regards.

Sincerely yours,

JOHN FOSTER DULLES,

JUNE 30, 1955.

The PRESIDENT,
The White House

MY DEAR MR. PRESIDENT: The Senate Judiciary Subcommittee on Immigration and Naturalization is planning public hearings on our fundamental Federal policy on immigration, nationality, and naturalization, giving consideration to the operation of the Immigration and Nationality Act of 1952, and attention to the several bills which have been introduced this session proposing amendment to the act.

In the initial stage of hearings, it would be most helpful to our purposes to hear, in person, administration officials authorized to discuss these policy matters with our subcommittee.

There is some degree of confusion in the minds of the general public, editors and publishers, and even Members of Congress, over precisely what the attitude of your administration is toward our basic immigration and naturalization law. Hearing your Cabinet officers should clarify any misunderstandings which now exist.

We would be very appreciative if you would direct the Secretary of State, the Attorney General, and the Secretaries of Commerce, Labor, Defense and Agriculture to present, in person, the policies of the administration on immigration and naturalization matters to our subcommittee as soon as possible. Of course, if you are preparing a message to the Congress on these subjects, we shall be happy to receive that, too.

Since we are primarily concerned with obtaining the most desirable immigration and naturalization policy for the United States—what is best for our relations with foreign governments and other peoples of the modern world, and what is best for our total economy, our production, our consumption, the furtherance of our democratic beliefs and the healthy growth of our institutions—we would prefer hearing responsible administration spokesmen, followed by leaders of principal activities in American life, before we hear technicians, subordinate Government officers and other witnesses regarding specific provisions of present law and pending legislation. It is felt that in this way an orderly development of the record can be better obtained.

Inasmuch as the Congress intends to adjourn this session within the next few weeks, we hope that the appropriate Cabinet officers will be available to testify before the Senate Immigration Subcommittee while the Congress is still in session. We will make every effort to accommodate them in what I know is their crowded schedule.

With kindest regards, I am,

Most sincerely yours,

HARLEY M. KILGORE,
Chairman.

THE WHITE HOUSE,
Washington, July 7, 1955.

Hon. HARLEY M. KILGORE,
United States Senate,
Washington, D. C.

DEAR SENATOR KILGORE: I am glad to know of your eagerness to proceed with hearings to correct inequitable and discriminatory provisions of our immigration laws. I attempted to make my position on this matter clear in my state of the Union message this year and still hold the view that improvement of our immigration laws is urgently needed.

You are aware that amendments recently proposed to the Refugee Relief Act of 1953 are part of the administration's general effort to correct deficiencies in our immigration and naturalization policies. These amendments are critically needed and have been pending for some time. I hope your hearings, in which all members of the Cabinet directly concerned will fully cooperate, will lead to congressional approval of these amendments before this session adjourns.

With kind regard,

Sincerely,

DWIGHT D. EISENHOWER.

JULY 11, 1955.

The PRESIDENT,
The White House.

DEAR MR. PRESIDENT: Thank you kindly for your letter of July 7, 1955.

May I again stress the importance of your administration submitting to the Congress any specific recommendations it has with reference to that portion of your state of the Union message urging improvement of our basic Immigration and Naturalization Act.

I have noted your expressed interest in the proposed amendment of the Refugee Relief Act. Amendments to the Refugee Relief Act were scheduled for action in the Committee on the Judiciary at its regular weekly meeting today, and were postponed for 1 week at the written request of a Republican member of the committee.

You may be interested to know that I received from the Department of State, under date of July 7, 1955, its report on the proposed amendments. This report was in response to the Judiciary Committee request of June 7, 1955. Under the circumstances, I am confident that you will agree with me that the Committee is acting in an expeditious manner in this matter.

With kindest personal regards, I am,

Most sincerely yours,

HARLEY M. KILGORE,
Chairman.

THE WHITE HOUSE,
Washington, July 14, 1955.

Hon. HARLEY M. KILGORE,
United States Senate,
Washington, D. C.

DEAR SENATOR KILGORE: The President appreciated your further letter respecting amendments to the Immigration and Naturalization Act, and has asked me to reiter-

ate, on his behalf, the readiness of the administration officials concerned to cooperate fully with your committee in the development of the legislation in question.

The President noted with pleasure your comment that the Refugee Act amendments are showing signs of progress in the Congress, and hopes that your committee will see its way clear to act favorably on these amendments at an early date.

With kind regard,

Sincerely,

SHERMAN ADAMS,
The Assistant to the President.

From my point of view, the administration replies to my invitations leave much to be desired. And that goes for the letters from the President himself and from Sherman Adams, his assistant.

I would be happy to receive a simple statement from the administration that witnesses of Cabinet rank are preparing their testimony in accordance with a coherent administration policy and that they will appear before the Senate subcommittee in the near future.

There are reports that an administration statement on immigration is being prepared. Whether it will contain 10 points or 50 points I do not know. Whether any of the points will be substantial or whether they all—regardless of number—will be relatively trivial in nature I do not attempt to predict. Whether an administration statement on immigration will be issued soon or just before the presidential and congressional elections in 1956 I have no idea. But I do know that the administration is ambiguous, unresponsive, and evasive in answering my inquiries.

Any thought of permitting the executive branch, through inactivity, to paralyze legislative action is quite abhorrent to the doctrine of the separation of Federal powers so deeply ingrained in our constitutional concept of government. At the same time, any orderly examination of national policies carried out through laws administered by the Executive indicates the desirability at the outset of receiving the views of the Executive on those policies. This is particularly so when the Executive has shown an interest in the policies. I think the interest shown by the present Executive requires early clarification. These, then, are the reasons top administration spokesmen have been invited to come before our subcommittee. When are they going to appear?

Perhaps my mail on the subject of immigration is heavier than that of many other Senators because I am chairman of the subcommittee. My mail discloses serious concern by a large number of individuals and private organizations over our immigration and naturalization laws; letters urge immediate public hearings for revisions of the laws, counsel against any changes whatsoever, plead for an examination of the underlying policies, or request private relief legislation because existing administrative remedies are inadequate. Mail of this general category has increased since enactment of the Immigration and Nationality Act of 1952. (A recent Gallup poll, which is appended to this statement, reports on the interest of Americans in a change in the immigration law.)

Now, I do not find anyone seriously recommending a return to unchecked, unlimited, and uncontrolled immigration practices of the 18th and early 19th century; such a proposal, if made, is not feasible on its face and, consequently, does not merit further discussion. But there is a large area of differing points of view on methods for achieving common goals: establishing policies in the best interests of the United States and the American people. Everyone recognizes the plain truth that the United States have been built and developed by immigrants and their descendants. Most of us want to continue to maintain an attitude of welcoming the industrious and the deserving while employing sensible means to protect our health, economy, and security. What means are sensible should always remain subject to further scrutiny, in the light of knowledge, wisdom, and experience. But the necessity for restrictions should not cause our immigration program to be entirely negative; we should be fully cognizant of its great positive qualities: how immigration has aided—and how immigration can continue to aid—our vitality, our institutions, our economy, and our general welfare.

With the emergence of the United States as the leading nation in the world, we have begun to recognize that our immigration policy has an effect upon our relations with other sovereign nations and other peoples. Perhaps our statesmen have not paid enough attention to this point; there is no excuse for not doing so. I am not suggesting irreconcilable controversy; I am merely suggesting an up-to-date analysis of our immigration program and the best ways of building it into a strong, vital arm of our foreign policy.

The Immigration and Nationality Act has been in effect now for over 2½ years. How has it been working? Appropriations Committee hearings, Immigration and Naturalization Service annual reports, scattered comments all shed some light. But there has been no congressional committee examination of its operation in all this time. We want to be sure that whatever laws we have are those best designed to serve the best interests of the United States and our people.

When the many pending general immigration bills and the basic laws are examined by the Senate Judiciary Subcommittee on Immigration and Naturalization, I intend to suggest, in my opening statement as chairman, the use of certain criteria for arriving at a determination of the best immigration policy for the United States. I do not intend to extend this statement to go into a discussion of those criteria. I hope that the administration will cooperate so that responsible Cabinet officers may be heard before hearing from other leaders of important activities in American life. Later, we should hear from experts and appropriate subordinate Government officials on specific provisions in pending legislation.

APPENDIX A

EXCHANGE OF CORRESPONDENCE BETWEEN SENATOR WATKINS AND PRESIDENT EISENHOWER

(As printed in the CONGRESSIONAL RECORD, vol. 99, pt. 4, 83d Cong., 1st sess., May 4, 1953, p. 4321)

THE IMMIGRATION AND NATIONALITY ACT OF 1952

Mr. WATKINS. Mr. President, in view of the public interest in the President's letter to me under date of April 6, 1953, I ask unanimous consent that the full text of my letter of March 20, 1953, and the President's reply of April 6, 1953, be printed in the body of the RECORD.

The President's letter was delivered to me in person by the President at the White House on April 22, 1953. I have forwarded copies to the members of the Senate Committee on the Judiciary and to the members of the Joint Committee on Immigration and Nationality Policy, of which I am chairman. By placing the full text of both letters in the RECORD, they will be available to the public in general.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

MARCH 20, 1953.

The Honorable DWIGHT D. EISENHOWER,
President of the United States,
The White House, Washington, D. C.

MY DEAR MR. PRESIDENT: In your state of the Union message to the Congress occurred the following statement:

"There is one sphere in which civil rights are inevitably involved in Federal legislation. This is the sphere of immigration.

"It is a manifest right of our Government to limit the number of immigrants our Nation can absorb. It is also a manifest right of our Government to set reasonable requirements on the character and the numbers of the people who come to share our land and our freedom.

"It is well for us, however, to remind ourselves occasionally of an equally manifest fact: We are—one and all—immigrants or sons and daughters of immigrants.

"Existing legislation contains injustices. It does in fact discriminate. I am informed by Members of the Congress that it was realized, at the time of its enactment, that future study of the basis of determining quotas would be necessary."

In this statement you direct attention to the Immigration Act of 1952. As chairman of the Subcommittee on Immigration which will hold hearings on several immigration bills which have already been introduced by several Members of the Congress, and in behalf of the committee, I am calling your attention to the fact that it would be very helpful if we could have before us when these hearings begin your suggested program with respect to our immigration laws. As a part of the team I should like to help implement your program insofar as I can consistently do so.

If you are intending offering any immigration legislation during the present session of the Congress, we would appreciate having your program as early as possible so that we might have it in mind in considering other legislation which has been offered by other Members of the Congress.

Since the present immigration act was passed by more than a two-thirds majority of both Houses of Congress, it seems to me that the burden of establishing wherein the law should be amended or changed would be on the proponents. The law, as you know, has been in effect only since December 24, 1952.

May I point out, also, that the Congress set up a joint committee on Immigration and Naturalization which has as its specific purpose a study of the operation and effect of the act of 1952. I happen to be the chairman of that joint committee and we are undertaking a study of the operations of the present statute with the objective in view of proposing changes that may seem desirable.

Again may I say both these committees want to be as helpful as possible.

Yours very respectfully.

ARTHUR V. WATKINS.

THE WHITE HOUSE,
Washington, April 6, 1953.

Hon. ARTHUR V. WATKINS,
United States Senate,
Washington, D. C.

DEAR SENATOR WATKINS: Thank you for your letter of March 20 informing me of the plan of your subcommittee to hold hearings on several immigration bills now pending before it. I am particularly grateful to have your assurance that you are prepared to cooperate in the formulation and implementation of an improved immigration program, insofar as you can consistently do so.

It is only proper to point out to you that I have received a great many complaints that the Immigration and Nationality Act of 1952 does embody many serious and inequitable restrictions. While I recognize that the act contains some provisions which represent a liberalizing influence in the field of immigration law and that a fundamental revision of a statute cannot be approached without searching analysis, I suggest that a study of the operation of many of the administrative provisions of the Immigration and Nationality Act of 1952 should be immediately undertaken, with an invitation to all concerned to testify regarding the provisions of which they complain.

In the state of the Union message I pointed out that existing legislation contains injustices. Among the administrative provisions of the law which it is claimed may operate with unwarranted harshness are the following:

1. The provisions which make inadmissible any alien who, in the opinion of the consul, is likely to become a public charge at any time in the future. This places upon the consul the burden of forecasting events which cannot be predicted and, it is claimed, would permit abuse of discretionary judgment.

2. The provisions which make ineligible for a visa any alien with respect to whom the consular officer knows or has reasonable grounds to believe probably would, after entry, engage in espionage, sabotage, or subversive activities. It is asserted that this provision vests in the consul the authority, without restraint, to determine by his own mental processes the probability of future proscribed conduct, thus permitting a possible abuse of discretionary judgment.

3. The provision which permits an immigration official to interrogate without warrant any alien or person believed to be an alien as to his right to be or to remain in the United States. It is said that unless the word "believed" is clarified so as specifically to require probable cause, an abuse of this authority could possibly subject any citizens to improper interrogation.

4. The provisions under which, it is asserted, naturalized citizens have only second-class citizenship because they, as distinguished from native-born citizens, can be expatriated because of residence abroad for certain periods of time, without reference to any other conduct on their part.

5. New restrictions upon granting leave to seamen while ships are in United States ports.

6. The provision which exempts from the criminal grounds for exclusion those aliens who have been convicted abroad of purely political offenses, fails to define the term "political." It is asserted that it is therefore difficult for administrative officers to determine whether the criminal offenses for which individuals have been convicted are indeed of a criminal, as distinguished from a political, nature.

7. The provisions permitting aliens who were and are believers in nazism and fascism to enter the United States unless it can be affirmatively shown that they advocated the establishment of those ideologies in the United States.

8. Deportation provisions that permit an alien to be deported at any time after entry, irrespective of how long ago he was involved, after entry, in any action or affiliation designated as "subversive." Such alien is now subject to deportation even if his prior affiliation was terminated many years ago and he has since conducted himself as a model American.

9. The provision which authorizes the Attorney General to suspend deportation of certain deportable aliens if "exceptional and extremely unusual hardship" is demonstrated. It is asserted, however, that these restrictive terms are not explained in the law, thus leaving the interpretation of the phrase open to administrative determination, subject to congressional approval or "veto." It is argued that the law should more clearly state the standards upon which this discretionary relief may be granted by the Attorney General.

10. The provisions which permit the continuation of up to 50-percent mortgage extending far into the future on the quotas of many countries. Under these provisions, it is charged that Estonia has its quota partially mortgaged until the year 2146; 2014 for Greece; Poland, the year 2000; and Turkey, 1964.

It would seem desirable for the Committee on the Judiciary to investigate these complaints and the other critical comments which have developed as a result of the operation of the immigration and naturalization law of 1952 with a view to achieving legislation which would be fair and just to all. I shall appreciate it if you will present these comments to the members of the committee and to the chairman of the Senate Committee on the Judiciary.

Sincerely,

DWIGHT D. EISENHOWER.

APPENDIX B

LETTER FROM PRESIDENT EISENHOWER TO VICE PRESIDENT NIXON REGARDING THE PLIGHT OF REFUGEES IN EUROPE AND SPECIFICALLY PROPOSING EMERGENCY LEGISLATION

THE WHITE HOUSE,
Washington, April 22, 1953.

Hon. RICHARD M. NIXON,
President of the Senate,
Washington, D. C.

DEAR MR. PRESIDENT: We are all aware of the tragic developments of the past several years which have left countless thousands of individuals homeless refugees in the heart of Europe. In recent months, the number of refugees has been increased by the steady flow of escapees who have braved death to escape from behind the Iron Curtain. These refugees and escapees searching desperately for freedom look to the free world for haven.

In addition, the problem of population pressures continues to be a source of urgent concern in several friendly countries in Europe.

It is imperative that we join with the other nations in helping to find a solution to these grave questions. These refugees, escapees, and distressed peoples now constitute an economic and political threat of constantly growing magnitude. They look to traditional American humanitarian concern for the oppressed. International political considerations are also factors which are involved. We should take reasonable steps to help these people to the extent that we share the obligation of the free world.

Therefore, after consideration of all the points of view which have been presented, I recommend, within the framework of the immigration laws, the enactment of emergency immigration legislation for the special admission of 120,000 immigrants per year for the next 2 years.

In order to help resolve this current immigration and refugee problem in the tradition of our American policy, I urge that the Congress give this recommendation its earliest consideration.

Sincerely,

DWIGHT D. EISENHOWER.

(Emergency migration of escapees, expellees, and refugees, hearings before the subcommittee of the Committee on the Judiciary, U. S. Senate, 83d Cong., 1st sess., on S. 1917; May 26, 1953; p. 2.)

APPENDIX C

A COMPILATION OF STATEMENTS ON IMMIGRATION MADE BY PRESIDENT EISENHOWER SINCE TAKING OFFICE, OTHER THAN COMMUNICATIONS TO THE CONGRESS

(This compilation includes pertinent excerpts from transcripts of Presidential news conferences.)

TRANSCRIPT OF PRESIDENT'S NEWS CONFERENCE, APRIL 23, 1953

ROBERT SPIVAK (of the New York Post). In the letter you sent to Congress today regarding the change in immigration laws, do you think, first, have you had any indications from the congressional leaders about their attitude, and secondly, does that meet the objections you raised last fall to the McCarran-Walter immigration law?

Answer. They are two separate questions. First, he had had communication with the leaders of the subcommittee and he had listed for these people those directions in which complaints had come to him about the operation of the law. The other, the emergency question, was entirely different and he had asked for special legislation because he believed it would be necessary. (New York Times, April 24, 1953, p. 16.)

RADIO ADDRESS, REPORT TO THE NATION, FROM THE WHITE HOUSE, AUGUST 6, 1953

Again and again as we have faced these problems of international trade and world diplomacy, we have stressed the central fact that we are concerned with the plain needs and hopes of the ordinary peoples of the earth. So we have undertaken the shipping of a million tons of wheat to help meet the famine in Pakistan. So the Congress has authorized this Government to make available excess reserves of crops to friendly nations in need and so we have authorized the entry into the United States of some 214,000 refugees. These are men and women of the same character and integrity as their and our ancestors who, generation upon generation, have come to America to find peace and work, to build for themselves new homes in freedom. (New York Times, August 7, 1953, p. 6.)

STATEMENT BY THE PRESIDENT UPON THE SIGNING OF H. R. 6481 TO BE KNOWN AS THE REFUGEE RELIEF ACT OF 1953, AUGUST 7, 1953

This emergency immigration legislation is, at once, a significant humanitarian act and an important contribution toward greater understanding and cooperation among the free nations of the world.

In enacting this legislation, we are giving a new change in life to 214,000 fellow humans. This action demonstrates again America's traditional concern for the homeless, the persecuted, and the less fortunate of other lands. It is a dramatic contrast to the tragic events taking place in East Germany and in other captive nations.

This legislation also offers encouragement to the other friendly nations which are today affording asylum to refugees and escapees. It is my hope that, in our action, by our direct participation with them in this great humanitarian work, we are giving them cause to continue their efforts with renewed enthusiasm.

The enactment of this legislation provides abundant proof of the progress that teamwork between the legislative and executive branches of the Government can achieve. It is also a stirring example of bipartisan statesmanship.

The leaders of the great religious faiths who are here today to witness the signing of this bill have, in years past, made notable contributions to similar programs. I am sure that their continued activity and enthusiasm will be major factors in insuring the success of this program.

I am delighted to sign this bill and, in so doing, to welcome the 214,000 refugees who will soon come to our shores. They—as I said in last night's report to the Nation—are men and women of the same character and integrity as our ancestors who, generation upon generation, have come to America to find peace and work, to build for themselves new homes in freedom. (White House Press Release, August 7, 1953.)

ADDRESS AT REPUBLICAN DINNER, BOSTON GARDEN, SEPTEMBER 21, 1953

We have given to the world the clearest testimony of our firm allegiance to the common cause and needs of free peoples everywhere. We have sent shipments of wheat to Pakistan, medical and reconstruction supplies to Korea, food to Berlin. We have promised that our country will welcome tens of thousands of refugees from the terror of enslavement in lands of darkness. Recog-

nizing that neither freedom nor safety can be found by any one nation alone, we have continued to build coalitions to promote, on a cooperative basis, the security of all. (New York Times, September 22, 1953, p. 22.)

TRANSCRIPT OF PRESIDENT'S NEWS CONFERENCE, OCTOBER 8, 1953

MILTON FRIEDMAN (of the Jewish Telegraphic Agency). Now that the administration has successfully achieved the passage of your emergency-refugee bill, can you tell us if the corrections of what you described in your state of the Union message as discriminations of the McCarran-Walter Act is part of the program for the second session of the 83d Congress?

Answer. He thought he had lost the questioner a little bit. But if he understood the question, it was did we still have the hope of correcting what we believed to be imperfections in the bill?

Question. Yes, sir; that was right.

Answer. Well, while he had not gone back to the study of that question for some time, and he had not—he was not, therefore, ready to state positively that on his priority program there was certain "must" legislation in that regard. He would say this: If the people administering that bill, the people responsible for it, still believed there were imperfections, we should certainly do our best to correct them. (New York Times, Oct. 9, 1953, p. 12.)

TRANSCRIPT OF PRESIDENT'S NEWS CONFERENCE, JANUARY 13, 1954

MILTON FRIEDMAN (of the Jewish Telegraphic Agency). Mr. President, can you tell us whether you still favor revision of the McCarran-Walter Immigration Act, and whether there was anything significant in your omission of this item from your state of the Union message?

Answer. No; there was nothing significant in its omission. As a matter of fact, there had been many, many things omitted, and he thought he had stated that some of these things that had been omitted would be the subject of later comment.

It happened that this year, up until this time, the details of any studies made on the McCarran Act by the responsible departments had not been submitted to him. And, therefore, whether he was going to recommend immediate revision, he couldn't say for certain. (New York Times, Jan. 14, 1954, p. 12.)

MARCH 17, 1954

ETHEL PAYNE (of the Defender Publications). Mr. President, Vice President NIXON said on his return from Asia that every act of racial discrimination or prejudice in the United States hurts America as much as an espionage agent who turns over a weapon to a foreign enemy.

He added that every American citizen can contribute toward creating a better understanding of American ideas abroad by practicing and thinking tolerance and respect for human rights every day of the year.

We know also that you have taken the firm stand along these same lines.

Do you feel, then, that the continuance on our statute books of the McCarran-Walter Act, containing the national origins quota system which discriminates against Asiatic people from Southeastern Europe and from the West Indies, is harming our foreign policy, and will there be any proposal made to Congress on immigration which might alleviate these conditions?

Answer. Well, of course, as she knew, she was bringing up a very broad, but it was a very vital, question to us.

Now, there had not been brought to him from the State Department this act and its immediate and direct effect upon our relationships with other countries, so there had been no discussions between him and the State Department officials on the point.

He did say that he believed as we came closer and closer to living by the principles enunciated in our founding documents, our own situation abroad was going to be better, and that was the kind of thing for which he strove. He was not going to be a bull in a china shop and destroy things. He was working for things, was what he was trying to say. (New York Times, March 18, 1954, p. 14.)

TRANSCRIPT OF PRESIDENT'S NEWS CONFERENCE, MARCH 24, 1954

Question. Unidentified questioner. Mr. President, last year you urged passage of the Refugee Relief Act, but to date only a handful of people have been admitted under that. Do you have any knowledge as to whether the difficulty lies in the legislation or the administration or where it does lie?

Answer. He didn't have a late, detailed report on it. What he did have was a statement that the administrators had had great difficulty in trying to streamline procedures, in accordance with the prescriptions of the act itself as passed, and to get the thing rolling.

It had been reported to him that they were striving to streamline, and he would hope that this logjam loosened up very shortly. He would look it up again. (New York Times, March 25, 1954, p. 12.)

TRANSCRIPT OF PRESIDENT'S NEWS CONFERENCE, APRIL 29, 1954

MILTON FRIEDMAN (of the Jewish Telegraphic Agency). Mr. President, three Republican Senators and six Republican Congressmen have put in a bill to revise the McCarran-Walter Immigration Act, and I wondered if you could tell us, in view of your previously expressed interest in such revision, what is your attitude toward a bill of this nature?

Answer. Well, he hadn't read the bill, but as they knew, he had urged that there be a complete review of the original act in order that we might take out of it what appeared to be palpable injustices and inequities, and certainly to study all of them to see whether there was not something we might do and, secondly, in the asking for the emergency legislation of last year, it was to get in or to provide an avenue by which refugees and others of Europe could come into the United States.

And, as they knew, the administration of that bill had been slow and difficult. And what he had been putting his attention on lately was trying to get the administration of that bill so straightened out that that part—that that could work effectively. (New York Times, April 30, 1954, p. 12.)

PRESIDENT'S STATEMENT ON THE FIRST ANNIVERSARY OF THE REFUGEE RELIEF ACT, AUGUST 7, 1954

The President today on the first anniversary of the Refugee Relief Act—asked the Nation's governors to organize local committees to help stimulate the immigration and resettlement of 190,000 victims of Communist persecution, military action or natural disaster. New York State has already created such committees.

This legislation, urged by the President, became law a year ago on August 7, 1953.

Issuance of visas in volume under the law was begun April 1, and since then more than 8,000 visas have been issued in Italy, Greece, Germany, Austria, the Netherlands and Japan.

Certain Italian, Greek and Dutch citizens come to the United States under the refugee program under sponsorship of close relatives already here, but 190,000 refugees must be beneficiaries of assurances provided by American citizens that they will have jobs, housing and will not become a public charge.

More than 14,000 such assurances have now been obtained, largely through the efforts of private organizations which are cooperating voluntarily in the program.

If the program is to continue to function smoothly, and if the maximum result is to be accomplished, there must be a steady flow of assurances. It is primarily to stimulate the procurement of assurances that the President has suggested the establishment of local committees by the governors.

This is the second time within a week that the President has demonstrated his own personal interest in this effort by the United States to share with other free nations in providing a haven for victims of oppression and disaster.

On August 3, the President received Mr. and Mrs. Ceza Kapus and their 6-year-old daughter, Eva, the first escapees from behind the Iron Curtain to be brought here under the Refugee Relief Act. The Kapus family made a daring escape from Hungary during which Mrs. Kapus' leg was blown off by a land mine. They crossed into Austria under fire from border guards.

The Refugee Relief Act is administered by Scott McLeod of the Department of State. Cooperating in its administration are the Departments of Defense, Justice, Labor, Health, Education, and Welfare, and Treasury, as well as the Foreign Operations Administration, the Intergovernmental Committee on European Migration, and 25 voluntary agencies. The act has a statutory life extending to December 31, 1956.

Following is the text of the President's letter to the 47 governors:

"DEAR GOVERNOR ———: With America's traditional concern for the homeless, the persecuted, and the less fortunate of other lands * * * one of the first acts passed by your 83d Congress was the Refugee Relief Act of 1953 authorizing the entry into the United States of some 214,000 refugees.

"These are men and women of the same character and integrity as their and our ancestors who, generation upon generation, have come to America to find peace and work, to build for themselves new homes in freedom.

"Under supervision of the Department of State an almost worldwide organization has been set up to help these refugees from Communist persecution, natural disaster, and military operations. To aid in obtaining the needed sponsorship-assurances for these people, and to assist in the resettlement program, we need your assistance.

"It would greatly stimulate the speed and effectiveness of this program if you would consider appointing a Governor's Committee to operate within your State. So that you can give full consideration to our suggestion, I am asking the State Department to forward you a complete Committee Manual explaining the act, functions of the Governor's Committee and other pertinent information.

"Your assistance in this great humanitarian program will always be a source of great personal satisfaction and will be a genuine service to many communities within your State.

"Sincerely,

"DWIGHT D. EISENHOWER."

TEXT OF THE PRESIDENT'S LETTER TO GOVERNOR DEWEY OF NEW YORK

DEAR GOVERNOR DEWEY: I have today written to the governors of each of the other States suggesting that they may wish to appoint committees to cooperate with the administration in connection with implementing the refugee relief program of 1953. I have not addressed the letter to you because you have already created such a committee and I understand that Commissioner Corsi has already had a meeting with the Administrator of this program, to the mutual satisfaction of both of them.

I congratulate you on undertaking this work to stimulate the flow of assurances and to aid in the resettlement of these immigrants. I hope you will let Commissioner Corsi know how much we appreciate the cooperation extended by him and his associates.

Sincerely,

DWIGHT D. EISENHOWER.

(White House press release, August 7, 1954.)

TRANSCRIPT OF PRESIDENT'S NEWS CONFERENCE, APRIL 27, 1955

CABELL PHILLIPS (of the New York Times). Mr. President, I have two question on the refugee program.

First, sir, would you express whether or not you are satisfied with the way the refugee program is now operating? And, second, whether or not you will support proposed revisions of the refugee act which have been introduced in the Senate—I am not sure of the House.

Answer. The answer to the first question is, "No." The next one is, "Yes."

(New York Times, April 28, 1955, p. 12.)

TRANSCRIPT OF THE PRESIDENT'S NEWS CONFERENCE, JUNE 29, 1955

(The White House authorized direct quotation of the President for this conference.)

GOULD LINCOLN (of the Washington Star). Mr. President, Senator LYNDON JOHNSON of Texas yesterday made a statement praising what the Senate had done in a legislative way, and he also said that a certain party leader made a speech last fall saying that "cold war" of partisan politics would follow the election of a Democratic Congress, and that he inferred that possibly that certain party later might have something to say about it. (Laughter.)

Answer. Well, ladies and gentlemen, I said in the campaign—and I assume that his allusion to me is not so hazy * * *

Now, you have just given me a big chance to read a little list of legislation I want, not been passed yet. (Laughter.)

Refugee act amendments, and you all know about the needs for them. (New York Times, June 30, 1955, p. 10.)

APPENDIX D

THE GALLUP POLL: PUBLIC FAVORS EASING MCCARRAN-WALTER ACT

(By George Gallup, director, American Institute of Public Opinion)

PRINCETON, N. J., June 14.—Although a majority of Americans are not familiar with the controversial McCarran-Walter Act, among those who are—some 14 million in the total adult population—the prevailing sentiment is that the immigration law should be made more liberal.

Under the present regulations of the McCarran-Walter Act, which bases quotas on national origins of United States citizens, the annual immigration quota is about 155,000.

After determining who those persons familiar with the existing immigration laws were, institute reporters asked them the following question:

"From what you know, do you think there should or should not be changes made in the McCarran-Walter Act?"

The results for those familiar with the act:

	Percent
Should be changes	53
Should not	15
No opinion	32

The 53 percent who felt there should be some changes were asked a further question:

"Do you think this act should be made more strict or more liberal?"

The results of those who want changes:

	Percent
More strict	26
More liberal	68
No opinion	6

To see how the general public, regardless of their knowledge of the present regulations, would feel about the influx of a few European families in their communities, each person in the survey was asked the following questions:

"Would you approve or disapprove of having a few families from Europe come to this neighborhood to live?"

The results, comparing the views of the "informed" public with those of the general public.

	Percent
General public:	
Approve	63
Disapprove	27
No opinion	10
Informed public:	
Approve	81
Disapprove	12
No opinion	7

(Amendments to Refugee Relief Act of 1953, hearings before Subcommittee of Committee on the Judiciary, U. S. Senate, 84th Cong., 1st sess., on S. 1794, S. 2113, and S. 2419; June 8–21, 1955; p. 245.)

APPENDIX E

PRESIDENTIAL CAMPAIGN STATEMENTS ON IMMIGRATION MADE IN 1952 BY DWIGHT D. EISENHOWER

(See also text of statement, supra.)

STATEMENT MADE AT BOISE, IDAHO, AUGUST 20 1952

All Americans of all parties have now accepted and will forever support * * * equal opportunities for everybody regards of * * * where he was born or what is his national origin. (Campaign statements of Dwight D. Eisenhower, A Reference Index, p. 147.)

REMARKS AT QUESTION-AND-ANSWER PERIOD, REPUBLICAN REGIONAL MEETING, CLEVELAND, OHIO, SEPTEMBER 8, 1952

Representative J. HARRY MCGREGOR, of Ohio. Possibly you haven't had the time to go into the details of the McCarran-Walter Immigration Act. I wonder if you would care to give us your views on the McCarran-Walter Act?

Answer. You are quite correct that I have not had time to go into the details. It is a matter that to my mind must be settled, and it is a specific point in question, must be settled with a complete judgment of the Congress.

Now we must not lose, as a Nation, our great place as the haven of the politically oppressed in the world. We must hold out hope to those who are against communism. They cannot combat communism behind the Iron Curtain and then be homeless waifs.

We must not forget that our Nation has been made great by that kind of immigration. We do not want to select our immigrants; we want to make certain that the mentally or the morally unfit cannot enter here. I do not know what the details of that bill are, but I say this to you, Mr. Congressman:

If God-fearing, loyal, dedicated Americans can't work out a proper immigration bill for this country, then I don't think we are worthy of our own past, because our own past is one of immigration. That is a very general statement of policy and principles, but it is all that I can give you. (New York Times, September 9, 1952, p. 16.)

ADDRESS AT THE ALFRED E. SMITH MEMORIAL FOUNDATION DINNER, WALDORF-ASTORIA HOTEL, NEW YORK CITY, OCTOBER 16, 1952

Unity of our own people implies a host of great tasks and duties. It demands—on all fronts and in all senses—the keenest guard against divisive propaganda, the sternest watch against divisive prejudice. It demands a true fellowship of peoples of all religious beliefs and of all national origins. It demands a true attack upon any barriers in our national life that mark off one group of citizens from all others. It demands a true cleansing from our hearts of the faintest stains of racial and religious prejudice. There is no such thing as just a little bigotry, just a little hate. In this—freedom's day of decision—our unity must be beyond all doubt, above all compromise.

Most importantly we must resolve this: We must strike from our own statute books any legislation concerning immigration that implies the blasphemy against democracy that only certain groups of Europeans are welcome on American shores. (New York Times, October 17, 1952, p. 18.)

ADDRESS, NEWARK, N. J., OCTOBER 17, 1952

And now we come to another glaring example of failure of our national leadership to live up to high ideals. I refer to the McCarran immigration law, which was passed over the President's veto at the last session of Congress. A new immigration law was certainly needed. But with leadership rather than vetoes we should have had, and we must get a better law than this McCarran Act.

A contest for world leadership—in fact for survival—exists between the Communist idea and the American ideal. That contest is being waged in the minds and hearts of human beings. We say—and we sincerely believe—that we are the side of freedom; that we are the side of humanity. We say—and we know—that the Communists are the side of slavery, the side of inhumanity.

The whole world knows that to these shores came oppressed peoples from every land under the sun; that here they found homes, jobs, and a stake in a bright, unlimited future. Here, uniquely, every man's children had one priceless bequest: The birthright of freedom. In every town and village in Europe, from the Ural Mountains to the channel ports, that truth is known because some friend or kinsman came here to America and lived that truth and the countryside from whence he came marveled at his experiences.

Yet to the Czech, the Pole, the Hungarian who takes his life in his hands and crosses the frontier tonight—or to the Italian who goes to some American consulate—this ideal that beckoned him can be a mirage because of the McCarran Act.

Obviously, there must be limits to the number of immigrants this country can or should absorb. We must establish fair limits—fair to ourselves and fair to others. We must develop a system of limitation in line with our concept of America as the great melting pot of free spirits, drawn here from all the nations of the earth.

Let me give you an illustration of the working of the McCarran law. The quotas proclaimed by the President under the McCarran Act provide for the entry of over 65,000 immigrants per year from the United Kingdom, but only 5,645 from Italy and only 308 from Greece. The United Kingdom does not use anywhere near the full immigration quota which it has, but countries like Italy, Greece, and the Baltic States and the nations of Eastern Europe use their tiny quotas to the full. They have a pathetic backlog of applications which by law cannot be applied against the unused United Kingdom quota.

Our laws and many of our customs stem from an Anglo-Saxon tradition. But that must not be allowed to overshadow great contributions that have been made by other nations and other races in the development of our country.

There are many ways to illustrate this contribution. I take a way that is peculiarly appealing to a soldier. I am going to read you the names of 16 men who were awarded

the Congressional Medal of Honor in Korea. Please listen to these names:

M. Sgt. Stanley T. Adams; 1st Lt. Lloyd L. Burke; Pvt. Stanley R. Christianson; 1st Lt. Samuel S. Coursen; Capt. Reginald B. Desiderio; Pfc. Jack G. Hanson; Paratroop Cpl. Rodolfo P. Hernandez; Sfc. Loren R. Kaufman; Capt. C. Krzyzowski; Lt. Baldomero Lopez; Pfc. Walter C. Monegan, Jr.; Pvt. Eugene A. Obregon; Pvt. Joseph R. Quellette; Maj. Carl L. Sitter; Cpl. Joseph Vittori; Pvt. Bryant H. Womack.

Ladies and gentlemen, the McCarran immigration law must be rewritten.

A better law must be written that will strike an intelligent, unbigoted balance between the immigration welfare of America and the prayerful hopes of the unhappy and the oppressed. (New York Times, October 18, 1952, p. 8.)

SPEECH IN BRIDGEPORT, CONN., OCTOBER 20, 1952

We must repeal, for example, the unfair provisions of the McCarran Act. (Prepared text.)

SPEECH ON BOSTON COMMON, OCTOBER 21, 1952

No man's race or creed or color should count against him in his economic or civil or any other rights. Only second-class Americanism tolerates second-class citizenship. It's time to get rid of what remains of both, and that includes rewriting the unfair provisions of the McCarran Immigration Act. (New York Times, October 22, 1952, p. 16.)

SPEECH IN THE BRONX, NEW YORK CITY, OCTOBER 29, 1952

We need to rewrite the unfair provisions of the McCarran Immigration Act to get the biogtry out of it. (New York Times, October 30, 1952, p. 26.)

APPENDIX F

COMPILATION OF PUBLIC STATEMENTS ON THE SUBJECT OF IMMIGRATION MADE BY SECRETARY OF STATE JOHN FOSTER DULLES

REMARKS BY SECRETARY OF STATE DULLES IN REPLY TO QUESTIONS ON THE IMMIGRATION LAWS, PRESS, AND RADIO NEWS CONFERENCE, TUESDAY, APRIL 12, 1955

Asked if he were satisfied with the present status of our immigration laws, the Secretary said, "No; I am seldom satisfied with anything. I am always working for improvement."

The Secretary's attention was called to a statement from his speech of the previous evening stressing the importance of spiritual values and of human equality. He was asked whether he could say, in line with that, if he favored revision specifically of the national origins quota system which set up a discrimination against people from Italy and Eastern Europe and favored people from the so-called Anglo-Saxon countries. Mr. Dulles replied, "The views of the administration, I think, are quite well known on that subject. We do favor a much more liberal law than the present law. We are seeking amendments to the present law and we are not at all satisfied with the law as it stands." (Transcript, Department of State, Washington, D. C.)

AMENDMENT OF DEFENSE PRODUCTION ACT OF 1950

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 2391) to amend the Defense Production Act of 1950, as amended which was, to strike out all after the enacting clause and insert:

That this act may be cited as the "Defense Production Act Amendments of 1955."

SEC. 2. Subsection (c) of section 701 of the Defense Production Act of 1950, as amended, is amended to read as follows:

"(c) Whenever the President invokes the powers given him in this act to allocate any material in the civilian market, he shall do so in such a manner as to make available, so far as practicable, for business and various segments thereof in the normal channel of distribution of such material, a fair share of the available civilian supply based, so far as practicable, on the share received by such business under normal conditions during a representative period preceding any future allocation of materials: *Provided*, That the President shall, in the allocation of materials in the civilian market, give due consideration to the needs of new concerns and newly acquired operations, undue hardships of individual businesses, and the needs of smaller concerns in an industry."

SEC. 3. Section 708 of the Defense Production Act of 1950, as amended, is amended—

(1) by inserting before the period at the end of the first sentence of subsection (b) a colon and the following: "*Provided, however*, That after the enactment of the Defense Production Act Amendments of 1955, the exemption from the prohibitions of the antitrust laws and the Federal Trade Commission Act of the United States shall apply only (1) to acts and omissions to act requested by the President or his duly authorized delegate pursuant to duly approved voluntary agreements or programs relating solely to the exchange between actual or prospective contractors of technical or other information, production techniques, and patents or patent rights, relating to equipment used primarily by or for the military which is being procured by the Department of Defense or any department thereof, and the exchange of materials, equipment, and personnel to be used in the production of such equipment. The Attorney General shall review each of the voluntary agreements and programs covered by this section, and the activities being carried on thereunder, and, if he finds, after such review and after consultation with the Director of the Office of Defense Mobilization and other interested agencies, that the adverse effects of any such agreement or program on the competitive free enterprise system outweigh the benefits of the agreement or program to the national defense, he shall withdraw his approval in accordance with subsection (d) of this section. This review and determination shall be made within 90 days after the enactment of the Defense Production Act Amendments of 1955.";

(2) by inserting in subsection (d) thereof after the word "hereunder" the following: ", or upon withdrawal by the Attorney General of his approval of the voluntary agreement or program on which the request or finding is based,";

(3) by inserting after the first sentence of subsection (e) thereof the following new sentence: "Such surveys, and the reports hereafter required, shall include studies of the voluntary agreements and programs authorized by this section.";

(4) by striking out from the last sentence of subsection (e) thereof the words "at such times thereafter as he deems desirable" and inserting in lieu thereof the words "at least once every 3 months."

SEC. 4. Section 710 (b) of the Defense Production Act of 1950, as amended, is amended to read as follows:

"(b) (1) The President is further authorized, to the extent he deems it necessary and appropriate in order to carry out the provisions of this act, and subject to such regulations as he may issue, to employ persons of outstanding experience and ability without compensation;

"(2) The President shall be guided in the exercise of the authority provided in this subsection by the following policies:

"(i) So far as possible, operations under the act shall be carried on by full-time, salaried employees of the Government, and appointments under this authority shall be to advisory or consultative positions only.

"(ii) Appointments to positions other than advisory or consultative may be made under this authority only when the requirements of the position are such that the incumbent must personally possess outstanding experience and ability not obtainable on a full-time, salaried basis.

"(iii) In the appointment of personnel and in assignment of their duties, the head of the department or agency involved shall take steps to avoid, to as great an extent as possible, any conflict between the governmental duties and the private interests of such personnel.

"(3) Any person appointed under the authority of this subsection shall file, under oath, with the head of the employing agency at the time of employment a full and complete report of his outside connections, listing all personal and financial relationships which he has or had within 12 months prior to his appointment with any person, firm, corporation, or other entity, or any trade organization, labor union or similar organization, and he shall file monthly thereafter, under oath, so long as his appointment shall be in effect, any changes in such outside connections.

"(4) Appointees under this subsection (b) shall, when policy matters are involved, be limited to advising appropriate full-time salaried Government officials who are responsible for making policy decisions.

"(5) Any person employed under this subsection (b) is hereby exempted, with respect to such employment, from the operation of sections 281, 283, 284, 434, and 1914 of title 18, United States Code, and section 190 of the Revised Statutes (5 U. S. C. 99), except that—

"(i) exemption hereunder shall not extend to the negotiation or execution, by such appointee, of Government contracts with the private employer of such appointee or with any corporation, joint stock company, association, firm, partnership, or other entity in the pecuniary profits or contracts of which the appointee has any direct or indirect interest;

"(ii) exemption hereunder shall not extend to making any recommendation or taking any action with respect to individual applications to the Government for relief or assistance, on appeal or otherwise, under the provisions of the act made by the private employer of the appointee or by any corporation, joint stock company, association, firm, partnership, or other entity in the pecuniary profits or contracts of which the appointee has any direct or indirect interest;

"(iii) exemption hereunder shall not extend to the prosecution by the appointee, or participation by the appointee in any fashion in the prosecution, of any claims against the Government involving any matter concerning which the appointee had any responsibility during his employment under this subsection, during the period of such employment and the further period of 2 years after the termination of such employment; and

"(iv) exemption hereunder shall not extend to the receipt or payment of salary in connection with the appointee's Government service hereunder from any source other than the private employer of the appointee at the time of his appointment hereunder.

"(6) Appointments under this subsection (b) shall be supported by written certification by the head of the employing department or agency—

"(i) that the appointment is necessary and appropriate in order to carry out the provisions of the Act;

"(ii) that the duties of the position to which the appointment is being made require outstanding experience and ability;

"(iii) that the appointee has the outstanding experience and ability required by the position; and

"(iv) that the department or agency head has been unable to obtain a person with the qualifications necessary for the position on a full-time, salaried basis.

"(7) The heads of the departments or agencies making appointments under this subsection (b) shall file with the Division of the Federal Register a statement including the name of the appointee, the employing department or agency, the title of his position, and the name of his private employer.

"(8) At least once every 3 months the Chairman of the United States Civil Service Commission shall survey appointments made under this subsection and shall report his findings to the President and the Joint Committee on Defense Production and make such recommendations as he may deem proper."

SEC. 5. Section 712 of the Defense Production Act of 1950, as amended, is amended—

(1) by striking out "25" from the second sentence of subsection (c) thereof and inserting in lieu thereof "40"; and

(2) by striking out "$50,000" in the first sentence of subsection (e) thereof and inserting in lieu thereof "$65,000".

SEC. 6. Section 717 of the Defense Production Act of 1950, as amended, is amended by striking out "July 31, 1955" from the first sentence of subsection (a) thereof and inserting in lieu thereof "June 30, 1956".

Mr. FULBRIGHT. Mr. President, I move that the Senate disagree to the amendment of the House of Representatives, agree to the conference requested by the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. SPARKMAN, Mr. DOUGLAS, Mr. MORSE, Mr. CAPEHART, and Mr. BRICKER conferees on the part of the Senate.

DEVELOPMENT OF MINERAL RESOURCES OF CERTAIN PUBLIC LANDS—CONFERENCE REPORT

Mr. ANDERSON. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 100) to permit the mining, development, and utilization of the mineral resources of all public lands withdrawn or reserved for power development, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 100) to permit the mining, development, and utilization of the mineral resources of all public lands withdrawn or reserved for power development, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate, and agree to the same.

CLINTON P. ANDERSON,
JOSEPH C. O'MAHONEY,
W. KERR SCOTT,
THOMAS H. KUCHEL,
BARRY GOLDWATER,
Managers on the Part of the Senate.

CLAIR ENGLE,
WAYNE N. ASPINALL,
WALTER ROGERS,
JOHN P. SAYLOR,
CLIFTON YOUNG,
Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

THE CALENDAR

The PRESIDING OFFICER. Pursuant to the order previously entered, the next order of business is the call of the calendar for the consideration of measures to which there is no objection, beginning with Calendar 1429, Senate bill 65.

AMENDMENT OF CIVIL SERVICE RETIREMENT ACT OF 1930, AS AMENDED

The bill (S. 65) to amend section 1 (d) of the Civil Service Retirement Act of May 29, 1930, as amended, was announced as first in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. PURTELL. Mr. President, reserving the right to object, I should like to inquire whether or not the views of the Civil Service Commission were sought in regard to this piece of proposed legislation, and if so, what the views of the Civil Service Commission are.

Mr. JOHNSTON of South Carolina. Mr. President, I will answer that question by saying that the views of the Civil Service Commission were not received.

When special retirement legislation for all Government investigatory personnel was under consideration in the 80th Congress, the Civil Service Commission suggested that the bill be amended to include "persons engaged in the detention of criminals, such as prison guards." Since enactment of this language, the term "detention" has in practice been limited to include only "custodial officers within prison walls."

S. 65, by redefining "detention," will expressly include (a) field-service personnel of the Bureau of Prisons, Federal Prison Industries, Incorporated, and employees of Public Health Service assigned to such field service, and (b) other employees of the Bureau of Prisons and of Prison Industries, Incorporated, who have direct contact with persons in detention. All such employees will thus be entitled to retirement on the same basis as other groups of investigatory personnel under section 1 (d) of the Civil Service Act, as amended, which is the right to retire after reaching age 50 with at least 20 years of service.

Mr. PURTELL. I thank the Senator from South Carolina. My inquiry was occasioned by lack of information available to the committee at the time the bill was under study.

Mr. JOHNSTON of South Carolina. This statement is made to clarify the dispute as to what "detention" means.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (S. 65) to amend section 1 (d) of the Civil Service Retirement Act of May 29, 1930, as amended, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 1 (d) of the Civil Service Retirement Act of May 29, 1930, as amended, is amended by adding the following: "The word 'detention' as used in this subsection shall be construed to include the duties of all officers and employees in the field service of the Bureau of Prisons, Federal Prison Industries, Inc., and officers and employees of the Public Health Service assigned to such field service, and all other officers and employees of the Bureau of Prisons and Federal Prison Industries, Inc., whose duties in connection with persons in detention suspected or convicted of offenses against the criminal laws of the United States, of the District of Columbia, and the punitive articles of the Uniform Code of Military Justice, involve direct contact with such persons in their direction, supervision, inspection, training, or employment."

DECLARING A PORTION OF WATERWAY AT WEST HAVEN, CONN., A NONNAVIGABLE STREAM

The bill (S. 2514) to declare the portion of the waterway of West Haven and New Haven, Conn., known as the West River, northerly of a line running north 85 degrees 54 minutes 43.5 seconds east, from a point whose coordinates in the Corps of Engineers Harbor Line System are north 4,616.76 and west 9,450.80 a nonnavigable stream was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the portion of the waterway in which is located the West River in the town of West Haven, Conn., and the city of New Haven, Conn., lying northerly of a line extending north 85 degrees 54 minutes 43.5 seconds east, from a point (1,158.535 feet from the most westerly corner of the existing bulkhead and pier line) whose coordinates in the Corps of Engineers Harbor Line System are north 4,616.76 and west 9,450.80, is hereby declared to be a nonnavigable water of the United States within the meaning of the Constitution and laws of the United States.

SEC. 2. The line hereinbefore described shall be established as a combined pierhead and bulkhead line of the West River.

SEC. 3. Any project heretofore authorized by an act of Congress, insofar as such project relates to the above-described portion of the West River, is hereby abandoned.

SEC. 4. The right to alter, amend, or repeal this act is hereby expressly reserved.

A GOLD MEDAL FOR DR. JONAS E. SALK

The joint resolution (H. J. Res. 278) to provide that a gold medal be coined and presented to Dr. Jonas E. Salk in honor of his achievements in the field of medicine was considered, ordered to a third reading, read the third time, and passed.

WILLIAM E. RYAN

The bill (H. R. 4410) for the relief of William E. Ryan was considered, ordered to a third reading, read the third time, and passed.

MARGARET MARY HAMMOND

The Senate proceeded to consider the bill (H. R. 3024) for the relief of Margaret Mary Hammond, which had been reported from the Committee on Labor and Public Welfare with an amendment on page 2, line 7, after the word "act", to insert a colon and *"Provided,* That no benefits shall accrue by reason of the enactment of this act for any period prior to its enactment, except in case of such medical or hospital expenditures as may be deemed reimbursable."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

ELZIE C. BROWN

The Senate proceeded to consider the bill (H. R. 4763) for the relief of Elzie C. Brown which had been reported from the Committee on Labor and Public Welfare with an amendment, on page 1, line 10, after the word "received", to insert "on or about Thanksgiving of 1945."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

QUITCLAIM DEED TO CERTAIN LAND TO THE STATE OF TEXAS

The bill (H. R. 593) to convey by quitclaim deed to certain land to the State of Texas, was considered, ordered to a third reading, read the third time, and passed.

PAYMENT OF WITNESSES

The resolution (S. Res. 143) amending the rule relating to the payment of witnesses was considered and agreed to, as follows:

Resolved, That the rule of paying witnesses summoned to appear before the Senate or any of its committees shall be as follows: For each day a witness shall attend, not to exceed $12, and not to exceed $12 for each day spent in traveling to or from the place of examination by the usual route. A witness shall also be entitled to be reimbursed his necessary expenses for traveling to and from the place of examination, in no case to exceed the sum of 10 cents a mile for the distance by him actually traveled for the purpose of appearing as a witness.

INSTALLATION OF SEWERAGE SYSTEM IN CONNECTION WITH GLENDO DAM AND RESERVOIR

The Senate proceeded to consider the bill (S. 2339) to authorize the Secretary of the Interior to include capacity to serve the town of Glendo, Wyo., in a sewerage system to be installed in connection with the construction of Glendo Dam and Reservoir, and for other purposes which had been reported from the Committee on Interior and Insular Affairs, with amendments on page 2, line 10, after the word "States", to insert "without cost to the United States"; in line 14, after the word "States", to insert "without cost to the United States"; and on page 3, line 6, after the word "States", to strike out "and contingent on appropriations being made which are available therefor, the United States will pay for the water used by it at reasonable and nondiscriminatory rates fixed by the town of Glendo and approved by the Public Service Commission of the State of Wyoming", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior is authorized, in connection with the installation of a sewerage system to serve the Government construction camp and housing facilities at Glendo Dam and Reservoir (68 Stat. 486) and upon the terms and conditions hereinafter set forth, to install sufficient capacity to serve also the town of Glendo, a municipal corporation of the State of Wyoming, and to transfer all right, title, and interest of the United States in and to said system (including necessary rights-of-way) to said town. The total capacity of said system shall not exceed that required to serve 500 persons and no commitment between the United States and the town with respect to the construction thereof shall require the expenditure of more than $75,000. The terms and conditions of this authorization are that the town shall have—

(a) transferred or agreed to transfer to the United States, without cost to the United States, such interest in land required for construction of the sewerage system as is satisfactory to the Secretary;

(b) transferred or agreed to transfer to the United States, without cost to the United States, fee title to 10 acres of land for the construction of said camp and housing facilities or such other interest in said land as is satisfactory to the Secretary for that purpose. In the event said land is not located within the then corporate limits of the town, the town shall take all necessary and proper steps under the laws of the State of Wyoming to extend its limits to include said land;

(c) connected and run or agreed to connect and run a water main or mains to such locations on the property line of said land as are agreed upon by the town and the Secretary and agreed to furnish water for the use in said camp and housing facilities and by the residents therein on the same terms and considerations on which it furnishes water to other properties and residents in the town of Glendo. Necessary watermeters will be furnished by the United States;

(d) agreed to furnish, without cost to the United States, fire and police protection service to the camp and housing facilities on said land on the same basis and under the same conditions as it furnishes such services to other properties and to inhabitants of the town of Glendo;

(e) agreed to accept such streets and alleys (including rights-of-way therefor) as are constructed by the United States on said land and dedicated by the United States to public purposes and to maintain and keep said streets and alleys in good and serviceable condition without cost to the United States. Necessary streets and alleys constructed by the United States on said land will be of type and quality comparable to existing streets and alleys within the present limits of the town of Glendo;

(f) installed or agreed to install street lights on the streets and alleys constructed by the United States on said land and agreed to maintain said lights and to furnish the electricity necessary for their operation, such installation, maintenance, and electric service to be furnished to the same extent and in like manner as is afforded on other streets within the limits of the town of Glendo and without cost to the United States;

(g) arranged or agreed to arrange for electric and natural-gas service to said camp and housing facilities and to the residents therein on the same terms and conditions as such service is furnished to other properties and residents in the town of Glendo;

(h) agreed to the United States use of the sewerage system throughout its useful life to the extent of that capacity which is required to serve 150 persons and agreed furthermore, that it will operate and maintain said system in conformity with standards agreed upon by the town and the Secretary (which standards shall be those generally employed for the maintenance of similar facilities) and in a manner permitting the satisfactory use of said capacity by the United States, all without cost to the United States.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MRS. RUTHIE GRAVES MESSER

The bill (H. R. 1539) for the relief of Mrs. Ruthie Graves Messer, was considered, ordered to a third reading, read the third time, and passed.

AMENDMENT OF SECTION 223 OF THE REVENUE ACT OF 1950

The bill (H. R. 2553) to amend section 223 of the Revenue Act of 1950, relating to the use of corporation property by a shareholder, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. DOUGLAS. Mr. President, may we have an explanation of the bill?

Mr. BYRD. The tax law has for some time imposed a special penalty tax on the retained earnings of a corporation that receives most of its income from investment rather than operation. Prior to 1950 and subsequent to 1954 a special rule has been provided in the definition of personal holding company income relating to rents obtained by the corporation from the lease of property to a shareholder where the shareholder uses the property for the legitimate conduct of the business. It is considered that the corporation is not being used for tax avoidance in this situation but is part of a real business operation. The bill would provide for application of this special rule between 1950 and 1954 to prevent the treatment between those years from being inconsistent with the treatment before and after.

Mr. DOUGLAS. I wonder whether the Senator from Virginia would be kind

enough to discuss the practical situation which gave rise to the request for this bill?

Mr. BYRD. I believe the statement which I have just read covers the situation. The corporation is not being used for tax avoidance in this situation, but is a part of a real business operation. The bill would provide for application of this special rule between 1950 and 1954 to prevent the treatment between those years from being inconsistent with the treatment before and after that period.

Mr. DOUGLAS. Did the bill arise out of difficulties which had been experienced in connection with the incorporation of personal services rendered by individuals in the Hollywood area?

Mr. BYRD. I cannot say. The bill was passed by the House, and it came to the Senate, and the Senate committee gave it full consideration, with the assistance of its staff, and the committee reported the bill favorably.

Mr. LONG. Mr. President, is there objection to the bill?

Mr. DOUGLAS. No.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

AMENDMENT OF SECTION 345 OF THE REVENUE ACT OF 1951

The bill (H. R. 2619) to amend section 345 of the Revenue Act of 1951 was considered, ordered to a third reading, read the third time, and passed.

AMENDMENT OF SECTION 3401 OF THE INTERNAL REVENUE CODE OF 1954

The bill (H. R. 4394) to amend section 3401 of the Internal Revenue Code of 1954, was considered, ordered to a third reading, read the third time, and passed.

MANUFACTURERS' EXCISE TAX ON MOTORCYCLES

The bill (H. R. 5647) to repeal the manufacturers' excise tax on motorcycles, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. WILEY. Mr. President, I submit a statement for the RECORD, together with a summary of the arguments in favor of the bill, and I ask that they be printed in the RECORD.

There being no objection, the statement and summary was ordered to be printed in the RECORD, as follows:

The purpose of this bill is to relieve the motorcycle industry of the United States from the crushing burden of excise taxes which, as an industry, it is no longer able to bear.

The bill applies only to the motorcycle industry's excise tax of 10 percent on finished machines and additional 8 percent on spare parts. By this measure we are saving an industry whose back is to the wall.

Our information is conclusive that unless such relief is forthcoming the remaining three companies who constitute all that is left of a once flourishing business cannot survive.

After the most careful and exhaustive consideration by the House of Representatives' Ways and Means Committee, this bill was reported out unanimously to the House Calendar. Similarly, it was reported out from the Senate Finance Committee.

SUMMARY OF THE ARGUMENTS

The American motorcycle industry is in desperate need of relief from the existing 10 percent manufacturers' exise tax on motorcycles and the additional 8 percent excise levied upon service parts and accessories because—

1. The industry is sick and economically depressed: due to the steady shrinkage in sales, the earning power of the motorcycle industry is probably the lowest of any American industry—it is now too low to enable the industry to bear any further excise levies.

2. The motorcycle industry is not contributing any significant excise revenues to the Government. In 1954, the industry paid in excise taxes $1,018,784.

3. Actually, the motorcycle industry has been forced to pay excise taxes when it couldn't even afford to do so—as in 1949 and in 1952 when there were industry-wide losses; and, as in 1954 when every manufacturer in the industry operated at a loss. Moreover, the Government has siphoned off in excise taxes sums which were even greater than the industry's profits before income taxes—as, for instance, in 1951 when the industry profits before income taxes were $318,451 but the excise taxes were $1,036,744; or, in 1953, when the industry's "profit" was $5,027 but the excise taxes were $1,147,816.

We respectfully submit that, when an excise measure produces these results, it has ceased to be a revenue-raising tax: it has instead become a capital levy.

We respectfully suggest that a tax policy which can create these absurb (but painful) consequences raises three serious and substantial questions which merit the earnest consideration of the Committees on Ways and Means of the House of Representatives and Finance of the United States Senate, viz.:

(a) Is it a wise economic policy which forces an industry to pay excise taxes at a time when it is losing money?

(b) Does it make economic sense for the Government to demand that an industry pay in excise taxes more than it can show in profits before income taxes?

(c) Does not the perpetuation of this policy make the Government a bigger stakeholder in our businesses than our own shareholders?

4. To place motorcycles and automobiles in the same transportation classification for excise tax purposes and to exact from each the same rate of excise is neither justified by logic nor equity. Motorcycles and automobiles are in entirely different economic categories: the motorcycle buyer is generally to be found in the lowest income group. The automobile industry is a colossus among the industrial giants. The motorcycle industry is at the bottom of the scale in industrial smallness.

5. The excise tax has served to put a strangle hold on the motorcycle industry—for the manufacturer as well as for the dealer—because with the added excise tax embedded in the retail price it magnifies the already favorable price differential of 25 to 30 percent enjoyed by foreign motorcycles due to vastly lower foreign wage rates. The motorcycle industry is unable to overcome this competitive advantage. This additional competitive price handicap imposed by the excise tax plays directly into the hands of our foreign competitors to the further sales detriment of the American product.

6. If we could be rid of this deadweight tax, it would be a powerful stimulant in helping our economic recovery. By restoring our economic health through the elimination of this excise tax, we would be able to pay larger corporate income taxes and the Treasury Department would amply recoup this insignificant loss in excise revenues.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

CONVEYANCE OF CERTAIN LAND BY THE ADMINISTRATOR OF VETERANS' AFFAIRS TO THE CITY OF MILWAUKEE, WIS.

The bill (H. R. 6727), to authorize the Administrator of Veterans' Affairs to convey certain land to the city of Milwaukee, Wis., was considered, ordered to a third reading, read a third time, and passed.

ENFORCEMENT OF NARCOTIC LAWS

The bill (H. R. 7018) to authorize subpenas in connection with the enforcement of the narcotic laws, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

AMENDMENT OF SECTION 421 (a) OF THE INTERNAL REVENUE CODE OF 1954—BILL RECOMMITTED

The bill (H. R. 7064) to amend section 421 (a) of the Internal Revenue Code of 1954 to extend the period of exercise of restricted stock options after terminations of employment was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. BYRD. Mr. President, I ask unanimous consent that the bill be recommitted to the Committee on Finance.

The PRESIDING OFFICER. Without objection, it is so ordered.

TAX TREATMENT OF INCOME RECEIVED FROM PATENT INFRINGEMENT SUITS

The bill (H. R. 7300) to amend the Internal Revenue Code of 1954 with respect to the tax treatment of income received from patent infringement suits was considered, ordered to a third reading, read the third time, and passed.

AMENDMENT OF PUBLIC HEALTH SERVICE ACT

The bill (S. 2587) to amend the Public Health Service Act to authorize the President to make the commissioned corps a military service in time of emergency involving the national defense and to authorize payment of uniform allowances to officers of the corps in certain grades when required to wear the uniform, and for other purposes, was considered, ordered to be engrossed for a

third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 216 of the Public Health Service Act (42 U. S. C. 217) is amended to read as follows:

"USE OF SERVICE IN TIME OF WAR OR EMERGENCY

"SEC. 216. In time of war, or of emergency proclaimed by the President, he may utilize the Service to such extent and in such manner as shall in his judgment promote the public interest. In time of war, or of emergency involving the national defense proclaimed by the President, he may by Executive order declare the commissioned corps of the Service to be a military service. Upon such declaration, and during the period of such war or such emergency or such part thereof as the President shall prescribe, the commissioned corps (a) shall constitute a branch of the land and naval forces of the United States, (b) shall, to the extent prescribed by regulations of the President, be subject to the Uniform Code of Military Justice, and (c) shall continue to operate as part of the Service except to the extent that the President may direct as Commander in Chief."

SEC. 2. (a) Section 213 of the Public Health Service Act (42 U. S. C. 214) is amended to read as follows:

"SEC. 213. An allowance of $250 for uniforms and equipment is authorized to be paid to each commissioned officer of the Service on active duty when required by directive of the Surgeon General to wear a uniform, if at such time the officer is receiving the pay of the junior assistant, assistant, or senior assistant grade; except that no officer who has received such an allowance from the Service shall at any time thereafter be entitled to any further allowance."

(b) Section 707 of the act of July 1, 1944 (58 Stat. 713), so renumbered by section 5 of the act of August 13, 1946 (60 Stat. 1049; 42 U. S. C. 214, note), is repealed.

SEC. 3. (a) Section 207 (a) (1) of the Public Health Service Act (42 U. S. C. 209 (a) (1)) is amended by striking out the words "subsection (b)" and inserting in lieu thereof "subsections (b) and (e)."

(b) Section 207 of such act (42 U. S. C. 209) is amended by redesignating subsections (e), (f), (g), and (h) as subsections (f), (g), (h), and (i) respectively and by adding immediately following subsection (d) a new subsection (e) as follows:

"(e) (1) A former officer of the Regular Corps may, if application for appointment is made within 2 years after the date of the termination of his prior commission in the Regular Corps, be reappointed to the Regular Corps without examination, except as the Surgeon General may otherwise prescribe, and without regard to the numerical limitations of subsection (b).

"(2) Reappointments pursuant to this subsection may be made to the permanent grade held by the former officer at the time of the termination of his prior commission, or to the next higher grade if such officer meets the eligibility requirements prescribed by regulation for original appointment to such higher grade. For purposes of pay, promotion, and seniority in grade, such reappointed officer shall receive the credits for service to which he would be entitled if such appointment were an original appointment, but in no event less than the credits he held at the time his prior commission was terminated, except that if such officer is reappointed to the next higher grade he shall receive no credit for seniority in grade.

"(3) No former officer shall be reappointed pursuant to this subsection unless he shall meet such standards as the Secretary may prescribe."

(c) (1) Section 207 (a) (2) of such act (42 U. S. C. 209 (a) (2)) is amended by striking out "a period of not more than 5 years," and inserting in lieu thereof "an indefinite period."

(2) The enactment of paragraph (1) of this subsection shall not affect the term of the commission of any officer in the Reserve Corps in effect on the date of such enactment unless such officer consents in writing to the extension of his commission for an indefinite period, in which event his commission shall be so extended without the necessity of a new appointment.

SEC. 4. (a) Section 210 (d) (2) of the Public Health Service Act (42 U. S. C. 211 (d) (2)) is amended by strfiking out "pay period and for purposes of."

SEC. 5. (a) The first sentence of section 211 (a) of the Public Health Service Act (42 U. S. C. 212 (a)) is amended by striking out "active commissioned service" and inserting in lieu thereof "active commissioned or noncommissioned service."

(b) Section 211 (b) (1) of such act (42 U. S. C. 212 (b) (1)) is amended by striking out "active commissioned service, including any such service in the Army, Navy, or Coast Guard" and inserting in lieu thereof "active commissioned or noncommissioned service in the Service, including any active commissioned service in the Armed Forces".

(c) Section 211 (c) of such act (42 U. S. C. 212 (c)) is amended to read as follows:

"(c) A commissioned officer who has been retired under the provisions of this section may, (1), if an officer of the Regular Corps, be involuntarily recalled to active duty during such times as the Corps may constitute a branch of the land and naval forces of the United States, and (2), if an officer of either the Regular Corps or the Reserve Corps, be recalled to active duty at any time with his consent."

(d) The proviso of the paragraph headed "RETIRED PAY OF COMMISSIONED OFFICERS," in chapter 296, 67 Statutes at Large 245, which appears at page 254 (42 U. S C. 212b) and which reads as follows: "*Provided*, That hereafter a commissioned officer of the Public Health Service who has been retired may be recalled to active duty, other than in time of war, with his consent", is repealed.

(e) Section 706 of the act of July 1, 1944 (58 Stat. 713), so renumbered by section 5 of the act of August 13, 1946 (60 Stat. 1049), as amended (42 U. S. C. 230), is repealed.

SEC. 6. (a) Section 218 (a) of the Public Health Service Act (42 U. S. C. 218a (a)) is amended (1) by striking out the words "in the Regular Corps", and (2) by striking out the words "any educational institution" and inserting in lieu thereof the words "any Federal or non-Federal educational institution or training program".

(b) Section 218 (b) of such act (42 U. S. C. 218a (b)) is amended to read as follows:

"(b) Any officer whose tuition and fees are paid pursuant to subsection (a) while attending an educational institution or training program for a period in excess of 30 days shall be obligated to reimburse the Service for such tuition and fees if thereafter he voluntarily leaves the Service within whichever of the following periods of active service is the greater: (1) 6 months, or (2) twice the period of such attendance but in no event more than 2 years. Such subsequent period of service shall commence upon the cessation of such attendance and of any further continuous period of training duty for which no tuition and fees are paid by the Service and which is part of the officer's prescribed formal training program, whether such further training is at a Service facility or otherwise. The Surgeon General may waive, in whole or in part, any reimbursement which may be required by this subsection upon a determination that such reimbursement would be inequitable or would not be in the public interest.

AMENDMENT OF PUBLIC LAWS 815 AND 874, 81ST CONGRESS

The bill (S. 2670) to amend Public Laws 815 and 874, 81st Congress, which provide for assistance to local educational agencies in areas affected by Federal activities, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc.—

EXTENSION OF PUBLIC LAW 874

SECTION 1. The first sentence of section 2 (a) of the act of September 30, 1950 (Public Law 874, 81st Cong.), as amended, is amended by striking out "five succeeding fiscal years" and inserting "six succeeding fiscal years". Sections 3 (a), 3 (c), 4 (a), and 8 (d) of such act are amended by striking out "1956" wherever appearing therein and inserting "1957". Section 3 (c) (2) (D) of such act is amended by inserting after "July 1, 1955," the following: "and the succeeding fiscal year,". Section 10 (a) of such act is amended by striking out "or the succeeding fiscal year" in the first sentence and inserting "or either of the 2 succeeding fiscal years", and by striking out the second sentence and inserting the following: "Notice of such an election shall be filed with the Secretary of the Interior and with the Commissioner of Education before January 1 of the calendar year in which the fiscal year in question begins."

PAYMENTS UNDER PUBLIC LAW 874 FOR CURRENT INCREASES IN FEDERALLY CONNECTED CHILDREN

SEC. 2. Section 4 (a) (1) of such act is amended by striking out "at least 5 percent of the number of all children in average daily attendance at the schools of such agency during the preceding fiscal year" and inserting "at least 5 percent of the difference between the number of children in average daily attendance at the schools of such agency during the preceding fiscal year and the number of such children whose attendance during such year resulted from activities of the United States (including children who resided on Federal property or with a parent employed on Federal property)."

POSTPONEMENT OF 3 PERCENT "ABSORPTION" REQUIREMENT UNDER PUBLIC LAW 874

SEC. 3. The act of August 31, 1954 (Public Law 732, 83d Cong.), is amended by inserting after "June 30, 1955," the following: "and the succeeding fiscal year."

TRANSFER OF TEMPORARY SCHOOL FACILITIES MADE AVAILABLE UNDER PUBLIC LAW 815

SEC. 4. Sections 203 and 309 of the act of September 23, 1950 (Public Law 815, 81st Cong.), as amended, are each amended by inserting at the end thereof the following new sentence: "The Commissioner may transfer to such agency or its successor all the right, title, and interest of the United States in and to any temporary facilities made available to such agency under this section; any such transfer shall be without charge, but may be made on such other terms and conditions, and at such time, as the Commissioner deems appropriate to carry out the purposes of this title." The amendments made by this section shall apply to any facility made available to a local educational agency either before or after the enactment of this act.

DATE FOR DETERMINING "UNHOUSED" CHILDREN

SEC. 5. (a) Section 304 of such act is amended, effective December 1, 1954, by striking out "the number of such children who will otherwise be without such facilities at such time shall be determined by reference to those facilities which (A) are built or under contract as of the date set by the

Commissioner under section 303 for filing applications for payments from the funds out of which such Federal share is to be paid" and inserting the following: "the number of such children who will otherwise be without such facilities at such time shall be determined by reference to those facilities which (A) are built or under contract as of the earliest date set by the Commissioner under section 303, on or before which the application for such project is filed."

(b) Such section is further amended by inserting "(a)" after "SEC. 304." and by adding at the end of section the following new subsection:

"(b) (1) Where a local educational agency filed an application for payments under this title on or before November 24, 1953, and after that date entered into any construction contract which had the effect of diminishing or eliminating payments to such agency on the basis of the application, the Commissioner shall pay to such agency, out of funds appropriated pursuant to this subsection, an amount equal to the difference between the amount, if any, reserved on the basis of the application and the amount which would have been reserved on the basis of the application out of funds appropriated by the Supplemental Appropriation Act, 1954, if such funds had been sufficient to permit payments without establishing priorities under section 303.

"(2) Payments under this subsection shall be made upon request of the local educational agency involved, filed with the Commissioner within 90 days after the date on which funds are appropriated to make such payments. Except as provided in paragraph (3), such payments shall be made in a lump sum, and shall be made upon condition that the funds paid shall be used solely to finance the construction of school facilities for such agency (including the payment of obligations incurred with respect to school facilities constructed before the enactment of this subsection).

"(3) If, as of the date on which funds are appropriated to make payments under this subsection, any agency to which this subsection applies has not provided minimum school facilities (determined by reference to those facilities which, as of such date, are built or under contract, or are included in a project the application for which has been approved under this title) for the estimated number of children who will be in the membership of its schools at the close of the regular school year 1955–56, its request shall set forth one or more projects for the construction of minimum school facilities for such children, and with respect to such projects shall meet the requirements of section 205 (b) (1). If, and only if, the projects included in its request and approved for payment will provide minimum school facilities for the number of children for whom such facilities have not been provided, as determined under the preceding sentence, the balance, if any, of the amount payable to such agency under this subsection shall be paid to it in accordance with paragraph (2). Upon approval of the request, payments with respect to each project included in the request shall be made under section 307 as if an application for such project had been approved under section 306."

ASSISTANCE UNDER PUBLIC LAW 815 FOR CHILDREN RESIDING ON INDIAN LAND OUTSIDE SCHOOL DISTRICTS

SEC. 6. (a) Paragraph (1) of section 401 (a) of such act is amended by inserting before the semicolon the following: "or that the total number of such children who reside on Indian lands located outside the school district of such agency equals or exceeds 100."

(b) Such section 401 (a) is further amended by adding at the end thereof the following: "Assistance may be furnished under this subsection without regard to paragraph (2) (but subject to the other provisions of this subsection and subsection (c)) to any local educational agency which provides free public education for children who reside on Indian lands located outside its school district. For purposes of this subsection 'Indian lands' means Indian reservations or other real property referred to in the third sentence of section 210 (1)."

(c) Section 401 (b) of such act is amended (1) by striking out "the succeeding fiscal year" and inserting in lieu thereof "the 2 succeeding fiscal years", and (2) by striking out "June 30, 1955" and inserting in lieu thereof "June 30, 1956."

PAYMENTS UNDER PUBLIC LAW 815 TO DISTRICTS UNABLE TO FINANCE NON-FEDERAL SHARE OF PROJECTS

SEC. 7. Section 308 of such act is amended by inserting "(a)" after "SEC. 308." and by adding at the end of the section the following new subsection:

"(b) Where a local educational agency filed an application for payments under this section before June 30, 1954, and such agency met all the requirements established for approval of such application except the 20 percent requirement as to children countable for payments under this title (45 C. F. R., 1954 Supp., 107.8 (b) (2)), and the number of children countable for the purposes of such requirement was equal to 10 percent or more of the average daily membership of such agency for the school year 1953–54, the Commissioner shall pay to such agency, out of funds appropriated pursuant to this subsection, an amount equal to the amount which would have been reserved on the basis of such application if such requirement had been met. Payments under this subsection shall be made upon application by the local educational agency involved, filed with the Commissioner on or before November 1, 1955, which shall set forth one or more projects for the construction of minimum school facilities for such agency, and shall meet the requirements of section 205 (b) (1) with respect to such projects. Upon approval of an application under this subsection, payments with respect to each project included in the application shall be made under section 307 as if an application for such project had been approved under section 306."

Mr. HILL subsequently said: Mr. President, earlier on the call of the calendar the Senate passed Order No. 1268, S. 2670, to amend Public Laws 815 and 874, 81st Congress, which provide for assistance to local educational agencies in areas affected by Federal activities, and for other purposes. Since the passage of the Senate bill the House has passed an identical bill.

Therefore, I ask unanimous consent that the vote by which the Senate passed Senate bill 2670 be reconsidered, and that the Senate proceed to the consideration of H. R. 7245, the identical House bill, which has just been received from the House.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Alabama that the Senate reconsider the vote by which it passed Senate bill 2670? The Chair hears none, and it is so ordered.

The PRESIDING OFFICER laid before the Senate the bill (H. R. 7245) to amend Public Laws 815 and 874, 81st Congress, which provide for assistance to local educational agencies in areas affected by Federal activities, and for other purposes, which was read twice by title.

Mr. HILL. I ask unanimous consent that the Senate proceed to the consideration of the House bill.

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

Mr. HILL. Mr. President, I ask unanimous consent that the Senate bill be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

APPOINTMENT IN A CIVILIAN POSITION IN THE WHITE HOUSE OFFICE OF MAJ. GEN. JOHN STEWART BRAGDON

The bill (H. R. 7628) to authorize the appointment in a civilian position in the White House Office of Maj. Gen. John Stewart Bragdon, United States Army, retired, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

AMENDMENT OF FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949

The Senate proceeded to consider the bill (S. 2377) to amend the Federal Property and Administrative Services Act of 1949 to make temporary provision for making payments in lieu of taxes with respect to certain real property transferred by the Reconstruction Finance Corporation and its subsidiaries to other Government Departments which had been reported from the Committee on Government Operations with an amendment to strike out all after the enacting clause and insert:

That the table of contents contained in the first section of the Federal Property and Administrative Services Act of 1949 is hereby amended by inserting immediately below

"Sec. 605. Effective date."

the following:

"TITLE VII—PROPERTY TRANSFERRED FROM THE RECONSTRUCTION FINANCE CORPORATION

"Sec. 701. Declaration of policy.
"Sec. 702. Definitions.
"Sec. 703. Property transferred by the Reconstruction Finance Corporation.
"Sec. 704. Limitations.
"Sec. 705. Effective date."

SEC. 2. Section 3 of such act is hereby amended by inserting immediately after "As used in" the following: "titles I through VI of."

SEC. 3. Such act is hereby further amended by adding at the end thereof the following:

"TITLE VII—PROPERTY TRANSFERRED FROM THE RECONSTRUCTION FINANCE CORPORATION

"DECLARATION OF POLICY

"SEC. 701. The Congress recognizes that the transfer of real property having a taxable status from the Reconstruction Finance Corporation or any of its subsidiaries to another Government department has often operated to remove such property from the tax rolls of States and local taxing authorities, thereby creating an undue and unexpected burden upon such States and local taxing authorities, and causing disruption of their operations. It is the purpose of this title to furnish temporary measures of relief for such States and local taxing authorities by providing that payments in lieu of taxes shall be made with respect to real property so transferred on or after January 1, 1946.

"DEFINITIONS

"SEC. 702. As used in this title—

"(a) The term 'State' means each of the several States of the United States and the Territories of Alaska and Hawaii.

"(b) The term 'real property' means (1) any interest in land, and (2) any improvement made thereon prior to any transfer thereof occurring on or after January 1, 1946, from the Reconstruction Finance Corporation to any other Government department, if for the purpose of taxation such interest or improvement is characterized as real property under the applicable law of the State in which such land is located.

"(c) The term 'local taxing authority' means any county or municipality, and any subdivision of any State, county, or municipality, which is authorized by law to levy and collect taxes upon real property.

"(d) The terms 'real property tax' and 'real property taxes' do not include any special assessment levied upon real property after the date of a transfer of such real property occurring on or after January 1, 1946, from the Reconstruction Finance Corporation to any other Government department.

"(e) The term 'Government department' means any department, agency, or instrumentality of the United States, except the Reconstruction Finance Corporation.

"(f) The term 'transfer' means—

"(1) a transfer of custody and control of, or accountability for the care and handling of, any real property, or

"(2) a transfer of legal title to any real property.

"(g) The term 'Reconstruction Finance Corporation' includes all subsidiaries of the Reconstruction Finance Corporation.

"PROPERTY TRANSFERRED BY THE RECONSTRUCTION FINANCE CORPORATION

"SEC. 703. Where real property has been transferred on or after January 1, 1946, from the Reconstruction Finance Corporation to any Government department, and the title to such real property has been held by the United States continuously since such transfer, then on each date occurring on or after January 1, 1955, and prior to January 1, 1959, on which real property taxes levied by any State or local taxing authority with respect to any period became due, the Government department which has custody and control of such real property shall pay to the appropriate State and local taxing authorities an amount equal to the amount of the real property tax which would be payable to each such State or local taxing authority on such date if legal title to such real property had been held by a private citizen on such date and during all periods to which such date relates.

"LIMITATIONS

"SEC. 704 (a). The failure of any Government department to make, or to make timely payment of, any payment authorized by section 703 shall not subject—

"(1) any Government department, or any person who is a subsequent purchaser of any real property from any Government department, to the payment of any penalty or penalty interest, or to any payment in lieu of any penalty or penalty interest; or

"(2) any real estate or other property or property right to any lien, attachment, foreclosure, garnishment, or other legal proceeding.

"(b) No payment shall be made under section 703 with respect to any real property of any of the following categories:

"(1) Real property taxable by any State or local taxing authority under any provision of law, or with respect to which any payment in lieu of taxes is payable under any other provision of law.

"(2) Real property used or held primarily for any purpose for which real property owned by any private citizen would be exempt from real property tax under the constitution or laws of the State in which the property is situated.

"(3) Real property used or held primarily for the rendition of service to or on behalf of the local public, including (but not limited to) the following categories of real property: courthouses; post offices and other property used for purposes incidental to postal operations; and federally owned airports maintained and operated by the Civil Aeronautics Administration.

"(4) Office buildings and facilities which are an integral part of, or are used for purposes incidental to the use made of, any properties described in paragraph (1), (2), or (3) of this subsection.

"(c) Nothing contained in this title shall establish any liability of any Government department for the payment of any payment in lieu of taxes with respect to any real property for any period before January 1, 1955, or after December 31, 1958.

"EFFECTIVE DATE

"SEC. 705. This title shall take effect as of January 1, 1955."

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

Mr. SALTONSTALL. Mr. President, I should like to ask a question of the Senator from Michigan. First, I should like to say that this is a very much-needed bill, and I am very glad to have it brought up in the Senate. My question is this: Does section 704, which fails to apply any penalties or require any interest charge if the Government does not make payment in lieu of taxes, go far enough? Why could not a department of Government, merely because it became involved in a fracas, hold up money, and the State would have no right in the matter and would not get any interest?

Mr. POTTER. The bill is an intermediate bill. As the Senator knows, the Commission on Intergovernmental Relations has made recommendations, and it has recommended permanent legislation of this nature. The Committee on Government Operations has held hearings on the measure, under the chairmanship of the distinguished Senator from Arkansas [Mr. MCCLELLAN], as well as in a subcommittee headed by the Senator from Minnesota [Mr. HUMPHREY]. It is my understanding that it is the intention of the committee in the next session of Congress to report permanent legislation. This is stopgap legislation, to take care of communities which are seriously affected, in order to give them some immediate relief from a situation from which they have suffered for some time.

There may be some ground for the fears of the distinguished Senator from Massachusetts. However, this is not permanent legislation, and certainly it could result in a situation worse than that which exists today because of the actions of various Government departments.

Mr. SALTONSTALL. That is correct. I was wondering whether the Senator from Arkansas would be in a position to have section 704, subparagraph 1 deleted, and leave in the bill subparagraph 2, so that the property owned by the Government would not be subject to any lien or attachment, but the interest would still accrue. Would there be any objection to striking out that paragraph? I would not want to do it if it would jeopardize the passage of the bill, but I think it would be fairer and would still give the Government protection.

Mr. POTTER. It is a question of applying penalties to the Federal Government.

Mr. SALTONSTALL. I do not like the word "penalties." In many instances, the communities affected need the money very badly. If they do not get the money, they have to borrow money themselves to pay the bills.

Mr. MUNDT. Mr. President, will the Senator from Massachusetts yield?

Mr. SALTONSTALL. I yield, if I have the floor.

Mr. MUNDT. I hope the Senator will not press the amendment, because, very frankly, as a member of the committee I was disinclined to go along with the bill, except for the emergency situation. It was with some forebodings that I attached my name to the report on the bill in its present form.

Mr. SALTONSTALL. This is a temporary bill. I shall not press my amendment, because, if there is any value in it, it can be brought up at the next session.

Mr. MUNDT. As the Senator from Michigan has brought out, we expect to have some overall legislation covering the question. That is one reason why I was disinclined to go along with this bill, but because of the appeals made by the Senator from Michigan and others I was prevailed upon in the interim period not to oppose the bill.

Mr. SALTONSTALL. I am glad the gentlemen were persuasive, because it is a matter of importance to several communities in my State which have suffered. It is a very difficult problem.

Mr. MUNDT. There was some discussion sometime ago about taking the Government out of business. It occurred to me that this would be a good place to start to encourage Congress to get the Government out of business. But I am willing to approve this temporary legislation.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

Mr. ERVIN. Mr. President, there is an identical House bill, I think.

Mr. POTTER. Mr. President, that is correct.

Mr. ERVIN. Mr. President, I ask that the House bill be laid before the Senate.

The PRESIDING OFFICER laid before the Senate bill (H. R. 6182) to amend the Federal Property and Administrative Services Act of 1949 to make temporary provision for making payments in lieu of taxes with respect to certain real property transferred by the Reconstruction Finance Corporation and its subsidiaries to other Government departments, which was read twice by its title.

Mr. ERVIN. I move that the Senate proceed to the consideration of the House bill.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from North Carolina.

The motion was agreed to; and the Senate proceeded to consider House bill 6182.

Mr. MCCLELLAN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McCLELLAN. What is the bill which is now before the Senate?

The PRESIDING OFFICER. House bill 6182. The Chair is advised that it is identical with the Senate bill.

The question is on the third reading and passage of the bill.

The PRESIDING OFFICER. The Senate bill will be indefinitely postponed.

The bill (H. R. 6182) was ordered to a third reading, was read the third time, and passed.

AMENDMENT OF SECTION 112 (N) (8) OF THE INTERNAL REVENUE CODE OF 1939

The Senate proceeded to consider the bill (H. R. 257) to amend section 112 (n) (8) of the Internal Revenue Code of 1939, to provide that in certain cases of a sale or exchange of a taxpayer's residence, certain periods of limitation shall not run against the taxpayer while he is on extended active duty in the Armed Forces, which had been reported from the Committee on Finance with an amendment on page 2, after line 5, to insert:

SEC. 3. The Internal Revenue Code of 1954 is amended by adding a new section to chapter 1 of subtitle A immediately following section 1341 to read as follows:

"SEC. 1342. Computation of tax where taxpayer recovers substantial amount held by another under claim of right.

"(a) General rule: If—

"(1) an item was deducted from gross income for a prior taxable year (or years) because it appeared that another person held an unrestricted right to such item as a result of a court decision in a patent infringement suit (whether or not the taxpayer is a party to such suit); and

"(2) gross income is increased for the taxable year because it was established after the close of such prior taxable year (or years) that such other person did not have an unrestricted right to such item or to a portion of such item because of the subsequent reversal of such court decision on the ground that such decision was induced by fraud or undue influence; and

"(3) the amount of such increase in gross income exceeds $3,000, then the tax imposed by this chapter for the taxable year shall be the lesser of the following:

"(4) the tax for the taxable year computed with the gross income so increased; or

"(5) an amount equal to—

"(A) the tax for the taxable year computed without such increase in gross income, plus

"(B) the incerase in tax (including interest) under this chapter (or the corresponding provisions of prior revenue laws) for the prior taxable year (or years) which would result solely from the elimination of such item (or portion thereof) as a deduction from gross income for such prior taxable year (or years).

"(b) Special rule: For the purposes of subsection (a) (5) (B) interest shall be computed from the due date of the return for such prior taxable year to the due date of the return for the taxable year."

SEC. 4. The amendment made by section 3 of this act shall apply with respect to taxable years beginning after December 31, 1954.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "An act to amend section 112 (n) (8) of the Internal Revenue Code of 1939, relating to the suspension of certain periods of limitation while the taxpayer is on extended active duty with the Armed Forces, and to amend the Internal Revenue Code of 1954 with respect to tax treatment where the taxpayer recovers amounts held by another under claim of right."

AMENDMENT OF SECTION 1233 OF THE INTERNAL REVENUE CODE OF 1954

The bill (H. R. 6263) to amend section 1233 of the Internal Revenue Code of 1954 was announced as next in order.

Mr. DOUGLAS. Mr. President, may we have an explanation of the bill?

Mr. BYRD. Mr. President, this bill has two major provisions. The first provision relates to arbitrage operations in securities; that is, the purchase of one security and the almost simultaneous sale of another security into which the security purchased was convertible. Ordinarily, these transactions involve the purchase of convertible bonds and the sale of the stock into which the bonds may be converted. The bonds are then converted into stock and delivered to complete the transaction. Under present law, this type of transaction has been held to be a short sale and the taxpayer is required to compute the holding period of other stock of the type sold, which he is holding for investment, from the time he completes the arbitrage transaction rather than from the time he purchased his stock. This bill provides that the holding period of securities not involved in the arbitrage operation will not be affected by the arbitrage operation under the conditions provided in the bill.

The Finance Committee added an additional provision to this bill. The definition of a personal holding company includes a corporation if during the last half of the taxable year more than 50 percent of its stock is owned by not more than 5 individuals. Charitable trusts are generally considered as individuals in applying this test of stockownership. This provision will consider charitable trusts not to be individuals for purposes of this test if the trust was created before July 1, 1950, and if the trust has owned, since that time and until the close of the taxable year, all of the common stock and at least 80 percent of the stock of all other classes of the corporation whose status as a personal holding company or otherwise is being determined. The restrictions of 504 (a) (2) and (a) (3) and section 681 (c) (2) and (3) which prevent charitable trusts from being utilized to defeat the purpose for which the charitable exemption was granted or to jeopardize the interest of the charitable beneficiaries are made applicable.

This bill was reported out unanimously by the Ways and Means Committee and passed the House of Representatives on the Consent Calendar.

Mr. DOUGLAS. Mr. President, I should like to have a little more detailed discussion of the practical effect of the first part of the bill. I looked up the definition of "arbitrage" in the dictionary, and it is what I thought it was. It is as follows:

Simultaneous, or nearly simultaneous, purchasing, as of commodities, securities, or bills of exchange, in one market where the price is lower than in another, and selling in the other.

Mr. BYRD. If the Senator will refer to the Senate report on the bill, page 2, he will see an example.

Mr. DOUGLAS. What will be the practical effect? The bill adds a new title F to section 1233. What will be the practical effect upon revenues and upon exemptions of these provisions?

Mr. BYRD. I am advised by the staff that there will be practically no effect on the revenues.

Mr. DOUGLAS. Is the bill designed to fit a special case or a group of special cases?

Mr. BYRD. It is to fit all transactions. I think if the Senator will read the example on page 2 of the report, it will give him some idea of the purpose of the bill.

Mr. DOUGLAS. Is that the one which is in fine print?

Mr. BYRD. It gives an explanation of the arbitrage operations.

Mr. DOUGLAS. I was merely asking the Senator from Virginia to identify the example. Is that the material in fine print?

Mr. BYRD. Yes; the material in fine print, which explains the purpose.

Mr. DOUGLAS. Are these held to be short sales, or are they now defined not to be short sales?

Mr. BYRD. They are held to be short sales, merely because the stocks are first purchased. I think the example very thoroughly explains the purpose.

Mr. DOUGLAS. Does the bill change the rate of taxation upon those who engage in the practice of selling bonds and stock against each other?

Mr. BYRD. It does not change the rate of taxation. I read the ruling of the Internal Revenue Service, which appears on page 2 of the report:

Certain bonds traded in on the New York Stock Exchange are convertible at the option of the holder, into common stock of the issuing corporation. The market price of the bonds tends to fluctuate in direct relation to the market price of the stock. At times, however, there is a slight difference in the relative market prices of the bonds and stock. When the price of the bonds is down, in relation to the price of the stock, members of the exchange buys the bonds at the market price and as nearly simultaneously as possible sell the stock into which the bonds are convertible. The bonds purchased are then converted and the stock so received is used to close the sale. These transactions are known as arbitrage operations. Held, sales of stock in the manner described constitute short sales within the purview of section 117 (1) of the Internal Revenue Code.

Mr. DOUGLAS. The Senator from Illinois is probably stupid, but he does not understand the effect of what is sought to be done.

Mr. BYRD. I will admit that the bill is quite complicated. If the Senator would prefer to have the bill go to the foot of the calendar, in order to secure

further information, I shall be glad to suggest that that be done.

Mr. DOUGLAS. I thank the Senator.

Mr. BYRD. Mr. President, I ask that the bill go to the foot of the calendar.

The PRESIDING OFFICER. Without objection, Calendar 1272, House bill 6263, will go to the foot of the calendar.

PROHIBITION OF EMPLOYMENT BY THE UNITED STATES OF DISLOYAL PERSONS

The bill (H. R. 6590) to prohibit the employment by the Government of the United States of persons who are disloyal or who participate in or assert the right to strike against the Government of the United States, and for other purposes, was announced as next in order.

Mr. McNAMARA. May we have an explanation of the bill?

Mr. JOHNSTON of South Carolina. The bill does not entail the passage of anything new; it is simply a codification of provisions in previous appropriation bills. Every year we recodify them in order to simplify recourse to the laws.

Mr. HOLLAND. I thoroughly approve of the statement of the chairman of the committee. Not only on appropriation bills have these provisions been enacted since 1946; but this bill incorporates the language contained in section 612 of the Housing Act of 1949, section 9 (a) of the Hatch Act, and section 305 of the Labor-Management Relations Act of 1947; and it repeals the provisions in all those bills so as to have them in one place, properly codified.

I congratulate the Senator upon the work of his committee.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

THE EXECUTIVE PAY ACT OF 1955—BILL PASSED OVER

The bill (S. 2628) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies, and for other purposes, was announced as next in order.

Mr. BIBLE. Over.

The PRESIDING OFFICER. The bill will be passed over.

HENRY T. QUISENBERRY

The bill (H. R. 4508) for the relief of Henry T. Quisenberry was considered, ordered to a third reading, read the third time, and passed.

ENTRY AND LOCATION UPON PUBLIC LANDS OF THE UNITED STATES

The Senate proceeded to consider the bill (S. 2629) to provide for entry and location, on discovery of a valuable source material, upon public lands of the United States classified as or known to be valuable for coal, and for other purposes, which had been reported from the Committee on Interior and Insular Affairs with an amendment, to strike out all after the enacting clause and insert:

That, subject to the conditions and provisions of this act and to any valid intervening rights acquired under the laws of the United States, public lands of the United States classified as or known to be valuable for coal subject to disposition under the mineral leasing laws and which are open to location and entry subject to the conditions and provisions of the act of August 13, 1954 (68 Stat. 708), unless embraced within a coal prospecting permit or lease, shall also be open to location and entry under the mining laws of the United States upon the discovery of a valuable source material occurring within any seam, bed, or deposit of lignite in such lands: *Provided*, That a copy of the notice of any mining location made for source material occurring in any such bed, seam, or deposit, shall be filed for record in the land office of the Bureau of Land Management for the State in which the claim is situated within 90 days after the date of its location: *Provided further*, That the claimant to any such mining location shall report annually to the Mining Supervisor of the Geological Survey the amount of lignite mined or stripped in the recovery of such valuable source material during each calendar year and tender payment to him of 10 cents per ton thereon. Any mineral patents issued hereunder shall be made subject to the recording and payment requirements of this section and shall contain a reservation to the United States of all Leasing Act minerals owned by the United States other than lignite containing valuable source material and lignite necessary to be stripped or mined in the recovery of such material. Mining claims located and mineral patents issued under the provisions of this act shall not include rights to lignite not containing valuable source material except to the extent it may be necessary to mine or strip such liginite in order to mine the source material and, with respect to lode claims, shall not include extralateral rights. For all purposes of this act "source material" and "lignite" shall have the meanings given in section 6 of this act.

SEC. 2. Any mining claim located in a manner prescribed by the mining laws of the United States upon lands of the character described in section 1 of this act, prior to May 25, 1955, if based upon a discovery of valuable source material contained in lignite shall be effective to the same extent as if such lands at the time of location, and at all times thereafter, had not been classified as or known to be valuable for coal subject to disposition under the mineral leasing laws, subject, however, to the provisions of section 1 hereof: *Provided*, That no extralateral rights shall attach to any mining location validated under this section: *And provided further*, That the locator or locators of such a mining claim shall, not later than 180 days from and after the date of this act, post on the claim and file for record in the office where the notice or certificate of location is of record, an amended notice of the mining location stating that such amended notice is filed pursuant to the provisions of this act and for the purpose of obtaining the benefits thereof; and that a copy of said amended notice is, within the said 180-day period, filed in the land office of the Bureau of Land Management for the State in which the mining location is situated, and the mining locator thereafter complies with the requirements of this act.

SEC. 3. Subject to the provisos of section 2 of this act, any mining location made under the mining laws of the United States, including the act of August 13, 1954, on lands of the character described in section 1 of this act, except locations made for lands within the exterior boundaries of a prior coal prospecting permit or lease, if based upon a discovery of valuable source material in deposits other than deposits of Leasing Act minerals, shall include the right to mine, remove, and dispose of lignite containing valuable source material and lignite necessary to be stripped or mined in the recovery of source material contained in lignite, subject to the reporting and payment requirements of section 1 of this act, and subject to the provisions of the Atomic Energy Act of 1954 (68 Stat. 919), and upon filing in the land office designated in section 1 hereof, an adequate description of his claim or claims containing such lignite: *Provided*, That nothing in this section shall be construed to limit or restrict the rights acquired by virtue of a mining claim heretofore or hereafter located, under the said mining laws, or to impose any additional obligation with respect to the mining and removal of source material which does not occur within any seam, bed, or deposit of lignite.

SEC. 4. The entryman or owner of any land or the assignee of rights therein, including lands granted to States, with respect to which the coal deposits have been reserved to the United States pursuant to the provisions of the act of March 3, 1909 (35 Stat. 844), or the act of June 22, 1910 (36 Stat. 583), excepting lands embraced within a coal prospecting permit or lease, upon the discovery of valuable source material in lignite situated within such entered, granted, or patented lands, who, except for the reservation of coal to the United States would have the right to mine and remove such source material, shall have the exclusive right to mine, remove, and dispose of lignite containing such source material and lignite necessary to be stripped or mined in the recovery of such material, subject to the reporting and payment requirements of section 1 of this act, and subject to the provisions of the Atomic Energy Act of 1954, upon filing in the land office designated in section 1 hereof, an adequate description sufficient to identify the land containing such lignite.

SEC. 5. The holders of coal leases issued under the provision of the mineral leasing laws, including the act of August 7, 1947 (61 Stat. 913), prior to the date of this act, or thereafter if based upon a prospecting permit issued prior to that date, upon the discovery during the term of such lease of valuable source material in any bed or deposit of lignite situated within the leased lands, shall have the exclusive right to locate such source material under the provisions of this act but the mining and disposal of such source material shall be subject to the operating provisions of the lease and to the provisions of the Atomic Energy Act of 1954: *Provided*, That the provisions of this section shall not apply to coal prospecting, permits or leases on lands embraced within entered, granted or patented lands described in section 4 of this act.

SEC. 6. As used in this act "mineral leasing laws" shall mean the act of October 20, 1914 (38 Stat. 741); the act of February 25, 1920 (41 Stat. 437); the act of April 17, 1926 (44 Stat. 301); the act of February 7, 1927 (44 Stat. 1057); and all acts heretofore or hereafter enacted which are amendatory of or supplementary to any of the foregoing acts; "Leasing act minerals" shall mean all minerals which, upon the effective date of this act, are provided in the mineral leasing laws to be disposed of thereunder; "lignite" shall mean coal classified as ASTM designation: D 388-38, according to the standards established in the American Society for Testing Materials on Coal and Coke under standard specifications for Classification of Coals by Rank, contained in public-land deposits considered as valuable under the coal-land classification standards established by the Secretary of the Interior and

prescribed in section 30, Code of Federal Regulations, part 201; and "source material" shall mean uranium, thorium, or any other material which is determined by the Atomic Energy Commission pursuant to the provisions of section 61 of the Atomic Energy Act of 1954 to be source material.

SEC. 7. All moneys received under the provisions of this act shall be paid into the Treasury of the United States and distributed in the same manner as provided in section 35 of the Mineral Leasing Act of 1920, as amended, and section 9 of the Alaska Coal Leasing Act of October 20, 1914 (38 Stat. 741).

SEC. 8. The Secretary of the Interior is authorized to issue such rules and regulations as may be necessary or appropriate to effectuate the purposes of this act.

SEC. 9. Nothing in this act shall be deemed to amend or repeal any provisions of the act of August 13, 1954 (68 Stat. 708), or any right granted thereunder.

SEC. 10. Twenty years after the effective date of this act, all lands subject to the provisions of section 1 shall be withdrawn from all forms of entry under this act. All claims made pursuant to the provisions of this act shall expire at that time, except for (1) claims for which patent has already been issued, and (2) claims on which application for patent has already been made and on which patent is subsequently issued: *Provided,* That if the President shall so provide by executive order, the provisions of this section shall not become effective until thirty years after the effective date of this act.

Mr. CASE of South Dakota. Mr. President, by request of the senior Senator from Nevada [Mr. MALONE], I offer an amendment to the committee amendment, after the word "under," to strike out "the said mining laws" and insert "the 1872 Mining Act as amended."

Mr. President, many Senators think the words mean the same thing, but the Senator from Nevada felt that it would be better if we went back to the basic mining law in this instance. That is why the amendment has been offered.

Mr. MORSE. Mr. President, may we have an explanation of the bill?

Mr. CASE of South Dakota. About a year ago, and subsequent to the passage of Public Law 585, uranium was discovered in some lignitic material in an area which had been withdrawn as valuable for coal. Actually, that lignitic land in two counties in South Dakota where the uranium was discovered, though it has been withdrawn from entry, under the mining laws, for from 20 to 50 years has only had one 40-acre permit issued upon application of anyone for a coal prospecting or removal permit.

But because of the coal classification of the land withdrawal under the mining laws, uranium has been discovered in very substantial quantities.

The bill has been worked out by the Atomic Energy Commission, the United States Geological Survey, and the Bureau of Land Management.

The report of the Department of the Interior states:

> There is no statutory provision governing the mining of uranium-bearing lignite. Since we understand that methods are being developed by which lignite can be economically processed for recovery of uranium, and since there is a pressing national need for uranium, we believe it essential that S. 2278 be enacted, if amended to read along the lines of the attached draft.

S. 2278 was a predecessor bill to S. 2629. S. 2629 incorporates the draft which was attached to the report of the Secretary of the Interior. So it meets with the request of the Department and of all the other agencies concerned, including the Bureau of the Budget.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. CASE of South Dakota. I yield.

Mr. MALONE. I appreciate the Senator's remarks about the amendment which was offered to the bill.

URANIUM MINING FAVORED

I may say, for clarification of the RECORD, in case any question arises later, that I fully agree with the Senator from South Dakota that an arrangement should be made to mine uranium in those fields. The simplest way would have been to cancel the original withdrawal of those lands which would make the 1872 Mining Act applicable without an amendment. The Senator has heretofore explained that there is no value to those lands as coal property.

But we all know that the disposition of the Department of the Interior for the last two decades has been to make large withdrawals, but no relinquishments. So to make these lands available, this seemed to be the simplest way. The report, on page 5, reads, in part, as follows:

> However, the committee wishes to emphasize that its acquiescence in the requirement for the filing of a copy of location notices with the United States district land office, or any other Federal agency, is not to be regarded as a precedent in any way, either for the particular provision or for piecemeal amendment or change in the general mining law.

Does that in any way preclude the necessity of filing them with the county recorder?

Mr. CASE of South Dakota. No; the only reason for the requirement that there should be a double filing, so to speak, at the county seat, and also with the appropriate office of the Bureau of Land Management, is that the bill will require a miner who mines lignite in connection with the mining of uranium to make payment to the United States for the lignite at the same rate he would pay for the lignite if he were removing it under a coal permit.

Mr. MALONE. Of course, it has always been the suggestion of the Federal Government for the last two decades that a claim be filed on a mining claim with an agency. Now we have the Bureau of Land Management, which knows nothing about mining claims, which has taken over this area of work. Therefore, it wants to be the agency with which the prospector will be forced to file a claim. The Government agency is opposed to the filing of a claim in the county recorder's office in the county wherein the mining claim has been located, which has been the practice for 75 years.

Mr. CASE of South Dakota. This does not disturb that practice.

Mr. MALONE. I wish to say in that connection that the prospector who really finds these claims very rarely develops them, because he does not have the money. After he finds the claim an engineer comes in who represents some capital, and the mining claim may be developed; but the prospector himself, while he knows where the county recorder's office is located and can file his claim there, does not understand the complicated process of going to a Federal agency. It is only the large organizations which employ engineers and attorneys by the year that want a leasing system.

The idea of the amendment was to preclude any such tendency or arrangement and to put all the Government agencies on notice that any such proposal would be opposed.

Mr. CASE of South Dakota. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from South Dakota [Mr. CASE], for the Senator from Nevada [Mr. MALONE], to the committee amendment.

The amendment to the amendment was agreed to.

Mr. NEUBERGER. Mr. President, will the Senator yield for a question?

Mr. CASE of South Dakota. I yield for a question.

Mr. NEUBERGER. I was not able to hear the entire discussion, and I should like to ask the able Senator from South Dakota if the proposal would open up any lands of the United States which are at present closed to mining, such as national parks, wildlife refuges, or any other area under the jurisdiction of the United States.

Mr. CASE of South Dakota. It would not except for lignite coal.

Mr. NEUBERGER. But it would not open up the lands excluded to mining?

Mr. CASE of South Dakota. No.

Mr. NEUBERGER. I thank the Senator.

Mr. CASE of South Dakota. Mr. President, I understand there is at the desk an identical bill, H. R. 6994, which I ask the Chair to lay before the Senate.

The PRESIDING OFFICER. The Chair lays before the Senate H. R. 6994, which will be stated by title for the information of the Senate.

The bill (H. R. 6994) to provide for entry and location, on discovery of a valuable source material, upon public lands of the United States classified or known to be valuable for coal, and for other purposes, was read twice by its title.

Mr. CASE of South Dakota. I move that the Senate proceed to the consideration of the House bill.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from South Dakota.

The motion was agreed to; and the Senate proceeded to consider the bill.

The PRESIDING OFFICER. The bill is open to amendment.

Mr. CASE of South Dakota. Mr. President, I send to the desk the same amendment as was offered to the Senate bill and ask to have it stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 4, line 22, it is proposed to strike out the phrase "the said mining laws" and insert in lieu thereof "the 1872 Mining Act as amended", and a comma.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The PRESIDING OFFICER. Without objection, the Senate bill 2629 is indefinitely postponed.

Mr. CASE. Mr. President, I ask unanimous consent to have printed in the RECORD, at this point, a letter addressed to the chairman of the Committee on Interior and Insular Affairs, the Senator from Montana (Mr. MURRAY), by the Atomic Energy Commission, together with that Commission's report on Senate bill 2278.

There being no objection, the letter and report were ordered to be printed in the RECORD, as follows:

UNITED STATES
ATOMIC ENERGY COMMISSION,
Washington, D. C., July 30, 1955.

Hon. JAMES E. MURRAY,
Chairman, Senate Committee on Interior and Insular Affairs,
Washington, D. C.

DEAR SENATOR MURRAY: In accordance with the request contained in your letter of June 30, 1955, we have prepared the enclosed report on S. 2278, "to provide for entry and location in discovery of a valuable source material, upon public lands of the United States classified or known to be valuable for coal, and for other purposes."

The Bureau of the Budget has advised us that it has no objection to the submission of this report.

Sincerely yours,

K. E. FIELDS
(*For the Chairman*).

REPORT ON S. 2278

(Reference: Letter dated June 30, 1955, received from Senator JAMES E. MURRAY, chairman, Committee on Interior and Insular Affairs, U. S. Senate, requesting report on proposed legislation.)

The discovery of uranium-bearing lignite coal on the public domain in western South Dakota and North Dakota and eastern Montana has created a great deal of uranium exploration activity in these areas. Upon the basis of data presently available, it appears that these deposits offer promise of becoming an important source of uranium. Many of the occurrences which have been examined contain significant quantities of U_3O_8. Exploration and development undertaken to date have been insufficient to establish continuity of uranium mineralization throughout the lignites, particularly in areas where the beds are covered by heavy oberburden. However, a preliminary reconnaissance of a portion of western South Dakota by our geologists has proved sufficiently encouraging to warrant a more extensive survey which is now underway to determine ore potentialities.

Assays of uraniferous lignites from South Dakota have run as high as 7 percent U_3O_8 in selected hand specimens, but the average content of the indicated and inferred ore in deposits which have come to our attention is on the order of 0.35 percent. The grade of lignites in the same locality is equally variable and some are so impure as to prohibit their use as a fuel. The Dakota lignites and those in adjacent areas which show the greatest promise as a source of uranium vary considerably in their overburden. Our knowledge of their uranium content is based primarily on assays of lignite outcropping at the surface. Beyond such exposures, ranging in thickness from 10 inches to 30 inches, the overburden may increase to hundreds of feet. The quantity of contained uranium, of course, determines the mining costs which may be supported by a uraniferous lignite deposit and, in turn, the depth of overburden which may be stripped from it economically.

Although lignite beds of small to large extent occur in areas other than the Dakotas and eastern Montana, our investigations to date have not revealed the occurrence of significant quantities of uranium associated with lignite in such other areas.

The Commission does not now have a buying program for lignite coal containing uranium. The uraniferous lignites are not amenable to economic treatment by any of the processes in use in existing uranium ore-processing plants, and as yet a satisfactory process for recovering uranium from this material is not known to the Commission. However, we have acquired small lots of uranium-bearing lignite originating in northwestern South Dakota for metallurgical investigation, and testing is being conducted to develop applicable uranium recovery methods. This work is being carried on at the Commission's Raw Materials Development Laboratory located at Winchester, Mass., at the Columbia University Minerals Beneficiation Laboratory, New York City, and at the ore-dressing laboratory of the United States Bureau of Mines, Denver, Colo. The Commission is prepared to "pilot plant" at facilities located at Grand Junction, Colo., promising methods that may be worked out.

In addition to the problem of developing a satisfactory recovery method, there are problems in connection with stockpiling. One difficulty would be that of excessive dust loss because the material, when exposed to the air, weathers and decrepitates into fines. Secondly, there would be a problem in connection with the possible spontaneous combustion of the stored material, which might result in a refractory ash from which the percentage of uranium recovery would be very low. It is believed that the most practical approach would be one where the material as mined would be fed to process to avoid the materials-handling difficulties incident to stockpiling.

Development of an economic method of recovery and solution of the problems involved in stockpiling would furnish a basis for purchasing this material, should a means be provided whereby rights could be obtained to mine uraniferous lignites found on the public domain.

A method of recovering uranium from the lignites definitely can be developed. As we see it, the problem is one of economics. The cost of treatment will have a direct bearing upon the price which may be established for lignite. Another important economic factor is the quantity of lignite available since this will govern the size of a milling operation. Ore reserves and mining cost estimates need further study and development. We believe that private industry is now prepared to conduct such studies if the problem of title to the uraniferous lignites is resolved.

We understand it to be the view of the Bureau of Land Management that uranium found in lignite beds on the public lands is not subject to location under the mining laws. The proposed legislation which appears to permit the location of mining claims on deposits of uranium-bearing lignite would, in our opinion, provide a satisfactory means for the exploration and development by private parties of this important potential source of uranium.

We note, however, section 5 of H. R. 6994, a similar bill, provides that holders of existing coal leases who discover source material in the leased land may mine it exclusively. This seems to clarify an otherwise clouded situation as to such leases.

AMENDMENT OF THE INTERNAL REVENUE CODE OF 1954

The bill (H. R. 4581) to amend the Internal Revenue Code of 1954, with respect to the tax on cutting oil, was considered, ordered to a third reading, read the third time, and passed.

CONVEYANCE OF LAND WITHIN GRAPEVINE DAM AND RESERVOIR PROJECT—BILL PASSED TO FOOT OF CALENDAR

The Senate proceeded to consider the bill (H. R. 6634) to provide for the conveyance of 1.8 acres of land, more or less, within the Grapevine Dam and Reservoir project to the city of Grapevine, Tex., for sewage disposal purposes.

Mr. MORSE. Mr. President, I send an amendment to the desk, which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 1, line 9, it is proposed to strike out the words "and without monetary consideration therefor", and insert in lieu thereof "upon payment of 50 percent of the fair appraised market value thereof."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

Mr. ERVIN. Mr. President, I ask that the bill go to the foot of the calendar.

The PRESIDING OFFICER. Without objection, the bill will go to the foot of the calendar.

DUTY ON CERTAIN BELLS TO BE IMPORTED FOR ADDITION TO THE CARILLONS OF THE CITADEL, CHARLESTON, S. C.

The bill (H. R. 6122) to remit the duty on certain bells to be imported for addition to the carillons of The Citadel, Charleston, S. C., was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. BARKLEY. Mr. President, reserving the right to object, which I shall not do, I wish to make a very brief statement concerning an amendment which I had intended to offer to the bill, but will not offer, for the reason which I shall explain.

Ever since 1930, when I was the ranking minority member of the subcommittee on Metals of the Committee on Finance, which considered the tariff on watches and other products made of metals, I became interested in and somewhat acquainted with the watch industry and the tariff on watches.

During the consideration of a bill, we finally arrived at the tariff rates to be imposed on imported watches dependent on the number of jewels in a watch. Because of the importance of skilled watchmakers in the manufacture of precision instruments in connection with our defense, the Tariff Commission made an investigation and recommended an increase in the tariff on watches, which President Truman declined to put into effect, but which President Eisenhower has inaugurated by an increase in the tariff on watches.

The tariff on a watch which contains 17 jewels is $3.15. The tariff on a watch which contains 21 jewels is $10.75.

In recent years—in the past 2 or 3 years—a practice has developed in the Swiss watch industry, in cooperation with certain American importers, to bring into this country 17-jewel watches which have been so manufactured as to contain 4 concealed components into which jewels can be inserted—the 4 components are concealed by a metal plug or some sort of device—so that the watches come in as 17 jewel watches, on which there has to be paid only the $3.15 tariff.

After those watches come into this country, the little plugs or metal pieces are removed, four jewels are inserted, and the watches then become 21-jewel watches. The tariff duty paid on such watches was only $3.15 instead of the $10.75 which would have to be paid on a watch which contained 21 jewels.

The Treasury Department wrestled with the problem, and endeavored to prescribe regulations to take care of the loophole, which permits a practice which is unfair to American watch manufacturers and to importers who have to pay a tariff of $10.75 on watches which contain 21 jewels, and as to which there has been no device of deception put into the watches. The matter is in court and has not been yet settled.

Working with the problem, members of the House Ways and Means Committee drafted an amendment which would suffice to plug the loophole, which cannot be plugged without congressional action. The Ways and Means Committee reported the bill, and it is on the House calendar. Because of the situation which now prevails, and because the Rules Committee of the House announced it would grant no more rules on legislation at this session, the House cannot act.

However, hoping that they would send the bill over, the Finance Committee unanimously authorized me to report the bill when and if the bill came to the Senate. Since it will not come to the Senate, it cannot be put on the calendar.

I had intended to offer an amendment to this bill. Since the bill deals with revenue matters, such an amendment would be in order. I had intended to offer the amendment to the House bill, but inasmuch as the House would not consider the bill, and inasmuch as we would not get anywhere by taking action on it, and the result would be to kill the bill if the amendment were attached to it—which I do not desire to do—I have protected my right to offer the amendment, because the bill still remains on the calendar of the House, and the intention of the Finance Committee is to report the bill when it comes to the Senate. It is intended to report it in January. For that reason, I am not offering the amendment to the pending bill; but I ask unanimous consent that the amendment I had intended to offer be printed at this point in the RECORD.

There being no objection, the amendment intended to be proposed by Mr. BARKLEY was ordered to be printed in the RECORD, as follows:

At the end of the bill insert the following new section:

"SEC. 2. (a) Paragraph 367 (1) of the Tariff Act of 1930 (19 U. S. C., sec. 1001, par. 367 (1)) is amended to read as follows:

"'(1) For the purposes of this paragraph and paragraph 368 the term "jewel" includes substitutes for jewels. For the purposes of the preceding sentence, the term "substitutes for jewels" includes, without limitation, each place in any movement, mechanism, device, instrument, assembly, or subassembly where a jewel (as defined in the preceding sentence) is placed or inserted and serves a mechanical purpose as a frictional bearing, whether such jewel is so placed or inserted in a foreign trade zone (notwithstanding the provisions of the act of June 18, 1934, as amended (19 U. S. C., secs. 81a–81u)), or in a bonded warehouse or otherwise in customs custody, or (except for the purposes of subparagraph (b) of this paragraph and paragraph 368 (b)) elsewhere within the United States or any of its Territories or possessions within 3 years after the date of release from customs custody. The Secretary of the Treasury is authorized to make regulations to enforce or otherwise carry out the provisions of this subparagraph, which regulations may include provision for any bond, and for any declaration or other form of proof, he deems necessary.'

"(b) The amendment made by subsection (a) shall enter into force as soon as practicable, on a date to be specified by the President in a notice to the Secretary of the Treasury following such negotiations as may be necessary to effect a modification or termination of any international obligations of the United States with which the amendment might conflict, but in any event not later than 180 days after the date of the enactment of this act."

Amend the title so as to read: "An act to remit the duty on certain bells to be imported for addition to the carillons of The Citadel, Charleston, S. C., and to amend paragraph 367 of the Tariff Act of 1930 with respect to jewels in imported watch movements."

Mr. LEHMAN. Mr. President, reserving the right to object—although I do not intend to object—I merely wish to say that I have listened with great interest to the remarks of the distinguished Senator from Kentucky. His amendment, if adopted to the bill, would be an extremely serious blow to the watch-assembly industry in New York. New York is the heart of that industry. Adoption of the amendment would be a most serious blow because, in my opinion, it would cripple a very large segment of the watch industry, and would also have a most serious adverse effect upon the importers of watches.

Therefore, I am very happy that the distinguished Senator from Kentucky has decided not to submit the amendment to either this bill or any other bill at this session. I am happy because the effect of such an amendment, if enacted into law, would be so serious to my State and, I believe, to other sections of the country that I would be compelled to raise serious objection to the amendment.

I wish to say in all sincerity that there is no Member of the Senate whom I would less willingly oppose, in the case of any legislative proposal, than the distinguished former Vice President of the United States, now the Senator from Kentucky [Mr. BARKLEY]. I thank him for his very frank statement.

Mr. BARKLEY. Mr. President, I thank the Senator from New York for his gracious compliment. I feel certain that when he looks into the practice—which, as he indicates, is somewhat prevalent in New York City—he will find that it is not one which we can approve. I can hardly believe that he would endorse or approve of a practice which on its face seems to be designed to cheat the Treasury of the United States out of tariffs to which it is entitled, and puts those who engage in the practice in competition with the American watchmaking industry, as well as those who bring into the country watches wholly assembled.

Mr. LEHMAN. Mr. President, I do not desire to enter into a debate with the distinguished Senator from Kentucky. I merely wish to say that I do not agree with him. I believe that the present system—which has been in force, I understand, for 30 years—is sound, equitable, and fair.

Undoubtedly we shall have an opportunity to debate this matter next year.

Mr. THURMOND. Mr. President——

The PRESIDING OFFICER (Mr. HUMPHREY in the chair). The Senator from South Carolina is recognized.

Mr. THURMOND. Mr. President, I should like to take this opportunity to thank the distinguished Senator from Kentucky for not offering the amendment to this particular bill. The amendment is a controversial one; and if the amendment were adopted, certainly it would cause delay in enactment of the bill, and might prevent its enactment. So we appreciate very much the attitude of the Senator from Kentucky on this matter.

Mr. President, I should like to say that the carillon referred to was donated to The Citadel, one of the outstanding educational institutions of the United States, by my predecessor, former Senator Charles E. Daniel, and his brother. The Citadel is very appreciative of the donation of the carillon; and the purpose of the bill is to provide exemption from payment of the duty.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill H. R. 6122) was considered, ordered to a third reading, read the third time, and passed.

EXEMPTIONS FROM THE TAX ON ADMISSIONS OF ATHLETIC EVENTS FOR THE BENEFIT OF THE UNITED STATES OLYMPIC ASSOCIATION

The bill (H. R. 7095) to provide that the tax on admissions shall not apply to certain athletic events held for the bene-

fit of the United States Olympic Association was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. MARTIN of Pennsylvania. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. At the end of the bill it is proposed to insert the following new section:

SEC. 3. Section 723 of the Internal Revenue Code of 1939 (relating to equity invested capital in special cases) is hereby amended by adding at the end thereof the following new subsection:

"(c) If a recapitalization of a railroad corporation, as defined in section 77m of the National Bankruptcy Act, as amended, was effected after December 31, 1938, in pursuance of an order of the court having jurisdiction of such corporation—

"(1) in a receivership proceeding; or

"(2) in a proceeding under section 77 of the National Bankruptcy Act, as amended, the equity invested capital of such corporation shall (at the election of the taxpayer) be the same as if the assets had been acquired in a transaction to which section 760 is applicable."

SEC. 4. The amendment made by section 3 shall be effective for taxable years beginning after December 31, 1941.

Mr. MARTIN of Pennsylvania. Mr. President, in explanation of the amendment, I wish to say that its purpose is to carry out the intention of Congress in providing that a railroad subject to bankruptcy proceedings shall have its invested capital credit under World War II excess profits tax preserved. The Congress in the Revenue Act of 1942 intended that in the case of a railroad corporation the basis of its assets should be used for invested capital purposes, whether the railroad was organized through a new corporation or through a reorganization of the old company. The Treasury is interpreting the old law to provide that a different rule applies to a railroad that is reorganized under the same charter, as compared to a railroad which is reorganized under a new charter. Any distinction between cases where the old corporate shell is retained or a new corporation is employed, is undesirable where the substance of the transaction is the same. The bill carries out the intention of Congress in enacting the Revenue Act of 1942, namely, that for the purpose of the World War II excess-profits tax, in determining the invested capital of a reorganized railroad corporation, the same rule should apply, whether the railroad is reorganized under its old charter or under a new charter.

Mr. ANDERSON. Mr. President, will the Senator from Pennsylvania yield?

Mr. MARTIN of Pennsylvania. I yield.

Mr. ANDERSON. Can the Senator estimate how much tax rebate is involved by the amendment?

Mr. MARTIN of Pennsylvania. I think Mr. Stam can better answer the Senator's question. We considered this matter in the committee.

Mr. ANDERSON. I realize that; but this is a rather late hour at which to submit an amendment containing a provision which very delicately affects tax rates on reorganized railroads.

From the reading of the amendment, I doubt that anyone can state whether it involves $100 million, $200 million, or $250 million.

Mr. BYRD. Mr. President, the chief of staff, Mr. Stam, says the amendment involves $1 million.

The amendment was approved last year by the Senate Finance Committee and by the House Ways and Means Committee.

Mr. ANDERSON. What railroad is involved, and where will the $1 million go?

Mr. BYRD. The Chicago and Northwestern Railroad.

Mr. MARTIN of Pennsylvania. Yes; the Chicago and Northwestern.

Mr. ANDERSON. Mr. President, it seems to me that ordinarily the amendment would be referred to the Finance Committee, and should be reported by that committee.

To have an amendment of this sort, involving so large a sum of money, come up at this late hour on the floor of the Senate, is, it seems to me, a rather unusual procedure.

Mr. MARTIN of Pennsylvania. Mr. President, this matter has been considered by the Finance Committee and has been considerd by the House Ways and Means Committee. It is agreeable to the Ways and Means Committee that the amendment be submitted to the pending bill.

Mr. AIKEN. Mr. President, will the Senator from Pennsylvania yield to me?

Mr. MARTIN of Pennsylvania. I am glad to yield?

Mr. AIKEN. Let me ask whether the amendment has been approved by the Treasury Department or by any other Government agency.

Mr. MARTIN of Pennsylvania. Of course, the Treasury Department objects to any proposal involving a loss of revenue; but the Treasury has not offered any serious objection to the amendment, because the principle is sound.

Mr. AIKEN. The Treasury Department would not be likely to offer an objection unless a loss in revenue were involved.

Has any other Government agency approved the amendment?

Mr. MARTIN of Pennsylvania. No other government agency is involved.

Mr. MORSE. Mr. President, I am at a loss to understand the relevancy, if any, of the amendment to a bill which seeks to provide tax exemption with respect to the Olympic games.

I share the point of view expressed by the Senator from New Mexico [Mr. ANDERSON] that in the closing hours of the session legislation of this sort should not be enacted in the form of a rider. There has been plenty of time during the session to bring the subject before us in the form of a bill. The proposal is now offered as an amendment in the nature of a rider on a bill relating to the Olympic games. I do not know why we should vote on it as a rider.

Mr. AIKEN. If the Treasury were to oppose the amendment to the extent that it would recommend a veto if it were attached to the bill, would we not then find that we had lost the exemption from taxes with respect to the Olympic games? Is it not rather risky to attach the proposal as a rider to this bill at this stage?

Mr. WELKER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WELKER. What is the limitation under which the Senate is operating? Is it 5 minutes or 50 minutes?

The PRESIDING OFFICER. The Senator from Pennsylvania has the floor. The Senate is working on the call of the calendar. There is a 5-minute limitation on each amendment.

Mr. WELKER. May I ask how much time has been used on this amendment?

Mr. ANDERSON. Mr. President, this amendment is not at all germane to the subject. One of the purposes of a call of the calendar is to give Senators an opportunity to know what is coming before the Senate for consideration. This proposal, in the nature of a rider, involves more than $1 million. Ordinarily there is objection to considering and passing by unanimous consent any measure on the calendar which involves more than $1 million. If we can get around that practice by adding an amendment as a rider to another bill, I think the integrity of the calendar will be destroyed.

Mr. MARTIN of Pennsylvania. Mr. President, I will not delay the Senate. However, let me say that this proposal, in the form of a bill, has been before the Senate Committee on Finance. It was unanimously approved by the Senate Finance Committee. It has been before the Ways and Means Committee of the House, and has been approved by that committee. It is agreeable to the House to have this amendment attached as a rider to the pending bill.

This amendment involves a very important subject. It does not concern me at all. There is not a single corporation in Pennsylvania or in any of the adjoining States which would receive any benefit from this amendment. I am offering it only for the general good. I do not know exactly what States are interested. Illinois, for one, is interested. I am merely trying to be helpful in this case.

I have taken the question up with the chairman of the Finance Committee [Mr. BYRD]. The amendment is agreeable to him. If I am doing something that is improper, I am very sorry.

The PRESIDING OFFICER. Time on the amendment has expired.

Mr. MORSE. Mr. President, what is the status of the amendment?

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Pennsylvania [Mr. MARTIN].

Mr. MORSE. Mr. President, I ask to be recognized for 5 minutes.

The PRESIDING OFFICER. The Senator from Oregon is recognized for 5 minutes.

Mr. MORSE. I should like to ask the Senator from Pennsylvania a question.

If this amendment were not added to a bill to be passed tonight, and were presented next January, would not that

allow ample time for the railroad company involved to be relieved of any tax obligation from which it is seeking exemption through this amendment, by the time it would have to pay its next taxes?

Mr. MARTIN of Pennsylvania. When corporations are being reorganized, there is an enormous amount of accounting work to be done. The matter of taxes, and what is to be considered in the reorganization plan, must be set out. The attorneys must pass upon certain questions. That is the reason this amendment is being offered at this time.

Mr. MORSE. Do I correctly understand that the Treasury Department has been called upon for a report on this amendment, and has filed an adverse report?

Mr. MARTIN of Pennsylvania. I do not think there is any report in either committee from the Treasury Department. However, as I stated a moment ago, the Treasury Department usually objects when a loss of revenue is involved.

Mr. MORSE. It seems to me that is a pretty important point. We ought to have the benefit of the report of the Department involved. If it is adverse we can still overrule the Department if we think it is unreasonable.

That goes to the point which I raised earlier. I think we ought to have the facts before we vote upon the pending amendment as a rider.

Mr. ERVIN. Mr. President, I dislike to do this, but I ask the distinguished Senator from Pennsylvania if he will not withdraw his amendment. As a member of the calendar committee, I think we should insist on bills on the calendar being passed without tacking on a substantially new bill by way of amendment. I hope the Senator from Pennsylvania will withdraw his amendment. If he does not withdraw it, I hope the Senate will reject it. I serve notice that if the Senate does not vote it down, I shall object to the passage of the bill. I feel that it is my duty as a member of the calendar committee to take that position.

Mr. DIRKSEN. Mr. President, will the distinguished Senator from North Carolina withhold his objection for a moment?

Mr. ERVIN. I will withhold it for a moment or two, but not much longer.

Mr. DIRKSEN. Mr. President, this is not a very involved question. As a matter of fact, the Treasury Department has no objection whatsoever to the amendment. We have labored with the Treasury Department on many occasions.

The only reason the bill was not enacted last year was that there was reluctance to open up any revenue measure for fear that such action might invite a great many amendments of one kind or another.

This proposal has received approval. It is contained in the omnibus bill reported by the House Ways and Means Committee. So if it is enacted here, obviously it can then become law at the present session.

This amendment applies to only one railroad, the Chicago & Northwestern Railroad, with its main office in Chicago, Ill.

What is involved is that when the road was reorganized it was reorganized under the old charter, or the old shell, as distinguished from the new charter. When the question came to the Treasury Department for interpretation, the tax was interpreted as applying under the new charter, in one way, and under the old charter in another. As a result, there has been some tax discrimination by virtue of this interpretation by the Treasury.

All the amendment would do would be to bring the two interpretations into line, so that the Treasury interpretation and the imposition of the tax would be precisely the same, whether reorganization through the bankruptcy court was finally effected on the basis of the old corporate shell or on the basis of the new charter.

That is the entire issue. The Treasury Department has indicated that it is undesirable to proceed on two premises in interpreting taxes involving a bankruptcy, on the basis of the old charter on the one hand, and the new charter on the other.

I believe it is a richly deserving bill. There ought to be no objection to it, and it ought to be passed.

Mr. ERVIN. I ask the Senate to reject the amendment. If the railroad bill has merit, it ought to run on its own tracks, not ride on the Olympic Association. I ask the Senate to vote down the amendment.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. ERVIN. I yield.

Mr. DIRKSEN. I suppose the fault was in part mine. A part of the fault may have been elsewhere, too. However, I made a real effort. Through a sheer oversight, the matter was not called up in the Committee on Finance. I am willing to assume responsibility for it. But we did make that effort. There was a distinct belief on the part of several members of the Committee on Finance that it had been called up. When I checked last evening, at 5 or 6 o'clock, I discovered, much to my dismay and consternation that it had not been called up, and had been made a separate order of business.

I hope, therefore, that the Senate will not penalize either an oversight on my part or an oversight on the part of some members of the Committee on Finance. They are undertaking in perfectly good faith to remedy the difficulty.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Pennsylvania [Mr. MARTIN]. [Putting the question.]

The Chair is in doubt, and will request a division.

On a division, the amendment was agreed to.

Mr. ERVIN. Mr. President, I ask that the bill go over.

Mr. CAPEHART. I do not like the idea of simply asking that a bill go over because the proponents of an amendment are successful. If we are to take that position, I will object to every bill on the calendar from now on.

I do not believe it is fair to take that kind of attitude. It is unfortunate that a Senator should object to taking up a bill on the basis of having lost a vote on an amendment.

Mr. ERVIN. So long as I am a member of the Calendar Committee, when a bill comes up dealing with Olympic games, to which a majority of the Senate adds an amendment which is not germane and has something to do with the taxation of a railroad corporation, I shall conceive it to be my duty to object.

Mr. CAPEHART. I do not believe the Senator from North Carolina is running the Senate. A majority of the Members of the Senate have voted in favor of the amendment. Who is the Senator from North Carolina to determine what the Senate shall or shall not do? If he takes that position, I shall object to all the remaining bills on the calendar.

Mr. ERVIN. I am too modest a man to undertake to run the Senate. I am merely enforcing a Senate rule.

Mr. MARTIN of Pennsylvania. Mr. President, I ask unanimous consent to withdraw the amendment which was agreed to a moment ago.

The PRESIDING OFFICER. The Senator from Pennsylvania [Mr. MARTIN] asks unanimous consent that the Senate reconsider the vote by which it agreed to his amendment.

Is there objection? The Chair hears none, and the vote by which the amendment was agreed to is reconsidered.

Without objection, the amendment is withdrawn.

Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 7618) to amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. PURTELL. Over.

The PRESIDING OFFICER. The bill will be passed over.

LYM ENGINEERING CO.—REFERENCE OF BILL TO THE COURT OF CLAIMS

The PRESIDING OFFICER. On the previous call of the calendar, several measures were placed at the foot of the calendar. The clerk will state in order the measures at the foot of the calendar.

The LEGISLATIVE CLERK. A resolution (S. Res. 142) to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of Joseph H. Lym, doing business as Lym Engineering Co.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

Mr. PURTELL. May we have an explanation of the bill?

Mr. KILGORE. The resolution is for the purpose of referring a bill to the

Court of Claims, with the request that the Court of Claims make findings of facts and conclusions of law. Because of the amount involved, over $130,000, the committee felt that it should go to the Court of Claims before coming before the committee. That is the purpose of the resolution. It would refer a bill to the Court of Claims.

Mr. PURTELL. May I inquire of the distinguished Senator from West Virginia whether this would constitute a precedent under the Lucas Act?

Mr. KILGORE. No. We have taken similar action in other cases.

Mr. PURTELL. We have had several other cases like it?

Mr. KILGORE. Yes; we have sent similar matters to the Court of Claims. We are asking the Court of Claims to furnish us with a finding of facts in the case.

Mr. PURTELL. I thank the distinguished Senator.

Mr. WATKINS. We handled a similar resolution some time ago in which we asked for and received reports from the Court of Claims. The proposed procedure is nothing new.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to, as follows:

Resolved, That the bill (S. 641) entitled "A bill for the relief of Joseph H. Lym, doing business as Lym Engineering Co." now pending in the Senate, together with all the accompanying papers, is hereby referred to the Court of Claims; and the court shall proceed with the same in accordance with the provisions of sections 1492 and 2509 of title 28 of the United States Code and report to the Senate, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand as a claim, legal or equitable, against the United States and the amount, if any, legally or equitably due from the United States to the claimant.

AMENDMENT OF FLAMMABLE FABRICS ACT

The bill (S. 1455) to amend the Flammable Fabrics Act to exempt from its application scarves which do not present an unusual hazard was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Flammable Fabrics Act (67 Stat. 111; 15 U. S. C., secs. 1191–1200), as amended, is further amended as follows:

In section 2 (d), after the comma following "hats, gloves," insert "scarves made of plain surface fabrics."

AMENDMENT OF SECTION 1233 OF THE INTERNAL REVENUE CODE OF 1954

The bill (H. R. 6263) to amend section 1233 of the Internal Revenue Code of 1954 was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Finance with amendments, on page 1, line 7, after the word "of", to strike out "the closing of," and on page 3, after line 14, to insert:

SEC. 3. Section 452 (a) (2) of the Internal Revenue Code of 1954 (defining the term "personal holding company") is hereby amended by adding at the end thereof the following new sentence: "The preceding sentence shall not apply in the case of an organization or trust organized or created before July 1, 1950, if at all times on or after July 1, 1950, and before the close of the taxable year such organization or trust has owned all of the common stock and at least 80 percent of the total number of shares of all other classes of stock of the corporation, but only if such organization or trust is not denied exemption under section 504 or an unlimited charitable deduction is not denied under section 681 (c) and, for this purpose—

"(A) all income of the corporation which is available for distribution as dividends to its shareholders at the close of any taxable year shall be deemed to have been distributed at the close of such year whether or not any portion of such income was in fact distributed); and

"(B) section 504 (a) (1) and section 681 (c) (1) shall also not apply to income attributable to property of a decedent dying before January 1, 1951, which was transferred during his lifetime to a trust or property that was transferred under his will to such trust."

SEC. 4. The amendment made by section 3 of this act shall apply only with respect to taxable years beginning after December 31, 1954.

Mr. BYRD. Mr. President, this is the bill which was discussed earlier in the evening. Some questions were raised with respect to it by the Senator from Illinois [Mr. DOUGLAS]. I am informed that he has withdrawn his objection to the bill.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "An act to amend section 1233 and section 542 (a) (2) of the Internal Revenue Code of 1954."

CONVEYANCE OF LAND WITHIN THE GRAPEVINE DAM AND RESERVOIR PROJECT, TEXAS

The bill (H. R. 6634) to provide for the conveyance of 1 9/10 acres of land, more or less, within the Grapevine Dam and Reservoir project in the city of Grapevine, Tex., for sewage disposal purposes, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. MORSE. Mr. President, I have an amendment at the desk which I offer.

The PRESIDING OFFICER. The amendment offered by the Senator from Oregon will be stated.

The LEGISLATIVE CLERK. It is proposed, on page 1, line 9, to strike out the words "without monetary consideration therefor", and insert in lieu thereof the words "upon payment of 50 percent of the fair appraised market value thereof."

Mr. CLEMENTS. Mr. President, those who are interested in this bill say they have no objection to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oregon.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The PRESIDING OFFICER. This concludes the call of the calendar.

Mr. PURTELL. Mr. President, action on Calendar No. 1213, Senate bill 2671, was contemplated. I understood the bill had gone to the foot of the calendar.

The PRESIDING OFFICER. The Chair wishes to advise the Senator from Connecticut that that bill was passed this morning in the form of a House bill.

Mr. PURTELL. I thank the Presiding Officer.

CITY OF ELKINS, W. VA.

Mr. CLEMENTS. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1230, Senate bill 2182.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 2182) for the relief of the city of Elkins, W. Va.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Kentucky.

The motion was agreed to, and the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with an amendment at the top of page 2, to strike out:

SEC. 2. Prior to June 1, 1956, no Federal court shall have jurisdiction to hear any claim against the city of Elkins based on the liability from which such city is relieved by the first section of this act.

So as to make the bill read:

Be it enacted, etc., That the city of Elkins, W. Va., is hereby relieved of all liability to repay to the United States the sum of $75,000 (plus any interest which may have accrued thereon), which amount represents a loan made to such city by the United States on April 5, 1943, through the Reconstruction Finance Corporation. In the settlement of the account of any certifying or disbursing officer of the United States full credit shall be given for all amounts for which liability is relieved by this act.

Mr. WELKER. Mr. President, is the Senate considering the Executive Calendar?

Mr. CLEMENTS. We are on Calendar No. 1230, Senate bill 2182. There are two small bills which should take very little time to dispose of, and then there is a privileged matter in the form of a conference report. Following that it is our intention to proceed with the consideration of the Executive Calendar.

Mr. WELKER. I thank the Senator from Kentucky.

Mr. MORSE. Mr. President, I should like to have an explanation of the bill.

Mr. NEELY. Mr. President, when this bill was reached on the call of the calender earlier today the able Senator from Connecticut [Mr. PURTELL], in accordance with the rules of the Senate, objected to it, but stated that he would not oppose it if it were later brought up by motion. This, the acting majority leader, the distinguished Senator from Kentucky [Mr. CLEMENTS], has done.

The purpose of the bill is to relieve the city of Elkins, West Virginia, of the intolerable burden of paying a debt to a governmental agency which the Government itself should liquidate. The facts in the case are as follows: In 1943 a $75,000 loan was made by the Reconstruction Finance Corporation to enable Elkins to comply with certain requests of the military and aeronautical departments of the Government to provide an airport for national defense purposes. In response to these requests the airport was constructed. It was specified in the city's agreement that the loan would be repaid out of the net earnings of the port.

The evidence shows that the port's wartime construction was in furtherance of a nationwide program of the Civil Aeronautics Administration, and that the Government was the moving party in the expanding of the Elkins airport as a link in the indispensable chain of national defense. A statement, which represents a typical and average period of operation from December 1954 to June 1955, submitted by Manager Stanley K. Armentrout, shows that 9,842 aircraft made contact with the CAA facilities at this port during the period mentioned as follows: 729 scheduled airline craft, 2,800 commercial and private craft, and 6,313 military planes.

The evidence further shows that Elkins cannot possibly pay this indebtedness. By ordinance it was provided that the city's contribution to the cost of construction was to be made exclusively from net income derived from the operation of the port. This net income has proved to be wholly insufficient to discharge the city's liability. There is able legal opinion to the effect that the RFC can never collect the existing $75,000 debt from any source other than the net income specified in the outstanding bonds.

The airport's principal income is obtained from American Air Lines and a limited number of privately owned planes.

In the action instituted by the RFC against the city, it is alleged that the service rates charged by the airport should be increased. But this cannot be done for the reason that those who are now using the port are losing approximately $70,000 a year. In brief, the city is destitute of ways or means to pay the $75,000 indebtedness which was contracted for the purpose of providing national defense during the perilous period of the Second World War. This just national debt which a governmental agency is unjustly endeavoring to compel Elkins to pay amounts, on the average, to $8 for each inhabitant of the city, including everyone on public relief and every babe in arms.

Mr. WELKER. Mr. President, will the Senator from West Virginia yield?

Mr. NEELY. I yield.

Mr. WELKER. I believe the Judiciary Committee found the bill to be a very meritorious one.

Mr. NEELY. I thank the able Senator from Idaho for his observation which is as true as gospel and as right as rain. Mr. President, this measure was unanimously and favorably reported by the committee. It is my eager hope and my earnest belief that the Senate will maintain its stainless reputation for rectitude of judgment and righteousness of action by passing the bill without a dissenting vote.

Mr. KILGORE. Mr. President, will my colleague yield?

Mr. NEELY. I yield.

Mr. KILGORE. Mr. President, this is a rather unique situation. The airport is in the backbone of the Allegheny Mountains. Until it was built there would be crash after crash of airplanes. There was no place for an airplane to land after it passed over Ohio until it got to the center of Virginia. The airport is purely a wartime development desired by the military.

At the time it was urged upon the people of Elkins they were told that the revenue bonds were supposed to pay for the expenditure, but the estimates of the CAA and the CAB were a little bit too optimistic, because the airport operates at a loss without any provision to pay for the loss.

A suit was instituted, but was thrown out of court on the basis of the provision that the debt would have to be paid for from revenue earned by the airport.

All the bill does is to settle losses which the people could not hope to recover otherwise.

Mr. MORSE. Mr. President, I am disturbed about the bill because of certain statements in the adverse report of the Treasury Department. I invite attention to page 5 of the committee report, where there will be found a letter from the Acting Secretary of the Treasury, in which he says:

> The bill also contains a specific provision which would deprive Federal courts of jurisdiction to entertain a suit against the city of Elkins to enforce payment of this loan. Since there is now pending in the United States District Court for the Northern District of West Virginia a suit by RFC for judgment against the city in the amount of the defaulted bonds and interests, this provision would deprive this court of jurisdiction to proceed with the suit.

Then, later in the letter, the Treasury says:

> The Treasury Department opposes enactment of this bill for the following reasons: (1) it would establish a highly undesirable precedent not only with respect to CAA's airport program and RFC's portfolio of public agency securities but also from the standpoint of interfering with the established and usual judicial processes and (2) by adversely affecting the marketability of other bond issues held by RFC, it would interfere with the carrying out of the congressional mandate in the Reconstruction Finance Corporation Liquidation Act to liquidate the assets and wind up the affairs of RFC "as expeditiously as possible." Our reasons for opposing this legislation are set forth in greater detail in the attached memorandum.

It would appear, as I listened to my good friends from West Virginia, that the arrangement which the city of Elkins entered into proved to be a rather unfortunate business venture. But I cannot escape the fact that involved in this matter are dollars which belong to the taxpayers of the country as a whole.

I do not like the idea of passing legislation which has the effect of taking jurisdiction away from the court to decide the merits of an issue.

Furthermore, I do not see why, since the city undoubtedly entered perfectly equitable arrangements at the time, we should give it this gift. It may be—I do not know, because I have not had a chance to determine it—that there is some Federal interest in the matter which could be considered to be an offset for the $75,000.

I shall say no more, other than that in the absence of a showing that there is a Federal offset, I shall have to vote against the bill.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RESIGNATION OF MRS. OVETA CULP HOBBY AS SECRETARY OF THE DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Mr. PURTELL. Mr. President, I wish to address the Senate briefly with respect to the imminent departure from Government service of our Secretary of Health, Education, and Welfare, Mrs. Oveta Culp Hobby. Several of my distinguished colleagues have already paid tribute to her work during the past 31 months and have eloquently pointed out that her departure from the Cabinet represents a distinct loss to the administration, to the Government of the United States, and to the people of this great country.

During the months in which I have known Mrs. Hobby, I have conceived a high and enduring admiration for her capabilities, for her courage, and for her integrity as a public servant.

Mrs. Hobby's testimony before committees of the Congress, and her public statements and actions, eloquently bear witness to the concept that the health, safety, and welfare of the Nation has been always the paramount objective.

She has amply earned the gratitude of the Nation in many ways—in her leadership with respect to the far-reaching amendments to our social-security system, under which 10 million more Americans have been brought under its protection; in her successful advocacy of an expansion and reorientation of the Federal-State-local hospital building program to bring the benefits of medical science to the aid of our increasing number of senior citizens; in her recommendations, adopted unanimously by the Congress, substantially to increase the number of our disabled fellow Americans who can every year be returned to

useful employment; in recommending to the President the first comprehensive national State-by-State study, by citizens and educators, of the grave problems of American public education.

There are many other measures, some of them now under consideration by this Congress—proposed legislation for building badly needed schools, for bringing the benefits of medical science to many more millions of Americans through the expansion of voluntary health and medical insurance, for an expanded program of training nurses, for research and development in the two important fields of water and air pollution, for increased activity in meeting the problem of mental health in America.

The measures which Secretary Hobby has advocated and which have received congressional approval and those which are still under consideration—taken together—represent a tremendous contribution in action and in thoughtful consideration of the social welfare problems of American life. They represent over 2 years of dedicated labor by Secretary Hobby and her staff.

Whatever may be the final conclusions with respect to the measures which have been proposed by Mrs. Hobby and which have not as yet been adopted, they are a monumental contribution by the Nation's first Secretary of Health, Education, and Welfare.

I know that most of my colleagues will join with me in a sincere feeling of regret that Mrs. Hobby for compelling personal reasons has felt it necessary to resign and also join with me in wishing her Godspeed.

I ask unanimous consent that the editorial published in the Washington Star on July 14, 1955, be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MRS. HOBBY'S DEPARTURE

Mrs. Oveta Culp Hobby has fully earned the praise and thanks heaped upon her by President Eisenhower. A capable woman, she has rendered good and faithful service to the Nation for many years past—beginning with her role as wartime organizer and commander of the Women's Army Corps, and ending now with her resignation as Secretary of Health, Education, and Welfare.

Like other fine public servants in the past, Mrs. Hobby has suffered the slings and arrows of a band of critics who all too often have been outrageously unfair. A case in point has been the effort to depict her as a reactionary opposed to putting an end to the grave stresses and strains in our American school system. Another example has been the attacks made on her in connection with the Salk vaccine and her remarks—torn out of context—on the Surgeon General's responsibility for the vaccine's distribution. Certainly, although her sense of public relations occasionally may have left something to be desired, her record is an outstanding one of jobs much too well done to have ever justified the kind of brickbats that have been thrown at her by people who ought to have known better and been more attentive to the facts.

Mrs. Hobby is returning now to private life for "personal reasons of a high order"—meaning particularly the illness of her distinguished husband. The fact that a man as outstanding as Marion B. Folsom has been named to succeed her is a measure of the importance of the work and office she is leaving. As she heads homeward to Texas, she can take proper and lasting pride in the contribution she has made.

SETTLEMENT OF CLAIMS FOR DAMAGES RESULTING FROM TEXAS CITY DISASTER

Mr. DANIEL. Mr. President, I request that the Chair lay before the Senate the message from the House of Representatives relating to Senate bill 1077.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 1077) to provide for settlement of claims for damages resulting from the disaster which occurred at Texas City, Tex., on April 16 and 17, 1947, which were, to strike out all after the enacting clause and insert:

That while denying any equitable or legal responsibility on the part of the United States, but for compassionate reasons, and as a gratuity, it is the intention of the Congress to make payment on behalf of those persons who suffered death, personal injury, and property losses as a result of the explosions and fires at Texas City, Tex., on April 16 and 17, 1947.

SEC. 2. The Secretary of the Army or such persons as he may designate shall investigate and settle claims against the United States for death, personal injury, and property losses proximately resulting from the disaster at Texas City, Tex., on April 16 and 17, 1947, commonly referred to as the Texas City disaster.

SEC. 3. (a) Claimants shall submit their claims in writing to the Secretary of the Army, under such rules as he prescribes, within 180 days after the enactment of this act.

No claim shall be entertained by the Secretary of the Army unless it shall appear to his satisfaction that such claim was a part of a civil action filed against the United States in a United States district court prior to April 25, 1950, except that, for good cause, the Secretary may waive the limitation date of April 25, 1950, where it is shown that claimant, by reason of infancy, insanity, or other legal reason, was unable to bring such civil action.

(b) The Secretary of the Army shall promulgate and publish rules of procedure for handling the claims referred to in section 2 within 60 days after the date of enactment of this act.

He shall determine and fix the amount of awards, if any, in each claim within 12 months from the date on which the claim was submitted.

SEC. 4. Since it is the intention and purpose of this act, and of the Congress, to relieve the claimants hereunder, the Secretary of the Army shall limit himself to the determination of—

(1) whether the losses sustained resulted from the explosions and fires at Texas City on April 16 and 17, 1947;

(2) the amount to be allowed and paid pursuant to this act; and

(3) the persons entitled to receive the same.

SEC. 5. (a) Claims for awards based on death shall be submitted only by duly authorized legal representatives. No claim under this subsection shall be approved by the Secretary of the Army in amounts in excess of $20,000.

(b) No claim for personal injuries may be approved by the Secretary of the Army in amounts in excess of $20,000.

(c) No claim for property losses may be approved by the Secretary of the Army in amounts in excess of $20,000.

SEC. 6. (a) In determining the amounts to be awarded for death, personal injury, or property losses, the Secretary of the Army shall reduce any such amount by an amount equal to the total of insurance benefits (except life insurance benefits), or other payments or settlements of any nature, previously paid with respect to such death claims, personal injury, or property loss.

(b) Payments approved by the Secretary of the Army on death, personal injury, and property loss claims, the same being gratuitous, shall not be subject to insurance subrogation claims in any respect.

(c) The Secretary of the Army shall not include in an award any amount for reimbursement to any insurance company or compensation insurance fund for loss payments made by such company or fund.

(d) No claim cognizable under this act shall be assigned or transferred.

SEC. 7. The Secretary of the Treasury shall pay out of moneys in the Treasury not otherwise appropriated, the claims referred to in this act in the amounts approved for payment by the Secretary of the Army.

SEC. 8. A payment made under the provisions of section 7 shall be in full settlement and discharge of all claims against the Government of the United States.

SEC. 9. The Secretary of the Army shall require assignment to the United States of any right of action against a third party arising from the death, personal injury, or property loss claim with respect to which settlement is made.

SEC. 10. The Secretary of the Army shall, 24 months after the date of the enactment of this act transmit to the Congress—

(a) a statement of each claim submitted to the Secretary of the Army in accordance with this act which has not been settled by him, with supporting papers and a report of his findings of facts and recommendations; and

(b) a report of each claim settled by him and paid pursuant to this act. The reports shall contain a brief statement concerning the character and justice of each claim, the amount claimed, and the amount approved and paid.

SEC. 11. Attorney and agent fees shall be paid out of the awards hereunder. No attorney or agent on account of services rendered in connection with each claim shall receive in excess of 10 percent of the amount paid, any contract to the contrary notwithstanding.

Whoever violates the provisions of this act shall be fined a sum not to exceed $5,000.

SEC. 12. If any particular provision of this act or the application thereof to any person or circumstance, is held invalid, the remainder of the act shall not be affected thereby.

And to amend the title so as to read: "An act to provide for settlement of claims resulting from the disaster which occurred at Texas City, Tex., on April 16 and 17, 1947."

Mr. DANIEL. Mr. President, I move that the Senate disagree to the amendments of the House, agree to the conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. JOHNSTON of South Carolina, Mr. HENNINGS, Mr. DANIEL, Mr. WELKER, and Mr. BUTLER, conferees on the part of the Senate.

EXECUTIVE SESSION

Mr. CLEMENTS. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. NEUBERGER in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. GEORGE, from the Committee on Foreign Relations:

Eric A. Johnston, of Washington, to be chairman of the International Development Advisory Board; and

Harold E. Stassen, of Pennsylvania, to be deputy representative on the United Nations Disarmament Commission.

Donald D. Kennedy, of Oregon, and sundry other persons, for appointment and promotion in the Foreign and Diplomatic Service.

By Mr. STENNIS, from the Committee on Armed Services:

Lt. Gen. Hobart Raymond Gay, Army of the United States (major general, U. S. Army), to be placed on the retired list in the grade of lieutenant general; and

Walter J. Gleason, and sundry other persons, for appointment in the Regular Army of the United States.

By Mr. SALTONSTALL, from the Committee on Armed Services:

Dudley C. Sharp, of Texas, to be an Assistant Secretary of the Air Force, vice John Roger Lewis.

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service:

Twenty postmasters.

By Mr. O'MAHONEY, from the Committee on the Judiciary:

Thurmond Clarke, of California, to be United States district judge for the southern district of California.

By Mr. HENNINGS, from the Committee on the Judiciary:

Paul W. Williams, of New York, to be United States attorney for the southern district of New York, vice J. Edward Lumbard.

EXECUTIVE REPORTS OF COMMITTEE ON ARMED SERVICES

Mr. STENNIS. Mr. President, I report from the Committee on Armed Services routine nominations of sundry first and second lieutenants, captains, and one general, which I send to the desk. I wish the Senate especially to have information about them, because there will be a motion made later to take the nominations up without the usual lapse of time.

The PRESIDENT pro tempore. The nominations will be placed on the Executive Calendar.

Mr. CLEMENTS. I ask that the call of the Executive Calendar begin with new reports.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEPARTMENT OF THE TREASURY

The legislative clerk read the nomination of David W. Kendall to be Assistant Secretary of the Treasury.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Fred G. Scribner, Jr., to be General Counsel for the Department of the Treasury.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

DEPARTMENT OF LABOR

The legislative clerk read the nomination of Ewan Clague to be Commissioner of Labor Statistics.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

NOMINATION PASSED OVER

The legislative clerk read the nomination of Newell Brown to be Administrator, Wage and Hour Division.

Mr. CLEMENTS. Mr. President, I ask that the nomination go over.

The PRESIDING OFFICER. Without objection, the nomination will be passed over.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations for postmasters.

Mr. CLEMENTS. Mr. President, I ask unanimous consent that the nominations of postmasters be confirmed en bloc, with the exception of Calendar No. 1297, Edward M. Berardinelli, to be postmaster at Santa Fe, N. Mex., and Calendar No. 1326, Lyle T. Streeter, to be postmaster at Easton, Pa., and that these two nominations be recommitted to the Committee on Post Office and Civil Service.

The PRESIDING OFFICER. Without objection, the nominations, with the exception of the two named, are confirmed, and the two nominations will be recommitted to the Committee on Post Office and Civil Service.

UNITED STATES DISTRICT JUDGE FOR THE SOUTHERN DISTRICT OF CALIFORNIA

Mr. CLEMENTS. Mr. President, on the desk is the nomination of the honorable Thurmond Clarke, of California, to be United States district judge for the southern district of California to fill a new position. I wish to inform the Senate that calling up the nomination at this time has the approval of the chairman of the Committee on the Judiciary and the approval of the ranking minority member of the committee. Moreover, the distinguished gentleman is in the gallery. I ask unanimous consent that the nomination may be considered at this time.

Mr. MORSE. Mr. President, I did not hear the nomination.

Mr. KNOWLAND. It is the nomination of Judge Thurmond Clarke, of California, to be United States district judge for the southern district of California.

The PRESIDING OFFICER. The clerk will state the nomination.

The legislative clerk read the nomination of Thurmond Clarke, of California, to be United States district judge for the southern district of California.

The PRESIDING OFFICER. Is there objection to the present consideration of the nomination?

Mr. WELKER. Mr. President, we are considering the nomination of a very fine and able jurist. Thurmond Clarke, Esq., is now a superior court judge of the State of California. Testimony on the nomination was heard by my distinguished colleague, the Senator from Wyoming [Mr. O'MAHONEY].

I should like to say, before I leave the Senate today, that I probably know Judge Clarke more intimately, from a legal standpoint, than does any other Member of the Senate. It was my honor and my privilege to have practiced before the distinguished jurist for many years. In my opinion, there will never be a finer Federal judge than the nominee from southern California, Judge Thurmond Clarke.

In conclusion, let me say for the record, if you please, Mr. President, that in the annals of the Federal judiciary in the State of California there exists the name of the Honorable Paul McCormack, who was the senior Federal judge in that district for many years. When a vacancy in the court existed the name of Pat A. McCormack, the nephew of the great Paul McCormack, was urged by many persons to accept and take the job, and he received the appointment. No higher tribute could be paid to Judge Clarke and no higher tribute could be paid to Pat McCormack than was paid when Pat McCormack wrote me and said, "HERMAN, I am not the equal of Thurmond Clarke, and I urge you and the whole Committee on the Judiciary to approve the nomination of this great man as soon as possible."

So I say to my friend, who is now in the gallery, before whom I once practiced, God bless you. I know the judiciary of America has gained new luster by your appointment.

Mr. KNOWLAND. Mr. President, Judge Clarke has had a long and distinguished career in the State of California as assistant city attorney, assistant district attorney, municipal judge, and superior court judge. He has been elected and reelected on several occasions, the last time without any opposition.

He was jointly recommended by my distinguished colleague [Mr. KUCHEL] and myself, and I appreciate the courtesy of the distinguished acting majority leader, the chairman of the committee, and the members of the committee for reporting his nomination to the Senate, and I ask that the nomination be confirmed.

Mr. KUCHEL. Mr. President, I am delighted to have recommended the nomination of Superior Court Judge Thurmond Clarke to the President for the position on the Federal district court in the southern district of California, and to have joined my colleague [Mr. KNOWLAND] in making the recommendation. We were not unmindful of the traditions of the American judiciary. I can say unhesitatingly to the Members of the Senate that by the confirmation of the nomination now before the Senate, there will have been placed in the Federal judiciary one who, because of his many years of experience in the judicial service of his State, will make an admirable addition to the Federal judiciary.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to this nomination?

The nomination was confirmed.

Mr. CLEMENTS. Mr. President, I ask that the President be immediately notified of all nominations this day confirmed.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

Mr. MORSE. Mr. President, I do not know whether the nomination of Newell Brown, of New Hampshire, to be Administrator of the Wage and Hour Division of the Department of Labor was considered.

Mr. CLEMENTS. I may say to the Senator from Oregon that nomination was passed over.

Mr. MORSE. Very well.

LEGISLATIVE SESSION

Mr. CLEMENTS. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

FINAL ADJOURNMENT PLANS

Mr. CLEMENTS. Mr. President, I should like to say to the Senate that the target date which the Senate had for the night of July 30 is not to be met. There is not any question that the Senate could meet its target date tonight if there were available a couple of conference reports on which the Senate could act. The House has scheduled some business for Monday. My understanding is that the House is to meet at 10 o'clock a. m. on Monday.

After talking with the leadership of the House, it is my firm belief that the Senate will adjourn sine die on Monday. Of course, blocks can always appear on the road, but it is the judgment of the leadership of the House that the House can complete its work and that Congress can adjourn sine die on Monday.

ORDER FOR ADJOURNMENT UNTIL 11 O'CLOCK A. M. ON MONDAY NEXT

Mr. CLEMENTS. Mr. President, I ask unanimous consent that when the Senate concludes its business today it stand in adjournment until 11 o'clock on Monday morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION TO PRINT MATERIAL IN THE RECORD FOLLOWING THE ADJOURNMENT OF CONGRESS

Mr. CLEMENTS. Mr. President, I ask unanimous consent that Senators may be permitted to make insertions in the RECORD following the adjournment of Congress until the last edition authorized by the Joint Committee on Printing is published. This order shall not apply to anything that may occur or to any speech that may be delivered subsequent to the adjournment of Congress.

The PRESIDING OFFICER. Without objection, it is so ordered.

PARTICIPATION BY THE UNITED STATES IN THE FOOD AND AGRICULTURE ORGANIZATION AND INTERNATIONAL LABOR ORGANIZATION

Mr. CLEMENTS. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1184, Senate Joint Resolution 97.

The PRESIDING OFFICER. The joint resolution will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A joint resolution (S. J. Res. 97) to amend certain laws providing for membership and participation by the United States in the Food and Agriculture Organization and International Labor Organization and authorizing appropriations therefor.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Kentucky.

The motion was agreed to; and the Senate proceeded to consider the joint resolution.

Mr. AIKEN. Mr. President, the joint resolution proposes to amend existing law so as to increase the ceiling on United States annual contributions to the Food and Agriculture Organization from $2 million to $3 million and to the International Labor Organization from $1,750,000 to $3 million.

The United States assessments for membership in both of these organizations are now close to the authorized ceilings, and it is desirable to increase the ceilings in order to avoid the possibility that the United States might be confronted with an assessment which it could not pay.

I want to make it clear, however, that it is not at all contemplated that the assessments will be increased to the extent that the pending joint resolution increases the ceilings. It is desirable that the ceiling should exceed the assessment, so that there will be some leeway and some room for maneuver on the part of the United States delegations during the budget-making process of the organizations in question. The ceilings were last raised in 1950, and it is expected that if they are now fixed at $3 million, as proposed in the pending joint resolution, it will not be necessary to consider the matter again for many years.

Mr. President, both the Food and Agriculture Organization and the International Labor Organization have naturally been affected by the general increase in prices which has taken place since World War II. In addition, the work of both organizations has undergone a slow, but steady, expansion, which has been reflected in gradually increasing budgets.

This in itself would require some increase in the United States contribution. But it should also be anticipated that the United States may be assessed a slightly higher percentage of the total budget than in the past. This comes about because we have been contributing only 25 percent of the ILO's budget and only 30 percent in the case of FAO. We have adopted a general policy of paying no more than 33⅓ percent of the budgets of international organizations of this type. As our assessment in the United Nations proper has been reduced in order to reach the 33⅓ percent figure, we have been confronted with increasing urgency in the specialized agencies, such as FAO and ILO, to increase our contributions there.

It would not be unreasonable to have a standard percentage scale of assessments for the U. N. and all the specialized agencies. Indeed, if that were brought about over a period of years, it would probably, on balance, be advantageous to us. The pending joint resolution will make it possible to move in that direction.

Most important, however, the joint resolution will assure that the United States can continue to participate fully in both the Food and Agriculture Organization and in the International Labor Organization. If we participate only as a part-time member, we lose much of our influence, and consequently are unable to protect and advance our interests as we could otherwise.

In fact, since the retirement of Sir John Boyd-Orr as Director General of the Food and Agriculture Organization, this high office has been held by one of our own citizens, at present by Dr. Cardon, of California.

The joint resolution had the unanimous approval of the Foreign Relations Committee; and I urge that the Senate pass this measure.

Mr. ELLENDER. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). The amendment will be stated.

The LEGISLATIVE CLERK. On page 2, after line 5, it is proposed to insert the following:

SEC. 2. Notwithstanding any other provision of law, the ratio of (a) the contributions made hereafter by the United States in any year to defray the expenses of the Food and Agriculture Organization of the United Nations, or of the International Labor Organization of the United Nations, or of the International Labor Organization, to (b) the total contributions made by all nations in such year for such purpose shall not exceed the ratio of (1) the contributions made by the United States for such purpose in the year in which this section is enacted to (2) the total contributions made by all nations for such purpose in that year.

Mr. GOLDWATER. Mr. President——

The PRESIDING OFFICER. The Senator from Louisiana has the floor.

Mr. GOLDWATER. I should like to ask a question, if the Senator from Louisiana will yield for that purpose.

Mr. ELLENDER. I yield for a question.

Mr. GOLDWATER. Let me ask the distinguished Senator from Vermont the total expenditures of these organizations.

Mr. AIKEN. We now have a ceiling, on our contribution to the ILO, of $1,750,000. Our contribution is approximately $2,300 or $2,400 less than that.

We have a ceiling of $2 million on our contribution to the Food and Agriculture Organization. Our contribution is roughly $1,800,000, out of a total budget of $6 million.

However, I understand it is contemplated raising the total budget of the

Food and Agriculture Organization to approximately $7 million, in the coming year. If that is done, we cannot meet our share and still keep within the $2 million ceiling which now applies to our contribution.

It is not expected that we will this year come anywhere near spending the $3 million which is asked for in this measure, but possibly we might during the next 5 or 6 years.

Mr. GOLDWATER. Can the Senator from Vermont inform me the total amount of the budget of the ILO?

Mr. AIKEN. The $1,750,000, which we contribute, is 25 percent.

Mr. GOLDWATER. Twenty-five percent?

Mr. AIKEN. That is correct.

Mr. GOLDWATER. How many nations contribute to this organization?

Mr. AIKEN. The International Labor Organization has been in existence since 1934; it did not come into existence after the United Nations was organized. Seventy nations belong to the ILO.

Mr. GOLDWATER. Seventy nations belong to it, and we pay one-third of its budget; is that correct?

Mr. AIKEN. We pay 25 percent of the total budget.

Mr. GOLDWATER. Does the Senator from Vermont, after study, feel that is a proper distribution of the cost of this organization, namely, that the United States pay 25 percent of the total cost?

Mr. AIKEN. If we assume the leadership of these organizations to the extent we do, we have to expect to pay more; and in this case we pay $1,750,000. At the present time, we are within sight of the ceiling.

Mr. GOLDWATER. I should like to say that is a rather expensive contribution on our part.

Mr. ELLENDER. Mr. President, I should particularly like to have the attention of the Senator from Arizona, since he has expressed interest in the matter now under consideration. Let me say that the purpose of my amendment is simply to place a ceiling, percentagewise, on our contributions to these agencies; my amendment would provide that our percentage of the total contributions to them could not exceed the percentage we presently supply. I am not objecting to our increasing the amounts of these contributions, as provided in this measure. It seems to me, however, that we should not in the future contribute percentagewise more than we are now contributing.

Mr. GOLDWATER. Mr. President, will the Senator from Louisana yield?

Mr. ELLENDER. I yield for a question.

Mr. GOLDWATER. I am in complete agreement with the purpose of the amendment of the Senator from Louisiana.

Mr. ELLENDER. I thank the Senator from Arizona.

Mr. President, as a member of the Appropriations Committee, I have done my best, together with others who believe as I do, to reduce the percentagewise amounts of the contributions we are making to these various arms of the United Nations.

When the United Nations was first organized, our contribution toward supporting the general activities of that organization was 39.89 percent of the whole. Today it is 33⅓ percent. The reduction was attained by virtue of work done by the Appropriations Committee.

It has been our purpose to reduce these amounts, percentagewise, to the point where we are carrying no more than our reasonable and fair share of the whole cost.

I have before me a tabulation showing the amounts percentagewise and the actual amounts which we have been paying to a number of specialized agencies of the United Nations. Let us look first at the United Nations Education, Scientific, and Cultural Organization. When that agency was first established, back in 1947, our contribution was 44.03 percent. We reduced it to 30 percent as of the 1955 fiscal year.

In the case of the World Health Organization, which was organized in 1948, our contribution was 38.77 percent. We have reduced that in 1955 to 33⅓ percent; and it is our hope to further reduce this amount, percentagewise.

I realize that, as time passes, more and more money may be spent to further the activities of these agencies. Personally, I do not object to a reasonable increase in the amount contributed by the United States. I think we should pay our fair share, but I do not believe that we should be expected to pay more than our share, while other nations—as able to pay as we are—let Uncle Sam carry the overwhelming part of the load. I think the best way to stop any such trend in its tracks is to make sure that our contribution does not exceed percentagewise what it now is.

In the past 5 or 6 years we have been very successful in reducing our percentagewise contributions. I think we should continue to do so. For us now to take a position in favor of increasing the amount percentagewise would not be in keeping with our past work. We would, in effect, be reversing our past policy and opening the door to our assuming ever-increasing burdens.

Let me acquaint the Senate with the past trend of our contributions. I have already referred to UNESCO. Next is FAO. With respect to the Food and Agricultural Organization, let me say that in 1946 our contribution was 25 percent of the total. We have gradually increased the contribution percentagewise to 30 percent, and I think that is ample. As my good friend from Arizona pointed out a moment ago, there are approximately 60 nations participating in this work yet we are putting up one-fourth of the cost. It strikes me that, with the assistance we have been rendering most of the participating nations, most of them are better off today than they have ever been. It seems to me that they should be willing—and I know they are able—to contribute more, and thus permit us to reduce our contribution percentagewise, rather than increase it. When the International Labor Organization was started in 1945, our contribution was 17.3 percent of the total cost. It is now 25 percent. I think that is ample, percentagewise, and under no circumstances should we permit it to be increased.

With respect to the International Civil Aviation Organization, we started in 1946 with a contribution of 11.95 percent, and by 1955 we had increased our contribution to 32.6 percent.

Another organization to which we contribute is known as the United Nations Expanded Program of Technical Assistance. Notwithstanding the fact that the United States has its own foreign aid program in which we spend billions of dollars to assist our friends all over the world, by providing various assistance, including technical assistance, we also contribute to the United Nations Expanded Program of Technical Assistance. As to that program, we are now contributing 54 percent of the total cost, and members of the Appropriations Committee have been working to reduce that contribution percentagewise.

In the past 4 or 5 years we have reduced the contribution about 6 percent, and we have warned the State Department that after this year our contribution shall not exceed 50 percent of the whole. Thereafter we hope to continue to decrease our contribution percentagewise from year to year. I think we are justified in doing so.

Mr. President, I ask unanimous consent that a table showing United States contributions to the United Nations and five of its specialized agencies be printed in the RECORD at this point in my remarks.

There being no objection. The table referred to was ordered to be printed, as follows:

United Nations and major specialized agencies—Budgets, assessments, and United States contributions

Calendar year	Total budget	Assessment budget	United States percent	United States assessment	Adjustment	United States contribution
United Nations:						
1946	$19,390,000	$19,230,000	39.89	$7,670,847	+$1,824,500	$9,495,347
1947	27,740,000	27,450,000	39.89	10,949,805		10,949,805
1948	34,825,195	34,698,000	39.89	13,841,032		13,841,032
1949	43,487,128	41,617,000	39.89	16,601,021		16,601,021
1950	41,641,773	34,170,000	39.79	13,596,243	−20,000	13,576,243
1951	47,798,600	42,570,000	38.92	16,568,244	−174,000	16,394,244
1952	48,096,780	42,940,000	36.90	15,844,860	−404,000	15,440,860
1953	48,327,700	44,200,000	35.12	15,523,040	−356,000	15,167,040
1954	47,827,110	41,300,000	33.33	13,765,299	−358,000	13,407,299
1955	46,963,800	39,640,000	33.33	13,212,012		13,212,012

United Nations and major specialized agencies—Budgets, assessments, and United States contributions—Continued

Calendar year	Total budget	Assessment budget	United States percent	United States assessment	Adjustment	United States contribution
United Nations, Educational, Scientific, and Cultural Organization:						
1947	6,950,000	6,950,000	44.03	3,060,085	+440,300	3,500,385
1948	7,682,637	7,650,000	41.88	3,204,124	+397,300	3,601,424
1949	7,780,000	7,639,372	38.47	2,938,866	−51,693	2,887,173
1950	8,000,000	7,907,279	37.82	2,990,155	−175,774	2,814,381
1951	8,200,000	8,067,505	35.00	2,870,000	−84,600	2,785,400
1952	8,718,000	8,561,200	33.33	2,905,709	−50,100	2,855,609
1953	9,007,849	8,538,551	33.33	2,845,900		2,845,900
1954	9,695,115	9,461,449	33.33	3,153,501		3,153,501
1955	10,299,618	9,491,420	30.00	2,847,426	−99,900	2,747,526
World Health Organization:						
1948	$4,800,000	$4,800,000	38.77	$1,860,884		$1,860,884
1949	5,000,000	5,000,000	38.54	1,926,978	−$8,758	1,918,220
1950	7,501,500	7,000,000	36.00	2,519,907	+551,024	3,070,931
1951	7,300,000	7,089,025	35.00	2,481,159		2,481,159
1952	9,077,782	8,600,000	33.33	2,866,667		2,866,667
1953	9,832,754	8,920,200	33.33	2,993,400		2,993,400
1954	9,838,000	8,963,000	33.33	2,987,667		2,987,667
1955	10,999,360	10,049,350	33.33	3,349,790		3,349,790
Food and Agriculture Organization:						
1946	5,000,000	5,000,000	25.00	1,250,000		1,250,000
1947	5,000,000	5,000,000	25.00	1,250,000		1,250,000
1948	5,000,000	5,000,000	25.00	1,250,000		1,250,000
1949	5,000,000	5,000,000	25.00	1,250,000		1,250,000
1950	5,030,000	5,000,000	27.10	1,355,000		1,355,000
1951	5,025,000	5,000,000	27.10	1,355,000		1,355,000
1952	5,250,000	5,225,000	30.00	1,567,500		1,567,500
1953	5,250,000	5,180,000	30.00	1,554,000		1,554,000
1954	6,000,000	5,925,600	30.00	1,777,650	−172,565	1,605,085
1955	6,000,000	5,890,000	30.00	1,767,000	−239,376	1,527,624
International Labor Organization:						
1945	3,047,873	3,047,873	17.53	532,639		532,639
1946	2,813,116	2,813,116	17.34	487,656		487,656
1947	3,750,696	3,727,332	15.65	583,409	−61,712	521,697
1948	4,449,295	4,020,641	19.13	846,798	+244,941	1,091,739
1949	5,215,539	5,185,539	18.35	951,525	−103,467	848,058
1950	6,023,526	5,983,526	22.00	1,316,376	−46,508	1,269,868
1951	6,269,506	6,219,506	25.00	1,554,877	−88,465	1,466,412
1952	6,549,639	6,470,639	25.00	1,617,660	−78,669	1,538,991
1953	6,550,585	6,469,085	25.00	1,617,271	−195,972	1,421,299
1954	6,643,887	6,556,887	25.00	1,639,222	−111,745	1,527,477
1955	7,082,913	6,990,913	25.00	1,747,729	−113,874	1,633,855
International Civil Aviation Organization:						
1946	996,972	996,972	11.95	119,160		119,160
1947	1,960,000	1,960,000	15.00	294,400		294,400
1948	2,600,000	2,600,000	19.59	509,278		509,278
1949	2,680,685	2,649,685	18.66	494,377		494,377
1950	2,937,607	2,610,607	18.27	476,938		476,938
1951	3,000,000	2,600,000	24.98	649,566		649,566
1952	3,265,865	2,834,191	24.97	707,604		707,604
1953	3,259,384	2,817,167	27.00	760,635		760,635
1954	3,200,000	2,530,310	29.71	751,364		751,364
1955	3,223,100	2,530,260	32.60	824,539		824,539

Mr. ELLENDER. As I pointed out in the debate 2 or 3 days ago when the mutual-security appropriation bill was before the Senate, we have contributed much to our friends across the seas. We have improved their economic condition to the point where they are now better off than ever before in their histories. As I demonstrated, through assistance given by the United States Government the industrial capacity of the countries of Western Europe has increased by an average of 57 percent over what it was prior to World War II. Those countries are now in fine condition. I cannot understand why they should not contribute more to these organizations, which are more or less for their benefit.

As I have just indicated, the amendment which I have sent to the desk would not decrease the dollar amount which we contribute to the two organizations mentioned in the bill. The amendment would merely fix our maximum contribution, percentagewise, at the level that exists now. If more money should be needed, then we would continue to contribute the same percentage of the total budget. Other nations would also increase their contributions. The only thing my amendment would do is negate any possibility of the United States being saddled with an ever-increasing proportion of the total cost of these organizations. I think that is a fair arrangement. We are now giving 30 percent to the Food and Agricultural Organization, and my amendment would establish our maximum contribution at 30 percent. We are now contributing to the International Labor Organization 25 percent. My amendment would set our maximum contribution at that level. I think that a contribution of that percentage of the entire cost is ample, and I hope the amendment will be agreed to.

Mr. KNOWLAND. Mr. President, let me say to the distinguished Senator from Louisiana that I am fully in accord with his desire to place a limitation on these contributions. I think it is entirely in keeping with the long-time precedents of the Appropriations Committees of both Houses, and the wishes of other Senators. I know that the late Senator Vandenberg felt that there should be some reasonable limitation.

While there is a limitation on funds here, there is no percentage limitation. I wonder if the distinguished Senator would be agreeable to a limitation of 33⅓ percent. It seems to me that would be in keeping wtih the limitation in the case of some of the outside organizations. I think we must make progress. We have been making progress along these lines. I will say to the Senator, to show that we are not entirely out of accord, that I had prepared an amendment reading as follows:

At the end of the joint resolution, add the following new section:

"SEC. 2. Notwithstanding the provisions of section 1 of this act, the payments by the United States to the Food and Agricultural Organization and to the International Labor Organization shall not exceed 33⅓ percent of the total assessed budgets of those organizations, respectively."

I hope it will be agreeable to the Senator to modify his amendment accordingly. I ask the distinguished Senator from Vermont [Mr. AIKEN], who is interested in the joint resolution, whether he would be willing, under all the circumstances, to accept an amendment calling for a limitation of 33⅓ percent.

Mr. AIKEN. Yes. I believe that a ceiling percentagewise, as well as in dollars, would not be at all harmful to these programs.

I also believe that if we could reduce our contributions to some of the United Nations programs to which we have been contributing as high as 70 percent, and bring them down toward 33⅓ percent, even though we must slightly increase the contribution to the Food and Agricultural Organization, and also the contribution to the International Labor Organization, our country would be the overall gainer.

The reason why we must increase the amount for the International Labor Organization is that we are bumping the ceiling. There is only about $2,000 leeway left. That is not a leeway which allows for any expansion whatever.

As to the Food and Agricultural Organization, I have always had the feeling that perhaps that was one of the

most overall useful agencies connected with the United Nations. I think a limitation of 33⅓ percent might be advisable in that instance. I am not sure. Merely because we have a ceiling at a certain percentage, it does not follow that we should pay that percentage, any more than we would necessarily pay the amount of the ceiling in dollars.

Mr. KNOWLAND. Mr. President, I recognize the leadership of the Senator from Louisiana in matters of this kind, and his very real interest in being a "watchdog" of the Treasury, so to speak. I respect him for it. I have no desire to intervene in an amendment which he himself has proposed. If he would be willing to modify his amendment, I think we could reach a basis of agreement. I think he is entitled to the credit for the percentage idea. If he would accept the modification, it seems to me that we would have a reasonable compromise on which we might agree, and make headway toward the objective which he has in mind, at the same time doing something which the committee, and the Senator who represents it, might be able and willing to accept.

Mr. ELLENDER. Mr. President, I am sorry to say I cannot accept the amendment. I think the amendment I have offered is the minimum—it represents the policy of the Appropriations Committee. If it is watered-down, we will find ourselves reversing the trend, so to speak. Ever since this question came before the Appropriations Committee, we have tried to either keep our contributions, percentagewise, at the point where they were when this work was started, or to reduce them—not in amount, but with respect to the proportion of the total which we contribute.

Take the case of the Food and Agricultural Organization, which I mentioned earlier. We have been paying but 30 percent of its operative costs since 1952. The reason for that is a simple one; I feel certain that our contribution, expressed in percent of the whole, would be even larger had it not been for the Appropriations Committee.

Take the case of the International Labor Organization. Our contribution to that organization has been kept down to 25 percent since we adopted the policy of stabilizing the proportionate share we must bear of total contributions to that and other U. N. specialized agencies. Now, instead of affording opportunity for our contribution to go up percentagewise, it strikes me that we should try to vision that it will go down percentagewise. As I have indicated, when the technical aid program was first started by the United Nations, the countries which belonged to that organization were rather poor, financially and otherwise. However, through assistance they receive from us their industrial productivity and their agricultural productivity advanced substantially. They are now much more able to pay than they were when the programs were initiated. As a matter of fact, some of the countries are much better able to pay for the programs than we are.

Let us consider the technical aid program for a moment. As I have indicated, although we have an independent technical-assistance program of our own, which costs us hundreds of millions of dollars every year, we are contributing 56 percent of the cost of the program which the United Nations is now conducting in the same field of endeavor. Some of us have been using every means at our command to reduce the amount percentagewise. We have succeeded. We have reduced it from 60 percent to 54 percent, and have given notice to our representatives in the UN organizations that next year it must come down still further to 50 percent.

It is my hope that we will be able to continue the process and to curtail our percentagewise contributions at the rate of from 3 to 5 percent every year, until we get the United States contribution down to about a third of the whole.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. WATKINS. Is the Senator acquainted with the fact that one of these organizations assists the refugees around Israel? Those are the refugees who have been cast out of Israel and are now in Arabian countries surrounding Israel.

Mr. ELLENDER. We have a program separate from this for the Arab refugees. We are contributing nearly $68 million a year to that fund.

Mr. WATKINS. The one I am speaking of is the program which the United Nations is conducting, to take care of the refugees who were driven out of Palestine.

Mr. ELLENDER. That is not involved here.

Mr. WATKINS. I am wondering whether it was a part of this program.

Mr. ELLENDER. No.

Mr. WATKINS. It is a United Nations Organization, though, is it not?

Mr. ELLENDER. Yes.

Mr. WATKINS. I was told by United Nations officials a year ago, when I was in Palestine, that we were paying 70 percent of the cost of maintaining nearly 900,000 refugees. That program has been going on for years.

Mr. AIKEN. The 70 percent we are paying to the relief program for the refugees from Israel has been reduced to 65 percent.

The point I am trying to make is that we can reduce the programs. For example, the United Nations children's fund receives a contribution from us of about 70 percent. We have paid considerably over 50 percent on many of the other programs. If we can gradually work down our contributions, as the Senator has pointed out, we can save a great deal more than the small increase involved here. If we can get the contributions on a uniform basis, we can gain by it in the long run.

The reason we contribute only 25 percent to ILO is because we have been restricted to that amount. There is no ceiling at all on the fund. However, our own departments worked out the percentages with the other countries, and they decided upon 25 percent.

Mr. ELLENDER. Let me tell my friend from Vermont that we have given warning to the Department of State and to the U. N. organizations of our intention to reduce, rather than increase, in our percentagewise contributions.

Mr. AIKEN. I know.

Mr. ELLENDER. The Senator wants to reduce everything except here, where he wants to increase. The money we are contributing to the Food and Agricultural Organization amounts to 30 percent of the total operating cost. In view of the fact that we are also carrying on a foreign technical aid program of our own to the extent of hundreds of millions of dollars, and at the same time are contributing 54 percent to the United Nations for carrying on a similar program, I believe we are paying our share and more.

Mr. AIKEN. I believe only this spring we have written 33⅓ percent into the law in the case of the World Health Organization, when we passed the Mutual Security Act.

Mr. ELLENDER. No. That amount was reached through warnings given by the Committee on Appropriations to the organization. I was in Rome a few years ago as an official representative of the Congress to WHO and I attended meetings of the World Health Organization. We made it plain to the membership there that we intended to reduce our contribution percentagewise from 38.7 percent to 33⅓ percent.

I think that policy should be made more specific, and that it should be applied to all the specialized U. N. organizations. It strikes me that inasmuch as most of the countries which belong to the U. N. are well on the road to economic health, or have already recovered from World War II, we should reduce the amount which we contribute percentagewise, rather than increase it.

As I said, the purpose of my amendment with respect to the two organizations under discussion is merely to fix a ceiling on the amount of our contribution, to tell these agencies and our Department of State that not more than 25 percent of all contributions, in the case of the International Labor Organization and that not more than 30 percent, in the case of the Food and Agriculture Organization will be borne by the United States.

I believe that amount is ample.

Let us not set a precedent. There is apparently an effort here to reduce our contributions to some of these agencies and to raise them with respect to others. Let us make sure that none of them increase. As far as I am concerned, I would like to see them cut a little more as the other member-countries improve economically.

Mr. AIKEN. I believe it is true that some of the other countries which we have been assisting have been getting better and better in their ability to pay. However, even though they have been doing better, I do not believe they have kept up with the increase of the United States in getting better and better. I know there are some who are constantly warning them that we will cut off all mutual and technical assistance programs. This year we made a pretty good start toward that goal. We reduced the mutual air program by several hundred million dollars. In this case it appeared to the Committee on Foreign Relations

that it would be to our benefit to contribute a few million dollars more, if necessary. We felt that in the course of a few years a few million dollars more would do us a great deal of good.

Mr. ELLENDER. The same argument is advanced by the various departments of Government when they want more money for various purposes. There is no end to it. As I said a while ago, I am not objecting to our paying a fair share of the costs of these agencies. I realize that the organizations are going to expand and that this expansion will take more money.

Therefore, we will probably have to contribute more money. However, let us not increase the amount percentagewise. Let us have the other countries contribute their fair share. There are some 61 or 62 nations which belong to the various U. N. specialized organizations. It seems to me some of these other countries could contribute more and that our contribution of 30 percent should be ample.

Mr. AIKEN. I do not believe we will gain anything by continuing the discussion. We have been discussing the subject for years. We have discussed for years how much we should contribute to other people and we will probably be discussing it for years to come.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. WATKINS. A moment ago I asked a question about the refugees who have been driven out of Israel. Can the Senator advise us which organizations we are using for the purpose of distributing the money we are paying for keeping those people in the refugee camps?

Mr. AIKEN. I believe the agency to which the Senator from Utah refers is the United Nations Relief and Works Agency for Palestine Refugees.

Mr. WATKINS. Is that a special agency?

Mr. AIKEN. I believe I stated the name correctly.

Mr. WATKINS. I had forgotten the name.

Mr. AIKEN. It is sponsored by the United Nations. We pay 65 percent of the fund.

Mr. WATKINS. It was 70 percent a year and a half ago. Is the Senator advised whether it has been cut to 65 percent?

Mr. AIKEN. Our participation is roughly 65 percent.

Mr. WATKINS. Can the Senator advise me whether the dollar cost has gone up with the increase in the number of refugees? The refugees have increased between 25,000 and 30,000 in the past year. The program is becoming bigger all the time. It has been going on for 10 years. Can the Senator advise me whether our dollar contribution is increasing?

Mr. AIKEN. No, I do not think so. I do not think our contribution was very extensive last year for this particular program.

Mr. WATKINS. There are approximately 900,000 persons to take care of.

Mr. AIKEN. They probably do not live in luxury.

Mr. WATKINS. I am sure they do not. I have been there, and I think they are the most poverty-stricken people I have seen in my lifetime.

Mr. ELLENDER. Mr. President, I also visited those camps last year, and I think it is a shame and disgrace for those people to be living under such conditions. I might point out that in addition to our providing, at present, over 65 percent of the cost of sustaining these unfortunate people, there was in the last mutual security appropriation bill an item under which we are going to pay 75 percent of the cost of several resettlement projects to be built in that area in order to take care of some of these refugees on a permanent basis.

Mr. WATKINS. Is the Senator referring to the one on the Jordan River?

Mr. ELLENDER. Yes.

Mr. WATKINS. I understand that will take care of only 225,000. At the end of the 10-year period there will be more refugees than there were in the beginning. They are increasing at the rate of approximately 25,000 a year.

Mr. ELLENDER. We have been contributing to the operating costs of these United Nations organizations until it hurts, and when a capital investment of any kind is made in that area, we are the ones who are called upon to pay the larger share of that cost, as well.

Mr. WATKINS. Would it not be better to do that than to go on perpetually feeding these refugees whose number is increasing at the rate of 25,000 a year?

Mr. ELLENDER. I would not mind doing it if we were able to do it, but, as the Senator knows, our national debt is now $277 billion. Some countries which are making but token contributions to the fund are, in my humble judgment, better able to contribute than we are. Yet, we are called upon to pay the larger share. We pay more than 2 or 3 times, sometimes 5 times, as much as any other nation pays.

Mr. WATKINS. I agree with the Senator. While I am in favor of trying to help those people, sooner or later I think we must bring the whole matter to a head and have it determined once and for all whether it is going on permanently or whether there is a solution of the problem, because we cannot go on perpetually feeding 900,000 people, most of whom are in complete poverty.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Louisiana.

Mr. ELLENDER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ELLENDER. Mr. President, I understand that further consideration of Calendar No. 1184, Senate Joint Resolution 97, will be postponed until Monday.

Mr. MANSFIELD. Mr. President, that is correct.

Mr. ELLENDER. Very well.

CONSTRUCTION OF TRINITY RIVER DIVISION, CENTRAL VALLEY PROJECT, CALIFORNIA

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1166, H. R. 4663.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H. R. 4663) to authorize the Secretary of the Interior to construct, operate, and maintain the Trinity River division, Central Valley project, California, under Federal reclamation laws.

The PRESIDING OFFICER. The question is on agreeing to the motion offered by the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill.

The PRESIDING OFFICER. The bill is open to amendment.

Mr. MANSFIELD. Mr. President, at this time I yield to the Senator from Mississippi [Mr. STENNIS].

ESTABLISHMENT OF STATE GUARDS

Mr. STENNIS. Mr. President, House bill 7289, which is a bill to permit States to create State guards without any Federal connection, or any Federal regulation, control, or responsibility of any kind, has been reported from the Committee on Armed Services, with amendments.

Mr. THYE. Mr. President, will the Senator from Mississippi yield at that point?

Mr. STENNIS. I yield.

Mr. THYE. Is not this the same authorization which was in existence in World War II, which permitted States to organize their State guard when the National Guard had been called into active service?

Mr. STENNIS. The Senator is correct. It is purely permissive.

There was broader authorization during World War II, but it expired by its own terms in, I think, 1953.

The bill is stripped down to bare permissive legislation. It will be up to the States to finance the control. That is the extent of the authorization.

Mr. THYE. Mr. President, will the Senator further yield?

Mr. STENNIS. I yield.

Mr. THYE. It would not be operative or put into effert unless a national emergency required the reactivation of the National Guard, which would leave the States without any State guard.

The State guard would be mobilized to fill the positions of defense, one might say, because of the National Guard having been called into active service.

Mr. STENNIS. The Senator is correct. The basic purpose is to permit the States to organize and maintain their own State defensive forces, which would be used by the Government for internal security when the State National Guard units are on active Federal service.

Mr. President, I have learned that the papers are not here, and the clerk of the committee is not present. However, the bill has been reported and sent to

the desk. It is a House bill with a Senate amendment to strike out a section.

Mr. MORSE. Mr. President, will the Senator explain to me the relationship, if any, between the bill and the so-called National or Federal Reserve, which was created by the recently passed Reserve bill?

Mr. STENNIS. There is no relationship at all between the two, under the terms of the bill as it has been reported. This is entirely a safeguard matter. There is no connection and no Federal control in any way.

Mr. MORSE. All the bill refers to is the always-existing rights of the States to set up their own State national guard in accordance with State policies.

Mr. STENNIS. Yes; and there is a statutory section in the National Defense Act which prohibits Federal control once Congress has so authorized the organization. It was authorized during World War II, but the time has expired. This is a renewal of that law, but on a more limited scale.

Mr. President, I understand the papers are now here, and I ask unanimous consent for the present consideration of House bill 7289.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Armed Services, with amendments, on page 1, line 8, after the word "forces", to strike out "in conformance with regulations prescribed by the Secretary of the Army. The regulations of the Secretary of the Army shall, among other things, provide for the maximum composition of the State defense forces within each State and shall limit the organization of such forces, during periods of peace, to a strength as deemed appropriate for organizing and planning and to serve as a basis for the rapid expansion of such State defense forces, if and when any part of the Army National Guard or Air National Guard may be ordered to active duty in the service of the United States, or during periods of a national emergency declared by the Congress or proclaimed by the President"; and on page 2, after line 22, to strike out:

(c) The President may prescribe for the issuance of such arms, ammunition, clothing, and other items of military equipment for the use of the State defense forces as he deems appropriate.

(d) The National Guard Bureau shall be charged with administering the provisions of this section pursuant to policies prescribed by the Secretary of the Army and shall be the channel of communication between the Department of the Army and the several States.

(e) As used in this section, the term "State" means any State, Commonwealth, Territory, the District of Columbia, the Virgin Islands, the Canal Zone, or Guam.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had passed, without amendment, the following bills and joint resolutions of the Senate:

S. 56. An act authorizing construction of certain public works on the Mississippi River for the protection of St. Louis, Mo.;

S. 1395. An act to amend the joint resolution entitled "Joint resolution to establish a commission for the celebration of the 200th anniversary of the birth of Alexander Hamilton," approved August 20, 1954;

S. 2081. An act to amend the Veterans' Readjustment Assistance Act of 1952 to provide that education and training allowances paid to veterans pursuing institutional on-farm training shall not be reduced for 12 months after they have begun their training;

S. 2197. An act to authorize the Secretary of the Interior to distribute equally to members of the Kaw Tribe of Indians certain moneys to the credit of the tribe in the United States Treasury;

S. 2312. An act for the relief of certain Korean war orphans;

S. 2351. An act to authorize the conveyance of certain war housing projects to the city of Norfolk, Va.;

S. 2566. An act to amend title 14, United States Code, so as to provide for compensatory absence of Coast Guard military personnel serving at isolated aids to navigation, and for other purposes;

S. J. Res. 91. Joint resolution to authorize the Secretary of Commerce to sell the steamship *La Guardia;* and

S. J. Res. 92. Joint resolution to authorize the Secretary of Commerce to sell the steamship *Monterey.*

The message also announced that the House had passed the bill (S. 1077) to provide for settlement of claims for damages resulting from the disaster which occurred at Texas City, Tex., on April 16 and 17, 1947, with amendments, in which it requested the concurrence of the Senate, and that the House insisted upon its amendments, asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. CELLER, Mr. LANE, Mr. FORRESTER, Mr. MILLER of New York, and Mr. HYDE were appointed managers on the part of the House at the conference.

The message further announced that the House had agreed to the amendment of the Senate to the bill (H. R. 7024) to remove the manufacturers' excise tax from the sales of certain component parts for use in other manufactured articles, and to confine to entertainment-type equipment the tax on radio and television apparatus.

The message also announced that the House had agreed to the amendments of the Senate to each of the following bills of the House:

H. R. 46. An act to authorize the conveyance to the city of Anniston, Ala., of certain real property within Fort McClellan, Ala.; and

H. R. 4744. An act to amend the Railroad Retirement Act of 1937, as amended, and the Railroad Unemployment Insurance Act.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4778) to provide for the purchase of bonds to cover postmasters, officers, and employees of the Post Office Department and mail clerks of the Armed Forces, and for other purposes.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills:

S. 34. An act to authorize the leasing of restricted Indian lands for public, religious, educational, recreational, residential, business, and other purposes requiring the grant of long-term leases;

S. 665. An act to revive section 3 of the District of Columbia Public School Food Services Act;

S. 1138. An act to continue the effectiveness of the act of July 17, 1953 (67 Stat. 177), as amended, providing certain construction and other authority; and

S. 2171. An act to amend the Subversive Activities Control Act so as to provide that upon the expiration of his term a member of the Board shall continue to serve until his successor shall have been appointed and shall have qualified.

TRINITY RIVER PROJECT, CALIFORNIA

The Senate resumed the consideration of the bill (H. R. 4663) to authorize the Secretary of the Interior to construct, operate, and maintain the Trinity River division, Central Valley project, California, under Federal reclamation laws.

Mr. KUCHEL. The bill would authorize the Secretary of the Interior to construct, operate, and maintain the Trinity River division, Central Valley project, California, under the Federal reclamation laws. It would be part and parcel of the Central Valley project in California. We are proud, Mr. President, of the Central Valley project.

The bill comes to the Senate with the unanimous approval of the Senate Committee on Interior and Insular Affairs, it having previously passed the House of Representatives.

The project has been endorsed by two national administrations, that of former President Harry Truman and that of President Dwight Eisenhower. The Secretary of the Interior under the Truman administration, Mr. Oscar Chapman, determined administratively the feasibility of the project; and the present Secretary of the Interior, the Honorable Douglas McKay, has recommended the proposed legislation for passage. Two State administrations—that of Earl Warren, now Chief Justice of the United States, and that of Goodwin Knight, the present able governor—have both endorsed the project as a complete part of the Central Valley project.

The project has been thoroughly studied and investigated over the last quarter of a century. I wish very briefly to allude to a paragraph in the report of the Senate Committee on Interior and Insular Affairs:

The committee concludes that, on the basis of the expert testimony at its hear-

ing, that the Trinity division is feasible, from an engineering, economic, and financial standpoint, as proposed to be integrated with the Central Valley project for power and irrigation water purposes. It is in line with the California State water plan, adopted nearly 25 years ago. Therefore, any proposal that Congress should authorize a departure from the long-standing concept of federally constructed and operated multiple-purpose projects that have been found feasible by established standards will be carefully scrutinized.

I wish to read the first section of the bill:

That, for the principal purpose of increasing the supply of water available for irrigation and other beneficial uses in the Central Valley of California, the Secretary of the Interior, acting pursuant to the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof or supplementary thereto), is authorized to construct, operate, and maintain, as an addition to and an integral part of the Central Valley project, California, the Trinity River division consisting of a major storage reservoir on the Trinity River with a capacity of 2,500,000 acre-feet, a conveyance system consisting of tunnels, dams, and appurtenant works to transport Trinity River water to the Sacramento River and provide, by means of storage as necessary, such control and conservation of Clear Creek flows as the Secretary determines proper to carry out the purposes of this act, hydroelectric powerplants with a total generating capacity of approximately 233,000 kilowatts, and such electric transmission facilities as may be required to deliver the output of said powerplants to other facilities of the Central Valley project and to furnish energy in Trinity County.

I need not indulge in any colorful description as to the availability of water in the northern part of California, which, were it not for the beneficence of the people of California and the Federal Government, in the case of the Central Valley project and now in this proposal, the Trinity project, and also in other projects throughout the State, would continue to waste away into the sea, and not be put to beneficial use.

In the interest of time, however, I shall ask, on that score, unanimous consent to have printed at this point in my remarks a prepared statement on the subject.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR KUCHEL

This is an urgent bill designed to bring into reality a long planned extension of the Central Valley project in California by authorizing construction of the Trinity River division which is desperately needed to provide more water for agricultural and municipal purposes and more hydroelectric power for a wide area of my State.

The bill now before the Senate was approved by the House by a substantial margin more than a month ago, has been carefully analyzed and studied by the Senate Committee on Interior and Insular Affairs, and has the overwhelming endorsement of every agency in the State of California concerned with overcoming our acute water and power problems.

To demonstrate why I regard this measure as urgent, I should like, Mr. President, to review briefly the history of the proposed Trinity River development.

The project has been thoroughly studied and investigated over a period of more than 30 years. It has been approved and endorsed by 2 Federal administrations and 2 State administrations since the detailed plans were completed in 1952. The first finding of feasibility was made by former Secretary of the Interior Chapman in 1953 and affirmed by former President Truman. The present Secretary of the Interior, Secretary McKay, has recommended immediate construction, while President Eisenhower proposed and this Congress already has granted funds with which to finish engineering preliminaries and to initiate actual construction.

As an extension of the Central Valley project, this undertaking would be thoroughly integrated with the comprehensive development initiated in the Sacramento and San Joaquin Valleys approximately two decades ago. It has an admirable financial and economic foundation. In fact, the direct benefit-cost ratio is high, 1.86 to 1. When indirect benefits are considered, the benefit-cost ratio is 3.31 to 1.

This project, which would cost $220 million, is nearly 100 percent reimbursable. The only outlay which would be written off amounts to $262,000. The power features, which represent approximately three-fourths of the total cost, would be repaid in 26 years.

The primary purpose and the reason for urgency of this development is to supplement the existing water supply for the Central Valley by diverting surplus waters of the Trinity River which now are wasted entirely to the Pacific Ocean. With the works contemplated, an average of about 700,000 acre-feet annually would be transported across the mountains paralleling the seacoast and turned into the Sacramento River system. Through exchanges and integrated operation, a total additional supply of about 1,190,000 acre-feet per year would be made available for irrigation and municipal uses. In the process, the 4 generating plants, which would have a combined capacity of 223,000 kilowatts, would boost the power output from the whole Central Valley project by 1,067,000,000 kilowatt-hours annually. There is an assured market for this energy.

The maldistribution of water in California is well known and widely recognized, Mr. President. With the continuing phenomenal growth of our State, the need for more dependable and increased supplies still is mounting. Several years ago it was apparent that the surplus Trinity River water would be essential to supplement the amounts available from the Sacramento River system and as a consequence plans were initiated to carry out transmountain diversions so that Trinity water could be imported for distribution through the Sacramento canals unit of the Central Valley project.

This objective was set forth clearly more than 2½ years ago by former Secretary of the Interior Chapman. What he said at that time, in the first feasibility report on the Trinity project, is even more true today. Secretary Chapman stated:

"The Central Valley project, as conceived by both the State of California and the Federal Government, is not a static thing. It must continue to grow with the growth of the great Central Valley. The Trinity River division and the Sacramento canals unit are urgently needed to provide electric energy and water for irrigation. These two developments taken together are a logical extension of the existing Central Valley project."

I should like to point out, Mr. President, that the Sacramento canals unit to which Secretary Chapman referred was authorized by Congress in 1950 and this distribution system now is actually under construction.

The wide and enthusiastic support which this project has commanded is no accident. Committees of both the Congress and the California Legislature have investigated the need for this development. The legislation has been carefully drafted, with due protection for the interests of downstream areas of the Trinity River Valley. Both Houses of our California Legislature have adopted resolutions formally recommending enactment of this bill. The project has been wholeheartedly advocated by the distinguished former Governor of California who is now the Chief Justice of the United States, Earl Warren, and his eminent successor, Goodwin J. Knight.

The attitude of the people of our State was expressed most succinctly by Governor Knight only a few weeks ago. Urging passage of this very piece of legislation, he declared "immediate authorization and construction of the Trinity River project is required to forestall increasing economic losses due to water shortages."

On that basis, Mr. President, I earnestly hope this Senate will approve this measure, which already has been passed by the House and thus put an end to the time-wasting and delays which have held up construction which has been contemplated for almost an entire generation.

Mr. KUCHEL. Mr. President, there is, however, one item upon which I want the RECORD to be abundantly clear. It is something to which the committee gave great attention. I quote now from the bill, immediately following the portion I quoted a few minutes ago:

: *Provided*, That the Secretary is authorized and directed to continue to a conclusion the engineering studies and negotiations with any non-Federal agency with respect to proposals to purchase falling water and, not later than 18 months from the date of enactment of this act, report the results of such negotiations, including the terms of a proposed agreement, if any, that may be reached together with his recommendations thereon, which agreement, if any, shall not become effective until approved by Congress.

That was in the text of the bill as it came to the Senate from the House of Representatives. The author of the bill in the House, a distinguished Member from California [Mr. CLAIR ENGLE], who is in the Senate Chamber tonight, and who is chairman of the House Committee on Interior and Insular Affairs, urged the Senate to approve the bill in toto, including the amendment I have just read. So did my able senior colleague [Mr. KNOWLAND].

Mr. MORSE. Mr. President, will the Senator yield?

Mr. KUCHEL. I yield.

Mr. MORSE. The junior Senator from California has proceeded to discuss, in the objective way which always characterizes him, language that is disturbing to many Senators.

I have always been a strong supporter of the Trinity project as a Federal project. If I thought for a moment that the approval of the bill tonight meant partnership for Trinity by way of the back door, we would have a substantial discussion on the bill before it was passed, because I am completely opposed to any partnership proposal in connection with Trinity. I happen to believe it is most unfortunate that certain language is in the bill, because I do not think it is at all necessary in order for the Federal Government and the Department of the Interior to go ahead and conduct any studies they wish to conduct in regard to the administration of Trinity. I particularly do not like the language which refers to the Secretary of the Interior proceeding and carrying

on negotiations. I refer to the following provision:

Provided, That the Secretary is authorized and directed to continue to a conclusion the engineering studies—

If it stopped there, it would be all right, but it goes on and reads:

And negotiations with any non-Federal agency with respect to proposals to purchase falling water, and not later than 18 months from the date of enactment of this act, the results of such negotiations, including the terms of a proposed agreement, if any, shall not become effective until approved by Congress.

Quite frankly, I wish to say that the language in the bill about the negotiations is unfortunate and unfair, because the authors of the bill know very well that this would raise a serious controversy with regard to hydroelectric power projects. I think there should be language in the bill which would have permitted the conduct of a study, but when language is included about the Secretary carrying on negotiations, I think it is unfair to the Congress and unfair to the parties with whom negotiations are going to be conducted.

I will say that it has the effect of putting the Secretary of the Interior, to whose policy in this matter I am opposed, in a very favored position, because if he is permitted to get by with this, the time will come when the Secretary of the Interior, if we still have the same Secretary, will argue, "Well, I have gone ahead, and we have carried on negotiations; we have the contracts ready to sign, and the companies have spent considerable sums of money in surveys in connection with these projects," and so on. The Senator is familiar with that type of argument.

I serve clear notice on the floor of the Senate to the Secretary of the Interior that those of us who are opposed to his partnership giveaway scheme want him to understand that any attempt on his part in the future to approve action of that kind at a subsequent date is not going to have any favorable effect on us.

If the Secretary of the Interior thinks that by this language he is going to get a Trinity partnership through the back door, I serve notice on him that he is in for a fight. In the future when the Trinity project comes up for further authorization, if the attempt is made by any proponents of the bill, either on the House or on the Senate side, for a partnership arrangement for Trinity, we will fight it out with everything we have in opposition, because Trinity as a partnership scheme would be an unconscionable giveaway and against the right of the people of this Nation to their heritage in the waters falling over the Trinity Dam.

Mr. KUCHEL. I am sure the Senator from Oregon is not suggesting that the junior Senator from California, by a backdoor method, is attempting to subvert the reclamation law or, indeed any law.

Mr. MORSE. Neither the junior Senator from California nor the Representative from California [Mr. ENGLE] is attempting to do so. I am glad the Senator raised that point. I wish to make it very clear that if the Representative had the privilege of this floor, he would say to the Senate, as he has to me, that this language was not put in the bill to commit anybody to a partnership scheme. The purpose of the language is to authorize the Department of the Interior to finish the studies it has underway. I think the studies ought to be finished. We ought to have the facts. I simply say that having the language accepted on the House side in order to get the bill through, brings about the danger that through this language other such schemes can get in through the back door.

Mr. KUCHEL. It is my intention tonight, as one who will speak in favor of the bill, with the assistance of the distinguished chairman of the subcommittee to which the bill was referred [Mr. ANDERSON], and the distinguished Senator from Wyoming [Mr. O'MAHONEY], to build a record by which it will be made abundantly clear, to all who care to read it, that there is no attempt of any kind or character in the Congress of the United States by the enactment of the legislation to start any program of partnership one way or the other. There is in the bill an indication only that this study may proceed, and then it will be brought back to the Congress of the United States, if it is concluded, for consideration by Congress.

I wish to develop clearly for the RECORD the language which was used in the Senate committee report, which brings the bill to the floor. Then, with the assistance of my two seniors, I wish to indicate clearly what the intention of Congress is with respect to the bill.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. KUCHEL. I yield.

Mr. MORSE. I wish to make it very clear for the RECORD that the senior and junior Senators from California and the Representative from the area have made it perfectly evident that is their intention and that is the purpose of the measure. I was going to discuss the language of the committee report, because it makes the purpose crystal clear. I think the Senator will agree with me that, knowing my position on this issue in the Pacific Northwest, it was essential that I make a clear statement on the floor of the Senate with regard to my view on the bill. No matter how much explanation there may be, unless we get it perfectly clear in the RECORD, there will be those in my State who will say, "But, MORSE, did you not go along with the language in the Trinity bill that permits a partnership with Trinity?" I want to be in such a position that I can say unequivocally, "Absolutely not; I went along with no such language, and I cite to you what I said." I am very frank in stating that to the Senator, because I know what I am going to be met with in Oregon, after adjournment.

I wish to say to the two Senators from California and the Representative from that district that they have not had a better friend in the Senate for the Trinity program than I. I have been for it from the beginning. But I am for it as a Federal project, because I believe the people of that area should have it as a Federal project, and not as a partnership project.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. KUCHEL. I yield to the Senator from New Mexico.

Mr. ANDERSON. Mr. President, since the report was submitted by me as chairman of the Subcommittee on Irrigation and Reclamation, I wonder if the Senator would not agree that we should help establish the legislative history beyond that contained in the report, which could only relate to what was considered by the committee. Is it the Senator's understanding that engineering studies include the evaluation of falling waters as a possible way of handling the distribution and sale of power from the dam?

Mr. KUCHEL. Yes.

Mr. ANDERSON. Is it the understanding of the Senator from California that there was language suggested in a House or Senate amendment which would have permitted the Secretary of the Interior, once the study was completed, himself to make the sale?

Mr. KUCHEL. That is correct.

Mr. ANDERSON. Was that language stricken to make sure that he could not sell the power?

Mr. KUCHEL. Yes, it was stricken from the bill.

Mr. ANDERSON. Does the bill not provide that any sale of falling waters which might be made should come back to the Congress for approval?

Mr. KUCHEL. Yes.

Mr. ANDERSON. Is it not true that one of the reasons why the provision is in the bill, is that the sale of falling water from a large dam is a new venture? Ordinarily there is permission to sell power at the bus bar, but here a possibility is involved that a company, which might get a contract to put in perhaps $50 million of venture capital, could build certain installations, and therefore the buying of the falling water would be presented to the committee as a wholly new procedure.

Mr. KUCHEL. Yes; and it was on that basis that the committee felt the studies might be made.

Mr. ANDERSON. Was not that represented to the committee as a relatively new procedure?

Mr. KUCHEL. Yes. Again, the Senator from New Mexico is correct; and it was on that basis that the committee felt that the studies might well take place, and that the studies—whatever they might be—would be available to the committee for such action as it might deem appropriate.

Mr. ANDERSON. Is it not true that we permitted the House language with respect to negotiations to remain in the bill because if the Secretary was not permitted to make negotiations, the Congress would not be able to weigh whether it was better to sell falling water or to construct dams and sell electricity at the bus bar; but by getting both figures, the Senate could best make up its mind?

Mr. KUCHEL. The Senator from New Mexico again is correct, both as regards the action of the committee and as regards the reasons for it.

Mr. ANDERSON. In regard to this proviso, is it not also true that the only purpose is that the Congress may judge as between the two different ways of selling the current which may be there?

Mr. KUCHEL. Once again the Senator from New Mexico is correct, and he reflects the unanimous judgment of the committee.

Mr. ANDERSON. I wish to say to the junior Senator from California that it was my understanding all the way through that he had not in any way closed his mind to the fact that this project might remain a Federal project, but he recognized that there might be peculiar characteristics in the power—for example, that the power might be sold at the bus bar for as little as 5 or 6 mills, but that a private company might be willing to pay 10 or 12 mills when purchasing it as falling water; and therefore that might make some difference, when at a later date we found out that falling water might be sold at a relatively good price. Consequently, there was no desire to bar the type of sale which would be made, but everything done was done in full compliance with the desire to show favoritism, if we may call it that, so that the contracts about which the Senator from California is talking would be brought back to the Senate.

Mr. KUCHEL. Again the Senator from New Mexico is correct.

Mr. ANDERSON. I assure the Senator from California and the Senator from Oregon that everything which took place in the committee was designed to meet foursquare the challenge the Senator from Oregon laid down, to make sure that we were not entering into a partnership agreement and were not committing ourselves in advance and were not giving the Secretary of the Interior authority to go on through; but, on the contrary, we were trying to explore whether it was worthwhile to consider in the future the possibility that falling water, as well as electricity, might be sold; and therefore we would study it and bring it back to the Congress, with no preconceived notions.

Mr. MORSE. Mr. President, will the Senator from California yield for a comment?

The PRESIDING OFFICER (Mr. ALLOTT in the chair). Does the Senator from California yield to the Senator from Oregon?

Mr. KUCHEL. I yield.

Mr. MORSE. I wish the RECORD to show that I deeply appreciate—and I am sure I speak for my colleague from Oregon [Mr. NEUBERGER]—the complete fairness the Senator from New Mexico [Mr. ANDERSON], the Senator from California [Mr. KUCHEL], and the Senator from Wyoming [Mr. O'MAHONEY] extended to us in regard to this partnership issue, as it was raised in the discussion of the Trinity project, because when the Trinity project bill with this language in it first came before us, we were concerned about what some persons might read into it. We were not concerned about what Representative ENGLE meant by it; we knew he meant what we understood the language to mean. But we were afraid that others might read into it something that Representative ENGLE did not mean and that the Senator from Wyoming [Mr. O'MAHONEY] did not mean.

The Senators from California, New Mexico, and Wyoming have made a legislative record here; and in my judgment there will be no doubt now about the limitation of the language.

Mr. ANDERSON. I thank the Senator from Oregon.

Mr. President, will the Senator from California yield to me?

Mr. KUCHEL. I yield.

Mr. ANDERSON. The language contained on page 2 of the report was not written by me. I thought it most important that the language be drawn, setting forth the circumstances and conditions. Therefore, with the full permission of the junior Senator from California [Mr. KUCHEL], we asked the able Senator from Wyoming [Mr. O'MAHONEY] to draft this language himself, in order that we might be amply sure, out of his long experience with the Committee on Interior and Insular Affairs, that we put into this legislative record, words which could not be misunderstood.

But, further, we thought that a colloquy needed to take place on the floor of the Senate, again to establish the legislative history.

I suggest that if the Senator from Wyoming [Mr. O'MAHONEY] would do so, in his questions of the Senator from California he reaffirm the things he established in the report, which I am sure makes absolutely certain the circumstances under which the project will be constructed.

I may say the project itself is an extremely meritorious one. Here is water which, if left alone, flows into the Pacific Ocean without being of benefit to any farmer in the United States. We do not have water to waste; we must conserve it. This project needs to be constructed, and this bill needs to be passed. I am sure the Senate will pass the bill tonight, and I am happy that the Senate is taking this action, in order that this very fine project may be started at the earliest possible date.

Mr. KUCHEL. I thank the Senator from New Mexico; and in a moment or two, I shall ask unanimous consent that the entire Senate committee report, prepared by the Senator from Wyoming [Mr. O'MAHONEY], be made a part of this debate.

Mr. O'MAHONEY. Mr. President, will the Senator from California yield?

Mr. KUCHEL. I yield to the able Senator from Wyoming.

Mr. O'MAHONEY. I think it may be appropriate to add at this point that in the report, it was strictly provided that in the conduct of the negotiations, the committee was not attempting to weigh any of the preference rights which have been granted to municipalities and REA's and other similar public agencies by the Flood Control Act of 1944 and the reclamation laws. In other words, we served notice upon the Department of the Interior that these negotiations could not be considered in any way as establishing any moral right, upon the part of the Department of the Interior or on the part of any non-Federal agency with whom it might negotiate, to believe that an obligation was undertaken by those negotiations.

Mr. KUCHEL. The Senator from Wyoming is completely correct. The proviso authorizes a study and a report to Congress, for appropriate action.

Mr. O'MAHONEY. Furthermore, the Senator from California will, I am sure, remember that during the course of the hearings, I suggested to the committee, and the committee agreed, that one of the tasks of the Committee on Interior and Insular Affairs during the recess of Congress would be to conduct a full and thorough study of the proposed partnership program, so that before any negotiations are undertaken, the Committee on Interior and Insular Affairs will be revealing, through its conferences in public session with the Department of the Interior, what is conceived to be the value of the sale of falling water. A partnership which would exclude rights which the people of California, in communities near this project—and there are in California, am I not correctly advised, within the area of the Trinity project, cities which have municipal electric plants?

Mr. KUCHEL. Yes; the Senator from Wyoming is correct.

Mr. O'MAHONEY. There are REA coperatives in this area of California, are there not?

Mr. KUCHEL. Again the Senator from Wyoming is correct.

Mr. O'MAHONEY. And it was never the intention of the Senator from California and those who worked with him to authorize the Department of the Interior, by any sale of falling water, to give away those very sacred and necessary rights for local self-government.

Mr. KUCHEL. The Senator from Wyoming is completely correct. I repeat that this language authorizes a study for Congress subsequently to pass upon if it desires to do so.

If I may, at this point I should like to read several sentences from the statement I made at the hearing. I would request the attention of the senior Senator from Oregon to these three sentences, which I included in my statement to the committee; and now I read from page 11 of the Senate committee hearings:

> Personally I believe in this instance, since all other generating plants in the Central Valley project are federally operated, the Trinity plants should be also. But to permit careful study of the partnership possibility, the Engle bill directs the Secretary of the Interior to continue its studies and negotiations and report with recommendations to Congress in not less than 18 months. I approve of this provision, because it will give Congres a full opportunity to decide whether the Trinity powerplants should be federally or privately operated.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. KUCHEL. I yield.

Mr. MORSE. That statement is typical of the fairness of the junior Senator from California [Mr. KUCHEL] and also of the Representative from this particular district Mr. ENGLE. Mr. ENGLE has made statements which are similar in

meaning. The Senator and his colleague in the House have been exceedingly fair to us in our discussions with them with respect to our original fears and concerns about possible misinterpretations of the language when we first read the language in the bill.

I wish to thank the Senator very much for what I think is a clarification of this subject which leaves no possible room for any misinterpretation of the meaning of this language.

Mr. KUCHEL. I appreciate that comment very much. I am sure my able colleague in the House from that district feels likewise.

Mr. O'MAHONEY. Mr. President, will the Senator yield for another question?

Mr. KUCHEL. I yield.

Mr. O'MAHONEY. Is it not a fact that in the Committee on Interior and Insular Affairs, in the discussions which preceded the approval of this bill, there was a general consensus of opinion that any program affecting the sale of falling water should be laid face up in the public before any contract should become binding or effective?

Mr. KUCHEL. Once again the Senator is completely correct. That was the unanimous opinion of the committeee which approved the bill and drafted the report.

Mr. O'MAHONEY. So anyone who would now suggest that the passage of the bill in its present form would open the door to secret conferences and secret negotiations which would give away the power to be created by the expenditures authorized in this bill, would be completely misinterpreting the attitude of the committee and of the Senate when it passes this measure.

Mr. KUCHEL. Again the Senator is completely correct. No one is interested in secret or clandestine deliberations on either this or any other matter.

Mr. O'MAHONEY. I thank the Senator.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. KUCHEL. I yield.

Mr. WATKINS. I understood the Senator to say, in making his explanation, that this project would be integrated with the Central Valley project in California. Is that correct?

Mr. KUCHEL. That is correct.

Mr. WATKINS. When the Senator says it would be integrated, does he mean it would become, in its operation, in effect a part of that big project?

Mr. KUCHEL. The Senator is correct.

Mr. WATKINS. The power developed in the powerplants here proposed would be integrated and possibly sold or distributed through the facilities now in operation for the distribution of the power of the Central Valley project. That would include the Shasta Dam and other dams and power projects which have been built, would it not?

Mr. KUCHEL. The Senator is again correct.

Mr. WATKINS. As I understand, the water which is to be diverted on the Trinity River—transmountain over into the Sacramento Valley, would be used on farmlands now already under cultivation, and receiving a large part of their water supply from the Central Valley project.

Mr. KUCHEL. The Senator is correct.

Mr. WATKINS. The distribution system which is now in effect would be made available for this particular project.

Mr. KUCHEL. The Senator is correct. A part of that distribution system is under construction at this time; a part has been completed; additions, of course, are contemplated.

Mr. WATKINS. In other words, this project is planned on very much the same basis as that on which the upper Colorado River project is planned, with respect to the so-called basin accounts; is not that correct?

Mr. KUCHEL. I cannot say "Yes" or "No" to that question, but I am sure the Senator knows what he is talking about, and I do not propose to dispute him at this time.

Mr. WATKINS. In other words, if it is integrated and depends to a certain extent for income and distribution upon integrated facilities, the fact that it is pooled with the other project would make it very similar to the Colorado River storage project, would it not?

Mr. KUCHEL. Both of them, I assume, are based on the theory of integration, among other theories.

Mr. WATKINS. I wanted to bring out that point because there has been a great deal of criticism of that type of project, in connection with the so-called basin accounts. Various units are operated together, and at times the power is sold at a cost which is lower than the cost at some individual plant within the integrated program. Other units produce power which is sold at a higher rate. In other words, we arrive at an average for the overall production and distribution. Is not that correct?

Mr. KUCHEL. I thank the Senator for his statement.

Mr. WATKINS. I wished to point that out, because, as the Senator knows, we have a situation in which southern California people, with respect to projects outside their own State, take an entirely different position.

Personally, I believe this is a very meritorious project. I think it is one which should be adopted. That is the reason why I have supported it in the committee at all stages. I have asked certain questions in order to bring out information as to the type and kind of project it is.

Mr. KUCHEL. I thank my able friend very much for his statement.

Mr. WATKINS. I am saying what I am saying here tonight partly in reply to inquiries which I have received from my own State. I have been asked how it is that I can support California projects when California representatives are fighting a project very similar in kind, and just as sound and meritorius as this one. I am supporting it because I am a sincere friend of the reclamation program. I think it is a fine national policy. The mere fact that some people in southern California have taken advantage of the situation which exists, to blast a project which I represent, and criticize it unfairly, and spend hundreds of thousands of dollars in an effort to bring about its defeat, constitutes no reason why I should turn down a meritorius project from the same State.

I invite attention to the Ventura project, which the Committee on Interior and Insular Affairs of the Senate, of which I am a member, has unanimously approved. In that project the cost per acre for the water supply which will go on the land is approximately $1,800. That is a high cost. It is higher than anything we had in connection with the Colorado River project. That represents 1½ acre-feet of water per acre. A part of that cost—as I recall, 40 percent of it—is to be paid by the municipalities and industries which use water. When we help the farmers, in turn municipalities and industries benefit from the trade that farmers bring in. They help to make the municipalities what they are.

I wished to make it perfectly clear that this project is based upon the same principle and the same kind of reclamation law, as the Ventura project. I am supporting both the Ventura project and the Trinity project. The Trinity project, which I am supporting here tonight, is very similar in principle to the Colorado River project. All the southern California Members of Congress who are fighting the Colorado River project have supported the same kind of project proposed for California.

Representatives in Congress from northern California have stood fair and square on the question of the Colorado River project, and they are standing squarely on the reclamation program. They have upheld it instead of attacking it. I wished to make that point clear tonight, not only for the benefit of Members of Congress, but for the benefit of my people at home who have been doing some criticizing because, although we receive a great deal of opposition from California, we are going down the line, fighting and voting for California projects. The California projects are exactly the same in nature and principle as our own.

I thank the Senator from California. He has done a wonderful job. He has been very cooperative. I realize the situation in which he finds himself tonight.

Mr. KUCHEL. Mr. President, I am indebted to the very able Senator from Utah for his consistently fair, honest, and generous comment. I thank him for it. The State of Utah has every right to be proud of the magnificent representation it enjoys in the Senate of the United States, in her able senior Senator [Mr. WATKINS] and her able junior Senator [Mr. BENNETT].

The honor and the privilege which I share with my senior colleague [Mr. KNOWLAND] in representing the great State of California far overshadow the occasional difficulties which I experience in endeavoring to represent her fairly and honestly. My late, dear father was a native-born Californian, and so am I. I want my State and all the other States of the Union to be dealt with equitably in the Congress.

Mr. WATKINS. Mr. President, will the Senator yield once more to me?

Mr. KUCHEL. I yield to the Senator from Utah.

Mr. WATKINS. Mr. President, this morning, not knowing that I would participate in this debate, I asked unanimous consent to have a statement on the Colorado River project and the opposition to it in southern California printed in the RECORD. I intended to deliver that speech in connection with the present discussion.

Undoubtedly it is too late to ask that the text of that speech be placed at this point in the RECORD. Therefore, I direct attention to the fact that what I said in that statement was not intended to apply in any way to the Trinity River project.

Mr. KUCHEL. I thank the Senator.

I now yield to the Senator from Oregon.

Mr. NEUBERGER. Mr. President, I wish to call one point particularly to the attention of the able Senator from California. We discussed it in committee. I call attention to the fact that he explicitly agreed that the bill in no way abrogated the traditional public-power-preference clause which has been used since 1906. Is that correct?

Mr. KUCHEL. The Senator is absolutely correct. Once again the Senator from Oregon reflects in his statement the unanimity of intention with which the committee reported the pending bill to the floor.

Mr. NEUBERGER. In discussing the preference clause, I call the attention of the Senate to a significant fact. I believe that both Senators from California originally arrived in the Senate by appointment from a very distinguished American, who is now the Chief Justice of the United States. Am I correct?

Mr. KUCHEL. The Senator is right. Both my colleague and I have that high honor.

Mr. NEUBERGER. It is an honor which I envy the Senators. In one of the final interviews which Earl Warren gave before he left active political life to become Chief Justice of the United States, he expressed and explicitly defended the public power preference clause, and said he thought it was an important part of our natural resource development in the Western States.

It is my assumption that by authorizing the Trinity River project, with the language in it at page 2 of the bill, which was discussed by the senior Senator from Oregon and by the distinguished Senator from Wyoming, both in committee and on the floor, we in no way are modifying or amending the Public Power Preference Act.

Mr. KUCHEL. The Senator is again fully correct.

Mr. NEUBERGER. I call the attention of the Senate, and particularly the attention of the junior Senator from California and his distinguished colleague from the House of Representatives, Mr. ENGLE, who is with him this evening, to the rather ironic and anomalous situation in which my senior colleague and I find ourselves.

The Senator from California well knows that there is now in committee a bill which is sponsored by both Senators from Oregon and by 28 or 29 other Members of the Senate, if I am not mistaken. The bill is in committee. Undoubtedly it will be in committee when we adjourn in the next few days. In a way, I believe we have been penalized because we represent a region which has so much low-cost power and so much water.

I recently read some statistics which show that region II of the Bureau of Reclamation, in which the Trinity project is located, has 68 million acre-feet of water; and that region I, which includes the Columbia River Basin, has 205 million acre-feet of water. In fact, 40 percent of all the undeveloped hydroelectricity in the United States is in the basin of the Columbia River.

The administration has recommended no new major Federal project in that river basin, which has over half of all the acre-feet of water in the 17 Western States and nearly half of all the undeveloped hydroelectricity in all the United States.

I believe the RECORD should show, as we authorize the great Trinity project, which is a worthwhile project, that the national administration has not proposed to Congress any new major starts in the region where Federal starts are the most logical, because that is where most of the power is and where most of the water is. That abundance of water is not due to anyone in politics, whether Republican or Democrat or Independent. It is due to the beneficence of the Almighty. The Columbia River happens to drain a vast area of mountains, with water falling from a very great height.

I believe the RECORD should show—and I again emphasize it—that as we authorize this great project in northern California, we still stand here with the administration not having recommended any new major Federal starts in the region where they would be most justified.

I wish to congratulate my friend from California, the able and distinguished junior Senator from that State [Mr. KUCHEL] for the very effective way in which he has advocated the Trinity project.

I am sure that after the project has been started, he will live up to what he has said, that he will work to prevent any diminution or reduction of the basic traditional features of our reclamation law, which are designed to protect the public interest as against monopolies and special privileges.

SEVERAL SENATORS. Vote! Vote! Vote!

Mr. KUCHEL. I am very grateful indeed to the Senator from Oregon for his statement.

Mr. President, I ask unanimous consent that the statement on page 2 of the Senate committee report be printed in the RECORD at this point. It is the language which the Senator from Wyoming has fashioned, and I think it would have particular relevancy in establishing the intent under which the bill comes to the Senate.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

STATEMENT OF POLICY

The committee suggests special attention to the following proviso, on page 2, beginning on line 13, of the bill:

"*Provided*, That the Secretary is authorized and directed to continue to a conclusion the engineering studies and negotiations with any non-Federal agency with respect to proposals to purchase falling water and, not later than 18 months from the date of enactment of this act, report the results of such negotiations, including the terms of a proposed agreement, if any, that may be reached, together with his recommendations thereon, which agreement, if any, shall not become effective until approved by Congress."

In retaining this proviso in the bill, the committee states the following policy considerations as reflecting its conclusions with respect to the authorization and direction to the Secretary of the Interior set forth therein:

1. The engineering studies to be concluded should include (a) the proposed revisions in certain features to increase the power-generating potential to determine their effect on the basic concept of the Trinity division for increasing irrigation water supplies for the Central Valley project; (b) the feasibility of the increased capacity engineeringwise, economically and financially, for Federal installation and operation integrated with the Central Valley project, including the increased revenue and any other pertinent factors for purposes of comparison.

2. The inclusion of the proviso in the bill is in no respect to be considered a commitment on the part of the Congress to the sale of falling water or to any arrangement other than that of construction and operation of the entire project, including the power features, by the United States as authorized in the bill.

3. The proviso is in no sense to be understood as an authorization to waive, in any negotiation for the sale of falling water, any preference in the sale or transmission of power as expressed in section 5 of the Flood Control Act of 1944, in the Reclamation Project Act of 1939, or in any other law.

4. The negotiations referred to shall not be confined to any one non-Federal agency and either publicly owned or privately owned utilities shall have the opportunity to present proposals as the basis for negotiations.

5. The studies and reports are to be objective and factual without any preconceived result being sought. Any report or recommendation of the Secretary to Congress shall be accompanied by basic engineering, financial, or other technical reports, together with the findings of responsible officials of the Bureau of Reclamation, untrammeled by questions of high policy to be recommended to or considered by the Congress. The committee expects to be advised currently of the progress of the studies, reports, and findings as completed, and the progress of negotiations.

The PRESIDING OFFICER. The bill is open to amendment.

If there be no amendment to be proposed, the question is on the third reading and final passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

CONVEYANCE OF CERTAIN LAND IN NEDECAH, WIS.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unfinished business, Senate Joint Resolution 97, be temporarily laid aside, and that the Senate proceed to the consideration of Calendar No. 1210, H. R. 2889.

The PRESIDING OFFICER. The bill will be stated by title, for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 2889) to provide for the conveyance of certain land in Nedecah, Wis., to the village of Nedecah.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Government Operations with an amendment on page 2, after line 11, to strike out "to the land described in section 2 in consideration of $1."

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

JANE EDITH THOMAS

Mr. BENDER. Mr. President, I ask the Chair to lay before the Senate House bill 7588.

The PRESIDING OFFICER laid before the Senate the bill (H. R. 7588) for the relief of Jane Edith Thomas, which was read twice by its title.

Mr. BENDER. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of H. R. 7588.

There being no objection, the Senate proceeded to consider the bill.

Mr. KNOWLAND. Mr. President, may we have an explanation of the bill?

Mr. KILGORE. I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The Secretary will state the amendment.

The CHIEF CLERK. It is proposed to strike out all after the enacting clause and insert:

That section 301 (a) (7) of the Immigration and Nationality Act shall be held and considered to be applicable to Jane Edith Thomas, the daughter of Leslie F. Thomas, a United States citizen, and provided that section 301 (a) (7) of said act shall be considered to have been and to be applicable to a child born outside the United States and its outlying possessions of parents one of whom is a citizen of the United States who has served in the Armed Forces of the United States after December 31, 1946, and before December 24, 1952, and whose case does not come within the provisions of section 201 (g) or (i) of the Nationality Act of 1940.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from West Virginia [Mr. KILGORE] in the nature of a substitute.

Mr. KILGORE. Mr. President, I should like to explain the reasons for the amendment and my reason for withholding any objection. With this amendment, the bill is made acceptable to the Judiciary Committee. The bill, as introduced in the House, was adequate, but there was an amendment in the House making the bill unacceptable. We can approve this bill, with the amendment; the other bill we could not approve.

Mr. BENDER. Mr. President, I accept the amendment, and I appreciate the explanation of the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from West Virginia [Mr. KILGORE] in the nature of a substitute.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Jane Edith Thomas, and for other purposes."

HAROLD E. TALBOTT, SECRETARY OF THE AIR FORCE

Mr. MORSE. Mr. President, this is my speech for the day on clean government and in support of either the immediate resignation or the dismissal of the Secretary of the Air Force, Mr. Talbott.

At the time that Secretary Talbott's nomination was before the Senate for confirmation I objected to it strenuously on the ground that he did not possess the sensitivity to high ethical standards that the American people have the right to expect from a public servant. I felt, and events have proved me correct, that Secretary Talbott's record demonstrated quite clearly that he did not possess the attributes so necessary in a public servant. I have always objected to the thinking that a man can be a successful public servant simply because he has proved himself in some other field.

The public servant must have as the core of his thinking the concept that the protection of interest of the public is his first duty. He must approach his work with the thought in mind that there is real substance to the Christian belief that "I am my brother's keeper."

I am not trying to tell Secretary Talbott what philosophy he should follow, I am only saying that Secretary Talbott does not have the philosophy a public servant must have. Secretary Talbott's concepts of what is right and what is wrong, so long as he is in private life, are none of my concern. But so long as he is in public life, they are.

Secretary Talbott's seeming inability to understand the purposes of the conflict-of-interest statutes is reflected in his relations with the Mulligan Co. It is also further proof of his insensitivity to the ethical standards that the public servant must live by.

His conduct as the president of an aircraft company which produced and sold defective aircraft to our military in World War I is but another indication of his ethical standards. When Charles Evans Hughes, later to become Chief Justice of the United States, had completed his investigation of the case, he charged that there had been "conduct of reprehensible character." Mr. Hughes' comment reveals how deeply rooted this insensitivity is in Talbott's background. I do not need to comment upon the operations of a company that would attempt to foist off unworthy armaments upon its government in time of war. I think that this aircraft matter proves beyond a doubt that Mr. Talbott is unable to understand that the law of the marketplace is not the only standard by which a man should conduct his affairs.

Mr. KEFAUVER. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield.

Mr. KEFAUVER. As the Senator knows, I was very much interested in the Hughes report about the Curtiss-Wright Co., back in 1918, when Colonel Deeds, of that company, came to Washington to get business for the company, and the contract was not properly fulfilled. At that time Mr. Talbott, although a comparatively young man, was president of the company.

Mr. MORSE. May I interrupt the Senator to say that I am aware of his interest in the Talbott affair in World War I and of the record he made before the Armed Services Committee when Talbott's nomination was before that committee; also the record he made on the floor of the Senate when he and I made a fight against the confirmation of the nomination of Talbott. We warned that a mistake would be made if his nomination were confirmed. If one takes time to read what the Senator from Tennessee said with respect to the confirmation of Talbott's nomination, he will find that what the Senator forewarned the Senate about has come to pass.

I wish to compliment him for the job he did in bringing out the facts concerning the Hughes report in regard to the Talbott operations in World War I, to which I have just referred in my speech.

Mr. KEFAUVER. I thank the Senator.

The point I wished to make was that the situation which obtained at that time with regard to Colonel Deeds strikes me as having many similarities to what we find in Secretary Talbott's situation. Those who are interested in the Talbott matter would do well to read the Hughes report, the questions which were asked before the Armed Services Committee, and the statements the Senator from Oregon made on the floor of the Senate in connection with the confirmation of the nomination of Mr. Talbott. It will be found that the pattern is a very similar one. I think it was a very serious affair and one requiring our going to the bottom of it. I think the Senate owes it to itself and to the public to ferret out all the facts. I think Mr. Talbott should make a forthright statement about the whole affair. It is very difficult for me to see how, under all the circumstances, he can continue to serve the Air Force if it is going to be done effectively.

Mr. MORSE. Referring to the Senator's cross-examination in regard to the aircraft matter of 1917, let me say that the Senator from Tennessee is completely right when he points out that the conflict-of-interest problem was involved in that situation just as it is involved in the instant situation. Charles Evans Hughes made very clear in his reference to the officials of the corporation of which young Talbott was the president, and of which his father, as I recall, was chairman of the board, that there was a conflict of interest involved. I do not see how one can read the Hughes report and reach any other conclusion than that Charles Evans Hughes made very clear that the spirit and intent of the conflict-of-interest

statutes were violated by the Talbotts at that time.

We find Talbott now repeating the same pattern. He is up to the same tactics in 1955 of which he was guilty in 1917. Yet, Mr. President, there are those in the administration who say that if he gets out of the Mulligan partnership we should let it ride over.

When we are dealing with the public interest, Mr. President, there cannot be a second chance. When the public interest is violated, as it has been violated by this man, there is only one course of action, and that is to kick him out of office if he does not get out voluntarily. That should be the action of the administration. If this administration does not take that course of action in regard to this man who has violated a public trust, the Congress of the United States should proceed to follow under the law whatever procedures are available to it to see that Talbott is kicked out, because, in my book, here is a man who violated the spirit and the intent of the conflict-of-interest statutes in 1917.

He was the head of a corporation which sold to his Government defective aircraft; and in 1955, there is no question about it, by his own statement released to the press, he has again violated the spirit and the intent of the conflict-of-interest statutes. I say again, if Eisenhower does not get rid of him, we should.

I am satisfied that I am speaking the will of the American people on this matter, because as we read in the press of the public reaction from coast to coast, we know that the people of the United States resent this man's having used the office of Secretary of the Air Force to write a single letter to a single business firm, even by innuendo or implication, suggesting that the firm ought to enter into a contract with the Mulligan company, of which he was a partner.

As I said on the floor the other day, and as I repeat tonight, it is not necessary to hit a businessman over the head to get the idea across when one is trying to exercise influence on him. All Mulligan needed to do was to go before the official of any company which had a contract with the Government and even intimate that his partner was Mr. Talbott. That was all he had to do.

Doing that, in my judgment, violates the spirit and intent of the conflict of interest statutes.

Talbott should be so clean, even as clean as a hound's tooth, as Mr. Eisenhower put it in his campaign, with reference to the standard of conduct he would expect from officials in his administration, that he should never have placed the President in this embarrassing position. He should have resigned his office the moment it was pointed out that he had made a mistake. Now he has admitted that he has made a mistake. Men cannot make mistakes of this nature and remain public servants. The public has a right to be rid of Talbott.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. KEFAUVER. I think it would be helpful to the public understanding of the matter if parts of the hearings before the Committee on Armed Services in January 1953, in which the Senator from Georgia [Mr. RUSSELL] asked Mr. Talbott certain questions, and in which I asked certain questions, were printed in the RECORD immediately following the address by the Senator from Oregon.

I therefore ask unanimous consent that certain pertinent parts of that hearing, which I will furnish, be printed in the RECORD at the conclusion of the remarks of the senior Senator from Oregon.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit A.)

Mr. KEFAUVER. Mr. President, I think I should also mention, in this connection, that at the time Mr. Talbott was first before the committee, I unfortunately was ill and did not hear his testimony. I sent word that I wanted to object to the confirmation of his nomination. I was so recorded in the Committee on Armed Services.

I then asked that the nomination be delayed on the floor of the Senate until Mr. Talbott could be called back to be questioned about the 1917–18 transaction concerning the Curtiss-Wright-Colonel Deeds matter. That was done, and finally the printed record was laid before all Senators. This, it seems to me, is an important part of the record.

Another important part of the record is that at the proceedings before the Committee on Armed Services, Mr. Talbott and others were asked whether they were going to divest themselves of certain stock—Chrysler and A–C Spark Plug, I believe, in the case of Mr. Talbott. Mr. Talbott's reply was that he was going to divest himself of the stock. We now find that some of it has been transferred to minor children, which, in my opinion—and, as I have noticed in the press, in the opinion of the junior Senator from Georgia [Mr. RUSSELL]—did not comply with the suggestion of the committee. The intent of the committee was that there should be a divorcement of interest in the stocks of the companies which he had held. The transferring of the stock to minor children does not carry out that purpose.

I think also that, subsequent to the speech being delivered by the senior Senator from Oregon, there should be made a part of the RECORD the questions and answers relative to the divestiture of the stock to which reference has been made. I ask unanimous consent that that material also be printed in the RECORD, following the address by the Senator from Oregon.

There being no objection, the material was ordered to be printed in the RECORD.

(See exhibit B.)

Mr. MORSE. Mr. President, is it the position of the Senator from Tennessee that when an individual, whom we will call Mr. X, divests himself of stock by giving it to his minor children, he is not, in fact, really divorcing himself from the stock?

Mr. KEFAUVER. Yes; that is correct. I think ordinarily, in the case of merely transferring stock to his children, one would, if anything, take a greater interest in the company, considering one's interest in the welfare of his children, than he would if the stock were in his own name.

Mr. MORSE. Is it the position of the Senator from Tennessee, as it is the position of the Senator from Oregon, that one's love and affection for his children is likely to influence the attitude he may take in respect to a company in which his children own large blocks of stock?

Mr. KEFAUVER. Yes. I really cannot see a difference between ownership in one's own name and ownership in the names of minor children. Of course, if the children were over the age of 21, and were able to manage their own affairs, that would be something else to consider. But I should think that ordinarily a person would be more solicitous about the welfare of the stock of which his children were beneficiaries than he would be as to the future of the stock which he owned in his own name.

Mr. MORSE. The Senator from Tennessee has made a point I was about to make, namely, that in the case of many persons, and I think it would be true of the Senator from Tennessee as it would be true of the Senator from Oregon, and as I think it would be true of the average father, their love and affection for their minor children would cause them really to be more solicitous about the welfare of their children's stocks than they would be about their own. They would be more inclined to take chances on their own stock than they would on the economic welfare of their children. Is that not the position of the Senator from Tennessee?

Mr. KEFAUVER. That is correct.

Mr. MORSE. So the fact is that when Talbott gave stocks to his minor children, he did not, in fact, divest himself of them within the spirit and intent of the conflict-of-interest statutes.

As I was saying, before the very helpful interruption by the Senator from Tennessee, the law of the marketplace is not the law upon which honest and decent public service can ever be based. Public service cannot be based on the discredited idea of everybody look out for himself and the devil take the hindmost.

The story in today's Washington Post and Times Herald concerning Mr. Talbott's clandestine campaign contribution gathering activities is but another reflection of Mr. Talbott's lack of sensitivity to a high standard of ethical conduct. The Post story reveals that James F. Friel, vice president of Seagram Distillers Corp., handed Talbott $20,000 in an envelope in the hallway of a New York office building, to be used for the Republican Party. Friel, in his appearance before the Chelf subcommittee, testified to this transaction.

Mr. President, before I proceed with my next point, I ask unanimous consent to have printed as a part of my remarks the Washington Post and Times Herald article of today on the Talbott matter.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FUTURE LEFT TO PRESIDENT BY TALBOTT—SECRETARY DENIES REPORT BY SENATORS HE PLANS TO QUIT; IKE STUDIES RECORD

(By John G. Norris)

Air Force Secretary Harold E. Talbott last night denied congressional reports that he will resign and said his future is "in President Eisenhower's hands."

His comment came after several Republican Senators said they had been informed that he has decided to quit. Two of them, members of the GOP Senate policy committee, said they understood an announcement in the matter was "imminent." Neither would be quoted by name.

But Talbott, reached by phone at his home, said it wasn't true.

"I have not resigned," he stated. "The matter of my future action is in Mr. Eisenhower's hands; I will do whatever he wishes me to do. He said at his press conference that he will go over the evidence and make a decision. Whatever happens, I never want to be in the position of embarrassing him or his administration."

White House News Secretary James C. Hagerty, asked for comment, said "nothing is before us."

Senator STYLES BRIDGES, Republican, New Hampshire, chairman of the Senate Republican Policy Committee, confirmed that the group had discussed whether Talbott should resign, but said the committee reached no conclusion.

BRIDGES said opinion in the group differed sharply, but it appeared that the majority favored studying all the facts before any action is taken. Some were said to feel that the Air Secretary has become a political liability and should leave.

President Eisenhower left earlier in the day for his farm in Gettysburg. Presumably he had with him the record of the Senate investigation into Talbott's outside business activities, or the official fate of the Air Secretary already had been settled.

The President said earlier he would personally review the entire record in the matter and decide whether Talbott had violated "a proper standard of ethics" by his efforts to get contracts for Paul B. Mulligan and Co., an engineering management firm that had defense contractors as clients. Talbott is a partner in the Mulligan firm.

One story that is unlikely to be in the record furnished Mr. Eisenhower is how Talbott accepted a $20,000 cash campaign contribution from a liquor company executive in 1948. The story, buried in the published hearings of a 1952 House investigation, reveals how James E. Friel, vice president of Seagram Distillers Corp. handed Talbott, then finance committee chairman for the Republican Party, $20,000 in cash in an envelope in the hallway of a New York office building.

Friel testified before the Cheif subcommittee investigating how the Justice Department was enforcing the antitrust laws. A liquor antitrust investigation was on at the time, and the House probers centered their attention on Friel's testimony that he had also given $30,000 to J. Howard McGrath, then chairman of the Democratic National Committee and President Truman's Attorney General.

The Seagram executive said that Talbott and Louis Johnson, financial chairman for the Democratic Party, had asked him for money and a $50,000-plus "pot" had been gathered from liquor company officials. He said he took $30,000 in cash to the Democratic National Committee offices and gave it to McGrath and met Talbott in the corridor of the Chrysler Building.

The House investigators did not pursue the matter of why the gifts were in cash, nor how McGrath and Talbott recorded the contributions. Federal law limits individual contributions to political parties to $5,000.

Talbott said he did not recall the Friel contribution, but said if he received one, "it had to be in $5,000 lots, each with a name attached."

Meanwhile, Senator ESTES KEFAUVER, (Democrat, Tennessee) called for a "full and detailed" investigation of how Talbott disposed of stock held before he became Air Secretary. Before confirmation, he promised to divest himself of stock of firms doing business with the Pentagon.

Last week, Talbott told the Senate Investigating Subcommittee that he gave 2,000 shares of Chrysler stock to his children and sold other stock outright.

"I do not believe a gift of stock to minor children is the sort of divesting the Senate Armed Services Committee had in mind," KEFAUVER said. "It does not seem to me to constitute a severance of interests."

In last week's testimony, Talbott said he had informed Senator HARRY BYRD (Democrat, Virginia), a member of the Armed Services Committee, of his plans to give the stock to his children. BYRD said he did not remember Talbott telling him that, and added that he certainly did not approve, as Talbott had said he did.

Commenting on the KEFAUVER statement, Talbott said he had submitted an accounting of how he had disposed of his stock to the Senate committee in the spring of 1953, and "if they had doubt in their mind, they should have taken the matter up with me."

Meanwhile, it was disclosed that Attorney General Herbert Brownell, Jr., had drawn up the original partnership agreement between Talbott and his partner, Paul Mulligan. Documents put in the record of the Senate Investigating Subcommittee indicated that Brownell, then a private attorney, had drawn up the agreement in 1951, and a subcommittee source said that Talbott had stated that "Brownell was our attorney."

Mr. MORSE. Mr. President, Secretary Talbott's transfer of 2,000 shares of Chrysler stock to his minor children again indicates how little he understands what the conflict-of-interest statutes are about. The record before the subcommittee headed by the senior Senator from Arkansas [Mr. MCCLELLAN] is replete with evidence conclusively demonstrating that Secretary Talbott should no longer be retained as Secretary of the Air Force.

I digress at this point because the manuscript has been made available to the press gallery. In it I made reference to the McClellan committee, and also 1 or 2 other references, which I shall read shortly.

Some question has been raised as to whether those references are intended by the Senator from Oregon as being any reflection on the McClellan committee. Quite to the contrary.

I wish to say here, as I have said elsewhere in the last few days before a good many witnesses, that I think the McClellan committee did an exceedingly fine judicial job in conducting the Senate inquiry and hearing into the Talbott matter. It was of the type that all Senate hearings should be. The Senator from Arkansas and the other Senators who are members of that committee have followed the judicial rules of procedure which the Senator from Oregon has been urging on the floor of the Senate on a good many occasions in the past 10 years, as he has pleaded in the Senate for fair judicial hearings before Senate committees.

The McClellan committee did not have before it certain information which I am bringing out in my speech tonight; and when, later in the speech, the suggestion is made that this information be made available to the McClellan committee, the suggestion is not based upon any reflection upon the McClellan committee at all, because the McClellan committee had no reason to have this information. The information came to my possession just this morning. I have placed it in the speech. It is going to be sent to whatever committee the Senate decides to exercise jurisdiction over it. I assume that would be the McClellan committee, but if any other committee ought to have it, I am perfectly willing to have it go to any other committee.

I want to say to the Senator from Arkansas [Mr. MCCLELLAN] that I think he has done a remarkably fine judicial job. So far as Talbott is concerned, I think there is no need for him to wait for any action by the committee or wait for a report, because his own words dictate what he should do. His own words contain a confession that he made a mistake, and on the basis of that confession, I think he should resign his office.

Mr. MCCLELLAN. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. MCCLELLAN. I wish to thank the Senator from Oregon for his references, and complimentary references, as I interpret them, to the work of the Senate Permanent Investigating Subcommittee. I wish to state I think it should be made clear that when the committee undertook the hearing it was for one purpose, and that purpose was not to investigate Secretary Talbott from Genesis to Revelation. The committee had one specific complaint, and that was with relation to his connection with Mulligan & Co. We endeavored to confine the hearings to that question.

Mr. MORSE. The committee did, and properly so.

Mr. MCCLELLAN. I trust we did.

During the hearings certain other rumors and complaints came to our attention, but we had not had time to make a preliminary investigation to ascertain whether there was substance and merit to the complaints. We conducted and concluded hearings as to one issue, which was Secretary Talbott's relationship with Mulligan & Co. and its possible effect on his official position. We have done that, and I trust we did a judicial job. We tried to.

I trust we did a job which nobody could truthfully say was unfair. The last thing I wish to have happen to the committee, as long as I am chairman, is to have it said that the committee undertook to investigate anybody and conducted a hearing which was obviously prejudiced or biased.

Mr. MORSE. In my judgment, neither a proponent nor a critic of Talbott could object to the procedure followed by the committee and the fairness of the committee hearings.

Mr. McCLELLAN. I thank the Senator.

Mr. KEFAUVER. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield.

Mr. KEFAUVER. I wish to say that I think the hearing of the Senate committee of which the Senator from Arkansas is chairman, the Committee on Government Operations, has been eminently fair, as have all the hearings which have been conducted under his jurisdiction. However, I should like to raise a question with the Senator from Oregon and the Senator from Arkansas as to what should be done in connection with an investigation of Mr. Talbott and others who appeared before the Committee on Armed Services and gave statements to that committee as to what they had done with securities they had owned, which was not in compliance with the rule of the Committee on Armed Services that they had to divest themselves of their stock in companies with respect to which there might arise a conflict of interest.

It seems to me it is quite important that there be a detailed disclosure, and also, if that is not forthcoming, or along with it, an investigation as to just what happened to those stocks.

I know information may have come to the Senator from Oregon with respect to what he talked about with the Senator from Arkansas and myself during the last day or two, with reference to allegations about stock.

Whose duty is it to investigate? Is it the duty of the Armed Services Committee or the Committee on Government Operations?

Mr. McCLELLAN. Mr. President, if the distinguished Senator from Oregon will yield to me, I will say the primary duty rests with the legislative committee having jurisdiction. I have always regarded it to be the responsibility of the Committee on Government Operations to take over the loose end of things, so to speak, and that the primary obligation would be on the Committee on Armed Services, because the person involved is an executive in the Armed Services.

However, I have always thought that the Government Operations Committee was supposed to take over the general, overall observation of these matters. I would say the matter would properly be in the jurisdiction of either committee.

However, again I wish to point out that the hearing which has just been concluded was directed to one issue. Some of the matters now being raised relate back to the confirmation of Secretary Talbott.

Whatever one may say, Secretary Talbott was confirmed on the basis of whatever had been said. The question is now, as I see it, Did he deceive? Has there been a breach of faith on his part, since what he stated gave the Armed Services Committee to understand what he would or would not do? Whether the Government Operations Committee should pursue it further or whether the Armed Services Committee should take it over, I think is a matter which can be resolved between the chairmen of the two committees.

I assure my colleague that the Government Operations Committee or its Permanent Investigating Subcommittee will not shirk their duty. If information is presented to us which indicates that perhaps another investigation is in order, we will pursue that information conscientiously and proceed according to our best judgment.

Mr. MORSE. I may say to the Senator from Arkansas I have every confidence he will. I also want to say I have every confidence that the Armed Services Committee will proceed, within its jurisdiction, to determine whether or not there is a prima facie case which justifies a review as to whether Talbott deceived the Armed Services Committee.

Mr. McCLELLAN. But both committees need not do it. The chairmen of the two committees may confer and resolve which committee should look into the matter from here on.

Mr. MORSE. I should like to say something about an individual Senator's responsibility in the Senate which goes to the procedure I am following in these series of speeches. As an individual Senator I have the duty, in my judgment, in carrying out my public trust, to walk on the floor of the Senate and disclose to the American people information which ought to be disclosed to them about acts which I consider to be acts of malfeasance in office, of which I say Mr. Talbott is guilty.

I am willing to assume, and do assume, full responsibility for what I say in regard to this matter. I am satisfied that the speeches will speak for themselves, and that the appropriate committees of the Senate will give consideration to them and come to a conclusion as to what future course of action should be followed.

That is why I have made the suggestion I have made in my speech of tonight.

Mr. President, as I said before the last interruption, the record before the McClellan subcommittee is replete with evidence conclusively demonstrating that Secretary Talbott should, in my opinion, no longer be retained as Secretary of the Air Force.

Still further information on Secretary Talbott has been brought to my attention. I think that it is information which Senator McCLELLAN's subcommittee—and in view of the colloquy I have had, the Armed Services Committee, too—should thoroughly review in order to determine what validity there is to it. I should like to read into the RECORD a sworn statement by William J. Hudson, Jr., concerning some alleged activities of Secretary Talbott. Mr. President, I hold in my hand the original affidavit, which I now read:

STATE OF NEW YORK,
County of New York, ss:

William J. Hudson, Jr., being duly sworn, hereby deposes and says: That on October 8, 1954, Clayton Irwin, a $25,000-a-year political consultant of Alleghany Corp., told me that Alleghany had authorized purchase up to 25,000 shares of Electric Auto-Lite for "certain Washington reasons which cannot be discussed." A notation to that effect was made in my diary at the time with the additional comment: "I suspect Harold Talbott, Secretary of the Air Force, who is thick with Young and Irwin, is partially responsible."

On October 11, 1954, David W. Wallace, secretary and treasurer of Alleghany Corp., told me "that Alleghany had bought 25,000 shares of Electric Auto-Lite for the sole purpose of helping the present management of Auto-Lite to stay in."

On November 8, 1954, Clayton Irwin asked me to make up an analysis of a good capital-gains situation for a Brig. Gen. William Hipps, who is on Harold Talbott's staff in Washington. I had to comply and sent one in on Reliance Mfg. Co.

The above conversations were written down by me at the time. All of such conversations took place at the offices of the Alleghany Corp., 4500 Chrysler Building, New York.

At the time in question I was employed by Scheffmeyer & Co. as a financial analyst to advise Allegheny Corp. on its investment portfolio. Practically all of Alleghany's investment securities were analyzed by me, prior to their purchase or sale by Alleghany. The above 25,000 shares of Electric Auto-Lite, however, were not referred to me for analysis.

Prior to his appointment as Secretary for the Air Force, Talbott was chairman of the finance committee of the Electric Auto-Lite Co. Talbott also had offices in the Chrysler Building, as did Mr. Young.

WILLIAM J. HUDSON, Jr.

Sworn to before me this 27th day of July 1955.

MARION O. PICKARD.

Mr. President, I think the subcommittee should ask Secretary Talbott the following several questions, if it decides to take jurisdiction over this matter:

First. Did Talbott recommend that Mr. Clayton Irwin be put on the Alleghany Corp. payroll?

Second. What is Mr. Irwin's position with Alleghany Corp.?

Third. What contacts has Secretary Talbott had with Mr. Irwin since he, Mr. Talbott, became Secretary of the Air Force?

Fourth. What business relationships, if any, has Mr. Talbott ever had with Mr. Irwin, prior to Talbott's becoming Secretary of the Air Force?

Fifth. Did Secretary Talbott and Mr. Clayton Irwin discuss anything that Mr. Talbott should do in relation to the New York Central fight?

Sixth. Did Mr. Irwin ever work with Talbott in either private or public business assignments? Did Talbott ever recommend Mr. Irwin for any position, either public or private?

Seventh. Did Mr. Talbott approach any other members of the present Cabinet on the New York Central matter?

Eighth. What are Mr. Talbott's relations with any of the principals involved in the New York Central fight?

Ninth. What does Secretary Talbott know about the purchase by Alleghany Corp. of 25,000 shares of Electric Auto-Lite common stock in 1954 for the price of $989,000 and the sale of the same stock later in the same year of 1954 for $909,000?

Tenth, and last, they should ask Secretary Talbott to comment on the affidavit of William J. Hudson, Jr., that I have just read into the CONGRESSIONAL RECORD.

In closing these remarks, let me point out that during the 1952 campaign, General Eisenhower spoke of the requirement that members of his administration must have records of financial dealings

which have been as clean as a hound's tooth.

I would respectfully suggest that the facts already made public indicate that the proverbial hound needs a little dental care, today. It strikes me that the hound has at least one tooth that needs to be extracted. Personally, I am of the opinion that had the dentist been careful to see that the tooth was very clean when it was inserted in the hound's jaw, we might not have this situation confronting us today. I am further of the opinion that the dentist will not be able to save the tooth by polishing it a bit, and that the hound would be better off if the dentist would stand up to the task of pulling the tooth without further delay.

Mr. President, I repeat what I said earlier, namely, that I think the time has come for a little cleaning, down in the Pentagon Building, by removing this man, who, on the record, I submit, has violated a great public trust, by violating at least the spirit and intent of the conflict-of-interest statutes.

Mr. President, I close by requesting unanimous consent to have inserted in the RECORD at the end of my remarks an editorial appearing in the July 27 issue of the St. Louis Post-Dispatch.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit C.)

Mr. MORSE. Mr. President, I wish to read into the RECORD several paragraphs of the editorial, which is entitled "When Mr. Brownell Stood Mute."

As he studies the case of Air Secretary Harold E. Talbott, the President should pay special attention to the dubious role of his Attorney General, Herbert Brownell.

Mr. Brownell knew about Secretary Talbott's relations with the Radio Corporation of America. He was asked to concur in an opinion approving them. He did not concur. But neither did he disapprove. He did not even warn Mr. Talbott or the President that regardless of legal niceties Mr. Talbott was skating on thin ice ethically.

Nor did Mr. Brownell or anybody else, apparently, warn President Eisenhower of the objections raised when Mr. Talbott's appointment was before the Senate in 1953.

Then the editorial proceeds to discuss, as the Senator from Tennessee has already discussed in the colloquy which I held with him, the matter of the Charles Evans Hughes report on, and investigation of, the Talbott company, back in the days of World War I.

Mr. President, this is not a pleasant task I am performing. Yet I am deeply convinced that there rests on the shoulders of every Member of the United States Senate the public trust to see to it that the people's business is conducted in a clean way; and when we become satisfied, as individual Senators, that corruption is rearing its ugly head in Government, we have the duty of driving out that corruption.

I am convinced that Talbott's conduct amounts to corruption in Government, and I am not going to be silent on the floor of the Senate so long as he sits in that office because, in my judgment, in the interest of clean Government, he must be put out of that office.

EXHIBIT A

Chairman SALTONSTALL. Mr. Talbott.

Mr. Talbott, as the Chair said to Mr. Anderson, you have been nominated or you are to be nominated by the President of the United States to be Secretary of the Air Force. We have heard you before. Now that your nomination is before us, do you have a short prepared statement that you would like to read to us?

Mr. TALBOTT. I have, Mr. Chairman.

Chairman SALTONSTALL. You may proceed.

STATEMENT OF HAROLD E. TALBOTT, NOMINEE TO BE SECRETARY OF THE AIR FORCE

Mr. TALBOTT. Mr. Chairman, while the committee members may have other questions, I assume you are mainly concerned with interests which might appear to conflict with my functions and duties as the Secretary of the Air Force. I am confining this statement to a discussion of my proposed actions regarding my securities or stock holdings.

In my previous appearance before the Armed Services Committee, I disclosed my holdings in businesses which now have, or reasonably may have, dealings with the Department of Defense. At that time I did not appreciate fully the fact that my holdings in two of the companies involved—namely, Chrysler Corp. and Electric Auto-Lite Co.—would be of moment in the consideration of my availability for the position of Secretary of the Air Force. I did, however, say that I would retire entirely from Standard Packaging and sell the stock of myself and my family totaling 15,000 shares in that company. This, for the reason that I have been the directing head of that company for many years. I am also disposing of an option to acquire 5,000 additional shares in this company.

In my previous testimony I incorrectly stated my holdings in Electric Auto-Lite as 8,000 shares. I had overlooked the fact that I had previously given 1,500 shares to my wife; so, I own only 6,500 shares in this corporation.

My holdings in Chrysler and Electric Auto-Lite are comparatively minor, and I am in no position as a stockholder to influence their business one way or another. I thought my holdings were so relatively small that no one would think they would influence my decisions in any way in my proposed assignment. I was quite familiar with where the contracting responsibility lay in the Air Force, and I had in mind to disqualify myself anytime there did seem to be a conflict of interest.

However, upon a reexamination of my affairs with the aid of my legal and other counsel, I have decided that I will divest myself of all ownership or participation in the business entities which may be considered in conflict with my proposed duties. I therefore shall, by sale or gift, dispose irrevocably of all my equity stocks in the Chrysler Corp. and the Electric Auto-Lite Co., the exact proportions of sale and gift to be determined by advisers. In no case will there be any possibility of recapture of the securities or their income by me. I will receive a pension from the Electric Auto-Lite by reason of past services and contributions I have made. In addition, Standard Packaging, Inc., has awarded me a pension of $6,000 per year for past services. Those amounts are not affected by future earnings of these corporations.

The Talbott Corp. is a family holding company, of which I own about 6½ percent. It has about 25 stockholders who are my mother's children or grandchildren. I have resigned as chairman of the board and director in this corporation. Its assets are principally the former holdings of my father's and mother's estates, and its principal business is real estate, but it also owns certain securities, four of which might be involved in business with the Department of Defense. These are 2,000 shares of Chrysler Corp., 3,000 shares of Armco Corp.—that is, American Rolling Mills—2,000 shares of Monsanto Chemical Co., and 5,000 shares of Standard Packaging, Inc. The latter investment will be liquidated. I shall be glad to submit a complete financial statement of the Talbott Corp. if desired, but it is not available in Washington at this time. I should like to emphasize the fact that I possess no legal control over the activities of this corporation. This corporation has voted me a pension of $3,000 a year for past services.

I believe that all financial connections which might conceivably affect my qualifications for the office have been disclosed.

The position I am taking seems to me to be going much further than is required by the conflict of interest statutes. The decisions I have made result from the fact that I do not expect to be active in business when my tour of duty with the Government is over, and I am very desirous of having the confidence and understanding cooperation not only of the men and women in the Air Force but of the public generally. I hope that what I am offering to do with my affairs in no way sets a precedent for any other businessman who might be faced with somewhat similar problems.

The program I have outlined is capable of accomplishment without delay. I shall be pleased to file a report with the chairman of your committee as to the exact transactions which accomplish this liquidation of my securities as soon as it is effected, but not later than sometime in April.

I told this committee in my previous appearance before you that I was born and raised in Dayton, Ohio. I had the privilege of knowing Orville and Wilbur Wright, of seeing their work on the first plane which flew at Kitty Hawk. Katherine Wright was my school teacher at that time. I have been intensely interested in aviation since its inception, and I have been quite close to the industry over the years. Due to this experience and my other business activities, I would be best qualified to serve my country in the capacity for which I am being considered.

Chairman SALTONSTALL. Thank you, Mr. Talbott.

Have you anything else that you wish to add?

Mr. TALBOTT. No, sir.

Chairman SALTONSTALL. Since the Chair put into the record the letter that you wrote the Chair in relation to that North American Aviation question arising in 1918——

Mr. TALBOTT. It was the Dayton-Wright Corp., not North American.

Chairman SALTONSTALL. There is nothing you wish to add to your letter on that situation?

Mr. TALBOTT. No, sir.

Chairman SALTONSTALL. You state the Talbott Corp. is a family holding company. Do you expect to get a pension, did the Chair understand, from that company?

Mr. TALBOTT. They have voted me a pension.

Chairman SALTONSTALL. Do you personally get any dividends from that Talbott Corp.?

Mr. TALBOTT. Yes, sir. While I have no legal control over that company, I am sure that, if it was thought advisable, on account of my previous Chrysler connection, they would change their portfolio; but I haven't taken that up with them. If the committee feels that that would be desirable, I believe it will be done.

Chairman SALTONSTALL. In other words, you are selling all your personal holdings for Chrysler, all your personal holdings of Electric Auto-Lite, all your personal holdings of Standard Packaging, Inc.?

Mr. TALBOTT. Right.

Chairman SALTONSTALL. And those are the only three holdings that you believe, as you have told the committee, have any connection or may have any connection with your duties as Secretary of Air Force?

Mr. TALBOTT. Right.

Chairman SALTONSTALL. Senator BYRD?

Senator BYRD. No questions.

Chairman SALTONSTALL. Senator SMITH?

Senator SMITH. No questions.

Chairman SALTONSTALL. Senator HUNT?

Senator HUNT. No questions excepting I think it would be well for Mr. Talbott to file with the committee a complete statement of all of his holdings, whether or not in his mind they would conflict with his position as Secretary of the Air Force.

Chairman SALTONSTALL. Mr. Talbott, would you be willing to file with the committee, as some other Secretaries have done—I have in mind particularly Secretary Kimball——

Mr. TALBOTT. Certainly, I would be delighted to.

Chairman SALTONSTALL. Not necessarily for publication, but for the use and perusal of members of the committee.

Mr. TALBOTT. I would like to have it just for the members of the committee.

Chairman SALTONSTALL. And you will file that statement?

Mr. TALBOTT. I will file that statement.

Chairman SALTONSTALL. Senator HENDRICKSON?

Senator HENDRICKSON. I have no questions.

Chairman SALTONSTALL. Senator DUFF?

Senator DUFF. No questions.

Chairman SALTONSTALL. Senator Cooper?

Senator COOPER. No questions.

Chairman SALTONSIALL. The Chair thinks that is all, Mr. Talbott, unless you wish to add something more. Thank you.

Senator HUNT. Mr. Chairman, I would like to suggest that we have a full itemization of the various stocks held. There are four of them mentioned, but there are others.

Chairman SALTONSTALL. The Chair understood that that would be done.

Mr. TALBOTT. Senator Hunt, I said I would file a statement of that.

Chairman SALTONSTALL. The Chair stated previously that he would hold the hearing open until this afternoon. So unless there is objection, the committee will meet at 2 o'clock first in open hearing, to see if any member of the CIO cares to testify, and then go into executive session.

(Whereupon, at 12:25 p. m., the committee recessed to reconvene at 2 p. m. of the same day.)

Afternoon session

Present: Senators Saltonstall (chairman), Smith of Maine, Hendrickson, Duff, Byrd, Hunt, Stennis, and Symington.

Chairman SALTONSTALL. A quorum being present, the committee will come to order.

The Chair at this point would like to insert in the record the formal references of the nominations to this committee:

"78. NOMINATION REFERENCE AND REPORT

"IN EXECUTIVE SESSION,
"SENATE OF THE UNITED STATES,
"January 29, 1953.

"*Ordered*, That the following nomination be referred to the Committee on Armed Services:

"Robert Ten Broeck Stevens, of New Jersey, to be Secretary of the Army.

"79. NOMINATION REFERENCE AND REPORT

"IN EXECUTIVE SESSION,
"SENATE OF THE UNITED STATES,
"January 29, 1953.

"*Ordered*, That the following nomination be referred to the Committee on Armed Services:

"Robert B. Anderson, of Texas, to be Secretary of the Navy.

"80. NOMINATION REFERENCE AND REPORT

"IN EXECUTIVE SESSION,
"SENATE OF THE UNITED STATES,
"January 29, 1953.

"*Ordered*, That the following nomination be referred to the Committee on Armed Services:

"Harold E. Talbott, of New York, to be Secretary of the Air Force."

The Chair states that the clerk, Mr. Darden, has called the textile union here, their office here, in Washington, and they have no one who is going to come up to testify at 2 o'clock, so far as they know; it will be at least 30 to 45 minutes, and the Chair believes the committee should go into executive session and discuss these appointments immediately.

Senator BYRD. I move, Mr. Chairman, we go into executive session.

Chairman SALTONSTALL. Senator BYRD moves that we go into executive session and close the hearing.

Is there objection?

The telegram of the CIO has previously been read into the record.

We will now go into executive session.

(Whereupon, at 2:12 p. m., the committee retired into executive session.)

(The committee met in executive session, and at the close of the meeting the chairman announced that the committee had unanimously voted to favorably report the nomination of Mr. Robert B. Anderson, of Texas, to be Secretary of the Navy.

(The chairman also announced that on motion by Senator BYRD, seconded by Senator JOHNSON, the committee voted unanimously to report favorably the nomination of Mr. Robert Ten Broeck Stevens, of New Jersey, to be Secretary of the Army, with the understanding that he dispose of all stock in the J. P. Stevens Co., and in the meantime disqualify himself with respect to any business transactions between the Department of Defense and the J. P. Stevens Co.

(The chairman further stated that, on motion by Senator BYRD, seconded by Senator STENNIS, the committee had voted to report, with Senator KEFAUVER dissenting until he had further studied the Talbott testimony, the nomination of Mr. Harold E. Talbott, of New York, to be Secretary of the Air Force, with the understanding that Mr. Talbott would dispose of his Chrysler, Auto-Lite, and Standard Packaging stocks. The chairman stated that Mr. Talbott would give the chairman a list of his present stockholdings and a list of Talbott Co. stockholdings; will make a decision as to whether he will dispose of the Talbott Co. holdings or request the Talbott Co. to dispose of its Chrysler and Standard Packaging Co. stock; would determine whether the Armco and Monsanto Chemical Co. (in which companies the Talbott Co. has stockholdings) have business with the Department of Defense, and if so either the Talbott Co. will dispose of such holdings or he will divest himself of his holdings in the Talbott Co. Mr. Talbott is to notify the chairman with respect to these decisions and disposals when they are completed.)

The committee met, pursuant to call, at 10:35 a. m., in room 212, Senate Office Building, Senator LEVERETT SALTONSTALL (chairman) presiding.

Present: Senators Saltonstall (chairman), Flanders, Smith of Maine, Cooper, Byrd, Johnson, Kefauver, Hunt, Stennis, and Symington.

Also present: William Darden and Verne D. Mudge of the committee staff.

Chairman SALTONSTALL. The meeting will come to order.

After our last meeting, the Chair and Senator KEFAUVER had a brief conversation, and as a result of that conversation Senator KEFAUVER wrote the chairman a letter which the chairman will now read:

JANUARY 30, 1953.

Senator LEVERETT SALTONSTALL,
Chairman, Armed Services Committee,
Senate Office Building,
Washington, D. C.

DEAR SENATOR SALTONSTALL: I was glad to have a chance to talk with you briefly today relative to the nomination of Mr. Talbott for Secretary of the Air Force. I appreciated your willingness to call the committee into session on Monday morning in the event I wished to ask Mr. Talbott any further questions.

Since the committee meeting on Thursday, when Messrs. Stevens, Anderson, and Talbott were approved, I have studied the Hughes report and the so-called Hardy report of the 82d Congress, which went into the matter of procurement of automotive spare parts by the Government. It was chiefly for the purpose of making a thorough study of these reports that I felt I should withhold my vote on Mr. Talbott last Thursday.

As a result of my study of these documents, I should like to have clarified certain questions which were raised in my mind. I feel that it is in the public interest, as well as in the interest of Mr. Talbott himself, to have this matter discussed.

Accordingly, I would appreciate it very much if you would call the meeting of the committee for Monday and request Mr. Talbott's presence.

With kind personal regards,

Sincerely,

ESTES KEFAUVER.

The meeting is called at the request of Senator KEFAUVER, as set forth in that letter. The Chair felt that if Senator KEFAUVER had any further questions of Mr. Talbott, in the interest of fairness to Mr. Talbott and also in fairness to the committee, it should be discussed in committee session rather than to be discussed on the floor of the Senate, where Mr. Talbott could not answer, himself.

It is therefore the purpose of the Chair to give Senator KEFAUVER this opportunity to question Mr. Talbott further on those matters that he suggested. Mr. Talbott is here.

Senator KEFAUVER, you may ask your questions of Mr. Talbott.

Senator KEFAUVER. Thank you, Mr. Chairman. Mr. Chairman, in order to put the hearing in the prospectus which I intend, I should like to make a very brief statement preliminarily.

As both the committee and Mr. Talbott know, I cast a dissenting vote on Mr. Talbott's nomination last Thursday because I wanted an opportunity to satisfy myself as to Mr. Talbott's role in the aircraft-production program of World War I investigated by Justice Hughes. There have been many reports and rumors about the production of aircraft during that time, about the Dayton-Wright Co., about the DH–4, the so-called flaming coffin, and about personally being associated in some way with Mr. Talbott, Colonel Deeds, and also I wanted to ask about the practices in the automotive industry which the Porter Hardy subcommittee contends cost the taxpayers of this country $305 million in unnecessary expenditures over 3 years.

I have examined the public records on these two matters. I want to make it clear that I have no information other than is found in these public records, and that I have not asked the committee to recall Mr. Talbott for the purpose of making any startling revelations.

I have found in these public records, however, certain practices which I believe to be clearly contrary to the public interest.

In the case of the Hughes investigation, it is true these practices took place over 30 years ago when Mr. Talbott was about 29 or 30 years old. Of course, we have to look at these in the light of the general business attitude and of what was taking place at that time.

My purpose in asking Mr. Talbott to come back today is not to rake over dead ashes or to call up unpleasant memories, or to retry the Hughes investigation or go into the details of any of the facts that were presented in that investigation and report. My purpose is, however to determine unequivocally Mr. Talbott's present attitudes toward these practices which I consider to be contrary to the public interest, for his present attitudes, rather than his conduct 30 years ago, will

guide him in the performance of his duties as Secretary of the Air Force.

It seems to me that the transactions that took place are ones that might recur, or similar situations may be present. I felt that this would furnish us the opportunity of getting Mr. Talbott's present attitude as to what action he would take as Secretary of the Air Force.

Therefore, Mr. Chairman, I hope you will agree with me that it is in the public interest to get Mr. Talbott's attitudes clearly on the record for the benefit of the Senate and the public generally.

Mr. Chairman, so we can identify just what records my administrative assistant, Mr. Richard Wallace, and I have had an opportunity to examine, I would like to refer to them and identify them so it won't be necessary to identify them in detail later on.

In connection with that, it would take several people several weeks to read all of the reports in hearings and testimony that was taken by the Senate and the House and by Mr. Hughes and many others in connection with the airplane production and also in connection with the Dayton-Wright operations. The matter first seemed to come to light when a great sculptor, Gutzon Borglum, was appointed by President Wilson to make an investigation, and apparently he made some investigation at Dayton. I have been unable to find Mr. Borglum's report. I am sure that there must have been a report to the President of the United States that set out in some detail in his biography, Give the Man Room, which was written by Robert J. Casey and Mary Borglum, his daughter. Mr. Casey was a reporter with Mr. Knox's paper in Chicago, the Chicago Daily News, I think, and this is written in 1952.

One chapter is devoted to his investigation. The text seems to be that President Wilson appointed a man he had just defeated in a very close race for the Presidency of the United States, Mr. Charles Evans Hughes, as a special assistant to the Attorney General, to investigate this whole matter, and Mr. Hughes and a lawyer spent many, many months, made one of the most meticulous investigations that I have ever seen, went into the whole matter very, very thoroughly, in the course of which he took 25 or 30 volumes of testimony, which I found in the Archives.

This is a typical volume. I have this one here, volume 10, which has the testimony of Mr. Talbott in it. It is a very thorough investigation.

About the time, or shortly afterward perhaps, the House of Representatives, a select committee thereof, also made an investigation. The committee report was made by Mr. Graham of Illinois. Oh, yes, Mr. Hughes' report was made to the Attorney General and to the President on October 25, 1918. He was appointed earlier in that year.

This select committee of the House of Representatives held hearings and made a very thorough investigation and made its report February 16, 1920. They held hearings of their own, and they approved of and found substantially the same thing as was contained in Mr. Hughes' report.

Mr. Hughes' report is also contained in the digested form as an appendix or an addenda to the House committee report. This was the 66th Congress, report No. 637.

During the same time the Military Affairs Committee of the Senate had a hearing on United States aircraft production. This was the so-called Thomas committee. It was the 66th Congress, the second session. Then the other report that I refer to is the so-called Hardy report: Inquiry Into the Procurement of Automotive Spare Parts by the United States Government. This was reported on April 25, 1952. It is House Report No. 1811, the committee of which Congressman HARDY was chairman, but Mr. DAWSON seems to have made the report.

Mr. Chairman, I do not want to go into the facts investigated by Mr. Hughes other than is necessary to bring out certain policy matters that are submitted here, and I have prepared a very brief summary which is largely quotations from the Hughes report, which pinpoint the particular matters inquired into, which I would like to have read to the committee, at least in part.

Chairman SALTONSTALL. This the Chair understands is your summary?

Senator KEFAUVER. Yes; it is a summary that Mr. Wallace, my administrative assistant, and I prepared. When we get to the telegrams we will not need to read all of them. It shouldn't take more than 3 or 4 minutes to read this. Mr. Chairman, I have a very irritated throat and I wonder if Mr. Darden or General Mudge could read this.

Chairman SALTONSTALL. General Mudge has a cold and Mr. Darden is on the telephone. The Senator has a cold. The Chair will read it.

Senator KEFAUVER. Here is Mr. Darden.

Chairman SALTONSTALL. Mr. Darden has a southern accent.

Mr. DARDEN (reading):

"MEMORANDUM ON HAROLD E. TALBOTT, JR., AND THE HUGHES AIRCRAFT INVESTIGATION OF 1918

"In all cases material directly quoted is from the Hughes report.

"Dayton Metal Products Co.

" 'In April 1915, Col. E. A. Deeds, C. F. Kettering, H. E. Talbott, Sr., and his son, H. E. Talbott, Jr., organized the Dayton Metal Products Co. with a capital stock of $200,000.' Talbott, senior, held 900 shares; Deeds, 500 shares; Kettering, 499 shares; Talbott Junior, 99 shares. Before our entry into the war the Dayton Metal Products Co. produced fuses primarily for the British Government. Late in 1917 it acquired ownership of the Dayton Wright Airplane Co., described below, in the report as follows:

"Dayton Wright Airplane Co.

" 'On April 9, 1917, the Dayton Wright Airplane Co. was incorporated with a capital stock of $500,000 by Deeds, Kettering, H. E. Talbott, and H. E. Talbott, Jr. in conjunction with Orville Wright'. (Hughes report at p. 93 in H. Rept. 637, 66th Cong., 2d sess.). This company 'was launched about the time of our entry into the war, manifestly with the expectation of obtaining Government contracts' (Hughes report, at p. 83 in H. Rept. 637, 66th Cong., 2d sess.).

"The first contract, effected August 17, 1917, was for only 40 planes This was subsequently modified, and the total number of planes expanded to 4,000, contracted for on a cost-plus basis, the estimated amount involved being upward of $30 million. Under the terms of the first contract the fixed profit for the company was estimated at $3,750,000. A later estimate set the figure at roughly $3,500,000. On December 1, 1917, the Dayton Wright Airplane Co. was fully acquired by the Dayton Metal Products Co., described above (p. 84, House report).

"Salaries of officials

" 'The promoters of this enterprise (the Dayton Wright Airplane Co.), not content with these profits which were to accrue to them, either directly or through their ownership of the Dayton Metal Products Co., at once took advantage of the opportunity to increase their gains by salaries as executive officers of the Dayton Wright Airplane Co. Dating from August 1, 1917, the salaries thus allowed were as follows:

" 'H. E. Talbott, Sr., $35,000; C. F. Kettering, $35,000; and H. E. Talbott, Jr. (30 years old, who was made president of the company), $30,000. Talbott, senior, was at the time receiving, and continued to receive, $60,000 a year as president of the Dayton Metal Products Co.; Kettering received a salary of $25,000 from the Dayton Metal Products Co., and $50,000 from the Delco Co.; and Talbott, junior, was also receiving a salary of $18,000 from the Dayton Metal Products Co.

" 'There would seem to be no question but that the members of the Aircraft Production Board in recommending contracts had confidence in the capacity of those undertaking the venture, and the previous success of this group, while Mr. Deeds had been associated with them, was well known. But the fact remains that practically at the inception of the Government's aviation activity in connection with the war, and within the sphere of Colonel Deeds' important if not commanding influence, his former business associates were placed at once through Government contracts in a position where they had the assurance of very large profits upon a relatively small investment of their own money and in addition were able to secure generous salaries which they charged against the Government as part of the cost of manufacture. (From the Hughes report, quoted at p. 84 of H. Rept. 637, 66th Cong., 2d sess.)

"Improper communications with company

" 'Around May of 1917 the vice president of the Dayton Metal Products Co., Col. E. A. Deeds, ostensibly resigned from that company and went to assume the job of head of the Aircraft Production Board in Washington, a position in which he had considerable, if not commanding, influence in directing the placement of aircraft contracts. While the minutes of the directors' meeting of the Dayton Metal Products Co., held May 21, 1917, purport to show an offer by Deeds of his stock in the company to the other directors (that is, Talbott, senior; Talbott, junior; and Kettering) so as to divest himself of any conflict of interest in his forthcoming capacity in Washington, the evidence shows (a) that Deeds was in Washington on that date and could not have participated in the meeting or made any statement, and (b) that if any effective transfer of the stock was made, it was not made until sometime after May 1917—sometime between May and September 1917'."

Senator KEFAUVER. That is quoted from the report.

Mr. DARDEN. Yes, sir.

"(Hughes report, as quoted in H. Rept. 637, at p. 89.)

"While Chairman of the Aircraft Production Board, Deeds continued to carry on improper correspondence, relating to the affairs of the Army in relation to his former company, with Kettering and Talbott, senior.—Examples follow."

Senator KEFAUVER. Mr. Chairman, at that point there follows a number of telegrams which he has there which are taken from telegrams in this House report, which is a public document, pages 85 through about 90 or 91, and I don't know if you want to read all of them or not. You might just read the first one and the last one, and then let the others be incorporated in the record, to save time.

Chairman SALTONSTALL. If there is no objection, that will be done.

Senator KEFAUVER. Read the first one and the last.

Mr. DARDEN (reading):

WASHINGTON, D. C., *May 23, 1917.*

H. E. TALBOTT,
City National Bank Building,
Dayton, Ohio:

King probably returns to Dayton this evening. He is undertaking something which he alone is unable to get through with. It will be important that you give him a vision of this job and some very definite suggestions how to hit it in a big way. This is the biggest undertaking that has ever been put across in Dayton.

E. A. DEEDS.

The last one in that series is:

H. E. TALBOTT,
Dayton, Ohio:

For your personal information as coming from your local attorney. Judge Advocate General has ruled it legal for the Government to select 1, contractor 1; and the 2 a third, as appraisers of market value of plant at expiration of contract. If you care to raise the question, the above will be found to the final ruling.

E. A. DEEDS.

Chairman SALTONSTALL. If there is no objection the other telegrams will be put in the record at this point.

(The telegrams above-referred to are as follows:)

WASHINGTON, D. C., *May 23, 1917.*

H. E. TALBOTT,
Dayton, Ohio:

Suggest you personally direct publicity regarding contract to be given soon, so that it will avoid criticism and at the same time tell the story. This is particularly vital because of Captain Waring to start work Friday and the visitors whom I am bringing, who may read the papers. Your good judgment is needed on this.

E. A. DEEDS.

WASHINGTON, D. C., *May 24, 1917.*

H. E. TALBOTT,
City National Bank Building,
Dayton, Ohio:

In arranging for contract do not overlook a local contractor and lumberman in Osborne. Ezra Kuhns knows his name. He has been friendly to us and I promised him something to do on this job.

E. A. DEEDS.

MAY 28, 1917.

E. A. DEEDS,
Care, New Willard, Washington, D. C.:

Just to remind you chartered accountants of Government selection, expense to be paid by contractor and charged to cost of work. Piecework for labor only on various unit sections in various classifications of work, will do much toward speed and economy. Each individual transaction to have the approval of officer in charge before it is effected.

H. E. TALBOTT.

MAY 31, 1917.

H. E. TALBOTT, Sr.,
Dayton, Ohio:

Wire what progress has been made on Dayton field. This is for our report to the counsel. If foundations have been started, for instance, and how many men on the job. This only needs to be a rough estimate.

DEEDS,
Aircraft Production Board.

Mr. DARDEN (reading):

Commenting on this the Hughes report said:

"When this last telegram, which puts in a stronger light the relations of the parties, was sent, Deeds was an officer in the Army. This highly improper conduct in holding communications in this manner with his former business associate in a transaction pending between the Dayton Wright Co. and a Government department in Colonel Deeds' charge demands the attention of the military authorities" (p. 85 of the House report).

"Securing additional plant equipment

"In late 1917 the two Talbotts and Kettering engaged in a series of complex transactions designed to acquire plant equipment at an enormous profit to themselves and to improve their ownership situation in the various companies.

"One feature of these transactions was formation of a syndicate composed of Talbott, Sr.; Kettering, and Talbott, Jr. One of the acts performed by the syndicate was the purchase of a plant at Miamisburg acquired by Talbott, Sr. (for the syndicate), for a sum of $60,000 (which) was turned over to the Dayton Wright Co. at $127,202, the profit being divided between himself (Talbott, Sr.) and Talbott, Jr., according to their respective interests in the syndicate" (the Hughes report, on p. 87 of the House report).

The final result of these transactions is described in the Hughes report as follows:

"The transaction was accomplished with a minimum use of cash (less than $1,500), and as a result the Dayton Metal Products Co. had all the stock (save five shares) of the Dayton Wright Airplane Co.; the Dayton Wright Airplane Co. had the Moraine and the Miamisburg plants; Messrs. Talbott and Mr. Kettering had the security which they had purchased from the Dayton Metal Co.; and the Domestic Building Co. (owned by Deeds and Kettering) continued to hold the notes which the Talbotts and Kettering had given to that company on the settlement in November" (the Hughes report on p. 87 of the House report).

Since the matter of defects and profits in the planes is a much debated one, I will not go into them here.

Conclusion and recommendation of the Hughes report as they refer to the Talbott question

Its "general conclusions and recommendations," the Hughes report said:

"2. The evidence discloses conduct which, although of a reprehensible character, cannot be regarded as affording a sufficient basis for charges under existing statutes, but there are certain acts shown, not only highly improper in themselves, but of a special significance, which lead to disciplinary measures. The evidence with respect to Col. Edward A. Deeds should be presented to the Secretary of War to the end that Colonel Deeds may be tried by court-martial * * * for his conduct (1) in acting as confidential adviser of his former business associate, H. E. Talbott, of Dayton Wright Airplane Co., and in conveying information to Mr. Talbott in an improper manner with respect to the transaction of business between that company and the divison of the Signal Corps of which Colonel Deeds was the head, and (2) in giving to the representatives of the Committee on Public Information a false and misleading statement with respect to the progress of aircraft production for the purpose of publication with the authority of the Secretary of War." (Hughes report quoted at p. 122 of H. Rept. 637, 66th Cong., 2d sess.)

Chairman SALTONSTALL. Thank you, Mr. Darden.

Senator KEFAUVER. Mr. Talbott, I don't know whether the Hughes report was factual or not. I have great confidence in Mr. Hughes, as to what he did. Do you have any comment about the factuality of the report that Mr. Hughes made?

STATEMENT OF HAROLD E. TALBOTT, NOMINEE TO BE SECRETARY OF THE AIR FORCE

Mr. TALBOTT. Senator Kefauver, that is a long time ago.

Senator KEFAUVER. Yes; and I don't want to go into the details, but I mean as to the general findings.

Mr. TALBOTT. The general findings, I think, of the first testimony—unfortunately, you weren't here——

Senator KEFAUVER. Well, I have read it very carefully, Mr. Talbott.

Mr. TALBOTT. That is about all that I would say. Secretary of War Newton Baker made his report. As far as the statement which you have read is concerned, I would be very glad if I could have a copy of that statement, to prepare a reply, or have our attorneys prepare a reply, and file it with the committee.

The results of the Hughes investigation were outlined in a letter from Newton Baker.

Senator KEFAUVER. Mr. Chairman, that's all right, except that I don't know how long this thing may go on.

Mr. TALBOTT. Well, if you will ask me any direct questions, Senator——

Senator KEFAUVER. Mr. Talbott, let's get at it this way: You, of course, remember when Mr. Hughes came out and made this investigation?

Mr. TALBOTT. Certainly.

Senator KEFAUVER. You testified, and your testimony is in this volume here.

Mr. TALBOTT. Certainly.

Senator KEFAUVER. And did you read the Hughes report after it was released?

Mr. TALBOTT. Senator, that is so long ago. I don't remember whether I did or whether I didn't. I knew vaguely about the Hughes report at that time.

Senator KEFAUVER. Well, as president of this company which was involved in the report, you certainly would have been familiar with the details of the report, wouldn't you?

Mr. TALBOTT. I was acting as general manage of that company and operating its affairs. Mr. Kettering and my father were the ones who followed this closely.

Senator KEFAUVER. I noticed in testimony before Mr. Hughes you said you were thoroughly in command but you were nonetheless president and 30 years old at the time the transaction occurred?

Mr. TALBOTT. Right.

Senator KEFAUVER. So I am certain you must have followed very closely the Hughes report at that time.

Mr. TALBOTT. I probably did at that time.

Senator KEFAUVER. Of course, what is set out here—and see if you take any exception to this—to begin with, Colonel Deeds had a long history, of course, dating back to the time he was with National Cash Register. He was tried and convicted in the district court for violation of antitrust laws and sentenced to a year. That was reversed in the court of appeals in Cincinnati.

Then he and Mr. Kettering got into the Delco Co., which they sold out, Mr. Kettering being an inventor and having no business judgment particularly, and Colonel Deeds being the businessman. What this report says here, the part we have read, is that in April 1915 the four of you formed the Dayton Metals Co. That is correct, is it not?

Mr. TALBOTT. That's correct.

Senator KEFAUVER. And then on April 9, 1917, you formed the Dayton Wright Airplane Co., which was a subsidiary of the Dayton Metals Co. That is correct, is it not?

Mr. TALBOTT. That's correct.

Senator KEFAUVER. Then there is a lot of argument about when Colonel Deeds disposed of the Dayton Metals Co. He went to Washington to take over the procurement of planes, and about that time—Mr. Hughes thought it was after he got to Washington—a meeting was held, and you and your father and Mr. Kettering purchased Mr. Deeds' stock. That is correct, is it not?

Mr. TALBOTT. Yes.

Senator KEFAUVER. And you gave them a note for your part, for $103,000 for this stock. That is correct, is it not?

Mr. TALBOTT. It is in the record?

Senator KEFAUVER. Well, it is in the record, take my word for it, $103,000, and Mr. Hughes in his report said that at the time he made his investigation you had paid $3,000 on the note. He was rather critical of the way it was handled. It says at page 89:

"To conclude: The fact is that the transfer of the shares in the Dayton Metal Products Co., which owns the stock of the Dayton-Wright Airplane Co., was made to Colonel Deeds' intimate business associates on their unsecured notes, which are overdue and unpaid save to a small extent. But there is no proof upon which it can be charged that Colonel Deeds retained an interest in the Dayton Metal Products Co., and thereby in the Dayton-Wright Airplane Co."

So he went to Washington apparently in April of 1917, and then later on in August

he was made a colonel and he was in charge of airplane procurement; isn't that true?

Mr. TALBOTT. Yes. I don't know whether he was in charge, but he was in a top position, a position of influence.

Senator KEFAUVER. Well, the record substantially shows that Mr. Coffin was the Chairman of the General Aviation Board and Colonel Deeds was head of the procurement of airplanes for the Signal Corps under Mr. Coffin. That is correct, isn't it?

Mr. TALBOTT. I think he was under Coffin; yes.

Senator KEFAUVER. Now the thing is immediately when he came to Washington he started—of course we don't know about telephone conversations—sending telegrams to Mr. Kettering, to your father, back and forth, which contained information helpful to them. Were you aware that that was being done?

Mr. TALBOTT. I think those exchanges of telegrams were to be helpful to the aircraft production and not essentially to us.

Senator KEFAUVER. Well, then let me ask you this very question. Do you approve, as a matter of public policy, the exchange of telegrams of the nature set out in this report between a person who is head of the procurement division, to his former associates, with some question about the transfer of stock, which Mr. Hughes said was calculated to be of assistance? Do you approve of this exchange of telegrams?

Mr. TALBOTT. No; I don't approve of it. I don't understand it. I know the first telegram that was sent and the purpose of that telegram. I know the reason that they sent confidential telegrams.

Senator KEFAUVER. Did you know they were being sent?

Mr. TALBOTT. I knew the first one which came to the Dayton-Wright Co.

Senator KEFAUVER. Which one?

Mr. TALBOTT. Well, the first one told us in disguised language that the DH–4, which had been received from England, was being sent to us and that we were to treat it as top secret and no one was to see it except military personnel.

Senator KEFAUVER. Why should you be informed in confidential language?

Mr. TALBOTT. That wasn't confidential language, but it was sent, Senator, to the Dayton-Wright Co. There was a little ticker down there. It couldn't come in as a confidential telegram across our wires down at the factory.

Then I think the record will show that Kettering wired Deeds that any confidential messages should be sent to another address. Now that was simply to protect military secrets.

Senator KEFAUVER. At this point, Mr. Chairman, on August 4, 1917, Mr. Kettering wired Mr. Deeds:

"Hereafter all confidential telegrams will be sent to Mr. H. E. Talbott, Sr., instead of to the Dayton-Wright Airplane Co.

"E. A. DEEDS."

But now prior to that time Mr. Kettering had sent Mr. Deeds a telegram August 4, which is:

"We believe all confidential telegrams should be sent to Mr. H. E. Talbott, Sr., City National Bank Building, or George B. Smith, instead of the Dayton-Wright Airplane Co."

Parenthetically George B. Smith was the confidential relations man and kept all the books, according to this record, over a period of many, many years of the transactions and joint ventures of Colonel Deeds and Mr. Kettering. That is true, isn't it?

Mr. TALBOTT. That is true.

Senator KEFAUVER. Why should there be confidential telegrams being sent between the officials of this company and Mr. Deeds, who is here in charge of procurement?

Mr. TALBOTT. Senator, if you will look at that first telegram that they sent about the DH–4, they didn't want the personnel down at the factory knowing that the plane was being sent to us. That was the reason.

Chairman SALTONSTALL. Will the Senator yield for one question there?

Senator KEFAUVER. Yes, sir.

Chairman SALTONSTALL. Wasn't the fact, Mr. Talbott, that this was one De Haviland plane that was in this country and the only plane that was in this country of that type, and the De Havilland plane was being sent out to this factory, rightly or wrongly—and I am not going into that—in order that it could be modernized and adapted to United States usage?

Mr. TALBOTT. That is correct.

Chairman SALTONSTALL. And it was the only plane in the country, and therefore it was very important to keep it secret?

Mr. TALBOTT. That is correct.

Chairman SALTONSTALL. That is my understanding of that situation.

Senator COOPER. Will the Senator yield for one question?

Senator KEFAUVER. Yes.

Senator COOPER. Could I ask you, Mr. Talbott, if these telegrams were sent to your company after your company had entered into a contract with the Government to build certain planes?

Mr. TALBOTT. We had contracts to build certain planes. I don't remember whether the De Havilland contract had been signed at that time.

Senator KEFAUVER. To answer that, some were before and some were after the signing of the contract. They are all set out in this report. Let's get this straight. Do you think the telegrams are all right, the exchange of telegrams?

Mr. TALBOTT. Senator, I think they were perfectly proper. Unfortunate in their implication, but perfectly proper.

Senator KEFAUVER. And as Secretary of the Air Force you would have no objection——

Mr. TALBOTT. Oh, I certainly would. I wouldn't allow anything like that to happen again.

Senator KEFAUVER. Well, then what do you mean by saying you think they were perfectly proper?

Mr. TALBOTT. Well, under the conditions, there was no intent of any kind except to protect the Government about this De Havilland ship, the one plane that was in existence. Otherwise there would have been none of these confidential telegrams.

Senator KEFAUVER. You are willing to stand, then, on the fact that you think all these telegrams are all right? Is that your testimony?

Mr. TALBOTT. My testimony is that those telegrams are unfortunate in their implications, and I would not like to see it done again. The telegrams all emanated, and the confidential nature emanated, from trying to keep secret the fact that the one De Havilland plane that was in this country was being shipped to Dayton.

Senator KEFAUVER. Oh, no; you are wrong about that, Mr. Talbott.

Mr. TALBOTT. Am I?

Senator KEFAUVER. The telegrams tell about when somebody is going to be somewhere, how to get in touch with them, and Deeds is giving instruction about being sure to look after some particular man.

Mr. TALBOTT. I do not think those are proper, Senator.

Senator KEFAUVER. Did you know about these telegrams?

Mr. TALBOTT. No; I did not.

Senator KEFAUVER. You were president of the company.

Mr. TALBOTT. Yes, Senator; but I told you that my capacity was at the factory.

Senator KEFAUVER. Do you think you should be paid a salary of $30,000 as president and $18,000 at Dayton Metal Co. to have some capacity in the factory?

Mr. TALBOTT. Senator, the job that I was doing was worth $18,000 and worth $30,000. Maybe I wasn't the proper man for the job, but the job was worth that. Whether I did it well or not is for somebody else to say.

Senator KEFAUVER. So you had no information at the time you were president over this long period of time when these telegrams were coming and going?

Mr. TALBOTT. I had no information except about the first telegram. I didn't pay any attention to the rest of them.

Senator KEFAUVER. Well, the first telegram apparently here is June——

Mr. TALBOTT. The first telegram I remember, Senator, is the DH–4 telegram which came to the factory.

Senator KEFAUVER. Suppose I just read the first telegram that is here in this record, to Mr. Kettering from E. A. Deeds:

"MY DEAR C. F.: You will be interested to know that the standard training machine is going to be called the United States Primary Training, and will not be called the Curtiss J. N. This was decided last week, and I forgot to tell you when in Dayton.

"Provision will be made for either Mr. Coffin or myself to appear before the S. A. E., and as I am one of the committee on arrangements, will see that the plans of the Aircraft Production Board get properly before the association.

"Relative to the design of planes, I do not care to write what is being done, but will discuss it with you when I get home and you will see that we have already gone a way down the pike in this matter. Everything is lining up now in pretty good shape.

"Yours very truly."

That seems to be a letter.

And then the next telegram tells about what General Squier did and about where General Squier is going to be arriving from, what he will be interested in at the laboratory and all about General Squier, so as to give first-hand information about him. I don't want to burden the matter too long. You see nothing wrong—I want to get your position. Do you think the telegrams are all right or not?

Mr. TALBOTT. No; I do not.

Senator KEFAUVER. You do not?

Mr. TALBOTT. No, from the public implication. I think they were perfectly honest in their intent, but they were unfortunate and they should not have been sent.

Senator KEFAUVER. But do you think that they are more than unfortunate?

Senator SYMINGTON. Mr. Chairman, will the Senator yield?

Chairman SALTONSTALL. Will the Senator yield to Senator SYMINGTON?

Senator KEFAUVER. Yes, I yield.

Senator SYMINGTON. The questions being asked Mr. Talbott are about his father, in effect, and his father's partners, when he was 30 years old. I think that perhaps the Senator from Tennessee might feel that it would be in order to have Mr. Talbott look at the record about the telegrams from his father and Colonel Deeds—he was relatively young and, in effect, working for his father—if he wants to press the question as to the propriety of the telegrams, although he has said that the telegrams were in his opinion not proper.

Senator COOPER. Will the Senator yield there for a question?

Senator KEFAUVER. Yes, I yield.

Senator COOPER. Of course all that we have is the record you have read here, and you state there are a number of telegrams that are quoted in that record. I am not clear as to this, Senator KEFAUVER. Did the Hughes report say each one of those telegrams was an improper telegram, or certain specific telegrams were improper?

Senator KEFAUVER. No, it just said generally.

Senator COOPER. Or did it just say that the practice was improper?

Senator KEFAUVER. It says:

"Highly improper conduct in holding communication in this matter with former busi-

ness associates in transactions between Dayton-Wright and the Government, demands attention of military authorities."

Senator COOPER. Does it refer to all of the telegrams?

Senator KEFAUVER. Well, that follows quite a number of them. Yes, it is fair to say that the Hughes report and the House report condemn as very highly improper all of the exchange of telegrams. There isn't any question that they are very critical of this exchange of telegrams and information, and it was on that that Mr. Hughes and the Judge Advocate General of the Army agreed they wanted to court-martial Colonel Deeds. That was one of the two charges.

Chairman SALTONSTALL. Will the Senator yield?

Senator KEFAUVER. Yes.

Chairman SALTONSTALL. This is all 30 years ago; and, as the Chair sees it and as the Chair understands it, Colonel Deeds was never court-martialed and was given a complete clearance in writing by Newton D. Baker, who was one of the highest type and most moral citizens that were in Government at that time, and that seemed to the Chair all-conclusive, from his brief study of this matter. Is that a correct statement?

Mr. TALBOTT. That is correct, sir.

Senator KEFAUVER. Do you think that is a correct statement?

Mr. TALBOTT. I know it is a correct statement.

Senator KEFAUVER. That he was completely exonerated?

Mr. TALBOTT. Right.

Senator KEFAUVER. And you felt that Colonel Deeds didn't do anything wrong?

Mr. TALBOTT. He did not do anything wrong.

Senator KEFAUVER. You feel he did not do anything wrong?

Mr. TALBOTT. Do anything wrong. I think it was injudicious, and I think you may say that as a practice it certainly should not be followed.

Senator KEFAUVER. But you think Colonel Deeds was all right and did not do anything wrong? Maybe he was injudicious a little bit?

Mr. TALBOTT. He was injudicious, but he was honest and he had no personal gain at any time in his mind, in my humble opinion.

Senator KEFAUVER. Mr. Chairman, I don't want to read the entire part of this, but I should like to refer now to page 18 of the House report, [quoting] "Responsibility for Deeds," down through page 20, about "Why was Deeds' court-martial prevented?" and I want to just read 2 or 3 paragraphs. I wonder if Mr. Darden would read this.

Mr. DARDEN (reading):

"Responsibility for Deeds: Col. Edward A. Deeds, of Dayton, Ohio, was placed in charge of the Equipment Division of Aviation under General Squier in August 1917—4 months after our entry into the war. Nothing appears in any of the hearings of any investigation to show why Deeds was appointed. Deeds knew nothing of aircraft. Deeds had never been connected with any Government activity. Secretary Baker says he never saw Deeds until after his appointment, although Deeds and Secretary Baker were both from Ohio.

"Justice Hughes' report found that Deeds began his activities by centering aircraft operations at Dayton, Ohio; that he gave large contracts to his business associates—Kettering, Talbott, and others in that city—although they had no previous experience in such matters; that he located several aviation fields around Dayton in improper locations, and also located fields in Florida without authority or explanation; that Deeds was largely interested in corporations controlling the Delco ignition system used in the projected Liberty motor, whereas prior to its use on the Liberty the magneto system had been used on all airplane engines (p. 58).

"The following is from the Hughes report (p. 57 of record):

"'At the inception of the Government's aviation activity in connection with the war and within the sphere of Colonel Deeds' important, if not commanding, influence, his former business associates were placed at once, through Government contracts, in a position where they had assurance of very large profits upon a compafatively small investment of their own money, and, in addition, were able to secure generous salaries which they charged against the Government as part of the cost of manufacture.'

"After reciting evidence in support of his conclusions, Justice Hughes finds:

"'The evidence with respect to Col. Edward A. Deeds should be presented to the Secretary of War, to the end that Colonel Deeds may be tried by court-martial under articles 95 and 96 of the articles of war.'

"Justice Hughes' report in part 2 of this report includes a detailed statement of testimony on which the finding was based.

"In the Attorney General's report (p. 58 of the record) this finding appears:

"'I acquiesce in the recommendations of Judge Hughes that the facts be submitted to the Secretary of War.'

"Because of these findings and recommendations for court-martial, it is proper to say that about 4 years before his appointment to produce aircraft Deeds achieved considerable notoriety in Ohio, where he was prosecuted in the Federal court for alleged bribery and criminal methods in driving his competitors out of the cash-register business, and was convicted by a jury after a trial lasting over a month and sentenced to imprisonment for 1 year.

"An appeal was taken, with 50 assignments of error, and the case was reversed and no retrial was ever had (pp. 50–52). Deeds' innocence may be conceded, for the sake of argument, though no second trial occurred, but the charge, conviction, and court record were enough to put any responsible official on inquiry before giving Deeds a place of transcendent importance in charge of matters about which he knew nothing.

"Why was Deeds' court-martial prevented?: For Deeds' alleged efforts to place large Government contracts with his business associates in Dayton, under questionable arrangements, and for other reasons stated in his report, Justice Hughes recommended Deeds for court-martial (pp. 57–58), and Attorney General Gregory joined in the report to the extent of declaring Colonel Deeds' conduct inexcusable, reprehensible, and censurable, and recommended that all the facts be submitted to the Secretary of War (p. 58).

"Based on the Hughes record, the Judge Advocate General's office on November 11, 1918, submitted its report approving the Hughes recommendations and holding, in addition, that if Colonel Deeds was under oath when testifying before the Senate committee he should be court-martialed for perjury, if false statements were shown to have been made (p. 2652).

"Subsequently, Secretary of War Baker sent word to the Judge Advocate General's office requesting that other witnesses be heard on behalf of Deeds and that the report be reconsidered (p. 2653). This action, your committee is informed, was unprecedented. Colonel Deeds' attorney and two business associates, connected with these same Government contracts, were thereupon heard and a new report rendered exonerating Deeds (p. 2687). Secretary Baker's activity in protecting Deeds against Justice Hughes' finding is at once astonishing and significant. With a record that affected lives of men and charges of inordinate selfishness supported by specific facts, Deeds should have been placed on trial to be convicted if guilty, to be vindicated if innocent. According to the testimony, Secretary Baker prevented such action."

Senator KEFAUVER. Mr. Chairman, in other places in this House report, action of Secretary Baker in calling in two former associates of Colonel Deeds and then exonerating him is very severely criticized. Who was it that was called in to testify for Colonel Deeds; do you know, Mr. Talbott?

Mr. TALBOTT. No.

Senator KEFAUVER. Mr. Talbott, then, as I get it, you think there is nothing particularly wrong with these telegrams, except that they were kind of unfortunate?

Mr. TALBOTT. That is correct.

Senator KEFAUVER. Would you, as Secretary of Air, take punitive action against someone you found in your Department——

Mr. TALBOTT. Certainly.

Senator KEFAUVER (continuing). Who was communicating with their former associates in the manner that Colonel Deeds communicated with the Dayton-Wright Co.?

Mr. TALBOTT. I certainly would.

Senator KEFAUVER. You would take action against them?

Mr. TALBOTT. Action? I thought you said—I don't know what action. I would certainly examine it and find out about it. I don't think that a thing like that should happen.

Senator KEFAUVER. Would you discharge a man who did what Colonel Deeds did here?

Mr. TALBOTT. Yes.

Senator KEFAUVER. You would?

Mr. TALBOTT. I think, Senator—I don't know whether you have read Newton Baker's report to the chairman of the Military Affairs Committee dated January 16, 1919. Have you got that?

Senator KEFAUVER. I do not have it.

Mr. TALBOTT. I am not here to go into the court-martial of Colonel Deeds. It is so long ago; I don't know. You have looked up a lot of these records that bring back certain memories to me, but I haven't studied this at all.

The result of this whole thing is in this letter from Newton Baker; and, as the chairman has said, Newton Baker had about as fine a reputation as anyone in the world. I would like to have this letter read.

Chairman SALTONSTALL. Would you please read it, Mr. Talbott?

Mr. TALBOTT. I would like to have it read.

Senator KEFAUVER. Will Mr. Darden read it?

Mr. TALBOTT. Will you read this letter into the record?

Mr. DARDEN (reading):

JANUARY 16, 1919.

CHAIRMAN, COMMITTEE OF MILITARY AFFAIRS,
HOUSE OF REPRESENTATIVES.

MY DEAR SIR: Upon the submission to the President of the report of the Honorable Charles E. Hughes and the report of the Attorney General covering the aircraft investigation, I directed that the specific recommendations contained in those reports be extracted for my consideration and for such action by me as might be required in the premises. These extracts were referred to the Judge Advocate General of the Army directing a thorough and comprehensive inquiry into the allegations affecting the conduct of Colonel Deeds. He was directed not only to review all evidence taken by Judge Hughes, which the Attorney General kindly made available, but to secure all other facts obtainable in this case.

The Judge Advocate General committed the matter to a board of review, consisting of officers of high ability and character wholly disassociated from any previous business or personal relations either with Colonel Deeds or with any matters affecting aircraft production. This board carefully and systematically examined all of this evidence and obtained all possible additional facts, and its conclusions are therefore based upon fuller inquiry than was found possible within the time and opportunities at the disposal of

Judge Hughes, and this examination is in effect the accomplishment of the thorough inquiry which Judge Hughes had in mind when he suggested that these transactions be examined by a court martial. The purpose of Judge Hughes' suggestion is therefore accomplished.

The record undoubtedly shows that Colonel Deeds, absorbed in the activities of aircraft production, neglected to give his personal attention to transactions affecting his personal financial affairs, and this neglect on his part gave rise to appearances which required painstaking investiagtion in order to show their true character.

The unanimous report of this board of review, approved by the Acting Judge Advocate General, recommends that Colonel Deeds be not tried by court-martial on any of the grounds suggested, and this recommendation has been approved by me.

Colonel Deeds was one of a large group of men who came to Washington at great personal and pecuniary sacrifice to render service to the Government in the great emergency caused by our participation in the war.

My duty as Secretary of War, with regard to any public servant under my jurisdiction, is clearly to bring about proper punishment for wrongdoing and equally clearly to protect those public servants whose conduct is faithful and upright against embarrassment, humiliation, or loss.

Very wide publicity has been attached to the acts of Colonel Deeds as a member of the Aircraft Board. I do not know if it will ever be possible to overtake the judgments which have been formed upon partial information on this subject. This Department, however, will make every effort to secure the widest publicity for the action now taken and for the grounds upon which it rests.

To carry this into effect, I am therefore transmitting to your committee for its information, and with the request for its publication in the record, if the proprieties of the situation permit, a copy of the report of the Judge Advocate General. Similar copies are being furnished the chairman of the Committee on Military Affairs, United States Senate, the Attorney General, and Colonel Deeds.

Inasmuch as the purpose of Judge Hughes' suggestion has been accomplished, I have directed that all the records in this case be filed in the War Department and that this matter be considered as closed.

Cordially yours,

NEWTON D. BAKER,
Secretary of War.

Senator KEFAUVER. Will you state the book that you are reading from, Mr. Darden?

Mr. DARDEN. This is from Colonel Deeds, Industrial Builder, by Isaac F. Marcosson.

Senator KEFAUVER. Mr. Talbott, do you think it is in the public interest to have this kind of communication relationship as existed between Colonel Deeds and your people?

Mr. TALBOTT. I do not.

Senator KEFAUVER. If you found it out, would you take effective steps to stop it?

Mr. TALBOTT. I would.

Senator KEFAUVER. Mr. Chairman, I have no further questions to ask in connection with these telegrams. I do want to go into 2 or 3 other matters.

Chairman SALTONSTALL. Are there any questions by any member of the committee on this transaction with the Dayton-Wright Co. in World War I? Senator FLANDERS?

Senator FLANDERS. I would like to ask a question or two. I may say that as a builder of machine tools I had some communications and relationships with the aircraft company and knew something about the whole situation.

My present impression over those years was that we were a little bit too cocky in this country as to using foreign experience, particularly in an engine, which is another matter. But is not this true, Mr. Talbott: that there was no company in the United States with experience in building airplanes on a manufacturing basis?

Mr. TALBOTT. That is true.

Senator FLANDERS. In other words, it is an entirely new undertaking to manufacture airplanes. It is something like the difference between a tailor making a suit of clothes and a company like Hart, Schaffner & Marx. Hart, Schaffner & Marx had never been to work in the airplane industry in this country; so that whatever was done had to be done new from the ground up, and it was perhaps, Mr. Chairman, not bad judgment to select a group which had some experience in manufacturing production. The choice had to be made somehow. It couldn't be done on an open-bid basis as you would buy uniforms. Some selection had to be made.

There is one other question I wish to ask. Now, your title was that of president, and that in present-day usage—at least in the ordinary business relationships—assumes a comprehensive knowledge of all the operations of a company. So, on the basis of what you have been telling us, I think we might question the propriety of calling you president of the company, but not necessarily the propriety of paying you a good salary, provided you were a successful and experienced plant manager. But I think there might be some impropriety in having you given the title of president, but that is water over the dam. We can't change that.

Mr. TALBOTT. I think, Senator Flanders, there are many instances where the chairman of the board is the chief executive officer. I was not the chief executive officer. The bylaws stated that my father was chief executive officer.

I might add this: That Dayton-Wright in the plant which we were operating, which I was operating, produced twice as much aircraft as all the rest of the United States put together, if you eliminate the naval construction. We were eminently successful. The plane, as Senator KEFAUVER spoke of it, was called "the flying coffin."

Senator KEFAUVER. "The Flaming Coffin."

Mr. TALBOTT. "The Flaming Coffin," that is right.

Senator KEFAUVER. And bitterly condemned by Eddie Rickenbacker, General Pershing, and everybody who had anything to do with it.

Mr. TALBOTT. I think that is correct, Senator, but that was not up to us. We were building a duplicate of the English plane, and we were just changing from the De Havilland 4 to the De Havilland 9, when the armistice was signed, but we produced over 3,000 of those planes, and we produced a thousand before anybody else produced one.

Chairman SALTONSTALL. It is also true, is it not, that the Liberty motor, produced as a part of all that endeavor, was considered the best motor of its kind, and was adopted by the English planes?

Mr. TALBOTT. Yes, and I would like to say also, Senator KEFAUVER, to go back, battery ignition is used in all planes now and practically everything else now, except the magneto ignition.

Senator KEFAUVER. Mr. Chairman, I don't want to go into our horrible fiasco of airplane production in World War I. I think it is generally considered that we wasted about $1 billion, and everybody has condemned what was done.

At the end of the war, according to this House report, we had no combat or bombing planes on the front. All we had were 213 American observation planes, DH–4's, which had a gas tank right behind the pilot, and they would shoot the gas tank and the whole thing would go up in flames.

Also, Mr. Talbott said in his testimony when questioned by Senator Russell the other day, that Justice Hughes complimented their production or something. The record shows that they were way behind schedule. I am unable to find any one word in any of these reports that has anything good to say about the production of the Dayton-Wright Co.

On the other hand, the first shipment they sent to Europe wasn't any good because the bomb gears wouldn't work. That is in the report. General Pershing said that the DH–4 had 50 defects, but I don't want to go into that because that is a long time ago. I would like to pass on—I don't want to hold this up—to another matter that is involved.

Now, Mr. Talbott, after this contract had been entered into, the testimony shows here that you and your father and Mr. Kettering formed a syndicate, and that this syndicate through a complex group of transactions, among other things acquired the so-called Miamisburg plant for the sum of $60,000, which was then turned over to the Dayton-Wright Airplane Co., at $127,000. The profit was divided between your father and you according to the Hughes report on page 67.

Mr. TALBOTT. I don't remember.

Senator KEFAUVER. Well, it seems that you would remember it because you were asked about it in this testimony.

Mr. TALBOTT. Well, that testimony is 35 years ago. I don't think I received any cash.

Senator KEFAUVER. How about the public policy of acquiring a plant and then immediately turning it over to the plant that is making planes for the Government, to be charged against the Government, as a matter of public policy?

Mr. TALBOTT. A matter of public policy; that is not correct.

Senator KEFAUVER. Then if you did that you made a mistake?

Mr. TALBOTT. But, Senator, I don't think that we ever received any money for it. I think it was probably set up in the stock transaction. I have no memory of it of any kind, but if I had gotten a profit out of it, a cash profit, I think I would have remembered it. As I said, it was 35 years ago and I don't remember anything about that transaction.

Senator KEFAUVER. Mr. Chairman, I can give the reference to the Hughes report where it is discussed in detail on page 83. If I am incorrect, will you correct me? No; it is page 87, excuse me. I think this is a transaction that is complicated, but this is approximately it.

After you had a contract for the making of some planes, Mr. Kettering and Colonel Deeds owned the Domestic Building Co., which had a building under construction which they were going to use for another purpose. This syndicate was formed and the Moraine plant was purchased by you and your father, your father as head of the syndicate, from the Domestic Building Co., the Domestic Building Co. being owned by Deeds and Kettering. There was quite a transfer of a substantial amount of money, and Kettering and Deeds made a substantial profit out of it.

Mr. TALBOTT. May I ask this. Again I am vague, Senator, but I didn't think they made any profit. As I remember it, we took it over at their costs.

Senator KEFAUVER. Well, they had paid $753 an acre for the land, and you took it over for $1,200 an acre. That is in the record here.

As a result of taking over the Moraine plant, there was a transfer back and forth of stock, and you finally gave a note to Mr. Kettering and Colonel Deeds, Domestic Building Co., in the approximate amount of $136,000, and then transferred it to the corporation and you got something back that reimbursed you, and the exact profit on the Moraine plant is too complicated to figure out here.

Then it goes on here as to the Miamisburg plant, that he paid sixty-odd-thousand

dollars, immediately transferred it to the Dayton-Wright Co. for this one hundred twenty-odd-thousand dollars, and you and your father made a profit. It says that both of these complicated transactions were accomplished with a "minimum use of cash, less than $1,500." Do you remember that?

Mr. TALBOTT. Not at all.

Senator KEFAUVER. Do you think it is in the public interest to allow the Government to be charged for that kind of profit?

Mr. TALBOTT. I don't think the Government was charged with any of it, Senator. I can't believe that they were, and if they were, it was not proper. But I emphasize that I do not believe the Government was charged with any profit.

Senator KEFAUVER. In looking over the suit that was later filed, apparently they were charged with the amount that you paid for these two plants.

Mr. TALBOTT. It may have been set up in capital, but it wasn't in cash.

Senator KEFAUVER. Do you think it is in the public interest to permit that kind of thing to go on, if it is correct as I have stated?

Mr. TALBOTT. If what you say is correct, then it is not correct for the Government to be charged with any of those profits.

Senator KEFAUVER. Will you take effective steps to do something about it?

Mr. TALBOTT. I certainly would.

Senator KEFAUVER. Of course this goes back now; this was in the latter part of 1917, after Colonel Deeds was already back, was in Washington, and here is another kind of transaction that you were having with him.

Mr. TALBOTT. No——

Senator KEFAUVER. He was a half owner of the Domestic Building Co.

Mr. TALBOTT. As I remember it, Senator—and I say I am very vague—I didn't know there was any profit any place in any of those transactions.

Senator KEFAUVER. Whether there is a profit or not, hereafter he had a contract, and you were still doing business with Colonel Deeds.

Mr. TALBOTT. Well, I didn't know that.

Senator KEFAUVER. It is shown here. Do you think that is a good thing to allow to happen?

Mr. TALBOTT. No. It is very unfortunate to have it happen.

Senator KEFAUVER. And you would do something about it?

Mr. TALBOTT. I certainly would.

Senator KEFAUVER. As to this syndicate, that is the only question on that point I wanted to ask. I did want to ask this: Do you remember when Gutzon Borglum came out?

Mr. TALBOTT. Senator, I had forgotten that entirely, and I have no remembrance of——

Senator KEFAUVER. You do remember that he did come out to your plant?

Mr. TALBOTT. I remember meeting him out there.

Senator KEFAUVER. Well, I don't want to go into details, but in the latter part of November he says he went out to Dayton, and you were the only plant operating out there at that time. He talks about the DH–4. Page 138:

"In November 1917, after the United States had been 8 months in World War I, he got a look at an airplane factory in Dayton, Ohio. He was shocked, as he admitted, almost into a state of speechlessness."

He went on to say what he found there, and he asked the President to appoint him as a committee to make an investigation, which was finally done.

Senator FLANDERS. Will the Senator yield?

Senator KEFAUVER. Yes.

Senator FLANDERS. What was Gutzon Borglum's specific qualifications for judging this?

Senator KEFAUVER. Well, this biography here says that he was a practical engineer, and he had a great hobby in aviation.

Senator FLANDERS. The last I knew, he was a sculptor.

Senator KEFAUVER. He was a great sculptor and he did a great job out in South Dakota, but this biography sets out some substantial qualifications. Anyway, I am not going into his technical ability, but here is the one thing I wanted to ask Mr. Talbott. He goes on to recite this. He made a report on February 9, 1918, in which he said no plane had been shipped at that time, and this report got out in the newspapers in some way, and there was great consternation in the country and great criticism of the airplane industry and of the Government. Then here is this quotation:

"Washington seethed for a couple of weeks. Some unknown person called the Dayton factory to fill 2 freight cars with airplane parts and to paint on the boxcars in big letters, 'Planes for Europe,' 'Right of Way,' 'Our Boys Need These Planes,' and similar legends. Newspaper reporters and Government agents were posted between Dayton and Hoboken to see these trains pass with their painted signs. From them the news flashed to all parts of the country, and Borglum was a liar by official count.

"Borglum had his own agents scattered over the route and he knew that not a single plane had left Dayton for anywhere. He was just getting part of the pay for his appointment. Verification of the reports of his own investigators was made 2 or 3 days later by General Goethals, whom he met at breakfast at the Metropolitan Club. General Goethals was then Quartermaster General and well acquainted with what was shipped out of Dayton, Borglum wrote in his journal."

And so forth. Did that come to your attention at the time? You don't remember the newspaper publications?

Mr. TALBOTT. No.

Senator KEFAUVER. And you don't think it was your plant that shipped these.

Mr. TALBOTT. I don't know. Senator, I do know that there were other contractors given the same problem that we were.

Senator KEFAUVER. But you were the only airplane plant in Dayton at that time.

Mr. TALBOTT. Oh, right.

Senator KEFAUVER. He says also at another point that a Senate committee came out. Do you remember when the Senate committee came out? This is page 146.

Mr. TALBOTT. Very vaguely.

Senator KEFAUVER. Senator Reed of Missouri came out. It says that the Senate committee came out and there was so much excitement about it and everybody was so busy loading parts that they couldn't get much information. They were putting parts in boxes.

Then it was suggested that the Senate committee come back the next time, and they found that the employees were very busy disgorging from the boxes the parts that they had already loaded the first time.

Mr. TALBOTT. I don't believe that, Senator, to be true.

Chairman SALTONSTALL. Will the Senator yield?

Senator KEFAUVER. Yes.

Chairman SALTONSTALL. My only information comes from reading that book, but as I understand it from that book, Mr. Talbott, that of those 4 planes only 1 actually went to England, and that this telegram that was given publicity and which Senator Kefauver quotes was admitted to be in error.

It is not also true that Mr. Borglum made a plane at that time called the *Flying Fish*, which was turned down by the Government? Do you remember that?

Mr. TALBOTT. I remember vaguely that he had been trying to get into the aircraft industry. That I know.

Chairman SALTONSTALL. And he was very critical at that time of anybody who was doing these things?

Mr. TALBOTT. That is correct.

Senator KEFAUVER. Mr. Chairman, I don't think that is a fair statement about Mr. Borglum. The *Flying Fish* was not made by him. The report shows that he had nothing to do with it. If you want to be critical of Mr. Borglum, you will find here that the House committee praises Mr. Borglum highly for this investigation.

Chairman SALTONSTALL. The Chair says, Senator, all he knew is what he read in that book, which he read over Sunday to try to familiarize himself as much as he could with these transactions.

Senator KEFAUVER. That all who knew?

Chairman SALTONSTALL. All the Chair knows, and the Chair is merely quoting what he understands.

Senator KEFAUVER. You said Mr. Borglum was critical of everybody else because he made the *Flying Fish*. That is not true. I beg your pardon, Mr. Chairman, it shows here that he didn't make the *Flying Fish*. In defense of Mr. Borglum, this House report is very complimentary of Mr. Borglum's finding.

Senator FLANDERS. Will you yield for a moment? Are you talking about Mr. Borglum?

Senator KEFAUVER. Yes; Gutzon Borglum.

Senator FLANDERS. May I interject to say I wouldn't give 10 cents for his opinion on airplanes or the airplane industry.

Senator KEFAUVER. The next part that I wanted to ask Mr. Talbott about grows out of the so-called—let me get this straight before we leave this matter.

Mr. Chairman, I think one reason or one difficulty here has been I was home ill at the time, but I read the testimony later. When Mr. Talbott first testified before the committee on January 15 or 16, whenever it was, he was asked about a whole lot of this by Senator RUSSELL, and then it turned out that Mr. Talbott felt that the whole Hughes matter had gotten into a litigation, into a lawsuit, under which the Government sued the Dayton-Wright Co., and at that point it was dropped.

Mr. Talbott's memory was incorrect about that, and later on he sent a letter up here by Mr. Wilson, some week or 10 days afterwards, which appears at page 134 of the record, which is printed in there, in which he says he was wrong about the Hughes' matter having gotten into a lawsuit. They were entirely different transactions and not related. The lawsuit came a good deal later.

Senator JOHNSON. Mr. Chairman, I have to be on the Senate floor at 12 o'clock, and I would like for the record to show that I am leaving.

Chairman SALTONSTALL. The Chair states this for the record: That the committee has recommended the nomination of Mr. Talbott, and unless the Senator from Tennessee moves for reconsideration of that vote, there is nothing before the committee. The committee is hearing this at the request of Senator KEFAUVER.

Mr. TALBOTT. Senator, may I inject a statement? The letter which I sent out Mr. Wilson did not even see. I brought it up myself; went to the chairman, and then I took it to Senator RUSSELL.

In going back over the thing, I found I was incorrect; that the Hughes investigation was not part of the litigation, but I prepared that and brought it up and gave it to the chairman of your committee.

Senator KEFAUVER. Mr. Wilson, I think, was here. He was testifying at that time, and while he was testifying—no; Senator SALTONSTALL apparently put the letter in the record.

Chairman SALTONSTALL. Would the Chair be permitted to explain? At that moment the question came up as to whether the hearing should be public or not, and the committee voted to make it public, and therefore the meeting, since it was going to be public, the Chair felt it was only fair to put in, in relation to Mr. Talbott, the complete record, and that is why this letter was

put in at that time, just after the committee, if the Chair remembers correctly, had voted to make the hearings public.

Senator KEFAUVER. Mr. Wilson was on the stand and was testifying at that time.

Chairman SALTONSTALL. That is correct.

Senator KEFAUVER. Anyway, they were separate transactions and had no bearing upon one another.

Mr. TALBOTT. Right.

Senator KEFAUVER. For the record—and I would like to file in the appendix of the record—the Hughes report was made in October 1918, while the suit was filed in 1922 by the United States Government against the Wright Airplane Co., charging that certain things were improperly charged and even some charges of fraud.

Mr. TALBOTT. I beg your pardon, sir; there was no charge of fraud in the complaint.

Senator KEFAUVER. We will put it in the record then. I thought we had it here. Anyway, it will speak for itself. I have the complaint and I would like to file it as exhibit 1.

Chairman SALTONSTALL. If there are no objections it will be done.

Senator KEFAUVER. The suit was for some three million-plus dollars for overcharges and things improperly charged against the Government, as is shown in the complaint. The report was filed and then it was tried before Judge Hickenlooper, United States district judge in Cincinnati. Judge Hickenlooper held substantially for the Government in the matter.

Then, in the meantime, counterclaims had been filed and it was appealed to the United States circuit court of appeals, which substantially remanded the case as reported in 21 Federal 2d 675, *Dayton Airplane Co.* v. *United States*, saying that the contract was so broad as to cover most of the items here, and it was sent back for some other reference, but I think it is fair to say that the case was for all practical purposes dismissed.

Mr. TALBOTT. That's right.

Senator KEFAUVER. I would like to file then the complaint and the answer of the Dayton-Wright Co. in connection with this suit, to show what it was.

Mr. Chairman, I wanted to go into the question of the Hardy report. I have digested two of the many, many instances which have been taken from that report and I have a little digest here which I would like to have read, before asking Mr. Talbott about it, if Mr. Darden will read it.

Senator SMITH. Mr. Chairman, may I interrupt to ask if we are going to sit through without a recess?

Chairman SALTONSTALL. The chairman believes, Senator SMITH, that we will recess in 5 or 6 minutes in order to go to hear the President.

Senator KEFAUVER. Mr. Chairman, do you want to start on this now? It will take 4 or 5 minutes to read this report.

Chairman SALTONSTALL. May the Chair ask the Senator approximately how long he thinks he will be with Mr. Talbott?

Senator KEFAUVER. I would think about 30 minutes more.

Chairman SALTONSTALL. Why don't we read that in now and perhaps we can end up that matter?

Senator FLANDERS. Will you yield, Senator? Is this the beginning of something new, or the end of something old?

Senator KEFAUVER. This is the beginning of something new.

Senator FLANDERS. Mr. Chairman, I respectfully suggest that if it is the beginning of something new, we had better have it as one piece.

Chairman SALTONSTALL. The Chair believes Senator FLANDERS is correct.

Senator KEFAUVER. I just wanted to have this read now and maybe this would be helpful so Mr. Talbott could be thinking about the questions that will arise out of it.

Chairman SALTONSTALL. The chairman is afraid, Senator KEFAUVER, that that will take close to 10 minutes. The Chair will declare a recess, subject to the call of the Chair, because it depends upon the program for this afternoon, which the Chair does not yet have.

Senator KEFAUVER. Mr. Chairman, this matter is supposed to come up today. Can we finish this up this afternoon, and will the Chair ask that Mr. Talbott's nomination be put off until tomorrow, in order that the members may have benefit of the transcript of record?

Chairman SALTONSTALL. If there is not opportunity to complete it before these nominations are taken up, the Chair will do that, because otherwise it leaves the matter in the record in an incomplete way.

If it is possible to hold a meeting of the committee prior to the nominations being taken up and after the President's message, the Chair earnestly hopes that a quorum of the committee may be present in order that the Senate may conclude.

* * * * *

Senator KEFAUVER. Mr. Chairman on the matter of the Hardy report, Mr. Talbott's attitude is very fine. I must say that I am not very well satisfied with his attitude about the Colonel Deeds affair and his relationship with the Dayton-Wright Co., and with what Colonel Deeds did in communicating information back and forth to his former associates after he came up here.

My personal feeling is that it was very reprehensible, that the strong language employed by Mr. Hughes with respect to it is fully justified; that it was a practice that could not go on. If it wasn't in violation of the law, it was certainly in violation of fair dealing, and unfair to other companies. It was a very bad situation in the Air Force.

I recognize the fact that immediately after the Hughes report was released, as shown in this report, apparently somewhat thumbing their nose in this report, General Squier, who was the head of the Signal Corps, gave a big banquet for Colonel Deeds, and that later on, in a way that the House committee severely criticized, Mr. Baker, the Secretary of War, did call off the court-martial and exonerated Colonel Deeds.

I think that is one of the saddest stories in the history of our Signal Corps and the Air Force. It cannot be justified.

I am still not very well satisfied with Mr. Talbott. He said first he thought it was unfortunate, and again that he didn't see too much wrong with Mr. Deeds, and later on he thought it was bad practice and wouldn't allow it to go on, but his attitude about it is not very satisfactory to me, frankly.

However, I have no further questions.

Senator FLANDERS. The situation is, as I see it, that we have had this opportunity for further questioning of Mr. Talbott. There is, however, no motion before the committee.

Senator KEFAUVER. Mr. Chairman, I was going to ask Senator SALTONSTALL, as chairman, and I will ask you this: I don't want to make any motion to bring the matter back here, but I think this testimony, particularly with reference to the transactions in these corporations, Mr. Talbott's attitude toward Mr. Deeds, and these telegrams—exchanges of information—should be information for the Senate. The Senate should have an opportunity to see it before they vote on Mr. Talbott's nomination, so I would like to move or ask that the nomination be put over until tomorrow so that this record can be printed.

Senator FLANDERS. Do we have a session tomorrow?

Senator KEFAUVER. Well, I don't know. I assumed we did. Anyway, until the next session, so that anyone who is interested in reading the testimony can have an opportunity of doing so.

Senator COOPER. Mr. Chairman, before the motion is voted upon, I would like to make this statement: I gathered from questions that Senator KEFAUVER has asked, and his statements, that there was wrong and improper conduct on the part of Colonel Deeds. I think it would be proper to state whether or not there is anything in that record which imputes any wrongful or improper conduct personally by Mr. Talbott.

Senator KEFAUVER. If you are asking me, I will answer this way: I think the relationship that went on between Mr. Deeds and the Dayton-Wright Co. is highly improper conduct between Deeds and the company. I think that Mr. Justice Hughes in saying that he was placed in an advantageous position, and he felt that Deeds still had, if not a financial interest, a very compelling interest to help other companies, is correct.

I want to say, in fairness to Mr. Talbott, the record does show I think while he was president of both the Dayton Metals Co. and, I believe, of the Dayton-Wright Co.——

Mr. TALBOTT. The general manager of Dayton Metals, not president. President of Dayton-Wright and general manager of Dayton Metals.

Senator KEFAUVER. Yes, president of Dayton-Wright and manager, general manager, of Dayton Metals.

Mr. TALBOTT. That's right.

Senator KEFAUVER. That I must say in fairness he said that he didn't see all the telegrams. I think most of them are between Mr. Kettering and his father and Colonel Deeds. Those are just the facts about it.

Senator COOPER. I am not trying to debate the propriety of the telegrams, but I do think there is a distinction which I think in all fairness ought to be said.

As I understand it, from reading the report or reading a portion of it, there is criticism personally of Colonel Deeds, but I think, Senator KEFAUVER, in fairness it should be stated whether or not there is a personal criticism or any charge of personal wrongdoing on the part of Mr. Talbott. It could be said he didn't properly run his corporation and know all these things, but I think there is a difference between that and stating that he personally had been charged with wrongdoing.

Senator KEFAUVER. I think the main thing is the fact—this has been a long time ago—of his present attitude about what went on between his company, between the officials of his company, for his company, and this man who was placed at the head of airplane procurement.

In his previous testimony here he said in Senator RUSSELL's questioning that if the word "confidential" had not been there, there would not have been anything to it. His testimony frankly on that score is not satisfactory to me.

Senator COOPER. I don't want to keep going back to the same point, but it is my point, and I think it should be stated. The record does not charge him personally with wrongdoing or improper conduct. He might be charged with bad judgment.

Senator KEFAUVER. I am not charging him personally; no. I think Mr. Talbott is an able man. He has had a lot of experience.

Of course this has been a long time ago. He was comparatively young, 29 or 30 years old. That is not too young.

Senator FLANDERS. Senator CASE, would you take the chair?

Senator CASE. Would the Chair wait just a minute so I can propound a unanimous-consent request? My request is that the entire decision in the case of the Dayton Aircraft Company versus United States Circuit Court of Appeals, Sixth Circuit, pages 673 to 683 of Federal Reporter, 2d series, 21, be incorporated in the record.

Senator FLANDERS. Any objection?

Senator KEFAUVER. Mr. Chairman, if that is incorporated, then the partial part that Senator COOPER requested should not be.

Senator CASE. The insertion of a portion of it is not the whole story, and I was looking at the whole text here. I think the inclusion of the whole text is pertinent to the matter under discussion, and would be valuable for reference.

Senator FLANDERS. Is there any objection to its entry into the record?

Senator COOPER. I prefer that it all be in.

Senator FLANDERS. If there is no objection it will be so done.

EXHIBIT C

WHEN MR. BROWNELL STOOD MUTE

As he studies the case of Air Secretary Harold E. Talbott, the President should pay special attention to the dubious role of his Attorney General, Herbert Brownell.

Mr. Brownell knew about Secretary Talbott's relations with the Radio Corporation of America. He was asked to concur in an opinion approving them. He did not concur. But neither did he disapprove. He did not even warn Mr. Talbott or the President that regardless of legal niceties Mr. Talbott was skating on thin ice ethically.

Nor did Mr. Brownell or anybody else, apparently, warn President Eisenhower of the objections raised when Mr. Talbott's appointment was before the Senate in 1953.

At that time Senator KEFAUVER, of Tennessee, and Senator MORSE, of Oregon, 2 of the 6 who voted against confirmation, called attention to the World War I aircraft production fiasco under Col. Edward A. Deeds, a scandal in which Secretary Talbott and his father figured rather prominently.

At the request of President Wilson, Charles Evans Hughes made a thorough investigation of charges against Deeds and recommended that the man be tried by court-martial. (He never was.) Special committees of the House and the Senate made substantially the same findings. Very briefly, they were as follows:

In spite of heavy expenditures, no American-made planes ever reached the World War I battlefront. Deeds was in uniform, in charge of the program, but his chief effort was to locate airfields at Dayton and to obtain contracts for Dayton business associates, including the two Talbotts through their Dayton Metal Products Co., and later the Dayton-Wright Corp., of which the elder Talbott was board chairman and the present Air Secretary president. Of these and other associates of Deeds, the Hughes report said:

"Colonel Deeds' former business associates were placed at once, through Government contracts, in a position where they had assurance of very large profits upon a comparatively small investment of their own money, and in addition were able to secure generous salaries which they charged against the Government as part of the cost of manufacture."

When the Deeds affair was mentioned to Mr. Talbott 2 years ago he first said that since it had won a suit filed by the Government, his company has obviously been vindicated. Only later did he remember that the suit involved tax claims and not the tips, information, and contracts obtained through the interested Colonel Deeds.

As Senator KEFAUVER said at the time, it was not the 30-year-old scandal that mattered so much as Mr. Talbott's attitude toward it. He professed to see only indiscretion, but nothing wrong, in Colonel Deeds' activities. When pressed, he finally said that as Secretary he would not tolerate any such activities. In view of this the Senate confirmed him 76 to 6, the opponents being Senators KEFAUVER, MORSE, FULBRIGHT, GORE, KILGORE, and MURRAY.

Today, the Senate is giving Mr. Talbott's concept of official disinterestedness second thought.

PERMISSION FOR WEEKLY PUBLICATIONS TO SUSPEND PUBLICATION 2 WEEKS A YEAR WITHOUT LOSING SECOND-CLASS MAILING PRIVILEGES

Mr. ALLOTT. Mr. President, before this session adjourns, I should like to call the attention of Senators to a bill which the Post Office and Civil Service Committee has voted to report favorably, but which I understand will not be acted upon by the Senate in these closing days of this session.

This measure, Senate bill 1618, introduced by the distinguished Senator from Montana [Mr. MANSFIELD], would permit weekly publications to suspend publication for 2 weeks a year without losing second-class mailing privileges.

This is in no way or manner to be considered as a criticism of the Senate committee or its illustrious chairman, for the committee and its chairman have been most cooperative and resourceful in connection with this bill. It has not been lying idle in the committee. It is only because the committee feels that new information must be studied, that there is delay in connection with this proposed legislation. As I am informed, this new information has come to the committee since it considered the bill, and before the report was prepared.

This bill has received a favorable report from the Post Office Department. It is a permissive bill, one which would leave entirely to the publisher concerned the decision of whether to suspend operation for 1 or 2 weeks a year.

Mr. President, every member of the Senate has constituents who are vitally interested in this bill. I am thinking particularly of the small weekly newspaper operator. Often he operates just a 1-man or 2-man shop.

In most cases these small publishers are literally chained to their jobs, because Federal regulations governing second-class mailing privileges and State laws related to legal advertising require that they continue publishing week after week, continuously and without interruption.

Mr. President, these publishers do not have the trained personnel to permit them to rotate their employees so that they can enjoy the annual 1 or 2 weeks of vacation which are so necessary to relax the tensions of the present day. In fact, many of these publishers, perhaps most of them, have no employees at all, or else only 1 or 2. As a result, they stay on the job, 50, 60 or in many cases 70 hours a week, without a letup.

I understand that the major reason why S. 1618 is not being acted upon this session by the Senate is that a resolution was passed against it by the delegates to the National Editorial Association convention meeting in Banff, Canada, in June of this year. The NEA, Mr. President, is an old and honored organization of American newspapers, and I am proud to say that the new president of that organization is a Colorado publisher, Mr. Don Hardy, of the Canon City Daily Record. However, I submit that the publishers who badly need the passage of S. 1618 are not those who attended the NEA convention, but those small weekly publishers who could not get away from their shops long enough to take a vacation and attend a convention of this type in Banff, Canada, worthwhile as it would most certainly have been.

It is these small publishers who are supporting S. 1618. As I stated before, this bill would leave it entirely up to the discretion of the individual publisher whether he is to close down his shop 1 or 2 weeks a year.

If my mail is used as a yardstick, the Colorado publishers are overwhelmingly in favor of this legislation and particularly the fact that it is permissive rather than compulsory.

It is most inconsistent, Mr. President, for us to stand here, and work in committee at every session on wage and hour legislation, minimum wages, overtime clauses, and the like, and with the other hand require these independent businessmen to drive themselves many times to illness, because if they do not do certain things they will, in fact, be forced to close their businesses.

I feel strongly that the independent press and particularly the weekly editors at the crossroads of this country are the men who throughout our history have been the barometers at the grassroots that have steered the forces which guided this country back time and again onto a more wise course and a sounder foundation. It is these editors that are near the people and reflect their thoughts and at the same time provide a medium of news and independent editorial opinion.

It seems to me that every measure should be taken to strengthen the small local press—not discourage it nor sap its strength. Centralization of the press and news media in general is a most dangerous thing. The tendency has been toward more centralization and consolidation caused mostly by economic conditions and runaway inflation. But if this trend is carried to the extreme, we face the stark possibility that what Americans read, hear, and see will not be news but propaganda written and sent out from one or more central offices.

It is time that we do something, and even more than this bill, for those who need it most, but at least this will be a small start.

I therefore urge and hope, Mr. President, that S. 1618 will be considered by the Senate as early as possible in the next session.

TEXAS INSURANCE LAWS AND COMPANIES

Mr. DANIEL. Mr. President, my colleague, the senior Senator from Texas [Mr. JOHNSON] has requested that I place in the RECORD a statement filed with the Subcommittee for Special Investigations of the House Committee on Armed Services, relating to Texas insurance laws and companies, and answering some of the charges which have been made against such companies. I ask unanimous consent that there be printed in the RECORD at this point a copy of the statement made before that subcommittee on behalf of several Texas insurance companies.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT FILED WITH THE SUBCOMMITTEE FOR SPECIAL INVESTIGATIONS OF THE HOUSE COMMITTEE ON ARMED SERVICES RELATING TO TEXAS INSURANCE LAWS AND COMPANIES

We appreciate this opportunity to appear and be heard by your subcommittee on the matter of insurance companies, including those from Texas whom we represent, and their relations with personnel of the Armed Forces. We of course do not question the motives or purpose of your good subcommittee in inquiring into the methods, policies, and experience of commercial insurance sales to members of the Armed Forces. On the contrary, we welcome it, and being a part of America, like yourselves, we are just as determined as you are to see that our military personnel receive nothing but the best in material and services.

For some reason other than factual, we sincerely believe that your subcommittee, as well as the Texas insurance companies, and a large segment of the American public, are the victims of much misinformation concerning Texas insurance laws, policies, and companies.

But one thing we are certain of, and that is that the Texas insurance laws, policies, and companies are without any qualitative superiors; but we do believe that there are few, if any, substantiated instances of intentional improvidence, dishonesty, deficiency, or attempted deceit on the part of Texas insurance laws, policies, or companies.

To help correct any misconception of the matter for the benefit of your subcommittee, the Armed Forces, the public at large, policyholders, Texas and Texas insurance companies appreciate the opportunity to be heard by your subcommittee.

With your approval, we would like to try to correct the more flagrant and erroneous allegations and rumors concerning Texas insurance laws, policies, and companies.

The allegations are quoted from an article written by Michael Stern, appearing in the November 1954 issue of Argosy Magazine, and reprinted on page 2 of the hearings before the Subcommittee on Defense Activities of the Committee on Armed Services, House of Representatives, 83d Congress, 2d session, under House Resolution 125, November 9, and December 6, 7, and 8, 1954.

Allegation 1: "Texas has the most lax insurance laws in the United States."

Answer: That the foregoing allegation is one of opinion, rather than fact, is obvious on its face.

Let us base our opinion as to the adequacy of Texas insurance laws on the record itself. With one exception, there has not been a failure to pay any claim of any policyholder or beneficiary because of financial inability to do so on the part of any old-line legal reserve life insurance company chartered in the State of Texas within the last 50 years. The one exception involved a $1,000 claim which arose during the court proceedings whereby the policies of a company in receivership were being reinsured 100 percent in another company. Even the claim involved in this one exception was ultimately and gratuitously paid to the extent of $500.

Diligent research indicates that in the last 50 years no policyholder in a Texas legal reserve life insurance company has lost a dime of cash value as a consequence of a Texas company's inability to meet its obligations and, moreover, that there have been only 4 Texas life insurance companies to fail as compared to 50 life insurance companies in 34 other States.

Total insolvencies of Texas insurance companies, including life, fire, and casualty, amount to less than one-half of 1 percent of the total number of companies. The total assets involved in these insolvencies since 1945 amount to less than the loss arising from the failure of one non-Texas company which failed in 1951.

The limited capital stock law, permitting organization of a company with $25,000 capital, required that all insurance in excess of $1,000 be fully and unconditionally reinsured. Recent legislation now requires not less than $100,000 capital and $100,000 surplus, which we understand exceeds the minimum capital required in some 40 of the other States.

Other standards for the licensing of life insurance companies in Texas are comparable to the standards in the majority of States, and any misrepresentation on the part of Texas companies as to policies or other data is cause for revocation of license.

It is submitted that the foregoing record hardly reflects any laxity or inadequacy in the Texas insurance laws which would justify the accusation upon which this reply is premised.

Allegation 2: "The weakness of many companies in that State (Texas) is such that any disaster, or even a little bad luck, kills them off like flies in a cold snap. There are more failures of life insurance companies in Texas than in all the rest of the 48 States combined."

Answer: The complete inaccuracy of this intemperate statement has already been pointed out in our reply to allegation No. 1, above. Suffice it to say that such accusations only reflect the extent to which their author is misinformed.

Allegation 3: "The companies selling life insurance to GI's in Europe operate within the law, but may well be found hiding behind some technicality when pay-off day comes around."

Answer: It would be difficult to conceive of a more perfect innuendo based on pure supposition than the above allegation. If there are any trick clauses, actual or suspected, in any insurance policies being sold by any company of any State to members of our Armed Forces, we in Texas want to know about them, and we can assure you here and now that we will take the lead with your subcommittee, the Department of Defense, and other appropriate authorities in helping to eradicate the practice without further delay.

As for the integrity of Texas insurance laws and policies, the facts are that every policy offered by a Texas company must be filed with the Department of Insurance, Austin, Tex., prior to its being offered for sale, where it is examined to determine that proper reserves have been provided and that there has been strict compliance with the State statutes as to content and provision. Texas tolerates attempted fraud and deceit upon the public and military personnel no more than any other State. To our knowledge, no trick policies from legal reserve Texas insurance companies have been offered to any member of the Armed Forces, and no member of the Armed Forces or his beneficiary has ever suffered any loss or failed to be paid his or her claim as a result of any trick clauses in Texas insurance policies. If any person has any knowledge or evidence to the contrary, we ask that it be made known and produced.

Allegation 4: "Just about the only qualification anybody needs to be licensed as a Texas insurance salesman is to have a certificate of residence in that State."

Answer: Although no further examples should be necessary to indicate how misinformed the author of these allegations must be, Texas laws, like those of many other States, do not require a certificate of residence of life insurance salesmen. However, what is more important, and again contrary to the above allegation, every aspirant to be licensed as a Texas insurance agent must fill out a comprehensive application, setting forth all of his personal history and giving reference to at least five of his previous employers. A careful check of the applicant is made by the licensing division of the Department of Insurance, and evidence of the good character and honesty of the applicant must be adduced from this inquiry. It is believed that this procedure substantially follows the practice employed in the other States for the qualification and licensing of insurance agents.

So much for the comments on the foregoing allegations. We hope that they may serve your subcommittee and the public in helping to correct what we sincerely believe to be a distortion of Texas insurance laws, policies, and companies. We are, of course, available and will welcome the opportunity to answer any further questions and to furnish any data which your subcommittee may desire in the matter. We also offer our services and cooperation to your subcommittee and the Department of Defense in helping to formulate any program, policies, and regulations concerning the availability of insurance to members of the Armed Forces. We have no desire to be at variance with you or the Department of Defense; on the contrary we wish to be regarded as an ally in any action to improve and safeguard the welfare of our servicemen. We, in Texas, too, are veterans and reservists and have sons, brothers, other relatives, and friends in the Armed Forces, and we believe that our patriotism and regard for the national security of our country have been adequately demonstrated.

We do not maintain that Texas laws, policies, and companies are perfect. The people of Texas constantly strive to improve them so as to better serve the public. We do feel, however, that our qualities are no more imperfect than those of the other States, and we are justifiably concerned and offended when the laws and companies of our great State are held up to the world as an example of laxity, fraud, and deceit. We do not think that any State is deserving of this.

Respectfully submitted.

PEYTON FORD, *Attorney.*

INVESTIGATION OF ILLICIT NARCOTICS TRAFFIC IN THE UNITED STATES

Mr. DANIEL. Mr. President, as chairman of the Senate Judiciary Subcommittee which is investigating the illicit narcotics traffic in the United States pursuant to Senate Resolution 67, I should like to report very briefly on the scope and progress of our work and, also, on the fine degree of cooperation we are receiving from public officials and others concerned with the problem.

First, let me say that the scope of the subcommittee's study necessarily includes an appraisal of both international and domestic activities to prevent the flow of illicit narcotic drugs.

We are making a special effort to identify the foreign sources of illicit drugs and, also, to develop recommendations relative to certain measures and sanctions which might be used successfully to prohibit the unlawful production of narcotic drugs in foreign countries. At an appropriate time, of course, we shall discuss this aspect of the problem with the Foreign Relations Committee. Here at home, the subcommittee is critically examining our own customs procedures in a renewed effort to halt the smuggling of narcotics into the United States.

Open hearings have been held, and several others are planned, to determine the extent, cause, and effect of the illicit

use of narcotic drugs. At the same time, we want to ascertain the types of treatment and institutions available, both Federal and State, for the treatment and rehabilitation of drug addicts. Beginning September 19 in New York we will devote as much time as necessary to explore methods of treatment advocated by conflicting authorities on the subject. Opposing views on the question of free narcotic clinics for legalized administration of drugs to addicts will be heard. A majority of those testifying thus far have opposed such clinics.

We are also weighing the potentialities of the various preventive programs which have been proposed, that is, instruction for adults and public-school students on the dangers of addiction-forming drugs.

Finally, the subcommittee is examining the adequacy, administration, operation, and enforcement of existing narcotics laws, including those to regulate legal supplies of narcotics in the hands of Federal registrants, namely, doctors, pharmacists, nurses, and so forth, and the laws dealing with the sale, possession, and transportation of illicit narcotics.

Turning from the scope of the investigation to the actual operations, I am glad to report that the work of the subcommittee is well underway. Since June 1, we have held 12 days of open hearings in Washington, Philadelphia, and New York. We have heard 100 witnesses and have taken 2,330 pages of testimony. Innumerable practical recommendations for improving the Federal laws relating to the control of the illicit narcotics traffic have been received and are now being studied by the subcommittee. We feel certain that your committee, upon completion of its investigation, will be able to recommend ways and means by which the Congress can help to solve the serious problem of narcotic addiction and racketeering by strengthening present laws and enacting additional legislation to assist law enforcement officials.

In the meantime, I want to give credit to all of the Federal, State, and city officials who have cooperated so well with the subcommittee, and who have gone to so much trouble in gathering statistics and information which provide the factual material on which we must base our conclusions and recommendations.

Commissioner Harry J. Anslinger of the Federal Bureau of Narcotics has given us his genuine cooperation, and his agents here in Washington and in the field have compiled a mass of statistics on the extent of the narcotics traffic and addiction. In addition, they have pointed out numerous trouble spots and have aided us in the hard work on the ground level. Mr. Anslinger also has been kind enough to lend us the services of one of his most valuable assistants, Narcotic Agent Lee Speer, of Amarillo, Tex., who has spent 18 years fighting the narcotics racket.

Commissioner Ralph Kelly of the United States Bureau of Customs has supplied the subcommittee with invaluable data on border crossings, ship dockings, plane landings, and methods of searching vessels and other methods of investigating and apprehending narcotics violators.

The Attorney General, Mr. Herbert Brownell, Jr., has been especially helpful to the subcommittee. Mr. Brownell has made it possible, on several occasions, for us to interview and examine persons who are incarcerated in Federal penal institutions and who, it was known, had special knowledge of the inner workings of the illicit narcotics rackets. The Chief of the Criminal Division, Mr. Warren Olney III, and his assistant, Mr. David Irons, have cooperated with us all along the way.

The United States attorney for the District of Columbia, Mr. Leo A. Rover; the United States attorney in Philadelphia, Mr. W. Wilson White; and the United States attorneys in New York, Judge J. Edward Lumbard, who was recently confirmed to the Circuit Court of Appeals, and Mr. Leonard P. Moore, have cooperated fully with the subcommittee and have left no stone unturned to supply the subcommittee with needed material and information.

State and city officials, particularly police chiefs and other law-enforcement officers, have been equally cooperative.

Mr. President, an especially important source of information, material, and concrete suggestions has been members of the working press all over the country. Newspapermen, newspaperwomen, radio and television commentators, and several columnists, have telephoned and have written to us, calling our attention to various aspects of the narcotics problem and giving us the names and addresses of people who have specialized knowledge of the narcotics racket and drug addiction.

For example, I have in mind the New Orleans States, and its city editor, Walter Cowan, who has done so much in the campaign against the illicit narcotics traffic in New Orleans. At the very outset of this investigation, the New Orleans States called our attention to the striking relationship between penalties for narcotics violations and the volume of the narcotics traffic. Other valuable information was given to the committee by the Washington correspondent for the New Orleans States, Mr. Vernon Louviere. I am particularly grateful to him for the wealth of material compiled by Emile Comar, an ace reporter for this newspaper, and one who has taken an active interest in our country's narcotics problem. As a result, and on the basis of testimony by Commissioner Anslinger, the subcommittee has made plans to hold open hearings in New Orleans some time in October.

The members of our committee appreciate all that has been done to insure the success of this investigation, and we earnestly hope that completion of our work will result in new laws and procedures which will strengthen the hands of law enforcement authorities in the fight against the vicious crimes connected with the narcotics traffic.

WHY THE BOOM BYPASSES MEXICO

Mr. MORSE. Mr. President, apparently because of the fact that I am chairman of the Subcommittee on Latin American and South American Affairs of the Committee on Foreign Relations certain information has been sent to me. I am presenting it without any value judgment at all, but merely for the RECORD and for the information of the Senate.

In the U. S. News & World Report of June 17, 1955, there was published an article entitled "Why the Boom Bypasses Mexico." I ask unanimous consent to have this article printed in the RECORD at this point as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHY THE BOOM BYPASSES MEXICO

Question. Is Mexico having a business boom anything like that to be found to the north, in the United States and Canada?

Answer. No. There has been some economic expansion in Mexico, but mostly it is seen in relatively small-scale business and industrial projects—nothing like the big capital investment and production gains in the other countries.

Question. What is holding back Mexico's economic development?

Answer. There are many factors that slow it up. However, one of the most important factors is the attitude of Mexico's Government toward foreign investment—in fact, toward private capital in any form.

For instance, if a foreigner wants to set up a corporation to do business in Mexico, he finds that there is a law that requires majority ownership by Mexican nationals in that corporation, unless the Government grants him a special exemption.

And the Government, except in special cases, requires that at least 90 percent of the technical and unskilled workers of any company must be Mexican nationals.

On top of that, private capital—Mexican as well as foreign—is slow to invest in a country where the Government is getting deeper and deeper into business on its own account.

Question. Is Mexico, then, a socialistic country?

Answer. Not wholly. But there is much socialism mixed in with its economy. The petroleum industry that it took over from United States oil companies in 1938 is only a small part of the Government's operations.

The Government runs almost every railway. It has a monopoly on grain purchasing, and owns Mexico's biggest food-distributing firm. It owns many other companies—for instance, an aviation firm, powerplants, mines, a food-freezing plant, and so on.

Altogether, it is estimated that the Government now runs about 40 percent of Mexico's business operations.

Question. What has been the effect of that situation on Mexico's economy?

Answer. One result is continuing inflation.

When American companies were producing oil, Mexico had lots of foreign currency. Mexico, in the 1920's, was the world's second largest petroleum producer. The peso, then, was worth about 50 cents American.

Now Mexico has an unfavorable trade balance. The state petroleum industry exports little oil, and the peso, today, is worth about 8 cents.

That is one of the big reasons why the cost-of-living index in Mexico is about five times as high as it was in 1939. Workers get wage raises from time to time. For instance, they got a 10-percent raise after last year's devaluation of the peso. But their wages, if anything, buy them less now than before.

Question. Do the various Government industries bring in any revenues?

Answer. On the contrary, the Government has to put money into its enterprises. In past years, there have been sums in the

Government's annual budget amounting to five hundred or six hundred million pesos for investments. In American dollars, at the old rate of exchange, that would amount to about $60 million. And the Government gets no taxation revenues from its companies.

Question. Are the federally owned industries run efficiently?

Answer. Take the railroads, as an example. The biggest rail system was nationalized back in the early part of this century—during the time of the dictator Porfirio Diaz. Other systems were nationalized from time to time after that.

During the 1930's, the Government decided on an experiment. It turned the operation of the railroads over to the labor union of railroad workers. And the railroads became such an awful problem that, in 6 weeks, they went right back into the hands of the Government. They have been operated by the Government ever since. And the cost of operating them is 120 percent of their receipts—which means that the Government takes a loss.

A very powerful union has a big voice in railroad operations. The men in the field often pay little attention to management. They pay attention to what the union officials tell them. If you go around, you see the railroads operating with nearly twice as many people as they need. Officials go by and see people loafing, and do nothing about it—the union members cannot be fired.

Question. How long has nationalization been going on in Mexico?

Answer. It really started on a large scale when Lázaro Cárdenas was President of Mexico—that means from about 1932 on.

Actually, there are not many cases of expropriation like that of the oil industry in 1938. What happens more often is that the Government has to step in and take over a company that's in financial trouble—a company in which the Government already has a considerable interest.

This is the way it generally comes about:

A Mexican politician decides that some day he may retire from politics. Therefore he wants to start a business, just in case. Because of his political influence he can borrow a lot of the necessary capital—even all of it—from the Government investment bank, called the Nacional Financiera.

If that business does not turn out to be profitable—which is often the case—the Government bank has to take over the business to protect its loan. That, in effect, puts the business in Government hands. Then the bank puts somebody in charge. That person is supposed to pull the business out of the red. But that never happens, because usually he is a political appointee and not really qualified for the job.

Question. Does the Mexican Government ever start any business or industry of its own?

Answer. That happens, too. For instance, there is the food-distributing agency called CEIMSA—the export and import company. It buys all the grains from Mexico's farms, and handles all the grain imports from abroad.

CEIMSA sells staple foods at retail through its own 560 local stores—it is the largest retail merchant in Mexico. And it supplies grain at wholesale to private dealers. It also imports lard and eggs, and things of that sort.

Farmers are required to sell their grain produce to this company. They have no choice. You cannot get a truck or freight car to ship any grain in Mexico except through CEIMSA. If a farmer gets out in his own truck on the highway, he can be stopped by police because only certain groups are permitted to do trucking on the highways.

Question. What about the petroleum industry that the Mexican Government took over from United States companies? Is the Government going a good job on oil production?

Answer. There is an answer to that question, right across the Rio Grande—in the State of Texas.

Both Mexico and Texas have an abundance of the same subsoil structures that produce oil. So you have a basis for comparison in their oil production.

That comparison shows that Texas—just 1 State—is producing 10 times as much petroleum as all of Mexico.

For many years, Pemex—that is the Government's oil subsidiary, Petróleos Mexicanos—put little into new properties and drillings. Then, in 1949, it announced a huge development program that was to cost $470 million over a 5-year period. Oil officials promised to raise production to 132 million barrels of crude by 1953.

Far from doing that, they managed to produce only 83 million barrels of crude by 1954. They claim this figure to be almost double the amount produced by United States companies in Mexico in 1937, just before expropriation. What they do not point out is that production last year was less than half what it was in the early 1920's before the United States oil industries began to be hampered by Government interference.

Question. What is the real trouble with Mexico's oil industry?

Answer. Much of the Government's investment has gone into private pockets—graft. That was especially true before the present head of Pemex, Antonio J. Bermúdez, took over. He is a former businessman himself—a successful one. But he can do only so much before he runs into political opposition.

There are a few good men like Bermúdez in the petroleum industry. But, ever since the Americans were kicked out, the industry has lost ground technologically. In Mexico today, you can see 8 to 10 men handling a drilling rig that 3 or 4 men handle in Texas.

Oil men say the industry could trim its force by at least 10 percent without reducing the output of petroleum. But that would be politically dangerous in a socialistic enterprise. The unions would fight any such reduction, and politicians with friends and relatives holding down jobs in Pemex would also make trouble.

As a result, there is not much money left, after wastage, for capital improvements—for drilling, and so on.

And the Government's investment in its oil industry does not begin to compare, in volume, with the hundreds of millions of dollars in private capital that are invested in the Texas oilfields.

Another difference shows up. Texas oil men drill many dry holes—they have a saying that "gushers begin with dry holes." In Mexico, the Government is reluctant to take a chance on new areas. Many of the new fields announced by Pemex turn out to be no more than extensions of existing oilfields.

Question. Is it true that the Mexican Government is letting the United States oil companies come back into the country again?

Answer. American companies are going back in, but only to a very limited extent. There are strings tied to the Government's bid for foreign capital. The private operator takes the risk of drilling for oil. If he finds it, he gets 15 percent of the production for the life of his 25-year contract with the Government in that new area. In addition, he gets 50 percent more of the production until all of the exploration costs have been repaid.

Question. Do these companies have any assurance against expropriation?

Answer. Yes; everybody has more security today. Businessmen say it is because 30 years of socialistic experiments have finally convinced even the politicians that they need to make concessions to get oil in the large quantities that Mexico needs.

Question. Does that point to a definite change of Government policy, away from Federal ownership?

Answer. Not yet. The Government is still taking on other activities. For instance, it is starting up a factory to make 10-ton diesel trucks—heavy machines for which there is no real market in Mexico.

Question. How strong is the Communist Party—is it a danger in Mexico?

Answer. In Mexico, Vicente Lombardo Toledano, the labor leader, makes annual trips to Moscow. He is believed to come back with large funds that the Russians give him to carry on extensive propaganda in Mexico.

The Soviet Embassy has the biggest building of any embassy in Mexico, and is said to have the largest number of employees. It has a whole printing plant, too. There is a magazine called Cultura Sovietica—"Soviet Culture"—telling of the trips of prominent Mexican politicians to Russia, how they are feted there and appear in public with Soviet officials.

The Communist Party of Mexico, itself, gets only a small vote, but it is extremely active. It has a newspaper, and for many years there has been a university called La Universidad Obrera—The Labor University—where Marxist doctrines are taught.

Question. Mexico's President, Adolfo Ruiz Cortines, is described as a "conservative" who is trying to encourage private enterprise. Is that impression correct?

Answer. He is regarded as a good and honest man. But businessmen say he is influenced by many leftwingers in Government, and by his 30 years of contact with the left. He has said that free enterprise can pull Mexico out of its economic troubles. But little has been done so far.

Mr. MORSE. The article undoubtedly caused a great deal of concern in Mexico, because it was interpreted by many as a criticism of Pemex, which is the Government agency or organization in Mexico that operates the state oil system, the oil industry in Mexico being a nationalized industry as a result of the expropriation act in the late 1930's.

The national director of Pemex, Mr. Antonio J. Bermúdez, wrote a letter to the editor of the U. S. News & World Report, setting forth his rebuttal opinions of the article which was published in the U. S. News & World Report.

I ask unanimous consent to have the letter of Mr. Bermúdez printed in the RECORD at this point, as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MEXICO CITY, *June 20, 1955.*

Mr. DAVID LAWRENCE,
Editor, U. S. News & World Report,
Washington, D. C.

DEAR MR. LAWRENCE: With reference to the article about Mexico in the issue of U. S. News & World Report of June 17, 1955, I want to give you my impression of the information which refers specifically to Mexican oil.

Without an iota of doubt in my mind and after carefully reading your report, I firmly arrive at the conclusion that it does not reflect the real status of our petroleum industry, and for this reason I want to make the following comments:

It is mentioned that Mexico's production is much smaller than that of the State of Texas, which by itself produces 19.6 percent of the world's oil production. Texas is the most prolific oil area in the world and its production is higher than that of any country outside of the United States; in fact, it produces almost 50 percent of the whole United States of America output.

The comparison of our 1954 production with that of the 1920's omits the essential fact that Mexico's peak oil production, obtained in 1921, was due to an extremely intensive exploitation of the oilfields, created by an emergency and therefore without technical support. Present exploitation policies, both in the United States of America and Mexico, call for a much more conservative exploitation of oilfields in order to increase ultimate oil recovery. The soundness of our exploitation policy, and our exploration effort, is shown by the continuous increase of our proven reserves, in spite of the fact that yearly Mexican oil production has more than doubled in the last 10 years.

You state that the Mexican Government has been reluctant to explore and drill new areas and that many of the reported new oilfields should be considered as extensions to old ones. Unfortunately I find this statement untrue, unfounded and misleading; the truth is that the increase in production and reserves has been the result of a continuous exploration effort which led to the discovery and development of four new production provinces or districts.

During the first 37 years of this century, that is from 1901 to 1937, the foreign oil companies discovered oil and gas in four provinces: (1) Pánuco or Ebano, (2) Old Golden Lane, (3) Pota Rica, and (4) Isthmus (southern Veracruz). Pemex during its 17 years of life has discovered oil and gas in 4 new provinces or districts just as important: (1) Northeastern Mexico (Reynosa), (2) New Golden Lane, (3) Veracruz Embayment (Angostura), and (4) Tabasco. These new districts discovered by Pemex are, so to speak, still in their infancy, subject to a great deal of development. However, they are just as important as the 4 discoveries made in 37 years by the foreign oil companies, since even in its present initial state of development they contribute to about 40 percent of our oil production. Old oilfields contribute 44 percent and extensions to old ones the balance of 16 percent of the total production.

It is true that Petróleos Mexicanos, as any other oil company, devotes part of its exploration effort to find extensions of existing oilfields. As a result of this work it has been possible for us to maintain production in the old producing districts. However, the main aim of Petróleos Mexicanos' exploration has been directed to the study of new areas and the discovery of new oil and gas fields in the above-mentioned new provinces or districts, where the first commercial production was obtained by Petróleos Mexicanos. This is a proof that successful exploration work has been done in widely separated areas and shows that both management and technical skill of the Mexican people are capable of discovering and developing the oil and gas reserves of the country.

In addition to our successful effort to increase production and reserves, which is the foundation of a sound oil industry, there has been also a continuous improvement and increase in our capacity to refine and market all kinds of petroleum products; at present we are able to process and distribute within our country a much greater volume of the various oil products and of a far better quality.

It would afford us pleasure to supply you with information on Mexican oil. I can readily see that a magazine of such wide circulation and great prestige as the U. S. News & World Report can only misjudge things through lack of proper information.

May I ask you several pertinent questions? Do you honestly believe that a report like this is constructive? Do you believe that it contributes to friendship and understanding between our neighboring countries? Your high ideals and responsibilities as editor of an outstanding publication that influences so many people are fulfilled by such a report?

As this letter comes to an end I wish to extend you a cordial invitation to visit our oil industry. It would be constructive if you would accompany yourself with outstanding expert technicians specializing on oil, so that you get a true picture of our oil industry.

I would show you what we have done, what we are doing, and what we intend to do in the near future.

Hoping to hear from you and thanking you in advance for your attention to this letter, I am,

Cordially yours,

ANTONIO J. BERMÚDEZ.

[From World Oil of February 15, 1955]

WORLD OIL PRODUCTION OF 1954

	Thousands of barrels
World production	4,999,110
United States	2,312,212
Texas	979,749
Arabia (includes Kuwait, Qatar, Saudi Arabia, and Bahrain)	742,448
Venezuela	691,106
Russia	412,750
Iraq	252,722
Mexico	83,895

Mr. MORSE. Mr. President, I wish to say that Mr. Bermúdez, to my knowledge, is recognized as one of the outstanding statesmen in Mexico, and one of the most able of the Mexican officials, with a record of great friendship for the United States. My knowledge of Mr. Bermúdez goes back to some years ago when I was sent to Mexico by the then administration to collect some information with regard to the operation of the Mexican oil industry, because at that time the Mexicans were seeking a loan from the United States for use in the development of their oil industry.

As the Senate knows, upon my return, I made clear in speeches in the Senate that I took the position that loans should not be made for specific projects. I took the position—and I still hold to that position—that American foreign loans should be made primarily on the basis of a line of credit, and that after the line of credit was made, an international board should pass judgment on whether specific projects were sound projects and should be used as the basis for drawing upon that line of credit.

I say that, Mr. President, because I do not want any misunderstanding as to my position with regard to the information I am putting in the RECORD.

My recommendation to President Truman at the time, based on the report I made to him when I returned from Mexico, was that loans should be made not only to Mexico but to other countries on a line of credit basis.

In conversation with the President of Mexico at that time, President Alemán, I expressed my own personal view as a Senator in support of such a program of foreign loans, rather than the type of foreign loan which we had too commonly made.

However, in my inspection of the oilfields of Mexico I came away very favorably impressed with the expansion program of Pemex. I saw with my own eyes new oil wells, contrary to the propaganda circulated in the United States that Pemex was not discovering new wells. I saw a very expanded program under the direction of Mr. Bermúdez.

Let me quickly say that I am certainly no expert in the oil industry, and I do not propose to pass judgment upon the Pemex program, other than to say that my own reading and the information which has been made available to me seem to indicate that charges to the effect that Pemex is holding back the economy of Mexico cannot be substantiated in fact.

I am pleased to insert in the RECORD a very recent item which appeared in U. S. News & World Report for July 29, 1955. It is an item which I believe it would be fair to say represents some modification of the viewpoint set forth in the earlier article which I have already inserted in the RECORD.

I ask unanimous consent to have printed at this point in my remarks an item published in the U. S. News & World Report for July 29, 1955, entitled "Things Are Definitely Looking Up in Mexico."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

Things are definitely looking up in Mexico.

Effects of last year's devaluation of the peso have been overcome, and the economy is moving ahead. First half, 1955, showed many increases over a similar 1954 period. Gains were notable in building, rail traffic, and steel. Sulfur output is rising phenomenally and will turn in large export earnings.

The higher silver price, heavy demand for nonferrous metals, increased oil exports, sales of the record cotton crop are pushing exports up.

Good harvests this year will mean that no corn and beans and little wheat will have to be imported. However, manufactured imports are up.

Gold and dollar reserves are rising at a fast clip, because of the favorable balance of trade, repatriation of capital, and heavy tourist receipts.

Mr. MORSE. Mr. President, along the same line, there appeared an article in Petroleum Week of July 22, 1955. It is entitled "Pemex' Bermúdez Has High Hopes for Lower California." The article discusses some of the proposed expansion proposals of Pemex with regard to oil in Lower California.

I ask unanimous consent that the article be printed in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PEMEX'S BERMÚDEZ HAS HIGH HOPES FOR LOWER CALIFORNIA

Petróleos Mexicanos "confidently believes" it will prove commercial production of oil or gas in Lower California in the near future, Director General Antonio J. Bermúdez told Petroleum Week this week.

After more than 5 years of exploration of the more promising areas, Pemex, the Mexican Government oil monopoly, is satisfied that 2 sedimentary basins in the central and southern part of the peninsula are of major importance in the oil and gas search. Bermúdez says they are of "sufficient logistic importance and geological interest" to warrant accelerating Pemex's exploration program. A second drilling rig will soon be assigned permanently to the area to speed the job.

The Sebastian Nizcaino Basin, and the Purisima-Iray Basin, just south of it, are the focal points of interest. Located along the Pacific coast, these basins have a surface area of more than 14,500 square miles.

Pemex has been carrying out detailed surface geological mapping of the basins during the last 5 years. They were located after geological reconnaissance of the entire peninsula of Lower California was started in 1942 in an effort to evaluate oil and gas possibilities on a regional basis. Both the northern part and the extreme southern half of the peninsula were eliminated on the basis of unfavorable geological characteristics.

Because much of the surface in the two promising basins is covered by sand dunes and other recent alluvial deposits, Pemex has been carrying out geophysical exploration in the form of gravity meter surveys.

There have been no showings of oil and gas in the Sebastian Vizcaino Basin, although geological conditions have been shown favorable to oil and gas possibilities. Three relatively shallow wells have been drilled along the eastern margin for stratigraphic information to depths of 919, 1,980, and 1,985 feet. A deep test was spudded in 1951 to ascertain depths and sequences of the postulated marine sedimentary section. That test well, San Angel No. 1, was located on a surface anticline which had been found to coincide exactly with a well-defined gravity anomaly. It reached a depth of 9,868 feet after penetrating a thick section of marine shales and sandstones of Eocene and Cretaceous age. Though this test showed that geological conditions were favorable to oil and gas possibilities in the basin, Pemex felt further drilling was not justified at that time.

Pemex has found shows of gas, however, in the Purisima-Iray Basin, where it resumed detailed surface geological mapping and started drilling in the past 2 years. Early last year, a wildcat drilling rig was permanently assigned to the basin to evaluate subsurface conditions. Simultaneously with surface mapping, two tests were drilled in the Purisima area. They were located by surface geology and were drilled to test Eocene and Cretaceous formations and thicknesses along the northern edge of the sedimentary area. Purisima No. 1, completed in 1954 at a depth of 9,367 feet, and Purisima No. 2, completed in 1955 at a depth of 4,636 feet, both found good marine sequences, underlain at depth by extrusive igneous rock. "These wells are of decided interest," Bermúdez says, "since both found numerous shows of gas within the favorable marine sections."

Though none of the gas showings in these two wells was of commercial interest, Pemex considered the information obtained was encouraging, and the drilling rig was moved into the central part of the Purisima-Iray Basin to begin another stratigraphic test early this year.

The fourth deep well, Iray No. 1, is currently drilling below 7,389 feet, after having cut a section of marine shales and clean sands of Miocene and Eocene age. It's being drilled as a purely stratigraphic test before any further geophysical exploration. Several showings of gas have been found.

Results of work in the Purisima-Iray Basin, Pemex thinks, justify another gravity meter survey. Gravity work was started in May and will serve as a guide to reflection-seismograph exploration which is slated to begin toward the end of this year. And a fifth stratigraphic test will be drilled about 20 miles southwest of Iray No. 1 to evaluate still older stratigraphic horizons.

"The actual search for oil and gas will not really start," Bermúdez told Petroleum Week, "until structural control is at hand as a result of the geophysical surveys."

Mr. MORSE. Mr. President, I wish to say there is one thing about the circulation the first U. S. News & World Report article received in Mexico which disturbs me. It is reported—and I am interested in this as chairman of the Subcommittee on Latin American Affairs of the Committee on Foreign Relations—that the original U. S. News & World Report story was circulated in Mexico by the United States Embassy in Mexico City. If true, one can understand why some negative reaction developed in Mexico from the alleged circulation of this critical story by the United States Embassay in Mexico City.

I think it should also be pointed out that the United States State Department has rather consistently in recent years made clear that it was opposed to any loans which sought to make funds available for Pemex. It is reported to me that one of the reasons why there has been this negative attitude on the part of some people in the United States State Department toward Pemex is an old claim called the Sablo claim.

The only information I have about it is that in the early thirties or sometime prior to the act of expropriation by the Mexican Government, an American purchased a claim to develop oil in one of the rich oilfields of Mexico known as the Posa Rica field. I understand the Sablo Transportation Co., composed of a group of Americans, paid $150,000 for a claim which was supposed to give them the right to develop oil in the very heart of the Posa Rica oilfield.

I understand that from the very beginning the charge was made that it never was a legal right. Be that as it may, it was a claim that went before the International Cook Board. That is the Board which was headed by the famous American engineer, Morris Cook. It was appointed by the President, so far as the American representation on it was concerned, and was charged with the responsibility of making a settlement of the claims of Americans growing out of the expropriation of the oilfields in Mexico by the Mexican Government.

As I have said before, I have always thought that the expropriation of the Republic of Mexico of American interests in the oilfield was unjustifiable. That is not the way to develop a good-neighbor policy. I do not believe in the nationalization of industry at home, and, therefore, I could not be expected to support the nationalization of American interests abroad. But Mexico, exercising her sovereign rights, followed a nationalization course of action in respect to oil.

I am advised that as a result of the international commission which was appointed to work out a settlement of claims growing out of the expropriation act, the so-called Cook-Savada agreement was entered into which provided for a full settlement of the claims of Americans growing out of the expropriation act of the Republic of Mexico. The record is clear, I think, that President Roosevelt and the then President of Mexico signed the agreement, and it became an international agreement.

I understand that after the agreement was signed, the Sablo Transportation Co. took $1 million under this agreement. The settlement under the Cook-Savada agreement provided $1,200,000 as settlement for the Sablo claim. The Sablo Transportation Co. collected $1 million, and then before the last $200,000 of it was paid, they refused to accept any further settlement of their claim and asked to reopen the entire case.

The matter went before the Mexican supreme court, and that court, by unanimous decision, denied the Sablo claim, and that is where the matter rests now, except that it is alleged by some that officials of the State Department continue to press for a settlement of the claim and continue to leave the impression in Mexico that no help in regard to Pemex will be forthcoming from the United States so long as the claim remains unpaid.

I do not know the merits of the matter, but the literature which I have before me bears upon it, and I have placed material in the RECORD tonight because I think it is only fair that it be in the RECORD, and also because I think officials of the State Department should have an opportunity to make available to the Senate Foreign Relations subcommittee on Latin-American and South American Affairs any information they have which they think may correct what I believe to be an unfortunate misunderstanding that exists, at least, within Pemex in Mexico, concerning the attitude of the United States State Department toward Pemex.

If the Sablo matter is not at all a factor in the State Department's attitude toward assistance to Mexican oil development, I think it should be made clear on the record. I have placed material in the RECORD, Mr. President, because I do not like to see misunderstandings develop between our country and the republic to the south of us, which I think have been developing as a result of charges that officials in Mexico, be those officials Antonio Bermúdez or anyone else, are following a course of action which is resulting in these difficulties in Mexico.

I close, Mr. President, by asking unanimous consent to have printed in the RECORD pages 18 and 19 of a publication entitled "Latin-American Business Highlights," which would seem to indicate that the economic situation in Mexico is not so bad at present as some American stories would seem to indicate.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

MEXICO

Both domestic and foreign trade are at high levels. Early reports indicate that manufacturing output, retail sales, fuel and power production, and foreign exchange income are all running ahead of last year.

The economy appears to have resumed its rapid postwar growth trend after a temporary setback in 1953. Soaring farm output explains much of the recent improvement.

Mexico's international payments position continues to be very satisfactory. Foreign reserves stood at $255 million in April—about $100 million above their year-earlier level.

Mexico continued to prosper in the first half of the year. Both domestic and foreign trade are at high levels. Foreign exchange reserves are far above a year ago. All signs point to the fact that the economy not only has recovered from the mild 1953 recession but also has resumed its rapid postwar growth trend.

Real national income increased 7 percent last year. Retail sales volume rose 9 per-

cent. Manufacturing output rose about 5 percent and by the end of the year was running 10 percent ahead of 1953. Petroleum production was up 15 percent.

Agricultural production showed the greatest gain. It soared 18 percent above 1953, and the rise in farm income helped stimulate recovery throughout the economy. Only steel, cement, and metal mining failed to join in the general recovery.

PICKUP IN BUSINESS CONTINUES

Although few statistics are available for 1955, reports agree that business activity continued to pick up this year. Manufacturing output, carloading, retail sales, petroleum and electric power production, export earnings and tourist income are all running ahead of last year.

Wholesale prices are up considerably since last year's devaluation. In April they stood 18 percent above their year earlier level. The cost of living rose somewhat less rapidly. By February it was 13 percent above April 1954.

A number of factors are expected to sustain prosperity in coming months:

Many new foreign and domestic investment projects are underway that will help expand and diversify Mexican industry.

Petroleum output is fast expanding. It is expected to average 287,000 barrels per day in 1955, as against 233,000 barrels a day last year. Oil exports rose sharply in 1954 and are making further gains this year.

Stronger markets for nonferrous metals should stimulate Mexican mining output. In the first quarter this year zinc exports ran 10 percent ahead of January-March a year ago. Copper shipments were up 12 percent. In addition, Mexico's new sulfur industry is rapidly increasing its exports.

Increasing world demand for silver has encouraged a number of Mexican mines and mills to reopen.

Construction activity—one of the weak spots early in 1954—shows signs of improving. Statistics for the Federal district show that activity in January–February 1955 ran 55 percent ahead of the same months a year earlier. A sustained rise would help revive the steel industry.

Finally, early crop reports indicate another excellent year for farm output.

SUCCESS ON THE FARM FRONT

Last year agricultural output was more than double its prewar level, about 60 percent above 1948 and 30 percent higher than in 1952. Although weather conditions were unusually favorable, much of the credit for these remarkable results must go to the Mexican Government.

The Government's long-run program for extending irrigation, opening up new lands, and providing adequate rural credit has greatly stimulated farm output. Moreover, wider use of irrigation makes Mexico's agriculture much more stable and less dependent on the hazards of weather than it was in the past.

Irrigation and plantings have been further extended this year. Here's the agricultural outlook on the basis of early reports: the cotton crop may reach 2 million bales—well above 1954's record of 1.78 million bales; the corn crop is expected to be larger than last year's; wheat production will be at a high level, but may be slightly below the 1954 record; the United States border is once more open to Mexican cattle exports—cattle have been crossing at the rate of almost 100,000 head a month; drought in some areas may reduce the 1955–56 coffee crop—in addition, the proposed agreement to set up Latin-American coffee export quotas would probably hold Mexican shipments below their 1954–55 level.

Soaring farm output has brought with it a new set of problems. Some products are, at least temporarily, in oversupply. Production of chickpeas was cut back this year. Sugar output is running well ahead of home consumption, and Mexico has been unable to market the whole export surplus. Last year's record cotton crop sold well. But the future of Mexico's export market depends partly on United States policy in disposing of surplus cotton.

FAVORABLE BALANCE OF PAYMENTS

Mexico's balance of international payments continued to show notable strength early this year. Returns for January–March indicate a favorable balance of $47.6 million on all payments, as against a deficit of $5.4 million in the same period a year earlier.

Most of the recent improvement results from a higher level of exports and of foreign investment, lower food imports and a higher level of earnings from tourists. Last year foreign tourists spent $343 million in Mexico. Tourist business is even better this year.

As a result, gold and foreign exchange reserves are back to a satisfactory level. They stood at $255 million in April—about $100 million above their level in April 1954, when Mexico devalued the peso.

Short-term funds that left the country last year have begun to return. If this movement continues, Mexico's reserves may register less than their usual seasonal decline in May–July.

Contrary to expectations, devaluation did not reduce nonfood imports in 1954. This year the surge in domestic business activity is likely to push imports still higher. In the first 3 months they ran 3 percent above 1954. However the Government has indicated that it will continue to watch the volume of foreign purchasers.

TRADE WITH THE UNITED STATES

Through March this year exports to the United States totaled $122 million—up $12 million from a year earlier. Imports, meanwhile, ran to $158 million—a bit below last year. However, purchases from the United States can be expected to pick up later this year in view of rising Mexican business activity and improved dollar earnings.

ADJOURNMENT TO MONDAY

Mr. MANSFIELD. Mr. President, I move that the Senate adjourn until next Monday morning at 11 o'clock.

The motion was agreed to; and (at 10 o'clock and 45 minutes p. m.) the Senate adjourned, the adjournment being under the order previously entered, until Monday, August 1, 1955, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate July 30, 1955:

RAILROAD RETIREMENT BOARD

Thomas M. Healy, of Georgia, to be a member of the Railroad Retirement Board for the remainder of the term expiring August 28, 1958, vice Frank C. Squire, resigned.

UNITED STATES DISTRICT JUDGES

Joseph P. Lieb, of Florida, to be United States district judge for the southern district of Florida, vice John W. Holland, retired.

R. Dorsey Watkins, of Maryland, to be United States district judge for the District of Maryland, vice William C. Coleman, resigned.

UNITED STATES MARSHAL

John Wesley Thompson Falkner IV, of Mississippi, to be United States marshal for the northern district of Mississippi for a term of 4 years. He is now serving in this office under an appointment which expired April 19, 1955.

IN THE ARMY

The following-named officer under the provisions of section 504 of the Officer Personnel Act of 1947 to be assigned to a position of importance and responsibility designated by the President under subsection (b) of section 504, in rank as follows:

Maj. Gen. Clovis Ethelbert Byers, O12769, United States Army, in the rank of lieutenant general.

IN THE AIR FORCE

The following-named persons for reappointment to the active list of the Regular Air Force, in the grade indicated, from the temporary disability retired list, under the provisions of section 407, Public Law 351, 81st Congress (Career Compensation Act of 1949):

To be first lieutenants

Roy E. Bach, 18810A.
Charles S. Hoke, 21828A.

The following-named persons for appointment in the Regular Air Force, in the grades indicated, with dates of rank to be determined by the Secretary of the Air Force, under the provisions of section 506, Public Law 381, 80th Congress (Officer Personnel Act of 1947); title II, Public Law 365, 80th Congress (Army-Navy-Public Health Service Medical Officer Procurement Act of 1947); and section 307 (b), Public Law 150, 82d Congress (Air Force Organization Act of 1951), with a view to designation for the performance of duties as indicated:

To be majors, United States Air Force (Medical)

William F. Everett, O435453
John J. Hill, AO469062

To be captains, United States Air Force (Medical)

Thomas D. Armour, Jr., O1339505.
William H. Cooner, AO2240507.
Wallace N. Davidson, Jr., AO2260558
William A. Frey, AO2260653
Joseph A. Furey, O994538
Theodore R. Hatfield
Wallace G. Haworth, AO2239592
John G. Inghram
Louis F. Johnson, Jr., AO757144
Robert F. Jones, AO679624
Sherman H. Merritt
Robert N. Reiner, AO2212668
James H. Stuteville, AO650945
Alfred G. Swearingen, AO2240465
Martin A. Thomas, AO2240456
Edward H. Vas Nunes, AO4002856

To be captains, United States Air Force (Dental)

Raymond C. Walker, Jr., O1039961
Robert W. Zellhoefer, AO2261326

To be first lieutenants, United States Air Force (Medical)

John B. Adamson, AO3000286.
Robert R. Baumann, AO1862359.
John R. Beljan.
Philip T. Bennett, AO3041772.
David G. Bowers, Jr., AO1856120.
Andrew M. Bozena, AO3000850.
William F. Capps, Jr., AO3000839.
Randolph Catlin, Jr., AO2260887.
Gordon E. Dean, AO3001668.
Francis X. Dufault, Jr., AO3001361.
George L. Ford, Jr.
John J. Franks, AO3002128.
Byron A. Genner, III, AO3000360.
John R. Greene, AO792114.
Emil J. Gritti, AO3000215.
William B. Harris.
Lawrence J. Hartley, AO3000569.
Rexford G. Haycraft, AO670121.
Walter R. Hein, AO3000304.
Wallace D. Holderman.
Charles K. Koster, AO3000293.
William L. Lee, Jr., AO3041650.
Richard A. McManus, AO3000825.
Franklin J. Malone, Jr.
Frank G. Marx, AO2255749.
Tom D. Moore, AO3000302.
Richard E. Newquist, AO3000342.
James H. Nussey.
Edward J. Pezanoski, AO3001076.

Albert A. Pierard, AO768893.
Harold S. Ramos, AO3000362.
Joseph G. Seeger, AO970757.
Harvey C. Small, AO3000931.
Robert E. Smith, AO3000261.
Frederic A. Stone, AO532304.
Robert E. Swan, AO750100.
Ellis R. Taylor, AO3000651.
Robert J. Turner, III, AO1864279.
Walter H. Whitcomb.
Melvin J. White, AO2261389.
Walter R. Whitehurst, AO964137.
Henry S. K. Willis, Jr., AO2260591.
Allen R. Wright, AO3000285.

To be first lieutenants, United States Air Force (Dental)

Gilbert L. Koehler.
Richard L. Peck, AO2086092.
Elliott A. Smart, AO2261807.
William G. Wright, AO2261426.

The following-named persons for appointment in the Regular Air Force in the grade indicated, with dates of rank to be determined by the Secretary of the Air Force, under the provisions of sections 101 (c) and 102 (c), Public Law 36 80th Congress (Army-Navy Nurses Act of 1947), as amended by section 5, Public Law 514, 81st Congress, and Public Law 37, 83d Congress; with a view to designation for the performance of duties as indicated under the provisions of section 307, Public Law 150, 82d Congress (Air Force Organization Act of 1951):

To be first lieutenants, United States Air Force (Nurse)

Ruth E. Edmonds, AN2242577.
Rita A. Stapleton, AN2242406.

The following-named persons for appointment in the Regular Air Force, in the grades indicated, with dates of rank to be determined by the Secretary of the Air Force under the provisions of section 506, Public Law 381, 80th Congress (Officer Personnel Act of 1947):

To be first lieutenants

George D. Akins, Jr. AO1856369.
Leslie W. Abbott, AO2228802.
Robert J. N. Anctil, AO2237008.
Edwin H. Beck, AO2089706.
Alfred S. Benziger, AO2224629.
William C. Berry, AO2224421.
John J. Bilbo, AO2224318.
David P. Blackbird, AO2215941.
Robert L. Block, AO2217047.
Rodney E. Boaz, AO2246003.
Theodore J. Boluch, AO2222702.
John H. Bonnell, AO2065941.
Warren J. Boyd, AO2224140.
Harold C. Braly, AO1861475.
Richard L. Brannen, AO2245214.
Ronald E. Byrne, Jr., AO2224034.
Jack Cahoon, Jr., AO2218854.
Richard H. Campbell, AO2248903.
Curtis N. Carley, AO2223122.
Ernest L. Carlton, AO2223321.
Walter A. Carnes, AO1865585.
Ralph E. Caudle, AO967974.
Joseph P. Cerny, AO2219161.
George H. Chabbott, AO2218858.
William E. Chatfield, AO2080655.
Robert P. Couch, AO2222374.
William H. Davidson, AO2223616.
Vincent A. DiMauro, AO2223919.
Maurice T. Dobbs, AO2230686.
John T. Dunn, AO836745.
George A. Edwards, Jr., AO2224198.
Edward L. Ellis, AO2066228.
William J. Epperson, AO2223967.
Franklin R. Fass, AO2215279.
Karl D. Fechner, AO2217290.
Kenneth R. Fleenor, AO2234252.
Joseph L. Fohner, AO2234273.
Richard F. Geiger, AO2218548.
James W. Gibson, AO2217810.
Donald K. Gregoire, AO2232602.
Howard D. Hall, AO1856312.
William D. Hempy, AO2229493.
Frederick P. Henry, AO2216408.
Richard H. Hinz, AO2232819.
Vernon W. Hodges, AO2232293.
Albert B. Hollinden, AO590045.
Joseph L. Horvath, AO2218463.
Richard A. Housum, AO2223850.
Jack W. Howe, AO2217534.
James A. Hughes, AO1863231.
Alfred F. Hurley, AO2219844.
Vernon H. Jarrell, AO1904288.
George W. Jensen, AO2084571.
Roy T. Johnson, AO2233653.
Donald S. Jones, AO2224290.
William A. Kalberer, AO1858378.
Gerald A. Kale, AO2216740.
John W. King, Jr., AO2223697.
Frank P. Klatt, Jr., AO2208956.
Alexander C. Kuras, AO2069043.
Jimmy S. Lassetter, AO2228822.
Jack H. Leith, AO831444.
James R. Lindsay, AO2224109.
John B. Loveland, AO2224111.
Fred A. Lundin, AO2237955.
George G. MacDermut, AO1860100.
Donald P. Maslen, AO2239418.
James R. McDonald, AO2218737.
George A. McFarland, Jr., AO2215620.
James A. McMillan, AO2228773.
Peter H. McNulty, Jr., AO2218564.
Joseph B. Miller, AO2216197.
Ray E. Miller, AO2221888.
Walter H. Miller, AO2222485.
Ronald E. Mintz, AO2235981.
Alan R. Morgan, AO2224234.
Russell S. Morton, AO2202369.
Patrick J. Murphy, AO2216980.
Luis G. Oliver, AO2235088.
Morton D. Orzen, AO1861486.
Kenneth L. Palmer, AO2223774.
George B. Patton, AO2222332.
Norman L. Paul, AO2231543.
Robert F. Payne, AO2223051.
Frederick L. Petersen, AO2222753.
Thomas D. Potter, AO1860751.
Paul C. Proessel, AO2247377.
William J. Provance, AO2219006.
Jerry W. Pyle, AO2223780.
John A. Quinn, AO2074783.
Lloyd O. Reder, AO1861233.
James D. Reeves, AO2222402.
Earl D. Richards, AO2224017.
Wayne L. Ritter, AO2224018.
Donald E. Roberts, AO2219348.
Burtis W. Scott, AO2223472.
Don Seehafer, AO1853037.
William R. Seymour, AO2235919.
Maurice A. Shaff, Jr., AO2222641.
Francis M. Shine, AO2223901.
James E. Shoaf, AO1864479.
Robert F. Short, AO2233228.
William K. Short, AO1861387.
Kalman D. Simon, AO1855935.
Scott G. Smith, AO2231213.
Sidney B. Smith, AO2059855.
Richard L. Spaulding, AO2223655.
Lilburn R. Stow, AO2236348.
Ned R. Stull, AO2222247.
Dell C. Toedt, AO2222363.
Richard G. Twining, AO1865844.
Ralph D. Waddell, Jr., AO2245696.
Ewell D. Wainwright, Jr., AO2248887.
Thomas W. Walker, AO2219078.
Preston A. Wallace, AO2222104.
Robert E. Welch, AO1864805.
Clark L. Wingate, AO2209708.
Alan E. Wolfe, AO2231680.
Edward S. Wright, AO2233474.
Harold V. Wright, AO2079554.
Monte D. Wright, AO2223362.
John W. Zwiacher, AO2222083.

To be second lieutenants

Thiophilos Andrada, AO3022036.
Fred R. Ball, Jr., AO2227138.
James Ballantyne III, AO2228480.
Robert R. Barker, AO3016265.
Warren E. Beaumont, AO3024718.
Re:: W. Bennett, AO3007781.
James A. Black, AO2228122.
Alain G. Boughton, AO3022413.
Charles J. Brittain, AO3010393.
Charles L. Brown, AO2227355.
Gordon R. Brown, AO2235372.
John T. Burgess, AO3003674.
Donn A. Byrnes, AO2228159.
Jesse W. Campbell, AO2230554.
Jerald D. Carnahan, AO3022474.
Donald E. Carter, AO3021669.
Joe J. Christensen, AO3015041.
John J. Collier, Jr., AO3011337.
James Q. Collins, Jr., AO3013431.
Arvil G. Conk, AO2221016.
Roby R. Craft, AO3021552.
Lowell L. Crawford, AO3024348.
Calie G. Crowder, AO3022491.
Robert W. Curry, AO3023780.
Richard L. Derr, AO2228479.
Ramon C. Dial, AO3004468.
Robert E. Doherty, AO3022044.
Charles D. Doty, AO2227673.
Philip R. Drennon, AO3023088.
Jeremiah D. Ellsworth, AO3022377.
William D. Evans, AO2227468.
Samuel E. Fields, AO3023583.
Kenneth E. German, AO2251807.
John L. Gilbert, AO2254824.
Linden L. Gill, AO3006030.
Alvin E. Gilless, AO3015179.
Alan S. Gindoff, AO3022235.
James D. Green, AO3023579.
Robert I. Haggart, AO3007408.
Gordon K. Hancock, AO3022328.
Allan D. Hayek, Jr., AO3011421.
James O. Hays, AO3013169.
William J. Henderson, AO2227909.
Clifford O. C. Henning, Jr., AO3013664.
Verne B. Hildebrant, AO3003255.
Fred R. Hinckley, Jr., AO3006465.
Charles E. Irwin, AO3004699.
Morton R. Jacobs, AO3024734.
Robert J. Jay, AO3023604.
Frank P. Jepson, AO2228051.
Kent A. Josephson, AO3023092.
John G. Kakacek, AO3022085.
Robert C. Kienzle, AO3004631.
John R. Kimbriel, AO3022312.
Richard F. Kott, AO3015832.
Richard H. Lang, AO2227769.
Robert L. LaPenta, AO3007965.
Francis C. LaVigne, AO2227220.
Thomas G. Leydon, AO3010623.
Carroll L. Ligon, AO2228061.
George C. Lynch, AO3017264.
George T. MacDonald, AO2228405.
James G. Macoubray III, AO3011724.
Frank A. Matthews, AO3021656.
William C. Mattis, AO3005563.
Larry D. McClain, AO3022776.
Hugh M. Miller, AO3005566.
Herbert A. Million, AO3008023.
Lee A. Mongeon, AO3006236.
J. C. Nabors, AO1864863.
Paul E. Needham, AO3007568.
Lenin S. Nicoloan, AO2227661.
Dale G. Nielsen, AO3005599.
John W. Noble, AO3004511.
Philip S. Noe, AO3022931.
Ralph E. Nolf, AO3006445.
Russell Norman, AO3007571.
Jerry D. Oberhelman, AO3018155.
Frank J. O'Brien, AO3004514.
John A. Owens, Jr., AO3018609.
Kenneth M. Patterson, AO3014297.
Donald B. Pearson, AO2227583.
John P. Pedjoe, AO3017663.
Lanis Pinchuk, AO3021830.
Carl F. Porter, AO3004143.
Donald D. Presley, AO3005730.
Merwin E. Richards, AO2227095.
Norman N. Richardson, AO2254963.
Charles R. Rossburg, AO2253691.
Harvey J. Royer, AO3005881.
Bobbie N. Ruckman, AO3004625.
John J. Rutscher, AO3022444.
Tommy L. Sams, AO2228336.
Elmer M. J. Sander, AO2005664.
James R. Schneider, AO3002663.
Leonard R. Scotty, AO3006662.
James E. Shugart, AO3022910.
Curtis R. Smith, AO2237249.
David C. Smith, AO3005540.
James A. Snyder, AO2227961.
Russell C. Snyder, Jr., AO2228552.

Robert E. Staley, AO2221430.
Harold F. Stebbins, Jr., AO2227442.
Byrne E. Strother, AO3005603.
John D. Tabor, AO3013492.
Lawrence M. Tarnow, AO3017266.
Philip A. Tilson, AO2227617.
Robert H. Timm, AO3022859.
Donald L. Tipton, AO3014068.
Billy C. Turner, AO3023403.
Jack H. Turner, AO3004948.
Donald C. Ungerott, AO2227250.
Carlton R. Virden, AO3023905.
Charles B. Weir, AO3005006.
Henry O. Welch, Jr., AO3021688.
Frederick W. Wendt, AO3023753.
James H. Westberry, AO3004004.
Alvin G. Whipple, AO3005086.
Richard O. Whitney, AO2227850.
Gordon R. Williams, AO3008200.
Raymond J. Witt, AO3023303.

The following-named persons for appointment in the Regular Air Force, in the grade indicated, with dates of rank to be determined by the Secretary of the Air Force under the provisions of section 506, Public Law 381, 80th Congress (Officer Personnel Act of 1947); and section 301, Public Law 625, 80th Congress (Women's Armed Services Integration Act of 1948):

To be first lieutenants

Suzanne Crum, AL2219175.
Jane McElroy, AL2218739.

IN THE NAVY

The following-named line officers of the Navy for temporary promotion to the grade of rear admiral, subject to qualification therefor as provided by law:

William M. Nation	William A. Sutherland, Jr.
Leroy V. Honsinger	John S. Thach
William H. Leahy	William D. Irvin
Carl J. Pfingstag	Glynn R. Donaho
Martin J. Lawrence	Thurston B. Clark
Walter H. Price	James R. Lee
Harold T. Deutermann	John Quinn
Charles L. Melson	William A. Schoech
Charles K. Bergin	David L. McDonald
Robert E. Dixon	William F. Raborn, Jr.
Ulysses S. G. Sharp, Jr.	Charles E. Weakley
Eugene B. McKinney	Claude V. Ricketts
Wayne R. Loud	Roy L. Johnson
Courtney Shands	George F. Beardsley
Herbert D. Riley	Wellington T. Hines
Leonard B. Southerland	Charles B. Martell
Frank Virden	Horacio Rivero, Jr.
Howard A. Yeager	Lawson P. Ramage
Joshua W. Cooper	William R. Sheeley
John E. Clark	

CONFIRMATIONS

Executive nominations confirmed by the Senate July 30, 1955:

DEPARTMENT OF THE TREASURY

David W. Kendall, of Michigan, to be an Assistant Secretary of the Treasury.

Fred C. Scribner, Jr., of Maine, to be General Counsel for the Department of the Treasury.

DEPARTMENT OF LABOR

Ewan Clague, of Pennsylvania, to be Commissioner of Labor Statistics, United States Department of Labor, for a term of 4 years.

UNITED STATES DISTRICT JUDGE

Hon. Thurmond Clarke, of California, to be United States district judge for the southern district of California, a new position.

POSTMASTERS

ALABAMA

Francis Pierre McKee, Bayou La Batre.
Milton E. Baird, Bessemer.
Vernon L. Burns, Eden.
Robert L. Cooper, Elba.
John T. Knight, Hayneville.
Maggie C. Roney, Irvington.

ARIZONA

Erastus K. Slade, Eagar.
Juan S. Granillo, Sonora.

ARKANSAS

Victor L. Felley, Star City.
Luther D. Kerr, Williford.

CALIFORNIA

Lionnel C. Davies, Foresthill.
Robert J. Briggs, King City.
George R. Austin, La Crescenta.
Otto K. Olesen, Los Angeles.
Lyle C. Marshall, Magalia.
Kenneth U. Brown, Monterey.
Edgar H. Miller, Redding.

CONNECTICUT

May S. Richmond, Hawleyville.

FLORIDA

Herman L. Stokes, Okeechobee.

GEORGIA

Walter D. Burke, Jesup.
Shirley F. Bush, Oglethorpe University.
James F. Emberson, Ringgold.
Charles T. Ware, Soperton.
James P. Dawson, Woodstock.

IDAHO

Beatrice M. Fenstermacher, Headquarters.

INDIANA

Sid Charais, Gary.

IOWA

Bill N. Bench, Clarinda.
William Kenneth Harms, Fredericksburg.
Gerald A. Pallesen, Marcus.
Kenneth J. De Pree, Maurice.
Esther C. Long, Sharpsburg.

KANSAS

Everett C. Campbell, Bethel.
Lyle M. Conley, Concordia.
Wilma M. Sanburn, Milan.
Harry E. Canfield, Mission.

KENTUCKY

Margaret S. McCoy, Ekron.
Alden M. Lewis, Eminence.

LOUISIANA

Juanita F. Perret, Edgard.
Arthur L. Layton, Shreveport.
Eli Speyrer, Washington.

MARYLAND

Jefferson H. Leonard, Church Hill.
Donald M. Browning, Oakland.
Walter V. Bennett, Sykesville.

MASSACHUSETTS

Charles H. Shaylor, Lee.
David E. Braman, Stockbridge.

MICHIGAN

Frank E. Bauer, Athens.
Oscar K. Ziegler, Carsonville.
Leonard T. England, Germfask.
Lavon J. Fare, Stanton.

MINNESOTA

Robert F. Jonckowski, Browerville.
Carl L. Flink, Cambridge.
Earl J. Johnson, Henderson.
Robert D. Peterson, New London.
Irving C. Elmquist, Hopkins.
Bessie W. Meyers, Porter.
Archie C. Tweit, South St. Paul.
Palmer A. Nyberg, Vining.

MISSOURI

Lloyd DeGraffenreid, Brumley.
Bertie M. Coon, East Lynne.
William H. Lovell, Henrietta.
Arnold C. Miles, Vanduser.

NEBRASKA

William S. Burrows, Albion.
Ray L. McElravy, David City.
Walter Korisko, Omaha.

NEW HAMPSHIRE

John L. Dole, Campton.

NEW JERSEY

William Henry Runyon, Elizabeth.
Russell A. Brown, Morristown.
Patrick J. Dolan, Ogdensburg.
Raymond L. Sohl, Plainsboro.
Thomas J. Carey, Villas.

NEW MEXICO

Felix Gauthier, Jr., Animas.
Elizabeth C. Simion, Red River.

NEW YORK

Robert H. Schaffer, New York.

NORTH CAROLINA

Raymond Truett Warlick, Leonir.

NORTH DAKOTA

John B. Williams, Barney.
Delbert D. Metz, Flasher.
Michael Martin, Jr., Forbes.
Eugene M. Shea, Hazelton.
Lyle A. Opdahl, Litchville.
James Wallace Scott, Manning.
Ralph L. Colgrove, Mott.
Esther Ward, Palermo.
Joseph A. Scholand, Reynolds.
Franklin V. Frykman, Souris.
Herman C. Becker, Wahpeton.
Lawrence W. Grahn, Walhalla.

OHIO

John J. Wald, Canal Winchester.
James Ralph Murlin, Celina.
Boyd C. Broka, Luckey.
Douglas L. Fry, Monroeville.
Albert F. Randolph, Summerfield.
Richard D. Oberlin, West Unity.

OKLAHOMA

Jack S. King, Dustin.
Lester Woods, Guymon.
Jacob A. King, Paoli.
William E. Logan, Seminole.

OREGON

Hugh Neil, Carlton.
Charles C. Richmond, Inbler.

PENNSYLVANIA

John W. Dawley, Bethlehem.
Robert G. Shaw, Brownfield.
Walter C. Herbert, Gladwyne.
James J. Martin, Jr., Jenkintown.
Robert R. Edgcomb, Knoxville.
Julia M. Walter, Leeper.
James H. Armstrong, Morton.
Paul C. Rupp, Pitcairn.
David M. Buckwalter, Stevens.
David Prekup, Vestaburg.
Carl Alvin Swanson, Wilcox.
Albert G. Lauffer, Yukon.

SOUTH CAROLINA

Margaret T. Tysinger, McColl.
Rudolph B. Kirby, Olanta.
Claire A. Reid, Richburg.

SOUTH DAKOTA

David L. Townsend, Bruce.
Geneva E. Halls, Igloo.
Harold J. Engel, Wagner.

TENNESSEE

Raymond H. Adkins, Lake City.

VERMONT

William R. Ross, Fairlee.

WEST VIRGINIA

S. Miriam Netting, Bethany.
Eugene H. Akers, Hatcher.
Garnet K. Williamson, Ragland.
William E. Heskitt, Worthington.

WISCONSIN

Erhart L. Witte, Granton.
Joseph R. Egan, Highland.

WYOMING

Alven J. Reimer, Sundance.

HOUSE OF REPRESENTATIVES

SATURDAY, JULY 30, 1955

The House met at 10:30 o'clock a. m.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou God of all holiness and righteousness, Thou hast created and endowed us with moral sense and with capacities and powers to choose the right and to refuse the wrong.

Thou art always commanding us to cultivate these attributes and to keep them inviolate, but we penitently confess that we frequently fail and falter and are so very fickle in our faith and fortitude.

Grant that we may be honest and true with our nobler and better self which is continually calling and constraining us to seek first Thy kingdom of righteousness.

Help us to strive more earnestly to establish peace on earth and good will among all men.

Hear us in Christ's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 161. Concurrent resolution providing for the printing of the song, Pledge of Allegiance to the Flag, as a House document.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 46. An act to authorize the conveyance to the city of Anniston, Ala., of certain real property within Fort McClellan, Ala.

The message also announced that the Senate had passed bills, joint resolutions, and concurrent resolutions of the following titles, in which the concurrence of the House is requested:

S. 1395. An act to amend the joint resolution entitled "Joint resolution to establish a commission for the celebration of the 200th anniversary of the birth of Alexander Hamilton," approved August 20, 1954;

S. 1512. An act to amend section 107 of title 28 of the United States Code so as to eliminate separate divisions and reduce the number of places of holding regular terms of the United States District Court for the District of Nebraska;

S. 2312. An act for the relief of certain Korean war orphans;

S. 2446. An act to permit sale of Commodity Credit Corporation stocks of cotton that are in excess supply for unrestricted use at current market prices;

S. 2511. An act to amend the Agricultural Adjustment Act of 1938, as amended;

S. 2604. An act to increase the borrowing power of Commodity Credit Corporation;

S. 2624. An act to amend an act entitled "An act to provide for the sale of the Port Newark Army Base to the city of Newark, N. J., and for other purposes," approved June 20, 1936, as amended;

S. 2630. An act to facilitate the establishment of local self-government at the communities of Oak Ridge, Tenn., and Richland, Wash., and to provide for the disposal of federally owned properties of such communities;

S. J. Res. 91. Joint resolution to authorize the Secretary of Commerce to sell the steamship *La Guardia*;

S. J. Res. 92. Joint resolution to authorize the Secretary of Commerce to sell the steamship *Monterey*;

S. Con. Res. 49. Concurrent resolution to print certain matters in connection with the acceptance by Congress of the statue of the late Chief Justice Edward Douglass White, of Louisiana; and

S. Con. Res. 51. Concurrent resolution to print for the use of the Committee on Banking and Currency additional copies of hearings entitled "Stock Market Study."

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 6373. An act to amend the Domestic Minerals Program Extension Act of 1953 in order to extend the programs to encourage the discovery, development, and production of certain domestic minerals.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MURRAY, Mr. SCOTT, and Mr. MALONE to be the conferees on the part of the Senate.

The message also anncunced that the Senate insists upon its amendments to the bill (H. R. 100) entitled "An act to permit the mining development, and utilization of the mineral resources of all public lands withdrawn or reserved for power development, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ANDERSON, Mr. O'MAHONEY, Mr. SCOTT, Mr. KUCHEL, and Mr. GOLDWATER to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 2126) entitled "An act to extend and clarify laws relating to the provision and improvement of housing, the elimination and prevention of slums, the conservation and development of urban communities, the financing of vitally needed public works, and for other purposes"; requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. SPARKMAN, Mr. FULBRIGHT, Mr. DOUGLAS, Mr. LEHMAN, Mr. CAPEHART, Mr. BRICKER, and Mr. IVES to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5078) entitled "An act for the relief of the estate of Victor Helfenbein."

The message also announced that the Senate agrees to the reports of the committees of conference on the disagreeing votes of the two Houses on the amendments of the House to bills of the Senate of the following titles:

S. 34. An act to authorize the leasing of restricted Indian lands for public, religious, educational, recreational, residential, business, and other purposes requiring the grant of long-term leases;

S. 1093. An act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia, and for other purposes, and

S. 2168. An act to amend the Fair Labor Standards Act of 1938 in order to increase the national minimum wage, and for other purposes.

SUPPLEMENTAL APPROPRIATIONS, 1956

Mr. CANNON. Mr. Speaker, I call up the conference report on the bill (H. R. 7278) making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1586)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7278) "making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 13, 46, 57, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 87, 96, 99, 101, 110, 111, 112, 118, 119, 121, and 136.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 4, 5, 6, 7, 8, 9, 10, 11, 15, 17, 18, 26, 32, 36, 42, 44, 47, 51, 55, 60, 77, 90, 94, 97, 102, 106, 108, 113, 114, 120, 124, 125, 126, 129, 132, 133, 134, 135, 137, 139, 140, and 141 and agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

"For an additional amount for 'Loan authorizations', for loans under title II of the Bankhead-Jones Farm Tenant Act, as amended, $15,000,000: *Provided*, That not to exceed the foregoing amount shall be borrowed in one account from the Secretary of the Treasury in accordance with the provisions set forth under this head in the Department of Agriculture Appropriation Act, 1952."

And the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$350,000"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment insert:

"Office of the General Counsel

"For an additional amount for 'Office of the General Counsel', $40,000."

And the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree

to the same with an amendment as follows: In lieu of the sum named in said amendment insert "$600,000"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$37,730,000"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

"Central Intelligence Agency

"Construction

"For the preparation of detail plans and specifications of a Central Intelligence Agency headquarters installation and for other purposes as authorized by title IV of the Act of July 15, 1955 (Public Law 161), to remain available until expended $5,500,000."

And the Senate agree to the same.

Amendment numbered 45: That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$50,000"; and the Senate agree to the same.

Amendment numbered 52: That the House recede from its disagreement to the amendment of the Senate numbered 52, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$825,000"; and the Senate agree to the same.

Amendment numbered 53: That the House recede from its disagreement to the amendment of the Senate numbered 53, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$10,000,000"; and the Senate agree to the same.

Amendment numbered 54: That the House recede from its disagreement to the amendment of the Senate numbered 54, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$1,500,000"; and the Senate agree to the same.

Amendment numbered 63: That the House recede from its disagreement to the amendment of the Senate numbered 63, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$122,500"; and the Senate agree to the same.

Amendment numbered 79: That the House recede from its disagreement to the amendment of the Senate numbered 79, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,200,000"; and the Senate agree to the same.

Amendment numbered 81: That the House recede from its disagreement to the amendment of the Senate numbered 81, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$750,000"; and the Senate agree to the same.

Amendment numbered 91: That the House recede from its disagreement to the amendment of the Senate numbered 91, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$250,000"; and the Senate agree to the same.

Amendment numbered 100: That the House recede from its disagreement to the amendment of the Senate numbered 100, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$220,000"; and the Senate agree to the same.

Amendment numbered 103: That the House recede from its disagreement to the amendment of the Senate numbered 103, and agree to the same with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

"Mental Health Activities

"For an additional amount for 'Mental health activities', $250,000.

And the Senate agree to the same.

Amendment numbered 105: That the House recede from its disagreement to the amendment of the Senate numbered 105, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$600,000"; and the Senate agree to the same.

Amendment numbered 107: That the House recede from its disagreement to the amendment of the Senate numbered 107, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$256,327,000"; and the Senate agree to the same.

Amendment numbered 115: That the House recede from its disagreement to the amendment of the Senate numbered 115, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,970,000"; and the Senate agree to the same.

Amendment numbered 122: That the House recede from its disagreement to the amendment of the Senate numbered 122, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$336,630"; and the Senate agree to the same.

Amendment numbered 138: That the House recede from its disagreement to the amendment of the Senate numbered 138, and agree to the same with an amendment, as follows: In lieu of the matter proposed by said amendment insert "Senate Document Numbered 75 and"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 2, 3, 19, 20, 22, 23, 25, 27, 28, 29, 31, 33, 34, 35, 37, 38, 39, 40, 41, 43, 48, 49, 50, 56, 58, 59, 61, 62, 64, 75, 76, 78, 80, 82, 83, 84, 85, 86, 88, 89, 92, 93, 95, 98, 104, 109, 116, 117, 123, 127, 128, 130, 131, 142, and 143.

CLARENCE CANNON,
JOHN TABER,

As to chapter I:
JAMIE L. WHITTEN,
FRED MARSHALL,
H. CARL ANDERSEN,

As to chapter II:
PRINCE H. PRESTON, Jr.,
ALBERT THOMAS,
FRANK T. BOW,

As to chapter III:
GEORGE MAHON,
HARRY R. SHEPPARD,
ROBERT L. F. SIKES,
R. B. WIGGLESWORTH,
ERRETT P. SCRIVNER,
GERALD R. FORD, Jr.,

As to chapter IV:
OTTO E. PASSMAN,
J. VAUGHAN GARY,
R. B. WIGGLESWORTH,

As to chapter V:
GEORGE ANDREWS,
GEORGE MAHON,
IVOR D. FENTON,

As to chapter VI:
ALBERT THOMAS,
SIDNEY R. YATES,
JOHN PHILLIPS,

As to chapter VII:
MICHAEL J. KIRWAN,
W. F. NORRELL,
BEN F. JENSEN,

As to chapter VIII:
JOHN E. FOGARTY,
A. M. FERNANDEZ,
T. MILLET HAND,

As to chapter IX:
LOUIS C. RABAUT,
MICHAEL J. KIRWAN,

As to chapter X:
JOHN J. ROONEY,
PRINCE H. PRESTON, Jr.,
F. R. COUDERT, Jr.,

As to chapter XI:
J. VAUGHAN GARY,
OTTO E. PASSMAN,
GORDON CANFIELD,

As to chapters XII, XIII, XIV, and XV:
LOUIS C. RABAUT,
W. F. NORRELL,
WALT HORAN,

Managers on the Part of the House.

CARL HAYDEN,
RICHARD B. RUSSELL,
DENNIS CHAVEZ,
ALLEN J. ELLENDER,
LISTER HILL (except as to amendment number 104),
JOHN STENNIS,
STYLES BRIDGES,
LEVERETT SALTONSTALL,
WM. F. KNOWLAND,
MILTON R. YOUNG,
EDWARD J. THYE,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7278) making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

CHAPTER I

Department of Agriculture

Amendment No. 1: Inserts heading.

Amendment Nos. 2 and 3: Reported in disagreement.

Amendment Nos. 4 through 8: Strike out House language as proposed by the Senate.

Amendment No. 9: Appropriates $33,000 for the Commodity Exchange Authority as proposed by the Senate.

Amendment Nos. 10 and 11: Insert headings.

Amendment No. 12: Authorizes $15,000,000 for loans under title II of the Bankhead-Jones Farm Tenant Act as proposed by the Senate, with perfecting amendment.

Amendment No. 13: Eliminates $25,000,000 proposed by the Senate for farm housing loans.

Amendment No. 14: Appropriates $350,000 for salaries and expenses, Farmers Home Administration instead of $1,300,000 as proposed by the Senate.

Amendment No. 15: Strikes out House language as proposed by the Senate.

Amendment No. 16: Appropriates $40,000 for the Office of the General Counsel instead of $65,000 as proposed by the Senate, and eliminates House language appropriating $36,000 to this office for the rural development program.

Amendment Nos. 17 and 18: Strike out House language as proposed by the Senate.

Amendment Nos. 19 and 20: Reported in disagreement.

CHAPTER II

Department of Commerce

Amendment No. 21: Appropriates $600,000 for operation and regulation, Civil Aeronautics Administration instead of $1,200,000 as proposed by the Senate.

Amendment Nos. 22 and 23: Reported in disagreement.

Amendment No. 24: Appropriates $37,730,000 for the Inter-American Highway instead of $49,730,000 as proposed by the Senate.

Amendment No. 25: Reported in disagreement. The motion which will be offered by the managers will recommend an additional

$500,000 to be used entirely for hurricane and tornado research.

Amendment No. 26: Inserts heading.

Amendment Nos. 27 through 29: Reported in disagreement.

CHAPTER III

Central Intelligence Agency

Amendment No. 30: Appropriates $5,500,000 for the Central Intelligence Agency headquarters installation instead of $7,000,000 as proposed by the Senate. The managers, by the action taken, are not designating any particular site nor do they preclude the selection of any particular site. Of the amount appropriated not to exceed $350,000 may be used for the purchase of a site in the event the Langley, Virginia, site is not selected; and in the event the Langley, Virginia, site (which is now Government owned) is selected not to exceed $2,500,000 of the amount appropriated may be used in connection with the taking of steps with regard to roads and other facilities.

Department of the Army—Military Construction

Amendment No. 31: Reported in disagreement for technical reasons. The motion which will be offered by the managers will recommend the sum of $485,077,000 which represents modification of the amount in the Senate bill by deletion of the item of $1,350,000 for family housing at the Black Hills Ordnance Depot, South Dakota. The increase of $200,000 proposed by the Senate for Fort Leavenworth, Kansas., and the increase of $1,265,000 proposed by the Senate for Fort Huachuca, Arizona, are included in the total appropriation agreed upon.

Department of the Navy—Military Construction

Amendment No. 32: Inserts heading.

Amendment No. 33: Reported in disagreement for technical reasons. The motion which will be offered by the managers will recommend the sum of $442,628,300, which represents modification of the amount in the Senate bill in the following respects: (1) Omission of the $2,000,000 for plans for a new drydock at the Puget Sound shipyard; (2) Restoration of the $350,000 for plans for a new Armed Services Medical Library; and (3) Restoration of $1,000,000 (allowing a total of $3,000,000) for family housing at the Marine Corps base, Quantico, Virginia. In connection with acceptance of the Senate addition of $3,800,000 for a new manufacturing building at the Naval Ordnance Plant, Macon, Georgia, the managers on the part of the Senate and the House are in agreement that this construction project shall not be undertaken unless and until the Secretary of Defense certifies in writing to the Committees on Appropriations of the House and the Senate that such project is essential to the national defense and in the best interests of the Government.

Amendment No. 34: Reported in disagreement.

Department of the Air Force—Military construction

Amendment No. 35: Reported in technical disagreement. The motion which will be offered by the managers will recommend an appropriation of $994,291,000, of which $255,000,000 shall be derived by transfer from the appropriation "Procurement and production, Army". This represents modifications of the amount in the Senate bill in the following respects: (1) omits $5,822,000 for Grand Forks Air Force Base; (2) omits $1,881,000 for Traverse City Area Air Force Base; (3) omits $155,000 additional proposed by the Senate for a second swimming pool at Lake Charles Air Force Base; (4) omits $2,667,000 additional proposed by the Senate for a hospital at Lincoln Air Force Base, and deletes language relating to this base; (5) omits $218,000 additional proposed by the Senate for a second swimming pool at Travis Air Force Base; (6) omits $129,000 additional proposed by the Senate for a second swimming pool at England Air Force Base; (7) provides $20,000,000 for the Air Academy instead of $79,527,000 as recommended by the Senate; (8) reduces the amount for classified overseas bases by $16,556,000, and (9) deletes $70,000 to correct an error in previous estimates.

The managers are agreed that the Air Force should proceed with land acquisition and construction of the Grand Forks Air Force Base with presently available funds in the amount of $6,280,000. In the event additional funds (within limit of the total authorized for this base) are required for obligation during fiscal year 1956 they may be obtained from other available funds through the regular reprograming procedures.

In providing $20,000,000 for the Air Academy the managers are of the opinion that essential preliminary construction can proceed pending further finalization of the design and plans. Request for additional funds based upon more complete design work can be presented to the Congress in the next session.

Funds were left in the bill for a second swimming pool at Hunter Air Force Base, because the existing pool at this base was constructed from nonappropriated funds.

Amendment No. 36: Inserts center heading.

Amendments Nos. 37 through 41: Reported in technical disagreement. The managers on the part of the House will move to recede and concur.

CHAPTER IV

Department of Defense—Civil functions

Amendment No. 42: Inserts heading.

Amendment No. 43: Reported in disagreement.

CHAPTER V

General Government matters

Amendment No. 44: Inserts chapter number.

Amendment No. 45: Appropriates $50,000 for Office of Defense Mobilization instead of $100,000 as proposed by the Senate.

Amendment No. 46: Deletes Senate proposal to appropriate $25,000 for District of Columbia Auditorium Commission.

Amendment No. 47: Inserts heading.

Amendment No. 48: Reported in disagreement.

Amendment No. 49: Reported in disagreement.

Amendment No. 50: Reported in disagreement.

CHAPTER VI

Independent offices

Amendment No. 51: Changes chapter number.

Amendment No. 52: Appropriates $825,000 for the Federal Civil Defense Administration for "Operations" instead of $650,000 as proposed by the House and $1,000,000 as proposed by the Senate.

Amendment No. 53: Appropriates $10,000,000 for "Surveys, Plans, and Research" of the Federal Civil Defense Administration instead of $8,000,000 as proposed by the House and $12,000,000 as proposed by the Senate.

Amendment No. 54: Appropriates $1,500,000 for "Salaries and expenses, Civil Defense Functions of Federal Agencies" instead of $3,050,000 as proposed by the Senate.

Amendment No. 55: Inserts heading.

Amendment No. 56: Reported in disagreement.

Amendment No. 57: Deletes item of $300,000 for "Acquisition of Land, District of Columbia" proposed by the Senate.

Amendment No. 58: Reported in disagreement.

Amendment No. 59: Reported in disagreement.

Amendment No. 60: Inserts heading.

Amendment No. 61: Reported in disagreement.

Amendment No. 62: Reported in disagreement.

Amendment No. 63: Appropriates $122,500 for "Operating Expenses, National Archives and Records Service" instead of $145,000 as proposed by the Senate.

Amendment No. 64: Reported in disagreement.

Amendment Nos. 65 through 74: Strike out amendments proposed by the Senate. The managers on the part of the House and Senate do not believe the additional appropriations and increased authorizations included in said amendments for the Housing and Home Finance Agency and its constituent agencies are necessary at this time. However, should housing amendments for certain new and expanded programs be enacted in the present session of the Congress, or should the need for additional funds become acute because of unanticipated increases in programs, the Director of the Bureau of the Budget may accelerate apportionments of funds presently available by minimum amounts pending the submission of supplemental estimates to the next session of the Congress.

Amendment Nos. 75 and 76: Reported in disagreement.

CHAPTER VII

Department of the Interior

Amendment No. 77: Changes chapter number.

Amendment No. 78: Reported in disagreement.

Amendment No. 79: Appropriates $1,200,000 for Bureau of Mines, Conservation and Development of Mineral Resources, instead of $625,000 as proposed by the House and $1,450,000 as proposed by the Senate. Of the amount provided $1,000,000 is for continuation of research in mining methods at the Rifle, Colorado, oil shale plant and for putting the retorting, refining, and all other research facilities into standby condition.

Amendment No. 80: Reported in disagreement.

Amendment No. 81: Appropriates $750,000 for Fish and Wildlife Service, Construction, instead of $325,000 as proposed by the House and $786,000 as proposed by the Senate. Of this amount provided $6,000 is for the construction of an auxiliary spillway on the James River at the Dakota Lake National Wildlife Refuge in North Dakota.

Amendment No. 82: Reported in disagreement.

Department of Agriculture

Amendment No. 83: Reported in disagreement.

Alexander Hamilton Bicentennial Commission

Amendment No. 84: Reported in disagreement.

Boston National Historic Sites Commission

Amendment No. 85: Reported in disagreement.

John Marshall Bicentennial Celebration Commission

Amendment No. 86: Reported in disagreement.

National Capital Planning Commission

Amendment No. 87: Strikes language inserted by the Senate.

Smithsonian Institution

Amendment No. 88: Reported in disagreement.

Soo Locks Centennial Celebration Commission

Amendment No. 89: Reported in disagreement.

CHAPTER VIII

Department of Labor

Amendment No. 90: Changes chapter number.

Amendment No. 91: Appropriates $250,000 for "Salaries and expenses, Office of the Solicitor" instead of $110,000 as proposed by the House and $303,800 as proposed by the Senate.

Amendment No. 92: Reported in disagreement.

Amendment No. 93: Reported in disagreement.

Department of Health, Education, and Welfare

Amendment No. 94: Inserts heading.

Amendment No. 95: Reported in disagreement.

Amendment No. 96: Strikes appropriation of $8,700 for "Salaries and expenses, Gallaudet College" proposed by the Senate.

Amendment No. 97: Inserts heading.

Amendment No. 98: Reported in disagreement.

Amendment No. 99: Strikes appropriation of $220,000 for "salaries and expenses, Howard University" proposed by the Senate.

Amendment No. 100: Appropriates $220,000 for "Salaries and expenses, White House Conference on Education" instead of $50,000 as proposed by the House and $238,000 as proposed by the Senate, however, the managers on the part of the House reiterate the thought set forth in House Report No. 1116, that the legislation which authorized the White House Conference on Education does not authorize the use of Federal funds for the travel expenses of delegates to the Conference, and will expect that the Department secure an opinion on this matter from the Comptroller General before obligating any funds for such purpose. If his opinion is that the use of funds for such purpose is not so authorized, it will be expected that the Director of the Bureau of the Budget will impound $170,000 of the appropriation for this item.

Amendment No. 101: Strikes appropriations for 19 Public Health Service items totaling $1,375,000 proposed by the Senate.

Amendment No. 102: Appropriates $1,190,000 for "Sanitary engineering activities" as proposed by the Senate.

Amendment No. 103: Appropriates $250,000 for "Mental health activities" for the purpose of carrying out the purposes of Public Law 182, approved July 28, 1955, as proposed by the Senate.

Amendment No. 104: Reported in disagreement for technical reasons. A motion will be made to recede from disagreement to the Senate amendment that proposed an appropriation of $60,000,000 for "Grants to States for poliomyelitis vaccination" and concur therein with an amendment to substitute the sum of $30,000,000. The managers are agreed that, if legislation is enacted which will require more than $30,000,000 in fiscal year 1956, the Director of the Bureau of the Budget should apportion these funds on a deficiency basis.

Amendment No. 105: Appropriates $600,000 for "Construction of housing facilities for animals" instead of $400,000 as proposed by the House and $685,280 as proposed by the Senate. The language of this paragraph is sufficiently broad to permit the Public Health Service to handle the construction direct or to arrange for contracts through the General Services Administration. The managers will expect the method to be employed which will assure the earliest completion of the building.

CHAPTER IX

Public works

Atomic Energy Commission

Amendment No. 106: Changes chapter number.

Amendment No. 107: Appropriates $256,327,000 for Plant and Equipment instead of $163,577,000 as proposed by the House and $270,800,000 as proposed by the Senate. None of the amount appropriated is to be used for construction of the new Reactor Training School, Argonne National Laboratory, as proposed in the Budget.

Amendment No. 108: Deletes House language.

Amendment No. 109: Reported in disagreement.

Department of the Interior

Amendments Nos. 110 through 112: Strike headings and language inserted by the Senate.

The use of $240,000 of available funds for completion of the Yellowtail-Lovell transmission line is approved.

Department of Defense—Civil Functions, Department of the Army

Amendment No. 113: Appropriates $5,551,014 for Rivers and Harbors and Flood Control Construction, General, as proposed by the Senate.

CHAPTER X

Department of State

Amendment No. 114: Changes chapter number.

Amendment No. 115: Appropriates $1,970,000 for "Salaries and expenses" instead of $1,820,000 as proposed by the House and $2,120,000 as proposed by the Senate.

Amendment No. 116: Reported in disagreement.

Amendment No. 117: Reported in disagreement.

Amendment No. 118: Deletes language proposed by the Senate.

Amendment No. 119: Deletes language proposed by the Senate.

Amendment No. 120: Appropriates $75,000 for "Salaries and expenses, International Boundary and Water Commission, United States and Mexico," as proposed by the Senate.

Department of Justice

Amendment No. 121: Deletes proposal of Senate to appropriate $500,000 for "Buildings and Facilities."

United States Information Agency

Amendment No. 122: Appropriates $336,630 for "Salaries and expenses" instead of $243,260 as proposed by the House and $430,000 as proposed by the Senate.

Funds appropriated to the President

Amendment No. 123: Reported in disagreement.

CHAPTER XI

Treasury—Post Office

Amendment No. 124: Changes chapter number.

Amendment No. 125: Appropriates $7,000,000 for Operating Expenses, Coast Guard, as proposed by the Senate instead of $5,000,000 as proposed by the House.

Amendment No. 126: Inserts heading.

Amendment No. 127: Reported in disagreement.

Amendment No. 128: Reported in disagreement.

CHAPTER XII

District of Columbia

Amendment No. 129: Changes chapter number.

Amendment No. 130: Reported in disagreement.

Amendment No. 131: Reported in disagreement.

CHAPTER XIII

Legislative branch

Amendment No. 132: Inserts chapter number.

Amendments Nos. 133 and 134: Insert headings.

Amendment No. 135: Appropriates $185,835 for Contingent Expenses of the Senate, as proposed by the Senate.

Amendment No. 136: Strikes out language proposed by the Senate amending Section 1311, Public Law 663, Eighty-third Congress.

CHAPTER XIV

Claims for damages, audited claims, and judgments

Amendment No. 137: Changes chapter number.

Amendments Nos. 138 and 139: Appropriate $8,117,523 as proposed by the Senate instead of $5,343,868 as proposed by the House; and insert reference to Senate Document.

CHAPTER XV

General provisions

Amendment No. 140: Inserts chapter number.

Amendment No. 141: Inserts heading.

Amendment No. 142: Reported in disagreement.

Amendment No. 143: Reported in disagreement.

CLARENCE CANNON,
JOHN TABER,
As to chapter I:
JAMIE L. WHITTEN,
FRED MARSHALL,
H. CARL ANDERSEN,
As to chapter II:
PRINCE H. PRESTON, Jr.,
ALBERT THOMAS,
FRANK T. BOW,
As to chapter III:
GEORGE MAHON,
HARRY R. SHEPPARD,
ROBERT L. F. SIKES,
R. B. WIGGLESWORTH,
ERRETT P. SCRIVNER,
GERALD R. FORD, Jr.,
As to chapter IV:
OTTO E. PASSMAN,
J. VAUGHAN GARY,
R. B. WIGGLESWORTH,
As to chapter V:
GEORGE ANDREWS,
GEORGE MAHON,
IVOR D. FENTON,
As to chapter VI:
ALBERT THOMAS,
SIDNEY R. YATES,
JOHN PHILLIPS,
As to chapter VII:
MICHAEL J. KIRWAN,
W. F. NORRELL,
BEN F. JENSEN,
As to chapter VIII:
JOHN E. FOGARTY,
A. M. FERNANDEZ,
T. MILLET HAND,
As to chapter IX:
LOUIS C. RABAUT,
MICHAEL J. KIRWAN,
As to chapter X:
JOHN J. ROONEY,
PRINCE H. PRESTON, Jr.,
F. R. COUDERT, Jr.,
As to chapter XI:
J. VAUGHAN GARY,
OTTO E. PASSMAN,
GORDON CANFIELD,
As to chapters XII, XIII, XIV, and XV:
LOUIS C. RABAUT,
W. F. NORRELL,
WALT HORAN,
Managers on the Part of the House.

Mr. CANNON. Mr. Speaker, I ask unanimous consent to speak out of order, to revise and extend my remarks, and include certain quotations.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. CANNON. Mr. Speaker, it is always a matter of regret when it becomes necessary to answer unwarranted statements made by a colleague and especially those of a personal nature.

The gentleman from Iowa [Mr. JENSEN], during hearings relating to purchase and sale of electric power by REA

cooperatives, asked to be heard. Tentative dates were set for his convenience but he did not appear. Finally he sent in a written statement which precluded personal interrogation or reply. As the statement criticized me by name I submitted an answer showing the fallacy of Mr. JENSEN's criticism. The committee printed both Mr. JENSEN's statement and my reply in the published hearings.

Later, the private utilities, known in Missouri as the Power Trust, which had twice brought suit in the Federal courts against the farm REA cooperatives and against which the courts had both times handed down decisions in favor of the farmers, had Mr. JENSEN's statement printed as a private pamphlet and widely distributed through the mails and otherwise at their expense.

On June 15, 1955, during debate in the House, Mr. JENSEN held one of these trust-printed pamphlets aloft and shouted:

> I would like to have someone stand in his place and deny a single thing in that statement.

I immediately rose and asked:

> Will the gentleman also include the reply made to it? All that I ask is that the gentleman put in immediately following his statement the reply to that statement.

Mr. JENSEN refused to put in the reply and gave me no opportunity to answer. And when I got the floor and asked to have the reply included in the RECORD, Mr. HOFFMAN of Michigan, standing beside him, objected, and it was impossible for me to answer the charges against me in the pamphlet.

Not only was I denied an opportunity to reply but when the transcript of the colloquy was delivered to Mr. JENSEN that afternoon he did not submit it to me and the Government Printing Office messenger did not submit it to me. Although I have served here on the floor for many years that is the only time I was not allowed an opportunity to check my remarks in any colloquy made on the floor in debate.

I was personally attacked and not allowed to reply and was denied an opportunity even to read the transcript before it went to the printer.

The Committee on Appropriations had several bills coming before the House and I dismissed the matter from mind. Everybody knew BEN JENSEN.

But for the third time, on July 26, 1955, he appeared before a subcommittee of the Committee on Government Operations, and without notice to me, and in my absence, again put the trust-printed and trust-distributed statement, criticizing me, in the record of the hearings.

There is a point, Mr. Speaker, at which tolerance ceases to be a virtue, and I am today taking the time to lay before the House and the country the statement which the enemies of REA who brought suit to wreck the farmer REA cooperatives paid to have printed and paid to have distributed. Both the Power Trust and Mr. JENSEN approved its distribution through the mails but Mr. JENSEN has refused my request to have it printed in the RECORD.

Here it is:

STATEMENT OF CONGRESSMAN BEN F. JENSEN

I have spent considerable time going over part 2 of the printed hearings on the central section of the public works appropriations for fiscal 1956. The first half of this record, pages 1 to 56, which was made the evening of May 5, 1955, is filled with misleading and questionable statements and testimony. I cannot stand idly by and permit real facts and issues to be hidden, and I want to register an emphatic protest against the members of the House and Senate committees being called gullible. It was entirely uncalled for and ill becoming of Mr. CANNON, the chairman of the full Appropriations Committee of the House, to make such erroneous and insulting remarks about any Member of Congress, let alone members of his own committee. All the misleading statements and testimony point to an attemped buildup to justify an appropriation to activate a series of contracts that were designed to further the empire building of power-hungry bureaucrats; contracts that should never have seen the light of day.

Let's look at the record, to see how these contracts were developed and just what they were supposed to do. First of all, we have to go back to 1946 when Douglas Wright, Southwestern Power Administrator, presented to Congress his grandiose scheme to create a gigantic Federal power empire with nearly 15,000 miles of transmission lines, and 770,000 kilowatts in steam plants, at an estimated cost, as of November 1945, of $200 million. At today's costs this would be nearer $300 million. Think of it, 15,000 miles of transmission lines, enough to go more than three-fifths around the world and enough steam plants to generate nearly 4 times the potential energy of all the multipurpose projects whose output SPA is now marketing? Wright even went so far as to tell the committee that he should have the whole program or none. Congress refused to go along with this fantastic proposal. The House committee at that time said in its report, "The committee does not favor the initiation of a power-development program in this area the cost of which would approximate such an enormous sum."

There can be no doubt that SPA under Douglas Wright has had through the years a burning and insatiable obsession to obtain, without regard to method, the consummation of this "comprehensive plan of power distribution" whereby he would build a gigantic power empire.

This is evident when, after the turndown by the Congress of the plan for widespread transmission-line construction and steam-plant installations, the scheme was developed by having the G. and T.'s act as cat's-paws to obtain by the back door what Congress had denied through the front door. These fantastic "lease-option" takeover contracts were dreamed up by SPA and Interior. It is apparent that the REA cooperatives were sold a bill of goods in some instances and in others were coerced into signing the contracts. Had the REA's taken the time to fully analyze the fine print in the contracts or to read between the lines they would have realized that they were being used as cat's paws and would get burned in the process.

As has been testified to by REA cooperatives officials the REA Act provides that REA funds could not be used to construct lines to serve towns of over 1,500 population, nor to serve any person that is receiving central-station service. Now would it be morally and legally proper for SPA to take over these lines constructed by REA funds, which under the law cannot be used by the REA cooperatives to serve towns of over 1,500 population or persons now receiving central-station service, and for SPA then to serve such restricted loads? I do not think the REA cooperatives are today hankering to be a party to that kind of a deal and never were. It was a reprehensible action by SPA to try to get by subterfuge that which is contrary to law, and which has resulted in a great detriment to the cooperatives and the farmers.

There can be no question but that SPA put this "takeover option" in the generating and transmission co-ops' contracts for the purpose of making possible the acquisition by SPA of that proposed great network of major transmission lines to be constructed by the G. and T. cooperatives. This was but another step toward the goal of building an electric empire.

The SPA surely knew that the proposed rates would not provide for full repayment of that portion of the investment cost of the multipurpose projects, properly allocable to power, and for operation, maintenance, administration, and other costs of the overall power and transmission system. The law, quite properly, provides for the necessary revision of rates to assure payment of these costs, so SPA, after the G. and T. lines were built, would be free to raise the rates to whatever was necessary. All protestations of Mr. Wright to the contrary notwithstanding, it now appears quite likely that power rates for SPA power will have to be raised a substantial amount, rates which may well be as high as 8 mills per kilowatt-hour of power delivered to the G. and T. cooperatives. The ultimate cost to the G. and T.'s member cooperatives will be dependent on the additional G. and T. cost of delivering the power to such member cooperatives. Rates of 10 to 13 mills per kilowatt-hour may occur. (Later I will discuss the project costs, cost allocation, and lack of proper basis for the original SPA rate and proposed method of power disposal.)

Managers of several of these G. and T. cooperatives sat in my office some time after the committee in fiscal year 1954 had refused to approve funds for implementing these "lease-option" contracts, and let me say here and now, they were far from unhappy. They said they knew they would now be in a hole, so to speak, for a while but at least they would be able to keep control of the facilities which they had borrowed REA funds to construct. They had not wanted to sign away their property. It was also admitted that there was a question as to whether they had the legal authority to enter into contracts signing away the G. and T. property without formal and legal approval of the member cooperatives.

Now let's read between the lines of the "lease-option" contract and see just what can and would happen to the REA cooperatives in regard to costs. As is now evident, the 5.6 mill rate which SPA had promised could be given to the member cooperatives is as fleeting as the morning mist when the sunlight of truth shines upon it. Of course, SPA had very generously written into the contracts that the cooperatives could make other arrangements for a power supply if they did not want to pay any increase in rates resulting from a periodic review. That was so nice of SPA. But remember the G. and T.'s had been nailed to the mast by the insidious part of the contracts which provided that SPA could take over and own the cooperatives' transmission lines at any time by paying off the balance of the REA debt or by paying $10 to the REA's at the end of 40 years when such debt had been paid up. It can readily be seen that the REA cooperatives would be at the mercy of the SPA—it would be a question of take it or leave it. While all the questionable aspects of the contract were contributory, this "option" proviso was one very good reason for the language put in the committee report in fiscal year 1954, denying use of funds to implement the lease-option takeover contracts.

The then REA Administrator certainly had read the REA act and knew the limitation on

the use of REA loan funds with respect to not being available to construct transmission facilities to serve towns of over 1,500 population or to serve persons receiving central-station service. Surely he was aware that SPA intended to use the REA lines they proposed to lease for these prohibited uses.

It seems to me that he and his Deputy Administrator, who signed some of these contracts were very derelict in their duty and have been guilty of approving questionable loans for the REA cooperatives to construct facilities way beyond their needs and present ability to use or to pay without great difficulty.

The REA Administrator and his deputy could hardly have failed to realize that the G. and T.'s would be saddled with an excessive burden if Congress refused to provide the funds required by SPA to pay the lease and operating and amortization expense on the G. and T. lines.

Now one would think, having gotten the cooperatives and the farmers into this untenable position, that the parties primarily responsible would use some effort to get them out, but no, we find several of these key figures in the forefront in trying to reinstate the old contracts and to counsel against any other proposal to get the G. and T.'s out of the predicament. Surely the G. and T. representative now knows full well that Mr. Wright has not been trying to find an alternate solution, apparently hoping his original scheme can be reinstated. Former Federal employees are now working on these matters, evading the moral if not the legal restrictions on handling matters they previously handled or obtained knowledge of while in Federal employment. Of course, that is something for their own conscience and possibly the courts to decide.

Let me make it clear here and now that I am a friend of the REA as is every Member of Congress and I know full well the needs of the farmers for adequate electric service at reasonable rates, because I was brought up on a farm. But let us look at this canned dialogue between Mr. Wright and Mr. Cannon reiterated over and over in the May 5 hearing referred to above. Were or are the distribution cooperatives in the SPA area so bad off in comparison to many other areas of the United States as Mr. Wright and Mr. Cannon would have us believe?

Let's take Missouri, for instance, and the four REA cooperatives purchasing power from the Union Electric Co. Incidentally, the Union Electric Co., far from having a monopoly on the service of electric power throughout the State of Missouri, as Mr. Cannon so emphatically proclaimed or inferred, only serves 4 percent of the area of the State and its 2 subsidiary companies an additional 20 percent or a total of 24 percent of the area of the State. I would hardly call this a statewide monopoly when 10 other private utilities operate in the balance of the State.

The REA published record for fiscal year 1953 shows that Union Electric Co. in that year sold 165 million kilowatt-hours to 4 REA's in Missouri; 13,500,000 kilowatt-hours at 9.4 mills, 67 million kilowatt-hours at 8.7 mills, 73,400,000 kilowatt-hours at 8.2 mills, and 11,100,000 kilowatt-hours at 9.7 mills.

An analysis of the loads served by these four cooperatives and the relative price per kilowatt-hour paid in 1953 by the farm and nonfarm residential customers of these and other cooperatives is very revealing and is discussed below.

The first cooperative, in addition to buying from the Union Electric Co., also purchased electric energy from the Arkansas-Missouri Power Co. (5,860,000 kilowatt-hours) and the M. & A. Electric Power Cooperative (3,865,000 kilowatt-hours) at 11.8 mills per kilowatt-hour. Of the total power purchased, 8,150,000 kilowatt-hours was sold to farm and nonfarm residential users at an average rate of 486. mills per kilowatt-hour, while 14 million kilowatt-hours was sold to commercial and industrial customers at an average rate of 15.7 mills per kilowatt-hour. In effect, all the power purchased from the Union Electric Co. was delivered to commercial and industrial customers instead of to the farmers.

The second cooperative sold a little less than 10 million kilowatt-hours for farm and nonfarm residential use at 40.3 mills, 5,700,000 kilowatt-hours to commercial and industrial customers at 26.1 mills, 28 million kilowatt-hours for service to Fort Leonard Wood at 10.6 mills, and 16,700,000 kilowatt-hours to other REA's for resale at about 9.6 mills.

The third REA purchasing power from Union Electric resold 17,150,000 kilowatt-hours for farm and nonfarm residential service at an average rate of 32.0 mills per kilowatt-hour.

The fourth REA, in addition to the purchase from Union Electric, purchased 51 million kilowatt-hours from the Southwestern Administration at 5.3 mills and generated 6,300,000 kilowatt-hours in its own plants. Of the total supply of 133 million kilowatt-hours, 9,500,000 kilowatt-hours was sold for farm and nonfarm residential service at a rate of 32.4 mills per kilowatt-hour, 10,700,000 to commercial and industrial users at 26.6 mills per kilowatt-hour, 86,700,000 kilowatt hours to other REA's at 10.1 mills, and 24 million kilowatt-hours to other utility systems at 14.4 mills.

As to whether the cooperatives in Missouri are paying excessive prices to the private utilities, comparison can be made to the rates charged the REA's in the State of Nebraska, where there can be little question that a statewide public power monopoly exists that pays no Federal taxes. Yet we hear no cries of anguish from our distinguished chairman over this monopoly. The Nebraska Public Power system sales to REA's in fiscal year 1953 total about 300 million kilowatt-hours at rates varying from a low of 8.6 mills to a high of 9.2 mills in Nebraska proper and 12.6 for 1 sale made to a South Dakota cooperative. Union electric rates to REA's also can be compared with the rates charged by the Dairyland Power Cooperative, an extensive generating and transmission cooperative, operating in Wisconsin and other adjacent States. This G. and T. cooperative generated and sold 369 million kilowatt-hours to member or other cooperatives at an average rate of 13.5 mills per kilowatt-hour.

It can easily be seen by the above figures or by an examination of the REA statistical reports that the Missouri distribution cooperatives and their farmer customers are not as bad off as some folks would have you believe. In fact, they compare favorably with numerous other sections of the country and are much better off than in many of the other States.

There is considerable evidence that the cost of power to the distribution cooperatives is a relatively small part of the rate paid by the farmer. Whether the wholesale cost is 5 mills or 10 or 12 mills seems to have little bearing on the average price paid by the farmer as shown by the following figures based on a 1953 REA published report and taken at random therefrom:

State	Price per kilowatt-hour paid by REA for energy purchased	Average charge per kilowatt-hour by REA's for farm and nonfarm residential service
Arkansas	5.2	46.8
	5.4	37.7
	10.1	45.9
Delaware	12.2	35.4
Idaho	10.0	28.5
Illinois	8.4	51.5
	8.5	30.0
Iowa	13.0	32.4
	14.3	31.5
Kansas	5.7	41.0
	7.6	37.7
Minnesota	17.4	39.8
Missouri	10.1	53.0
	7.4	26.2
Nebraska	9.1	31.2
	7.0	38.4
New York	11.1	36.0
	11.0	35.5
North Dakota	15.3	40.0
	5.2	45.6

As has been pointed out the wholesale price of electric power is a small part of the price the farmers are paying for the electric power they use. An analysis of REA reports show that the number of customers per mile of line in Missouri is relatively high yet the kilowatt-hour use per customer is comparatively low. Testimony has been given that most of the REA rates to the farmers in this area provide for the minimum used to pay 8.1 cents per kilowatt-hour for 40 kilowatt-hours per month or $3.24, while a farmer using 250 kilowatt-hours per month would pay only 3.6 cents per kilowatt-hour or $9. If this is the case, then adding as much as 4 or 5 mills to the wholesale cost of power would add but 16 to 20 cents to the monthly bill of a minimum user and $1 to $1.25 to the monthly bill of the farmer with a 250-kilowatt-hour use. In either case it would appear that there is an attempt to make a mountain out of a molehill as there is no doubling of the farmers' costs as has been inferred.

When I analyze the operations and costs of REA over the country I cannot see the justification for the numerous statements or inferences that the G. and T. and other REA cooperatives in the SPA area on the verge of going bankrupt and will do so if the rates are raised above the existing SPA rate. Surely if other areas can pay higher wholesale costs and operate efficiently in the black there should be no reason why, with proper and efficient management, the Missouri and other SPA area cooperatives should operate in the red. Of course, if there are drought and other economic conditions which have made it impossible for some of the less prosperous farmers in the SPA area to pay their bills, among them the electric-light bill, that is not a matter to be solved by subsidizing their electric-light bill by from $2 to $15 a year with Federal taxes paid by the folks in my district or in any other section of the United States.

Let us examine this lease-option business a little further. Suppose a Federal act permitted the REA to loan money to a farmer to construct a powerplant on his farm for his use only. Now along comes SPA and says, "We have some hydropower that is available part of the time which we can sell you at a price that is less than you can generate it yourself in your proposed small plant and you are entitled to buy some of it. Now, SPA continues, you borrow enough money to build a plant many times larger than necessary for your own use. After you construct the plant, we, SPA, will lease, operate and take the entire output of the plant. We, SPA, will pay all operating costs, interest, and principal payments on the loan and sell back to you whatever power you need for your own use, at a very low price, less than you can get elsewhere. Of course, you will have to give us, SPA, an option to pay for and take over the plant at any time, and we also reserve the right to raise the rates later on. (This latter item is, of course, soft-pedaled.) Now, the reason we, SPA, want to

do this is to be able to serve electric power to town A which you, by law, cannot do, and to serve farmers Brown and Jones up the road a bit, who now get power from company B, you, of course, cannot legally sell them power directly."

Now I ask each of my colleagues, how can we justify aiding and abetting this sort of thing. Is it not time that we consider the moral and legal aspect of our actions? Are we not guilty of compounding a felony when we, by our appropriations, permit by subterfuge, the doing of those things prohibited by acts of the Congress? I, for one, think it time to set an example at least for the young people of our Nation, and show them that we have a moral and spiritual obligation to uphold the law of the land and the precepts of our forefathers who fought to establish the freedom we enjoy today. If we continue to permit the further illegal extension of these Federal bureaucracies soon we will find our cherished freedoms gone.

I want to call attention to the fact that under the lease-option contracts SPA was to pick up the entire check for operation, maintenance, replacement, interest, and repayment of the transmission facilities, and would pay for the entire output of the G. and T. steam-electric plant regardless of whether SPA could find a market for such energy. Then SPA was to turn right around and deliver back to the member cooperatives of the G. and T.'s all the power they might need at an average rate of 5.6 mills per kilowatt-hour; note the year, 1946.

There can be little wonder that Mr. Wright, the SPA Administrator, testified, "I think they would have one of the best contracts any group of REA ever dreamed of in their fondest moments." And why not, with Uncle Sam picking up the check and delivering power at less than cost.

I am sure the farmers themselves in SPA area do not want subsidized power rates at the expense of the other taxpayers of the Nation. I say again and say it advisedly they were pressured into these contracts in question.

The bait used by SPA was the low rate promised, which could not be justified on the basis of proper cost figures, cost allocations, and the amount of hydropower for sale, according to information provided me by expert rate engineers who have no personal interest in this matter.

The farmers are well able to run their own systems as has been proven and I am sure they would like to continue to run their own business. The G. and T.'s are of course in a difficult position, having been enticed into expanding their facilities considerably beyond their needs for the near future.

Now what power and what energy do we have available from these multipurpose projects in the SPA area? First there is the installed capacity of the generating units, and second, the electric energy that such units can produce from the available water. As has been testified to time and time again these projects have a variable supply of water and on the average can only operate at full capacity a portion of the time varying up to about 30 percent of the time, with the average around 20 or 25 percent.

How can such power best be utilized? It has been explained to me, and the records through the years have disclosed that the greatest value for this variable or peaking capacity and energy is realized when it is used by utility systems, public or private, that are large enough to use all the capacity and energy to serve the peak portion of the loads.

SPA knew this to be true, but as there were very few public bodies or cooperatives which had generation or other sources of power large enough to permit using more than a very small part of this peaking capacity, SPA knew it had to be sold to the existing major utilities who could readily absorb it and who had offered to take all such power and pay a rate sufficient to assure repayment of all costs of the power and to pass on any benefits to the preference and other customers. SPA, knowing that this was disposing of the power under sound business principles, nevertheless knew it would not permit SPA to create the power empire it envisaged. Therefore, SPA would not agree to such a logical use of the power, claiming that it all had to be sold directly to the preference customers. Of course it strayed quite a little way from this precept when it made the contract to sell under a long-term contract a major portion of the power from Bull Shoals Dam for use by an industrial customer. Certainly this does not jibe with the SPA "line" that the power must be sold to preference customers.

Many statements have been made and much testimony given about the legal rights and obligations of SPA to assume a utility responsibility to supply all the electric energy requirements of the so-called preference customers. Here again it is my firm conviction that Mr. Wright and the other proponents of his plans for a Federal power empire are in an untenable position.

Let us look at the act that resulted in SPA being set up.

SECTION 5 OF THE FLOOD CONTROL ACT OF 1944

"Electric power and energy generated at reservoir projects under the control of the War Department and in the opinion of the Secretary of War not required in the operation of such projects shall be delivered to the Secretary of the Interior, who shall transmit and dispose of such power and energy in such manner as to encourage the most widespread use thereof at the lowest possible rates to consumers consistent with sound business principles, the rate schedules to become effective upon confirmation and approval by the Federal Power Commission. Rate schedules shall be drawn having regard to the recovery (upon the basis of the application of such rate schedules to the capacity of the electric facilities of the projects) of the cost of producing and transmitting such electric energy, including the amortization of the capital investment allocated to power over a reasonable period of years. Preference in the sale of such power and energy shall be given to public bodies and cooperatives. The Secretary of the Interior is authorized, from funds to be appropriated by the Congress, to construct or acquire, by purchase or other agreement, only such transmission lines and related facilities as may be necessary in order to make the power and energy generated at said projects available in wholesale quantities for sale on fair and reasonable terms and conditions to facilities owned by the Federal Government, public bodies, cooperatives, and privately owned companies. All moneys received from such sales shall be deposited in the Treasury of the United States as miscellaneous receipts."

If you will note, there is continued references throughout this section of the act to "such power and energy," "such energy," "power and energy generated as such projects." Note particularly the preference language which says "preference in the sale of such power and energy shall be given to public bodies and cooperatives." I maintain that the intent of the Congress is crystal clear, that the act only provides for the disposal of power generated by the multipurpose projects. There is no reference whatsoever to any other power. Surely if the Congress thought it had constitutional authority to authorize Interior to construct steam plants or to purchase steam power for resale it would have spelled out that intent in clear language.

It is realized, of course, that those persons want for obvious reasons to promote their dream of a Federal power empire are trying to read into the language of the act meanings that are not there and were never intended to be there. Mr. Wright would have you believe that because the available power and energy is not of the type to supply the normal requirements of the potential preference customers he has on obligation to obtain other power to supplement the surplus hydropower and energy. He will have you believe that definitive court action has proclaimed that right. There is no question, in my mind, nor should there be in the mind of any clear-thinking person, that the right of the Federal Government to purchase steam electric power for resale or to construct steam electric generating stations to make power for resale has not been argued on its merits all the way through to the Supreme Court of the land. Until that is done, it is poppycock for Mr. Wright or anyone else to say that this issue has been settled and the legal right to do these things are clear. In my estimation this also applies to TVA the Bureau of Reclamation and all other Federal power agencies.

It it were not so serious, it would be humorous to see the mental gymnastics and warped thinking of the protagonists of Federal electric-power empires go through in trying to justify actions that clearly have no legal authority. One of the farfetched arguments used in an attempt to justify SPA rights to construct steam plants or purchase electric energy from others for resale was given back in 1946 in the hearings on the fiscal year 1947 Interior Department appropriation bill, page 71, in an opinion presented by the SPA Chief Counsel, which was supplemented by the opinion of the Solicitor of the Department of the Interior. Section 5 of the Flood Control Act of 1944 quoted previously contains the proviso that "the Secretary of the Interior is authorized from funds to be appropriated by the Congress, to construct or acquire, by purchase or other agreement, only such transmission lines and related facilities as may be necessary in order to make the power and energy generated at said projects available in wholesale quantities for sale on fair and reasonable terms and conditions to facilities owned by the Federal Government, public bodies, cooperative and privately owned companies."

It is impossible for me to believe that anyone could argue without tongue in cheek that the authority "to construct or acquire transmission lines and related facilities as may be necessary in order to make the power and energy to be generated at said projects available to facilities owned by the Federal Government, public bodies, cooperatives, and privately owned companies," confers the authority to construct steam plants or to purchase electric energy for resale. To claim as did the SPA, Chief Counsel, that the term "related facilities" was meant to or can properly be used to cover steam electric plants is farfetched to say the least. Claims that steam electric power is needed and required by law in order to be able "to market the hydropower on a businesslike basis, and to make such power and energy available in wholesale quantities for sale on fair and reasonable terms" are other examples of the fuzzy thinking of so many Federal power proponents.

There has been much loose talk about the tremendous need for additional power in the area and at the same time statements are made that SPA power cannot otherwise be sold without integration with the G. and T. facilities and steam plants. These misstatements are so obvious that they do not merit answering. In all the testimony and discussions that I have seen to date there has not been any discussion as to what happens when the growing electric loads of the REA's and other preference customers use up all the presently available capacity. Has a real analysis been made as to just what the loads of the G. and T. cooperatives and their member cooperatives amount to as of

this date and what are the estimates of future loads, I think not. Full information also is lacking as to just what loads are presently receiving central station service, and so forth.

Rough approximations given seem to indicate the G. and T. cooperatives in the SPA area may have total peak loads of about 87,000 kilowatts which is slightly over the capacity of their steam plants. I understand that REA estimates for these 5 G. and T. cooperatives show an expected load of 214,000 kilowatts by 1965. On this basis it will be 10 years before the 130,000 kilowatts of SPA hydro capacity now being held for these 5 G. and T.'s will be fully utilized. Transmission capacity may have been overbuilt to an even greater extent.

Pamphlets that have been mailed to me which say that by taking the SPA hydro and adding it to the G. and T. steam it will produce more power and more revenue than by integrating the SPA hydro and G. and T. steam with the private utility systems facilities. Now this is a good trick if you can do it, but it sure sounds like a shell game to me.

Now, let's be specific and get away from generalities, which I dislike. I have reliable information that the G. and T.'s have 85,000 kilowatts of steam and SPA was supposed to have 195,000 kilowatts of peaking hydro contracted to the G. and T.'s, or which would give a total of 280,000 kilowatts available to the G. and T.'s. With an average load factor of the REA load of around 50 percent would require, for a peak load of 280,000 kilowatts, 100,800,000 kilowatt-hours of energy for a 30-day month. I am told that the hydro peaking carries with it 150 hours of firm energy per month for each kilowatt, or a total of 29,250,000 kilowatt-hours. Adding the 85,000-kilowatt steam-plant output at 90 percent load factor (this is on the high side) would give an additional 55,080,000 kilowatt-hours, or a total of 84,330,000 kilowatt-hours. This is 16,470,000 kilowatt-hours short of supplying all the load. Where are the G. and T.'s going to get the balance? If there is an increase in the load factor above 50 percent (which is quite probable) there will be an additional 2 million kilowatt-hours short for each percent above 50 percent.

On the basis of 130,000 kilowatts of hydro allocated to the G. and T.'s together with the 85,000 kilowatts of steam there would be a deficit of about 2 million kilowatt-hours for a month having a peak of 215,000 kilowatts.

The pamphlet Local Power Partnership in Reverse put out by the Central Electric Power Cooperative and Western Farmers Cooperative, and sent to Members of Congress, is a prime example of some of the irrational thinking and misleading and erroneous figures being used to try to persuade the Congress to reactivate the lease-option contracts between SPA and G. and T.'s The pamphlet is so replete with questionable figures and statements that I will take time to point out only a few. I am sure this pamphlet could not have been written by the clear-thinking farmers of the area, but must have been prepared by some of the same people who got the G. and T.'s into their present predicament.

I have already referred to the erroneous statement that SPA must obtain energy from steam generating plants to be able to sell the capacity available from the hydro plants. This is of course so patently false as to not warrant denial.

On page 7 of the pamphlet referred to, is a table that purports to show power and revenue available to SPA with and without the G. and T. contracts. This is the most misleading and unwarranted tabulation that could be imagined. First is the column headed "Power Available Without G. and T. Contracts" and the revenue purported to be derived therefrom. SPA firm capacity is shown to be 170,000 kilowatts.

The G. and T.'s in the February hearings reported the SPA dependable capacity to be 378,000 kilowatts. At the present time only 130,000 kilowatts of SPA hydro capacity are reported available to the G. and T.'s. Such capacity is said to carry a firm energy commitment of only 150 kilowatt-hours per kilowatt per month. If SPA sells the 130,000 kilowatts of peaking power to the G. and T.'s and the G. and T.'s use their own steam to carry 85,000 kilowatts of base load, the G. and T.'s then could carry a total of about 215,000 kilowatts without reserve. On the other hand if SPA were to buy the output of the G. and T. plants as proposed under the lease-option contracts and then resell the steam and the hydro combined back to the G. and T.'s it would produce the same results and would not add one kilowatt of dependable capacity to the load-carrying ability of the two systems. With an annual potential generation of less than 700 million kilowatt-hours from the steamplants it is difficult to understand how the firm energy can be increased by 836 million; in fact there is no increase whatsoever in the energy available to the area. The revenue comparison is even more fantastic. Without the G. and T. contract the revenue is shown to be based on a 5.6 mill rate for firm energy and 1.25 mills for nonfirm energy, while by some legerdemain, the power if used under the G. and T. contracts is to bring in revenue based on 7.16 mills for firm energy and 1.50 mills for nonfirm. This sleight of hand alone accounts for over $2,500,000 of the purported increase in revenue. Deducting the cost of generating the steam energy and the cost of leasing and operating the G. and T. transmission lines, which together cannot conceivably be less than 6 or 7 million dollars, in revenue, it can be seen that there will be a substantial annual deficit instead of the implied gain of $7,057,970. Of course the pamphlet does not say the purported gain in revenue is a net gain yet if the author had wanted to be honest this would have been made clear and he would not have used a different rate with or without the G. and T. contract and would have shown for both cases all the other costs to be incurred.

Two other statements in the pamphlet follow:

"Opponents to rural electrification have stated that SPA could construct transmission lines and do just about anything it wanted to out of this fund, thereby obviating the will of Congress. This interpretation of the continuing fund is not correct. Under the broadest language of the continuing fund, SPA could use it for only three purposes—namely (1) to take care of emergencies, (2) to purchase power, and (3) to make payments for rental.

"The restoration of the continuing fund of SPA would make it possible to restore the partnership arrangement without any annual appropriations by the Congress. It will not cost the taxpayers because the continuing fund is provided out of the operating revenue of SPA."

Now, does it matter whether SPA constructs transmission lines direct, or arranges for their construction through the medium of lease-option contracts paid for out of the continuing fund. The net result is the same. It is specious reasoning to say otherwise. To say the use of money from the continuing fund will not cost the taxpayers is just doubletalk. There can be no question that present rates will not repay cost of power projects and operating costs. So far no figures have been given to conclusively show that it will not cost more to generate power in the G. and T. steam plants and deliver it 200 miles away to member cooperatives than the rate to be charged.

Now let's talk about the rates for SPA power. Mr. Wright attempted to lay the blame for rate increases on the rise in construction costs of the multipurpose projects constructed by the Corps of Engineers. The inference was left by Wright and Chairman CANNON that the Corps of Engineers were incredibly mistaken in their estimates. The corps was able the next day to present the real facts, showing that the figures presented by Wright were full of errors.

The following excerpt from a report relative to SPA's Comprehensive Plan for Power Development that was filed by a nationally prominent engineer in the fiscal year 1947 hearings (p. 338–339) seem to indicate that SPA had no sound base for the power rate it was setting up:

"Although the Flood Control Act of 1944 requires the authorized agent for the Secretary of the Interior to base rate schedules on the cost of producing and transmitting hydroelectric power, including the amortization of the capital investment allocated to power, the authors of the report (the SPA Comprehensive Plan for Power Development) have developed a rate schedule which fails entirely to consider such costs. The excuse is given that 'cost figures' are not available at this time for proposed reservoir projects in a number of river basins, and the cost figures that are available even for authorized projects are subject to change as the design of the several projects is developed and the construction is carried out."

"It is believed that for the purposes of the report which is dated November 1945, the authors, representing a governmental agency, would have available to them the cost estimates prepared by the Army engineers for the proposed projects on the Arkansas River (survey report on Arkansas River and tributaries in Arkansas and Oklahoma, dated December 1943) and on the White River (survey report on White River and tributaries, Missouri and Arkansas, dated May 1945). The projects proposed under these two survey reports added to existing and presently authorized projects in the region will account for about 90 percent of the total annual average energy output utilized and studied under the subject report. It is to be admitted that final 'as constructed' cost figures will be different than the estimated costs and it must be understood that the estimated costs must be continuously reviewed in the light of ever-changing construction costs in order that a true economic analysis can be made. However, it is believed that the use of such estimates as do exist, corrected where necessary to reflect trends of advancing construction costs, provide a sound and, in fact, the only means of determining the cost for the production of hydroelectric capacity and energy and most certainly would result in compliance with the terms of the Flood Control Act of 1944. If the above-mentioned statement in the SPA report is accepted and no determination made of the estimated cost of hydropower until projects were completed, Congress would certainly be confronted with requests for appropriations, without any means of knowing whether or not the projects were sound."

Five years later in 1952 we still find the SPA trying to maintain a fictitious rate based on untenable cost allocation. It is only too clear that SPA and not the Corps of Engineers is responsible for the use of an erroneous rate base with the resulting need to raise SPA rates. This also is indicated by the following material taken from the House committee print No. 23 of the 82d Congress, 2d session:

"The conflicting solutions of the problem of allocation of costs of 12 dams in the Southwest are noteworthy. The Interior Department, acting through the Southwestern Power Administration, is the agency of the Government designated under section 5 of the Flood Control Act of 1944 to dispose of excess electric energy produced at projects built by the Corps of Engineers in Texas, Arkansas, Oklahoma, and Missouri.

"In January 1952, the Secretary of the Interior filed with the Federal Power Commission for rate approval a long-term contract for sale of a block of power from the 12 dams. Accompanying this were studies including the proposed allocation of costs for the 12 projects. The Federal Power Commission then requested the construction agency, the Corps of Engineers, to furnish its views on the amounts of costs and annual charges properly chargeable to power for the 12 projects. The estimates of the Southwestern Power Administration and of the corps as to the amounts which should be allocated are set forth in detail on pages 409 to 415 of the subcommittee hearings and are summarized in table 1 of this report. The Bureau of Power, Federal Power Commission, generally agreed with the methods used by the corps in allocating these costs.

"The total project construction cost was agreed generally to approximate $750 million. Including interest during construction, the total project investment was estimated at approximately $776 million. The Southwestern Power Administration recommended an allocation to power of $218 million while the Corps of Engineers recommended $418 million.

"One difference between the two computations came from the Southwestern Power Administration's failure to include interest during construction, an item amounting to over $24 million in the Corps of Engineers' allocation to power.

"Interest during construction is a valid part of the cost of the project to the Government and, therefore, should ordinarily be included in any computation of total investment costs. If exact figures are not available at the time an allocation of cost is made, a reasonable estimate could always be made subject to later revision.

"The other differences can best be understood by an examination of the different cost-allocation methods used for the 12 projects involved. Detailed statements appear on pages 406 to 426 of the published transcript of subcommittee hearings, Study of Civil Works, part 3.

"It can be seen from table 1 that the difference in allocated costs creates a large difference in the annual power charges. The greater percentage of difference in annual costs as compared to the allocated total cost comes from the fact that Southwestern Power Administration has chosen 100 years as the amortization period while the Corps of Engineers has chosen 50 years. The annual charges developed indicate that the Southwestern Power Administration can justify power rates which are less than one-half of those that would appear sound based on the methods advocated by the Corps of Engineers."

The present proposal of the G. and T.'s is not to reactivate the fantastic lease-option takeover contracts but to substitute what would be entirely different contracts and in addition they want to change existing contracts with other SPA customers to "substantially equalize the rates to all SPA customers in the area." This means, of course, to raise the rates to the other customers to pay for the required subsidy. The $64 question may be, How will the other customers react to such a deal?

Surely the Congress will not want to appropriate money for nebulous contracts without knowing the terms, effects, and cost thereof. I for one think the logical thing to do would be to extend a moratorium to these G. and T. cooperatives for say a couple or more of years. This would give them time to build up their loads and/or to make arrangements for greater utilization of the facilities through interchange contracts between themselves and the other utilities of the region. This to my notion would be preferable to a continued direct subsidizing of the G. and T.'s. There is one fact that I think the G. and T.'s should realize by now which is, that there is no possibility of the member cooperatives obtaining energy from SPA at the old rate of 5.6 mills, and that even under the lease-option contracts a rate of 8 to 10 mills was inevitable under the required rate review provision of the contract.

It also appears quite clear to me that the G. and T.'s could make some rate adjustments for justified increases in wholesale power cost and that this could be passed on to the member cooperatives. Some slight increase in cost to the farmer might be necessary, but on the basis of the rate structure reported it would appear that a concerted effort to increase the kilowatt-hour use per customer might result in lower unit costs for energy that would more than offset the increase in the wholesale rate.

In any event, I believe the Congress is ill-advised to appropriate any funds at this time to implement or reactivate any lease-option contracts. An independent investigation and report by a board of prominent and competent engineers is indicated in order that a complete professional true story on the matter be made available to the committee.

And here, Mr. Speaker, is the reply they have been keeping out of the RECORD:

STATEMENT OF CHAIRMAN CLARENCE CANNON

When Mr. BEN F. JENSEN, a member of the Appropriations Committee, requested permission to appear before the central section of the same committee, I gladly granted the request since I deemed Mr. JENSEN had some facts that he thought would be helpful to the central section. Mr. JENSEN did not appear before the committee and after some delay he submitted a written statement and requested it be placed in the record. I granted the request for the same reasons I had previously granted permission for him to appear in person.

Now let's take a look at some of the matters in his statement. First, he has gone to the graveyard to dig up some dead horses. The old comprehensive plan of SPA has been dead for years and like many other issues disposed of in the past, its consideration is not pertinent to the issues at hand. The next dead issue he debates is the opinion in original contracts whereby SPA could purchase G. and T. transmission lines. This has long since been relegated to the scrap heap, as is made clear in the testimony in the foregoing hearings. There will of course be no purchase of G. and T. lines by SPA.

Mr. JENSEN admits that the G. and T.'s were asking for reactivation of their contracts without the lease-option in them. He says this would make the contracts "nebulous." These contracts are written, and executed, and have been made a matter of public record. Would any fair-minded man say they are "nebulous"? Mr. JENSEN advocates contracts between the private power companies and the G. and T.'s. Is there a copy of one of these proposed contracts in the record? Does Mr. JENSEN have one? I challenge him to present one for the record. Who is advocating something "nebulous"?

I am surprised to find Mr. JENSEN pitched in the role of advocating higher power rates for our farmers. He says so long as these higher rates come out of the pockets of the farmers it's all right. He says, and I quote, "* * * adding as much as 4 or 5 mills to the wholesale cost of power would add but 16 to 20 cents to the monthly bill of a minimum user (small farmer) and $1 to $1.25 to the monthly bill of the farmer with a 250 kilowatt-hour use." He professes to be a friend of the REA, while at the same time he is advocating higher rates for farmers and strangulation contracts for the G. and T.'s with private power companies.

Mr. JENSEN has hand-picked a few situations to show it doesn't matter what the wholesale cost is, it won't affect the retail rates to farmers. Cooperative managers, in their testimony, showed that 30 to 45 percent of their total costs was for purchased power. They testified that in many instances a slight increase in wholesale power costs would throw them in the red and render them unable to pay debt service to REA.

I have always believed that Mr. JENSEN has a high regard for our American courts. Surely Members of Congress, above all, should respect the opinions of our courts, but again he says, "Mr. Wright, would have you believe that because the available power and energy is not of the type to supply the normal requirements of the potential preference customers, he has an obligation to obtain other power to supplement the surplus hydro power and energy. He will have you believe that definitive court action has proclaimed that right."

Now let's see what the district court of the District of Columbia had to say when these contracts were challenged in that court by the Power Trust.

"In like manner it is clear to the court, in view of the rule laid down in *Ashwander* v. *T. V. A.*,[1] that the purchase of thermal energy generated at the steam plants of the cooperatives, which purchase is reasonably incidental to the integration of hydroelectric power generated at the reservoir projects, is not prohibited by the provisions of the Flood Control Act but rather is within the scope of its provisions and in accord with its purpose. Consequently, the court finds that authority to purchase power and to pay rentals for the use of transmission facilities by SPA is contained in the terms of the Flood Control Act. The court holds, therefore, that the lease and power contracts do not violate the provisions of the Flood Control Act."

Mr. JENSEN says that SPA has no right or need to lease the G. and T. lines. Here's what Judge Charles F. McLaughlin of the Federal district court said:

"The court is of the opinion that the language of the statute justifies a holding that the Secretary of the Interior, through his marketing agent, may acquire by a lease agreement such transmission lines as may be necessary in order to accomplish the objectives of the act. Within the authority of the Secretary 'to contract or acquire by purchase or other agreement' is embraced, in the court's opinion, not only the power of acquisition by purchase, but also the power of acquisition by lease agreement. Not only is this conclusion justified by the wording of the act, but, in view of the context, any other conclusion would thwart the proper exercise of authority reposed in the Secretary of the Interior.

"In connection with the foregoing, the court has also taken into consideration the question raised by plaintiffs as to whether the leasing of these facilities is 'necessary' within the meaning of the act. It would appear that the answer to this question, initially, must be determined administratively since the Congress has imposed upon the administrative agency involved the duty to 'transmit and dispose of* * * power and energy in such a manner as to encourage the most widespread use thereof at the lowest possible rates to consumers thereof consistent with sound business principles.' The court finds that there is warrant in the record and reasonable basis in law for the Administrator's determination of the means to be adopted, that is to say, the leasing of transmission lines and accompanying facilities, for the carrying out of the congressional mandate contained in the act.

[1] *Ashwander* v. *Tennessee Valley Authority*, *supra* (n. 24). (See infra 7, pp. 26–29.)

Consequently, the court holds that the leasing of these facilities is 'necessary' within the terms of the act."[2]

When this case was appealed to the circuit court the judges there threw the power trust out of the court saying they had no grounds for a suit against the G. and T.'s.

Mr. JENSEN claims the G. and T.'s were forced into these contracts against their wishes. Again he says they were not too "unhappy" in their present sad plight. Look at the record. The officials of the G. and T.'s who worked hard to get these contracts set up were present at the recent hearing and to a man testified that they not only entered into the contracts without coercion but worked hard to get them and now wanted them reactivated.

It is claimed that the farmers will be subsidized $2 to $15 a year on their power bill if the original contracts are reactivated. He says they were baited into the contracts with low rates which will be increased to 10–13 mills. There is no evidence in the record to support these figures.

Let's see who is being subsidized. Mr. Wright says SPA hydropower is worth $17.85 per kilowatt-year and 1.5 mills per kilowatt-hour. Allowing 2,100 hours use the total value per year would be $21. To bait the G. and T.'s to illegally use their preference rights to buy this power for the power trust, Mr. Aandahl is offering this same power for $10.58 or $10.42 less than it is worth. On 130,000 kilowatts programed for the K. C. P. & L. under the new proposed contract between N. W. Co-op and SPA this would amount to a subsidy of $1,354,600. It could also be demonstrated that through similar contracts the Federal Government is subsidizing private companies in the Texas, Oklahoma, Aluminum and Narrows contracts.

A moratorium on the G. and T. payments of debt service to REA is proposed. This would pile up the debt resulting in heavier payments in later years. He says "This would give them time to * * * make arrangements for greater utilization of the facilities through interchange contracts between themselves and the other utilities of the region." The testimony before the committee is to the effect that further negotiations would be fruitless. In addition, the testimony of the Administrator of the REA in the hearings on the Supplemental Appropriations Act, 1955, makes it clear that this would be extremely poor management of the affairs entrusted to him.

Mr. Speaker, the gentleman from Iowa [Mr. JENSEN] waved this Power Trust-printed pamphlet around and asked anyone to deny a single thing in it. In conformity with his request, I will take it statement by statement and point out the errors he requests.

First several pages of the Power Trust-printed statement recite history back to 1946 when SPA proposed construction of steam plants for its own system and draw a picture of Mr. Wright as an empire builder.

The statements are mere personal opinions and include no evidence whatever to support ascribed motive. It is long well recognized that steam power is needed to firm up hydropower to provide firm power—in order to meet the intent of the Flood Control Act in serving preference customers. This is a dead issue and has no application to the question before us.

The trust-distributed statement accuses Wright of coercing G. and T.'s into building and leasing steam plants.

This is completely refuted by testimony on the part of the G. and T. managers in hearings on page 858, part 3, of the central section on public works.

The Power Trust-approved statement charges that the G. and T. systems would serve towns of over 1,500 in violation of REA Act.

This is a ridiculous deduction to the effect that G. and T. steam power would flow into the SPA system which is by law allowed to serve municipalities as preference customers. It is the same as saying that SPA system may not serve certain preference customers with firm power unless it buys the firming power from private utilities.

The courts have dismissed this contention. It is a matter of record.

The power-trust-cooperated statement infers that rates will go as high as 12 to 13 mills if the G. and T.'s are integrated under the original contracts.

The Administrator of SPA says 8.05 mills at most on page 64 of part 2 of hearings. And that is a maximum rate. It could be much lower.

The power-trust-sponsored statement claims the G. and T.'s signed away their property under a lease-option provision.

This is no longer an issue. The option provision is out. The statement is begging the question and seeking to divert attention from the real issues.

The Jensen statement attacks the representatives of the G. and T.'s for evading the moral, if not the legal restriction on activities of persons previously on the Federal payroll.

This is wholly unwarranted. The reference is to the Administrative Procedure Act. But it has been long since interpreted by courts as applicable only when such ex-employee is engaged in prosecuting a claim for money.

Mr. JENSEN (and presumably the power trust which cooperated in distributing the statement) insist that they are friends of REA's.

But Mr. JENSEN has voted against every motion to increase the REA appropriations. And he reported out the bill which revoked the SPA continuing fund and repudiated the Government's contract with the farm cooperatives.

The Power Trust-endorsed statement uses 1953 figures to show that Union Electric sold power to 4 co-ops in Missouri for 8.2 to 9.7 mills.

These figures are out of date and, of course, mean nothing. Union Electric was asking 10.2 in recent negotiations with Central. It is because of such figures as those quoted that G. and T.'s want to build their own steam plants or integrate with SPA.

The trust-printed and approved statement says there is no justification for talk about G. and T.'s being on the verge of bankruptcy.

Testimony—page 362 of hearings on second supplemental, 1955—of REA is that all of them operated at a deficit last year. Financial statements on pages 374 through 378 also show this.

The trust-printed statement claims that power generated at SPA dams can best be used by the large private or public systems.

This is exactly right. It is the reason Mr. Jensen and the Power Trust try, in court and otherwise, to show that the Federal Government has no legal authority to buy steam power. If such purchase could be prevented, most of the hydropower in the SPA system would have no market except to private utilities. Preference customers could not be served as intended by the flood control act. This is the crux of the campaign against the farm cooperatives.

Mr. JENSEN and his friends try to interpret the flood control act to mean that the sale of power by the Federal Government must be limited to hydropower produced at the dam, and the question of the right to buy steam power is not clear until tested in the Supreme Court.

No credence is given at all to the court decision already handed down to the effect that steam power may be purchased. It must be, of course, if the provisions of the flood control act are to be effective. But what is a court decision among friends?

He next goes through a lot of gymnastics with figures on power production and power rates.

This is extremely technical and must have been prepared. It is doubtful if any unbriefed layman understands them.

The combined statement seeks to attack the allocation of costs to the power features of dams.

All this is purely academic since FPC is responsible for and is thoroughly competent to evaluate figures given them and approve rates accordingly. Possibly he can scare some people into thinking Federal rates would be higher if FPC understood the facts as well as he does, but it is doubtful.

Summing up the whole purport of this statement, reprinted by the utility companies, Mr. JENSEN points out that the hydroelectric power generated at Federal dams in the SPA system can best be used "by utility systems, public or private, that are large enough to use all capacity and energy to serve the peak portion loads." This is correct, of course, but as he also points out there are few if any preference customers, that is public bodies or cooperatives, which have the facilities or are large enough to use this peaking power.

Mr. Wright, the Administrator of the Southwestern Power Administration said the same thing on page 79, part 2, of the Central Section Hearings on Public Works, as follows:

The Government had built projects, multipurpose projects, in the Southwest which produced a commodity which we refer to as peaking power. That is what it produces. It doesn't have any other commodity.

At the same time the Flood Control Act of 1944 provided that in the sale of that power you must give preference to cooperatives, public bodies, and Government agencies and private companies, in that order. You had a commodity that they couldn't use. They couldn't use that commodity. You had exchanges, integrations, or you had to do something with it before they could use it in the judgment of people who were trying to do something with it.

[2] See *American Power & Light Co.* v. *Securities & Exchange Commission, supra. Ashwander* v. *Tennessee Valley Authority* (297 U. S. 288 (1936)).

With all this in mind it becomes quite clear why Mr. JENSEN and the private utilities continue to attack, in and out of the courts, on the authority of the Federal Government to purchase steam firming power. If this point could be established, and the courts have said it cannot be established, it would then be possible for the large private utilities to take almost all of the power from Federal dams and practically none would be left for preference customers as intended by the Flood Control Act of 1944.

Mr. Speaker, we are dealing here with one of the vital issues of the day. Too much cannot be said in emphasizing the service rendered rural America through the establishment and operation of the Rural Electrification Administration.

It has completely reversed living conditions on the farm; it has changed the drift of population from the country to the city. It has especially brought health, happiness, and prosperity to the farm wife and mother.

REA has been practically effective in Missouri and the Southwest. Farm cooperatives were organized there and a contract was negotiated with the Southwestern Power Administration under which SPA contracted to buy the thermal power generated by the co-ops, rent their facilities, operate those facilities, firm up SPA waterpower with co-op steam power, and sell the firmed power to the distributing farm cooperatives at a price the farmer could afford to pay. With this contract as security the co-ops borrowed $70 million from the Government—good loans at a fair rate of interest and payable in installments in 40 years. This system was remarkably successful and under this contract every cooperative was meeting its annual amortization installments and service was extended to practically every farm and farm home in the territory.

But in the 1st session of the 83d Congress, the gentleman from Iowa [Mr. JENSEN] reported a bill under which money was denied Southwestern for the purpose of complying with the Government's contract and buying thermal power to firm up hydropower, and leasing the facilities, transmission lines, and plants in order to provide funds for the amortization payments.

As a result all these cooperatives are now operating at a deficit and it is merely a question of time before they will be unable to make their payments and in default will be thrown into bankruptcy. When they are put up and sold they will be taken over by the private utilities which have been bringing suits against them and paying for the printing and distribution of statements submitted by the gentleman from Iowa. It is these statements which I am now answering after the gentleman from Iowa declined to yield to me for that purpose.

Mr. JENSEN. Mr. Speaker, the gentleman says I declined to yield to him. I certainly did not decline to yield to the gentleman. I asked him to point out any place in the statement that he thought were not the facts, and the gentleman did not do it.

Mr. CANNON. Mr. Speaker, I will read the exact quotations here:

I would like to have someone stand in his place and deny a single thing in this statement.

As I said, the statement was full of erroneous references to me. At least that was the inference thrown out by the gentleman from Iowa. I said:

Will the gentleman also include the reply in which I did the very thing he asked someone to deny?

Mr. JENSEN said:

That is your business. Your reply said nothing. It did not answer a single statement in my statement.

Mr. CANNON. All I ask is that the gentleman put in immediately following his statement the reply to that statement.

The reply contradicted most of his statement.

Mr. JENSEN. Mr. Speaker, will the gentleman yield?

Mr. CANNON. I yield to the gentleman.

Mr. JENSEN. The gentleman is possibly the best parliamentarian in the House, with the exception of our House Parliamentarian. The gentleman knew that he could insert his statement any time he wanted to in the RECORD any place he wanted to. The gentleman should not stand on the floor of this House and say that I denied him the opportunity of putting his statement in the RECORD. The gentleman did not make the request to have his statement put in the RECORD. The gentleman certainly knows that I would not have objected to having his statement put in the RECORD. Let us be fair about this thing.

Mr. CANNON. That is right, let us be fair about it.

Mr. JENSEN. Yes, indeed.

Mr. CANNON. He was inserting a statement attacking me. I asked him to put in the RECORD the reply in the committee hearings. He declined. Then I made this request:

I ask unanimous consent to put in the RECORD his statement and my statement appearing in the hearings on pages 866 through 877 of the volume entitled "Central Section, No. 3."

Mr. JENSEN. Mr. Speaker, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Iowa.

Mr. JENSEN. I did not object if the gentleman from Missouri wanted my statement and his answer to my statement in the RECORD. I hope he puts them in right now.

Mr. CANNON. At the time when the statement was made, he declined.

Mr. JENSEN. The gentleman is making a mountain out of a mole hill. The gentleman knows that he could have asked unanimous consent to put both my statement and his answer in the RECORD.

Mr. CANNON. That is exactly what I did. Here is my request:

I ask unanimous consent to insert in the RECORD immediately following the remarks of the gentleman from Iowa his statement and my statement.

And I was denied that privilege.

Mr. JENSEN. I did not deny the gentleman that privilege. I did not object to having him put the statements in the RECORD.

Mr. CANNON. The gentleman from Michigan [Mr. HOFFMAN] objected, and the gentleman did not intercede.

Mr. JENSEN. Now, the gentleman knows when Mr. HOFFMAN objected to that, that I had no recourse.

Mr. CANNON. The gentleman was standing there like Saul at the stoning of Stephen, consenting.

Mr. JENSEN. What could I have done? Tell me, what could I have done?

Mr. CANNON. It was only fair to permit me to be heard.

Mr. JENSEN. Tell me what I could have done.

Mr. CANNON. Did the gentleman suggest to Mr. HOFFMAN that I be allowed to be heard?

Yesterday the gentleman again produced the trust-print statement before the Committee on Government Operations. And when asked who prepared it and who printed it, who paid for it, the gentleman from Iowa could not remember who had it printed or who supplied the copies he was handing out.

Mr. JENSEN. Mr. Speaker, there is a limit to all things.

Mr. CANNON. There certainly is.

Mr. JENSEN. Now, the testimony that I gave before the committee is all printed for everybody to read, and I deny what the gentleman has said If the gentleman will not twist my words around, I will get the statement and put it in the RECORD and show the House exactly what I said. The gentleman from Missouri is a professional. as everyone knows, in twisting words to suit himself.

Mr. CANNON. I will not ask that the gentleman's words be taken down because everybody knows the man who makes the charge. But, he was asked about it, and he said that it was reprinted by a utility company; that they paid for it; that they circulated it. But, he refused to say——

Mr. JENSEN. Now, Mr. Speaker, will the gentleman yield?

Mr. CANNON. I yield.

Mr. JENSEN. I thought the gentleman just got through saying—and the whole House heard him—that I said before the committee that I did not know who had it printed. Now the gentleman says I told the committee who had it printed.

Mr. CANNON. The gentleman said before this committee that he did not know who had it printed; he could not name all of the utilities that joined in. He said he did not know how much it cost. He said he did not know how many were circulated.

Mr. JENSEN. And that is the truth.

Mr. CANNON. It is remarkable that the gentleman did not know. He had this treasured report which he has carried around with him and shown on every possible occasion and which he held up here in the House and said: "Now, if that is not the truth, let someone rise and deny it," and then denied me the right to answer and explain it was not true.

Mr. JENSEN. The gentleman, Mr. CANNON, did not deny or take exception to a single statement in my statement of facts regarding APA, nor has anyone else, to my knowledge.

Mr. CANNON. Oh, the statement which I printed following it in the committee took issue with statement after statement in it.

Mr. JENSEN. No; it did not.

Mr. CANNON. That is all right. We are going to print it in the RECORD, print your statement and my answer to it, and let the House judge for itself.

Mr. JENSEN. Certainly. That is what I want.

Mr. CANNON. But the gentleman had a bad memory. He could not remember. He could not remember anybody that had it printed. He could not remember how much it cost. He could not remember how many copies were printed, and he could not remember who circulated it or to whom it was distributed or where he got his copies. Now, that is a remarkable lapse of memory on the part of my good friend, the gentleman from Iowa.

Mr. JENSEN. Mr. Speaker, will the gentleman yield?

Mr. CANNON. I yield.

Mr. JENSEN. Will the gentleman give me just a little time to answer him?

Mr. CANNON. Proceed, I will yield to the gentleman. I hope the gentleman has remembered in the meantime the answer to these questions which he could not remember when he was before the legislative committee.

Mr. JENSEN. The gentleman from Iowa always remembers facts. The gentleman from Iowa does not twist words to suit the occasion. The gentleman from Iowa inserted that statement in the hearings as the gentleman from Missouri [Mr. CANNON] says. A few days after the hearings were printed, a gentleman, a member of the private utilities of the Southwest area, called me and asked if I cared if they reprinted the statement which I had made before the committee. I think it was May 5.

Mr. CANNON. Who was that who asked you that over the telephone?

Mr. JENSEN. I told the committee, I tell you today, and I swear to God that I do not remember who the man was, because if I did I would tell you.

Mr. CANNON. That is rather remarkable, that he asked if they could have it reprinted and the gentleman does not remember who it was.

Mr. JENSEN. It was a passing incident. He said to me, "Do you care if we have this statement reprinted?" I said, "It is a public document, and of course I have no objection to it at all." He said, "All right." That was the end of the conversation.

I have been a pretty busy man, as has the gentleman from Missouri. We have had a lot of things to do.

Mr. CANNON. That is all I want to know. The gentleman does not remember who asked him to have the speech reprinted or why they wanted to spend money on it.

Mr. JENSEN. I will tell the gentleman what I will do, since he has gone this far. I will run it down and find out just who that gentleman was; because the officials of the private utilities in that area in my estimation are honorable gentleman. They are hired men for a few million people, that is all. They do not own the private utility. They have nothing to cover up. They appeared before the Committees of the House and the Senate for years.

Mr. FULTON. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. FULTON. I ask for the regular order. These gentlemen are certainly not on the subject before the House. Is this a private fight or can anybody else get in it?

The SPEAKER. The gentleman from Missouri [Mr. CANNON] asked unanimous consent to speak out of order, and that consent was granted.

Mr. FULTON. He is certainly speaking out of order.

Mr. CANNON. But I am not making unfounded charges against a colleague and then refusing to give him an opportunity to reply. And none of the expenses are being paid by the power trust.

Mr. JENSEN. This is a private fight between us. The gentleman from Missouri [Mr. CANNON] and I have had a good many of them and we still respect each other. But as far as this question concerning private enterprises and Government ownership, we have some differences. But I wish the gentleman would stay with the facts.

Mr. CANNON. Mr. Speaker, these private utilities brought suit against REA to declare the contract of the Government with REA invalid. The courts twice decided that the contract was valid. These private utilities that sought to destroy the contract are the people who reprinted the gentleman's statement. The statement undoubtedly was very favorable to the utilities and very unfavorable to REA or they would not have gone to the expense of paying for the printing and distribution.

Mr. JENSEN. Mr. Speaker, will the gentleman yield?

Mr. CANNON. Yes.

Mr. JENSEN. In this contract the gentleman from Missouri speaks of between Southwestern Power Administration and the REA there was a provision which read like this.

Mr. CANNON. Mr. Speaker——

Mr. JENSEN. I know the gentleman does not want to hear this.

Mr. CANNON. I would be glad to hear anything the gentleman says, especially why the power trust is printing his speeches.

Mr. JENSEN. All right. The gentleman has criticized the committee because we did not go along with a provision in the contract that he speaks of which provided that any time the Southwestern Power Administration paid the unpaid loan of the REA they could take over thousands of miles of transmission lines which were built by the REA generating and transmission companies of that area. Then it further provided that after the 40-year pay-out period and the REA had paid off their REA loan in full, the Southwestern Power Administration could pay the REA $10, and all of those thousands of miles of REA transmission lines would belong to the Government. That was the provision we objected to, and every member of the committee will tell you that is the truth. Then Mr. CANNON called the committee gullible. I looked up Webster and "gullible" according to Webster means easily duped.

Mr. CANNON. The gentleman would like to get away from the provisions of that contract. I will tell you what the contract provided. The contract provided in these words——

Mr. JENSEN. Well, listen, did not the contract have those provisions in it?

The SPEAKER. Both gentlemen in the well of the House have great respect for the House and are good parliamentarians. The Chair does trust that this matter may soon be finished.

Mr. JENSEN. I am very well satisfied, thank you Mr. Speaker.

Mr. CANNON. I will tell you what the contract provided. The contract provided that Southwestern should lease the facilities and provide power at a rate the farmers could pay. It provided that REA have enough income to meet its amortization payments; but after we adopted the provision offered in the first session of the last Congress, the REA immediately began to lose money. Every one of them is running today at a deficit. Why? Because of a bill brought in by the gentleman from Iowa.

Mr. JENSEN. If the gentleman will yield, Ancher Nelsen the Administrator of REA just recently testified before our committee that every REA in the Southwestern Power area was current in payments. Congress has appropriated money to help them out over the past several years.

Mr. CANNON. Yes. They appropriated the money under a Democratic Administration, and now they are paying out. But the testimony was that every REA was running at a deficit because of this change in the bill brought in by the gentleman from Iowa.

Mr. JENSEN. Yes, and by Senator HAYDEN's committee. Is Senator HAYDEN gullible? Is Congressman MIKE KIRWAN gullible? Is Congressman W. F. NORRELL gullible? Is Congressman FENTON gullible?

Mr. CANNON. Mr. Speaker, I am not going to take up more time of the House. The gentleman is circulating statements printed by the utilities which brought suit in the courts against REA in order to destroy REA.

I will extend my remarks by inserting here material which shows conclusively that was the intent.

Mr. JENSEN. Will the gentleman include my statement and his answer?

Mr. CANNON. I asked to have it inserted in the RECORD, and the gentleman objected.

In addition to pointing out the errors in the statement, I will also call attention to the discrepancies in the testimony before the Committee on Government Operations.

This necessarily includes matters previously discussed in connection with the analysis of the statement above.

At page 216 of the transcript of his testimony before the Subcommittee on Public Works and Resources, on July 26,

1955, the gentleman from Iowa [Mr. JENSEN] said:

He (Mr. Wright) induced the five G. and T. cooperatives in the Southwest area to sign a contract, that contract for leasing of all of the transmission lines which the G. and T.'s owned, to the Southwestern Power Administration.

On page 858 of part 3 of central section hearings on public works, under questioning by Mr. PHILLIPS, presidents of the G. and T. boards specifically denied there was coercion of any kind and explained that the contracts offered their organizations the best alternative of those available for providing service to their farmer customers.

At pages 216 and 217 Mr. JENSEN is quoted as insisting that the option-to-purchase clause is given as the reason for setting the contracts aside when Mr. JENSEN was chairman of the subcommittee.

This provision could very easily have been changed by action of the Congress without destroying the entire contract. Further, this provision, while it has now been deleted, could be considered as only reasonable protection for the Government investment. It has been taken out of the contract and need be given no further attention.

On page 218 Mr. JENSEN says: "May I say that Ancher Nelsen, the Administrator of REA, testified before our Public Works Committee about 2 months ago that all the REA's in the Southwestern Power area were current in their payment."

This does not give the whole story. On pages 374 through 378 of the hearings on the second supplemental appropriation bill, 1955, the financial status of the G. and T.'s is clearly shown. All were operating with an accrued deficit. And on page 362 of the same hearings, Mr. Cole, of the REA, testified as follows:

All of the G. and T. borrowers in the SPA area operated at a deficit last year.

At page 220 the statement is made that until the question of authority of Federal Government to purchase steam power and build steam plants is argued in the Supreme Court, Mr. JENSEN said, "It is poppycock for Mr. Wright or anyone else to say that this issue has been settled and the legal right to do these things is clear."

The district court has ruled that authority of SPA to purchase steam power is clear and unequivocal. The United States court of appeals said utilities had no right to raise the issue. REA Act in section 4 authorizes the Administrator "to make loans for the purpose of financing the construction of generating plants." The G. and T.'s built the plants—not the Federal Government.

No objection has been made to any existing contracts between SPA and the private utilities under which SPA purchases steam power from the private utility.

On pages 220–221 Mr. JENSEN's testimony implies that the only questions in suits brought by utility companies was on the matter of purchasing of steam power and building of steam plants.

The court decision in the 10-company suit is found on pages 729 through 740 of section 3 of the Central Section Hearings on Public Works. The court ruled on the following points:

First. That the contracts do not violate the Central Station Service provision of the REA Act.

Second. That the contracts do not violate the rural area provision of the REA Act.

Third. That the loan contracts were not executed for the sole benefit of SPA.

Fourth. That the loan contracts do not violate the self-liquidating provision of section 4 of the REA Act.

Fifth. That the loan contract between REA and M. & A. Electric Power Co-op is legal.

Sixth. That the lease and power contracts do not violate the provisions of the Flood Control Act.

Seventh. That the lease and power contracts are not illegal on any other grounds mentioned in the suit.

At page 221 Mr. JENSEN stated:

I don't want the Federal Government or anyone else to attempt to run their business or to acquire their property by subterfuge or any other manner, illegal manner.

However, on pages 763 and 764 of part 3, Central Section hearings on Public Works, Mr. Green, manager of Central Electric Co-op, says:

The power company (Union Electric) proposal provided that all control over the use of the capacity in the cooperatives' 161-kilowatt transmission lines and power plant be surrendered to the power company as if these facilities were leased. Earlier we had severe criticism for leasing our lines (to SPA), even from the power companies themselves. In fact, we were taken to the courts by these power companies, and one of the issues was that leasing of the lines was not a legal and proper method, but now we found in these negotiations that the power companies themselves wanted to take the place of SPA.

At pages 237 and 238 Mr. JENSEN explains that Minority Clerk George Green helped to prepare pamphlet of Mr. JENSEN's testimony in part 3 of Central Section Hearings on Public Works, and that it was printed by private utilities in Southwest area, but he cannot recall name of any of them.

Comment is unnecessary.

On page 246 Mr. JENSEN reiterates:

In that connection, since that statement was made by me and put into the hearing, not one person in this America of ours has taken exception to one statement of facts or figures in that statement, to my knowledge.

But my statement immediately following Mr. JENSEN's in the hearings at page 875, part 3. Central Section, Public Works, and which I repeatedly called to the attention of the gentleman from Iowa on the floor conclusively refutes the major points in the statement.

At pages 246 and 252 many figures are used to show there is wide difference in cost of power to ultimate consumers and the wholesale rate to the co-op. Implication is that a small difference in wholesale rate (i. e., 5.6 mils to 10.2 mils) would have no bearing on ultimate cost to consumers.

This is seriously misleading, since there will of necessity be variations in the spread between wholesale and retail prices because of customer density, terrain, average customer consumption, and other factors unique to the area served by any given co-op. And since they operate without profit, a small change in wholesale cost per kilowatt must be passed on in total to the consumer. The small charge per kilowatt becomes a substantial sum when multiplied by the number of kilowatt-hours the farmer uses.

It is precisely this small difference at the point of ultimate use that brought about the REA's in the first place.

Mr. Speaker, these proceedings have not gone unnoticed by the press. And under leave granted me to insert material in the RECORD in this connection, I include an article from the Washington Post and Times Herald of July 29, 1955, as follows:

POWER PAMPHLET HELD VIOLATION

(By Warren Unna)

One House committee yesterday took the unusual step of subpenaing another committee's staff member in an attempt to find out if an anonymously printed pamphlet on Midwest power problems was in violation of the lobbying act.

But George S. Green, 10211 Lorain Avenue, Silver Spring, minority clerk to the House Appropriations Committee, proved to be of no help.

Green, subpenaed by the House Government Operations Public Works Subcommittee, said he had "assisted" Representative BEN F. JENSEN, Republican, Iowa, in writing the "technical aspects" of the 17-page pamphlet. But he added that the first he knew that possibly hundreds of thousands of copies had been circulated in the Arkansas-Missouri-Oklahoma area was when JENSEN gave him one.

Representative EARL CHUDOFF, Democrat, Pennsylvania, subcommittee chairman, said after the hearing: "There is no question about it; this is a violation of the lobbying act."

CHUDOFF explained that the law provides that anyone spending more than $10 "for the purpose of influencing legislation" must register with the Clerk of the House. He estimated "many thousands of dollars" had been spent on this pamphlet, Facts About the Southwestern Power Problem, and said its purpose was clearly to "influence Congress and its legislation."

The pamphlet reprints remarks JENSEN made before the House Appropriations Public Works Subcommittee May 19. In it he accuses Southwestern Power Administrator Douglas G. Wright of "a burning and insatiable obsession to obtain, without regard to method * * * a gigantic power empire."

The pamphlet, under JENSEN's name, characterizes as "canned dialog" question-and-answer testimony between Representative CLARENCE CANNON (Democrat, of Missouri), House Appropriations Committee chairman, and Wright.

JENSEN's pamphlet came to public light Tuesday when he submitted it in testifying before CHUDOFF's hearing on administration power policies. He was immediately asked about its origin.

He said Green had written most of the remarks for him and then a representative of 12 private utilities in SPA's Arkansas-Missouri-Oklahoma area had phoned him for permission to reprint his speech in pamphlet form.

"It was a public document. I cannot tell anyone not to reprint it," JENSEN testified at the time. "(But) so help me God, if I die on this spot, I do not know all the private utilities that contributed to it. Maybe all of them did, I do not know."

Green was asked yesterday if he was the only one who had helped JENSEN.

"I couldn't say," he replied.

Asked if he had obtained any of his data from the 12 private utilities in the SPA

area, Green answered: "I don't believe so—in connection with this particular pamphlet."

Green, a former Federal Power Commission employee who has been working with Representative JOHN TABER (Republican, of New York), on the House Appropriations Committee staff since 1953, said JENSEN had requested his help—"I assume it was in my capacity as a minority clerk. I was instructed by Mr. TABER to assist any members of the minority of the committee."

I also include editorial comment from Labor's Daily of Saturday, July 30, 1955, as follows:

The private utilities of the Southwest have very definitely violated the Lobby Act by printing pamphlets which Representative BEN J. JENSEN (Republican, of Iowa) distributed to all Congressmen, a House committee has decided. But the pamphlets contained a statement by JENSEN in opposition to certain funds for the Southwestern Power Administration.

Also reported in the New York Times of July 28, 1955:

HOUSE UNIT SEEKS PAMPHLET BACKER—PRO-PRIVATE POWER PAPER PROMPTS ONE GROUP TO CALL CLERK OF ANOTHER

(By C. T. Trussell)

WASHINGTON, July 27.—A subpena was issued by one congressional committee today to require sworn testimony from a clerk of another.

This unusual action was taken in an effort to discover who prepared, financed, and attained Congresswide circulation of a pamphlet favorable to private utilities. It appeared just before a vote was taken on appropriations concerning both public and private power interests in the Southwest.

It appeared to be the opening of an investigation into the power of lobbies of the private power interests.

The pamphlet now at issue indicated that its author was Representative BEN F. JENSEN, Republican, of Iowa. Mr. JENSEN formerly was chairman of the Appropriations Subcommittee handling public utilities funds. It was identified, however, as having been almost wholly a reprint of a statement he had filed with a House Government Operations Subcommittee earlier this year.

Mr. JENSEN asked to be heard by the Government Operations Subcommittee now examining public-power policy. He said he had agreed to the distribution of his statement among colleagues at the request of someone he could not identify.

The subcommittee, headed by Representative EARL CHUDOFF, Democrat, of Pennsylvania, wanted to know more about this. Examination of the 17-page pamphlet gave no hint as to who financed it or who printed it. Mr. JENSEN said he did not finance it and did not know who published it.

It came out, though, under the title, "Facts About the Southwestern Power Problem * * * by BEN F. JENSEN." It dealt, to the advantage of private utilities, with the sales of power by public projects.

Suspicion seemed to center upon George Green, a minority clerk of the Appropriations Committee. Mr. Green was in the room. Representative JOHN E. MOSS, JR., Democrat, of California, asked that he be called to the stand. Representative JENSEN protested. Never, he held, had one congressional committee intruded upon the operations of the staff of another.

The chairman of the full Government Operations Committee, Representative WILLIAM L. DAWSON, Democrat, of Illinois, nevertheless, issued a subpena for Mr. Green.

And the following article from the American Public Power Association Newsletter of July 29, 1955:

POWER MYSTERY: WHO PAID FOR JENSEN PAMPHLET BLASTING SPA?

The Chudoff subcommittee this week questioned Representative BEN F. JENSEN, Republican, Iowa, and a member of the House Appropriations Committee staff regarding authorship and financial backing of an anti-public-power pamphlet which Representative EARL CHUDOFF said was distributed by the "hundreds of thousands."

The 17-page pamphlet Facts About the Southwestern Power Problem, bears no indication of its source other than that it reprints testimony by Representative JENSEN before the Appropriations Committee with respect to SPA funds.

The Iowa Congressman told the committee that he received a telephone call asking permission to reprint the testimony and that he assumed "the private utilities in the Southwest area had that statement reprinted:" He provided a copy to every Member of the House and Senate, he added.

In answer to questions from Chairman CHUDOFF, whose subcommittee has jurisdiction over public works and resources within the House Committee on Government Operations, Representative JENSEN declared, "So help me God, if I die on this spot, I don't know all the private utilities that contributed to it."

Following the Jensen testimony, Representative CHUDOFF told reporters that "there is no question about it; this is a violation of the lobbying act." He admitted the possibility that the utilities which footed the bill for the pamphlet may be registered as lobbyists and thus have complied with the law.

In an effort to track down authorship of the pamphlet, Representative CHUDOFF drew from Representative JENSEN the fact that George S. Green, minority clerk of the House Appropriations Committee, aided in its preparation. "BEN JENSEN, the old lumberman, would not be capable of going into all those details so far as rates are concerned," he explained.

The pamphlet attacks Southwestern Power Administration, whose policies are under investigation by the Chudoff group, and charges SPA Administrator Douglas Wright with "a burning and insatiable obsession to obtain, without regard to method, the 'comprehensive plan of power distribution' whereby he would build a gigantic power empire."

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

Mr. CANNON. Mr. Speaker, in order to save the time of the House, I would like to make a unanimous-consent request. We have many items here which are in technical disagreement, and which are mere formalities. So I ask unanimous consent that the following amendments be considered en bloc, on which motions will be offered to recede and concur: Amendments Nos. 2, 19, 20, 28, 29, 34, 37, 38, 39, 40, 41, 43, 48, 49, 50, 58, 59, 61, 64, 78, 80, 82, 83, 85, 86, 88, 89, 92, 95, 98, 117, 127, 128, 130, 131, 142, and 143.

These are matters in technical disagreement, and I believe there is no difference of opinion on them on either side of the aisle.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. TABER. Mr. Speaker, I ask unanimous consent that the reading in detail of the amendments enumerated by the gentleman from Missouri be dispensed with and that they be printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The amendments in disagreement are as follows:

Amendment No. 2: Page 2, line 4, insert:

"Salaries and Expenses

"Not to exceed $25,000 of funds appropriated under this head in the Department of Agriculture and Farm Credit Administration Appropriation Act, 1956, for research, shall be available for construction of a building at the United States Range Livestock Experiment Station, Miles City, Mont."

Amendment No. 19: Page 5, line 7, insert:

"Agricultural conservation program service

"Not to exceed $5 million of the appropriation under the head 'Agricultural Conservation Program Service,' in the Department of Agriculture and Farm Credit Administration Appropriation Act, 1955, shall be available for the purposes specified under the head 'Agricultural Conservation Program,' in the Second Supplemental Appropriation Act, 1955, and shall be merged with the amount provided therein."

Amendment No. 20: Page 5, line 16, insert:

"Commodity Credit Corporation

"For the purpose of assisting the Commodity Credit Corporation in selling its agricultural commodities, the position of sales manager is hereby authorized in grade 17 of the General Schedule of the Classification Act of 1949, as amended, in accordance with the standards and procedures of that act."

Amendment No. 28: Page 8, line 19, insert:

"Revolving Fund

"For additional capital for the revolving fund authorized by the Small Business Act of 1953, as amended, to be available without fiscal year limitation, $25 million: *Provided*, That this appropriation and the appropriation to the Small Business Administration for 'Salaries and expenses,' for the fiscal year 1956, shall be available only upon the enactment into law of S. 2127, 84th Congress, 1st session, or similar legislation, continuing the Small Business Administration during the fiscal year 1956."

Amendment No. 29: Page 9, line 4, insert:

"UNITED STATES TARIFF COMMISSION

"That part of title III of Public Law 121, 84th Congress, approved June 30, 1955, which pertains to the appropriation for the Tariff Commission for the fiscal year ending June 30, 1956, is hereby amended by changing the period at the end thereof to a colon and adding the following additional proviso: *And provided further*, That that part of the foregoing appropriation which is for expenses of travel shall be available, when specifically authorized by the chairman of the Tariff Commission, for expenses of attendance at meeting of organizations concerned with the functions and activities of the said Commission."

Amendment No. 34: Page 12, line 9, insert:

"Audited Claims

"Applicable current appropriations of the Department of the Navy shall be available for the payment of claims certified by the Comptroller General to be otherwise due, in the amounts stated below, from the following appropriations:

"'Maintenance, Bureau of Supplies and Accounts', fiscal year 1943, $171.48;

"'Pay, subsistence, and transportation, Navy', fiscal year 1943, $3,344.24;

"'Maintenance, Bureau of Ships', fiscal year 1946, $5,838.42; and

"'Transportation of things, Navy', fiscal year 1948, $1,359.86."

Amendment No. 37: Page 37, line 24, insert:

"SEC. 302. Funds appropriated to the military departments for military public works in prior years are hereby made available for military public works authorized for each such department by the act of July 15, 1955 (Public Law 161)."

Amendment No. 38: Page 14, line 4, insert:

"SEC. 303. None of the funds appropriated in this chapter shall be expended for payments under a cost-plus-a-fixed-fee contract for work where cost estimates exceed $25,000 to be performed within the continental United States without the specific approval in writing of the Secretary of Defense setting forth the reasons therefor."

Amendment No. 39: Page 14, line 10, insert:

"SEC. 304. None of the funds appropriated in this chapter shall be expended for additional costs involved in expediting construction, unless the Secretary of Defense certifies such costs to be necessary to protect the national interest and establishes a reasonable completion date for each such project, taking into consideration the urgency of the requirement, the type and location of the project, the climatic and seasonal conditions affecting the construction and the application of economical construction practices."

Amendment No. 40: Page 14, line 19, insert:

"SEC. 305. None of the funds appropriated in this chapter shall be used for the construction, replacement, or reactivation of any bakery, laundry, or dry-cleaning facility in the United States, its Territories or possessions, as to which the Secretary of Defense does not certify, in writing, giving his reasons therefor, that the services to be furnished by such facilities are not obtainable from commercial sources at reasonable rates."

Amendment No. 41: Page 15, line 3, insert:

"SEC. 306. Funds appropriated to the military departments for construction are hereby made available for advance planning, construction design and architectural services, as authorized by section 504 of the Act of September 28, 1951 (Public Law 155)."

Amendment No. 43: Page 15, line 11, insert:

"Department of the Army

"Government and Relief in Occupied Areas

"For expenses, not otherwise provided for, necessary to meet the responsibilities and obligations of the United States in connection with the government or occupation of the Ryukyu Islands, including, subject to such authorizations and limitations as may be prescribed by the head of the department or agency concerned, tuition, travel expenses, and fees incident to instruction in the United States or elsewhere of such persons as may be required to carry out the provisions of this appropriation; travel expenses and transportation; services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a) at rates not in excess of $50 per diem for individuals not to exceed 10 in number; translation rights, photographic work, education exhibits, and dissemination of information, including preview and review expenses incident thereto; hire of passenger motor vehicles and aircraft; repair and maintenance of buildings, utilities, facilities, and appurtenances; and such supplies, commodities, and equipment as may be essential to carry out the purposes of this appropriation; $3 million, of which not to exceed $1,210,000 shall be available for administrative and information and education expenses: *Provided*, That the general provisions of the Appropriation Act for the current fiscal year for the military functions of the Department of the Army shall apply to expenditures made by that Department from this appropriation: *Provided further*, That expenditures from this appropriation may be made outside continental United States, when necessary to carry out its purposes, without regard to sections 355, 1136, 3648, and 3734, Revised Statutes, as amended, civil service or classification laws, or provisions of law prohibiting payment of any person not a citizen of the United States: *Provided further*, That expenditures from this appropriation may be made, when necessary to carry out its purposes, without regard to section 3709, Revised Statutes, as amended, and the Armed Services Procurement Act of 1947 (41 U. S. C. 151–161): *Provided further*, That expenditures may be made hereunder for the purposes of economic rehabilitation in the Ryukyu Islands in such manner as to be consistent with the general objectives of title II and III of the Mutual Security Act of 1954, and in the manner authorized by sections 505 (a) and 522 (e) thereof: *Provided further*, That funds appropriated hereunder and unexpended at the time of the termination of occupation by the United States, of any area for which such funds are made available, may be expended by the President for the procurement of such commodities and technical services, and commodities procured from funds herein or heretofore appropriated for government and relief in occupied areas and not delivered to such an area prior to the time of the termination of occupation, may be utilized by the President, as may be necessary to assist in the maintenance of the political and economic stability of such areas: *Provided further*, That before any such assistance is made available, an agreement shall be entered into between the United States and the recognized government or authority with respect to such area containing such undertakings by such government or authority as the President may determine to be necessary in order to assure the efficient use of such assistance in furtherance of such purposes: *Provided further*, That such agreement shall, when applicable, include requirements and undertakings corresponding to the requirements and undertakings specified in section 303 of the Mutual Security Act of 1954: *Provided further*, That funds appropriated hereunder may be used, insofar as practicable, and under such rules and regulations as may be prescribed by the head of the department or agency concerned to pay ocean transportation charges from United States ports, including territorial ports, to ports in the Ryukyus for the movement of supplies donated to, or purchased by, United States voluntary nonprofit relief agencies registered with and recommended by the Advisory Committee on Voluntary Foreign Aid or of relief packages consigned to individuals residing in such areas: *Provided further*, That under the rules and regulations to be prescribed, the head of the department or agency concerned shall fix and pay a uniform rate per pound for the ocean transportation of all relief packages of food or other general classification of commodities shipped to the Ryukyu regardless of methods of shipment and higher rates charged by particular agencies of transportation, but this proviso shall not apply to shipments made by individuals to individuals: *Provided further*, That the President may transfer to any other department or agency any function or functions provided for under this appropriation, and there shall be transferred to any such department or agency without reimbursement and without regard to the appropriation from which procured, such property as the Director of the Bureau of the Budget shall determine to relate primarily to any function or functions so transferred."

Amendment No. 48: Page 20, line 23, insert:

"International claims

"For expenses necessary to enable the Commission to settle certain claims as authorized by the act of March 10, 1950, as amended (22 U. S. C. 1621–1627), including expenses of attendance at meetings of organizations concerned with the purpose of this appropriation; services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), at rates not to exceed $50 per diem for individuals; and employment of aliens; $400,000: *Provided*, That this paragraph shall be effective only upon enactment into law of H. R. 6382, 84th Congress, 1st session."

Amendment No. 49: Page 21, line 9, insert:

"President's Commission on Veterans' Pensions

"For expenses necessary for a special study of the veterans' compensation and pensions program, to be expended as the President may direct, $300,000."

Amendment No. 50: Page 21, line 13, insert:

"SEC. 502. Appropriations contained in title I of the General Government Matters Appropriation Act, 1956, available for expenses of travel shall be available, when specifically authorized by the head of the activity or establishment concerned, for expenses of attendance at meetings of organizations concerned with the function or activity for which the appropriation concerned is made."

Amendment No. 58: Page 24, line 1, insert:

"Repair, improvement, and equipment of federally owned buildings outside the District of Columbia

"For an additional amount for 'Repair, improvement, and equipment of federally owned buildings outside the District of Columbia,' $1,150,000, to remain available until expended: *Provided*, That the limitation under this head in the Independent Offices Appropriation Act 1956, on the amount available for expenses of travel, is increased from '$145,000' to '$155,000.'"

Amendment No. 59: Page 24, line 11, insert:

"Operating expenses, Federal Supply Service

"For an additional amount for 'Operating expenses, Federal Supply Service,' $200,000; and the limitation under this head in the Independent Offices Appropriation Act, 1956, on the amount available for travel expenses is increased by $1,000."

Amendment No. 61: Page 24, line 18, insert:

"For an additional amount for 'Expenses, general supply fund,' $1 million, of which $300,000 shall be for nonrecurring moving and space costs in connection with the relocation of warehouse management and other employees into office space in regional warehouses; and the limitation under this head in the Independent Offices Appropriation Act, 1956, on the amount available for expenses of travel is increased by $22,500."

Amendment No. 64: Page 26, line 1, insert:

"Strategic and critical materials

"The appropriation granted under this head in the Independent Offices Appropriation Act 1956, shall be available for necessary expenses for transportation and handling, within the United States (including charges at United States ports), storage, security, and maintenance of strategic and critical materials acquired for the supplemental stockpile pursuant to section 104 (b) of the Agricultural Trade Development and Assistance Act of 1954 (7 U. S. C. 1704 (b))."

Amendment No. 78: Page 30, line 17, insert:

"Tribal funds

"For an additional amount for 'Tribal funds,' $200,000, from funds to the credit of the Indians of California as defined and enrolled under the act of May 18, 1928 (45 Stat. 602), as amended, the successors in interest to claims against the United States as therein provided, for payment of expenses, other than attorney fees, heretofore or hereafter incurred by attorneys prosecuting the claims of the Indians of California befor the Indian Claims Commission under contracts approved by the Secretary of the Interior."

Amendment No. 80: Page 31, line 9, insert:

"Drainage of anthracite mines

"For contributions as authorized by the act 'To provide for the conservation of anthracite coal resources through measures of flood control and anthracite mine drainage, and for other purposes' (Public Law 162, approved July 15, 1955), $8,500,000, to remain available until expended."

Amendment No. 82: Page 31, line 21, insert: "of which $455,000 shall be available for the construction of fish-cultural facilities below Norfolk Dam, Arkansas."

Amendment No. 83: Page 32, line 1, insert:

"DEPARTMENT OF AGRICULTURE

"Forest Service—Salaries and expenses

"For an additional amount for 'Salaries and expenses,' for national forest protection and management, $300,000: *Provided*, That this appropriation shall be effective only upon enactment into law of H. R. 5891, 84th Congress."

Amendment No. 85: Page 32, line 13, insert:

"BOSTON NATIONAL HISTORIC SITES COMMISSION

"For expenses necessary to carry out the provisions of the Act of June 16, 1955 (69 Stat. 136, 137, 138), $40,000, to remain available until June 30, 1957."

Amendment No. 86: Page 32, line 18, insert:

"JOHN MARSHALL BICENTENNIAL CELEBRATION COMMISSION

"For an additional amount for 'John Marshall Bicentennial Celebration Commission' for carrying out the provisions of the act of August 13, 1954 (68 Stat. 702), including entertainment, $82,500, to remain available until December 31, 1955."

Amendment No. 88: Page 33, line 6, insert:

"SMITHSONIAN INSTITUTION

"Museum of History and Technology

"For necessary expenses of construction of a building for the Museum of History and Technology, as authorized by the act of June 28, 1955 (Public Law 106), including the preparation of plans and specifications, not to exceed $75,000 for services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), at rates not to exceed $100 per diem for individuals, and incidental expenses of the Regents of the Smithsonian Institution and of the Joint Congressional Committee established by said act, $2,288,000, to remain available until expended: *Provided*, That the expenses of the Joint Congressional Committee shall be paid upon certification of the Chairman of said Committee."

Amendment No. 89: Page 33, line 20, insert:

"SOO LOCKS CENTENNIAL CELEBRATION COMMISSION

"Funds appropriated for the Soo Locks Centennial Celebration Commission in the Second Supplemental Appropriation Act 1955 (Public Law 24, 84th Cong.), shall be available for expenses of official entertainment."

Amendment No. 92: Page 34, line 7, insert:

"Bureau of Employment Security

"Salaries and Expenses, Mexican Farm Labor Program

"For an additional amount for 'Salaries and expenses, Mexican farm labor program', $650,000: *Provided*, That this amount shall be available only upon enactment into law of H. R. 3822, 84th Congress, or similar legislation, extending authority for the importation of Mexican agricultural workers."

Amendment No. 95: Page 35, line 10, insert:

"Salaries and expenses

"For on additional amount for 'Salaries and expenses', fiscal year 1955, for payment of retroactive pay increases granted by administrative action, comparable to those authorized by the Federal Employees Salary Increase Act of 1955 (69 Stat 172), $5,400, to be derived by transfer from the appropriation 'Grants to States for public assistance', Social Security Administration, fiscal year 1955."

Amendment No. 98: Page 35, line 33, insert:

"Salaries and expenses

"For an additional amount for 'Salaries and expenses', fiscal year 1955, for payment of retroactive pay increases granted by administrative action, comparable to those authorized by the Federal Employees Salary Increase Act of 1955 (69 Stat. 172), $76,000, to be derived by transfer from the appropriation 'Grants to States for public assistance', Social Security Administration, fiscal year 1955."

Amendment No. 117: Page 41, line 3, insert:

"Payment to the Republic of Panama

"After the exchange of ratifications of the Treaty of Mutual Understanding and Cooperation, signed January 25, 1955, by the United States of America and the Republic of Panama (Senate Executive F, 84th Cong., 1st sess.; ratification advised by the Senate), the Secretary of the Treasury shall cause to be paid annually (in lieu of the annual payment provided under this head in the Department of State Appropriation Act, 1954), out of any money in the Treasury not otherwise appropriated, $1,930,000 as a payment to the Republic of Panama in accordance with article I thereof."

Amendment No. 127: Page 45, line 11, insert:

"OFFICE OF FIRST ASSISTANT POSTMASTER GENERAL

"City delivery carriers

"For an additional amount, fiscal year 1947, for 'City delivery carriers', $10,000, to be derived by transfer from the appropriation 'Railway Mail Service', fiscal year 1947."

Amendment No. 128: Page 45, line 17, insert:

"CORPORATION

"Federal Facilities Corporation

"The amount of the Corporation's funds made available under this head in title I of the Treasury-Post Office Appropriation Act, 1956, for administrative expenses of the Corporation, is increased from $800,000 to $975,000."

Amendment No. 130: Page 47, line 13, insert:

"Salary increases, policemen and firemen

"The provisions of title II of Public Law 123, approved June 30, 1955, shall apply also to costs in the fiscal year 1955 of pay increases granted by or pursuant to Public Law —, 84th Congress: *Provided*, That this paragraph shall be effective only upon enactment into law of either S. 2428 or H. R. 7159, or similar legislation."

Amendment No. 131: Page 47, line 20, insert:

"CAPITAL OUTLAY

"Public building construction

"The appropriation for 'Capital outlay, public building construction', contained in the District of Columbia Appropriation Act, 1956, shall be available for preparation of plans and specifications for a warehouse at the Children's Center and the erection of the following structures, including the treatment of grounds: Branch library building in Woodridge, new Metropolitan Police Women's Bureau Building (including the installation of telephones, telephone switchboard, and teletypewriter system), and new fire engine house in the vicinity of 24th and Irving Streets SE. (including instruments for receiving alarms and connecting said house to the fire alarm system)."

Amendment No. 142: Page 50, line 18, insert:

"Uniform allowances

"SEC. 1501. The following appropriations and funds available to the departments and agencies, for the fiscal year 1956, shall be available for uniforms or allowances therefor, as authorized by the act of September 1, 1954, as amended (68 Stat. 1114 and 69 Stat. 49):

"Legislative branch:

"Architect of the Capitol:

" 'Capitol Buildings';

" 'Senate Office Buildings';

" 'House Office Buildings';

"Independent offices:

"Civil Service Commission: 'Salaries and expenses';

"Federal Trade Commission: 'Salaries and expenses';

"General Accounting Office: 'Salaries and expenses';

"Interstate Commerce Commission: The appropriation available for the pay of employees entitled to uniforms or allowances therefor under said act;

"National Advisory Committee for Aeronautics: 'Salaries and expenses';

"National Labor Relations Board: 'Salaries and expenses';

"Securities and Exchange Commission: 'Salaries and expenses';

"Smithsonian Institution: 'Salaries and expenses, National Gallery of Art';

"Veterans' Administration:

" 'General operating expenses';

" 'Medical administration and miscellaneous operating expenses';

" 'Maintenance and operation of supply depots';

"Department of Agriculture:

" 'Office of the Secretary';

"Commodity Credit Corporation: 'Limitation on administrative expenses';

"Department of Commerce:

"Office of the Secretary:

" 'Salaries and expenses';

" 'Working capital fund';

"Bureau of the Census: 'Salaries and expenses';

"Civil Aeronautics Administration: 'Operation and regulation';

"Maritime activities: 'Salaries and expenses';

"National Bureau of Standards: 'Working capital fund';

"Department of Health, Education, and Welfare:

"Freedmen's Hospital: 'Salaries and expenses';

"Public Health Service:

" 'Assistance to States, general';

" 'Venereal diseases';

" 'Tuberculosis';

" 'Communicable diseases';

" 'Sanitary engineering activities';

" 'Disease and sanitation investigations and control, Territory of Alaska';

" 'Hospitals and medical care';

" 'Foreign quarantine service';

" 'Indian health activities';

"'National Institutes of Health, operating expenses';
"'National Cancer Institute';
"'Mental health activities';
"'National Heart Institute';
"'Dental health activities';
"'Arthritis and metabolic disease activities';
"'Microbiology activities';
"'Neurology and blindness activities';
"St. Elizabeths Hospital: 'Salaries and expenses';
"Social Security Administration: 'Salaries and expenses, Bureau of Old-Age and Survivors Insurance';
"Department of the Interior:
"Office of the Secretary:
"'Salaries and expenses';
"'Working capital fund';
"Bureau of Indian Affairs: 'Education and welfare services'; and
"Department of Labor:
"Office of the Secretary: 'Salaries and expenses.'

Amendment No. 143: Page 53, line 23, insert:

"SEC. 1502. No part of any appropriation contained in this act, or of the funds available for expenditure by any corporation included in this act, shall be used to pay the salary or wages of any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided,* That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit has not contrary to the provisions of this section engaged in a strike against the Government of the United States, is not a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or that such person does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force, or violence: *Provided further,* That any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for which are paid from any appropriation or fund contained in this or any other act shall be guilty of a felony and, upon conviction, shall be fined not more than $1,000 or imprisoned for not more than 1 year, or both: *Provided further,* That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing law."

Mr. CANNON. Mr. Speaker, I move that the House recede from its disagreement to the amendments of the Senate numbered: 2, 19, 20, 28, 29, 34, 37, 38, 39, 40, 41, 43, 48, 49, 50, 58, 59, 61, 64, 78, 80, 82, 83, 85, 86, 88, 89, 92, 95, 98, 117, 127, 128, 130, 131, 142, and 143, and concur therein.

The SPEAKER. The question is on the motion of the gentleman from Missouri.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 3: Page 2, line 11, insert:

"Animal disease laboratory facilities

"For preparation of plans and specification for construction of facilities for animal disease research and control, and for surveys to determine the cost of acquiring and altering facilities which may be made suitable for such work, including employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), $500,000, to remain available until expended."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

In lieu of the sum named in said amendment insert "$250,000."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

"MARITIME ACTIVITIES

"Maritime training

"For an additional amount for 'Maritime training', $115,000; and the limitation under this head in the Department of Commerce Appropriation Act, 1956, on the amount available for transfer to applicable appropriations of the Public Health Service for services rendered to the Maritime Administration is increased by $5,000."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 22, and concur therein with an amendment, as follows: In lieu of the first sum named in said amendment insert "100,000."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 23: Page 7, line 1, insert:

"Repair of reserve fleet vessels (liquidation of contract authorization)

"The limitation under this head in the Department of Commerce and Related Agencies Appropriation Act, 1956, on the amount which may be advanced to the appropriation, 'Salaries and expenses, maritime activities,' for administrative expenses is increased from '$150,000' to '$330,000'."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 23, and concur therein with an amendment, as follows: In lieu of the second sum named in said amendment insert "$225,000."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 25; Page 7, line 13, insert:

"WEATHER BUREAU

"Salaries and expenses

"For an additional amount for 'Salaries and expenses', $1,500,000; and the limitation under this head in the Department of Commerce and Related Agencies Appropriation Act, 1956, on the amount available for improvement and operation of hurricane, severe storm, and tornado warning services, including research and construction of related facilities, is increased from '$4,250,000' to '$5,750,000'."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 25, and concur therein with an amendment, as follows: In lieu of the first sum named in said amendment insert "$500,000," and in lieu of the last sum named in said amendment insert "$4,750,000."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 27: Page 8, line 2, insert:

"Salaries and expenses

"For necessary expenses, not otherwise provided for, of the Small Business Administration, including expenses of attendance at meetings concerned with the purposes of this appropriation and hire of passenger motor vehicles, $2,700,000; and in addition there may be transferred to this appropriation not to exceed $2,865,000 from the Revolving Fund, Small Business Administration, and not to exceed $535,000 from the fund for Liquidation of Reconstruction Finance Corporation Distaster Loans, Small Business Administration, for administrative expenses in connection with activities financed under said funds: *Provided,* That the amount authorized for transfer from the Revolving Fund, Small Business Administration, may be increased, with the approval of the Bureau of the Budget, by such amount as may be required to finance administrative expenses incurred in the making of disaster loans."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 27, and concur therein with an amendment, as follows: In lieu of the first sum named in said amendment insert "$2,000,000."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 31: Page 11, line 3, insert:

"Department of the Army

"Military Construction, Army

"For acquisition, construction, installation, and equipment of temporary or permanent public works, military installations, and facilities, for the Army, as authorized by the act of September 28, 1951 (Public Law 155), the act of July 14, 1952 (Public Law 534), the act of August 7, 1953 (Public Law 209), the act of July 27, 1954 (Public

Law 534), the act of September 1, 1954 (Public Law 765), and the act of July 15, 1955 (Public Law 161), without regard to sections 1136 and 3734, Revised Statutes, as amended, including hire of passenger motor vehicles; to remain available until expended, $486,427,000, to be derived by transfer from the appropriation for 'Procurement and production, Army'."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 31, and concur therein with an amendment, as follows: In lieu of the sum named in said amendment insert: $485,077,000.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 33: Page 11, line 19, insert:

"Military Construction, Navy

"For an additional amount for acquisition, construction, installation, and equipment of temporary or permanent public works, naval installations, and facilities for the Navy, as authorized by the act of September 28, 1951 (Public Law 155), the act of July 14, 1952 (Public Law 534), the act of August 7, 1953 (Public Law 209), the act of July 27, 1954 (Public Law 534), the act of September 1, 1954 (Public Law 765), and the act of July 15, 1955 (Public Law 161), without regard to sections 1136 and 3734, Revised Statutes, as amended; including hire of passenger motor vehicles; furniture for public quarters; and personnel in the Bureau of Yards and Docks and other personal services necessary for the purposes of this appropriation; $443,278,300, to remain available until expended."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate No. 33, and concur therein with an amendment, as follows: In lieu of the sum named in said amendment insert: $442,628,300.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 35: Page 12, line 22, insert:

"Department of the Air Force

"Military Construction, Air Force

"For an additional amount for acquisition, construction, installation, and equipment of temporary or permanent public works, military installations, and facilities for the Air Force as authorized by the act of September 11, 1950 (Public Law 783), the act of September 28, 1951 (Public Law 155), the act of July 14, 1952 (Public Law 534), the act of August 7, 1953 (Public Law 209), the act of April 1, 1954 (Public Law 325), the act of July 27, 1954 (Public Law 534), the act of September 1, 1954 (Public Law 765), and of the Act of July 15, 1955 (Public Law 161), without regard to sections 1136 and 3734, Revised Statutes, as amended; including hire of passenger motor vehicles, including research and development facilities at Wright-Patterson Air Force Base, Dayton, Ohio; to remain available until expended, $1,081,316,000 of which $255 million shall be derived by transfer from the appropriation 'Procurement and Production', Army: *Provided*, That not to exceed $350,000 of this appropriation shall be used for the purposes authorized by section 303 of the act of July 15, 1955 (Public Law 161), and not to exceed $2,667,000 of this appropriation shall be used for medical facilities at the Lincoln Air Force Base, Lincoln, Nebr., as authorized by section 301 of the act of July 15, 1955 (Public Law 161)."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 35, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

"Department of the Air Force

"Military Construction, Air Force

"For an additional amount for acquisition, construction, installation, and equipment of temporary or permanent public works, military installations, and facilities for the Air Force as authorized by the act of September 11, 1950 (Public Law 783), the act of September 28, 1951 (Public Law 155), the act of July 14, 1952 (Public Law 534), the act of August 7, 1953 (Public Law 209, the act of April 1, 1954 (Public Law 325), the act of July 27, 1954 (Public Law 534), the act of September 1, 1954 (Public Law 765), and of the act of July 15, 1955 (Public Law 161), without regard to sections 1136 and 3734, Revised Statutes, as amended; including hire of passenger motor vehicles, including research and development facilities at Wright-Patterson Air Force Base, Dayton, Ohio; to remain available until expended, $994,291,000 of which $255,000,000 shall be derived by transfer from the appropriation "Procurement and production, Army": *Provided*, That not to exceed $350,000 of this appropriation shall be used for the purposes authorized by section 303 of the act of July 15, 1955 (Public Law 161)."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 56: Page 22, line 20, insert:

"Sites and planning, purchase contract, and public buildings projects

"For expenses necessary in carrying out the provisions of the Public Buildings Purchase Contract Act of 1954 (68 Stat. 518), $15 million, to remain available until expended and to be in addition to and available for the same purposes as any unobligated balances which have been or may be made available, by any law enacted during the first session of the 84th Congress, for carrying out the purposes of said act: *Provided*, That any such unobligated balances may be consolidated with this appropriation.

"The aggregate of annual payments for amortization of principal and interest thereon required by all purchase contracts entered into during the fiscal year 1956 pursuant to the Public Buildings Act of 1949 (63 Stat. 176), as amended by the Public Buildings Purchase Contract Act of 1954 (68 Stat. 518), shall not exceed $10 million, in addition to the unused portion of the $5 million limitation applicable prior to July 1, 1955, under section 411 (a) of the said Public Buildings Act of 1949, as amended."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 56 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

"Sites and planning, purchase contract, and public buildings projects

"For expenses necessary in carrying out the provisions of the Public Buildings Purchase Contract Act of 1954 (68 Stat. 518), $15 million, to remain available until expended and to be in addition to and available for the same purposes as any unobligated balances which have been or may be made available, by any law enacted during the first session of the 84th Congress, for carrying out the purposes of said act: *Provided*, That any such unobligated balances may be consolidated with this appropriation."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 62: Page 25, line 1, insert:

"Survey of Government Records, Records Management, and Disposal Practices, General Services Administration: For necessary expenses, including not to exceed $50,000 for administrative expenses, in connection with conducting surveys of Government records, and records creation, maintenance, management and disposal practices in Federal agencies, pursuant to sections 505 and 506 of the Federal Property and Administrative Services Act of 1949, as amended, $300,000: *Provided*, That notwithstanding any other provision of said act, the Administrator shall have final authority in all matters involving the conduct of surveys and the implementation of recommendations based on such surveys: *Provided further*, That the 1 year limitation in section 208 (b) of the Federal Property and Administrative Services Act of 1949, as amended, shall not apply to the procurement of services in connection with the conduct of such surveys: *Provided further*, That a detailed quarterly report on the progress of each survey conducted hereunder shall be made to the Appropriations Committees of the Congress."

Mr. CANNON. Mr. Speaker, I move that the House insist on its disagreement to the amendment of the Senate numbered 62.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 75: Page 29, line 1, insert:

"National Security Training Commission

"Salaries and Expenses

"For necessary expenses of the National Security Training Commission, including services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), at rates for individuals not in excess of $50 per diem, and contracts with temporary or part-time employees may be renewed annually; and expenses of attendance at meetings concerned with the purposes of this appropriation; $80,000: *Provided*, That this paragraph shall be effective only upon enactment into law, during the 1st session of the 84th Congress, of H. R. 7000, or similar legislation: *Provided further*, That this appropriation may be used to reimburse the appropriation 'Special Projects, Executive Office of the President,' for obligations incurred

against said appropriation, prior to the enactment of this act, for expenses of the Commission."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 75, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

"National Security Training Commission

"Salaries and Expenses

"For necessary expenses of the National Security Training Commission, including services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), at rates for individuals not in excess of $50 per diem, and contracts with temporary or part-time employees may be renewed annually; and expenses of attendance at meetings concerned with the purposes of this appropriation; $40,000."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 76: Page 29, line 17, insert:

"Selective Service System

"Salaries and Expenses

"The amount made available under this head in the Independent Offices Appropriation Act, 1956, for registration, classification, and induction activities of local boards, shall also be available during the current fiscal year for expenses of the National Advisory Committee on the Selection of Physicians, Dentists, and Allied Specialists, including not to exceed $30,000 for expenses of travel."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 76, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

"Selective Service System

"Salaries and Expenses

"Not to exceed $180,000 of the amount made available under this head in the Independent Offices Appropriation Act, 1956, for registration, classification, and induction activities of local boards, shall be available during the current fiscal year for expenses of the National Advisory Committee on the Selection of Physicians, Dentists, and Allied Specialists, including not to exceed $30,000 for expenses of travel."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Page 32, line 7, insert the following:

"ALEXANDER HAMILTON BICENTENNIAL COMMISSION

"For an additional amount for 'Alexander Hamilton Bicentennial Commission', $122,162, to remain available until expended: *Provided*, That this appropriation shall become effective only upon the enactment into law of S. 1395."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 84, and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment insert: "$120,000."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Page 34, line 16, insert the following:

"Wage and Hour Division

"Salaries and Expenses

"For an additional amount for 'Salaries and expenses', $2,185,000: *Provided*, That this amount and the amount appropriated in this act for 'Salaries and expenses, Office of the Solicitor', shall be available only upon enactment into law of S. 2168, 84th Congress, or similar legislation, increasing the minimum wage."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 93, and concur therein with an amendment, as follows: In lieu of the sum named in said amendment insert "$1,500,000."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Page 35, line 8, insert:

"Grants to States for poliomyelitis vaccination

"For grants to States for carrying out the purposes of the Poliomyelitis Vaccination Assistance Act of 1955, $60,000,000: *Provided*, That this appropriation shall become effective only upon the enactment into law of H. R. 7126 or S. 2501, 84th Congress."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 104, and concur therein with an amendment, as follows: In lieu of the sum named in said amendment insert "$30,000,000."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Page 39, line 13, after "Congress", insert a colon and the following: "*Provided*, That, in addition to transfers authorized by law, $101,000,000 of unexpended balances available under this head shall be transferred to the appropriation 'Operating expenses, Atomic Energy Commission'."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 109, and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$90,000,000."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Page 40, line 20, insert the following:

"Extension and remodeling, State Department building

"For expenses necessary for planning the extension and remodeling, under the supervision of the General Services Administration, of the State Department building, Washington, D. C., to remain available until expended, $2,500,000, to be transferred to the General Services Administration."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 116, and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,000,000."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Page 44, line 7, insert the following:

"Funds appropriated to the President

"Emergency Fund for International Affairs

"For expenses necessary to enable the President to take such measures as he deems appropriate to meet extraordinary or unusual circumstances arising in the international affairs of the Government, $6,000,000, to remain available until expended, for use in the President's discretion and without regard to such provisions of law as he may specify: *Provided*, That the President shall transmit to the Committees on Appropriations of the Senate and of the House of Representatives, not less often than quarterly, a full report of expenditures under this appropriation."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 123, and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment insert: "$5,000,000."

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members may have the privilege of extending their remarks at this point in the RECORD in regard to the supplemental appropriation bill just considered.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

FAIR LABOR STANDARDS AMENDMENTS OF 1955

Mr. BARDEN. Mr. Speaker, I call up the conference report on the bill (S. 2168) to amend the Fair Labor Standards Act of 1938 in order to increase the national minimum wage, and for other

by the committee, along with its recom- the conference the House conferees agreed The SPEAKER. The question is on

purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT NO. 1561)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2168) to amend the Fair Labor Standards Act of 1938 in order to increase the national minimum wage, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: "That this act may be cited as the 'Fair Labor Standards Amendments of 1955'.

"SEC. 2. Subsection (d) of section 4 of the Fair Labor Standards Act of 1938, as amended, is amended by adding at the end thereof the following: 'Such report shall contain an evaluation and appraisal by the Secretary of the minimum wages established by this Act, together with his recommendations to the Congress. In making such evaluation and appraisal, the Secretary shall take into consideration any changes which may have occurred in the cost of living and in productivity and the level of wages in manufacturing, the ability of employers to absorb wage increases, and such other factors as he may deem pertinent.'

"SEC. 3. Effective March 1, 1956, paragraph (1) of subsection (a) of section 6 of such Act is amended by striking out '75 cents' and inserting in lieu thereof '$1'.

"SEC. 4. Effective July 1, 1956, subsection (a) of section 8 of such Act is amended by inserting at the end thereof the following: 'Minimum rates of wages established in accordance with this section shall be reviewed by such a committee at least once each fiscal year.'

"SEC. 5. (a) Subsection (a) of section 5 of such Act is amended by striking out 'and the administrator' in the last sentence.

"(b) Subsection (b) of section 8 of such Act is amended by striking out the second sentence and inserting in lieu thereof the following: 'The industry committee shall investigate conditions in the industry and the committee, or any authorized subcommittee thereof, shall after due notice hear such witnesses and receive such evidence as may be necessary or appropriate to enable the committee to perform its duties and functions under this Act.'

"(c) Subsection (c) of section 8 is amended by striking out 'and the Administrator' in the second sentence.

(d) Subsection (d) of section 8 of such Act is amended to read as follows:

"'(d) The industry committee shall file with the Secretary a report containing its findings of fact and recommendations with respect to the matters referred to it. Upon the filing of such report, the Secretary shall publish such recommendations in the Federal Register and shall provide by order that the recommendations contained in such report shall take effect upon the expiration of 15 days after the date of such publication.'

"(e) Subsection (e) of section 8 of such Act is amended by striking out the last sentence.

"(f) Subsection (a) of section 10 of such Act is amended to read as follows:

"'SEC. 10. (a) Any person aggrieved by an order of the Secretary issued under section 8 may obtain a review of such order in the United States Court of Appeals for any circuit wherein such person resides or has his principal place of business, or in the United States Court of Appeals for the District of Columbia, by filing in such court, within 60 days after the entry of such order a written petition praying that the order of the Secretary be modified or set aside in whole or in part. A copy of such petition shall forthwith be served upon the Secretary, and thereupon the Secretary shall certify and file in the court a transcript of the record of the industry committee upon which the order complained of was entered. Upon the filing of such transcript such court shall have exclusive jurisdiction to affirm, modify, or set aside such order in whole or in part, so far as it is applicable to the petitioner. The review by the court shall be limited to questions of law, and findings of fact by such industry committee when supported by substantial evidence shall be conclusive. No objection to the order of the Secretary shall be considered by the court unless such objection shall have been urged before such industry committee or unless there were reasonable grounds for failure so to do. If application is made to the court for leave to adduce additional evidence, and it is shown to the satisfaction of the court that such additional evidence may materially affect the result of the proceeding and that there were reasonable grounds for failure to adduce such evidence in the proceedings before such industry committee, the court may order such additional evidence to be taken before an industry committee and to be adduced upon the hearing in such manner and upon such terms and conditions as to the court may seem proper. Such industry committee may modify the initial findings by reason of the additional evidence so taken, and shall file with the court such modified or new findings which if supported by substantial evidence shall be conclusive, and shall also file its recommendation, if any, for the modification or setting aside of the original order. The judgment and decree of the court shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28 of the United States Code.

"SEC. 6. The term 'Secretary' as used in this Act and in amendments made by this Act means the Secretary of Labor."

And the House agree to the same.

GRAHAM A. BARDEN,
AUGUSTINE B. KELLEY,
ADAM C. POWELL, JR.,
SAMUEL K. MCCONNELL, JR.,
RALPH W. GWINN,
Managers on the Part of the House.

PAUL H. DOUGLAS,
MATTHEW M. NEELY,
By P. H. D.
JOHN F. KENNEDY,
H. ALEXANDER SMITH,
BARRY GOLDWATER,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2168) to amend the Fair Labor Standards Act of 1938 in order to increase the national minimum wage, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House amendment struck out all of the Senate bill after the enacting clause and inserted a substitute amendment. The conferees have agreed to a substitute for both the Senate bill and the House amendment. Except for clerical and necessary conforming changes, the following statement explains the differences between the House amendment and the substitute agreed to in conference.

SHORT TITLE

The Senate bill provided that it may be cited as the "Fair Labor Standards Amendments of 1955." No similar provision was included in the House amendment. The House recedes and the provision is included as the first section of the substitute agreed to in conference.

REPORT BY THE SECRETARY OF LABOR

The Senate bill provided that the Secretary of Labor shall include in his annual report to Congress an evaluation and appraisal of the minimum wages established by the Fair Labor Standards Act of 1938, together with recommendations for any changes in amounts he deems desirable. It provided that, in making this evaluation and appraisal, the Secretary shall take into account changes in the cost of living and in productivity and wage levels in manufacturing, the ability of industries to absorb wage increases, and other pertinent factors. No similar provision was included in the House amendment.

This provision, with two changes, is included as section 2 of the conference substitute. The conferees agreed to strike the reference to recommendations for changes in the amounts of minimum wages, leaving the Secretary free to make any recommendations he deems desirable with respect to the matters covered by the act. The second change was to require that the Secretary take into account the ability of "employers" rather than "industries" to absorb wage increases. The minimum wages established by the act apply to "employers" as the term is defined in the act; the change is designed to insure that ability to absorb wage increases is determined by reference solely to the persons who must pay the increased rates.

MINIMUM WAGE RATE AND EFFECTIVE DATE

Section 3 of the conference substitute raises the minimum wage rate under section 6 (a) (1) of the act from 75 cents to $1 an hour, effective March 1, 1956. Except for technical changes in language, this provision is the same as the House amendment.

ANNUAL REVIEW OF MINIMUM WAGE RATES IN PUERTO RICO AND THE VIRGIN ISLANDS

The Senate bill provided that minimum wage rates established under the act for Puerto Rico and the Virgin Islands shall be reviewed by an industry committee at least once each fiscal year. Under existing law, no such periodic review is required. The House bill contained no similar provision. The House recedes, and the provision is included as section 4 of the conference substitute.

ESTABLISHMENT OF MINIMUM WAGE RATES FOR PUERTO RICO AND THE VIRGIN ISLANDS

The Senate bill contained several provisions dealing with the establishment of minimum wage rates for Puerto Rico and the Virgin Islands. These included a provision changing the procedures for review by the Secretary of Labor of industry committee recommendations, and a provision for mandatory percentage increases in such minimum wage rates. The House amendment contained no such provisions. The conferees have agreed upon a substitute for these provisions, which is included as section 5 of the conference agreement.

This substitute eliminates the Secretary of Labor's authority (now vested in him by sec. 8 (d) of the act) to approve or disapprove industry committee recommendations. Section 8 (d) is amended to require that an industry committee file a report with the Secretary of Labor, containing findings of fact

personal property resulting from her forced

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by the committee, along with its recommendations. When such report is filed with the Secretary the substitute amendment requires that he publish the committee's recommendations in the Federal Register. These recommendations will then become effective at the expiration of 15 days from the date of publication.

Section 8 (b) is amended to make certain that there will be notice and opportunity for hearings before an industry committee in its survey of wage rates for Puerto Rico and the Virgin Islands.

Section 10 (a) of the present law provides for court review of wage orders for Puerto Rico and the Virgin Islands. The substitute amendment changes the language of section 10 (a) to reflect the changes in the manner in which these Puerto Rican and Virgin Islands wage rates will become effective.

GRAHAM A. BARDEN,
AUGUSTINE B. KELLEY,
ADAM C. POWELL, Jr.,
SAMUEL K. MCCONNELL, Jr.,
RALPH W. GWINN,
Managers on the Part of the House.

The SPEAKER. The question is on the conference report.

The conference report was agreed to; a motion to reconsider was laid on the table.

ORRIN J. BISHOP

Mr. LANE. Mr. Speaker, I call up the conference report on the bill (H. R. 4249) for the relief of Orrin J. Bishop, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1569)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4249) for the relief of Orrin J. Bishop, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same.

THOMAS J. LANE,
E. L. FORRESTER,
WILLIAM E. MILLER,
Managers on the Part of the House.
HARLEY M. KILGORE,
PRICE DANIEL,
HERMAN WELKER,
JOHN M. BUTLER,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 4249) for the relief of Orrin J. Bishop submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The bill as passed by the House would permit the payment of attorney fees not in excess of 10 percent. The Senate amended the bill by striking out this provision and stated that no part of the appropriation in this act shall be paid to any attorney or agent. At the conference the House conferees agreed to the Senate amendment.

THOMAS J. LANE,
E. L. FORRESTER,
WILLIAM E. MILLER,
Managers on the Part of the House.

The SPEAKER. The question is on the conference report.

The conference report was agreed to; and a motion to reconsider was laid on the table.

VICTOR HELFENBEIN

Mr. LANE. Mr. Speaker, I call up the conference report on the bill (H. R. 5078) for the relief of the estate of Victor Helfenbein, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1584)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5078) for the relief of the estate of Victor Helfenbein having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

Strike out the matter proposed to be stricken out by the amendment of the Senate, insert the matter proposed to be inserted by the amendment of the Senate, and on page 1, line 6, of the House engrossed bill strike out "$6,500" and insert in lieu thereof "$5,000"; and the Senate agree to the same.

THOMAS J. LANE,
CHARLES A. BOYLE,
WILLIAM E. MILLER,
Managers on the Part of the House.
HARLEY M. KILGORE,
JOHN L. MCCLELLAN,
PRICE DANIEL,
HERMAN WELKER,
JOHN MARSHALL BUTLER,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5078) for the relief of the estate of Victor Helfenbein, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The bill as passed by the House would permit the payment of attorney fees not to exceed 10 percent. The Senate amended the bill by striking out this provision and stated that no attorney or agent shall receive any part of the appropriation in this act. In the conference the House conferees agreed to the Senate amendment.

As passed by the House, the bill provided authorization for $6,500 to be paid the estate of Victor Helfenbein. The Senate reduced this amount to $3,500. At the conference the amount agreed upon was $5,000.

THOMAS J. LANE,
CHARLES A. BOYLE,
WILLIAM E. MILLER,
Managers on the Part of the House.

The SPEAKER. The question is on the conference report.

The conference report was agreed to; and a motion to reconsider was laid on the table.

REPORTS FROM THE COMMITTEE ON RULES

Mr. MCCORMACK. Mr. Speaker, I ask unanimous consent that during the remainder of this session it shall be in order to consider at any time reports from the Committee on Rules as provided in clause 21, rule XI, except that the provision requiring a two-thirds vote to consider such reports shall be waived.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first individual bill on the Private Calendar.

HAROLD SWARTHOUT AND L. R. SWARTHOUT

The Clerk called the bill (S. 476) for the relief of Harold Swarthout and L. R. Swarthout.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, (1) to Harold Swarthout the sum of $10,000, in full satisfaction of the claim of the said Harold Swarthout against the United States for compensation for permanent injuries sustained as a result of the severe burns he received when an Army practice bomb that he was examining, while playing in the yard of a neighbor on April 3, 1943, exploded when accidentally dropped, and (2) to L. R. Swarthout, of Burns, Oreg., father of the said Harold Swarthout, the sum of $4,625.20, in full satisfaction of his claim against the United States for reimbursement of medical, nursing, hospital, and other expenses incurred by him on account of the injuries so sustained by the said Harold Swarthout: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

IRENE C. (KARL) BEHRMAN

The Clerk called the bill (S. 92) for the relief of Irene C. (Karl) Behrman.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Irene C. (Karl) Behrman, the sum of $3,194.39, in full satisfaction of her claim against the United States for compensation for loss of certain

personal property resulting from her forced evacuation, on or about June 26, 1950, from Seoul, Korea, where she was serving as a service club director with the Special Services Section, United States Army Forces: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ELKAY MANUFACTURING CO.

The Clerk called the bill (S. 135) for the relief of the Elkay Manufacturing Co., of Chicago, Ill.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Elkay Manufacturing Co., of Chicago, Ill., the sum of $5,190.15. The payment of such sum shall be in full satisfaction of all claims of the said Elkay Manufacturing Co. against the United States for additional compensation under the contract No. SAPH 55725 (NIH), between such company and the National Institutes of Health, for the construction of certain stainless steel dog and monkey cages. Such sums plus the amount of compensation heretofore received by the Elkay Manufacturing Co. represents the actual costs incurred by it in manufacturing such cages, it having submitted its bid under the erroneous impression that each unit to be manufactured was to consist of only one cage, whereas in fact each unit was to consist of two cages: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. MARIA DEL MUL

The Clerk called the bill (H. R. 929) for the relief of Mrs. Maria Del Mul.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Mrs. Maria Del Mul shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALICE DUCKETT

The Clerk called the bill (H. R. 1005) for the relief of Alice Duckett.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Alice Duckett shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHUNG FOOK YEE CHUNG

The Clerk called the bill (H. R. 1014) for the relief of Chung Fook Yee Chung.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That for the purposes of the Immigration and Nationality Act, Chung Fook Yee Chung shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. ESTHER CHAN LEE (ETA LEE)

The Clerk called the bill (H. R. 1074) for the relief of Mrs. Esther Chan Lee (Eta Lee).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Mrs. Esther Chan Lee (Eta Lee) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GUENTHER KASCHNER

The Clerk called the bill (H. R. 1104) for the relief of Guenther Kaschner.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Guenther Kaschner may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice have knowledge prior to the enactment of this act.

With the following committee amendment:

Page 1, line 9, strike out the word "have" and substitute "had."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HARRY JOHN WILSON

The Clerk called the bill (H. R. 1137) for the relief of Harry John Wilson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Harry John Wilson shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. ESTHER MORENO

The Clerk called the bill (H. R. 1208) for the relief of Mrs. Esther Moreno.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purpose of section 202 (a) of the Immigration and Nationality Act, Mrs. Esther Moreno shall be held to be a native of France.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NUMERIANO LAGMAY

The Clerk called the bill (H. R. 1209) for the relief of Numeriano Lagmay.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Numeriano Lagmay shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LAURA OLIVERA MIRANDA

The Clerk called the bill (H. R. 1639) for the relief of Laura Olivera Miranda.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Laura Olivera Miranda shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RODOLFO PUGEDA DE LA CERNA

The Clerk called the bill (H. R. 1909) for the relief of Rodolfo Pugeda de la Cerna.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Rodolfo Pugeda de la Cerna, shall be held and considered to be the natural-born alien child of James F. de la Cerna, a citizen of the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. MARGARETE GICK SCORDAS

The Clerk called the bill (H. R. 2235) for the relief of Mrs. Margarete Gick Scordas.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Mrs. Margarete Gick Scordas may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act.

With the following committee amendment:

On page 1, line 7, after the word "Act", change the period to a colon and add the following: "*Provided,* That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILHELMUS MARIUS VAN DER VEUR

The Clerk called the bill (H. R. 2283) for the relief of Wilhelmus Marius Van der Veur.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Wilhelmus Marius Van der Veur shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendments:

On page 1, line 10, strike out the words "quota-control."

On page 1, line 11, after the words "number from the", strike out the remainder of the bill, and substitute in lieu thereof the following: "number of visas authorized to be issued under the provision of section 4 (a) (9) of the Refugee Relief Act of 1953, as amended."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MONIKA SCHEFBANKER

The Clerk called the bill (H. R. 2339) for the relief of Monika Schefbanker.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Monika Schefbanker, shall be held and considered to be the natural-born alien child of Dragoslav Novakovic, citizen of the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. ELFRIEDA SCHOEPPE

The Clerk called the bill (H. R. 2916) for the relief of Mrs. Elfrieda Schoeppe.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the Immigration and Nationality Act, Mrs. Elfrieda Schoeppe, widow of Sgt. William E. Schoeppe, a deceased former United States citizen who served honorably in the Armed Forces of the United States, shall be deemed to be a nonquota immigrant.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM JOSEPH PERELLA

The Clerk called the bill (H. R. 2948) for the relief of William Joseph Perella.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That William Joseph Perella, who lost United States citizenship under the provisions of section 401 (d) of the Nationality Act of 1940, may be naturalized by taking prior to 1 year after the date of the enactment of this act, before any court referred to in subsection (a) of section 310 of the Immigration and Nationality Act or before any diplomatic or consular officer abroad, the oaths prescribed by section 337 of Immigration and Nationality Act. From and after naturalization under this act, the said William Joseph Perella shall have the same citizenship status as that which existed immediately prior to its loss.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, for the purposes of the Immigration and Nationality Act, Guglielmo Joseph Perrella shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon the payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Guglielmo Joseph Perrella."

A motion to reconsider was laid on the table.

ROLF HUGO NEUMAN

The Clerk called the bill (H. R. 3195) for the relief of Rolf Hugo Neuman.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Rolf Hugo Neuman may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act: *Provided,* That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONSTANTIN DAVID ET AL.

The Clerk called the bill (H. R. 3857) for the relief of Constantin David, Paula Marie David, Claire Edmonde David, and Ariane Constance David.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Constantin David, Paula Marie David, Claire Edmonde David, and Ariane Constance David shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct four members from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOSEPH JERRY EARL SIROIS

The Clerk called the bill (S. 38) for the relief of Joseph Jerry Earl Sirois (also known as Jeremie Earl Sirois).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the Immigration and Nationality Act, the Attorney General is authorized and directed to discontinue any deportation proceedings and to cancel any outstanding order and warrant of deportation, warrant of arrest, and bond, which may have been issued in the case of Joseph Jerry Earl Sirois (also known as Jeremie Earl Sirois). From and after the date of enactment of this act, the said Joseph Jerry Earl Sirois (also known as Jeremie Earl Sirois) shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and order have issued.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

URSULA ELSE BOYSEN

The Clerk called the bill (S. 71) for the relief of Ursula Else Boysen.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Ursula Else Boysen shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LUZIA COX

The Clerk called the bill (S. 91) for the relief of Luzia Cox.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Luzia Cox may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HERMINE LORENZ

The Clerk called the bill (S. 100) for the relief of Hermine Lorenz.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Hermine Lorenz shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DAVID WEI-DAO LEA AND JULIA AN-FONG WANG LEA

The Clerk called the bill (S. 119) for the relief of David Wei-Dao Lea and Julia An-Fong Wang Lea.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, David Wei-Dao Lea and Julia An-Fong Wang Lea shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ERNESTO DeLEON

The Clerk called the bill (S. 167) for the relief of Ernesto DeLeon.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Ernesto DeLeon shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GERDA IRMGARD KURELLA

The Clerk called the bill (S. 176) for the relief of Gerda Irmgard Kurella.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the Immigration and Nationality Act, Gerda Irmgard Kurella, the fiancée of Sgt. James D. Ritz, a citizen of the United States, shall be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided*, That the administrative authorities find that the said Gerda Irmgard Kurella is coming to the United States with a bona fide intention of being married to the said Sgt. James D. Ritz and that she is found otherwise admissible under the provisions of the Immigration and Nationality Act other than the provision of section 212 (a) (9) of that act: *Provided further*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act. In the event that the marriage between the above-named persons does not occur within 3 months after the entry of the said Gerda Irmgard Kurella, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Gerda Irmgard Kurella, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Gerda Irmgard Kurella as of the date of the payment by her of the required visa fee.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MANHAY WONG

The Clerk called the bill (S. 181) for the relief of Manhay Wong.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That for the purposes of the Immigration and Nationality Act, Manhay Wong shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AHMET SUAT MAYKUT

The Clerk called the bill (S. 214) for the relief of Ahmet Suat Maykut.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Ahmet Suat Maykut shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANDREAS GEORGES VLASTOS

The Clerk called the bill (S. 238) for the relief of Andreas Georges Vlastos (Andreas Georges Vlasto).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Andreas Georges Vlastos (Andreas Georges Vlasto) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting

of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KLARA ANNA MARIA FLEISCHER

The Clerk called the bill (S. 346) for the relief of Klara Anna Maria Fleischer.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the Immigration and Nationality Act, Klara Anna Maria Fleischer, the fiancée of Cpl. Richard Peter Maille, a citizen of the United States, shall be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided*, That the administrative authorities find that the said Klara Anna Maria Fleischer is coming to the United States with a bona fide intention of being married to the said Cpl. Richard Peter Maille and that she is found otherwise admissible under the provisions of the Immigration and Nationality Act other than the provision of section 212 (a) (9) of that act: *Provided further*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act. In the event that the marriage between the above-named persons does not occur within 3 months after the entry of the said Klara Anna Maria Fleischer, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Klara Anna Maria Fleischer, the Attorney General is authorized and directed to record this lawful admission for permanent residence of the said Klara Anna Maria Fleischer as of the date of the payment by her of the required visa fee.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ISAAC GLICKMAN, REGHINA GLICKMAN, ALFRED CISMARU, AND ANNA CISMARU

The Clerk called the bill (S. 352) for the relief of Isaac Glickman, Reghina Glickman, Alfred Cismaru, and Anna Cismaru.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Isaac Glickman, Reghina Glickman, Alfred Cismaru, and Anna Cismaru shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

PETRE AND LIUBITZA IONESCU

The Clerk called the bill (S. 388) for the relief of Petre and Liubitza Ionescu.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Petre and Liubitza Ionescu shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct two numbers from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALI HASSAN WAFFA

The Clerk called the bill (S. 394) for the relief of Ali Hassan Waffa.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Ali Hassan Waffa shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARIA BERTAGNOLLI PANCHERI

The Clerk called the bill (S. 397) for the relief of Maria Bertagnolli Pancheri.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That for the purposes of the Immigration and Nationality Act, Maria Bertagnolli Pancheri shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HEDWIG MARIE ZAUNMULLER

The Clerk called the bill (S. 430) for the relief of Hedwig Marie Zaunmuller.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Hedwig Marie Zaunmuller shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CAPT. GEORGE GAFOS, EUGENIA GAFOS, AND ADAMANTIOS GEORGE GAFOS

The Clerk called the bill (S. 466) for the relief of Capt. George Gafos, Eugenia Gafos, and Adamantios George Gafos.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Capt. George Gafos, Eugenia Gafos, and Adamantios George Gafos shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EDITH WINIFRED LOCH

The Clerk called the bill (S. 470) for the relief of Edith Winifred Loch.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Edith Winifred Loch, a British subject who was born in India of British parents, shall be deemed to have been born in Great Britain.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARIA ELENA VENEGAS AND SARAH LUCIA VENEGAS

The Clerk called the bill (S. 474) for the relief of Maria Elena Venegas and Sarah Lucia Venegas.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Maria Elena Venegas and Sarah Lucia Venegas shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CIRINO LANZAFAME

The Clerk called the bill (S. 503) for the relief of Cirino Lanzafame.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 212 (a) (9) of the Immigration and Nationality Act, Cirino Lanzafame may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of such act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARTIN ALOYSIUS MADDEN

The Clerk called the bill (S. 541) for the relief of Martin Aloysius Madden.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Attorney General is authorized and directed to discontinue any deportation proceedings and to cancel any outstanding order and warrant of deportation, warrant of arrest, and bond, which may have been issued in the case of Martin Aloysius Madden. From and after the date of enactment of this act, the said Martin Aloysius Madden shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and order have issued.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GISELA HOFMEIER

The Clerk called the bill (S. 606) for the relief of Gisela Hofmeier.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the Immigration and Nationality Act, Gisela Hofmeier, the fiancée of Robert E. Leonard, a citizen of the United States, shall be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided*, That the administrative authorities find that the said Gisela Hofmeier is coming to the United States with a bona fide intention of being married to the said Sgt. Robert E. Leonard and that she is found otherwise admissible under the provisions of the Immigration and Nationality Act other than the provision of section 212 (a) (9) of that act: *Provided further*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act. In the event the marriage between the above-named persons does not occur within 3 months after the entry of the said Gisela Hofmeier, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Gisela Hofmeier the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Gisela Hofmeier as of the date of the payment by her of the required visa fee.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MECYS JAUNISKIS

The Clerk called the bill (S. 664) for the relief of Mecys Jauniskis.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (6) of the Immigration and Nationality Act, Mecys Jauniskis may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of such act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act: *Provided further*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

With the following committee amendment:

Beginning on page 1, line 7, after the word "act", strike out the remainder of line 7, all of lines 8 and 9, and the language preceding the word "That", on line 10, and substitute in lieu thereof the following: "under such conditions and controls which the Attorney General after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided*."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHRISTOS PAUL ZOLOTAS

The Clerk called the bill (S. 707) for the relief of Christos Paul Zolotas.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Christos Paul Zolotas shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMBROSE ANTHONY FOX

The Clerk called the bill (S. 1035) for the relief of Ambrose Anthony Fox.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Attorney General is authorized and directed to discontinue any deportation proceedings and to cancel any outstanding order and warrant of deportation, warrant of arrest, and bond, which may have been issued in the case of Ambrose Anthony Fox. From and after the date of enactment of this act, the said Ambrose Anthony Fox shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and order have issued.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EDWARD NAARITS

The Clerk called the bill (S. 1044) for the relief of Edward Naarits.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the time limitation provided for in section 330 (a) (2) of the Immigration and Nationality Act, Edward Naarits shall be deemed to be within the purview of the said section provided his petition for naturalization is filed within 1 year from the effective date of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DIMITRIOS ANTONIOU KOSTALAS

The Clerk called the bill (S. 1126) for the relief of Dimitrios Antoniou Kostalas.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That for the purposes of the Immigration and Nationality Act, Dimitrios Antoniou Kostalas shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HAL A. MARCHANT

The Clerk called the bill (S. 1154) for the relief of Hal A. Marchant.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BONNER and Mr. ROBERTS objected and, under the rule, the bill was recommitted to the Committee on the Judiciary.

IVA DRUZIANICH (IVA DRUZIANIC)

The Clerk called the bill (S. 1155) for the relief of Iva Druzianich (Iva Druzianic).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Iva Druzianich (Iva Druzianic) shall be deemed to be the natural-born minor alien child of John Druzianich, a citizen of the United States.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILMA ANN SCHILLING ET AL.

The Clerk called the bill (S. 1159) for the relief of Wilma Ann Schilling and her daughter, Ingertraud Rosalita Schilling.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the Immigration and Nationality Act, Wilma Ann Schilling, the fiancée of Everett B. Felton, a citizen of the United States, and her minor child, Ingertraud Rosalita Schilling, shall be eligible for visas as nonimmigrant temporary visitors for a period of 3 months: *Provided*, That the administrative authorities find that the said Wilma Ann Schilling is coming to the United States with a bona fide intention of being married to the said Everett B. Felton, and that she is found otherwise admissible under all of the provisions of the Immigration and Nationality Act, other than section 212 (a) (9) of the said act: *Provided further*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act.

In the event the marriage between the above-named persons does not occur within 3 months after the entry of the said Wilma Ann Schilling and her daughter, Ingertraud Rosalita Schilling, they shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Wilma Ann Schilling and her daughter, Ingertraud Rosalita Schilling, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Wilma Ann Schilling and her daughter, Ingertraud Rosalita Schilling, as of the date of the payment by them of the required visa fees.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANTONIO JACOE

The Clerk called the bill (S. 1367) for the relief of Antonio Jacoe.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of subsections (9), (17), and (19) of section 212 (a) of the Immigration and Nationality Act, Antonio Jacoe may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act: *Provided*, That the exemption granted herein shall apply only to grounds for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

GARABED PAPAZIAN

The Clerk called the bill (S. 1521) for the relief of Garabed Papazian.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Garabed Papazian shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LIESELOTTE BRODZINSKI GETTMAN

The Clerk called the bill (S. 1522) for the relief of Lieselotte Brodzinski Gettman.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of paragraphs (9) and (12) of section 212 (a) of the Immigration and Nationality Act, Lieselotte Brodzinski Gettman may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such act: *Provided*, That these exemptions shall apply only to grounds for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIG. GEN. EDWIN B. HOWARD

The Clerk called the bill (S 1271) to authorize the appointment in a civilian position in the Department of Justice of Brig. Gen. Edwin B. Howard, United States Army, retired, and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. MOLLOHAN, Mr. HAYS of Ohio, and Mr. METCALF objected.

The bill was recommitted to the Committee on Armed Services.

MAJ. GEN. FRANK H. PARTRIDGE

The Clerk called the bill (S. 1272) to authorize the appointment in a civilian position in the Department of Justice of Maj. Gen. Frank H. Partridge, United States Army, retired, and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. MOLLOHAN, Mr. HAYS of Ohio, Mr. METCALF, and Mr. VANIK objected.

The bill was recommitted to the Committee on Armed Services.

COL. BENNETT HILL GRIFFIN

The Clerk called the bill (H. R. 1516) to authorize the President of the United States to present the Distinguished Flying Cross to Col. Bennett Hill Griffin.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the President is hereby authorized to present in the name of the Congress the Distinguished Flying Cross to Col. Bennett Hill Griffin in recognition of his meritorious achievements and contributions toward the advancement of the science of aerial flight.

With the following committee amendment:

Strike all words following the word "Cross" on line 4 and substitute the words: ", with accompanying ribbon, to Col. Bennett Hill Griffin in recognition of his extraordinary achievements in aerial flight."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VINCENZO SANTAGATA

The Clerk called the bill (S. 197) for the relief of Vincenzo Santagata.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Vincenzo Santagata, who lost United States citizenship under the provisions of section 404 (a) of the Nationality Act of 1940, may be naturalized by taking prior to 1 year after the effective date of this act, before any court referred to in subsection (a) of section 310 of the Immigration and Nationality Act or before any diplomatic or consular officer of the United States abroad, the oaths prescribed by section 337 of the said act. From and after naturalization under the act, the said Vincenzo Santagata shall have the same citizenship status as that which existed immediately prior to its loss.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, for the purposes of the Immigration and Nationality Act, Vincenzo Santagata shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FILLIPO MASTROIANNI

The Clerk called the bill (S. 198) for the relief of Fillipo Mastroianni.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Fillipo Mastroianni, who lost United States citizenship under the provisions of section 404 (a) of the Nationality Act of 1940, may be naturalized by taking prior to 1 year after the effective date of this act, before any court referred to in subsection (a) of section 310 of the Immigration and Nationality Act or before any diplomatic or consular officer of the United States abroad, the oaths prescribed by section 337 of the said act. From and after naturalization under this act, the said Fillipo Mastroianni shall have the same citizenship status as that which existed immediately prior to its loss.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, for the purposes of the Immigration and Nationality Act, Fillipo Mastroianni shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of

this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GIUSSEPINA CERVI

The Clerk called the bill (S. 254) for the relief of Giussepina Cervi.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Giussepina Cervi, shall be held and considered to be the natural-born alien child of Sergeant John Louis Troiano, a citizen of the United States.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEOPOLDINE MARIA LOFBLAD

The Clerk called the bill (S. 326) for the relief of Leopoldine Maria Lofblad.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 212 (a) (3) of the Immigration and Nationality Act, Leopoldine Maria Lofblad may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such act: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALFIO FERRARA

The Clerk called the bill (S. 714) for the relief of Alfio Ferrara.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Alfio Ferrara shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Alfio Ferrara may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HENRY DUNCAN

The Clerk called the bill (S. 1014) for the relief of Henry Duncan.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Henry Duncan shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, notwithstanding the provisions of section 212 (a) (9) and (19) of the Immigration and Nationality Act, Henry Duncan may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act: *Provided*, That these exemptions shall apply only to grounds for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOSEPH VYSKOCIL

The Clerk called the bill (S. 1337) for the relief of Joseph Vyskocil.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Joseph Vyskocil shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN AXEL ARVIDSON

The Clerk called the bill (S. 550) for the relief of John Axel Arvidson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Attorney General is authorized and directed to discontinue any deportation proceedings and to cancel any outstanding order and warrant of deportation, warrant of arrest, and bond, which may have been issued in the case of John Axel Arvidson. From and after the date of enactment of this act, the said John Axel Arvidson shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and order have issued.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, for the purposes of the Immigration and Nationality Act, John Axel Arvidson shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM BADINELLI

The Clerk called the bill (H. R. 2729) for the relief of William Badinelli.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That William Badinelli, Bronx, N. Y., is relieved of all liability to refund to the United States the sum of $5,707.34. Such sum represents a shortage in the accounts of the post exchange on the United States Army transport *William A. Holbrook*, not the result of fraud or dishonesty, for which the said William Badinelli (who was serving abroad the vessel as administrative officer and special disbursing agent between July 22, 1948, and November 18, 1949, when the shortage occurred) has been held by the Army to be pecuniarly liable. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, full credit shall be given for the amount for which liability is relieved by this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

C. J. POBOJESKI

The Clerk called the bill (H. R. 4321) for the relief of C. J. Pobojeski.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Chief Yeoman C. J. Pobojeski, United States Navy, the sum of $356.60. The payment of such sum, together with the indemnity of $200 heretofore paid to him by the United States, shall be in full settlement of all claims of the said C. J. Pobojeski against the United States on account of damage to his electric typewriter, valued at $556.50, due to the negligent handling of such typewriter in the United States mails: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

The amendments are as follows: "Page 1, line 6, strike out '$356.60' and insert in lieu thereof '$356.50'."

Page 2, line 2, strike out "in excess of 10 percent thereof."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANAKALETO MARIA DE OLIVEIRA

The Clerk called the bill (H. R. 1162) for the relief of Anakaleto Maria de Oliveira or Joseph Oliveira or Anacleto Oliver.

There being no objection the Clerk read the bill, as follows:

Be it enacted, etc., That for the purposes of the Immigration and Nationality Act, Anakaleto Maria de Oliveira or Joseph Oliveira or Anacleto Oliver shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Beginning on page 1, line 8, after the words "visa fee.", strike out the remainder of the bill, through line 3, on page 2.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DR. AND MRS. IVAN PERNAR

The Clerk called the bill (H. R. 1193) for the relief of Dr. and Mrs. Ivan Pernar.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Dr. and Mrs. Ivan Pernar shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct two numbers from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KENNETH K. W. LAU ET AL.

The Clerk called the bill (H. R. 1198) for the relief of Kenneth K. W. Lau and Romana Say Soat Kheng, also known as Mrs. Anne Say Lau.

There being no objection, the Clerk read the bill, as follows:

Be it known, etc., That, for the purposes of the Immigration and Nationality Act, Kenneth K. W. Lau and Romana Say Soat Kheng, also known as Mrs. Anne Say Lau, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct two numbers from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VASILIOS LIAKOPOULOS

The Clerk called the bill (H. R. 1319) for the relief of Vasilios Liakopoulos.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Vasilios Liakopoulos, shall be held and considered to be the natural-born alien child of Gregory and Anna Liakopoulos, citizens of the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SISTER RAMONA MARIA

The Clerk called the bill (H. R. 1323) for the relief of Sister Ramona Maria (Ramona E. Tombo).

There being no objection the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Sister Ramona Maria (Ramona E. Tombo) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARY MANCUSO

The Clerk called the bill (H. R. 1641) for the relief of Mary Mancuso.

There being no objection the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Mary Mancuso, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Paul Torcasio, citizens of the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LOUIS B. PRUS-LATKIEWICZ

The Clerk called the bill (H. R. 1657) for the relief of Louis B. Prus-Latkiewicz.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Louis B. Prus-Latkiewicz shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOSE CANANCIA-CASTANEDO

The Clerk called the bill (H. R. 1666) for the relief of Jose Canancia-Castanedo.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Jose Canancia-Castanedo shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHU HAI-CHOU

The Clerk called the bill (H. R. 1908) for the relief of Chu Hai-Chou.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Chu Hai-Chou shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

INDUK PAHK

The Clerk called the bill (H. R. 2054) for the relief of Induk Pahk.

There being no objection the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Induk Pahk shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JULIAN NOWAKOWSKI

The Clerk called the bill (H. R. 2072) for the relief of Julian Nowakowski, or William Nowak (Novak).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Julian Nowakowski, or William Nowak (Novak), shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read a third time, and passed, and a motion to reconsider was laid on the table.

INGRID LISELOTTE POCH

The Clerk called the bill (H. R. 2079) for the relief of Ingrid Liselotte Poch.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Ingrid Liselotte Poch, shall be held and considered to be the natural-born alien child of Cpl. George Thomas Murphy, citizen of the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. KHATOUN MALKEY SAMUEL

The Clerk called the bill (H. R. 2796) for the relief of Mrs. Khatoun Malkey Samuel.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Mrs. Khatoun Malkey Samuel shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

CHUNG POIK CHA

The Clerk called the bill (H. R. 2897) for the relief of Chung Poik Cha.

There being no objection the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the Immigration and Nationality Act, Chung Poik Cha, the fiancée of Angelo Sacchetti, a citizen of the United States, and her minor child, Myra Poik Cha, shall be eligible for visas as nonimmigrant temporary visitors for a period of 3 months: *Provided*, That the administrative authorities find that the said Chung Poik Cha is coming to the United States with a bona fide intention of being married to the said Angelo Sacchetti and that they are found otherwise admissible under the immigration laws. In the event the marriage between the above-named persons does not occur within 3 months after the entry of the said Chung Poik Cha and Myra Poik Cha, they shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of section 242 and 243 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Chung Poik Cha and Myra Poik Cha, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Chung Poik Cha and Myra Poik Cha as of the date of the payment by them of the required visa fees.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title of the bill was amended to read: "A bill for the relief of Chung Poik Cha and her child, Myra Poik Cha."

A motion to reconsider was laid on the table.

ANGELA SFOUNIS AND ALKISTA SFOUNIS

The Clerk called the bill (H. R. 3265) for the relief of Angela Sfounis and Alkista Sfounis.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Angela Sfounis and Alkista Sfounis shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct two numbers from the appropriate quota for the first year that such quota is available.

With the following committee amendments:

The amendments are as follows:

On page 1, line 4, strike out "Angela Sfounis and."

On page 1, line 7, strike out the word "fees" and substitute "fee."

On page 1, line 8, strike out the word "aliens" and substitute "alien."

On page 1, line 10, strike out the words "two numbers" and substitute "one number."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title of the bill was amended to read:

"A bill for the relief of Alkista Sfounis."

A motion to reconsider was laid on the table.

VLADIMIR AND SVATAVA HOSCHL

The Clerk called the bill (H. R. 4612) for the relief of Vladimir and Svatava Hoschl.

There being no objection the Clerk read the bill, as follows:

Be it enacted, etc., That for the purposes of the Immigration and Nationality Act, Vladimir and Svatava Hoschl shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon the payment of the required visa fees and head taxes. Upon the granting of such permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct two numbers from the number of displaced persons who shall be granted the status of permanent residence pursuant to section 4 of the Displaced Persons Act, as amended (62 Stat. 1011; 64 Stat. 219; 50 U. S. C. App. 1953).

With the following committee amendments:

On page 1, line 10, strike out the words "quota-control."

Beginning on page 1, line 11, after the words "the number of", strike out the remainder of line 11, and all of the language on page 2, and substitute in lieu thereof the following:

"visas authorized to be issued pursuant to the provisions of section 4 (a) (2) of the Refugee Relief Act of 1953, as amended."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. JOHANNA ECKLES

The Clerk called the bill (H. R. 5908) for the relief of Mrs. Johanna Eckles.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Mrs. Johanna Eckles may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN DANIEL POPA

The Clerk called the bill (H. R. 930) for the relief of John Daniel Popa.

There being no objection the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, John Daniel Popa shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NICOLA TEODOSIO

The Clerk called the bill (H. R. 944) for the relief of Nicola Teodosio.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 212 (a) (9), (17) and (19) of the Immigration and Nationality Act, Nicola Teodosio may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act: *Provided*, That these exemptions shall apply only to a ground for exclusion of which the Department of State or the Department of Justice have knowledge prior to the enactment of this act.

With the following committee amendments:

Page 1, line 8, strike out "ground" and insert "grounds."

Page 1, line 10, strike out "have" and insert "had."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SALVADOR, MERCEDES, AND MIGUEL CHOFRE

The Clerk called the bill (H. R. 1232) for the relief of Salvador, Mercedes, and Miguel Chofre.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That for the purposes of the Immigration and Nationality Act, Salvador, Mercedes, and Miguel Chofre shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct three numbers from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VERA GREGOVICH KENTER

The Clerk called the bill (H. R. 1235) for the relief of Vera Gregovich Kenter.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Vera Gregovich Kenter, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Sam Kenter, 3246 Scott Street, San Francisco, Calif., citizens of the United States.

With the following committee amendment:

Page 1, line 7, strike out "3246 Scott Street, San Francisco, Calif."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SANTIAGO GONZALEZ TRIGO

The Clerk called the bill (H. R. 1402) for the relief of Santiago Gonzalez Trigo.

There being no objection the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Santiago Gonzalez Trigo shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That the Attorney General is authorized and directed to discontinue any deportation proceeding and to cancel any outstanding order and warrant of deportation, any warrant of arrest and bond which may have been issued in the case of Santiago Gonzalez Trigo, and the said Santiago Gonzalez Trigo shall not again be subject to deportation by reason of the same facts upon which any such deportation proceedings were commenced or any such warrants of arrest have issued."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GIOVANNA SCANO ET AL.

The Clerk called the bill (H. R. 1410) for the relief of Giacomo Scano, Giovanna Scano, Guido Scano, and Valerio Scano.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Giacomo Scano, Giovanna Scano, Guido Scano, and Valerio Scano shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct four numbers from the appropriate quota for the first year that such quota is available.

With the following committee amendments:

On page 1, line 4, after the word "act", strike out the name "Giacomo Scano."

On page 1, line 4, after the name "Giovanna Scano", strike out the remainder of line 4.

On page 1, line 5, strike out the name "Valerio Scano."

On page 1, line 8, strike out the word "fees" and substitute "fee."

On page 1, line 9, strike out the word "aliens" and substitute "alien."

On page 2, line 2, strike out the words "four numbers" and substitute the words "one number."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Giovanna Scano."

A motion to reconsider was laid on the table.

KRSEVAN SPANJOL

The Clerk called the bill (H. R. 1492) for the relief of Krsevan Spanjol.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Krsevan Spanjol shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANE KARLIC VLASICH

The Clerk called the bill (H. R. 1920) for the relief of Ane Karlic Vlasich.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Ane Karlic Vlasich, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Charles Vlasich, citizens of the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KEVIN MURPHY

The Clerk called the bill (H. R. 1923) for the relief of Kevin Murphy.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of section 202 of the Immigration and Nationality Act, Kevin Murphy shall be held to have been born in England.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARIE LIM TSIEN

The Clerk called the bill (H. R. 2285) for the relief of Marie Lim Tsien.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Marie Lim Tsien shall be held and considered to have been lawfully admitted to the United States for permanent residence as of

the date of enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JEAN HENRI BUCHET

The Clerk called the bill (H. R. 2345) for the relief of Jean Henri Buchet.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Jean Henri Buchet shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Page 1, line 6, after the word "act", change the comma to a period and strike out the remainder of the bill.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HEINRICH WOLFGANG

The Clerk called the bill (H. R. 2347) for the relief of Heinrich Wolfgang.

Their being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Heinrich Wolfgang may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KAZUKO IWATA RAUSCH

The Clerk called the bill (H. R. 2704) for the relief of Kazuko Iwata Rausch.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Kazuko Iwata Rausch may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exception shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DR. BIENVENIDO L. BALINGIT

The Clerk called the bill (H. R. 3057) for the relief of Dr. Bienvenido L. Balingit.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Dr. Bienvenido L. Balingit shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number grom the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEORGE MIKROULIS ET AL.

The Clerk called the bill (H. R. 3201) for the relief of George Mikroulis, his wife, Dora Mikroulis, and his daughter, Madonna G. Mikroulis.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, George Mikroulis, his wife, Dora Mikroulis, and his daughter, Madonna G. Mikroulis, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota control officer to deduct three numbers from the appropriate quota for the first year that such quota is available.

With the following committee amendments:

Page 2, line 1, strike out "quota control."

Page 2, strike out "appropriate quota for the first year that such quota is available" and insert "number of visas authorized to be issued pursuant to the provisions of section 4 (a) (7) of the Refugee Relief Act of 1953, as amended."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOSEF AND PERLA NATANSON

The Clerk called the bill (H. R. 3527) for the relief of Josef and Perla Natanson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Josef and Perla Natanson shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct two numbers from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ESTHER LEDEA ESCOBEDO

The Clerk called the bill (H. R. 3869) for the relief of Esther Ledea Escobedo.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) and (19) of the Immigration and Nationality Act, Esther Ledea Escobedo may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice have knowledge prior to the enactment of this act.

With the following committee amendments:

On page 1, line 3, strike out "provision" and substitute "provisions."

On page 1, lines 7 and 8, strike out the words "this exemption" and substitute "these exemptions."

On page 1, line 8, strike out the words "a ground" and substitute "grounds."

On page 1, line 9, strike out the word "have" and substitute "had."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ASHOT MNATZAKANIAN AND OPHELIA MNATZAKANIAN

The Clerk called the bill (H. R. 3963) for the relief of Ashot Mnatzakanian and Ophelia Mnatzakanian.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Ashot Mnatzakanian and his wife Ophelia Mnatzakanian, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct two numbers from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MAX MOSKOWITZ

The Clerk called the bill (H. R. 3965) for the relief of Max Moskowitz.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NICOLA TEODOSIO

The Clerk called the bill (H. R. 944) for the relief of Nicola Teodosio.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 212 (a) (9), (17) and (19) of the Immigration and Nationality Act, Nicola Teodosio may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act: *Provided*, That these exemptions shall apply only to a ground for exclusion of which the Department of State or the Department of Justice have knowledge prior to the enactment of this act.

With the following committee amendments:

Page 1, line 8, strike out "ground" and insert "grounds."

Page 1, line 10, strike out "have" and insert "had."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SALVADOR, MERCEDES, AND MIGUEL CHOFRE

The Clerk called the bill (H. R. 1232) for the relief of Salvador, Mercedes, and Miguel Chofre.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That for the purposes of the Immigration and Nationality Act, Salvador, Mercedes, and Miguel Chofre shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct three numbers from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VERA GREGOVICH KENTER

The Clerk called the bill (H. R. 1235) for the relief of Vera Gregovich Kenter.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Vera Gregovich Kenter, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Sam Kenter, 3246 Scott Street, San Francisco, Calif., citizens of the United States.

With the following committee amendment:

Page 1, line 7, strike out "3246 Scott Street, San Francisco, Calif."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SANTIAGO GONZALEZ TRIGO

The Clerk called the bill (H. R. 1402) for the relief of Santiago Gonzalez Trigo.

There being no objection the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Santiago Gonzalez Trigo shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That the Attorney General is authorized and directed to discontinue any deportation proceeding and to cancel any outstanding order and warrant of deportation, any warrant of arrest and bond which may have been issued in the case of Santiago Gonzalez Trigo, and the said Santiago Gonzalez Trigo shall not again be subject to deportation by reason of the same facts upon which any such deportation proceedings were commenced or any such warrants of arrest have issued."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GIOVANNA SCANO ET AL.

The Clerk called the bill (H. R. 1410) for the relief of Giacomo Scano, Giovanna Scano, Guido Scano, and Valerio Scano.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Giacomo Scano, Giovanna Scano, Guido Scano, and Valerio Scano shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct four numbers from the appropriate quota for the first year that such quota is available.

With the following committee amendments:

On page 1, line 4, after the word "act", strike out the name "Giacomo Scano."

On page 1, line 4, after the name "Giovanna Scano", strike out the remainder of line 4.

On page 1, line 5, strike out the name "Valerio Scano."

On page 1, line 8, strike out the word "fees" and substitute "fee."

On page 1, line 9, strike out the word "aliens" and substitute "alien."

On page 2, line 2, strike out the words "four numbers" and substitute the words "one number."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Giovanna Scano."

A motion to reconsider was laid on the table.

KRSEVAN SPANJOL

The Clerk called the bill (H. R. 1492) for the relief of Krsevan Spanjol.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Krsevan Spanjol shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANE KARLIC VLASICH

The Clerk called the bill (H. R. 1920) for the relief of Ane Karlic Vlasich.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Ane Karlic Vlasich, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Charles Vlasich, citizens of the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KEVIN MURPHY

The Clerk called the bill (H. R. 1923) for the relief of Kevin Murphy.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of section 202 of the Immigration and Nationality Act, Kevin Murphy shall be held to have been born in England.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARIE LIM TSIEN

The Clerk called the bill (H. R. 2285) for the relief of Marie Lim Tsien.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Marie Lim Tsien shall be held and considered to have been lawfully admitted to the United States for permanent residence as of

the date of enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JEAN HENRI BUCHET

The Clerk called the bill (H. R. 2345) for the relief of Jean Henri Buchet.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Jean Henri Buchet shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Page 1, line 6, after the word "act", change the comma to a period and strike out the remainder of the bill.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HEINRICH WOLFGANG

The Clerk called the bill (H. R. 2347) for the relief of Heinrich Wolfgang.

Their being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Heinrich Wolfgang may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KAZUKO IWATA RAUSCH

The Clerk called the bill (H. R. 2704) for the relief of Kazuko Iwata Rausch.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Kazuko Iwata Rausch may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exception shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DR. BIENVENIDO L. BALINGIT

The Clerk called the bill (H. R. 3057) for the relief of Dr. Bienvenido L. Balingit.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Dr. Bienvenido L. Balingit shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number grom the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEORGE MIKROULIS ET AL.

The Clerk called the bill (H. R. 3201) for the relief of George Mikroulis, his wife, Dora Mikroulis, and his daughter, Madonna G. Mikroulis.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, George Mikroulis, his wife, Dora Mikroulis, and his daughter, Madonna G. Mikroulis, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota control officer to deduct three numbers from the appropriate quota for the first year that such quota is available.

With the following committee amendments:

Page 2, line 1, strike out "quota control."

Page 2, strike out "appropriate quota for the first year that such quota is available" and insert "number of visas authorized to be issued pursuant to the provisions of section 4 (a) (7) of the Refugee Relief Act of 1953, as amended."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOSEF AND PERLA NATANSON

The Clerk called the bill (H. R. 3527) for the relief of Josef and Perla Natanson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Josef and Perla Natanson shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct two numbers from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ESTHER LEDEA ESCOBEDO

The Clerk called the bill (H. R. 3869) for the relief of Esther Ledea Escobedo.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) and (19) of the Immigration and Nationality Act, Esther Ledea Escobedo may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice have knowledge prior to the enactment of this act.

With the following committee amendments:

On page 1, line 3, strike out "provision" and substitute "provisions."

On page 1, lines 7 and 8, strike out the words "this exemption" and substitute "these exemptions."

On page 1, line 8, strike out the words "a ground" and substitute "grounds."

On page 1, line 9, strike out the word "have" and substitute "had."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ASHOT MNATZAKANIAN AND OPHELIA MNATZAKANIAN

The Clerk called the bill (H. R. 3963) for the relief of Ashot Mnatzakanian and Ophelia Mnatzakanian.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Ashot Mnatzakanian and his wife Ophelia Mnatzakanian, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct two numbers from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MAX MOSKOWITZ

The Clerk called the bill (H. R. 3965) for the relief of Max Moskowitz.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the

Immigration and Nationality Act, Max Moskowitz may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice have knowledge prior to the enactment of this act.

With the following committee amendment:

Page 1, line 9, strike out "have" and insert "had."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. DONALD A. HOWARD

The Clerk called the bill (H. R. 4025) for the relief of Mrs. Donald A. Howard (nee Miss Elsa Ursula Kuchinke).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (12) of the Immigration and Nationality Act, Mrs. Donald A. Howard (nee Miss Elsa Ursula Kuchinke) may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to enactment of this act.

With the following committee amendments:

On page 1, line 3, strike out the word "provision" and substitute the word "provisions."

On page 1, line 3, after "212 (a)", insert "(9) and."

On page 1, line 8, strike out the words "this exemption" and substitute the words "these exemptions."

On page 1, line 8, strike out the words "a ground" and substitute "grounds."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANDREW CARRIGAN

The Clerk called the bill (H. R. 4544) for the relief of Andrew Carrigan.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That a reentry permit issued pursuant to section 223 of the Immigration and Nationality Act for Andrew Carrigan, born on May 4, 1952, who is the adopted minor child of Mr. and Mrs. James Carrigan, shall be valid until such time as Andrew Carrigan becomes 10 years of age, or until such time as his adoptive father, James Carrigan, resumes permanent residence in the United States, whichever date occurs earlier.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MICHELE PICA

The Clerk called the bill (H. R. 4548) for the relief of Michele Pica.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Michele Pica may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table

MRS. LEE SHEE YEE

The Clerk called the bill (H. R. 4643) for the relief of Mrs. Lee Shee Yee (also known as Lee Lai Koon).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the Immigration and Nationality Act, Mrs. Lee Shee Yee (also known as Lee Lai Koon) shall be held to be classifiable as nonquota returning resident under the provisions of section 101 (a) (27) (B) of that act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MISS BLANCA LINA RIONEGRO

The Clerk called the bill (H. R. 5074) for the relief of Miss Blanca Lina Rionegro.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Miss Blanca Lina Rionegro shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Page 1, beginning in line 7, after the words "visa fee,", strike out the remainder of the bill.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TOM WONG (FOO TAI NAM)

The Clerk called the bill (H. R. 5079) for the relief of Tom Wong (Foo Tai Nam).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Tom Wong (Foo Tai Nam) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. KOTO NAKAGAWA

The Clerk called the bill (H. R. 5082) for the relief of Mrs. Koto Nakagawa.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the Immigration and Nationality Act, Mrs. Koto Nakagawa shall be held to be classifiable as a nonquota returning resident under the provisions of section 101 (a) (27) (B) of that act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANDREAS (OR ANDREW) VOUTSINAS

The Clerk called the bill (H. R. 5869) for the relief of Andreas (or Andrew) Voutsinas.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That for the purposes of the Immigration and Nationality Act, Andreas (or Andrew) Voutsinas shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Strike out all after the enacting clause and insert:

"That the Attorney General is authorized and directed to discontinue any deportation proceeding and to cancel any outstanding order and warrant of deportation, any warrant of arrest and bond which may have been issued in the case of Andreas (or Andrew) Voutsinas, and the said Andreas (or Andrew) Voutsinas shall not again be subject to deportation by reason of the same facts upon which any such deportation proceedings were commenced or any such warrants of arrest have issued."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JESAJAHU BRAUN

The Clerk called the bill (H. R. 5870) for the relief of Jesajahu Braun.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act,

Jassjahu Braun shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. MARY CHRISTINE DOWDY

The Clerk called the bill (H. R. 7197) for the relief of Mrs. Mary Christine Dowdy.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Mrs. Mary Christine Dowdy shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DR. FREDERIC S. SCHLEGER

The Clerk called the bill (H. R. 2728) for the relief of Dr. Frederic S. Schleger.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Dr. Frederic S. Schleger, New York, N. Y., the sum of $2,000. The payment of such sum shall be in full settlement of all claims of the said Dr. Frederic S. Schleger against the United States for compensation for the loss of his aircraft (an 85 Luscombe, registration number N1661K), which was totally destroyed at Miller Field, Staten Island, N. Y., on March 8, 1952, when it crashed while being flown on a flight mission of the Civil Air Patrol (New York City Group): *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 2, line 3, strike out "in excess of 10 percent thereof"

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRANK G. GERLOCK

The Clerk called the bill (H. R. 7114) for the relief of Frank G. Gerlock.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Frank G. Gerlock, 14845 Garden Drive, Miami, Fla., the sum of $929.65, in full satisfaction and final settlement of his claim against the United States for destruction of his household goods and personal effects as the result of being inundated and smashed while being transported by the Government in shipment from Trieste, Italy, to Avon Park, Fla., incident to his change of station while on active duty in the Army of the United States, such amount being in addition to the amount of $2,500 already administratively paid to him under the provisions of the Military Personnel Claims Act of 1945, as amended (31 U. S. C. 222c): *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN MEREDITH McFARLANE

The Clerk called the bill (H. R. 1097) for the relief of John Meredith McFarlane.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, John Meredith McFarlane shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Strike out all after the enacting clause and insert:

"That the Attorney General is authorized and directed to discontinue any deportation proceeding and to cancel any outstanding order and warrant of deportation, any warrant of arrest and bond which may have been issued in the case of John Meredith McFarlane, and the said John Meredith McFarlane shall not again be subject to deportation by reason of the same facts upon which any such deportation proceedings were commenced or any such warrants of arrest have issued."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REGINA DIPPOLD

The Clerk called the bill (H. R. 4326) for the relief of Regina Dippold.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Regina Dippold, shall be held and considered to be the natural-born alien child of Edwin and Helen Dippold, citizens of the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MOCK JUNG SHEE (MOCK JUNG LIU)

The Clerk called the bill (H. R. 5913) for the relief of Mock Jung Shee (Mock Jung Liu).

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Mock Jung Shee (Mock Jung Liu) shall be held and considered to be classifiable as a returning resident as defined by section 101 (a) (27) (B) of that act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EDWARD BARNETT

The Clerk called the bill (H. R. 6363) for the relief of Edward Barnett.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Edward Barnett may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. GERTRUD HILDEGARD NICHOLS

The Clerk called the bill (H. R. 7221) for the relief of Mrs. Gertrud Hildegard Nichols.

The SPEAKER pro tempore (Mr. MILLS). Is there objection to the present consideration of the bill?

There was no objection.

Mr. WALTER. Mr. Speaker, I ask unanimous consent that a similar Senate bill, S. 2575, be considered in lieu of the House bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Mrs. Gertrud Hildegard Nichols may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a

ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 7221) was laid on the table.

ELFRIEDE ROSA (KUP) KRAFT

The Clerk called the bill (H. R. 6741) for the relief of Elfriede Rosa (Kup) Kraft.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) and (12) of the Immigration and Nationality Act, Elfriede Rosa (Kup) Kraft may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act.

The bill was ordered to be engrosed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GIOVANNI LAZARICH

The Clerk called the bill (H. R. 5866) for the relief of Giovanni Lazarich.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Giovanni Lazarich shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendments:

Page 1, line 9, strike out "quota-control."

Page 1, line 10, strike out "appropriate quota for the first year that such quota is available" and insert "number of visas authorized to be issued pursuant to section 4 (a) (5) of the Refugee Relief Act of 1953, as amended."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEORGE E. BERGOS

The Clerk called the bill (H. R. 3276) for the relief of George E. Bergos (formerly Athanasios Kritselis).

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, George E. Bergos (formerly Athanasios Kritselis) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Page 1, line 8, beginning with "Upon", strike out the remainder of the bill.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. JEANNETTE S. HAMILTON

The Clerk called the bill (S. 1353) for the relief of Mrs. Jeannette S. Hamilton.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (3) of the Immigration and Nationality Act, Mrs. Jeannette S. Hamilton may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EDWARD NEAL FISHER

The Clerk called the bill (H. R. 4602) for the relief of Edward Neal Fisher.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of all laws of the United States, Edward Neal Fisher, Effingham, Ill., shall be held and considered to have served continuously on active duty with the United States Army during the period beginning May 20, 1898, and ending May 2, 1899, both dates inclusive, and to have received an honorable discharge from such service.

SEC. 2. No benefits shall be payable by reason of this act to any person for any period prior to the date on which an application for such benefits is filed subsequent to the date of enactment of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. HELEN BARSA

The Clerk called the bill (H. R. 4872) for the relief of Mrs. Helen Barsa.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $1,000 to Mrs. Helen Barsa, of Detroit, Mich., in full settlement of all claims against the United States as a refund for security bonds posted for Maria Sofie Farah and Jorge Farah which were declared forfeited March 15, 1954: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

IMPERIAL AGRICULTURAL CORP.

The Clerk called the bill (H. R. 5285) for the relief of the Imperial Agricultural Corp.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Imperial Agricultural Corp., a corporation of the State of Connecticut, the sum of $67,713.60. The payment of such sum shall be in full settlement of all claims of such corporation against the United States for reimbursement of actual expenses incurred as a result of the failure in 1951 of a crop of Kenaf seed which had been obtained from the Commodity Credit Corporation and planted in the State of Florida under the terms of a contract (dated July 6, 1951) between the United States and the Imperial Agricultural Corp.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contract notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN C. WALSH

The Clerk called the bill (H. R. 5533) for the relief of John C. Walsh.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to John C. Walsh, of New York, N. Y., the sum of $5,800. The payment of such sum shall be in full settlement of all claims of the said John C. Walsh against the United States on account of professional services rendered by him as a special assistant to the Attorney General of the United States for the period beginning February 3, 1953, and ending June 30, 1953, both dates inclusive, his claim therefor (claim No. 21568787) having been disallowed by the General Accounting Office as exceeding a salary limitation which was established for such position, but of which he was not informed: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be un-

lawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 2, line 5, strike out "in excess of 10 percent thereof."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM H. FOLEY

The Clerk called the bill (H. R. 6452) for the relief of William H. Foley.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That sections 15 to 20, inclusive, of the Federal Employees' Compensation Act are hereby waived in favor of William H. Foley, Waterford, Conn., and his claim for compensation for personal injuries sustained on October 11, 1929, while in the performance of his duties as a pipefitter at the United States submarine base, New London, Conn., shall be acted upon under the remaining provisions of such act if he files such claim with the Bureau of Employees' Compensation, Department of Labor, within 60 days after the date of the enactment of this act.

With the following committee amendment:

Strike out all after the enacting clause and insert:

"That sections 15 to 20, inclusive, of the Federal Employees' Compensation Act, as amended, are hereby waived in favor of William H. Foley, Waterford, Conn., and his claim for compensation for disability resulting from personal injuries alleged to have been sustained while in the performance of his duty as a pipefitter at the United States submarine base, New London, Conn., shall be considered and acted upon under the remaining provisions of such act in the same manner as if such claim had been timely filed, if such claim is filed within 90 days after the enactment of this act: *Provided*, That no benefits shall accrue for any period prior to the enactment of this act except such medical expenses as may be found to be reimbursable."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JULIAN, DOLORES, JAIME, DENNIS, ROLDAN, AND JULIAN, JR., LIZARDO

The Clerk called the bill (H. R. 4039) for the relief of Julian, Dolores, Jaime, Dennis, Roldan, and Julian, Jr., Lizardo.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Julian, Dolores, Jaime, Dennis, Roldan, and Julian, Jr., Lizardo, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct six numbers from the appropriate quota for the first year that such quota is available.

With the following committee amendments:

Page 1, line 4, strike out "Jaime, Dennis".

Page 2, line 1, strike out "six" and insert "four"

At the end of section 1, page 2, insert:

"SEC. 2. Upon the enactment of this act Jaime and Dennis Lizardo, shall be classifiable as nonquota immigrants under the provisions of the Immigration and Nationality Act."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FAVORING SUSPENSION OF DEPORTATION IN THE CASE OF CERTAIN ALIENS

The Clerk called the concurrent resolution (S. Con. Res. 42) favoring the suspension of deportation in the case of certain aliens.

There being no objection, the Clerk read the concurrent resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation pursuant to the provisions of section 244 (a) (5) of the Immigration and Nationality Act (66 Stat. 214; 8 U. S. C. 1254 (c)):

A-5981713, Dickel, Junior, Wlater.
E-078565, Fontes, Sebastiano De.
A-2553452, Garcia, Nicolas.
E-47368, Gasca-Sardina, Juan.
E-069249, Lozano, Jose Pascual.
A-5845821, Maniscalco, Giuseppe.
E-16323, Mercadante, Rocco.
E-069259, Sweedler, Hilda.
A-2266360, Triana-Aguilar, Lucas.
A-1116968, Watchinsky, Samuel.
A-1552531, Lopez-Chavez, Juan.
E-057379, Manouskos, James George.
E-89257, Ciaccia, Catello Charles.
E-069558, Lucio-Leon, Felipe.
A-5988306, Rudy, George.
E-078638, Capozzi, Francesco.
E-069474, Castaneda, Juana Ponce-Rosales de.
A-1894829, Slojkowski, John Anthony.
E-057816, Solano, Ramon.
E-077119, Garcia, Antonio Menendez.
A-4595749, Jakubiak, Frank Anthony.
A-2236659, Jarger, Junior, George.
A-4608159, Maniscalco, Samuel.
E-054983, Mayo, Walter John.
E-058681, Ortiz-Gonzalez, Faustino.
A-4747607, Schmidt, Karl.
A-5149973, Schmitt, Joseph Otto.
A-4793952, Wagner, Sam.
A-3167418, Dippner, Hermann.
A-2744439, Kuprashewithz, Wladimir.
A-1168565, Silverio, Caroline Lucca Di Pietro.
A-4100237, Woislaw, Stanslaw.
A-3939724, Woisiaw, Felikcia Anna.
A-5624707, Yen, Lok.
A-2590255, Bakovich, Nick.
E-053681, Barlow, Enid.
1200-43511, Chadwick, Ann Betancourt.
A-1339656, Doolittle, Immacolatina.
A-1437231, Mark, Zef.
E-076774, Porcello, Vincenzo.
A-4777524, Ramirez-Medel, Anastacio.
E-47358, Salazar-Aguilar, Jesse Robert.
E-89260, Shaw, Norman Howard.
A-1109526, Stephens, George Saunders.
A-5932871, Torowis, Jurko.
A-1644860, Wengorowski, Ignatz.
A-5914114, Wolck, Vladimir.
A-5844626, Firetto, Paolo.
A-4948601, Schmidt, Frederick.
A-1153640, Woishnis, Frances Victoria.
A-5339974, Bostrom, Iver August.
E-075816, Castro, Stephen.
A-3322617, Cromie, Thomas Wilfred.
E-076879, Dujuambi, Monte Alfonso Carmett.
A-4167829, Garbus, Abraham.
T-2682534, Mercier, Lucien Treffle.
A-5969128, Michelson, Robert.
A-3231388, Morgan, Charlotte.
A-3900018, Vicklund, Knut Oskar.
A-5753722, Lupino, Louis.
A-5849321, Rostowsky, Frances Catherine (nee Vaiciunas).
A-1595525, Sevagian, Avedis.
A-1604070, Bosky, Paul Adam.
A-2452366, Bungard, Leonard Joseph.
E-47592, Martinez-Luna, Hipolito.
A-1631944, Psaros, Speros.
A-3972039, Walker, Gerardo Verdugo.
A-2146407, Wineman, Sam.
E-131755, Wolfson, Abe Bernard.
A-2176896, Wood, James Archibald.
A-4348492, Badalmenti, Dominick.
A-3814987, Caldera-Roldan, Joaquin.
A-2303530, Fryza, George.
A-3554030, Gaytan-Ybarra, Angel.
A-4945116, Grossman, Carmelina.
A-3043634, Duchin, Abraham.
A-2544643, Lande, Ove John.
A-1745616, Litwak, Jake.
A-3042362, Luteron, Illes.
A-5024257, Odder, Toufic.
A-5541581, Russell, Rose Agnes.
A-3774200, Weinstein, Catherine.
A-3433019, Weissman, Hyman.
A-4038929, Culotta, Vincent.
A-4091431, Franicevich, Frank Marija.
A-3243585, Wasserman, Aron Harry.
A-4961731, Wiersch, Rose.
A-8280922, Bartnik, Andrew.
A-4402553, Calish, Ben.
A-8447000, Camiolo, Cristoforo.
A-4749433, Cooper, Benjamin.
A-2608947, Davitto, Bernardo Vercoglic
A-7361922, Dobrovich, John.
E-080681, Galdikas, Anthony Constance.
A-4819163, Goldberg, Joseph Benjamin.
A-545825, Goldenberg, Scoocher.
A-1738912T, Greenfield, Philip.
A-1165031, Harishuk, James Frederick.
A-1953490, Jacob, Leo Carl.
A-1224861, Kubis, John Joseph.
A-5571019, Maciejewski, Florylan.
A-4088212, Maloff, Carl.
A-1038887, Mordos, Aniela.
A-3773694, Nockowitz, Charles.
E-078680, Paukstys, Vincent.
1415-3776, Paz-Lucio, Isaac De La.
A-2256143, Rojas-Guzman, Pedro.
A-3607468, Schwarz, John.
0402/8161, Smith, Walter.
A-3130901, Telles-Mejia, Tomas.
A-1011263, Valdez, Patricio.
A-5634530, Vito, Liborio.
A-5160088, Zech, John.
A-2390285, Zielinski, Frank.
T-303059, Bartolini, Alberto.
8511-A-1274, Caramaniau, Gheorghe.
E-053084, Cepeda Teran, Aurelio.
A-3042474, Chaykowski, Michael.
A-1427387, Chervinski, Charles.
E-89265, Chillemi, Giovanni.
A-5934786, Cimino, Jean.
0800-106472, Cobos, Tomas.
A-1459543, Cowart, Harry Fuller.
E-069328, Dem, Louise.
A-2888771, Drownowski, Czeslaw.
A-1847251, Elber, Isadore.
A-5524604, Feldman, Pal.
A-4724104, Ferro, Pete.
A-2174885, Figiolia, Louis Jack.
A-3740609, Grado, Luigi Di.

A-4705290, Gutstein, Albert.
A-5343594, Holody, Martin.
A-2194350, Honkamaa, Charles.
A-3155214, Irla, Anthony Stanley.
A-3237162, Kalinovik, Alexander Paul.
A-1028748, Kaplan, Abraham.
A-2518778, Kashigian, Artin.
A-5918920, Kauth, Kurt Max.
A-3132325, Knowles, Ann Eirwen
A-7858221, Kryczka, John.
A-5402770, Lamars, Pete.
A-3623367, Latarski, Sigmund.
A-4963675, Lukac, John.
A-2941249, Maneniskis, Joseph.
A-5151675, Matheson, Wilfred Laurier (William Matheson).
A-3017074, Medoway, Sam.
E-070997, Novak, Bela.
A-5720885, Nowak, John.
A-3818026, Ostrashelski, Constantine.
E-083290, Pong, Soon.
A-8116357, Reed, John David.
A-4755643, Richter, Walter.
A-5753580, Rocco, Louis.
A-2671145, Rucienski, Aleksander.
2770-P-142631, Sandler, Josel David.
A-1853190, Sandor, Victor.
E-086512, Schwar, Klara.
0800-84629, Simon Aurif.
A-5862381, Slater, Frank.
E-47365, Sosa Paz, Luz.
A-1840646, Torres, Jose Buenaventura.
A-1815668, Tuchet, Frank.
A-4967148, Walonce, Stanley Francis.
A-2935138, Wilkas, Julius.
A-1704536, Ziegenhirt, Joseph Francisco.
A-3122325, Forsbacka, Johannes Alfred.
A-5967839, Hovanec, John.
A-1985254, Jurlin, Daniel D.
A-7485159, Keefe, Everett Vernon.
E-057815, Moreno Aguilar, Conrado.
A-4727339, Proch, John Alexander.

With the following committee amendment:

Beginning on page 6, line 14, strike out the remainder of the concurrent resolution.

The committee amendment was agreed to.

The concurrent resolution was concurred in.

CONVEYANCE OF CERTAIN LANDS ON TURTLE MOUNTAIN INDIAN RESERVATION

The Clerk called the bill (H. R. 6927) providing for the conveyance to St. Louis Church of Dunseith, Dunseith, N. Dak., of certain lands on the Turtle Mountain Indian Reservation.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. ENGLE. Mr. Speaker, I ask unanimous consent to substitute for H. R. 6927 an identical Senate bill, S. 1397.

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to transfer, with the consent of the Turtle Mountain Advisory Committee, to St. Louis Church of Dunseith, Dunseith, N. Dak., all right, title, and interest of the United States and of the Turtle Mountain Band of Chippewa Indians in and to the following-described lands: The east half of the southeast quarter of the southeast quarter of the southwest quarter, and the west half of the southwest quarter of the southwest quarter of the southeast quarter, of section 18, township 162 north, range 72 west, fifth principal meridian, excepting and reserving therefrom 100 feet along the section line for highway purposes.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill, H. R. 6927, was laid on the table.

MRS. BARBARA (PEARSON) BOYCOTT

The Clerk called the bill (H. R. 4769) for the relief of Mrs. Barbara (Pearson) Boycott.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of paragraphs (9) and (10) of section 212 (a) of the Immigration and Nationality Act, Mrs. Barbara (Pearson) Boycott may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act.

With the following committee amendment:

Strike out all after the enacting clause and insert:

"That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Mrs. Barbara (Pearson) Boycott may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROSETTA ITTNER

The Clerk called the bill (S. 85) for the relief of Rosetta Ittner.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 212 (a) (9) of the Immigration and Nationality Act, Rosetta Ittner may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILHELMINE SCHELTER

The Clerk called the bill (S. 86) for the relief of Wilhelmine Schelter.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 212 (a) (9) of the Immigration and Nationality Act, Wilhelmine Schelter may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PAULINE ELLEN REDMOND

The Clerk called the bill (S. 141) for the relief of Pauline Ellen Redmond.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Pauline Ellen Redmond shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARY FREIDA POELTL SMITH

The Clerk called the bill (S. 223) for the relief of Mary Freida Poeltl Smith.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of paragraphs (9) and (12) of section 212 (a) of the Immigration and Nationality Act, Mary Freida Poeltl Smith may be admitted for permanent residence if she is found to be otherwise admissible under the provisions of such act: *Provided*, That these exemptions shall apply only to grounds for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MELANIE SCHAFFNER BAKER

The Clerk called the bill (S. 235) for the relief of Melanie Schaffner Baker.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 212 (a) (6) of the Immigration and Nationality Act, Melanie Schaffner Baker may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such act, under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. HELENA PLANINSEK

The Clerk called the bill (S. 240) for the relief of Mrs. Helena Planinsek.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 212 (a) (6) of the Immigration and Nationality Act, Mrs. Helena Planinsek may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such act, under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MISS CECILE PATRICIA CHAPMAN

The Clerk called the bill (S. 293) for the relief of Miss Cecile Patricia Chapman.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 101 (b) of the Immigration and Nationality Act, Miss Cecile Patricia Chapman shall be held and considered to be within the purview of section 101 (a) (27) (A) of the said act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ELSA ALWINE LARSEN

The Clerk called the bill (S. 518) for the relief of Elsa Alwine Larsen.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of paragraph (9) of section 212 (a) of the Immigration and Nationality Act, Elsa Alwine Larsen may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GERDA GRAUPNER

The Clerk called the bill (S. 843) for the relief of Gerda Graupner.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the Immigration and Nationality Act, Gerda Graupner, the fiancée of Sgt. Haden Wilson Pierce, a citizen of the United States, shall be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided*, That the administrative authorities find that the said Gerda Graupner is coming to the United States with a bona fide intention of being married to the said Sgt. Haden Wilson Pierce and that she is found otherwise admissible under the provisions of the Immigration and Nationality Act other than the provision of section 212 (a) (9) of that act: *Provided further*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act. In the event that the marriage between the above-named persons does not occur within 3 months after the entry of the said Gerda Graupner, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Gerda Graupner, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Gerda Graupner as of the date of the payment by her of the required visa fee.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GABOR LANYI

The Clerk called the bill (S. 884) for the relief of Gabor Lanyi.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of paragraphs (1) and (4) of section 212 (a) of the Immigration and Nationality Act, Gabor Lanyi may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of such act. The provisions of this act shall apply only to grounds for exclusion under such paragraphs known to the Secretary of State or the Attorney General prior to the date of enactment of this act: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HELENE MARGARETA JOBST

The Clerk called the bill (S. 1266) for the relief of Helene Margareta Jobst.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 212 (a) (6) of the Immigration and Nationality Act, Helen Margareta Jobst may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such act, under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARIA ANNA COONE

The Clerk called the bill (S. 1296) for the relief of Maria Anna Coone.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding the provisions of paragraph (9) of section 212 (a) of the Immigration and Nationality Act, Maria Anna Coone may be admitted to the United States for permanent residence, if she is found to be otherwise admissible under the provisions of such act. The provisions of this act shall apply only to grounds for exclusion under such paragraph known to the Secretary of State or the Attorney General prior to the date of enactment of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RURIKO HARA

The Clerk called the bill (S. 1496) for the relief of Ruriko Hara.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of section 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Ruriko Hara, shall be held and considered to be the natural-born alien child of Masaki Toshi, a citizen of the United States.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ERNST FRAENKEL AND HIS WIFE, HANNA FRAENKEL

The Clerk called the bill (S. 1541) for the relief of Ernst Fraenkel and his wife, Hanna Fraenkel.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the Immigration and Nationality Act, Ernst Fraenkel and his wife, Hanna Fraenkel, naturalized citizens of the United States, shall be permitted to reside in Germany until 3 years following the date of the enactment of this act without losing their Unied States citizenship under section 352 (a) of such act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONSTANTINOS PANTERMALIS

The Clerk called the bill (S. 1581) for the relief of Constantinos Pantermalis.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Constantinos Pantermalis shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER pro tempore. The Chair announces that Calendar Nos. 771 and 772 are not available at the desk, and will be passed over.

MUALLA S. HOLLOWAY

The Clerk called the bill (S. 2269) for the relief of Mualla S. Holloway.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of paragraph (12) of section 212 (a) of the Immigration and Nationality Act, Mualla S. Holloway may be admitted to the United States for permanent residence, if she is found to be otherwise admissible under the provisions of such act. The provisions of this act shall apply only to grounds for exclusion under such paragraph known to the Secretary of State or the Attorney General prior to the date of enactment of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NADIA NOLAND AND SAMIA OUAFA NOLAND

The Clerk called the bill (S. 2270) for the relief of Nadia Noland and Samia Ouafa Noland.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of paragraphs (9) and (12) of section 212 (a) of the Immigration and Nationality Act, Nadia Noland may be admitted to the United States for permanent residence, if she is found to be otherwise admissible under the provisions of such act. The provisions of this act shall apply only to grounds for exclusion under such paragraphs known to the Secretary of State or the Attorney General prior to the date of enactment of this act.

SEC. 2. For the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Samia Ouafa Noland, shall be held and considered to be the natural-born alien child of RMC Paul F. Noland, a citizen of the United States.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER pro tempore. Calendar No. 775 is not available at the Clerk's desk and will likewise be passed over.

UNITED STATES COURT OF CLAIMS

The Clerk called the resolution (H. Res. 309) providing for sending to the United States Court of Claims the bill H. R. 7453.

There being no objection, the Clerk read the resolution, as follows:

Resolved, That the bill (H. R. 7453) entitled "A bill for the relief of Richard M. Taylor and Lydia Taylor," together with all accompanying papers, is hereby referred to the United States Court of Claims pursuant to sections 1492 and 2509 of title 28, United States Code; and said court shall proceed expeditiously with the same in accordance with the provisions of said sections and report to the House, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand, as a claim legal or equitable against the United States, and the amount, if any, legally or equitably due from the United States to the claimant.

The resolution was agreed to; and a motion to reconsider was laid on the table.

FRANCES IRENE SMART

The Clerk called the bill (H. R. 1514) for the relief of Frances Irene Smart.

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The SPEAKER pro tempore. Calendar Nos. 778 and 779 are not available at the desk and will be passed over.

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent that the bills beginning with Calendar No. 778 and extending to and including Calendar No. 796 be passed over, because reports are not available.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The SPEAKER pro tempore. The last three bills on the Private Calendar are not at the desk, either, so they will be passed over.

CONSENT CALENDAR

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that in the call of the Consent Calendar today the provision of the rules requiring bills to be on that calendar 3 legislative days in order to be considered be waived.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

WORK OF SUBCOMMITTEE ON IMMIGRATION AND NATIONALITIES OF THE COMMITTEE ON THE JUDICIARY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection

Mr. McCORMACK. Mr. Speaker, we have just witnessed the perfect team work that exists in the consideration of private bills, and we have seen the confidence of the entire Membership of the House in the work of the subcommittee, as evidenced by the fact that close to two hundred bills, if not more, have been passed by the House within the past few hours. These are private bills coming out of that committee, and which mean so much to the individuals who benefit by them. Mr. Speaker, while it takes only a second or two, if there is no objection, to have a bill passed—that bill represents many hours of thoughtful consideration by the members of the subcommittee, as well as by the members of the staff of the subcommittee. I want to particularly express my thanks to the chairman and the members of the subcommittee of the Committee on the Judiciary for the excellent work they have done this year and the excellent work they have done in past years. This year many, many hundreds of bills have come out of the subcommittee and passed the House of Representatives by unanimous consent. To the gentleman from Pennsylvania [Mr. WALTER], the chairman of the subcommittee, and the gentleman from Ohio [Mr. FEIGHAN], the gentleman from Kentucky [Mr. CHELF], the gentlewoman from Michigan [Miss THOMPSON], the gentleman from Maryland [Mr. HYDE], who are members of the subcommittee, I want to express my deep thanks for the hard work they have done and the great sacrifices they have made with reference to this type of legislation, and although their work seldom receives publicity, they have accomplished a great deal for many hundreds of individuals who benefit from the passage of these bills.

Mr. JACKSON. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. JACKSON. I should like to associate myself, Mr. Speaker, with the remarks made by the gentleman from Massachusetts in respect to this hard-working committee. As the gentleman has so ably expressed it, the work of this committee in a large part goes unnoticed, without any fanfare of publicity. In fact, as many Members of the House have done, I have appeared before the subcommittee in support of one or another pieces of legislation having to do with private bills. The unfailing courtesy of the chairman, the gentleman from Pennsylvania [Mr. WALTER], and of every Member of the subcommittee, has been such, I think, that the thanks of every Member of this body is due to them for the manner in which they conduct the work of this subcommittee.

Mr. FULTON. Mr. Speaker, if the gentleman will yield, I just wanted to say that I want to compliment the staff of the committee because they certainly have done well.

Mr. McCORMACK. Mr. Speaker, this subcommittee only yesterday made public a very important report on international migration problems. It is a monumental document and a credit to the chairman and members of the subcommittee. Each Member of the House of Representatives should read the report, the number of which is 1570.

THE WORK OF THE SUBCOMMITTEE ON CLAIMS OF THE COMMITTEE ON THE JUDICIARY

Mr. McCORMACK. Mr. Speaker, the remarks I have just made also apply to the Subcommittee on Claims of which my very good friend the gentleman from Massachusetts [Mr. LANE] is the chairman. I also extend my thanks to him and all the members of his subcommittee—the gentleman from Georgia [Mr. FORRESTER], the gentleman from Massachusetts [Mr. DONOHUE], the gentleman from Illinois [Mr. BOYLE], the gentleman from Illinois [Mr. REED], the gentleman from New York [Mr. MILLER], and the gentleman from North Dakota [Mr. BURDICK].

And to the staff of both of these subcommittees, hard-working, efficient, and courteous, their service means so much to any committee, but particularly on these two subcommittees.

I also want to extend my sincere thanks and with it I know goes the thanks of the membership of the House

to Mr. Walter R. Lee, clerk of the Subcommittee on Claims, and to Mr. Walter M. Besterman, clerk of the Subcommittee on Immigration and Nationalities, and to their able assistants, Mrs. Violent T. Benn, Mrs. Frances F. Christy, Miss Velma Smedley, and particularly to Mrs. Bessie Dick, director of the staff of the Committee on the Judiciary.

I also want to thank the members of the Objectors Committee who have given voluntarily of their time and worked over and above the call of duty on the Consent Calendar, consisting of the gentleman from North Carolina, Mr. DEANE; the gentleman from Colorado, Mr. ASPINALL; the gentleman from Massachusetts, Mr. BOLAND; the gentleman from Iowa, Mr. CUNNINGHAM; the gentleman from Wisconsin, Mr. BYRNES; the gentleman from Michigan, Mr. FORD.

Also I wish to thank the members of the Objectors Committee on Private Claims, the gentleman from Alabama, Mr. ROBERTS; the gentleman from Oklahoma, Mr. JARMAN; the gentleman from Massachusetts, Mr. BOLAND; the gentleman from Illinois, Mr. SHEEHAN; the gentleman from Wisconsin, Mr. VAN PELT; and the gentleman from Kansas, Mr. AVERY.

I wish also to include the legislative clerk, Mr. Joseph F. Feeney, of Massachusetts.

To each and every one I extend my sincere thanks for a wonderful job done during this session of Congress.

LISELOTTE WARMBRAND

Mr. WALTER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 191) for the relief of Liselotte Warmbrand.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 212 (a) (9) of the Immigration and Nationality Act, Liselotte Warmbrand may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

APOSTOLOS VASILI PERCAS

Mr. WALTER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 239) for the relief of Apostolos Vasili Percas.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Apostolos Vasili Percas shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. LIESELOTTE EMILIE DAILEY

Mr. WALTER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1105) for the relief of Mrs. Lieselotte Emilie Dailey.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Mrs. Lieselotte Emilie Dailey may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SPYRIDON SAINTOUFIS AND HIS WIFE EFROSSINI SAINTOUFIS

Mr. WALTER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1706) for the relief of Spyridon Saintoufis and his wife Efrossini Saintoufis.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Spyridon Saintoufis and his wife Efrossini Saintoufis shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANNA MARIE HITZELBERGER SCHEIDT, AND HER MINOR CHILD, ROSANNE HITZELBERGER

Mr. WALTER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1730) for the relief of Anna Marie Hitzelberger Scheidt, and her minor child, Rosanne Hitzelberger.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of paragraphs (9) and (12) of section 212 (a) of the Immigration and Nationality Act, Anna Marie Hitzelberger Scheidt may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such act: *Provided*, That these exemptions shall apply only to grounds for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.

SEC. 2. For the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Rosanne Hitzelberger, shall be held and considered to be the natural-born alien child of Peter J. Scheidt, a citizen of the United States.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

STATUS OF PERMANENT RESIDENCE GRANTED TO CERTAIN ALIENS

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table House Concurrent Resolution 167, approving the granting of the status of permanent residence to certain aliens, with a Senate amendment thereto and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 17, after line 9, insert:
"A–10141545, Chao, Chang Hsiang.
"A–7782852, Huang, Pao-Chen.
"A–7202750, Lin, Shang Wu.
"A–7418222, Ma, Yiew Min."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendment was concurred in; and a motion to reconsider was laid on the table.

STATUS OF PERMANENT RESIDENCE GRANTED TO CERTAIN ALIENS

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table House Concurrent Resolution 168, favoring the granting of the status of permanent residence to certain aliens, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 5, after line 16, insert:
"A–6808711, Milinovic, Branko.
"A–7863464, Nizinski, Wladyslaw.
"0501–19023, Nizinski, Henryka Zofia Kula."

The Senate amendment was concurred in; and a motion to reconsider was laid on the table.

ERWIN S. DE MOSKONYI

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 1034) with a Senate amendment and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Line 4, strike out "DeMoskonyi" and insert "de Mocskonyi."

Amend the title so as to read: "An act for the relief of Erwin S. de Mocskonyi."

The Senate amendments were concurred in; and a motion to reconsider was laid on the table.

GRACE CASQUITE HWANG

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1060) for the relief of Grace Casquite Hwang, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Line 7, strike out all after "fee." down to and including line 11.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendment was concurred in; and a motion to reconsider was laid on the table.

KARLIS ABELE

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1301) for the relief of Karlis Abele, with Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 10, strike out all after "Act." over to and including line 3 on page 2.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendment was concurred in; and a motion to reconsider was laid on the table.

DALISAY LOURDES CRUZ

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1552) for the relief of Dalisay Lourdes Cruz, with Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Line 6, strike out "and Mrs. Antonio Cruz, citizens" and insert: Antonio Cruz, a citizen".

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendment was concurred in; and a motion to reconsider was laid on the table.

INGEBORG LUISE FISCHER

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1958) for the relief of Ingeborg Luise Fischer, with Senate amendments thereto and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments as follows:

Line 5, strike out "Fischer" and insert "Walling."

Amend the title so as to read: "An act for the relief of Ingeborg Luise Walling."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendments were concurred in; and a motion to reconsider was laid on the table.

SADA ZARIKIAN

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 2065) for the relief of Sada Zarikian, with Senate amendment thereto, and concur in the Senate amendment with an amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert "That, in the administration of the Immigration and Nationality Act, Sada Zarikian shall be held and considered to be within the purview of section 354 (a) (5) of that act."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALTER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WALTER moves to strike out "section 354 (a) (5)" and substitute in lieu thereof "section 354 (5)."

The motion was agreed to.

The Senate amendment, as amended, was concurred in; and a motion to reconsider was laid on the table.

GERALDINE GEAN HUNT AND LINDA MARIE HUNT

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 2753) for the relief of Geraldine Gean Hunt and Linda Marie Hunt with Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Line 8, strike out all after "fees," down to and including line 12.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendment was concurred in; and a motion to reconsider was laid on the table.

OFELIA MARTIN

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 2791) for the relief of Ofelia Martin, with Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Line 6 and 7, strike out "and Mrs. Gentry Martin, citizens" and insert: "Gentry Martin, a citizen."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendment was concurred in; and a motion to reconsider was laid on the table.

DOROTHY CLAIRE MAURICE

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3139) for the relief of Dorothy Claire Maurice.

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Dorothy Claire Maurice shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Line 7, strike out all after "fee." down to and including line 12.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendment was concurred in; and a motion to reconsider was laid on the table.

LUISE PEMPFER

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3507) for the relief of Luise Pempfer (now Mrs. William L. Adams) with Senate amendment thereto and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Line 3, strike out "(2)" and insert "(a)."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendment was concurred in; and a motion to reconsider was laid on the table.

LUISE ISABELLA CHU

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the

Speaker's desk the bill (H. R. 3628) for the relief of Luise Isabella Chu, also known as Luise Schneider, with Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Line 8, strike out all after "fee.", down to and including line 12.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendment was concurred in; and a motion to reconsider was laid on the table.

BIRGIT CAMARA

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3635) for the relief of Birgit Camara, also known as Birgit Heinemann, with Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Line 8, strike out all after "fee.", down to and including line 12.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendment was concurred in; and a motion to reconsider was laid on the table.

MARGARETHE BOCK

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 4468) for the relief of Margarethe Bock, with Senate amendment thereto and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Amend the title so as to read: "An act for the relief of Margarethe Bock and her son, Robert Harald Bock."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendment was concurred in; and a motion to reconsider was laid on the table.

FRANCISCA ALEMANY

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 5546) for the relief of Francisca Alemany, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert "That, for the purposes of the Immigration and Nationality Act, Francisca Alemany shall be held and considered to be the minor child of her parents, Mr. and Mrs. Rafael Alemany, lawful permanent residents of the United States."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

ROSA BIRGER

Mr. WALTER. Mr. Speaker, I ask unanimous consent to return for immediate consideration to Private Calendar No. 772, the bill (S. 1974) for the relief of Rosa Birger.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of paragraphs (6) and (19) of section 212 (a) of the Immigration and Nationality Act, Rosa Birger may be admitted to the United States for permanent residence, if she is found to be otherwise admissible under the provisions of such act, under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act. The provisions of this act shall apply only to grounds for exclusion under such paragraphs known to the Secretary of State or the Attorney General prior to the date of enactment of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DOMESTIC MINERALS PROGRAM EXTENSION ACT OF 1953

Mr. ENGLE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6373) to amend the Domestic Minerals Program Extension Act of 1953 in order to extend the programs to encourage the discovery, development, and production of certain domestic minerals with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from California? The Chair hears none, and appoints the following conferees: Messrs. ENGLE, ASPINALL, ROGERS of Texas, SAYLOR, and YOUNG.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

PASSPORT FEES

The Clerk called the bill (H. R. 5844) to increase the fee for executing an application for a passport from $1 to $3.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the first proviso of section number 1 of the act entitled "An act making an appropriation for the Diplomatic and Consular Service for the fiscal year ending June 30, 1921," approved June 4, 1920 (22 U. S. C., sec. 214), is amended by striking out "the fee of $1" and by inserting in lieu thereof "a fee of $3."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

APPOINTMENTS TO THE UNITED STATES MILITARY ACADEMY AND THE UNITED STATES AIR FORCE ACADEMY

The Clerk called the bill (H. R. 5269) to increase the number of cadets that the President may personally select for appointment to the United States Military Academy and the United States Air Force Academy.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WIER, Mr. YATES, and Mr. BAILEY objected.

VETERANS REGULATIONS

The Clerk called the bill (H. R. 1614) to amend the Veterans Regulations to provide an increased statutory rate of compensation for veterans suffering the loss or loss of use of an eye in combination with the loss or loss of use of a limb.

Mr. FORD. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

VETERANS' AFFAIRS LEGISLATION

The Clerk called the bill (H. R. 1821) to provide that checks for benefits provided by laws administered by the Administrator of Veterans' Affairs may be forwarded to the addressee in certain cases.

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

REVISION AND CODIFICATION OF LAWS RELATING TO ARMED FORCES

The Clerk called the bill (H. R. 7049) to revise, codify, and enact into law title 10 of the United States Code entitled "Armed Forces," and title 32 of the United States Code entitled "National Guard."

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. HALEY. Mr. Speaker, reserving the right to object, I should like to inquire of the gentleman in charge of the bill whether there is anything in the bill which will have the effect of changing the present law which gives Reserve and National Guard officers retired under

title III of the act of June 29, 1948, the right to draw their retired pay without regard to section 212 of the Economy Act of 1932.

Mr. WILLIS. Mr. Speaker, if the gentleman will yield, I assure the gentleman there is no change in that.

Mr. HALEY. I withdraw my reservation of objection, Mr. Speaker.

Mr. REES of Kansas. Mr. Speaker, further reserving the right to object, does the legislation now being approved in anywise affect section 38 adopted in 1901?

Mr. WILLIS. I have an amendment which I believe will cover the subject.

Mr. McCORMACK. Mr. Speaker, if the gentleman will yield, will the gentleman state what the amendment means so that the Members will be advised?

Mr. WILLIS. The amendment does this: The act to which the gentleman refers was adopted in 1901, as the gentleman knows, having to do with the sale of alcohol at Military Establishments. Then, in 1951, the law was restated, and there is some diversity of opinion as to whether the act of 1951 repeals the law of 1901. Frankly, it is the opinion of the staff on the Committee on the Judiciary and the people with whom we collaborated on the subject, that the act of 1951 supersedes the act of 1901. But since our job is not in any way to effect substantive law but simply to restate the law in code form, we have the provision carrying out the legal opinion and thus repealing the statute of 1901. But to be sure and satisfy the gentleman that we are not altering substantive law, the amendment that we have sent to the desk would take away the repeal, so that the law as it stands today will continue to stand. It is doubtful which of the two acts prevails, but we will not repeal the act of 1901. Both statutes will remain on the books.

Mr. REES of Kansas. In any event, you do not in anywise change the statute to which you have referred?

Mr. WILLIS. We definitely do not.

Mr. McCORMACK. You do not take a step back toward prohibition, do you.

Mr. WILLIS. We do not.

Mr. LANHAM. Mr. Speaker, will the gentleman yield?

Mr. WILLIS. I yield.

Mr. LANHAM. When the gentleman says that both laws will stay on the books, will both laws appear in the codification, the law of 1951, and the other? Will the 1951 law appear in the codification?

Mr. WILLIS. I think the latest law, the 1951 law, will be in the code.

Mr. LANHAM. But the older law will not?

Mr. WILLIS. It will still be in the statutes, it will not be repealed.

Mr. LANHAM. But it will not appear in the code?

Mr. WILLIS. That is correct.

Mr. LANHAM. Mr. Speaker, I object.

Mr. CELLER. Mr. Speaker, will the gentleman withhold his objection for a moment? If we do not pass this today and it goes over until the next session, there will have to be another complete recodification. It would cost probably another $25,000 to do it. This is a very difficult task. We have been working on this codification, I am informed, for 8 years. I do hope the gentleman will not object. There are no substantive changes in the law.

The SPEAKER pro tempore. Is there objection?

Mr. LANHAM. Mr. Speaker, I object.

INCLUSION OF ACCREDITED SERVICE TOWARD CIVIL SERVICE RETIREMENT

The Clerk called the bill (S. 1041) to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide for the inclusion in the computation of accredited service of certain periods of service rendered States or instrumentalities of States, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 5 of the Civil Service Retirement Act of May 29, 1930, as amended, is amended by inserting after the first paragraph thereof the following:

"Subject to the conditions contained in this paragraph, there shall be included, in determining for the purposes of this act the aggregate period of service rendered by an officer or employee who is serving in a position within the purview of this act (other than a position described in this paragraph) at the time of his retirement or death, all periods of service rendered by him as an employee of a State, or any instrumentality thereof, exclusively or primarily in the carrying out of—

"(1) the program of a State Rural Rehabilitation Corporation created for the purpose of handling rural relief the funds for which were made available by the Federal Emergency Relief Act of 1933 (48 Stat. 55), the act of February 15, 1934 (48 Stat. 351), and the Emergency Appropriation Act, fiscal year 1935 (48 Stat. 1055), and any laws or parts of laws amendatory of, or supplementary to, such acts;

"(2) the Federal-State cooperative program of agricultural experiment stations research and investigation authorized by the act of March 2, 1887, as amended and supplemented (7 U. S. C., ch. 14);

"(3) the Federal-State cooperative program of vocational education authorized by the act of February 23, 1917, as amended and supplemented (20 U. S. C., ch. 2);

"(4) the Federal-State cooperative program of agricultural extension work authorized by the act of May 8, 1914, as amended and supplemented (7 U. S. C., secs. 341–348);

"(5) the Federal-State cooperative program of forest and watershed protection authorized by section 2 of the act of March 1, 1911 (16 U. S. C., sec. 563), and by the act of June 7, 1924, as amended and supplemented (16 U. S. C., secs. 564–568b);

"(6) the Federal-State cooperative program for the control of plant pests and animal diseases authorized by the provisions of law set forth in chapters 7 and 8 of title 7 and in section 114a of title 21 of the United States Code.

"The period of any service specified in this paragraph shall be included in computing length of service for the purposes of this act of any officer or employee only upon compliance with the following conditions:

"(A) the performance of such service is certified, in a form prescribed by the Civil Service Commission, by the head, or by a person designated by the head, of the department, agency, or independent establishment in the executive branch of the Government of the United States which administers the provisions of law authorizing the performance of such service;

"(B) the officer or employee shall have to his credit a total period of not less than 5 years of allowable service under this act, exclusive of service allowed by this paragraph;

"(C) the officer or employee shall have deposited with interest at 4 percent per annum to December 31, 1947, and 3 percent per annum thereafter, compounded on December 31 of each year, to the credit of the civil-service retirement and disability fund a sum equal to the aggregate of the amounts which would have been deducted from his basic salary, pay, or compensation during the period of service claimed under this paragraph if during such period he had been subject to this act;

"(D) such period of service is excluded from credit for the purposes of any annuity received by such officer or employee from a State.

"As used in this paragraph the term 'State' includes Alaska, Hawaii, and Puerto Rico."

SEC. 2. The annuity of any person who shall have performed service described in the second paragraph of section 5 of the Civil Service Retirement Act of May 29, 1930, as added by this act, and who before the date of enactment of this act shall have been retired on annuity under the provisions of the act of May 22, 1920, as amended, section 8 (a) of the act of June 16, 1933, or the act of May 29, 1930, as amended, shall, upon application filed by such person within 1 year after the date of enactment of this act and compliance with the conditions prescribed by such second paragraph, be adjusted, effective as of the first day of the month following the date of enactment of this act, so that the amount of such annuity will be the same as if such paragraph had been in effect at the time of such person's retirement.

With the following committee amendments:

(1) Page 1, line 9, after the word "employee", insert "of the United States Government or the Municipal Government of the District of Columbia."

(2) Page 2, lines 1 and 2, strike out "(other than a position described in this paragraph)."

(3) Pages 5 and 6, strike out all of section 2.

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FEDERAL EMPLOYEES' GROUP LIFE INSURANCE ACT OF 1954

The Clerk called the bill (S. 1792) to amend the Federal Employees' Group Life Insurance Act of 1954.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That (a) section 5 (c) of the Federal Employees' Group Life Insurance Act of 1954 is amended to read as follows:

"(c) The sums withheld from employees under subsection (a) and the sums contributed from appropriations and funds under subsection (b) shall be deposited in the Treasury of the United States to the credit of a fund which is hereby created. Said fund is hereby made available without fiscal year limitation for premium payments under any insurance policy or policies purchased as authorized in sections 7 and 10 of this act, for the payment of any obligations under agreements assumed pursuant to section 10 of this act, and for any expenses incurred by the Commission in the administration of this act within such limitations as may be specified annually in appropriation acts: *Provided*, That appropriations available to the Commission for salaries and expenses for

the fiscal year 1955 shall be available on a reimbursable basis for necessary administrative expenses of carrying out the purposes of this act until said fund shall be sufficient to provide therefor. The income derived from any dividends or premium rate adjustments received from insurers shall constitute a part of said fund."

(b) Section 5 of said act is amended by adding the following subsection at the end thereof:

"(d) The Secretary of the Treasury is authorized to invest and reinvest the moneys in the fund created by section 5 (c), or any part thereof, in interest-bearing obligations of the United States and to sell such obligations of the United States for the purposes of the fund. The interest on and the proceeds from the sale of any such obligations shall become a part of the fund."

SEC. 2. (a) The third proviso of section 7 (d) of said act is hereby repealed.

(b) Section 7 (e) of said act is amended to read as follows:

"(e) The companies eligible to participate as reinsurers, and the amount of insurance under the policy or policies to be allocated to each issuing company or reinsurer, may be redetermined by the Commission for and in advance of any policy year after the first, on a basis consistent with subsections (c) and (d) of this section, with any modifications thereof it deems appropriate to carry out the intent of such subsections, and based on each participating company's group life insurance in force in the United States on the most recent December 31 for which information is available to it, excluding that under any policy or policies purchased under this act, and shall be so redetermined in a similar manner not less often than every 3 years or at any time that any participating company withdraws from participation: *Provided*, That if, upon any such redetermination, in the case of any issuing company or reinsurer which insured employees of the Federal Government on December 31, 1953, under policies issued to an association of Federal employees, the amount which results from the application of the formula referred to in subsection (d) of this section is less than the total decrease, if any, since December 31, 1953, in the amount of such company's insurance under such policies, the amount allocated to such company shall be increased to the amount of such decrease: *Provided further*, That any increase in the amount allocated to such company by application of the preceding proviso shall be reduced by the amount or amounts of any policy or policies purchased from such company under the authorization of section 10 of this act, and in force on the date of such redetermination."

SEC. 3. Section 10 of said act is amended to read as follows:

"SEC. 10. (a) The Commission is authorized to arrange with any nonprofit association of Federal or District of Columbia employees for the assumption by the fund created by section 5 (c) of all life insurance agreements, including all benefits contained therein, obtained or provided by such association for its members.

"(b) The Commission is authorized without regard to other sections of this act and without regard to section 3709 of the Revised Statutes, as amended, to purchase from one or more life insurance companies, as determined by the Commission, a policy or policies of group life insurance to insure all or any portion of the life insurance agreements obtained or provided by an association for its members and assumed under this section: *Provided*, That any such company must be either (1) the company then insuring such members under a policy or policies issued to such association; or (2) a company which is an insurer or a reinsurer under section 7 of this act. The Commission may at any time discontinue any policy or policies it has purchased from any insurance company.

"(c) Any association accepting such arrangement shall, in consideration therefor, pay over and transfer to the Commission (1) an amount equal to the actuarial value, as determined by the Commission, of the insurance obligations assumed by the fund created by section 5 (c), or (2) the total assets of the life insurance fund of such association, whichever is the lesser. Such payment and transfer shall be a premium for the purchase of the Government insurance arrangement, shall be deposited in the fund created by section 5 (c), and shall be accomplished in accordance with the procedures and conditions prescribed by the Commission, and in accordance with the requirements of applicable law.

"(d) The arrangements authorized by this section shall be made within 6 calendar months following the date of enactment of this amending act, or such later date as the Commission may agree when there are extenuating circumstances, but not later than August 17, 1957, and such arrangements shall apply only to life insurance agreements existing on both the date of the approval of this amendment and on the date of the respective arrangement.

"(e) Any such arrangement shall provide that the continuation of the insurance coverage of such members shall be conditioned upon their payment to the fund created by section 5 (c), in such manner and under such conditions as the Commission may prescribe, of premium payments equal to the premiums or dues previously payable by them for such insurance coverage.

"(f) The members of such associations shall not by reason of any such arrangements be disqualified from any other insurance benefits provided by this act if otherwise eligible therefor."

With the following committee amendments:

Page 2, after line 21, insert a new section 2 to read as follows:

"SEC. 2. (a) Section 6 of said act is amended to read as follows:

"'SEC. 6. Each policy purchased under this act shall contain a provision, in terms approved by the Commission, to the effect that any insurance thereunder on any employee shall cease upon his separation from the service or 12 months after discontinuance of his salary payments, whichever first occurs, subject to a provision which shall be contained in the policy for temporary extension of coverage and for conversion to an individual policy of life insurance under conditions approved by the Commission, except that if upon such date as the insurance would otherwise cease the employee retires on an immediate annuity and (a) his retirement is for disability or (b) he has completed 15 years of creditable service, as determined by the Commission, his life insurance only may, under conditions determined by the Commission, be continued without cost to him in the amounts for which he would have been insured from time to time had his salary payments continued at the same rate as on the date of cessation. Periods of honorable active service in the Army, Navy, Air Force, Marine Corps, or Coast Guard of the United States shall be credited toward the required 15 years provided the employee has completed at least 5 years of civilian service.'

"(b) The amendments made by subsection (a) shall be effective as of August 17, 1954.

Page 2, line 22, strike out "SEC. 2. (a)" and insert "SEC. 3 (a)."

Page 4, line 5, strike out "SEC. 3." and insert "SEC. 4."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENDING FREE MAILING PRIVILEGES

The Clerk called the bill (H. R. 7125) to extend to June 30, 1956, the free mailing privileges granted by the act of July 12, 1950, to members of the Armed Forces of the United States.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 2 of the act entitled "An act to provide free postage for members of the Armed Forces of the United States in specified areas", approved July 12, 1950, as amended (64 Stat. 336; 67 Stat. 7; 50 App. U. S. C., sec. 892), is hereby further amended by striking out "until June 30, 1955" and inserting in lieu thereof "until June 30, 1956."

SEC. 2. The amendment made by the first section of this act shall take effect as of June 30, 1955.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FURNISHING A VETERAN A CERTIFICATE OF SERVICE AT NO FEE

The Clerk called the bill (H. R. 6274) to provide that no fee shall be charged a veteran for furnishing him a copy of his discharge or a copy of his certificate of service.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. FORD. Reserving the right to object, Mr. Speaker, I wish to state on the record that I have in the past requested that this bill be passed over without prejudice. I should like to make perfectly clear the reason for my action in that regard.

First, the Department of Defense could administratively provide the veteran who is released from service with a wholly adequate certificate indicating satisfactory service. Various veterans organizations for good reasons have bitterly complained because the Department of Defense has repeatedly and consistently issued veterans who were released from active duty a certificate which is on flimsy paper with unrecognizable typing. The Department of Defense cannot justify this action. I repeat that the Department if it wanted and had the initiative could correct that problem administratively.

Second, I have also stated to a number of Members of Congress and various veteran organization representatives that I would have no objection to an amendment to this bill which would provide that a veteran could get one duplicate discharge free of charge from the Department of Defense. I am wholly in accord with such an amendment. It should be pointed out in addition that veterans can under the present law for $1.50 each get an unlimited number of duplicate discharge certificates.

I am fully agreeable to an amendment which would give those who lose their original discharge certificate a duplicate free of charge. Those who are repeatedly careless and consistently lose their certificates certainly ought to be willing to pay $1.50 for their continued negligence.

Mr. Speaker, I withdraw my reservation of objection, and ask that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

Mr. TEAGUE of Texas. Reserving the right to object, Mr. Speaker, speaking to the first point made by the gentleman from Michigan, of course if they were issued a discharge certificate made of better paper it would make it much more expensive. The biggest problem is not a discharge that is worn out but one that has become lost. Therefore, whether or not the point that a more expensive discharge certificate should be issued is a valid one for opposing this bill I very seriously doubt.

To the second point made by the gentleman from Michigan, that a veteran should be issued only one free copy of discharge certificate may I say that this bill has been very carefully considered by a subcommittee of the Committee on Armed Services and by a number of Members of Congress. The Department of Defense said that rather than have the bookkeeping problem that would be imposed on it by checking to see whether or not a veteran had already been issued one certificate, and writing him afterward to say, "You have had one certificate, now you have to pay for the second," they would prefer just to be given authority to issue certificates.

Therefore, Mr. Speaker, I do not consider the objections of the gentleman from Michigan at all valid, and I object to his request.

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. TEAGUE of Texas. I yield to the gentleman from Missouri.

Mr. SHORT. It would be much cheaper for them to grant an extra certificate.

Mr. TEAGUE of Texas. All you do is impose extra bookwork. It would be much cheaper to give them that extra certificate.

Mr. SHORT. It would be much cheaper. The gentleman from Michigan serves on the Committee on Appropriations. This would save the taxpayers money. I think the gentleman should not object.

Mr. FORD. Mr. Speaker, will the gentleman yield?

Mr. TEAGUE of Texas. I yield to the gentleman from Michigan.

Mr. FORD. The most recent data from the Department of Defense refutes the statement that it is a burden to the Department of Defense to go through this process of telling the veteran that he has to pay $1.50 for his own carelessness. As I say, I think my position is very fair and reasonable. Under those circumstances I must renew my request. Unfortunately, we cannot come to a compromise, but that is just one of the difficulties we run into at this late hour in the session.

Mr. TEAGUE of Texas. Mr. Speaker, I object to the request of the gentleman from Michigan.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. FORD. I object, Mr. Speaker.

UNITED NATIONS

The Clerk called the concurrent resolution (H. Con. Res. 186) expressing the sense of Congress that certain countries should be granted membership in the United Nations.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that this resolution be passed over without prejudice.

The SPEAKER pro tempore (Mr. PRIEST). Is there objection to the request of the gentleman from Iowa?

There was no objection.

CONNECTICUT RIVER

The Clerk called the bill (S. 1577) to amend the acts granting the consent of Congress to the State of Connecticut, acting by and through any agency or commission thereof, to construct, maintain, and operate toll bridges across the Connecticut River.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 2 of the act approved August 7, 1939 (53 Stat. 1234), entitled "An act granting the consent of Congress to the State of Connecticut, acting by and through any agency or commission thereof, to construct, maintain, and operate a toll bridge across the Connecticut River at or near Hartford, Conn.," and section 2 of the act approved April 24, 1946 (60 Stat. 122), entitled "An act granting the consent of Congress to the State of Connecticut, acting by and through any agency or commission thereof, to construct, maintain, and operate a toll bridge across the Connecticut River at or near Old Saybrook, Conn.," are each amended to read as follows:

SEC. 2. The last sentence of section 4 of such act of March 23, 1906, shall not be applicable to the bridge constructed pursuant to the provisions of this act."

SEC. 2. Nothing in this act shall be construed as amending any provision of existing Federal law relating to the expenditure of Federal-aid highway funds.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LAKE TAHOE, TRUCKEE, CARSON AND WALKER RIVERS

The Clerk called the bill (S. 1391) granting the consent of Congress to the States of California and Nevada to negotiate and enter into a compact with respect to the distribution and use of the waters of Truckee, Carson and Walker Rivers, Lake Tahoe, and the tributaries of such rivers and lake in such States.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby given to the States of California and Nevada to negotiate and enter into a compact with respect to the distribution and use of the waters of the Truckee, Carson, and Walker Rivers, Lake Tahoe, and the tributaries of such rivers and lake in such States.

SEC. 2. Such consent is given upon the following conditions:

(1) A representative of the United States, who shall be appointed by the President of the United States, shall participate in such negotiations and shall make a report to the President and to the Congress of the proceedings and of any compact entered into; and

(2) Such compact shall not be binding or obligatory upon either of such States unless and until it has been ratified by the legislature of each of such States and consented to by the Congress of the United States.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NEW YORK CITY NATIONAL SHRINES

The Clerk called the bill (H. R. 3120) to promote public cooperation in the rehabilitation and preservation of the Nation's important historic properties in the New York City area, and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. TUMULTY. Mr. Speaker, reserving the right to object, may I inquire of the distinguished gentleman from California whether this bill relates to the disposition of historic properties like Ellis Island in the harbor of New York.

Mr. ASPINALL. Mr. Speaker, if the gentleman will yield, this bill provides for the authorization of an advisory board of 11 members to study the problem and to coordinate the activities and make it possible for private donations and contributions to be brought into the program by those people who are interested in the preservation of historic sites in the city of New York.

Mr. TUMULTY. Mr. Speaker, there has been considerable interest in the matter of the disposition of Ellis Island. I, myself, have introduced a bill for the purpose of having Ellis Island retained by the Federal Government as a hall of fame for American citizens of foreign extraction. The States of New York and New Jersey are currently bidding to get that property to determine which one of them may utilize it, either in the case of New York for an alcoholic center, or by New Jersey, for a museum. I note that H. R. 3120 requires the Secretary of the Interior to appoint 1 member of this advisory board representing the city of New York, 1 member representing the State of New York, and 1 member representing the Borough of Manhattan, and after the consideration of such recommendations as may be made by the mayor of New York City, the Governor of New York State, and the president of the Borough of Manhattan, and so on. And my point is that the State of New Jersey has a very large interest in this very same matter and there is no provision whatsoever for the appointment of any citizens from the State of New Jersey. While I do not wish to prevent the passage of this worthy bill, I do want to protect the interests of my own State in legislation in which the State of New Jersey has an interest. I wonder if there is not some way in which that can be accomplished.

Mr. SAYLOR. Mr. Speaker, if the gentleman will yield, this only has to do with historic sites in the city of New York, and the board is to be appointed only to handle sites in the city of New York.

Mr. TUMULTY. I am not going to prolong the discussion, but Jersey City claims that Ellis Island, in particular, is within the confines of Jersey City.

Mr. SAYLOR. I assure the gentleman that this has nothing to do with Ellis Island.

Mr. ENGLE. Mr. Speaker, I see nothing in the bill relating to Ellis Island.

Mr. TUMULTY. With that understanding, Mr. Speaker, so long as the disposition of Ellis Island is not involved—you assure me definitely that Ellis Island is in no way affected by this bill?

Mr. SAYLOR. I note that Bedloe's Island on which the Statue of Liberty is located is mentioned in the bill.

Mr. TUMULTY. I know that. I happen to live not far from there. New Jersey also has and should have an opportunity to participate in this matter relating to Statue of Liberty and Ellis Island. Under the circumstances, I regret I must object to passage of this bill now.

Mr. ENGLE. Mr. Speaker, I ask unanimous consent for the immediate consideration of an identical bill, S. 732.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. TUMULTY. Mr. Speaker, I object.

CASTLE PINCKNEY NATIONAL MONUMENT, S. C., ABOLISHED

The Clerk called the bill (H. R. 4391) to abolish the Castle Pinckney National Monument, in the State of South Carolina, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Castle Pinckney National Monument, S. C., is hereby abolished and the property contained therein is hereby authorized to be disposed of in accordance with the laws relating to the disposition of surplus Federal property.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RECONVEYANCE OF CERTAIN OIL, GAS, AND MINERAL INTERESTS

The Clerk called the bill (H. R. 7097) to provide for the reconveyance of oil and gas and mineral interests in a portion of the lands acquired for the Demopolis lock and dam project, to the former owners thereof, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That, upon application filed within 3 years after the date of the enactment of this act by or on behalf of any person from whom lands or interests therein were acquired for the purposes of the Demopolis lock and dam project on the Tombigbee River and upon approval of that application by the Secretary of the Army whose determination shall be final, the Secretary of the Interior shall convey to such person all oil and gas and mineral interests acquired from him by the United States (excepting oil and gas and mineral interests in land areas to be designated by the Secretary of the Army surrounding or adjacent to the lock, dam, disposal area, dikes, abutments, and other necessary project facilities, and excepting lands to be designated by the Secretary of the Interior as needed for use as a public park or recreational facilities, or needed for facilities for the protection and management of migratory birds and fishing resources as provided in the act of August 14, 1946 (60 Stat. 1018)), upon payment by such person of a purchase price therefor equal to the fair market value of such oil and gas and mineral interests as determined by the Secretary of the Interior.

SEC. 2. Each conveyance of oil and gas and mineral interests to a former owner under this act shall contain such reservations and restrictions as in the opinion of the Secretary of the Army are necessary in the construction, operation, and maintenance of the Demopolis lock and dam project and as may otherwise be in the public interest.

SEC. 3. All proceeds from the sale of oil and gas and mineral interests under this act shall be deposited in the Treasury as miscellaneous receipts.

SEC. 4. There are hereby authorized to be appropriated such sums as are necessary to carry out the purposes of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REVIEW AND DETERMINATION OF CLAIMS REGARDING CERTAIN LANDS IN HAWAII

The Clerk called the bill (H. R. 7186) to provide for the review and determination of claims for the return of lands, in the Territory of Hawaii, conveyed to the Government during World War II by organizations composed of persons of Japanese ancestry.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That any organization or group made up of persons of Japanese ancestry, which, prior to World War II, held lands, with or without improvements, in the Territory of Hawaii for eleemosynary purposes and which lands were conveyed by such organization or group during World War II to the Territory of Hawaii or any political subdivision thereof, may, notwithstanding any other provision of law pertaining to statutory limitations of actions or laches, make a claim for the return thereof. Such claim shall be made within 2 years after the date of approval of this act by filing a verified petition in the circuit court of the Territory in which the property was situated at the time the same was originally conveyed to the Territory or its political subdivision.

SEC. 2. The Governor of the Territory shall, within 60 days after the date of approval of this act, cause to be published at least once a week for a period of 3 weeks in a newspaper of general circulation in the Territory a notice stating in general terms the purpose of this act, the period in which claims may be filed, and where such claims may be filed.

SEC. 3. The rules of the circuit court of the Territory of Hawaii pertaining to civil procedure, including rules relating to appeals, shall be applicable to the proceedings authorized by this act. All court costs and fees, both in the circuit and appellate courts, shall be assessed and paid in the same manner as in civil cases. The courts shall advance on their dockets and expedite the disposition of all claims filed therein pursuant to this act. The attorney general of Hawaii may intervene in any proceeding instituted under the provisions of this act.

SEC. 4. The petition shall allege and it shall be shown—

(a) that during World War II a conveyance of lands, with or without improvements, was made to the Territory of Hawaii, or a political subdivision thereof, by an organization or group made up of persons of Japanese ancestry theretofore holding such property for eleemosynary purposes;

(b) that such conveyance was made without monetary consideration other than the assumption of mortgages or other encumbrances, or was made upon a nominal consideration;

(c) that such conveyance was not lawfully authorized under the laws, constitution, by-laws or the like governing the same, or alternatively that such conveyance was made or procured in such a manner as to cause such conveyance to be voidable;

(d) that the petitioner is, or the petitioners are, the real parties in interest, and that no assignment or transfer of the claim, or of any part thereof or interest therein, has been made except as stated in the petition;

(e) that the return of the property is sought for the purpose of resuming the eleemosynary use for which the property was held prior to the conveyance to the Territory or a political subdivision thereof, or alternatively, if the petitioner does not intend to resume the eleemosynary use of the property for which it was held prior to the conveyance to the Territory or political subdivision thereof, the petitioner shall indicate in its petition whether there are some other purposes for its seeking the return of the property and what disposition it intends to make of the property, if the same is returned; and

(f) that the respondents named in the petition include and constitute the grantee or grantees and their successors in title, if any, who received the original conveyance and all other persons or Government bodies having or claiming any interest therein or occupancy thereof; and all such respondents shall be personally served with the petition.

SEC. 5. If the allegations required by section 4 hereof are contained in the petition, the circuit court shall hear and determine the claim as a court of equity, without a jury, and may, in the exercise of its sound discretion and within the principles hereinafter set forth, either direct the return of the property to the petitioner, if the allegations of the petition are sustained, or make such other order as it shall deem appropriate.

SEC. 6. In the disposition and determination of such claims, the circuit court shall, in addition to the general principles of equity, be governed by the following principles:

(a) In case of an assignment or transfer of a claim, or any part thereof or interest therein, the claim, or so much thereof as is involved in the assignment or transfer, shall be denied and disallowed unless it shall be shown that the assignment or transfer was made for a good and sufficient reason without any motive of speculation.

(b) If the allegations of the petition are proved, and if the property is then being used by the Territory or a political subdivision thereof, the court may direct that the property be retained for a reasonable time so as to allow the Territory or political subdivision thereof using the property to obtain other accommodations. The use of the property during such period of time shall be without charge to the Territory or political subdivision thereof, as the case may be.

(c) No vested rights or interest of any person, whether held in fee simple or for a term of years or otherwise, shall be impaired by the disposition of any such claim. If the property has been sold, the court may direct payment by the Territory or political subdivision thereof to the persons who

would have been entitled to the return of the property had it not been sold. Such payment shall not exceed the consideration received for the property, and such payment shall be without interest.

(d) In respect of property which has been improved during the tenure of the Territory or political subdivision thereof, either by the making of new improvements or by betterment of the property in any form, it shall be a condition to the granting of the claim that the Territory or political subdivision thereof be reimbursed, without interest, for such improvements.

(e) In respect of mortgages, tax liens, or other encumbrances upon the property at the time of the original conveyance, which by reason of the conveyance were assumed or have been discharged, it shall be a condition to the granting of the claim that the Territory or political subdivision thereof be relieved of the obligations so assumed, and to the extent that the same shall have been discharged, that the Territory or political subdivision thereof, as the case may be, be reimbursed without interest therefor.

(f) The court shall not make any pecuniary award to any petitioner for rents or damages or for any other cause, and the redress of petitioners shall be confined to the return or proper disposition of the property according to the principles herein set forth, except as stated in paragraph (c) of this subsection.

SEC. 7. The Territory of Hawaii may appropriate funds for the purpose of carrying out the provisions of this act.

SEC. 8. Nothing contained in this act shall preclude the Territory of Hawaii from exercising the power of eminent domain.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADMINISTRATION OF CERTAIN LANDS BY DEPARTMENT OF AGRICULTURE

The Clerk called the bill (S. 72) to provide that certain lands acquired by the United States shall be administered by the Secretary of Agriculture as national forest lands.

Mr. HAYS of Ohio. Mr. Speaker, reserving the right to object, does this give the Secretary of Agriculture additional duties he does not already now have in regard to lands that are not in his Department?

Mr. COOLEY. I understand it takes these lands in New Mexico which are not now in the national forest and makes them officially part of the national forest.

Mr. HAYS of Ohio. Who is administering these lands now?

Mr. COOLEY. The Federal Government is now administering the land involved. This makes it officially part of the national forest.

Mr. HAYS of Ohio. What Department is administering them now?

Mr. COOLEY. Technically, the Department of the Interior; practically, the Department of Agriculture. The report states:

Although the original intent of Congress in authorizing the exchange was that the lands so acquired should become a part of the national forest, because of technicalities involved in this exchange, this legislation is needed to actually give the land national forest status.

Mr. HAYS of Ohio. Who is administering this land now? Interior, Agriculture, or who?

Mr. COOLEY. Interior. We have a communication from Mr. True D. Morse, Acting Secretary.

Mr. LAIRD. Mr. Speaker, this bill was heard by a subcommittee. The Department of the Interior is now presently charged with that responsibility, but the lands were originally intended to be part of this forest. I think our colleague from New Mexico can explain this situation and how it developed.

Mr. FERNANDEZ. Mr. Speaker, this is a tract of land which the State of New Mexico owned within Forest Service land, or within large Forest Service tracts. The State of New Mexico exchanged those lands with the Government for outside lands which were under the jurisdiction of the Interior Department, the Taylor Grazing Act administration. The purpose of passing this bill is to put those tracts of land which are within national forests under the administration of the forest department and take it away from the Department of the Interior. They are very small tracts.

Mr. HAYS of Ohio. Is that what the gentleman wants?

Mr. FERNANDEZ. That is what the State of New Mexico wants, yes.

Mr. HAYS of Ohio. I withdraw my reservation of objection. I made it because I think the Secretary of Agriculture is doing such a poor job with what he has that I did not want to give him any additional powers.

Mr. SAYLOR. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore (Mr. PRIEST). Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

LAND TITLE CLARIFICATION WITHIN STANISLAUS NATIONAL FOREST, CALIF.

The Clerk called the bill (H. R. 374) to authorize the adjustment and clarification of ownership to certain lands within the Stanislaus National Forest, Tuolumne County, Calif.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. SAYLOR. Mr. Speaker, reserving the right to object, can someone tell us what this bill does?

Mr. ENGLE. Mr. Speaker, this is simply correction of a survey which was erroneously made in the Stanislaus National Forest years ago when they sent survey crews out into those areas. Those gentlemen spent most of their time in camp and dreamed up this survey line. As a consequence, these people have occupied that piece of land which they thought they owned, but when the survey lines were checked they found out they were on the wrong land. This swaps territory or areas of the same character so that they can remain on the land that they have been on for 50 years. It seems to me the family has been on this land for nearly a half century.

Mr. SAYLOR. This is still forest land. If they have been erroneously on the land, that gives them no right to it.

Mr. ENGLE. It is a correction of a description in a deed. When they got their patent the patent described the wrong land. This corrects it.

Mr. HOFFMAN of Michigan. Mr. Speaker, reserving the right to object, are they on the right land now that they want?

Mr. ENGLE. They are not going to move. They are going to get the deed corrected. They are staying where they are, where they have been for 50 years. When the deed was issued, due to an erroneous survey, they did not get a proper description of their property. This will simply save the expense of quieting title under adverse possession.

Mr. SAYLOR. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

Mr. COOLEY. Mr. Speaker, reserving the right to object, as I understand it, there were two tracts of land originally involved. The draftsman described the wrong tracts in the deed. So it is a question of straightening out the record title and avoiding a possible lawsuit. The only way it could be corrected would be by going into court and having the deeds corrected. The original intention of the Government and the grantees in each of these deeds was to receive actual possession of the property they wanted. The Government has the land it intended to purchase but the deed describes another tract. But the record title is confused.

Mr. SAYLOR. In other words, the land they are in possession of is within the confines of a national forest?

Mr. COOLEY. One is and one is not in the national forest.

Mr. POAGE. Mr. Speaker, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from Texas.

Mr. POAGE. As a matter of fact, there were 2 tracts of land involved, as the chairman pointed out. Tract A was described by metes and bounds, as was tract D. The Government finally acquired tract D, but it was described by the metes and bounds of tract A. The deed to the land of the owner of tract A was described by metes and bounds which actually designated land belonging to the Government. The Government has the land that it intended to buy but its deed describes another tract. It is in the national forest, but the technical title is in the individual. The title to the Government land lies in private hands. The title to the individual's land is in the Government. This simply allows them to correct an error that was made about 50 years ago.

Mr. SAYLOR. With that explanation, I have no objection. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER pro tempore (Mr. PRIEST). Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That in order to clarify and adjust the ownership of certain tracts of land situated within the exterior boundaries of the Stanislaus National Forest, Calif., the Secretary of Agriculture is authorized on behalf of the United States to accept from the persons claiming title under patent from the State of California a deed of conveyance of the lands described as follows: South half northwest quarter and north half southwest quarter of section 29, and south half northeast quarter, south half northwest quarter, northeast quarter southwest quarter, northwest quarter southeast quarter, and northeast quarter southeast quarter of section 30, township 4 north, range 19 east, Mount Diablo meridian, California, which lands are a part of the Stanislaus National Forest and subject to all laws and regulations applicable to said national forest, and the Secretary of Agriculture is further authorized to thereupon quitclaim and convey to the grantors of the lands described above all right, title, and interest of the United States in and to the lands described as follows: South half southeast quarter of section 25, and northeast quarter northeast quarter of section 36, township 4, north, range 18 east, and south half south half of section 30, and north half north half of section 31, township 4 north, range 19 east, Mount Diablo meridian, California, subject, however, to reservations of such easements for road rights-of-way as the Secretary of Agriculture may determine to be necessary for the protection and administration of the Stanislaus National Forest.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ESTABLISHMENT OF TOWNSITES

The Clerk called the bill (H. R. 426) to provide for the establishment of townsites and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That areas of not to exceed 640 acres for any one application may be set aside and designated by the Secretary of Agriculture as a townsite from any national forest land or land administered by the Secretary of Agriculture under title III of the Bankhead-Jones Farm Tenant Act, upon application and satisfactorily showing of need therefor by any county, city, or other governmental subdivision. Areas so designated may be divided into townlots and offered for sale by the Secretary of Agriculture at public sale to the highest bidder: *Provided*, That any of such lots as may be offered for sale at a public sale and for which there is no satisfactory bid may be disposed of by the Secretary of Agriculture at private sale for not less than the appraised value thereof: *Provided further*, That any person now occupying any of such lands and having constructed improvements thereon pursuant to a permit or other authorization from the Federal Government shall be given the opportunity of purchasing such lands at the appraised value.

With the following committee amendments:

Page 1, line 8, after "application and", insert ", after public notice."

Page 1, line 9, after "other", insert "local."

Page 2, line 1, strike out the colon and insert "for no less than the appraised value thereof."

Page 2, lines 6 and 7, strike out "and having constructed improvements thereon" and insert "on which improvements have been constructed by him or his predecessor."

Page 2, line 9, strike out the period at the end of the bill and add "*And provided further*, That no more than three such town lots may be sold at either public or private sale to any person or private corporation, firm, or agency."

The committee amendments were agreed to.

Mr. COOLEY. Mr. Speaker, I ask unanimous consent that a correction be made on page 1, line 8, in the spelling of the word "satisfactorily."

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PORT OF ENTRY ON THE ALASKA HIGHWAY

The Clerk called the bill (H. R. 604) to provide port of entry and related facilities on the Alaska Highway at the Alaska-Canadian border in the Territory of Alaska, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. MILLER of Nebraska. Mr. Speaker, reserving the right to object, may we have an explanation of this bill?

Mr. BARTLETT. Mr. Speaker, this bill simply authorizes the Secretary of the interior to make a study and report to the Congress in respect to the establishment of facilities for Government agencies on the Alaska Highway at the Canadian boundary. At the present time these Government officers are located in ramshackle buildings almost 100 miles from the border, a very undesirable situation, and all this bill would do would be to have the Secretary of the Interior make a study of a site and buildings closer to the border of the United States for Government purposes.

Mr. MILLER of Nebraska. The Secretary has that authority now, and I do not understand why it is necessary to have additional legislation to give him authority that he already has.

Mr. BARTLETT. I might say to the gentleman that the bill in its original form came up by way of an Executive communication. It contemplated actual construction, authorization of construction. That was amended in committee to restrict this merely to a study. The Secretary of the Interior, I might add, is to make the study not only for the Interior Department agencies but for all the other departments of the Government concerned; Immigration, for instance.

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

COOPERATIVE FOREST SERVICE RESEARCH

The Clerk called the bill (H. R. 1855) to amend the act approved April 24, 1950, entitled "An act to facilitate and simplify the work of the Forest Service, and for other purposes."

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. MULTER. Mr. Speaker, reserving the right to object, I should like an explanation of the bill.

Mr. COOLEY. Mr. Speaker, this bill, by the gentleman from Mississippi [Mr. WHITTEN] is recommended by the Department of Agriculture. It permits the making of advance payments on cooperative research projects for the purpose of fostering and stimulating participation with the Forest Service in forest, range, and watershed management research through investigations, experiments, and so forth, as the Secretary may deem advisable in order to aid in obtaining the fullest cooperation from States and other public and private agencies.

Mr. LAIRD. Mr. Speaker, if the gentleman will yield, the language that is in this bill is contained in the Department of Agriculture appropriation bill and has been in that bill for the past 4 years. It was the feeling of the gentleman from Mississippi [Mr. WHITTEN], who is on the Appropriations Sucommittee, that it would be better to put this in authorizing language, to make it permanent legislation, instead of being carried in the appropriation bill as it has been for the past 4 years.

Mr. COOLEY. It merely provides legislative authority for the appropriation.

Mr. MULTER. Mr. Speaker, I withdraw my reservation of objection.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act of April 24, 1950 (64 Stat. 82), is amended by adding thereto a new section to read as follows:

"SEC. 20. (a) For the purpose of fostering and stimulating participation with the Forest Service in forest, range, and watershed management research through investigations, experiments, tests, or such other means as he may deem advisable, and in order to aid in obtaining the fullest cooperation from States and other public and private agencies, organizations, institutions, and individuals, in effectuating such research the Secretary of Agriculture is authorized in accordance with such regulations as he may issue:

"(1) To require, whenever it is determined to be in the public interest, that satisfactory cooperative arrangements be made with respect to any proposed research activity as a prerequisite to the undertaking of such activity by the Forest Service.

"(2) To establish a Forest and Range Research National Advisory Committee consisting of not less than 5 nor more than 12 members, which may include representatives from public and private agencies, organizations, or institutions, or others, interested in research in the production, conservation, and use of forest, range, and watershed resources and their products, or of related resources and their products; such committee shall be appointed and serve under such regulations, and its duties shall be to advise on program formulation, orientation to current needs, balance of program, and coordination of and cooperation in Federal and related non-Federal programs.

"(3) When in his judgment such cooperative work will be stimulated or facilitated to make funds available to the cooperators without regard to the provisions of section

3648, Revised Statutes, prohibiting advances of public moneys.

"(b) The travel and subsistence expenses of members of the Forest and Range Research National Advisory Committee necessary in connection with their attendance at meetings for the purpose of performing their duties, may be paid from funds made available to the Forest Service for its research activities."

With the following committee amendments:

Page 1, line 5, strike out "(a)".

Page 2 at the end of line 3, strike out "issue:" and insert "issue,".

Page 2 beginning with line 4, strike out through and including line 20.

Page 2, line 21, strike out "'(3) When" and insert "and when".

Page 2, line 24, strike out "moneys." and insert "moneys." "

Page 2 beginning with line 25, strike out the rest of the bill.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONVEYANCE OF CERTAIN LANDS OF UNITED STATES TO SAVANNAH BEACH, TYBEE ISLAND, GA.

The Clerk called the bill (H. R. 5889) to provide for the conveyance of certain lands of the United States to the town of Savannah Beach, Tybee Island, Ga.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BYRNES of Wisconsin. Mr. Speaker, reserving the right to object, it is my understanding from a conversation I had with the gentleman from Georgia [Mr. PRESTON] this morning, that he has an amendment to provide for reimbursement on the same basis on which the Government purchased the property in the original instance.

Mr. PRESTON. If the gentleman will yield to me, I do have such an amendment, and if the gentleman will withhold his reservation of objection, I shall offer the amendment.

Mr. BYRNES of Wisconsin. I withdraw my reservation of objection, Mr. Speaker.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to convey by quitclaim deed to the town of Savannah Beach, Tybee Island, Ga., all of the right, title, and interest of the United States in and to the tracts of land more particularly described as follows:

1. All those certain lots, tracts, or parcels of land lying and being in the State of Georgia, county of Chatham, on Tybee Island known and designated on the map or plan of the town of Tybee (now Savannah Beach), made by Percy Sugden, civil engineer, July 20, 1928, as lots numbered 8–A and 8–B of block 2, Bay Ward, said lots lying contiguous and having a combined frontage of one hundred and eighty feet, more or less, on the west side of Stone Street, a frontage of eighty feet, more or less, on the north side of Estill Avenue, and being bounded on the north by Bay Street, on the east by Stone Street, on the south by Estill Avenue, and on the west by a lot numbered 7 of block 2, Bay Ward; also

2. All that certain lot, tract, or parcel of land lying and being in the State of Georgia, county of Chatham, on Tybee Island, known and designated on the map or plan of the town of Tybee (now Savannah Beach) made by Percy Sugden, civil engineer, July 20, 1928, as lot numbered 1 of block 3, Bay Ward, said lot having a frontage of ninety feet, more or less, on the east side of Stone Street and a frontage of fifty feet, more or less, on the south side of Bay Street, and being bounded as follows: On the north by Bay Street, on the east by lot numbered 2 of block 3, Bay Ward, on the south by lot numbered 10 of block 3, Bay Ward, and on the west by Stone Street; also

3. All that certain lot, tract, or parcel of land lying and being in the State of Georgia, county of Chatham, on Tybee Island, opposite to lots numbered 6, 7, and 8 in block 2, Bay Ward, to lot numbered 1, in block 3, Bay Ward, and to a street sixty feet in width known as Stone Street, said lots and street being known and designated on a map or plan of the town of Tybee (now Savannah Beach) made by Percy Sugden, civil engineer, July 20, 1928, the southerly side of said lot or parcel of land being three hundred and fifty feet, more or less, in width, bounded by a street known as Bay Street, seventy-five feet in width, said Bay Street separating said lot or parcel of land from the lots aforesaid; and the western and eastern sides of said lot or parcel of land being projections of the western side of said lot numbered 6 and of the eastern side of lot numbered 1 aforesaid, each beginning at said street seventy-five feet in width, and extending northwardly to the low-water mark of the Savannah River.

Mr. PRESTON. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PRESTON: On page 1, line 5, after the word "Georgia" insert the following: "for a monetary consideration equal to that paid by the United States to such town therefor."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONVEYANCE OF CERTAIN LAND TO BROWNSVILLE NAVIGATION DISTRICT OF CAMERON COUNTY, TEX.

The Clerk called the bill (H. R. 3675) to authorize the conveyance by quitclaim deed of certain land to the Brownsville Navigation District of Cameron County, Tex.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. FALLON. Mr. Speaker, I ask unanimous consent that the bill (S. 1340), a similar bill, be considered in lieu of H. R. 3675.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

Mr. MULTER. Mr. Speaker, reserving the right to object, I would like to have an explanation of the bill.

Mr. KILGORE. I will say to the gentleman that this bill revests title to lands in the Brownsville Navigation District, which lands were conveyed without cost to the Federal Government, for the improvement of the channel entrance to the port of Brownsville. There are no Federal improvements on the land, but the Brownsville Navigation District has permitted Cameron County to build a park facility on this property. They have spent about $2¾ million on it.

Mr. MULTER. Mr. Speaker, I just wanted to make sure that there was no attempt at socialization in that county, such as public housing. Apparently this will not socialize anything in the county. I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Army is hereby authorized and directed to reconvey, by quitclaim deed, to the Brownsville Navigation District of Cameron County, Tex., for a monetary consideration equal to that paid by the United States to such district therefor, all right, title, and interest of the United States in and to those lands located on Brazos and Padre Island, Cameron County, Tex., including accretions thereto, which were conveyed to the United States by the Brownsville Navigation District by two deeds, both dated October 25, 1932, and recorded in volume 243, pages 260–262, and volume 244, pages 101–103 of the deed records of Cameron County, Tex., except for such portions of the lands or interests therein as the Secretary of the Army may determine are needed in connection with river and harbor improvement works at the location.

SEC. 2. The conveyance authorized by this act shall contain such terms and conditions as the Secretary of the Army, with the concurrence of the Secretary of the Treasury, determines advisable to assure that the use of the land by the Brownsville Navigation District or its transferees will be compatible with the operations of the United States Coast Guard. Such conveyance shall also contain such terms and conditions as the Secretary of the Army determines advisable in the public interest, and particularly such terms and conditions as he determines advisable—

(a) to assure that the use of the land by the Brownsville Navigation District or its transferees will be compatible with the construction, maintenance, and operation of the river and harbor project at the location; and

(b) to assure that the United States, and its employees, agents, and contractors shall have the right to utilize the existing causeway, constructed by Cameron County, Tex., for access to Padre Island, Tex., in connection with governmental activities, without charge.

SEC. 3. The conveyance authorized by this act shall reserve to the United States all right, title, and interest in source material (as defined in the Atomic Energy Act of 1954) in the lands conveyed.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 3575) was laid on the table.

CORREGIDOR BATAAN MEMORIAL COMMISSION

The Clerk called the bill (H. R. 5469) to extend the authority of the Corregidor Bataan Memorial Commission, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act to create a Commission to be known

as the Corregidor Bataan Memorial Commission", approved August 5, 1953 (67 Stat. 366; 36 U. S. C. 426), is amended as follows:

(1) By inserting immediately after the word "salary" at the end of the first sentence of the first paragraph a comma and the following: "except that the members of such Commission shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission. Service of an individual as a member of the Commission shall not be considered as service or employment bringing such individual within the provisions of section 190 of the Revised Statutes (5 U. S. C. 99) or section 283 or 284 of the United States Code."

(2) By inserting, in the second sentence of the first paragraph, immediately after the words "erection on Corregidor Island of" the following: "a building and other structures, including."

(3) By striking out, in the second paragraph, the words "a replica of the Statue of Liberty on Corregidor Island" and inserting in lieu thereof the following: "A suitable memorial on Corregidor Island, which may include buildings, tunnels, roads, and a replica of the Statue of Liberty."

(4) By inserting immediately after the second paragraph the following new paragraph:

"(a) To accept, in its discretion, from any source, public or private, money or other gifts to be used for the purpose of making surveys and investigations, formulating, preparing and considering plans and estimates for the construction of as well as for the actual construction of such memorial or other expenses of such memorial.

"(b) To secure directly from any executive department or independent establishment information, suggestions, estimates, and assistance, and each such department or independent agency is authorized to furnish such help as may be requested by the Commission.

"(c) To decide, after consultation with a similar commission in the Philippines, as to the type of memorial, including all structures, repairs, roads, and improvements on Corregidor Island; and to decide as to the manner in which any money shall be raised in gifts, public subscriptions, or otherwise, and to decide how any and all funds received by the Commission shall be expended for the development and completion of a memorial on Corregidor Island.

"(d) To establish offices in the District of Columbia or elsewhere, in or outside of the United States, and procure the necessary supplies and equipment for the operation of any such office.

"(e) To contract for work, supplies, materials, and equipment inside and outside of the United States and engage, by contract or otherwise, the services of architects and other technical and professional personnel.

"(f) To adopt a seal which shall be judicially noticed."

(5) By striking out, in the last paragraph, the words "a replica of the Statue of Liberty" and inserting in lieu thereof the following: "a memorial."

(6) By inserting at the end of the last paragraph the following: "Thereafter the Commission shall annually submit to the President a report of the progress of the work of the Commission and a statement of its financial transactions during the preceding year, and the President shall transmit such report to the Congress of the United States. Before the conclusion of its work, the Commission shall promptly submit a final report, and the Commission shall cease to exist 90 days after such submission of such final report. The records and archives of the Commission shall, when no longer required by the Commission, be deposited with the National Archives.".

(7) By inserting at the end of such act the following new paragraph:

"There are authorized to be appropriated such sums of money not to exceed $100,000 as may be necessary for the expenses of the Commission.".

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

UNITED NATIONS EDUCATIONAL, SCIENTIFIC, AND CULTURAL ORGANIZATION

The Clerk called the bill (H. R. 5894) to amend the act providing for membership and participation by the United States in the United Nations Educational, Scientific, and Cultural Organization to provide for the acceptance of gifts, and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. GROSS. Reserving the right to object, Mr. Speaker, it is my understanding this bill provides for gifts to UNESCO and tax writeoffs on those gifts. Is that correct?

Mr. ZABLOCKI. The gentleman is correct. The United States at present is a member of UNESCO and participates in UNESCO. The bill permits gifts or bequests to be accepted by the Commission and provides that these gifts be exempted from District of Columbia taxes and from Federal income, State, and gift taxes as gifts to or for the United States.

Mr. GROSS. The administrative record of UNESCO in the past has been bad, as was amply attested by testimony before Congress this year. I say that this organization is not in condition now to accept gifts on which there are tax writeoffs. Therefore, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

INDIANS OF THE FIVE CIVILIZED TRIBES IN OKLAHOMA

The Clerk called the bill (H. R. 7218) to extend the period of restrictions on lands belonging to Indians of the five civilized tribes in Oklahoma, and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. ENGLE. Mr. Speaker, I ask unanimous consent that an identical Senate bill (S. 2198) be considered in lieu of the House bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. MILLER of Nebraska. Reserving the right to object, Mr. Speaker, it is my understanding that the Senate bill is a different bill from the one we had in the House. Perhaps the gentleman from Florida [Mr. HALEY] or the gentleman from California [Mr. ENGLE] might clarify that. I do not have the Senate bill before me. I do not want to object to the consideration of this bill, but I wonder if it may not go to the bottom of the calendar so we may have an opportunity to see this Senate bill.

Mr. EDMONDSON. If the gentleman will yield, the Senate bill is identical with the House bill reported out of the committee. There were some amendments adopted in committee which made the House bill identical with the Senate bill. They are identical word for word at this time.

Mr. MILLER of Nebraska. In that case, Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That subject to the provisions of section 2 of this Act, the period of restrictions against alienation, lease, mortgage, or other encumbrance of lands belonging to Indians of the Five Civilized Tribes in Oklahoma of one-half degree or more Indian blood, which period was extended to April 26, 1956, by the act of May 10, 1928 (45 Stat. 495), is hereby extended for the lives of the Indians who own such lands subject to such restrictions on the date of this act.

SEC. 2. (a) Any Indian of the Five Civilized Tribes may apply to the Secretary of the Interior for an order removing restrictions. Within 90 days from the date of the application, the Secretary shall either issue the order or disapprove the application. The order shall be issued if in the judgment of the Secretary the applicant has sufficient ability, knowledge, experience, and judgment to enable him, or her, to manage his, or her, business affairs, including the administration, use, investment, and disposition of any property turned over to such person and the income or proceeds therefrom, with such reasonable degree of prudence and wisdom as will be apt to prevent him, or her, from losing such property or the benefits thereof.

(b) The Secretary of the Interior is authorized and directed to issue, without application, to any Indian of the Five Civilized Tribes, who in the judgment of the Secretary is able to manage his, or her, own affairs, in accordance with the standard specified in subsection (a) of this section, an order removing restrictions that will become effective 6 months after notice of the order is given to such Indian, unless it is set aside by a county court in accordance with proceedings initiated prior to such time pursuant to subsection (c) of this section. The timely initiation of such proceedings shall stay the effective date of an order until the proceedings are concluded. When the Secretary issues an order pursuant to this subsection, he shall notify the board of county commissioners for the county in which the Indian resides.

(c) If the Secretary of the Interior disapproves, or fails either to approve or disapprove, an application within the 90-day period prescribed in subsection (a) of this section, the Indian affected may apply to the county court for the county in which he, or she, resides for an order removing restrictions. If the Secretary issues an order removing restrictions without application therefor in accordance with the provisions of subsection (b) of this section, either the Indian affected or the board of county commissioners may apply to the county court for the county in which the Indian resides for an order setting aside such order. The court shall set a hearing date not less than 30 days from the day it receives the application, and, under rules adopted by the court, notify

the board of county commissioners, the welfare departments of the State and county governments, the local representative of the Commissioner of Indian Affairs, and any other persons the court considers appropriate. At the hearing the court shall examine the Indian and may require the persons who appear before the court to give testimony in the matter of the ability of the Indian to manage his, or her, own affairs. The Secretary of the Interior, and the attorney for the county in which such court is located, shall be given an opportunity to appear at such hearings and to participate in the examination of the Indian and other witness. The evidence taken at the hearing shall be transcribed and filed of record in the case. In determining capability, the court shall apply the standard specified in subsection (a) of this section with respect to determinations by the Secretary. If the court finds that the Indian is able to manage his, or her, own affairs, it shall issue an order removing restrictions or deny the application for an order to set aside an order of the Secretary issued without application therefor, as the case may be. If the court does not find that the Indian is able to manage his, or her, own affairs, it shall deny the application for an order removing restrictions, or set aside an order of the Secretary issued without application therefor, as the case may be. The court shall furnish to the Secretary and to the applicant one certified copy of any final order issued by it. Any final order of the court shall be subject to appeal by the applicant, by the Secretary, or by the board of county commissioners in accordance with the probate laws of the State of Oklahoma, except that no appeal bond shall be required in an appeal by the Secretary.

(d) When an order removing restrictions becomes effective, the Secretary shall cause to be turned over to the applicant full ownership and control of any money and property that is held in trust for him or that is held subject to a restriction against alienation imposed by the United States, issuing, in the case of land, such title document as may be appropriate: *Provided*, That the Secretary may make such provisions as he deems necessary to insure payment of money loaned to any such Indian by the Federal Government or by an Indian tribe: *Provided further*, That nothing herein contained shall abrogate the interest of any lessee or permittee in any lease, contract, or permit that is outstanding when an order removing restrictions becomes effective.

SEC. 3. Section 23 of the act of April 26, 1906 (34 Stat. 137), as amended by section 8 of the act of May 27, 1908 (35 Stat. 312), which expires on April 26, 1956, is continued in force with respect to the restricted properties of Indians of the Five Civilized Tribes as long as such properties remain restricted.

SEC. 4. Except as provided in section 2 of this act, nothing in this act shall be construed to repeal or to limit the application of the act of August 4, 1947 (61 Stat. 731), the provisions of which shall continue in effect until otherwise provided by Congress.

SEC. 5. Any existing exemption from taxation that constitutes a vested property right shall continue in force and effect until it terminates by virtue of its own limitations.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 7218) was laid on the table.

AMENDING THE SOIL CONSERVATION AND DOMESTIC ALLOTMENT ACT

The Clerk called the bill (S. 1167) to amend the Soil Conservation and Domestic Allotment Act.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. H. CARL ANDERSEN. Mr. Speaker, reserving the right to object, may we have an explanation of this bill?

Mr. COOLEY. Mr. Speaker, the bill provides soil conservation payments to persons who in order to benefit their own lands carry out conservation practices on federally owned lands. Under the law now, there is some question as to the right of one engaged in making these conservation improvements on federally owned land to participate in this program.

Mr. H. CARL ANDERSEN. Mr. Speaker, I withdraw my reservation of objection.

Mr. MILLER of Nebraska. Mr. Speaker, does that also apply to military reservations where they may be farming and where soil conservation practices are applied to those areas?

Mr. COOLEY. I think it applies to all federally owned lands on which soil conservation practices are carried out.

Mr. MILLER of Nebraska. I thank the gentleman.

Mr. HOPE. With reference to the inquiry of the gentleman from Nebraska, there is existing law which applies to federally owned property. This applies to noncrop land so that the question which the gentleman asks has already been taken care of by existing legislation.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill as follows:

Be it enacted, etc., That subsection (e) of section 8 of the Soil Conservation and Domestic Allotment Act, as amended (16 U. S. C. 590h (e)), is amended by adding at the end thereof the following new sentence: "Persons who carry out conservation practices on federally owned noncropland which directly conserve or benefit nearby or adjoining privately owned lands of such persons and who maintain and use such Federal land under agreement with the Federal agency having jurisdiction thereof and who comply with the terms and conditions of the agricultural conservation program formulated pursuant to sections 7 to 17 of this act, as amended, shall be entitled to apply for and receive payments under such program to the same extent as other producers."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ORANGEBURG COUNTY, S. C.

The Clerk called the resolution (H. J. Res. 112) to release reversionary right to improvements on a 3-acre tract in Orangeburg County, S. C.

There being no objection, the Clerk read the resolution, as follows:

Resolved, etc., That upon the written consent of the directors of the South Carolina Rural Rehabilitation Corporation, the United States of America, acting through the Administrator of the Farmers' Home Administration, is hereby authorized and directed to convey by quitclaim deed to the board of trustees of Orangeburg School District No. 5 (successor in interest to the board of trustees of Jamison School District No. 28) in Orangeburg County, S. C., and unto the successors and assigns of said board of trustees, all of the reversionary and other right, title, or interest retained in the buildings, improvements, and other equipment by the quitclaim deed dated October 31, 1946, and recorded in book No. 141, page 44, in the office of the clerk of court for Orangeburg County, S. C., under which deed the United States of America conveyed said buildings, improvements, and other equipment to the said board of trustees of Jamison School District No. 28 for educational and other related community purposes.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DELAWARE–MARYLAND BOUNDARY

The Clerk called the bill (H. R. 4093) to authorize the Secretary of Commerce, acting through the Coast and Geodetic Survey, to assist the States of Maryland and Delaware to reestablish their common boundary.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. WILLIS. Mr. Speaker, I ask unanimous consent to substitute an identical Senate bill, S. 937.

Mr. CUNNINGHAM. Mr. Speaker, I did not understand what the gentleman's request was going to be. Has the Speaker gotten an answer to the inquiry as to whether or not there was objection to the bill?

Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

Mr. CUNNINGHAM. I might state, Mr. Speaker, so that you will understand why I make this request, the Department of Commerce opposes the enactment of the bill stating that the proposed survey is a matter of primary concern to the two States involved and that it is not a matter of concern for the United States Government, and that the cost of this survey should not be borne by the United States, but should be borne by the States themselves.

Mr. WILLIS. Mr. Speaker, I am advised that there is no proposal to have the Government bear the cost of the survey. Of course, I have no personal interest in this matter and the bill does not affect my State.

Mr. CUNNINGHAM. The report states that it will cost the Government about $68,000.

Mr. WILLIS. That is the cost for the survey, which is mentioned in the report, but the States are to pay for it—that is my information.

Mr. CUNNINGHAM. That is not according to the information I have, and not according to the report from the Department of Commerce.

Mr. HOFFMAN of Michigan. Mr. Speaker, I object.

The SPEAKER pro tempore. The gentleman from Michigan [Mr. HOFFMAN] objects to the present consideration of the bill.

DREDGING PROJECT AT LOS ANGELES AND LONG BEACH HARBORS, CALIF.

The Clerk called the bill (H. R. 4734) to amend the provisions of the River and Harbor Act of 1954 which authorize the Secretary of the Army to reimburse local interests for work done on a dredging project at Los Angeles and Long Beach Harbors, Calif., during a period ending July 1, 1953, by extending that period to November 7, 1953.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. THOMPSON of New Jersey. Mr. Speaker, reserving the right to object. It is my understanding that under this legislation local interests who have contributed to the dredging of a channel are now to be reimbursed.

Mr. McDONOUGH. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield.

Mr. McDONOUGH. Mr. Speaker, I introduced a similar bill, as did Mr. KING. This is just to provide the extension of the date by which time reimbursement can be made for work done by the city of Los Angeles in Los Angeles harbor. The money has already been spent.

Mr. THOMPSON of New Jersey. In other words, the city has spent the money and this will permit them to be reimbursed?

Mr. McDONOUGH. The original authorization bill, which provided for the spending of the money, and for the city to proceed, provided that they could not be reimbursed for any money spent after July 1, 1953. It so happened that the contract could not be completed by that time and it was extended over to a further date, and this will extend the authorization for reimbursement to November 7, 1953.

Mr. THOMPSON of New Jersey. And the money will go back to the city?

Mr. McDONOUGH. That is correct.

Mr. THOMPSON of New Jersey. Mr. Speaker, this is a very good bill. I disapprove of any local interests contributing to any dredging projects. This disapproval applies particularly to the deeper Delaware project, but also to all others. It is the responsibility of the Federal Government to maintain all navigable waters.

Mr. McDONOUGH. In other words, the gentleman does not object to this bill?

Mr. THOMPSON of New Jersey. I have no objection and I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the paragraph of section 101 of the River and Harbor Act of 1954 which begins "Los Angeles and Long Beach Harbors, Calif.:" is amended by striking out "July 1, 1953" and inserting in lieu thereof "November 7, 1953."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDMENTS TO PERISHABLE AGRICULTURAL COMMODITIES ACT

The Clerk called the bill (H. R. 5337) to amend the provisions of the Perishable Agricultural Commodities Act, 1930, relating to practices in the marketing of perishable agricultural commodities.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 2 (5) of the Perishable Agricultural Commodities Act, 1930 (7 U. S. C., sec. 499b (5)), is amended to read as follows:

"(5) For any commission merchant, dealer, or broker to misrepresent by word, act, mark, stencil, label, statement, or deed, the character, kind, grade, quality, quantity, size, pack, weight, condition, degree of maturity, or State, country, or region of origin of any perishable agricultural commodity received, shipped, sold, or offered to be sold in interstate or foreign commerce;".

SEC. 2. Section 4 (d) of such act (7 U. S. C., sec. 499b (d)) is amended to read as follows:

"(d) The Secretary may withhold the issuance of a license to an applicant, for a period not to exceed 30 days pending an investigation, for the purpose of determining (a) whether the applicant is unfit to engage in the business of a commission merchant, dealer, or broker because the applicant, or in case the applicant is a partnership, any general partner, or in case the applicant is a corporation, any officer or holder of more than 10 percent of the stock, prior to the date of the filing of the application engaged in any practice of the character prohibited by this act or was convicted of a felony in any State or Federal court, or (b) whether the application contains any materially false or misleading statement or involves any misrepresentation, concealment, or withholding of facts respecting any violation of the act by any officer, agent, or employee of the applicant. If after investigation the Secretary believes that the applicant should be refused a license, the applicant shall be given an opportunity for hearing within 60 days from the date of the application to show cause why the license should not be refused. If after the hearing the Secretary finds that the applicant is unfit to engage in the business of a commission merchant, dealer, or broker because the applicant, or in case the applicant is a partnership, any general partner, or in case the applicant is a corporation, any officer or holder of more than 10 percent of the stock, prior to the date of the filing of the application engaged in any practice of the character prohibited by this act or was convicted of a felony in any State or Federal court, or because the application contains a materially false or misleading statement made by the applicant or by its representative on its behalf, or involves a misrepresentation, concealment, or withholding of facts respecting any violation of the act by any officer, agent, or employee, the Secretary shall refuse to isue a license to the applicant."

SEC. 3. Section 4 of such act is further amended by adding at the end thereof the following subsection:

"(e) The Secretary shall refuse to issue a license to an applicant if he finds that the applicant, or in case the applicant is a partnership, any general partner, or in case the applicant is a corporation, any officer or holder of more than 10 percent of the stock, has, within 3 years prior to the date of the application, been adjudicated or discharged as a bankrupt, or was a general partner of a partnership or officer or holder of more than 10 percent of the stock of a corporation adjudicated or discharged as a bankrupt, unless the applicant furnishes a bond of such nature and amount as may be determined by the Secretary or other assurance satisfactory to the Secretary that the business of the applicant will be conducted in accordance with this act."

SEC. 4. Section 8 (b) of such act (7 U. S. C., sec. 499h (b)) is amended to read as follows:

"(b) The Secretary may, after 30 days' notice and an opportunity for a hearing, suspend or revoke the license of any commission merchant, dealer, or broker who, after the date given in such notice, continues to employ in any responsible position any individual whose license has been revoked or is under suspension or who was responsibly connected with any firm, partnership, association, or corporation whose license has been revoked or is under suspension. Employment of an individual whose license has been revoked or is under suspension for failure to pay a reparation award or who was responsibly connected with any firm, partnership, association, or corporation whose license has been revoked or is under suspension for failure to pay a reparation award after one year following the revocation or suspension of any such license may be permitted by the Secretary upon the filing by the employing licensee of a bond, of such nature and amount as may be determined by the Secretary, or other assurance satisfactory to the Secretary that its business will be conducted in accordance with the provisions of this act;".

SEC. 5. Section 13 (a) of such act (7 U. S. C., sec. 499m (a)) is amended to read as follows:

"(a) The Secretary or his duly authorized agents shall have the right to inspect all accounts, records, and memoranda of any commission merchant, dealer, or broker, and if any such commission merchant, dealer, or broker refuses to permit such inspection, the Secretary may publish the facts and circumstandes and/or, by order, suspend the license of the offender until permission to make such inspection is given. The Secretary or his duly authorized agents shall have the right to inspect any lot of any perishable agricultural commodity covered by this act, and if any commission merchant, dealer, or broker having ownership of or control over such lot fails or refuses to authorize or allow such inspection, the Secretary may, after 30 days' notice and an opportunity for a hearing, publish the facts and circumstances and/or, by order, suspend the license of the offender for a period not to exceed 90 days."

With the following committee amendments:

Page 2, following line 2, add the following new section:

"SEC. 2. Section 3 (b) of such act (7 U. S. C., sec. 499c (b)) is amended by striking out in the third sentence the words 'of $15' and inserting 'not to exceed $25.'"

Page 2, line 3, change "SEC. 2" to "SEC. 3."

Page 3, line 13, strike out "shall" and insert "may."

Page 3, line 15, change "SEC. 3" to "SEC. 4."

Page 3, line 17, strike out "shall" and insert "may."

Page 4, line 5, change "SEC. 4" to "SEC. 5."

Page 5, line 1, change "SEC. 5" to "SEC. 6."

The committee amendments were agreed to.

The SPEAKER pro tempore. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 5, beginning on line 3, strike out all of the first sentence through and including "given." on line 10, and insert:

"The Secretary or his duly authorized agents have the right to inspect such accounts, records, and memoranda of any commission merchant, dealer, or person, as may be required (1) in the investigation of complaints under this act; or (2) to the determination of ownership, the control factors

in the State, country, or region of origin in connection with the commodity inspection; or (3) to ascertain whether the provisions of this act are being complied with and if such commission merchant shall refuse permission for inspection, the Secretary may publish the facts and circumstances or order suspended the licenses which the permission gives."

Mr. McINTIRE. Mr. Speaker, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. McINTIRE to the committee amendment:

Page 5, line 13, insert "shall" after "agents."

Page 5, line 17, strike out "the" and insert a comma after "control."

Page 5, line 18, strike out "factors in the state" and insert "packer" and insert thereafter a comma followed by the words "or state" followed by a comma.

Page 5, line 20, strike out "the provisions" and insert "Sec. 9" and strike out "are" and insert "is."

The amendment to the committee amendment was agreed to.

The committee amendment as amended was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ISSUANCE OF PATENTS FOR CERTAIN LANDS BORDERING UPON INDIAN RIVER, FLA.

The Clerk called the bill (H. R. 6101) to authorize the Secretary of the Interior to issue patents for certain lands in Florida bordering upon Indian River.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. ENGLE. Mr. Speaker, I ask unanimous consent that the bill (S. 464) to authorize the Secretary of the Interior to issue patents for certain lands in Florida bordering on Indian River, an identical Senate bill, be considered in lieu of the House bill.

The SPEAKER pro tempore. Is there objection to the gentleman from California?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of the Interior shall issue patents for the public lands erroneously omitted from the survey which are situated between the position of the record meander line represented on the plat approved March 10, 1845, and the actual shoreline of the Indian River in sections 11, 13, 14, 23, 24, 25, and 36, township 27 south, range 37 east, Tallahassee Meridian, Fla., to persons who hold such public lands in good faith and in peaceful adverse possession, if they or their predecessors in interest have been issued patents, prior to January 1, 1954, for the upland tracts adjoining such erroneously omitted lands. Payment to the United States shall be made for lands so patented at the same price per acre as that at which the land included in the original patent was purchased, but in no case less than $1.25 per acre. No patent shall issue for any tract unless application for the tract is made by a qualified person within 1 year from the date of enactment of this act. The Secretary shall issue no patents until the conclusion of such period. The Secretary may, by public sale at not less than the appraised value or under any appropriate public land law, dispose of any tract of public land subject to this act which is not applied for by a qualified person within the 1-year period.

SEC. 2. Upon the filing of a plat of resurvey under section 1 of this act, the Secretary shall give such notice as he finds appropriate by newspaper publication or otherwise of the opening of the lands to purchase under this act.

SEC. 3. Nothing in this act shall affect valid existing rights.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 6101) was laid on the table.

LAND EXCHANGES FOR COLONIAL NATIONAL HISTORICAL PARK, VA.

The Clerk called the bill (H. R. 5280) to authorize land exchanges for purposes of Colonial National Historical Park, in the State of Virginia, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That for the purpose of preserving more effectively for the public benefit the historic properties within Colonial National Historical Park, Va., the Secretary of the Interior is authorized to consummate desirable land exchanges, as hereafter prescribed, and thereby to reduce and adjust the boundaries of the park. Any lands eliminated from the park hereunder shall not subsequently be added to the park except by act of Congress.

In furtherance of these purposes, the Secretary is authorized on behalf of the United States to accept from grantors title to non-Federal land and interests in land, together with the improvements thereon, situated within the authorized park boundaries, and in exchange therefor, to convey by deed on behalf of the United States to the aforesaid grantors land or interests therein, together with the improvements thereon, situated within Colonial National Historical Park that may be used advantageously for exchange purposes. The aforesaid exchanges are authorized to be made without additional compensation by either party to the exchange when the properties to be exchanged are of approximately equal value. When, however, the properties are not of approximately equal value, as may be determined by the Secretary, an additional payment of funds shall be required by the Secretary or by the grantor of non-Federal properties, as the case may be, in order to make an equal exchange. The Secretary is authorized to use any land acquisition funds relating to the National Park System for such purposes. The Secretary may consummate land exchanges herein authorized upon such terms, conditions, and procedures as he may find to be necessary or desirable in carrying out the purposes of this act; and in evaluating non-Federal properties to be acquired hereunder, he is authorized to make such allowance as he may find to be equitable for the value of any residential properties that may be situated upon land to be acquired pursuant to this act. If expedient and in the public interest to do so, he may assist in the removal of structures from property to be acquired hereunder through the exchange procedure, and he may cooperate with public or private agencies and persons in the securing of housing for the aforesaid grantors who may require new housing accommodations or facilities as a result of the land exchanges herein authorized.

In the event that suitable land exchanges cannot be agreed upon in all cases for purposes of this act, the Secretary is authorized to sell those parcels of park land that otherwise would have been offered and conveyed through exchange procedures herein authorized. The Secretary is authorized to retain in a special receipt account and to expend any funds that he may obtain from such sales of property for the acquisition of non-Federal properties within the authorized boundaries of the Colonial National Historical Park.

With the following committee amendments:

Page 3, strike all of lines 10 to 19 inclusive.

Page 3, add the following new section:

"SEC. 2. The Secretary is further authorized to transfer without compensation up to 15 acres of the Colonial National Historical Park, Va., to the Commonwealth of Virginia for use by agencies of the Commonwealth in the establishment of a State park in furtherance of the purposes of the Colonial National Historical Park."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to authorize land exchanges for purposes of Colonial National Historical Park, in the State of Virginia; to authorize the transfer of certain lands of Colonial National Historical Park, in the State of Virginia, to the Commonwealth of Virginia, and for other purposes."

A motion to reconsider was laid on the table.

ACP WATER CONSERVATION PRACTICES

The Clerk called the bill (H. R. 7236) to amend section 8 (b) of the Soil Conservation and Domestic Allotment Act with respect to water-conservation practices.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the second sentence of section 8 (b) of the Soil Conservation and Domestic Allotment Act, as amended (16 U. S. C., sec. 590h (b)), is amended by striking out of said sentence "in arid or semiarid sections," and inserting in lieu thereof "Clauses."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXPORT SALES OF SURPLUS STORABLE COMMODITIES

The Clerk called the bill (H. R. 7252) to permit sale of Commodity Credit Corpiration stock of basic and storable nonbasic agricultural commodities without restriction where similar commodities are exported in raw or processed form.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. SAYLOR. Mr. Speaker, I object.

PROVIDING RUNNING MATES FOR CERTAIN STAFF CORPS OFFICERS IN THE NAVAL SERVICE

The Clerk called the bill (H. R. 4229) to provide running mates for certain staff officers in the naval service and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. YATES. Mr. Speaker, reserving the right to object, will a member of the committee explain this bill?

Mr. KILDAY. Mr. Speaker, this bill is for the purpose of adjusting and really rectifying the present system of promotions for the Staff Corps of the Navy. It would affect members of the Staff Corps only at the time they are promoted from midshipman to lieutenant, junior grade. At the present time, there is what is known, of course, as the running-mate system, which has been in existence for many years. Promotion from midshipman to lieutenant, junior grade, is automatic. At that time, therefore, the individual acquires his running mate. Under the present system it is possible for the man who came out of the Naval Academy at the very top or very high in his class to acquire a running mate who was very junior to him at the time they graduated from the Academy. This would eliminate that disparity and permit the party ranking with him or in his regular precedence at the time of graduation.

Mr. YATES. Does this bill eliminate the fanning system as far as junior officers are concerned?

Mr. KILDAY. That is the purpose of the bill.

Mr. YATES. The purpose of it will be also to give a greater break to members of the Staff Corps?

Mr. KILDAY. That is correct.

Mr. YATES. Permit their being considered for promotion to higher ratings at an earlier time than they are being considered for promotion under present law?

Mr. KILDAY. Yes; at an earlier time.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That paragraph (3) of section 311 (d) of the Officer Personnel Act of 1947, as amended, is further amended by—

(a) inserting in the first sentence after the comma which follows the parenthetical phrase "(Public Law 347, 79th Cong.)" the words "or the act of August 13, 1946 (ch. 962, 60 Stat. 1057), and except those appointed from graduates of the United States Naval Academy,"; and

(b) Substituting a colon for the period at the end of the paragraph and adding the following: "*Provided further*, That each officer appointed in the grade of ensign in the Navy under the act of August 13, 1946 (ch. 962, 60 Stat. 1057), or upon graduation from the United States Naval Academy who is serving as an officer in a staff corps at the time of his promotion to lieutenant (junior grade) shall, upon promotion, be assigned as his running mate the line lieutenant (junior grade) with date of rank in the same calendar year who would be next senior to him had the officer of the staff corps been originally appointed to the grade of ensign in the line and continued to serve as a line officer to the date of his promotion to lieutenant (junior grade) or if there be no such officer the line officer who would have been next junior."

SEC. 2. Each officer of a staff corps, who is a graduate of the United States Naval Academy or who was appointed as an ensign under the act of August 13, 1946 (ch. 962, 60 Stat. 1057), and who prior to the effective date of this act, was assigned a running mate in the grade of lieutenant (junior grade) under paragraph (3) of section 311 (d) of the Officer Personnel Act of 1947, as amended, shall have assigned as his running mate, in the grade in which he is serving on the effective date of this act, the line officer who would have been his running mate in that grade had paragraph (3) of section 311 (d) been amended as provided in section 1 of this act prior to the date upon which he was assigned a running mate in the grade of lieutenant (junior grade).

SEC. 3. No back pay or allowances shall accrue to any officer of the naval service as the result of the enactment of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING BANKRUPTCY ACT AS TO UNCLAIMED MONEYS

The Clerk called the bill (H. R. 6247) to amend subdivision a of section 66—unclaimed moneys—of the Bankruptcy Act, as amended, and to repeal subdivision b of section 66 of the Bankruptcy Act, as amended.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subdivision a of section 66 of the Bankruptcy Act, as amended, is hereby amended by adding at the end thereof the following additional sentence: "Such moneys and dividends shall be deposited and withdrawn as provided in title 28, United States Code, section 2042, and shall not be subject to escheat under the laws of any State."

SEC. 2. Subdivision b of section 66 of the Bankruptcy Act is hereby repealed.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INCREASING COMPENSATION OF TRUSTEES IN BANKRUPTCY

The Clerk called the bill (H. R. 5047) to increase the compensation of trustees in bankruptcy.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, reserving the right to object, I wonder if a Member can tell me how much it is proposed to increase the fees of trustees in bankruptcy and in what way is it proposed to increase these fees?

Mr. CELLER. There is a graduated increase for trustees in bankruptcy. The fees of trustees have not been changed since 1910. That is 45 years ago. The gentleman realizes that the purchasing value of the dollar has changed in those 45 years. One cannot tell what this will involve in toto. We do not presently know what these amounts are in these bankrupt estates; however, the amount is very small on estates below $10,000. On amounts above $10,000 there are slight percentage increases, the increases being almost inconsequential. There is an attempt made to evaluate in accordance with the change in the value of the dollar. Remember there is no cost to the Government. All trustees fees are paid out of the estates in bankruptcy under court discretion.

This bill has been recommended by the Judicial Conference, which is composed of the Chief Justice of the United States Supreme Court and the chief judges of all the circuit courts throughout the United States, namely the nine circuits. It originated with the Judicial Conference and it has the approval of most of the bar associations.

Mr. GROSS. What are the percentage increases, if the gentleman will tell us?

Mr. CELLER. If the gentleman will look on page 3 of the report he will find that the increases are as follows. These are the ultimate amounts: On the first $500, 10 percent.

Mr. GROSS. On the first $500, did I hear the gentleman correctly, 10 percent?

Mr. CELLER. The total fee on a $500 estate would be 10 percent. It would be 10 percent on the next $1,000. It would be 3 percent on the next $8,500, 2 percent on the next $15,000, and 1 percent on $25,000 or over.

Mr. GROSS. I will say to the gentleman that I am interested in this because of the fact that farm income is steadily decreasing, and if it continues to go down, we may again have a good many bankruptcies in the agricultural areas.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. HOFFMAN of Michigan. I object, Mr. Speaker.

WAIVER OF STATE RESIDENCE REQUIREMENTS IN CERTAIN ELECTIONS

The Clerk called the resolution (H. Con. Res. 94) favoring the waiver of State residence requirements in certain elections.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. Is there objection to the present consideration of the resolution?

Mr. MULTER. Mr. Speaker, reserving the right to object, may we have an explanation of the bill?

Mr. CURTIS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. MULTER. I yield.

Mr. CURTIS of Massachusetts. It so happens that the national president of the Town Clerks Association resides in the district which I represent. They are very much interested in the problem which arises when a person moves from one State to another shortly before a national election and does not, under the laws of the State, have a chance to qualify in his new State. He is disfranchised, and it is very unfair in many cases. They have been seeking a remedy, and support this resolution, under which the Congress expressing itself

as favoring and recommending to the several States the consideration of appropriate legislation to meet this problem. That is all we are doing by this resolution. It is something that the town clerks have been asking for for several years, and I hope that it will not be objected to at this time.

Mr. MULTER. In other words, this bill does not attempt to change any election laws but merely recommends to the States that they consider making changes?

Mr. CURTIS of Massachusetts. That is correct.

Mr. MULTER. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the Clerk read the concurrent resolution, as follows:

Whereas many citizens are deprived of the right to vote because they have recently moved from one State to another and have not subsequent to such move complied with the residence requirements of the State to which they have moved; and

Whereas it is desirable that citizens should be entitled to vote for the office of President and Vice President whether or not they had moved from one State to another; and

Whereas such disfranchisement could be avoided by reciprocal arrangements between the several States which would recognize the right of a citizen who had moved from one State to another to continue to vote in the State from which he had moved for such reasonable period of time as would enable him to fulfill the residence requirements in the State to which he had moved: Therefore be it

Resolved by the House of Representatives (the Senate concurring), That the Congress expresses itself as favoring, and recommends to the several States the immediate enactment of appropriate legislation to enable a person to vote when such person would be eligible to vote but for the fact that he had moved from one State to another and had not yet fulfilled the residence requirements of such State to which he had moved.

With the following committee amendments:

Page 2, line 3, strike out "immediate enactment" and insert "consideration."

Page 2, line 5, after the word "vote", insert "for President and Vice President."

The committee amendments were agreed to.

The concurrent resolution was agreed to, and a motion to reconsider was laid on the table.

AMENDING THE BANKHEAD-JONES FARM TENANT ACT

The Clerk called the bill (H. R. 6914) to amend the Bankhead-Jones Farm Tenant Act, as amended, to modify, clarify, and provide additional authority for insurance of loans.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. POAGE. Mr. Speaker, I ask unanimous consent that a similar Senate bill, S. 1758, be considered in lieu of the House bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. BOYLE. Mr. Speaker, reserving the right to object, I would like to know what the bill provides.

Mr. POAGE. Mr. Speaker, will the gentleman yield?

Mr. BOYLE. I yield.

Mr. POAGE. This bill provides that mortgages made to the Farmers Home Administration may be made direct to the United States Government rather than to a private banking institution, as is now required. We now make mortgages direct to the bank and the Government guarantees the mortgage. If the property is foreclosed, the Government has the right of subrogation to the bank.

Mr. BOYLE. Where is the insurance?

Mr. POAGE. When they are made directly to the United States Government, the Government then sells the mortgage to the banking institution, and in that way the banking institution acquires all the rights of the Government and is, of course, insured, because the Government has endorsed the mortgage when it sold it to them.

Mr. BOYLE. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Bankhead-Jones Farm Tenant Act, as amended (7 U. S. C. 1000 and the following), is further amended as follows:

Title I of the act is amended by the addition of the following new section 16:

"SEC. 16. (a) The Secretary is authorized to insure and to make commitments for the insurance of loans made for the purposes specified in this title (including those made in accordance with the act of October 19, 1949) and to take as security for the obligations entered into in connection with such loans first mortgages on the farms with respect to which such loans are made and such other security as may be required by the Secretary. Such mortgages shall create a lien running to the United States for the benefit of the fund, notwithstanding the fact that the note may be held by the lender or his assignee.

"(b) Loans insured under this section shall be subject to all the provisions of this title, except as otherwise provided in this section, and with respect to such loans, the terms used in this act shall have the following meanings as the context requires:

"(1) 'Mortgage' shall mean 'loan' on 'the instruments relating to a loan';

"(2) 'Insured mortgage' shall mean 'note endorsed for insurance';

"(3) 'Mortgagor' shall mean 'borrower' or 'obligor on the note';

"(4) 'Mortgagee' shall mean 'lender' or 'holder of insured note.'

"(c) Any mortgage insured or any loan made under this act may be converted to an insured loan under this section at the discretion of the Secretary, and any expenses in connection with such conversion may be paid out of appropriations for administrative expenses.

"(d) In connection with loans insured or converted under this section (1) the holder of the insured note shall be entitled to receive the benefits of the insurance as provided in section 13 (a) only in accordance with an agreement pursuant to section 12 (j) or when the assignment of the note is required by the Secretary, and (2) notice of default to the lender under section 12 (f) shall not be required."

SEC. 2. Section 12 (f) (1) is amended by striking the word "promptly" in both the first and second sentences, by inserting after the word "default" in the second sentence the words "in the payment of principal or interest," and by striking the word "it" in the first sentence and inserting in lieu thereof the word "him."

SEC. 3. Section 12 (f) (2) is amended by striking the word "promptly."

SEC. 4. Section 13 (a) is amended by striking the words "section 12" in the first sentence, inserting in lieu thereof the words "this title", and by inserting the words "in the payment of principal or interest" after the word "default" where it first appears in the first sentence.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 6914) was laid on the table.

LIMITATION ON PERIOD OF LEASES IN DISTRICT OF COLUMBIA

The Clerk called the bill (S. 1210) to amend the Public Buildings Act of 1949 to provide a 5-year limitation on the period of leases of space for Federal agencies in the District of Columbia.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 407 of the Public Buildings Act of 1949 is amended by striking out ", not in excess of 1 year," and by inserting in lieu thereof "not in excess of 5 years."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RESTRICTIONS ON ADMISSION OF CATTLE AND POULTRY INTO THE VIRGIN ISLANDS

The Clerk called the bill (S. 1166) to amend section 6 of the act of August 30, 1890, as amended, and section 2 of the act of February 2, 1903, as amended.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. HOFFMAN of Michigan. Mr. Speaker, reserving the right to object, what is this all about?

Mr. POAGE. If the gentleman will yield to me, this bill amends the quarantine laws in regard to livestock in the Virgin Islands, and provides for the admission from the British Virgin Islands into the United States Virgin Islands for slaughter only of cattle which have been infested by or exposed to ticks upon being freed therefrom.

At the present time our general laws which are applicable to the Virgin Islands, as well as elsewhere in the United States, prohibits the importation of livestock from any territory where they have been exposed to ticks.

Mr. HOFFMAN of Michigan. Do tick-infested animals from the British Virgin Islands get over to the American islands and then come up to Texas or to Mexico?

Mr. POAGE. We do not think they could, because it is required under the

terms of this act that the cattle must have been freed from ticks before being imported from the British Islands and they must be imported only for immediate slaughter. Those are the two protections provided which we believe are adequate. The argument made to the committee was that the people on the American Virgin Islands have long been dependent upon livestock, poultry and cattle from the British Virgin Islands as a source of food.

Mr. HOFFMAN of Michigan. As I understand it, you are just moving the tick-infested animals one step closer to Texas.

Mr. POAGE. We do not think we are. The animals must have been cleaned.

Mr. HOFFMAN of Michigan. Mr. Speaker, I withdraw my reservation of objection.

Mr. MILLER of Nebraska. Mr. Speaker, reserving the right to object, as a matter of fact, one of the British Virgin Islands sends to the United States cattle, and have for a long time, either for slaughter or for other purposes. I believe this bill permits them to do what they have been doing for many years. The question I wanted to ask is this: Is it permitted, then, to bring them either into Puerto Rico or into the United States?

Mr. POAGE. If the gentleman is yielding to me, I think unquestionably any animal that was legally in the Virgin Islands has a right to come into Puerto Rico or any other part of the United States. But it could not legally be there from the Virgin Islands, under this bill, because this bill allows the importation only for immediate slaughter and consequently they could not bring an animal in from the British Virgin Islands to the American Virgin Islands or to Puerto Rico or other American territory.

Mr. HOLIFIELD. Mr. Speaker, reserving the right to object, I would like to direct this question to the gentleman. We know that some years ago animals of the Brahma variety were brought into Mexico and eventually we had the foot-and-mouth disease which extended over into United States territory. I want to know if there is any loophole through which these animals might be brought in who would be susceptible to or who might have the foot-and-mouth disease.

Mr. POAGE. Of course, if I thought that were possible, I would not approve this bill and bring it before this body.

Mr. HOLIFIELD. I am just asking the gentleman for information.

Mr. POAGE. Obviously, that is a matter of opinion solely and simply. The Committee on Agriculture did not think there was any need for this bill, but the Committee on the Interior did think so. They came before us and suggested the need for it. We do not think there is any need for the bill. But we do not think the result of the bill will be to bring any of these diseases into the United States.

Mr. HOLIFIELD. The gentleman is aware of how many millions of dollars were spent because of the importation of these Brahma cattle which spread the disease to which I have referred. If there were any chance of that, it would be very dangerous.

Mr. POAGE. We cannot see any chance of it. As the gentleman from Nebraska [Mr. MILLER] well pointed out, the practice has been for a long time to bring these cattle across from the British islands to the United States islands without any restrictions.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. HOFFMAN of Michigan. Mr. Speaker, I object.

DISPOSAL OF LAND UNDER BANKHEAD-JONES FARM TENANT ACT

The Clerk called the bill (H. R. 6815) to provide for the orderly disposition of property acquired under title III of the Bankhead-Jones Farm Tenant Act, and for other purposes.

Mr. CUNNINGHAM. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

AGRICULTURAL EXPERIMENT STATIONS

The Clerk called the bill (S. 1759) to consolidate the Hatch Act of 1887 and laws supplementary thereto relating to the appropriation of Federal funds for the support of agricultural experiment stations in the States, Alaska, Hawaii, and Puerto Rico.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Hatch Act of March 2, 1887, relating to the appropriation of Federal funds for the support of State agricultural experiment stations, is hereby amended to read as follows:

"SECTION 1. It is the policy of Congress to continue the agricultural research at State agricultural experiment stations which has been encouraged and supported by the Hatch Act of 1887, the Adams Act of 1906, the Purnell Act of 1925, the Bankhead-Jones Act of 1935, and title I, section 9, of that act as added by the act of August 14, 1946, and acts amendatory and supplementary thereto, and to promote the efficiency of such research by a codification and simplification of such laws. As used in this act, the terms 'State' or 'States' are defined to include the several States, Alaska, Hawaii, and Puerto Rico. As used in this act, the term 'State agricultural experiment station' means a department which shall have been established, under direction of the college or university or agricultural departments of the college or university in each State in accordance with an act approved July 2, 1862 (12 Stat. 503), entitled 'An act donating public lands to the several States and Territories which may provide colleges for the benefit of agriculture and the mechanic arts'; or such other substantially equivalent arrangements as any State shall determine.

"SEC. 2. It is further the policy of the Congress to promote the efficient production, marketing, distribution, and utilization of products of the farm as essential to the health and welfare of our peoples and to promote a sound and prosperous agriculture and rural life as indispensable to the maintenance of maximum employment and national prosperity and security. It is also the intent of Congress to assure agriculture a position in research equal to that of industry, which will aid in maintaining an equitable balance between agriculture and other segments of our economy. It shall be the object and duty of the State agricultural experiment stations through the expenditure of the appropriations hereinafter authorized to conduct original and other researches, investigations, and experiments bearing directly on and contributing to the establishment and maintenance of a permanent and effective agricultural industry of the United States, including researches basic to the problems of agriculture in its broadest aspects, and such investigations as have for their purpose the development and improvement of the rural home and rural life and the maximum contribution by agriculture to the welfare of the consumer, as may be deemed advisable, having due regard to the varying conditions and needs of the respective States.

"SEC. 3. (a) There are hereby authorized to be appropriated for the purposes of this act such sums as Congress may from time to time determine to be necessary.

"(b) Out of such sums each State shall be entitled to receive annually a sum of money equal to and subject to the same requirement as to use for marketing research projects as the sums received from Federal appropriations for State agricultural experiment stations for the fiscal year 1955, except that amounts heretofore made available from the fund known as the 'Regional research fund, Office of Experiment Stations' shall continue to be available for the support of cooperative regional projects as defined in subsection 3 (c) (3), and the said fund shall be designated 'Regional research fund, State agricultural experiment stations,' and the Secretary of Agriculture shall be entitled to receive annually for the administration of this act, a sum not less than that available for this purpose for the fiscal year ending June 30, 1955: *Provided*, That if the appropriations hereunder available for distribution in any fiscal year are less than those for the fiscal year 1955 the allotment to each State and the amounts for Federal administration and the regional research fund shall be reduced in proportion to the amount of such reduction.

"(c) Any sums made available by the Congress in addition to those provided for in subsection (b) hereof for State agricultural experiment station work shall be distributed as follows:

"1. Twenty percent shall be allotted equally to each State;

"2. Not less than 52 percent of such sums shall be allotted to each State, as follows: One-half in an amount which bears the same ratio to the total amount to be allotted as the rural population of the State bears to the total rural population of all the States as determined by the last preceding decennial census current at the time each such additional sum is first appropriated; and one-half in an amount which bears the same ratio to the total amount to be allotted as the farm population of the State bears to the total farm population of all the States as determined by the last preceding decennial census current at the time such additional sum is first appropriated;

"3. Not more than 25 percent shall be allotted to the States for cooperative research in which two or more State agricultural experiment stations are cooperating to solve problems that concern the agriculture of more than one State. The funds available for such purposes, together with funds available pursuant to subsection (b) hereof for like purpose shall be designated as the 'Regional research fund, State agricultural expriment stations', and shall be used only for such cooperative regional projects as are recommended by a committee of nine persons elected by and representing the directors of the State agricultural experiment stations, and approved by the Secretary of Agriculture.

The necessary travel expenses of the committee of nine persons in performance of their duties may be paid from the fund established by this paragraph.

"4. Three percent shall be available to the Secretary of Agriculture for administration of this act.

"(d) Of any amount in excess of $90,000 available under this act for allotment to any State, exclusive of the regional research fund, State agricultural experiment stations, no allotment and no payments thereof shall be made in excess of the amount which the State makes available out of its own funds for research and for the establishment and maintenance of facilities necessary for the prosecution of such research: *And provided further*, That if any State fails to make available for such research purposes for any fiscal year a sum equal to the amount in excess of $90,000 to which it may be entitled for such year, the remainder of such amount shall be withheld by the Secretary of Agriculture.

"(e) 'Administration' as used in this section shall include participation in planning and coordinating cooperative regional reseach as defined in subsection 3 (c) 3.

"(f) In making payments to States, the Secretary of Agriculture is authorized to adjust any such payment to the nearest dollar.

"SEC. 4. Moneys appropriated pursuant to this act shall also be available, in addition to meeting expenses for research and investigations conducted under authority of section 2, for printing and disseminating the results of such reasearch, retirement of employees subject to the provisions of an act approved March 4, 1940 (54 Stat. 39), administrative planning and direction, and for the purchase and rental of land and the construction, acquisition, alteration, or repair of buildings necessary for conducting research. The State agriculture experiment stations are authorized to plan and conduct any research authorized under section 2 of this act in cooperation with each other and such other agencies and individuals as may contribute to the solution of the agricultural problems involved, and moneys appropriated pursuant to this act shall be available for paying the necessary expenses of planning, coordinating, and conducting such cooperative research.

"SEC. 5 Sums available for allotment to the States under the terms of this act, excluding the regional research fund authorized by subsection 3 (c) 3, shall be paid to each State agricultural experiment station in equal quarterly payments beginning on the first day of July of each fiscal year upon vouchers approved by the Secretary of Agriculture. Each such station authorized to receive allotted funds shall have a chief administrative officer known as a director, and a treasurer or other officer appointed by the governing board of the station. Such treasurer or other officer shall receive and account for all funds allotted to the State under the provisions of this act and shall report, with the approval of the director, to the Secretary of Agriculture on or before the first day of September of each year a detailed statement of the amount received under provisions of this act during the preceding fiscal year, and of its disbursement on schedules prescribed by the Secretary of Agriculture. If any portion of the allotted moneys received by the authorized receiving officer of any State agricultural experiment station shall by any action or contingency be diminished, lost, or misapplied, it shall be replaced by the State concerned and until so replaced no subsequent appropriation shall be allotted or paid to such State.

"SEC. 6. Bulletins, reports, periodicals, reprints of articles, and other publications necessary for the dissemination of results of the researches and experiments, including lists of publications available for distribution by the experiment stations, shall be transmitted in the mails of the United States under penalty indicia: *Provided, however*, That each publication shall bear such indicia as are prescribed by the Postmaster General and shall be mailed under such regulations as the Postmaster General may from time to time prescribe. Such publications may be mailed from the principal place of business of the station or from an established subunit of said station.

"SEC. 7. The Secretary of Agriculture is hereby charged with the responsibility for the proper administration of this act, and is authorized and directed to prescribe such rules and regulations as may be necessary to carry out its provisions. It shall be the duty of the Secretary to furnish such advice and assistance as will best promote the purposes of this act, including participation in coordination of research initiated under this act by the State agricultural experiment stations, from time to time to indicate such lines of inquiry as to him seem most important, and to encourage and assist in the establishment and maintenance of cooperation by and between the several State agricultural experiment stations, and between the stations and the United States Department of Agriculture.

"On or before the first day of July in each year after the passage of this act, the Secretary of Agriculture shall ascertain as to each State whether it is entitled to receive its share of the annual appropriations for agritural experiment stations under this act and the amount which thereupon each is entitled, respectively, to receive.

"Whenever it shall appear to the Secretary of Agriculture from the annual statement of receipts and expenditures of funds by any State agricultural experiment station that any portion of the preceding annual appropriation allotted to that station under this act remains unexpended, such amount shall be deducted from the next succeeding annual allotment to the State concerned.

"If the Secretary of Agriculture shall withhold from any State any portion of the appropriations available for allotment, the facts and reasons therefor shall be reported to the President and the amount involved shall be kept separate in the Treasury until the close of the next Congress. If the next Congress shall not direct such sum to be paid, it shall be carried to surplus.

"The Secretary of Agriculture shall make an annual report to the Congress during the first regular session of each year of the receipts and expenditures and work of the agricultural experiment stations in all the States under the provisions of this act and also whether any portion of the appropriation available for allotment to any State has been withheld and if so the reasons therefor.

"SEC. 8. Nothing in this act shall be construed to impair or modify the legal relation existing between any of the colleges or universities under whose direction State agricultural experiment stations have been established and the government of the States in which they are respectively located. States having agricultural experiment stations separate from such colleges or universities and established by law, shall be authorized to apply such benefits to research at stations so established by such States: *Provided*, That in any State in which more than one such college, university, or agricultural experiment station has been established the appropriations made pursuant to this act for such State shall be divided between such institutions as the legislature of such State shall direct.

"SEC. 9. The Congress may at any time, amend, suspend, or repeal any or all of the provisions of this act."

SEC. 2. The following listed sections or parts of sections of the Statutes at Large heretofore covering the provisions consolidated in this act are hereby repealed: *Provided, however*, That any rights or liabilities existing under such repealed sections or parts of sections shall not be affected by their repeal:

Bankhead-Jones Act, title I, sections 2 to 8, June 29, 1935 (49 Stat. 436; 7 U. S. C. 427a–g).

Section 9, and related provisions of section 11 of the Bankhead-Jones Act, title I, as added by title I of the Research and Marketing Act (60 Stat. 1082; 7 U. S. C. 427h, 427j).

Department of Agriculture Organic Act of 1944, title I, section 105, amending the Bankhead-Jones Act, title I, section 5, by adding subsection (c) (58 Stat. 735; 7 U. S. C. 427d).

Act approved June 7, 1888, amending the Hatch Act (25 Stat. 176; 7 U. S. C. 372).

Adams Act approved March 16, 1906 (34 Stat. 63; 7 U. S. C. 369, 371, 373, 366, 374, 375, 361, 376, 380, 382).

Purnell Act approved February 24, 1925 (43 Stat. 970; 7 U. S. C. 370, 371, 373, 374, 375, 376, 366, 361, 380, 382).

The acts extending the benefits of the foregoing acts to the Territory of Hawaii, the Territory of Alaska, and Puerto Rico; Hawaii, act of May 16, 1928 (45 Stat. 571; 7 U. S. C. 386, 386a, 386b); Alaska, act of June 20, 1936 (49 Stat. 1553), as amended by Public Law 739, approved August 29, 1950 (7 U. S. C. 369a); Alaska, act of February 23, 1929 (45 Stat. 1256; 7 U. S. C. 386c); Puerto Rico, act of March 4, 1931 (46 Stat. 1520; 7 U. S. C. 386d, e, f).

Such portion of the Department of Agriculture Appropriation Act of 1890, approved March 2, 1889, as related to examination of soils by experimental stations (25 Stat. 841; 7 U. S. C. 364).

That part of the act of October 1, 1918, relating to the Georgia Agricultural Experiment Station (40 Stat. 998; 7 U. S. C. 383).

With the following committee amendments:

Page 5, after line 22, insert a new paragraph 4, as follows:

"4. Not less than 20 percent of any sums appropriated pursuant to this subsection for distribution to States shall be used by State agricultural experiment stations for conducting marketing research projects approved by the Department of Agriculture."

Page 5, line 23, change paragraph "4" to "5."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TOBACCO ALLOTMENTS

The Clerk called the bill (H. R. 6346) to amend section 313 of the Agricultural Adjustment Act of 1938, with respect to tobacco allotments.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. HESELTON. Reserving the right to object, I should like to have an explanation of the bill.

Mr. ABBITT. Mr. Speaker, this bill amends the tobacco allotment act. It will further tighten the allotment laws by providing that, beginning in 1955, production of tobacco on a farm will not make the farm eligible for an allotment in any subsequent year as an old farm nor will the growing of such tobacco be considered past experience in tobacco production for the producer. The bill clarifies existing law by making it clear that production of tobacco without a quota will not prevent the farm from being eligible for a new farm allotment. It will permit a farmer to come in and get credit for the allotment that is allowed to new farmers. That was an omission in the law we passed early this year. This will fix it so that new farm-

ers can come in and share in the new allotment.

Mr. HESELTON. May I inquire where the persons who receive these additional allotments will be located?

Mr. ABBITT. Whoever can qualify as a new grower will be entitled to get his proportionate share of the allotment set aside for new growers.

Mr. HESELTON. What if any connection is there between this bill and the following bill on the calendar?

Mr. ABBITT. They are separate matters, though both deal with tobacco allotments.

Mr. HESELTON. I withdraw my reservation of objection, Mr. Speaker.

Mr. HOFFMAN of Michigan. Reserving the right to object, Mr. Speaker, why do you have three bills in here?

Mr. ABBITT. They were introduced by the gentleman from Kentucky [Mr. WATTS]. They deal with separate matters.

Mr. HOFFMAN of Michigan. What is the difference?

Mr. ABBITT. One of them deals with the new grower allotment I have just told you about, another deals with allotments for burley tobacco, and the other deals with allotments so that the farmers in Maryland will not have to go every year but can vote once every third year if that is what they desire.

Mr. HOFFMAN of Michigan. I withdraw my reservation, Mr. Speaker.

Mr. DEANE. Reserving the right to object, Mr. Speaker, does this bill refer both to flue-cured and burley tobacco?

Mr. ABBITT. It refers to all tobacco.

Mr. DEANE. I have a constituent who would like to be heard on this matter. I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

TOBACCO ALLOTMENTS

The Clerk called the bill (H. R. 6847) to amend section 313 of the Agricultural Adjustment Act of 1938, with respect to tobacco allotments.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BURNSIDE. Mr. Speaker, reserving the right to object, I should like to have an explanation of the bill.

Mr. ABBITT. H. R. 6847 applies only to burley tobacco.

Mr. BURNSIDE. Mr. Speaker, I am vitally interested in burley tobacco and I want to know how it applies to burley tobacco.

Mr. ABBITT. Under the present law, a grower of burley tobacco must plant as much as 75 percent of his allotment during any 1 of 3 consecutive years. As the gentleman knows, there is a tremendous surplus of burley tobacco and this bill merely provides that if he plants as much as 50 percent of his allotment in any 1 of 5 consecutive years, he does not lose his allotment.

Mr. BURNSIDE. Mr. Speaker, I object.

AMENDING TOBACCO REFERENDUM LAWS

The Clerk called the bill (H. R. 6845) to further amend the Agricultural Adjustment Act of 1938, and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. HESELTON. Mr. Speaker, reserving the right to object, may we have an explanation of this bill?

Mr. ABBITT. Mr. Speaker, this was the bill which I started to explain by mistake just a moment ago. This bill provides for substantial improvement of administrative practices under section 312 of the Agricultural Adjustment Act of 1938 dealing with the establishment of national tobacco marketing quotas. Under the present law, they have to have an election as to whether or not the tobacco farmers desire to have quotas for 1 year or for 3 years or whether they want no quotas at all. This bill permits them to have a referendum on the single question of marketing quotas for 3 years or not at all. Under the present law, for instance, in Maryland they have to vote this year and then again next year and this is simply to permit them to vote on market quotas for 3 years.

Mr. HESELTON. I notice that the Department of Agriculture wrote a letter to the chairman of the committee dated July 20. In view of that date, may I inquire whether any action has been taken on this proposal by the other body?

Mr. ABBITT. I am sorry but I did not hear what the gentleman said.

Mr. HESELTON. In view of the fact that the letter of the Department is dated July 20, I would like to inquire whether any action has been taken by the other body on this or a similar bill?

Mr. ABBITT. The other body has passed an identical bill, S. 2297.

Mr. HESELTON. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. ABBITT. Mr. Speaker, I ask unanimous consent for the present consideration of an identical Senate bill (S. 2297) to further amend the Agricultural Adjustment Act of 1938, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That section 312 of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1312), is hereby amended to read as follows:

SEC. 312. (a) The Secretary shall, not later than December 1 of any marketing year, proclaim a national marketing quota for any kind of tobacco for each of the next three succeeding marketing years whenever he determines with respect to such kind of tobacco—

(1) that a national marketing quota has not previously been proclaimed and the total supply as of the beginning of such marketing year exceeds the reserve supply level therefor;

(2) that such marketing year is the last year of 3 consecutive years for which marketing quotas previously proclaimed will be in effect;

(3) that amendments have been made in provisions for establishing farm acreage allotments which will cause material revision of such allotments before the end of the period for which quotas are in effect; or

(4) that a marketing quota previously proclaimed for such marketing year is not in effect because of disapproval by producers in a referendum held pursuant to subsection (c): *Provided*, That if such producers have disapproved national marketing quotas in referenda held in 3 successive years subsequent to 1952, thereafter a national marketing quota shall not be proclaimed hereunder which would be in effect for any marketing year within the 3-year period for which national marketing quotas previously proclaimed were disapproved by producers in a referendum, unless prior to November 10 of the marketing year one-fourth or more of the farmers engaged in the production of the crop of tobacco harvested in the calendar year in which such marketing year begins petition the Secretary, in accordance with such regulations as he may prescribe, to proclaim a national marketing quota for each of the next 3 succeeding marketing years.

(b) The Secretary shall also determine and announce, prior to the first day of December, the amount of the national marketing quota proclaimed pursuant to subsection (a) which is in effect for the next marketing year in terms of the total quantity of tobacco which may be marketed which will make available during such marketing year a supply of tobacco equal to the reserve supply level. The amount of the national marketing quota so announced may, not later than the following March 1, be increased by not more than 20 percent if the Secretary determines that such increase is necessary in order to meet market demands or to avoid undue restrictions of marketings in adjusting the total supply to the reserve supply level.

(c) Within 30 days after the proclamation of national marketing quotas under subsection (a), the Secretary shall conduct a referendum of farmers engaged in the production of the crop of tobacco harvested immediately prior to the holding of the referendum to determine whether such farmers are in favor of or opposed to such quotas for the next 3 succeeding marketing years. If more than one-third of the farmers voting oppose the national marketing quotas, such results shall be proclaimed by the Secretary and the national marketing quotas so proclaimed shall not be in effect but such results shall in no wise affect or limit the subsequent proclamation and submission to a referendum, as otherwise provided in this section, of a national marketing quota.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 6845) was laid on the table.

AMENDING RICE MARKETING QUOTAS

The Clerk called the bill (H. R. 7302) to amend the rice marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. POAGE. Mr. Speaker, I ask unanimous consent for the immediate consideration of an identical Senate bill (S. 2573) to amend the rice marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That section 353 (b) of the Agricultural Adjustment Act of 1938, as amended, is amended by inserting in the first sentence thereof the words "in the State" immediately following the words "on the basis of past production of rice" and immediately following the words "taking into consideration the acreage allotments previously established."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 7302) was laid on the table.

AMENDING ACT OF SEPTEMBER 3, 1954

The Clerk called the bill (H. R. 6888) to amend the act of September 3, 1954, and to facilitate the entry of skilled specialists chargeable to the quota for Spain.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. YATES. Mr. Speaker, reserving the right to object, I read the following statement from page 2 of the report:

On September 3, 1954, the third of a series of bills authorizing the admission of a number of aliens skilled in sheepherding was enacted. A total of 385 nonquota visas were made available under this law. Two bills enacted in the 81st and 82d Congresses, respectively, authorized the issuance of 750 quota visas, with a provision for deduction of the quota numbers in the years following.

In making a study of immigration problems in Spain earlier this year, a special subcommittee of the Committee on the Judiciary of the House learned that the wives and children of a number of these sheepherders were in distressed condition because of their inability to get visas under the annual Spanish quota of 250, which is heavily oversubscribed. In an effort to relieve this situation in an equitable manner, provision is made in the bill for a nonquota status for the wives and children of the sheepherders whose admission was authorized by the act of September 3, 1954, or under either of the preceding acts aforementioned.

Mr. Speaker, I shall make no objection to this bill. I merely want to say that I am in entire accord with the humanitarian purposes of this bill. As a matter of fact I would like to see the intent and the spirit of this bill extended to the nationals of other countries, immigrants who have come to our country but who find themselves removed from their wives and children because of the quota restrictions which compel them to remain in the nation of origin.

Mr. WALTER. Mr. Speaker, will the gentleman yield?

Mr. YATES. I yield.

Mr. WALTER. I call the gentleman's attention to the fact that every preferential quota is open so that the cases the gentleman talks about now are nonexistent. That applies even to the Italian and Greek quotas where the pressure has been greatest.

Mr. YATES. I thank the gentleman for that information. A couple of months ago when I checked I was told that the quotas were oversubscribed. I am glad that the gentleman has informed me now that all quotas are now open and that the families residing in those and other countries can now join their families in this country so that all may be reunited.

Mr. WALTER. Several weeks ago I inserted in the CONGRESSIONAL RECORD the figures as of the close of business of June 30 of the State Department quota issuing division, and those figures disclosed that there were quota numbers that had not been taken up.

Mr. YATES. I thank the gentleman for that information. I am glad to see that the opportunity is now open for families some of whom have immigrated to this country to be reunited with their loved ones whom they left behind. As I said before, the humanitarian purposes of this bill are good.

Mr. Speaker, I withdraw my reservation of objection.

Mr. JUDD. Mr. Speaker, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Minnesota.

Mr. JUDD. May I ask the gentleman from Pennsylvania whether those unused quota numbers for spouses and dependents are available for wives of persons who have been admitted for permanent residence and the wives are already here and are now threatened with deportation?

Mr. WALTER. Yes. This will apply to the spouse of the present immigrant national. No distinction has been made between husband and wife.

Mr. JUDD. I know.

Mr. WALTER. Because of a change in the old law it is possible now for every spouse to be reunited with his spouse in this country.

Mr. JUDD. But if the spouse is already here with the husband or wife who has been admitted for permanent residence, will that spouse now be able to get one of those quota numbers?

Mr. WALTER. Yes.

Mr. JUDD. Without having to go back to the old country?

Mr. WALTER. Yes.

Mr. YATES. If I understood the gentleman from Pennsylvania correctly in his answer to the gentleman from Minnesota, in the case where the wife is here under temporary visa and the husband is here under a permanent status the wife would not have to go back to the country of origin.

Mr. WALTER. Yes, without going back to the country of origin.

Mr. YATES. Would she be compelled to leave this country, such as going to Canada?

Mr. WALTER. Yes, but in that kind of procedure she would leave and then come back to this country under a changed status.

Mr. YATES. I thank the gentleman.

Mr. WIER. Mr. Speaker, will the gentleman yield?

Mr. YATES. I yield.

Mr. WIER. I was going to ask the gentleman from Pennsylvania if I could find some sheepherders down in Lebanon, would it be as simple to get them admitted as it is the Spanish sheepherders?

Mr. WALTER. Why does not the gentleman try it?

Mr. YATES. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 3 (a) of the act of September 3, 1954 (68 Stat. 1145), is hereby amended to read as follows:

"SEC. 3. (a) There shall not be issued more than 385 special nonquota immigrant visas under this act: *Provided*, That special nonquota immigrant visas, without regard to the numerical limitations of this section, shall be issued to the wives and minor, unmarried children of the aliens who are found eligible for special nonquota immigrant visas under the provisions of this act, if they are accompanying or following to join such aliens, and are otherwise eligible to receive immigrant visas under the Immigration and Nationality Act: *Provided further*, That the marriage is found to have occurred prior to July 1, 1955."

SEC. 2. A new section 5 is hereby added to the act of September 3, 1954 (68 Stat. 1145), to read as follows:

"SEC. 5. The quota deductions required under the provisions of the act of June 30, 1950 (64 Stat. 306), and the act of April 9, 1952 (66 Stat. 50), are terminated, effective July 1, 1955: *Provided*, That in allocating the quota numbers hereby restored, priority shall be given to aliens in whose cases the Attorney General (a) has determined eligibility for preferential quota status under the provisions of section 205 of the Immigration and Nationality Act or (b) has granted preferential quota status to skilled specialists destined to the Commonwealth of Puerto Rico in accordance with the provisions of section 204 of that act."

With the following committee amendments:

On page 2, after line 5, insert the following:

"SEC. 2. Section 4 of the act of September 3, 1954 (68 Stat. 1145) is hereby amended to read as follows:

" 'SEC. 4. An alien shall not be ineligible to receive a visa and excludable from admission into the United States under the provisions of section 212 (a) (9) of the Immigration and Nationality Act (66 Stat. 182) (a) solely by reason of a single conviction of an offense or offenses each of which, if committed in the United States, would be a misdemeanor punishable by imprisonment not to exceed 1 year, and for which the aggregate penalty actually imposed was imprisonment not to exceed 6 months or a fine not to exceed $500, or both; or (b) solely by reason of the admission of the commission of an offense or offenses or the commission of acts constituting the essential elements of an offense or offenses each of which, if committed in the United States, would be a misdemeanor punishable by imprisonment not to exceed 1 year: *Provided*, That the determination whether an offense or offenses committed outside the United States would, if committed in the United States, be classifiable as a misdemeanor or misdemeanors punishable by im-

prisonment not to exceed 1 year shall be based, not on the applicable foreign law but on the provisions of the United States Code, and whenever such code fails to define an offense or offenses comparable to those committed, on the provisions of the Criminal Code of the District of Columbia.' "

On page 2, line 6, strike out "SEC. 2." and substitute in lieu thereof "SEC. 3."

On page 2, at the end of the bill, add the following:

"SEC. 4. New sections 6 and 7 are hereby added to the act of September 3, 1954, in (68 Stat. 1145) to read as follows:

" 'SEC. 6. The word "Spain" is hereby added to subsection 4 (a) (3) of the Refugee Relief Act of 1953, as amended (67 Stat. 401; 68 Stat. 1044), to follow the word "Sweden" as it appears in the said subsection.

" 'SEC. 7. The provisions of law relating to the deportation of aliens on the ground that they were excludable at the time of entry shall not apply to an otherwise admissible alien, admitted to the United States between December 22, 1945, and November 1, 1954, both dates inclusive, who misrepresented his place of birth, identity, or residence in applying for a visa if such alien shall establish to the satisfaction of the Attorney General that the misrepresentation (a) was predicated upon the fact that the alien had reasonable grounds to fear repatriation to his former residence or homeland where he would be persecuted because of race, religion, or political opinions, and (b) was not committed for the purpose of evading the quota restrictions of the immigration laws or an investigation of the alien at the place of his former residence or elsewhere.' "

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to amend the act of September 3, 1954."

COMMISSION AND ADVISORY COMMITTEE ON INTERNATIONAL RULES OF JUDICIAL PROCEDURE

The Clerk called the bill (H. R. 7500) to establish a Commission and Advisory Committee on International Rules of Judicial Procedure.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, reserving the right to object, may I have a brief explanation of what this bill purports to do?

Mr. WALTER. Mr. Speaker, this bill was introduced on the recommendation of the Attorney General of the United States and the several bar associations with the idea that it might be possible to have a commission of 7 appointed, 4 to be appointed from the Government and 3 at large by the President of the United States, for the purpose of determining whether procedures can be recommended in our international legal relations. Of course, if recommendations are made I am sure that treaties would be required to make them effective. This is a step toward devising recommendations where as an example, we have to take depositions abroad.

Mr. GROSS. Does this in any way involve the United States further in the International Court of Justice on which sit three Communist judges?

Mr. WALTER. Oh, no. The idea in back of this is to try to promulgate some uniform rules and regulations in the courts here and abroad.

Mr. GROSS. Does this in any way further involve this country in the infamous status-of-forces treaties and secret agreements by which American servicemen and their dependents can be and are tried in foreign courts?

Mr. WALTER. No, indeed.

Mr. GROSS. Mr. Speaker, I withdraw my objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, I object.

AUTHORIZING SECRETARY OF THE ARMY TO MAKE DONATIONS TO THE CITADEL, CHARLESTON, S. C.

The Clerk called House Joint Resolution 261, authorizing the Secretary of the Army to make such donations as may be available to The Citadel, Charleston, S. C.

There being no objection, the Clerk read the joint resolution as follows:

Whereas The Citadel, the Military College of South Carolina, was established on the 20th day of December 1842 by the Legislature of South Carolina; and

Whereas this institution has educated and trained young American manhood as citizens and soldiers since its establishment; and

Whereas the Military College of South Carolina is modeled and patterned after the United States Military Academy at West Point, N. Y.; and

Whereas a large percentage and number of its graduates have rendered distinguished service in all national conflicts of the United States since its establishment; and

Whereas Gen. Mark W. Clark (retired), now president of this institution, desires some representative surplus ordnance field pieces (tanks or guns) used in World War II or Korea, or captured enemy material to commemorate participation of Citadel men in the military service; and

Whereas existing statutes and laws do not permit the Department of the Army to make a direct transfer to The Citadel: Therefore be it

Resolved, etc., That the Secretary of the Army be, and is hereby, authorized to make such transfers of supplies and equipment as may be available to The Citadel, the Military College of South Carolina, as determined appropriate by the Secretary of the Army.

With the following committee amendment:

Page 2, line 3, following the word "that", insert the following language: "notwithstanding any other provision of law."

The committee amendment was agreed to.

The House joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

The title was amended so as to read: "A bill to authorize the Secretary of the Army to make such transfers of supplies and equipment as may be available to The Citadel, Charleston, S. C."

ELIMINATION OF SEPARATE DIVISIONS WITHIN THE JUDICIAL DISTRICT OF NEBRASKA

The Clerk called the bill (H. R. 5130) to amend title 28 of the United States Code so as to eliminate the separate divisions within the judicial district of Nebraska.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. CELLER. Mr. Speaker, I ask unanimous consent to substitute the Senate bill, S. 1512, which is identical with the House bill, for H. R. 5130.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That section 107 of title 28 of the United States Code is amended to read as follows:

"§ 107. Nebraska

"Nebraska constitutes one judicial district.

"Court shall be held at Lincoln, North Platte, and Omaha."

SEC. 2. The amendment made by the first section of this act shall take effect on September 1, 1955.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 5130 was laid on the table.

COAST GUARD MILITARY PERSONNEL

The Clerk called the bill (H. R. 7379) to amend title 14, United Sates Code, so as to provide for compensatory absence of Coast Guard military personnel serving at isolated aids to navigation, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. HOFFMAN of Michigan. Mr. Speaker, I object.

CONVEYANCE OF CERTAIN LANDS OF THE UNITED STATES TO ST. JOHNS COUNTY, FLA.

The Clerk called the bill (H. R.7471) to provide for the conveyance of certain lands of the United States to the Board of Commissioners of St. Johns County, Fla.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BYRNES of Wisconsin. Mr. Speaker, reserving the right to object, may I inquire of the gentleman from Florida: Is it understood that in the event this property ceases to be used as a public park title will revert back to the United States?

Mr. HERLONG. That is my understanding.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to convey by quitclaim deed to the Board of Commissioners of St. Johns County, Fla., all of the right, title, and interest of the United States in and to the tracts of land more particularly described as follows:

All that certain five and eighty-two one-hundredths acres, more or less, piece or

parcel of land situate, lying and being in Anastasia Island, in the County of St. Johns in the State of Florida, and more particularly described as the following parcels A and B:

PARCEL A

That portion of lot 2, section 21, township 7 south, range 30 east, Tallahassee meridian, Florida, the metes and bounds of which are as follows:

Starting at the General Land Office monument at the center of section 21, township 7 south, range 30 east; thence south 89 degrees 00 minutes west 405.3 feet to a General Land Office monument; thence north 1 degree 00 minutes west 230.3 feet to a point in the center of a paved road; thence north 7 degrees 54 minutes west 1,191.8 feet to a coquina monument which is the point of beginning for parcel A; thence by the following courses:

Course 1: North 82 degrees 06 minutes east, 148 feet to a concrete monument on the westerly side of a hard-surfaced road;

Course 2: Thence north 8 degrees 27 minutes west, 564.7 feet along the westerly side of a hard-surfaced road to a point;

Course 3: Thence north 24 degrees 45 minutes west, 100 feet along the westerly side of a hard-surfaced road to a point;

Course 4: Thence south 82 degrees 06 minutes west, 112.5 feet along the southerly side of a hard-surfaced road to a coquina monument;

Course 5: Thence south 7 degrees 54 minutes east, 660 feet more or less, to a coquina monument being the aforesaid point of beginning.

Containing two and two-tenths acres, more or less, all as marked and shown on drawing numbered D–61 dated 10 October 1935. The two and two-tenths acres, more or less, being part of the land reserved for lighthouse purposes by Executive order dated 1 February 1883 and being the same land retained for lighthouse purposes pursuant to section I of Public Law Numbered 361, approved August 27, 1935 (49 Stat. 896).

PARCEL B

Starting at the coquina monument noted above as the point of beginning for parcel A thence by the following courses:

Course 1: North 7 degrees 54 minutes west, 233 feet to a point;

Course 2: Thence south 82 degrees 06 minutes west, 210 feet to a point;

Course 3: Thence north 7 degrees 54 minutes west, 287 feet to a point;

Course 4: Thence north 82 degrees 06 minutes east, 210 feet to a point;

Course 5: Thence north 7 degrees 54 minutes west 140 feet, more or less, to a common monument;

Course 6: Thence south 82 degrees 06 minutes west 330 degrees to a coquina monument;

Course 7: Thence south 7 degrees 54 minutes east, 660 feet to a coquina monument;

Course 8: Thence north 82 degrees 06 minutes east, 330 feet to a coquina monument, being the aforesaid point of beginning.

Containing three hundred and sixty-two one-hundredths acres, more or less, all as marked and shown on drawing numbered D–61 dated 10 October 1935. The three and sixty-two one-hundredths acres, more or less, being part of the five-acre "Lighthouse Tract" acquired by the United States by deed 25 November 1871 and recorded 11 May 1872 in book T, pages 406 through 411, Saint Johns County land records. Subject, however, to the following right-of-way for road and utilities across parcel B: A strip of land 25 feet wide lying 12.5 feet on each side of a centerline described as follows:

Starting at the coquina monument noted above as the point of beginning for parcel A; thence north 7 degrees 54 minutes west, 660 feet to a coquina monument; thence south 82 degrees 06 minutes west, 119.5 feet to a point, being the point of beginning of the centerline of the 25-foot wide right-of-way; thence south 14 degrees 34 minutes east, 140.96 feet more or less, to a point which is the southerly end of the centerline of the 25-foot right-of-way and said point lying on course number 4 of three and sixty-two one-hundredths acres previously described above. All as shown and marked on drawing numbered D–61 dated 10 October 1935.

With the following committee amendments:

Page 1, line 4, strike out "by quitclaim deed".

Page 5, after line 6, insert the following:

"SEC. 2. The deed shall contain a covenant that no structure shall be erected on the land which will in any way adversely affect the operation of the Coast Guard facilities.

"SEC. 3. The deed shall also contain a covenant that the property shall be used as a public park and that in the event of national emergency the property shall be available for use by the Federal Government without compensation."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BUFORD DAM

The Clerk called the bill (H. R. 6961) to designate the lake created by Buford Dam in the State of Georgia as "Lake Sidney Lanier."

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CUNNINGHAM. Mr. Speaker, reserving the right to object, I would like to inquire of the author of the bill or some member of the committee, a question which will apply also to the next bill. Can he tell me why the views of the Board of Geographic Names was not secured? I note in the report there is a letter from the Secretary of the Army stating that the Army has no objection to this bill, but it goes on to say that the Board of Geographic Names may have an interest in the bill and recommends that their views be secured. According to the report, their views were not secured.

Mr. LANDRUM. Mr. Speaker, if the gentleman will yield, there was no objection. They did not desire to file a report or to make any recommendation about it.

Mr. CUNNINGHAM. In other words, they were consulted?

Mr. LANDRUM. That is true.

Mr. CUNNINGHAM. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the lake created by the Buford Dam, now being constructed on the Chattahoochee River about 35 miles northeast of Atlanta, Ga., shall be known and designated as Lake Sidney Lanier in honor of the late Sidney Lanier, author of the poem "Song of the Chattahoochee." Any law, regulation, document, or record of the United States in which such lake is referred to under any other name or designation, shall be held to refer to such lake as Lake Sidney Lanier.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING SECTION 5221 OF THE REVISED STATUTES

The Clerk called the bill (S. 1187) to amend section 5221 of the Revised Statutes, relating to voluntary liquidation of national banks.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 5221 of the Revised Statutes (U. S. C., 1952 edition, title 12, sec. 182) is amended to read as follows:

"SEC. 5221. Whenever a vote is taken to go into liquidation it shall be the duty of the board of directors to cause notice of this fact to be certified, under the seal of the association, by its president or cashier, to the Comptroller of the Currency, and publication thereof to be made for a period of 2 months in every issue of a newspaper published in the city or town in which the association is located, or if no newspaper is there published, then in the newspaper published nearest thereto, that the association is closing up its affairs, and notifying its creditors to present their claims against the association for payment."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HOUSING AUTHORITY OF BEAVER COUNTY, PA.

The Clerk called the bill (H. R. 6198) to provide for the sale of certain war housing projects to the Housing Authority of Beaver County, Pa., for use in providing rental housing for persons of limited income.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of any other law (but subject to sections 2 and 4 of this act), the Housing and Home Finance Administrator is authorized and directed to sell and convey to the Housing Authority of the County of Beaver, Borough Township, Pennsylvania, at fair market value as determined by him, for use in providing rental housing for persons of limited income, all right, title, and interest of the United States (including, in addition to dwellings, any offsite easements and any structures, appurtenances, and other property, real or personal, acquired for such dwellings or held in connection therewith) in and to the following war housing projects:

(1) PA–36053, known as Tamaqui Village, containing 125 dwelling units on approximately 9.17 acres of land in Borough Township, Pa.;

(2) PA–30655, known as Pulaski Homes, containing 100 dwelling units on approximately 22.37 acres of land in Pulaski Township, Pa.;

(3) PA–30657, known as Lacock Dwellings, containing 76 dwelling units on approximately 12.26 acres of land in East Rochester, Pa.;

(4) PA–36058, known as Mount Vernon Homes, containing 50 dwelling units on approximately 7 acres of land in Aliquippa, and Hopewell Township, Pa.;

(5) PA-36059, known as Stephen Phillips Homes, containing 100 dwelling units on approximately 13.07 acres of land in Monaca, Pa.;

(6) PA-36301, known as Van Buren Homes, containing 400 dwelling units on approximately 57.85 acres of land in Borough Township, Pa.; and

(7) PA-36449 (PA-36052-60), known as Midland Heights, containing 280 dwellings on approximately 116.28 acres of land in Midland, Pa.

SEC. 2. Notwithstanding the first section of this act, no war housing project shall be sold as provided in such section until it has been offered by the Housing and Home Finance Administrator to a duly organized mutual ownership or cooperative organization, in the manner and under the terms and conditions customarily provided for in the case of offers of war housing projects for sale to such organizations, and such offer has not been accepted within a reasonable period as determined by the Administrator (but not exceeding 120 days).

SEC. 3. Any sale of a war housing project by the Housing and Home Finance Administrator under the first section of this act shall be made on such terms and conditions as the Administrator shall determine; except that full payment to the United States shall be required within a period of not more than 30 years, with interest on the unpaid balance at a rate not exceeding 5 percent per annum.

SEC. 4. The Housing and Home Finance Administrator shall not sell any war housing project under the first section of this act until he has received from the attorney general of the Commonwealth of Pennsylvania an opinion to the effect that the Housing Authority of the County of Beaver has legal authority to acquire, pay for, and operate such project as a rental housing project for persons of limited income.

SEC. 5. On the 1st day of the 6th month following the month in which this act is enacted, or on December 1, 1955, whichever is later, this act shall cease to apply to any war housing project listed in the first section of this act which has not theretofore been sold under such section or with respect to which a commitment to sell under such section has not been made.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZE SALE OF CERTAIN PERSONAL PROPERTY

The Clerk called the bill (H. R. 6199) to amend the act of October 14, 1940, to authorize the sale of personal property held in connection with housing under such act.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 608 of the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended, is amended by inserting "(a)" immediately after "SEC. 608." and by adding at the end thereof the following new subsection:

"(b) Notwithstanding any other provision of law, any personal property held under this act, and not sold with a project or building, may be sold at fair value, as determined by the Administrator, to any agency organized for slum clearance or to provide subsidized housing for persons of low income. Any sale of personal property under this subsection shall be made on a cash basis, payable at the time of settlement."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TRANSFER OF WAR HOUSING PROJECTS TO MOSES LAKE, WASH.

The Clerk called the bill (H. R. 6298) to amend section 601 (g) of the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended, to permit transfer of war housing projects to the city of Moses Lake, Wash., and to other communities similarly situated.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subsection 601 (g) of the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended, is hereby amended by striking the period at the end thereof and adding the following: "if at the time of the relinquishment or transfer there is in existence in such a municipality a local public agency organized specifically and solely for the purpose of slum clearance and community redevelopment."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONVEY CERTAIN WAR HOUSING PROJECTS TO NORFOLK, VA.

The Clerk called the bill (H. R. 7073) to authorize the conveyance of certain war-housing projects to the city of Norfolk, Va.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. VANIK. Mr. Speaker, reserving the right to object, I would like to inquire of the author the purpose for which the housing project is contemplated to be used.

Mr. HARDY. Mr. Speaker, if the gentleman will yield, the area will eventually be used by the city of Norfolk for industrial development, small business, small industry, as soon as the housing is removed from the site.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. VANIK. I object, Mr. Speaker.

BENEFITS FOR CADETS AND MIDSHIPMEN

The Clerk called the bill (H. R. 5055) to provide that service of cadets and midshipmen at the service Academies during specified periods shall be considered active military or naval wartime service for the purposes of laws administered by the Veterans' Administration.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, reserving the right to object, I wonder if the gentleman would explain the necessity for this legislation.

Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

AMEND VITALIZATION AND RETIREMENT EQUALIZATION ACT

The Clerk called the bill (H. R. 5516) to amend section 306 of the Army and Air Force Vitalization and Retirement Equalization Act of 1948 to provide that service as an Army field clerk or as a field clerk, Quartermaster Corps, shall be counted for purposes of retirement under title III of that act.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 306 of the Army and Air Force Vitalization and Retirement Equalization Act of 1948 is hereby amended by adding at the end thereof the following:

"SEC. 3. Section 306 of the Army and Air Force Vitalization and Retirement Equalization Act of 1948 is hereby further amended by adding at the end thereof the following:

"'(g) Service as an Army field clerk or as a field clerk, Quartermaster Corps, shall be deemed to have been active Federal service in the Army of the United States in the grade of warrant officer as provided in the act of April 27, 1926 (44 Stat. 328).'"

With the following committee amendment:

Strike out all after the enacting clause and insert:

"That subsection 302 (a), Army and Air Force Vitalization and Retirement Equalization Act of 1948 (62 Stat. 1087), as amended (10 U. S. C. 1036a (a)), is further amended by inserting the words 'Army field clerk, field clerk, Quartermaster Corps,' after the words 'flight officer,' and by inserting the following additional proviso after the words 'December 31, 1946': '*And provided further*, That for the purposes of this section, all periods of classified field service as an Army headquarters clerk or as a clerk of the Army Quartermaster Corps under laws in effect prior to August 29, 1916, shall, in the case of warrant officers, be considered as satisfactory Federal service performed in the status of a warrant officer.'

"SEC. 2. No person shall, by virtue of section 1, be entitled to retired pay for any period prior to the effective date of this act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to amend title III of the Army and Air Force Vitalization and Retirement Equalization Act of 1948 to provide that service as an Army field clerk, or as a field clerk, Quartermaster Corps, shall be counted for purposes of retirement under title III of that act, and for other purposes."

A motion to reconsider was laid on the table.

RELIEF OF CERTAIN RURAL CARRIERS

The Clerk called the bill (H. R. 6622) for the relief of certain rural carriers.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That each rural carrier who served a heavily patronized route during the period between November 1, 1949, and February 16, 1955, and who, as a result of administrative application of section 5 of the act of May 3, 1950 (64 Stat. 101), has received during such period total compensation in excess of the amount authorized under section 17 (d) of the act of July 1, 1945, as amended (sec. 887 (d) of title 39, U. S. C.), is hereby relieved of all liability to refund to the United States the sum representing the difference between the amount of total compensation allowable under section 17 (d) of the act of July 1, 1945, as amended, and the amount of total compensation paid the carrier during such period.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VALIDATE PAYMENTS OF MILEAGE MADE

The Clerk called the bill (H. R. 7121) to validate payments of mileage made to United States Army and Air Force personnel pursuant to permanent change of station order authorizing travel by commercial aircraft, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That all payments of mileage made to United States Army and Air Force personnel in accordance with Department of the Army and Department of the Air Force instructions during the period January 1, 1950, through March 31, 1951, inclusive, for travel performed by commercial aircraft pursuant to permanent change of station orders authorizing travel by commercial aircraft, except those for which repayment has been effected, be validated notwithstanding the provisions of section 12 of the Pay Readjustment Act of 1942 (56 Stat. 364), as amended by section 203 of the act of August 2, 1946 (60 Stat. 859), in effect when the travel involved was performed.

SEC. 2. The Comptroller General of the United States, or his designee, shall relieve disbursing officers, including special disbursing agents, of the Army and the Air Force from accountability or responsibility for any payments validated by this act, and shall allow credits in the settlement of the accounts of such officers or agents for such payments which appear to be free from fraud or collusion.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMMODITY EXCHANGE ACT REGISTRATION FEES

The Clerk called the bill (S. 1051) to amend section 8a (4) of the Commodity Exchange Act, as amended.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 8a (4) of the Commodity Exchange Act, as amended (7 U. S. C. 12a (4)), is amended to read as follows:

"(4) to fix and establish from time to time reasonable fees and charges for registrations and renewals thereof and for copies of registration certificates; and".

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TRADE DEVELOPMENT

The Clerk called the bill (S. 2253) to reemphasize trade development as the primary purpose of title I of the Agricultural Trade Development and Assistance Act of 1954.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 103 (b) of the Agricultural Trade Development and Assistance Act of 1954 is amended by striking out "$700,000,000" and inserting in lieu thereof "$1,500,000,000. This limitation shall not be apportioned by year or by country, but shall be considered as an objective as well as a limitation, to be reached as rapidly as possible so long as the purposes of this act can be achieved within the safeguards established."

SEC. 2. Section 106 of such act is amended by adding the following: "The Secretary of Agriculture is also authorized to determine the nations with whom agreements shall be negotiated, and to determine the commodities and quantities thereof which may be included in the negotiations with each country after advising with other agencies of Government affected and within broad policies laid down by the President for implementing this act."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INVENTIVE CONTRIBUTIONS AWARDS BOARD

The Clerk called the bill (H. R. 2383) to authorize the establishment of an Inventive Contributions Awards Board within the Department of Defense, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That this act may be cited as the "Inventive Contributions Awards Act of 1955."

DECLARATION OF POLICY

SEC. 2. It is the purpose of this act to foster invention for national defense through the establishment within the Department of Defense of an Inventive Contributions Awards Board which shall be authorized to recommend to the Secretary the making of such awards, to be known as national defense awards, as it shall consider just for meritorious inventions contributing to the national defense.

DEFINITIONS

SEC. 3. As used in this act—

(a) The term "contribution" means any inventive contribution which is used in the national defense of the United States, and which is not subject to the provisions of the Atomic Energy Act of 1946.

(b) The term "contributor" means any natural person who has made an inventive contribution.

(c) The term "the Department" shall mean the Department of Defense, and the term "Secretary" shall mean the Secretary of Defense.

(d) The term "defense agency" means the Department, or any other department, agency, or independent establishment in the executive branch of the Government (except the Atomic Energy Commission), or any wholly owned Government corporation, designated by the President as a defense agency for the purposes of this act.

(e) The term "Board" means the Inventive Contributions Awards Board established pursuant to section 5 of this act.

(f) The term "award" means a national defense award authorized by section 4 of this act.

(g) The term "communication" shall mean either a disclosure in writing or a submission of a physical embodiment of the contribution.

(h) The term "national defense" shall include the program provided for in the Mutual Security Act of 1951, as amended, and the Mutual Defense Assistance Act of 1949, as amended.

NATIONAL DEFENSE AWARDS

SEC. 4. Any law to the contrary notwithstanding, whenever any contributor has directly or indirectly communicated his contribution to any defense agency, and any such agency in consequence of such communication has used or caused to be used such contribution, the Secretary, upon the recommendation of the Board, may make a national defense award to such contributor or his heirs in such amount, and subject to such terms and conditions, as the Board shall determine in conformity with the provisions of this act to be a proper award for the use thereof.

INVENTIVE CONTRIBUTIONS AWARDS BOARD

SEC. 5. (a) The Secretary is authorized to establish within the Department an Inventive Contributions Awards Board which shall be composed of not more than 15 members appointed by the President, by and with the advice and consent of the Senate, for such term or terms as he may specify, from individuals in civil life who are eminent in one or more of the following fields of activity: Invention, science, research, development, and patent law. A quorum of the Board shall meet at such times as the Secretary may specify to consider applications made pursuant to section 6 of this act for awards. Five members shall constitute a quorum of the Board.

(b) From funds available for such purposes, each member shall receive compensation at the rate of $50 for each day of his attendance at meetings of the Board, and shall be reimbursed for all travel expenses actually incurred by him in the performance of his duties as a member of the Board: *Provided*, That the provisions of title 18, United States Code, section 281, shall not apply to the members of this Board and that appointments may be made without regard to the requirements of the Civil Service Retirement Act.

(c) The Board shall perform the duties required of it by section 6 of this act. The Secretary shall provide the Board with such personnel and facilities as he may determine to be required by the Board for the performance of its functions.

(d) The Board, subject to approval by the Secretary, may promulgate such rules and regulations, not inconsistent with this act, as may be required for the performance of its duties hereunder.

APPLICATION FOR AWARDS AND PROCEEDINGS THEREON

SEC. 6. Any contributor may file with the Secretary an application for an award under section 4 of this Act, or be recommended for an award by the head of any defense agency. Such application or recommendation may be

filed upon information and belief, and shall contain a statement concerning—

(1) the nature of such contribution;

(2) the ownership thereof;

(3) the date and manner of its communication to any defense agency;

(4) the nature and extent of the compensation received by such contributor from the United States in connection with the contribution;

(5) the nature and extent of the award for which application or recommendation is made pursuant to this act; and

(6) such other information as the Board shall prescribe by its rules.

(b) Each application or recommendation so filed shall be transmitted to the Board which, subject to the provisions of this act, shall determine the questions presented by such application, and shall make and transmit to the Secretary a report thereon in which the Board shall set forth—

(1) its findings of fact;

(2) its conclusions and recommendations on the question whether the contributor is entitled to an award under this act; and

(3) the terms and conditions upon which any such award should be made.

DETERMINATION OF ELIGIBILITY FOR AWARDS AND QUANTUM THEREOF

SEC. 7. (a) In any proceeding under this act, the contributor shall bear the burden of establishing the communication of the contribution in question, except that the submission of a contribution to the National Inventors Council and by that council to a defense agency shall constitute proof of communication.

(b) In any proceeding under this act if the Board finds that the contributor communicated the contribution and as a result thereof it was used, the Board may recommend an award, and payment thereof in a lump sum or in periodic installments.

(c) In determining the amount of any such award consideration shall be given to—

(1) the novelty, originality, and utility of the contribution;

(2) the extent to which such development was made at the expense of the contributor, and the extent to which such development was made at the expense of the United States;

(3) the extent to which the contributor has benefited, will benefit, or reasonably can be expected to benefit through the commercial exploitation of such contribution;

(4) the extent to which the contributor has been denied the benefits of commercial exploitation of such contribution in consequence of any secrecy restrictions imposed by the United States; and

(5) the extent to which the contributor has been compensated for said contribution by the United States.

(d) If, in any proceeding under this act, it shall appear to the Board that more than one contributor is entitled to compensation with respect to the same contribution, the Board shall ascertain and determine the interests of each such contributor and shall recommend the division of the award, in such proportions as it shall deem equitable, among all persons whom it shall find to be entitled to share therein.

(e) A contributor shall not be barred from eligibility for an award on the ground that he has given the Government a license under his invention either with or without receipt of cash consideration or by virtue of the fact that the Government claims an equitable license under his invention.

PAYMENT OF AWARDS

SEC. 8. (a) Any award made pursuant to this act may be paid in a single payment or by such periodic payments as the Board may recommend.

(b) Awards so made shall be paid from funds appropriated to the defense agency principally interested in the contribution for which such award is made, as determined by the Board, and may be paid from any funds appropriated to such agency which are available for the procurement of equipment or supplies incorporating such contribution or resulting from the practice of such contribution. If the head of the defense agency concerned certificates that funds are not available to such agency for the payment of any such award, the Secretary shall include in his budget estimate for the Department for the next fiscal year an appropriate item for the payment of such award.

(c) No award shall be paid under this act to any contributor or with respect to any contribution in any amount exceeding $75,000 until such award has been transmitted to and approved by the Congress. The approval of the Congress to any such award shall be deemed to have been granted upon the expiration of the first period of 6 months of continuous session of the Congress following the date on which such award is transmitted to it for approval, but only if prior to the expiration of such period there has not been passed a concurrent resolution disapproving such award or approving such award in a reduced amount or subject to different conditions. If within such period any such resolution is passed authorizing payment of such award in a reduced amount or subject to different conditions, payment of such award may be made in conformity with the terms of such resolution.

PROCEEDINGS UNDER OTHER STATUTES

SEC. 9. (a) Nothing contained in this act shall—

(1) prevent any defense agency from making any payment to any contributor pursuant to any other provision of law; or

(2) bar any contributor from prosecuting any suit under any other provision of law; or

(3) prohibit any department or agency of the United States from making any payment to a contributor pursuant to any administrative order of such department or agency.

SEC. 10. Section 10 (r) of the Army Air Corps Act approved June 2, 1926, as amended by act approved March 3, 1927 (10 U. S. C. 310 (r)), is hereby repealed.

With the following committee amendment:

Strike out all after the enacting clause and substitute the following:

"That this act may be cited as the 'Inventive Contributions Awards Act of 1955.'

"SEC. 2. It is the purpose of this act to foster invention for national defense by conferring on the National Inventors Council within the Department of Commerce authority to make such awards known as National Defense Awards, as it shall consider just for meritorious inventive contributions made to the national defense.

"DEFINITIONS

"SEC. 3. As used in this act—

"(a) The terms 'contribution' or 'inventive contribution' mean any contribution of a process, machine, manufacture, or composition of matter in the fields contemplated by the patent law, or of an improvement in, idea for, or for the use of, such a process, machine, manufacture, or composition of matter, whether or not patented, unpatented, or unpatentable, and whether or not original with the contributor, new, or amounting to invention, which is used in the national defense of the United States as a result of communication by the contributor, and which is not subject to the provisions of the Atomic Energy Acts of 1946 (42 U. S. C. 1801–1819) and of 1954 (42 U. S. C. 2011–2296).

"(b) The term 'contributor' means a natural person who has made an inventive contribution, other than civilian officers and employees of the Federal Government to whom title III, Public Law 763, 83d Congress, applies, or as otherwise included in section 9 (b) herein.

"(c) The term 'defense agency' means the Department of Defense or any other department, agency, or independent establishment in the executive branch of the Government (except the Atomic Energy Commission), or any wholly owned Government corporation, designated by the President as a defense agency for the purposes of this act.

"(d) The term 'award' means a National Defense Award authorized by section 4 of this act.

"(e) The term 'communication' shall mean either a disclosure in writing or a submission of a physical embodiment of the contribution.

"(f) The term 'Council' means the National Inventors Council within the Department of Commerce.

"NATIONAL DEFENSE AWARDS

"SEC. 4. Any law to the contrary notwithstanding, whenever any contributor has directly or indirectly communicated his contribution to any defense agency, and any such agency in consequence of such communication has used or caused to be used such contribution, the National Inventors Council may make a National Defense Award to such contributor or his heirs in such amount, and subject to such terms and conditions, as the Council shall determine in conformity with the provisions of this act to be a proper award for the use thereof.

"NATIONAL INVENTORS COUNCIL

"SEC. 5. (a) The National Inventors Council shall perform the duties required of it by the provisions of this act.

"(b) The Council, subject to the approval of the Secretary of Commerce, may promulgate such rules and regulations, not inconsistent with this act, as may be required for the performance of its duties hereunder.

"(c) There is hereby authorized to be appropriated such funds as are necessary to meet administrative expenses of the Council in performance of its functions under this act, except no appropriations authorized under this subsection shall be used for the payment of any award under this act.

"APPLICATIONS FOR AWARDS AND PROCEEDINGS THEREON

"SEC. 6. (a) Any contributor may file with the Council an application for an award under section 4 of this act, or be recommended for an award by the head of any defense agency. Such application or recommendation may be filed upon information and belief, and shall contain a statement concerning—

"(1) the nature of such contribution;

"(2) the ownership thereof;

"(3) the date and manner of its communication to any defense agency;

"(4) the nature and extent of the compensation received by such contributor from the United States in connection with the contribution;

"(5) the nature and extent of the award for which application or recommendation is made pursuant to this act; and

"(6) such other information as the Council shall prescribe by its rules.

"(b) Each application or recommendation so filed shall be transmitted to the Council which, subject to the provisions of this act, shall determine the questions presented by such application, and shall make a report thereon in which it shall set forth—

"(1) its findings of fact;

"(2) its conclusions and recommendations on the question whether the contributor is entitled to an award under this act; and

"(3) the terms and conditions upon which any such award should be made.

"DETERMINATION OF ELIGIBILITY FOR AWARDS AND QUANTUM THEREOF

"SEC. 7. (a) In any proceeding under this act, the contributor shall bear the burden of establishing the communication of the contribution in question, except that the submission of a contribution to the National Inventors Council and by that Council to a defense agency shall constitute proof of communication.

"(b) In any proceeding under this act if the Council finds that the contributor communicated the contribution and as a result thereof it was used, it may make an award, and recommend payment thereof in a lump sum or in periodic installments.

"(c) In determining the amount of any such award consideration shall be given to—

"(1) the novelty, originality, and utility of the contribution;

"(2) the extent to which such development was made at the expense of the contributor, and the extent to which such development was made at the expense of the United States;

"(3) the extent to which the contributor has benefited, will benefit, or reasonably can be expected to benefit through the commercial exploitation of such contribution;

"(4) the extent to which the contributor has been denied the benefits of commercial exploitation of such contribution in consequence of any secrecy restrictions imposed by the United States; and

"(5) the extent to which the contributor has been compensated for said contribution by the United States.

"(d) If, in any proceeding under this act, it shall appear to the Council that more than one contributor is entitled to compensation with respect to the same contribution, it shall ascertain and determine the interests of each such contributor and shall recommend the division of the award, in such proportions as it shall deem equitable, among all persons whom it shall find to be entitled to share therein.

"(e) A contributor shall not be barred from eligibility for an award on the ground that he has given the Government a license under his invention either with or without receipt of cash consideration or by virtue of the fact that the Government claims and equitable license under his invention.

"(f) It shall not be necessary that the contributor own the inventive contribution or possess any property interest in it in order to be eligible for an award, but the Council may consider as an additional factor, potential claims by others for the same contributions, or similar contributions, in determining the amount of an award, if any.

"PAYMENTS OF AWARDS

"SEC. 8. (a) Any award made pursuant to this act may be paid in a single payment or by such periodic payments as the Council may recommend.

"(b) Awards so made shall be paid from funds appropriated to the defense agency principally interested in the contribution for which such award is made, as determined by the Council, and may be paid from any funds appropriated to such agency which are available for the procurement of equipment or supplies incorporating such contribution or resulting from the practice of such contribution. If such funds are not available to such agency for the payment of the award, the head of the agency shall so certify and shall include in his budget estimate for the next fiscal year an appropriate item for the payment of such award.

"(c) No award shall be paid under this act to any contributor or with respect to any contribution in any amount exceeding $50,000 until such award has been transmitted to and approved by the Congress. The approval of the Congress to any such award shall be deemed to have been granted upon the expiration of the first period of 6 months of continuous session of the Congress following the date on which such award is transmitted to it for approval, but only if prior to the expiration of such period there has not been passed a concurrent resolution disapproving such award or approving such award in a reduced amount or subject to different conditions. If within such period any such resolution is passed authorizing payment of such award in a reduced amount or subject to different conditions, payment of such award may be made in conformity with the terms of such resolution.

"PROCEEDINGS UNDER OTHER STATUTES

"SEC. 9. (a) Nothing contained in this act shall—

"(1) prevent any defense agency from making any payment to any contributor pursuant to any other provision of law; or

"(2) bar any contributor from prosecuting any suit under any other provision of law; or

"(3) prohibit any department or agency of the United States from making any payment to a contributor pursuant to any administrative order of such department or agency.

"(b) An officer or employee of the Government shall not be eligible for consideration for an award pursuant to this act unless he has received the maximum monetary award that may be granted for an invention under the Government Employees' Incentive Awards Act (68 Stat. 1112).

"SEC. 10. Section 10 (r) of the Army Air Corps Act approved June 2, 1926, as amended by act approved March 3, 1927 (10 U. S. C. 310 (r)), is hereby repealed.

"SEC. 11. The provisions of this act shall be prospective only and shall affect inventive contributions communicated after the effective date of this act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed.

The title was amended to read: "A bill to authorize the National Inventors Council to make awards for inventive contributions relating to the national defense."

A motion to reconsider was laid on the table.

RELEASING RESTRICTIONS ON CERTAIN REAL PROPERTY GRANTED TO CHARLESTON, S. C.

The Clerk called the bill (H. R. 2430) to release certain restrictions on certain real property heretofore granted to the city of Charleston, S. C., by the United States of America.

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

AMENDING SECTION 73 (1) OF THE HAWAIIAN ORGANIC ACT

The Clerk called the bill (H. R. 6808) to amend section 73 (1) of the Hawaiian Organic Act.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the portion of the first proviso of section 73 (1) of the Hawaiian Organic Act which reads "That the commissioner shall, with the approval of said board, sell to any citizen of the United States, or to any person who has legally declared his intention to become a citizen, for residence purposes lots and tracts, not exceeding 3 acres in area;" is hereby amended to read as follows: "That the commissioner shall, with the approval of said board, sell to any citizen of the United States, or to any person who has legally declared his intention to become a citizen, for residence purposes lots and tracts, not exceeding 3 acres in area; but any lot not sold after public auction, or sold and forfeited, or any lot or part thereof surrendered with the consent of the commissioner, which is authorized, may be disposed of upon application at no less than the advertised price without further public notice or auction but after a 6 months' period following the auction, only upon reappraisal and at the price of the reappraised value, if it be greater than the original price at the auction.

SEC. 2. This act shall take effect on and after the date of its approval.

With the following committee amendments:

Page 2, line 2, strike the words "and tracts."

Page 2, strike all of lines 5 to 10 inclusive and insert in lieu thereof the following: "consent of the commissioner, which consent is authorized, may upon application be sold without further public notice or auction within the period of 2 years immediately subsequent to the day of the public auction, at the advertised price if the sale is within the period of 6 months immediately subsequent to the day of the public auction, and at the advertised price or the price fixed by a reappraisal of the land, whichever is greater, if the sale is within the period subsequent to the said 6 months but prior to the expiration of the said 2 years."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING THE HATCH ACT

The Clerk called the bill (H. R. 3084) to amend certain provisions of the laws relating to the prevention of political activities to make them inapplicable to State officers and employees.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. ROOSEVELT. Mr. Speaker, reserving the right to object, may I ask the chairman of the committee to explain this bill.

Mr. BEAMER. Mr. Speaker, if the gentleman will yield. This bill would exempt only State employees from the provisions of the Hatch Act.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. ROOSEVELT. I yield.

Mr. McCORMACK. This refers to State employees part of whose salary is paid by the Federal Government.

Mr. BEAMER. That is correct.

Mr. McCORMACK. In fact, we ought to go much further than that.

Mr. BEAMER. I think the majority leader is correct.

Mr. VANIK. Mr. Speaker, I object.

Mr. BEAMER. Mr. Speaker, if the gentleman will reserve his reservation for just a moment——

Mr. VANIK. I reserve my right to object, Mr. Speaker.

Mr. BEAMER. Mr. Speaker, I would like to explain this very nonpartisan bill. We have letters from 47 of the 48 attorneys general and most of the governors in the United States endorsing this bill. Teachers and various other groups are exempted, and this merely extends that particular exemption to certain other State employees.

Mr. VANIK. Mr. Speaker, will the gentleman name some of the employees who would be exempted by this proposed legislation?

Mr. BEAMER. Any State employee; in forestry, agriculture, highways. The teachers are already exempt under the previous act.

Mr. BURLESON. Mr. Speaker, may I ask the gentleman from Indiana [Mr. BEAMER] if it is not also true that the Civil Service Commission and the Department of Justice have endorsed this proposed legislation?

Mr. BEAMER. The report of the committee indicates that the Civil Service Commission unanimously has recommended it, as has the Department of Justice. And, as I have already said, we have had a request for this from practically all of the governors and 47 of the 48 attorneys general.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. VANIK. Mr. Speaker, I object.

AMENDMENTS TO PUBLIC LAWS 815 AND 874, 81ST CONGRESS

The Clerk called the bill (H. R. 7245) to amend Public Laws 815 and 874, 81st Congress, which provide for assistance to local educational agencies in areas affected by Federal activities and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc.—

EXTENSION OF PUBLIC LAW 874

SECTION 1. The first sentence of section 2 (a) of the act of September 30, 1950 (Public Law 874, 81st Cong.), as amended, is amended, by striking out "5 succeeding fiscal years" and inserting "6 succeeding fiscal years." Sections 3 (a), 3 (c), 4 (a), and 8 (d) of such act are amended by striking out "1956" wherever appearing therein and inserting "1957." Section 3 (c) (2) (D) of such act is amended by inserting after "July 1, 1955," the following: "and the succeeding fiscal year,". Section 10 (a) of such act is amended by striking out "or the succeeding fiscal year" in the first sentence and inserting "or either of the 2 succeeding fiscal years," and by striking out the second sentence and inserting the following: "Notice of such an election shall be filed with the Secretary of the Interior and with the Commissioner of Education before January 1 of the calendar year in which the fiscal year in question begins.".

POSTPONEMENT OF 3 PERCENT "ABSORPTION" REQUIREMENT UNDER PUBLIC LAW 874

SEC. 2. The act of August 31, 1954 (Public Law 732, 83d Cong.), is amended by inserting after "June 30, 1955," the following: "and the succeeding fiscal year."

TRANSFER OF TEMPORARY SCHOOL FACILITIES MADE AVAILABLE UNDER PUBLIC LAW 815

SEC. 3. Sections 203 and 309 of the act of September 23, 1950 (Public Law 815, 81st Cong.), as amended, are each amended by inserting at the end thereof the following new sentence: "The Commissioner may transfer to such agency or its successor all the right, title, and interest of the United States in and to any temporary facilities made available to such agency under this section; any such transfer shall be without charge, but may be made on such other terms and conditions, and at such time, as the Commissioner deems appropriate to carry out the purposes of this title." The amendments made by this section shall apply to any facility made available to a local educational agency either before or after the enactment of this act.

DATE FOR DETERMINING "UNHOUSED" CHILDREN

SEC. 4. (a) Section 304 of such act is amended, effective December 1, 1954, by striking out "the number of children who will otherwise be without such facilities shall be determined by reference to those facilities which (A) are built or under contract as of the date set by the Commissioner under section 303 for filing applications for payments from the funds out of which such Federal share is to be paid" and inserting the following: "the number of children who will otherwise be without such facilities shall be determined by reference to those facilities which (A) are built or under contract as of the earliest date set by the Commissioner under section 303, on or before which the application for such project is filed."

(b) Such section is further amended by inserting "(a)" after "SEC. 304." and by adding at the end of section the following new subsection:

"(b) (1) Where a local educational agency filed an application for payments under this title on or before November 24, 1953, and after that date entered into any construction contract which had the effect of diminishing or eliminating payments to such agency on the basis of the application, the Commissioner shall pay to such agency, out of funds appropriated pursuant to this subsection, an amount equal to the difference between the amount, if any, reserved on the basis of the application and the amount which would have been reserved on the basis of the application out of funds appropriated by the Supplemental Appropriation Act, 1954, if such funds had been sufficient to permit payments without establishing priorities under section 303.

"(2) Payments under this subsection shall be made upon request of the local educational agency involved, filed with the Commissioner within 90 days after the date on which funds are appropriated to make such payments. Except as provided in paragraph (3), such payments shall be made in a lump sum, and shall be made upon condition that the funds paid shall be used solely to finance the construction of school facilities for such agency (including the payment of obligations incurred with respect to school facilities constructed before the enactment of this subsection).

"(3) If, as of the date on which funds are appropriated to make payments under this subsection, any agency to which this subsection applies has not provided minimum school facilities (determined by reference to those facilities which, as of such date, are built or under contract, or are included in a project the application for which has been approved under this title) for the estimated number of children who will be in the membership of its schools at the close of the regular school year 1955–1956, its request shall set forth one or more projects for the construction of minimum school facilities for such children, and with respect to such projects shall meet the requirements of section 205 (b) (1). If, and only if, the projects included in its request and approved for payment will provide minimum school facilities for the number of children for whom such facilities have not been provided, as determined under the preceding sentence, the balance, if any, of the amount payable to such agency under this subsection shall be paid to it in accordance with paragraph (2). Upon approval of the request, payments with respect to each project included in the request shall be made under section 307 as if an application for such project had been approved under section 306."

ASSISTANCE UNDER PUBLIC LAW 815 FOR CHILDREN RESIDING ON INDIAN LAND OUTSIDE SCHOOL DISTRICTS

SEC. 5. (a) Paragraph 1 of section 401 (a) of such Act is amended by inserting before the semicolon the following: "or that the total number of such children who reside on Indian lands located outside the school district of such agency equals or exceeds 100."

(b) Such section 401 (a) is further amended by adding at the end thereof the following: "Assistance may be furnished under this subsection without regard to paragraph (2) (but subject to the other provisions of this subsection and subsection (c)) to any local educational agency which provides free public education for children who reside on Indian lands located outside its school district. For purposes of this subsection 'Indian lands' means Indian reservations or other real property referred to in the third sentence of section 210 (1).".

(c) Section 401 (b) of such act is amended (1) by striking out "the succeeding fiscal year" and inserting in lieu thereof "the 2 succeeding fiscal years", and (2) by striking out "June 30, 1955" and inserting in lieu thereof "June 30, 1956".

PAYMENTS UNDER PUBLIC LAW 815 TO DISTRICTS UNABLE TO FINANCE NONFEDERAL SHARE OF PROJECTS

SEC. 7. Section 308 of such act is amended by inserting "(a)" after "SEC. 308." and by adding at the end of the section the following new subsection:

"(b) Where a local educational agency filed an application for payments under this section before June 30, 1954, and such agency met all the requirements established for approval of such application except the 20 percent requirement as to children countable for payments under this title (45 C. F. R., 1954 Supp., 107.8 (b) (2)), and the number of children countable for the purposes of such requirement was equal to 10 percent or more of the average daily membership of such agency for the school year 1953–54, the Commissioner shall pay to such agency, out of funds appropriated pursuant to this subsection, an amount equal to the amount which would have been reserved on the basis of such application if such requirement had been met. Payments under this subsection shall be made upon application by the local educational agency involved, filed with the Commissioner on or before November 1, 1955, which shall set forth one or more projects for the construction of minimum school facilities for such agency, and shall meet the requirements of section 205 (b) (1) with respect to such projects. Upon approval of an application under this subsection, payments with respect to each project included in the application shall be made under section 307 as if an application for such project had been approved under section 306."

With the following committee amendments:

Page 2, after line 10, insert the following new section:

"PAYMENTS UNDER PUBLIC LAW 874 FOR CURRENT INCREASES IN FEDERALLY CONNECTED CHILDREN

"SEC. 2. Section 4 (a) (1) of such act is amended by striking out 'at least 5 percent of the number of all children in average daily attendance at the schools of such agency during the preceding fiscal year' and inserting 'at least 5 percent of the difference between the number of children in

average daily attendance at the schools of such agency during the preceding fiscal year and the number of such children whose attendance during such year resulted from activities of the United States (including children who resided on Federal property or with a parent employed on Federal property)'." And renumber the succeeding sections accordingly.

Page 3, line 9, strike "children who will otherwise be without such facilities" and insert "such children who will otherwise be without such facilities at such time."

Page 3, line 15, strike "children who will otherwise be without such facilities" and insert "such children who will otherwise be without such facilities at such time."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONVEYANCE OF CERTAIN LAND TO SIOUX FALLS, S. DAK.

The Clerk called the bill (S. 2277) authorizing the Administrator of General Services to convey certain land to the city of Sioux Falls, S. Dak., for park and recreational purposes, for an amount equal to the cost to the United States of acquiring such lands from the city.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of General Services is authorized and directed to convey by quitclaim deed to the city of Sioux Falls, S. Dak., all right, title, and interest, except mineral rights (including oil and gas), of the United States in and to the following-described land located in Minnehaha County, S. Dak., consisting of approximately 20 acres: The east half of the southeast quarter of the southeast quarter of section 19 in township 101, range 49 west, fifth principal meridian. As consideration for such conveyance the city of Sioux Falls, S. Dak., shall pay an amount, determined by the Administrator of General Services, equal to the cost to the United States of acquiring such land from the city of Sioux Falls, S. Dak.

SEC. 2. The conveyance authorized by this act shall contain the express provisions that the land conveyed shall be used for park and recreational purposes in a manner which, in the judgment of the Administrator of Veterans' Affairs or his designate, will not interfere with the care and treatment of patients in the Veterans' Administration hospital, Sioux Falls, S. Dak., and that, in the event the land conveyed ceases to be so used, all right, title, and interest therein shall immediately revert to and revest in the United States. In the event of a reversion of such land to the United States, the fair market rental value of such land for the period it is held by the city of Sioux Falls, S. Dak., shall be deducted from the purchase price paid by such city and the balance, if any, shall be repaid to such city.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONVEYANCE OF CERTAIN LAND TO BOARD OF COUNTY COMMISSIONERS OF LEE COUNTY, FLA.

The Clerk called the bill (H. R. 7156) to provide for the conveyance of certain land of the United States to the Board of County Commissioners of Lee County, Fla.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of General Services is authorized and directed to convey to the Board of County Commissioners of Lee County, Fla., all of the right, title, and interest of the United States in and to a tract of land in Government lot No. 2, in section 9, township 46 south, range 23 east, in Lee County, Fla., more particularly described as follows:

Being a strip of land 350 feet in width, lying at the extreme northward part of the aforesaid Government lot No. 2 and extending eastwardly and westwardly between parallel lines entirely across said Government lot No. 2, from the waters of Caloosahatchee River on the westward side of said Government lot No. 2 to an unnamed bay on the eastward side thereof. The northward boundary line of said strip of land is also the northward boundary of the aforesaid Government lot No. 2.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONVEYANCE OF CERTAIN LAND TO CITY OF MILWAUKEE, WIS.

The Clerk called the bill (H. R. 6857) to authorize the Administrator of the General Services Administration to convey certain land to the city of Milwaukee, Wis.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BYRNES of Wisconsin. Reserving the right to object, Mr. Speaker, it is my understanding that this is conveyed without consideration, but the situation is such that on this property there are some tumble-down building belonging to the Government which have to be removed. The cost to the Government of removing them would be such that it is to the Government's advantage to convey to the city of Milwaukee and have the city bear that expenditure. That is the reason there is no objection made to the fact there is no compensation being paid.

Mr. McCORMACK. Reserving the right to object, Mr. Speaker, the gentleman from Michigan [Mr. HOFFMAN], I understand, intends to offer an amendment. Will the gentleman advise us what the amendment is?

Mr. HOFFMAN of Michigan. Yes. Will the Clerk read it?

The SPEAKER. The Clerk will report the amendment for information.

The Clerk read as follows:

Amendment offered by Mr. HOFFMAN of Michigan: Strike out the period in line 2, page 2, and insert a colon and the following: *"Provided further,* That such conveyance heretofore referred to shall not be executed and delivered until the city of Milwaukee, through its proper legislative authority, declare that it will provide opportunity for water transportation from other ports in the United States and from foreign countries to enter, to discharge cargo, and take on cargo and depart from the harbor at Milwaukee."

The SPEAKER. That is the amendment the gentleman intends to offer if consent is granted to consider the bill.

Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of the General Services Administration is authorized and directed to convey by quitclaim deed a parcel of land containing approximately forty one-hundredths acre, which has been declared surplus by the United States Coast Guard, to the city of Milwaukee, a municipal subdivision of the State of Wisconsin: *Provided,* That the city of Milwaukee remove and dispose of the buildings located on the said parcel of land without cost to the United States Government.

SEC. 2. The legal description of the land to be conveyed under this act is as follows:

(1) Beginning at United States Government monument number 307 on the north pier of the harbor entrance; running thence easterly along the extension of a line passing through United States Government monuments 305 and 307 on said north pier 12.00 feet to a point; thence north 2 degrees 43 minutes 21 seconds west 115.00 feet to a point; thence south 87 degrees 16 minutes 39 seconds west 110.00 feet to a point; thence south 2 degrees 43 minutes 21 seconds east 115.00 feet to a point on the line passing through the United States Government monuments numbers 305 and 307; thence north 87 degrees 16 minutes 39 seconds east along said line between monuments 98.00 feet, to the point of beginning, being a parcel of land in the north half fractional section 33, township 7 north, range 22 east, in the third ward of the city of Milwaukee, and containing about 0.29 of an acre; and

(2) Beginning at a point on the line passing through the United States Government monuments numbers 305 and 307 and distant 98.00 feet westerly from United States Government monument numbered 307; thence north 2 degrees 43 minutes 21 seconds west 32.70 feet to a point; thence south 87 degrees 16 minutes 39 seconds west 150.02 feet to a point; thence south 00 degrees 45 minutes 1 second east 32.72 feet to a point on the line passing through the United States Government monuments numbers 305 and 307; thence easterly along said line 151.11 feet to the point of beginning, being a parcel of land in the north half fractional section 33, township 7 north, range 22 east, in the third ward of the city of Milwaukee, and containing about 0.11 of an acre.

Mr. HOFFMAN of Michigan. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HOFFMAN of Michigan: Strike out the period in line 2, page 2, and insert a colon and the following: *"Provided further,* That such conveyance heretofore referred to shall not be executed and delivered until the city of Milwaukee, through its proper legislative authority, declare that it will provide opportunity for water transportation from other ports in the United States and from foreign countries to enter, to discharge cargo, and take on cargo and depart from the harbor at Milwaukee."

The SPEAKER. The gentleman from Michigan is recognized for 5 minutes in support of his amendment.

Mr. REUSS. Mr. Speaker, I make the point of order that the amendment is not germane.

Mr. HOFFMAN of Michigan. It certainly is.

Mr. GROSS. Mr. Speaker, I make the point of order that the gentleman from Michigan was recognized before the point of order was raised.

The SPEAKER. The gentleman had not begun his remarks.

Will the gentleman from Wisconsin withhold his point of order so the gentleman from Michigan may explain the amendment?

Mr. REUSS. Yes, Mr. Speaker.

Mr. HOFFMAN of Michigan. Explain the amendment or the point of order? Am I recognized on the point of order?

The SPEAKER. The gentleman from Wisconsin has reserved the point of order. The Chair imagines the House would like the gentleman to explain his amendment.

Mr. HOFFMAN of Michigan. Mr. Speaker, the amendment is very simple. It is offered in support of our present foreign policy as well as to protect civil rights.

As you may know, I have not been so enthusiastically in support of our foreign policy as advocated by our former Secretary of State, our present Secretary of State, as some others.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. That includes the present administration, I assume?

Mr. HOFFMAN of Michigan. Insofar as the present administration and the Secretary of State follow Dean Acheson in giving away certain of our liberties, surrendering our national independence, if it should be the policy, my answer would be "Yes."

Now if I may get back to the explanation which the Speaker so kindly thought I should make to the Members. Inasmuch as we have spent billions upon billions of dollars in trying to win the friendship of other nations and other places, it seems to me that recent activities in connection with the port of Milwaukee should have some publicity, and that the port of Milwaukee should be open, not closed to our friends and allies abroad as well as to our own people from other States.

On April 14, 1954, the Kohler Co., near Sheboygan was struck by the UAW-CIO. That is Walter Reuther's outfit—the same Reuther who with tongue in check, not so long ago announced that he was a friend of the farmer. His principal lieutenant, the secretary-treasurer of that organization, Emil Mazey, who has been a professional organizer since 1933, has been over in Sheboygan directing the activities of the strikers under the supervision of Mr. Reuther. There have been some 500 instances of violation of the law. Mazey, as far as I know, although he has been involved in many and many a scene of violence and rioting, was convicted over there for the first time, something new, something amazing, something startling in labor circles—for seldom are the "brains" prosecuted or convicted. Usually it is just the poor misinformed, misguided picket—or innocent bystander who is nabbed and hauled off to jail. Then what happened? The plant continued operations and at a profit—and with local workers—and in spite of the failure of a mayor and a governor to protect the civil rights of the people of the city and State the pickets did not close the plant because they were not able to.

Then, just recently, 2 ships from abroad came over the Atlantic from our friends in Norway loaded with clay, which is absolutely necessary if the factory is to continue operations. They came over and 1 of them attempted to dock in Sheboygan, which is the lake port for the plant. It could not discharge the cargo because of the picket line and because the Socialist mayor would not give the people, who wanted to unload the ship, protection. Nor would the governor protect his own people while unloading. So that ship sailed away and it went to Milwaukee to the harbor where this land, which is owned by the United States, is located, and which is proposed to be given to the city of Milwaukee. What I am trying to do by this amendment is to make sure that the United States Government by making this gift to the city of Milwaukee, and putting this United States property under the control of the city of Milwaukee, must not by implication, lend support to this affront to Norway. Where is the State Department? What has it done to remedy this insult, this affront to Norway?

After the ship could not unload in Milwaukee, it went to Montreal. There it was unloaded. Then the cargo was put on freight cars and the railroad company attempted to send the clay down through the western side of Michigan via the Northwestern Railway. That is where I became interested. The union in Muskegon, still under the direction of Walter Reuther, a great patriot—or is he?—attempted to prevent those cars going through Muskegon on the railroad, the Pennsylvania system, on down thorugh the Fourth Congressional District. Well, they did not succeed. They finally moved the cars over to Sheboygan. I hope the gentleman from Texas, sitting in the front row here [Mr. PATMAN]—I hope you are getting this now—because while this has nothing to do with the Federal Reserve System, it does have something to do with our interstate and foreign commerce and the Federal Reserve will not be any good unless we can continue to carry on this intra and interstate commerce not only in this country between the States but with foreign governments. The cars got over again to Sheboygan and again the mayor failed to protect the railroad company in its effort to make delivery.

But more about Reuther, his lawlessness, and the harm he does the country, next week.

The SPEAKER. The time of the gentleman has expired.

Mr. HOFFMAN of Michigan. Mr. Speaker, I have a motion to strike out the enacting clause. I thought I had the time to explain my amendment.

The SPEAKER. The gentleman was recognized for 5 minutes in support of his amendment.

Mr. HOFFMAN of Michigan. I know, but I did not know there was that limitation of time.

The SPEAKER. Under the rules of the House, 5 minutes is the regular time.

Mr. HOFFMAN of Michigan. Well, Mr. Speaker, I will not trespass on the time of the House.

The SPEAKER. The Chair recognizes the gentleman from Wisconsin [Mr. REUSS].

Mr. REUSS. Mr. Speaker, I renew the point of order on the ground that the amendment is not germane.

The SPEAKER. The amendment does apply to a different subject matter altogether and, therefore, the point of order is sustained.

Mr. HOFFMAN of Michigan. Then, Mr. Speaker, I object to the bill.

The SPEAKER. The gentleman's objection comes too late.

Mr. HOFFMAN of Michigan. How is that, Mr. Speaker?

The SPEAKER. Because unanimous consent has already been obtained for the present consideration of the bill.

Mr. HOFFMAN of Michigan. Then I will move to strike out the enacting clause.

The SPEAKER. The gentleman from Michigan may offer such a motion.

Mr. HOFFMAN of Michigan. Mr. Speaker, I offer a preferential motion.

The Clerk read as follows:

Mr. HOFFMAN of Michigan moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken out.

Mr. HOFFMAN of Michigan. Mr. Speaker, I assure you that if I had known a point of order would be made, I would have objected to consideration of the bill. The bill provides that the United States convey a small piece of land which is adjacent to the harbor in Milwaukee. The amendment provides that title shall not pass until city authorities open the harbor to domestic and foreign commerce. An amendment is germane when it is akin to or relevant to the subject matter of the bill—Speaker Carlisle, March 17, 1880, Cannon's Procedure, pages 196–201. With as much reason might it be said that an amendment that the city should not take title until it paid the purchase price was not germane. But I will try to get my point across. When the cars to which reference has been made got back in Sheboygan, the pickets went out on the city streets where the rails crossed the street and stopped the cars from going to the plant. Mind you, this was the cargo that came from Norway—think of it, from our friends, our international friends, our allies, if you please. A fine way to create and hold good will, friendship. Milwaukee would not let a ship from our friends discharge cargo of dirt-clay here in an American port. A fine way to promote foreign trade. Perhaps if the clay had been unloaded a cargo of dairy products might have been sold by Wisconsin farmers—or a shipload of Milwaukee beer. Now if they sent those ships over to Grand Rapids where my colleague from the Fifth District [Mr. FORD] lives, or to the port of Holland, or Ottawa, or over in my district, they would get it unloaded because over there we enforce the law, and if they sent it down to St. Joe or Benton Harbor, they would get it unloaded. When someone said to me: "Well, the factory is not there," my reply was, "They can move their factory, and we will give them protection from these

goon squads whether it is Walter Reuther, Mazey, or some Communist who directs the goon activities under the advice to the international officers."

Just recently due to the publicity which was given to this situation by the Chicago Tribune and the Milwaukee Journal, just recently, the Governor, whose name happens to be Kohler, but who has no financial interest in the Kohler firm, just recently he has said that if necessary he will call out the State troops to protect citizens and their property.

Now, it is a strange situation, is it not, when we have to call out State troops to promote international good will? But think, now, think of the situation where we not only with our billions of dollars but the services of our soldiers are trying to show to the other people of the world, trying to demonstrate to them our freedom and convince them we want them to be free; yet in Wisconsin they cannot unload their own cargoes, that our citizens are not free to handle the merchandise they send across the sea. What kind of capital do you suppose the Russians and the Communists will make out of that situation? Cite that situation as the lack of freedom here? Russia seeks foreign trade—we reject it—at the order of a union boss.

Mr. LAIRD. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield.

Mr. LAIRD. The trouble we are having in Wisconsin has been stimulated from your State.

Mr. HOFFMAN of Michigan. The gentleman is right about that, Walter Reuther and Emil Mazey and our Governor, Mennen Williams, a Democratic Governor, who has refused the extradition of one of those goons, stands back of the Wisconsin goon squads.

Mr. LAIRD. Our Governor has shown very strong leadership in the past 2 weeks.

Mr. HOFFMAN of Michigan. Just lately he has seen the handwriting on the wall; but our Democrat Governor, Mennen Williams, will not honor the request for the extradition of one of those goons whom he is harboring in Michigan, the city of refuge, not in the Fourth District, but over on the east side, which is the city of refuge for goon squads and racketeers.

Mr. HINSHAW. The gentleman spoke of the other world a moment ago. Is he speaking of one of these satellites 250 miles out of our orbit?

Mr. HOFFMAN of Michigan. That is a new way to spend money. I had not heard of that until yesterday. But if we follow our present trend the goons, the racketeers, the extortionists of labor will control whatever situation may arise.

The SPEAKER. The question is on the motion offered by the gentleman from Michigan to strike out the enacting clause.

The motion was rejected.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

1956 RICE ACREAGE ALLOTMENTS

The Clerk called the bill (H. R. 7367) to amend the Agricultural Adjustment Act of 1938, as amended.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. THOMPSON of Texas. Mr. Speaker, I ask unanimous consent that the amended Senate bill (S. 2511) to amend the Agricultural Adjustment Act of 1938 as amended, be substituted for the House bill.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That section 352 of the Agricultural Adjustment Act of 1938, as amended, is amended by striking out the period at the end of the first sentence thereof and inserting ": *Provided, however*, That for 1956 no national acreage allotment shall be established which is less than 85 percent of the final allotment established for the immediately preceding year."

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider and a similar House bill (H. R. 7367) were laid on the table.

INSPECTION OF AGRICULTURAL COMMODITIES—PENALTY

The Clerk called the bill (S. 1757) to amend the act known as the Agricultural Marketing Act of 1946, approved August 14, 1946.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subsection (h) of section 203 of the Agricultural Marketing Act of 1946 (7 U. S. C. 1622 (h)) is hereby amended by adding at the end thereof the following new sentence: "Whoever shall violate any provision of any regulation promulgated by the Secretary of Agriculture to govern the possession or use of certificates, memoranda, marks, or other identifications with respect to inspection, class, grade, quality, size, quantity, or condition, or devices for making such marks or identifications, issued, or authorized under this act, or falsely make, issue, alter, forge, or counterfeit any such certificate, memorandum, mark, identification, or device, or knowingly cause or procure, or aid, assist in, or be a party to, such violation, false making, issuing, altering, forging, or counterfeiting, or whoever knowingly shall possess without promptly notifying the Secretary of Agriculture or his representative, utter, publish, or use as true or cause to be uttered, published, or used as true any such false, altered, forged, or counterfeited certificate, memorandum, mark, identification, or device, or in any manner make any false or deceptive representation in connection with any United States standard or inspection, grading, or certification service issued or authorized under this act shall be fined not more than $1,000 or imprisoned not more than 1 year, or both.

SEC. 2. The farm produce inspection clause contained in various appropriation acts (7 U. S. C. 414) and the second, third, and fourth sentences of section 1 of the Produce Agency Act of March 3, 1927 (7 U. S. C. 492) are hereby repealed.

With the following committee amendment:

Beginning on page 1, line 6, after the colon, strike out the remainder of section 1 and insert the following: "Whoever knowingly shall falsely make, issue, alter, forge, or counterfeit any official certificate, memorandum, mark, or other identification, or device for making such mark or identification, with respect to inspection, class, grade, quality, size, quantity, or condition, issued or authorized under this section, or knowingly cause or procure, or aid, assist in, or be a party to, such false making, issuing, altering, forging, or counterfeiting, or whoever knowingly shall possess without promptly notifying the Secretary of Agriculture or his representative, utter, publish, or use as true, or cause to be uttered, published, or used as true, any such falsely made, altered, forged, or counterfeited official certificate, memorandum, mark, identification, or device, or whoever knowingly represents that an agricultural product has been officially inspected or graded (by an authorized inspector or grader) under the authority of this section when such commodity has in in fact not been so graded or inspected shall be fined not more than $1,000 or imprisoned not more than 1 year, or both."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONVEYANCE TO LAKE COUNTY, CALIF., OF LOWER LAKE RANCHERIA

The Clerk called the bill (H. R. 585) to authorize the conveyance to Lake County, Calif., of the Lower Lake Rancheria.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized to sell to the county of Lake, Calif., for the purpose of establishing an airport, all right, title, and interest of the United States in and to real property described as south half northeast quarter, and lot 2, section 34, township 13 north, range 7 west, Mount Diablo meridian, containing 140.46 acres, known as the Lower Lake Rancheria, except for a 41-acre tract described in section 2. The deed shall be made from the Secretary of the Interior to the Lake County Board of Supervisors, and the purchase price shall be the fair market value of such property at the time of sale as determined by the Secretary of the Interior. The purchase price shall be placed in a special account in the Treasury known as the California Indians 4 percent judgment fund.

SEC. 2. The Secretary of the Interior is authorized and directed to issue a patent in fee or an unrestricted deed of conveyance to Harry Johnson for the following-described land, to wit: Beginning at a point on the east line of lot 2, of section 34, township 13 north, range 7 west, Mount Diablo base and meridian, that is north 48 degrees 21 minutes 45.5 seconds west, 2,561.46 feet from the southeast corner of section 34, said township and range; and from said point of beginning running thence north 48 degrees 17 minutes 30 seconds west, 1,714.81 feet to a point on

the west line of lot 2, of said section 34, that is north 48 degrees 19 minutes 42.2 seconds west, 5,141.47 feet from the southeast corner of said section 34; thence south, along the west line of lot 2 of said section 34 to the meander line of Clear Lake; thence southeasterly, along said meander line of Clear Lake, to the east line of lot 2, said section 34; and thence north, along the east line of lot 2, said section 34, to the point of beginning, containing 41 acres more or less.

With the following committee amendments:

Page 2, line 4, strike out the sentence: "The purchase price shall be placed in a special account in the Treasury known as the California Indians 4 percent judgment fund" and insert in lieu thereof the sentence: "The proceeds of the sale shall be deposited in the Treasury of the United States to the credit of the Indians of California in their 4 percent judgment fund established under section 6 of the act of May 18, 1928 (ch. 623, 45 Stat. 601, 603)."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title of the bill was amended to read:

A bill to authorize the conveyance to Lake County, Calif., of the Lower Lake Rancheria, and for other purposes.

A motion to reconsider was laid on the table.

CONVEYANCE TO STATE OF NORTH DAKOTA SITE OF ORIGINAL SITTING BULL BURIAL

The Clerk called the bill (H. R. 7284) to provide for the conveyance to the State of North Dakota for use as a State historic site of the land where Chief Sitting Bull was originally buried.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. Speaker, I ask unanimous consent that the bill (S. 535) to provide for the conveyance to the State of North Dakota, for use as a State historic site, of the land where Chief Sitting Bull was originally buried, may be sustituted in lieu of the House bill.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to convey to the State of North Dakota for use as a State historic site all right, title, and interest, except as provided in section 2, of the United States and the Standing Rock Sioux Tribe of Indians to that parcel of land within the Standing Rock Reservation, N. Dak., which is the site where Chief Sitting Bull was originally buried and is more particularly described as follows: The southeast quarter of the southeast quarter of the southwest quarter of the southeast quarter, and the southwest quarter of the southwest quarter of the southeast quarter of the southeast quarter of section 12, township 130 north, range 80 west, fifth principal meridian, consisting of 5 acres more or less.

SEC. 2. The conveyance authorized by this act shall—

(a) exclude conveyance of any rights to oil, gas, or other mineral deposits in the land conveyed, but the development of any such mineral deposits, which would in any manner interfere with the use of such land as a State historic site, shall not be permitted so long as such land is so used; and

(b) be subject to the condition that in the event the land conveyed should cease to be used as a State historic site title to such land shall revert to the United States to be held in the same manner it was held prior to such conveyance.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider and a similar House bill (H. R. 7284) were laid on the table.

TRANSFER OF TITLE TO CERTAIN LAND TO THE PUEBLO OF SAN LORENZO, NEW MEXICO

The Clerk called the bill (H. R. 6625) to provide for the transfer of title to certain land and the improvements thereon to the Pueblo of San Lorenzo (Pueblo of Picuris), in New Mexico, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to transfer by deed to the Pueblo of San Lorenzo (Pueblo of Picuris), in New Mexico, title to certain tracts of land, together with the improvements thereon, situate, lying, and being within the Pueblo of Picuris Grant heretofore confirmed to the said Pueblo of Picuris by the act of December 22, 1858 (11 Stat. 374), and situate in section 30, township 23 north, range 12 east, New Mexico principal meridian, within the county of Taos and State of New Mexico, and more particularly described as follows:

PARCEL NUMBERED 1

Beginning at the northwest corner of parcel numbered 4, hereinbelow described, which point is located north 23 degrees 30 minutes east, 119.8 feet from a United States Land Office stake marked No. 8, and north 51 degrees 7 minutes east, 1,733.7 feet from the west quarter corner of section 30, township 23 north, range 12 east, New Mexico principal meridian; thence north 22 degrees 00 minutes east 32 feet to a stake; thence south 75 degrees 00 minutes east 186 feet to a stake; thence south 65 degrees 00 minutes east 42 feet; thence south 29 degrees 00 minutes west 44 feet; thence north 67 degrees 00 minutes west 218 feet to the point of beginning, containing 0.19 acre more or less.

PARCEL NUMBERED 2

Beginning at a point in the north line of parcel numbered 1 which also marks the southeast corner of parcel numbered 3 and is located north 55 degrees 15 minutes east, 1,876.5 feet from the west quarter corner of section 30, township 23 north, range 12 east, New Mexico principal meridian; thence north 24 degrees 00 minutes east 62 feet to a stake; thence north 77 degrees 00 minutes east 63 feet to a stake; thence south 29 degrees 00 minutes west 99.5 feet; thence north 65 degrees 00 minutes west 42 feet to the point of beginning, containing 0.08 acre more or less.

PARCEL NUMBERED 3

Beginning at the northwest corner of parcel numbered 1 which point is located north 22 degrees 00 minutes east 32 feet from the northwest corner of parcel numbered 4 and north 50 degrees 38 minutes east 1,762.1 feet from the west quarter corner of section 30, township 23 north, range 12 east, New Mexico principal meridian; thence north 22 degrees 00 minutes east 157.8 feet; thence south 78 degrees 00 minutes east 255.5 feet; thence south 20 degrees 30 minutes west 91.8 feet; thence south 77 degrees 00 minutes west 63 feet to a stake; thence south 24 degrees 00 minutes west 62 feet to a stake; thence north 75 degrees 00 minutes west 186 feet to the point of beginning, containing 0.87 acre more or less.

PARCEL NUMBERED 4

Beginning at the southwest corner whence the northwest corner of section 30, township 23 north, range 12 east, New Mexico principal meridian, bears north 40 degrees 11 minutes west 2,012 feet; thence south 69 degrees 45 minutes east 228 feet to corner No. 2, which is the southeast corner; thence north 23 degrees 32 minutes east 120 feet to corner No. 3, which is the northeast corner; thence south 69 degrees 45 minutes west 228 feet to corner No. 4; thence south 23 degrees 32 minutes west 120 feet to corner No. 1, the place of beginning, containing 0.63 acre.

SEC. 2. Such deed shall vest in the said pueblo a title of the same nature and character as that which the said pueblo had before the United States acquired title to the premises and said land shall thereafter be subject to all the laws of the United States applicable to the lands of the said pueblo.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING SECRETARY OF THE INTERIOR TO EXECUTE A CERTAIN CONTRACT WITH THE TOSTON IRRIGATION DISTRICT (MONTANA)

The Clerk called House Joint Resolution 353 to authorize the Secretary of the Interior to execute a certain contract with the Toston Irrigation District, Montana.

The SPEAKER. Is there objection to the present consideration of the joint resolution?

There was no objection.

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that Senate Joint Resolution 82 be substituted in lieu of House Joint Resolution 353.

The Clerk read the title of the Senate joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There being no objection, the Clerk read the Senate joint resolution, as follows:

Whereas there have been constructed certain irrigation distribution and pumping works for the Crow Creek pumping unit, Montana, as a part of the Missouri River Basin project (58 Stat. 887, 891); and

Whereas said works were constructed, pursuant to special provisions contained in the Interior Department Appropriation Acts, 1949 and 1950, to furnish new lands with irrigation water in substitution for irrigated lands in Broadwater County, Mont., inundated by the operation of the Canyon Ferry Reservoir at a maximum normal pool elevation above 3,766 feet; and

Whereas the Toston Irrigation District has been organized under the laws of the State of Montana for the purpose of entering into contractual arrangements with the United States; and

Whereas the said district will probably be unable for some time to pay to the United States more than the cost of operating and maintaining said works, exclusive of charges for electrical pumping energy; and

Whereas the Congress expects said district to make every reasonable effort to expand its boundaries and otherwise to put itself in such financial shape that, upon the expiration of not more than 10 years, it can assume its proper obligations under the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof or supplementary thereto): Now, therefore, be it

Resolved, etc., That the Secretary of the Interior is authorized to execute a contract with Toston Irrigation District which provides, among other things, that—

(a) the district will pay to the United States each year the full cost to the Government of operating and maintaining the works of the Crow Creek pumping unit during that year, exclusive of the cost of electrical pumping energy, said payment to be made, as far as the cost can be forecast by the Secretary or his duly authorized delegate, in advance and in not more than two installments;

(b) the United States will deliver to the district, as far as conditions permit, water in sufficient quantity to furnish two acre-feet per irrigated acre, measured at the farm turnouts, for use on the irrigable lands of the district;

(c) the district will, in addition to the amounts specified under (a) above, pay to the United States such sums as may be required to cover the cost, including the cost of electrical pumping energy, of furnishing more than two acre-feet per irrigated acre as hereinbefore provided;

(d) the district acknowledges and will cause each landowner to whom water is delivered to acknowledge that the contract confers upon it and them no right to the continued operation and maintenance of said works beyond the period during which it is in force unless, prior to the expiration thereof, the district shall have entered into a long-term contract conforming to the provisions of the Federal reclamation laws and that no permanent right to the use of water arises, attaches to their lands, or is claimed to arise or attach to their lands by virtue of the delivery of water through said works or the application to their lands of such water;

(e) the district will comply fully with all provisions of the Federal reclamation laws which are not inconsistent with this act and the contract executed pursuant to the authority contained herein; and

(f) the contract shall, subject to the district's compliance with all of its terms and conditions, continue in force until December 31, 1955, and shall be renewed automatically for each of the nine succeeding calendar years unless either of the parties shall, on or before November 1 of any year, serve written notice of its intention that the contract shall not be renewed.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House resolution (H. J. Res. 353) was laid on the table.

ENTRY AND LOCATION, ON DISCOVERY OF A VALUABLE SOURCE MATERIAL, UPON PUBLIC LANDS OF THE UNITED STATES

The Clerk called the bill (H. R. 6994) to provide for entry and location, on discovery of a valuable source material, upon public lands of the United States classified as or known to be valuable for coal, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. HINSHAW. Mr. Speaker, reserving the right to object, did I hear the term "valuable source material" used?

The SPEAKER. The Chair has not read all of this bill.

Mr. HINSHAW. Has this to do with uranium?

Mr. MILLER of Nebraska. Yes; it does.

Mr. HINSHAW. Should it not be referred to the Joint Committee on Atomic Energy?

Mr. MILLER of Nebraska. Mr. Speaker, it has to do with uranium. The bill was passed last year with an amendment. It has no place with the Atomic Energy Committee.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, subject to the conditions and provisions of this act and to any valid intervening rights acquired under the laws of the United States, public lands of the United States classified as or known to be valuable for coal subject to disposition under the mineral leasing laws and which are open to location and entry subject to the conditions and provisions of the act of August 13, 1954 (68 Stat. 708), unless embraced within a coal prospecting permit or lease, shall also be open to location and entry under the mining laws of the United States upon the discovery of a valuable source material occurring within any seam, bed, or deposit of lignite in such lands: *Provided*, That a copy of the notice of any mining location made for source material occurring in any such bed, seam, or deposit shall be filed for record in the land office of the Bureau of Land Management for the State in which the claim is situated within 90 days after the date of its location: *Provided further*, That the claimant to any such mining location shall report annually to the Mining Supervisor of the Geological Survey the amount of lignite mined or stripped in the recovery of such valuable source material during each calendar year and tender payment to him of 10 cents per ton thereon. Any mineral patents issued hereunder shall be made subject to the recording and payment requirements of this section and shall contain a reservation to the United States of all Leasing Act minerals owned by the United States other than lignite containing valuable source material and lignite necessary to be stripped or mined in the recovery of such material. Mining claims located and mineral patents issued under the provisions of this act shall not include rights to lignite not containing valuable source material except to the extent it may be necessary to mine or strip such lignite in order to mine the source material and, with respect to lode claims, shall not include extralateral rights. For all purposes of this act "source material" and "lignite" shall have the meanings given in section 5 of this act.

SEC. 2. Any mining claim located in a manner prescribed by the mining laws of the United States upon lands of the character described in section 1 of this act, prior to May 25, 1955, if based upon a discovery of valuable source material contained in lignite shall be effective to the same extent as if such lands at the time of location, and at all times thereafter, had not been classified as or known to be valuable for coal subject to disposition under the mineral leasing laws, subject, however, to the provisions of section 1 hereof: *Provided*, That no extralateral rights shall attach to any mining location validated under this section: *And provided further*, That the locator or locators of such a mining claim shall, not later than 180 days from and after the date of this act, post on the claim and file for record in the office where the notice or certificate of location is of record, an amended notice of the mining location stating that such amended notice is filed pursuant to the provisions of this act and for the purpose of obtaining the benefits thereof; and that a copy of said amended notice is, within the said 180-day period, filed in the land office of the Bureau of Land Management for the State in which the mining location is situated, and the mining locator thereafter complies with the requirements of this act.

SEC. 3. Any mining location under the mining laws of the United States, on lands of the character described in section 1 of this act, except locations made for lands within the exterior boundaries of a prior coal prospecting permit or lease, if based upon a discovery of valuable source material in deposits other than deposits of Leasing Act minerals, shall include the right to mine, remove, and dispose of lignite containing source material and lignite necessary to be stripped or mined in the recovery of such material, subject to the reporting and payment requirements of section 1 of this act, and subject to the provisions of the Atomic Energy Act of 1954, and upon filing in the land office designated in section 1 hereof, an adequate description of his claim or claims containing such lignite.

SEC. 4. The entryman or owner of any land or the assignee of rights therein, including lands granted to States, with respect to which coal deposits have been reserved to the United States pursuant to the provisions of the act of March 3, 1909 (35 Stat. 844), or the act of June 22, 1910 (36 Stat. 583), excepting lands embraced within a coal prospecting permit or lease, who discovers valuable source material in lignite situated within such entered, granted, or patented lands, and who, except for the reservation of coal to the United States would have the right to mine and remove such source material, shall have the exclusive right to mine, remove, and dispose of the lignite containing such source material and lignite necessary to be stripped or mined in the recovery of such material, subject to the reporting and payment requirements of section 1 of this act, and subject to the provisions of the Atomic Energy Act of 1954, upon filing in the land office designated in section 1 hereof, an adequate description sufficient to identify the land containing such lignite.

SEC. 5. The holders of coal leases issued under the provision of the mineral leasing laws, prior to the date of this act, or thereafter if based upon a prospecting permit issued prior to that date, who shall discover during the term of such lease, valuable source material in any coal bed, or deposit situated within the leased lands, shall have the exclusive right to locate such source material under the provisions of this act but the mining of such source material shall be subject to the operating provisions of the lease.

SEC. 6. As used in this act "mineral leasing laws" shall mean the act of October 20, 1914 (38 Stat. 741); the act of February 25, 1920 (41 Stat. 437); the act of April 17, 1926 (44 Stat. 301); the act of February 7, 1927 (44 Stat. 1057); and all acts heretofore or hereafter enacted which are amendatory of or supplementary to any of the foregoing acts; "Leasing Act minerals" shall mean all minerals which, upon the effective date of this act, are provided in the mineral leasing laws to be disposed of thereunder; "lignite" shall mean coal classified at ASTM designation: D 388–38, according to the standards established in the American Society for Testing Materials on Coal and Coke under standard specifications for Classification of Coals by Rank, contained in public land deposits considered as valuable under the coal land classification standards established by the Secre-

tary of the Interior and prescribed in section 30, Code of Federal Regulations, part 201; and "source material" shall mean uranium, thorium, or any other material which is determined by the Atomic Energy Commission pursuant to the provisions of section 61 of the Atomic Energy Act of 1954 to be source material.

SEC. 7. All moneys received under the provisions of this act shall be paid into the Treasury of the United States and distributed in the same manner as provided in section 35 of the Mineral Leasing Act of 1920, as amended, and section 9 of the Alaska Coal Act of October 20, 1914 (38 Stat. 741).

SEC. 8. The Secretary of the Interior is authorized to issue such rules and regulations as may be necessary or appropriate to effectuate the purposes of this act.

With the following committee amendments:

Page 3, line 3, strike the words "section 5" and insert in lieu thereof the words "section 6."

Page 4, line 4, following the word "location", insert the word "made."

Page 4, line 5, following the words "United States", insert the words ", including the Act of August 13, 1954 (68 Stat. 708)."

Page 4, line 11, following the word "containing", insert the word "valuable."

Page 4, line 12, strike the words "such material" and insert in lieu thereof the words "source material contained in lignite."

Page 4, line 15, following the words "Act of 1954", insert the statutory citation "(68 Stat. 919)."

Page 4, line 17, change the period to a colon and add the following language:
"*Provided*, That nothing in this section shall be construed to limit or restrict the rights acquired by virtue of a mining claim, heretofore or hereafter located, under the said mining laws or to impose any additional obligation with respect to the mining and removal of source material which does not occur within any seam, bed, or deposit of lignite."

Page 4, line 24, strike the words "who discovers" and insert in lieu thereof the words "upon the discovery of."

Page 5, line 1, strike the word "and."

Page 5, line 13, following the word "laws" insert the words ", including the Act of August 7, 1947 (61 Stat. 913)."

Page 5, line 15, strike the words "who shall discover" and insert in lieu thereof the words "upon the discovery."

Page 5, line 16, following the word "lease", insert the word "of;" strike the word "coal" and insert in lieu thereof the word "seam."

Page 5, line 17, following the word "deposit", insert the words "of lignite."

Page 5, line 19, following the word "mining" insert the words "and disposal."

Page 5, line 20, strike the period and insert the following language:
"and to the provisions of the Atomic Energy Act of 1954: *Provided*, That the provisions of this section shall not apply to coal prospecting permits or leases on lands embraced within entered, granted, or patented lands described in section 4 of this act."

Page 6, following line 25, add a new section as follows:

"SEC. 9. Nothing in this act shall be deemed to amend or repeal any provisions of the act of August 13, 1954 (68 Stat. 708) nor any right granted thereunder."

The committee amendments were agreed to.

Mr. BERRY. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BERRY: Following section 8 on page 6, line 25, add two new sections, as follows:

"SEC. 9. Nothing in this act shall be deemed to amend or repeal any provisions of the act of August 13, 1954 (68 Stat. 708), or any right granted thereunder.

"SEC. 10. Twenty years after the effective date of this act, all lands subject to the provisions of section 1 shall be withdrawn from all forms of entry under this act. All claims made pursuant to the provisions of this act shall expire at that time, except for (1) claims for which patent has already been issued, and (2) claims on which application for patent has already been made and on which patent is subsequently issued: *Provided*, That, if the President shall so provide by Executive order, the provisions of this section shall not become effective until 30 years after the effective date of this act."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENDING THE EXTERIOR BOUNDARY OF THE UINTAH AND OURAY INDIAN RESERVATION, UTAH

The Clerk called the bill (H. R. 7248) to amend the act extending the exterior boundary of the Uintah and Ouray Indian Reservation in the State of Utah so as to authorize such State to exchange certain mineral lands for other lands mineral in character.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that the bill S. 878, be substituted for the House bill, H. R. 7248.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That section 3 of the act entitled "An act to define the exterior boundary of the Uintah and Ouray Indian Reservation in the State of Utah, and for other purposes," approved March 11, 1948 (62 Stat. 72), is amended by striking out the first sentence of such section and inserting in lieu thereof the following: "The State of Utah may relinquish to the United States for the benefit of the Indians of the said Ute Reservation such tracts of school or other State-owned lands, surveyed or unsurveyed, within the said reserved area, as it may see fit (reserving to said State, if it so desires, such rights as it may possess to any minerals underlying such State lands as may be relinquished), and said State shall have the right to make selections, including mineral lands and the minerals therein (including oil and gas) if the lands relinquished are mineral in character and rights to the minerals in such lands are relinquished along with the lands, in lieu thereof outside of the area hereby withdrawn, equal in value, as determined by the Secretary of the Interior, to the lands relinquished, from the vacant, unappropriated public lands, within the State of Utah, such lieu selections to be made in the manner provided in the enabling act pertaining to said State, except as to the payment of fees or commissions, which are hereby waived. Valid rights and claims of individuals initiated under Federal law with respect to any lands so selected and prior to such selection shall not be affected by such selection."

The bill was ordered to be read a third time, was read the third time and passed.

A similar House bill (H. R. 7248) was laid on the table.

A motion to reconsider was laid on the table.

RESTRICTIVE COVENANT ON LAND PATENT NO. 10,410

The Clerk called the bill (H. R. 6824) to authorize the amendment of the restrictive covenant on land patent numbered 10,410, issued to Keoshi Matsunaga, his heirs or assigns, on July 20, 1936, and covering lot 48 of Ponahawai house lots, situated in the country of Hawaii, Territory of Hawaii.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the commissioner of public lands of the Territory of Hawaii, with the consent of the Governor of said Territory of Hawaii, be authorized to amend the restrictive covenant set forth in land patent numbered 10,410, so that said restrictive covenant will read as follows:

"The land herein described and conveyed is granted and conveyed upon the covenant running with the land, that said land is to be used for religious and/or school purposes only, and in the event of its being used for other than religious and/or school purposes, this patent shall become void, and the whole of said land, together with the fee thereof, and the improvements thereon, shall, without warrant or other legal process, immediately revert to and revest in the Territory of Hawaii."

SEC. 2. This act shall take effect on and after the date of its approval.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

AMENDING SECTION 73 (I) OF THE HAWAIIAN ORGANIC ACT

The Clerk called the bill (H. R. 6461) to amend section 73 (i) of the Hawaiian Organic Act.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 73 (1) of the Hawaiian Organic Act is hereby amended by adding the following paragraph thereto:

"The Commissioner may include in any patent, agreement, or lease a condition requiring the inclusion of the land in any irrigation project formed or to be formed by the Territorial agency responsible therefor and making the land subject to assessments made or to be made for such irrigation project, which assessment shall be a first charge against the land. For failure to pay the assessments or other breach of the condition the land may be forfeited and sold pursuant to the provisions of this act, and, when sold, so much of the proceeds of sale as are necessary therefor may be used to pay any unpaid assessments."

SEC. 2. This act shall take effect on and after the date of its approval.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REPEAL CLAUSE (D) OF PROVISO IN ACT OF AUGUST 2, 1937

The Clerk called the bill (H. R. 5169) to repeal clause (d) of the proviso contained in the act of August 2, 1937, as amended, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. FORD. Mr. Speaker, reserving the right to object, I would like to have some explanation of the fiscal effect of this bill.

Mr. DEMPSEY. Mr. Speaker, if the gentleman will yield, I will say to the gentleman that there is no fiscal effect. A provision was put in the basic law which provided that in order not to have speculation in the land any acreage sold above the appraised value would revert. The project since then has been developed by 160-acre tracts. The tracts are of different value predicated upon what the farmers put in there, and what was of value to the project is now a detriment, and the Department desires to have it removed, as do the farmers, because of the cost.

Mr. FORD. It is my understanding by the terms of this bill the landowners would be released from the current obligations to make regular payments under the conditions set forth in the contract with the Federal Government. It would seem to me that if we approve this provision, it would set back the Government's recovery rate under its original contract with the landowners. If so, what is the justification for it?

Mr. ASPINALL. Mr. Speaker, if the gentleman will yield, reading from the bottom of page 3 of the report, it says:

> As reappraisal requests have declined in number, it has become increasingly difficult to hold such requests to accumulate a full day's work for the appraisal board. The resulting increase in the prorated cost of individual appraisals is thus approaching the total cost of a single day's work. This in turn has given rise to justifiable complaints from landowners that the cost of reappraisal is out of proportion or that prospective sales are lost through delays.

In other words, what is happening there, the period for which this provision in the law was placed has expired, and it is costing the Department more money to administer the provision than it is saving the Department in prospective values that they may secure.

Mr. SAYLOR. Mr. Speaker, I concur in that statement. I raised the same question with the gentleman from New Mexico, and after I discussed it with him and the representatives of the Department, they assured me that this bill will save the Government money. In other words, the expenses of the appraisal are far in excess of the actual cost.

Mr. FORD. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that a similar Senate bill, S. 1965, be considered in lieu of the House bill.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the proviso in the act entitled "An act to authorize the construction of a Federal reclamation project to furnish a water supply for the lands of the Arch Hurley Conservancy District in New Mexico," approved August 2, 1937, as amended (43 U. S. C., sec. 600a), is amended by striking out the semicolon and the word "and" at the end of clause (c) and by striking out all of clause (d) to the period. No provision with respect to the matters covered in said clause (d) which is contained in any contract entered into prior to the date of enactment of this act shall, except as is otherwise provided by this act, be enforced by the United States. Nothing contained in this section shall affect (1) the retention and application by the United States of any payments which have been made prior to the date of enactment of this act in accordance with any such provision of a contract, (2) the obligation of any party to the United States with respect to any payment which is due to the United States under any such provision but not paid upon the date of enactment of this act, and the application by the United States of any such payment in accordance with the terms of such contract, or (3) the enforcement of any such obligation by refusal to deliver water to lands covered by contractual provisions executed in accordance with said clause (d), except in those cases, if any, in which a sale or transfer consummated between December 27, 1938, and the date of enactment of this act is only discovered after such date of enactment to have been made contrary to such contractual provisions or to said clause (d).

SEC. 2. The Secretary of the Interior is authorized to amend any contract, which has been entered into prior to the date of enactment of this act, to conform with the provisions of the first section of this act. The consent of the United States is hereby given to the recording, at the expense of the party benefited thereby, of any such amended contract and to the simultaneous discharge of record of the original contract. The consent of the United States is likewise given to the discharge of record, at the expense of the party benefited thereby, of any contract which the Secretary of the Interior or his duly authorized agent finds is rendered nugatory by the enactment of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar bill, H. R. 5169, was laid on the table.

INDIAN CLAIMS COMMISSION

The Clerk called the bill (H. R. 5566) to terminate the existence of the Indian Claims Commission.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 23 of the Indian Claims Commission Act approved August 13, 1946 (60 Stat. 1049), is hereby amended to read as follows:

"SEC. 23. The existence of the Commission shall terminate at the end of 5 years from and after April 10, 1957, or at such earlier time as the Commission shall have made its final report to the Congress on all claims filed with it. Upon its dissolution the records of the Commission shall be delivered to the Archivist of the United States."

With the following committee amendments:

Page 1, line 4, strike out "(60 Stat. 1049)" and insert "(60 Stat. 1049, 1055; 25 U. S. C., sec. 70v)."

Page 2, line 3, insert:

"SEC. 2. Section 13 of the act approved August 13, 1946 (60 Stat. 1049, 1052; 25 U. S. C., sec. 701), is hereby amended by adding the following new subsection:

"'(c) Attorneys appointed pursuant to subsection (b) hereof, may conduct hearings, administer oaths, examine witnesses, receive evidence and report findings of fact and recommendations for conclusions of law in cases assigned to them. Such attorneys shall not, by virtue of such duties, be subject to the Administrative Procedure Act.'"

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to terminate the existence of the Indian Claims Commission, and for other purposes."

A motion to reconsider was laid on the table.

REVISED LAWS OF HAWAII

The Clerk called the bill (H. R. 6463) to ratify and confirm section 4539, Revised Laws of Hawaii 1945, section 1 (b), act 12, Session Laws of Hawaii 1951, and the sales of public lands consummated pursuant to the terms of said statutes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 4539, Revised Laws of Hawaii 1945, is hereby ratified and confirmed.

SEC. 2. Section 1 (b), act 12, Session Laws of Hawaii 1951, is hereby ratified and confirmed.

SEC. 3. All sales of public lands to abutting landowners consummated pursuant to the terms of the foregoing statutes are hereby ratified and confirmed and shall be deemed and held to be perfect and valid as of the date of the sales.

SEC. 4. This act shall take effect on and after the date of its approval.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDMENT OF CERTAIN PATENTS OF GOVERNMENT LANDS

The Clerk called the bill (H. R. 6807) to authorize the amendment of certain patents of Government lands containing restrictions as to use of such lands in the Territory of Hawaii.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Commissioner of Public Lands of the Territory of Hawaii, with the concurrence of the Governor of said Territory, be authorized to amend certain land patents by removing the conditions therein restricting the use of such lands for residence or eleemosynary purposes, so that the lands will be free of any such encum-

brances: *Provided, however,* That no such restriction shall be removed in patents conveying an area in excess of one-half acre: *And provided further,* That in the opinion of the commissioner the surrounding area in which such lands are located has sufficiently changed to warrant such action.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMEND ACT OF MAY 19, 1947 (CH. 80, 61 STAT. 102)

The Clerk called the bill (H. R. 6945) to amend the act of May 19, 1947 (ch. 80, 61 Stat. 102), as amended, so as to permit per capita payments to the individual members of the Shoshone Tribe and the Arapahoe Tribe of the Wind River Reservation in Wyoming, to be made quarterly.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that a similar Senate bill, S. 2087, be considered in lieu of the House bill.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That section 3 of the act entitled "An act to authorize the segregation and expenditure of trust funds held in joint ownership by the Shoshone and Arapahoe Tribes of the Wind River Reservation," approved May 19, 1947 (ch. 80, 61 Stat. 102), as amended, is hereby amended by striking the words "and the first day of March" wherever it appears therein, and inserting in lieu thereof "the first day of December, the first day of March, and the first day of June". The additional administrative costs of any annual distribution in more than two installments shall be borne by the tribe.

Mr. ASPINALL. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Mr. ASPINALL moves to strike out all after the enacting clause of S. 2087 and insert the provisions of H. R. 6945 as passed.

The amendment was agreed to.

The bill was ordered read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill, H. R. 6945, was laid on the table.

RENEWAL AND ADJUSTMENT OF DEEPWATER MAIL CONTRACTS

The Clerk called the bill (H. R. 4569) to provide for renewal of and adjustment of compensation under contracts for carrying mail on water routes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the last two paragraphs of section 3951 of the Revised Statutes, as amended (39 U. S. C. 434), are amended by striking out the word "inland" wherever it appears in such paragraphs.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONVERSION OF INDEFINITE APPOINTMENT TO CAREER-CONDITIONAL OR CAREER APPOINTMENT

The Clerk called the bill (S. 1849) to provide for the grant of career-conditional and career appointments in the competitive civil service to indefinite employees who previously qualified for competitive appointment.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. PELLY. Mr. Speaker, reserving the right to object, may I inquire if the Senate bill would be substantially broadened by any amendment?

Mr. ALEXANDER. That is correct.

Mr. PELLY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. PELLY. Mr. Speaker, I strongly support this legislation to give career status to an estimated 50,000 indefinite Federal employees who have at least 3 years of satisfactory service. I believe I was the first Member of Congress to introduce a bill to correct the unjust situation in which so many loyal and faithful Government employees found themselves through no fault of their own.

I appeared before the House Post Office and Civil Service Committee and urged that the provisions of my bill be substituted for language in another bill which had been passed by the other body. Substantially, this measure represents what I had in mind and recommended.

Therefore, in urging its passage, I likewise commend the committee for recognizing the pressing need of correcting inequities resulting from Executive Order 10577.

Mr. FORD. Mr. Speaker, reserving the right to object, would the author of the bill or someone on the committee explain to the House the purpose of this bill; the necessity for it?

Mr. ALEXANDER. The purpose of the bill is this. Due to Executive Order No. 10577, about 455,000 Federal employees serving under indefinite or temporary appointments were brought under career status and about 80,000 others were left out. According to the testimony of the Civil Service Commission, inequities were caused due to the fact that by written instructions—some of them from the Civil Service Commission—many of these people who were left out had not applied to take a competitive examination. Due to this and certain other causes they were denied eligibility for career status and have continued to serve under temporary or indefinite appointments, although most employees in their category have been granted career status under the Executive order.

In order to correct this and to equalize the effect of the Executive order among all Federal employees, the Commission recommended that, if it were changed, it be broadened in order to take care of all of these employees on a fair basis and eliminate the inequities.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. The purpose of this is to rectify a situation brought about unintentionally, with discriminatory results to a number of Federal employees. I hope the bill will pass by unanimous consent. It is on the suspension list for today but if we can pass it by unanimous consent it would be advantageous.

Mr. CEDERBERG. Mr. Speaker, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Michigan.

Mr. CEDERBERG. I wholeheartedly concur in the remarks of the gentleman from North Carolina [Mr. ALEXANDER]. This legislation will take care of certain people who through no fault of their own find themselves in the situation which the gentleman has so ably described.

Mr. FORD. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, each employee (a) who on the effective date of this act is serving under an indefinite appointment in a position in the competitive civil service other than a position whose salary rate is fixed by the act of July 6, 1945 (59 Stat. 435), as amended, and was so serving on January 23, 1955, and (b) who between June 30, 1950, and January 23, 1955, was certified and within reach for consideration for indefinite appointment from a competitive civil-service register appropriate for filling a position in which he served between such dates shall have his indefinite appointment converted as of the effective date of this act to a career conditional appointment, or a career appointment, as determined appropriate under the civil-service regulations applied in conversions under section 201 of Executive Order 10577 of November 22, 1954.

SEC. 2. Each individual who between January 23, 1955, and the effective date of this act was separated from the service without cause and who otherwise would have been eligible for conversion under section 1 of this act shall be eligible for reinstatement within 2 years of the effective date of this act, under career conditional or career appointment in the competitive civil service in a position for which qualified.

SEC. 3. The United States Civil Service Commission is authorized and directed to promulgate regulations for the administration and enforcement of this act.

SEC. 4. This act shall take effect 90 days from the date of enactment.

With the following committee amendment:

Strike all after the enacting clause and insert the language printed in italics in the reported bill.

The committee amendment was agreed to.

Mr. BOLAND. Mr. Speaker, as a member of the objectors' committee on the Consent Calendar under which S. 1849 comes to the floor of the House, I rise to support this bill and ask the

House to pass it today. This is meritorious legislation. It corrects some gross inequities for many Federal employees which occurred through the promulgation of Executive Order 10577. That order established a career and career-conditional system for Government civil service employees. In my opinion, this recommendation of the Civil Service Commission was needed to strengthen civil service and to protect the faithful employee who could not be given permanent status despite 3 years or more of service.

The employees who have suffered due to the inequities established by Executive Order 10577 are those who either passed a qualifying civil-service examination and were not referred for appointment, or did not take a civil-service examination due to the fact that they were discouraged from doing so either by the Civil Service Commission or by the agency concerned. Others failed to take examinations because such examinations would be of no avail since appointments were restricted to indefinite status and could not be converted to any permanency. The adoption of this legislation would go a long way in correcting these injustices.

Mr. Speaker, I have been particularly concerned with the matter now before us. It was one to which I directed my attention when the Civil Service Commission appeared before the Appropriations Subcommittee on Independent Offices. At that time, I suggested qualifying or noncompetitive examinations for those with 3 years of satisfactory service who were declared ineligible for status because their names were not taken from a civil service roster. This bill meets those suggestions and I congratulate the Post Office and Civil Service Committees of both the House and Senate in recognizing the equity and fairness of this bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended to read: "An act to provide for the granting of career-conditional and career appointments to certain qualified employees."

A motion to reconsider was laid on the table.

EXTENSION SERVICE APPROPRIATIONS FOR LOW-INCOME FARMERS' PROGRAM

The Clerk called the bill (S. 2098) to amend Public Law 83, 83d Congress.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CUNNINGHAM. Mr. Seaker, reserving the right to object, will someone who knows answer a question with regard to this bill? I would like to know the approximate cost of it.

Mr. DIXON. The approximate cost is $925,000 for the year.

Mr. CUNNINGHAM. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Smith-Lever Act, as amended (7 U. S. C. 341 and the following, supp. 1), is further amended as follows:

(a) By adding a new section, following section 7, to read as follows:

"SEC. 8. In order to further the purposes of section 2 in agricultural areas which, because of special circumstances affecting such areas, are at a disadvantage insofar as agricultural development is concerned, and to encourage complementary development essential to the welfare of such areas, there is hereby authorized to be appropriated such sums as the Congress from time to time shall determine to be necessary for payments to the States, Alaska, Hawaii, and Puerto Rico on the basis of special needs in such areas as determined by the Secretary of Agriculture. Sums appropriated in pursuance of this section shall be in addition to, and not in substitution for, appropriations, otherwise available under this act."

(b) By renumbering section 8 to read section 9.

With the following committee amendment:

Strike out all after the enacting clause and insert the following:

"That the Smith-Lever Act, as amended (7 U. S. C. 341 and the following, supp. 1), is further amended as follows:

"(a) By adding a new section, following section 7, to read as follows:

"'SEC. 8. (a) The Congress finds that there exist special circumstances in certain agricultural areas which cause such areas to be at a disadvantage insofar as agricultural development is concerned, which circumstances include the following: (1) There is concentration of farm families on farms either too small or too unproductive or both; (2) such farm operators because of limited productivity are unable to make adjustments and investments required to establish profitable operations; (3) the productive capacity of the existing farm unit does not permit profitable employment of available labor; (4) because of limited resources, many of these farm families are not able to make full use of current extension programs designed for families operating economic units nor are extension facilities adequate to provide the assistance needed to produce desirable results.

"'(b) In order to further the purposes of section 2 in such areas and to encourage complementary development essential to the welfare of such areas, there are hereby authorized to be appropriated such sums as the Congress from time to time shall determine to be necessary for payments to the States, Alaska, Hawaii, and Puerto Rico on the basis of special needs in such areas as determined by the Secretary of Agriculture.

"'(c) In determining that the area has such special need, the Secretary shall find that it has a substantial number of disadvantaged farms or farm families for one or more of the reasons heretofore enumerated. The Secretary shall make provisions for the assistance to be extended to include one or more of the following: (1) Intensive on-the-farm educational assistance to the farm family in appraising and resolving its problems; (2) assistance and counseling to local groups in appraising resources for capability of improvement in agriculture or introduction of industry designed to supplement farm income; (3) cooperation with other agencies and groups in furnishing all possible information as to existing employment opportunities, particularly to farm families having underemployed workers; and (4) in cases where the farm family, after analysis of its opportunities and existing resources, finds it advisable to seek a new farming venture, the providing of information, advice, and counsel in connection with making such change.

"'(d) No more than 10 percent of the sums available under this section shall be allotted to any one State. The Secretary shall use project proposals and plans of work submitted by the State extension directors as a basis for determining the allocation of funds appropriated pursuant to this section.

"'(e) Sums appropriated pursuant to this section shall be in addition to, and not in substitution for, appropriations otherwise available under this act. The amounts authorized to be appropriated pursuant to this section shall not exceed a sum in any year equal to 10 percent of sums otherwise appropriated pursuant to this act.'

"(b) By renumbering section 8 to read section 9."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CUSTODIAL EMPLOYEES IN POST OFFICE BUILDINGS

The Clerk called the bill (S. 2403) to authorize the dual employment of custodial employees in post office buildings operated by the General Services Administration, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Postmaster General, with the consent of the Administrator of General Services, may appoint custodial employees working under the jurisdiction of the General Services Administration at Federal buildings occupied in any part by the postal service to positions in the postal service to perform postal duties in addition to their regular duties as such custodial employees, without regard to section 2 of the act of July 31, 1894, as amended (U. S. C., title 5, sec. 62).

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TERMINATING THE PROHIBITION AGAINST MONGOLIAN LABOR ON RECLAMATION PROJECTS

The Clerk called the bill (H. R. 1603) to terminate the prohibition against employment of Mongolian labor in the construction of reclamation projects.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 4 of the Reclamation Act of June 17, 1902 (32 Stat. 389), is hereby amended by inserting a period in lieu of the comma after the word "work" in the proviso of that section and striking out the following language: "and no Mongolian labor shall be employed thereon.".

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SERVICEMEN'S READJUSTMENT ACT OF 1944

The Clerk called the bill (H. R. 1761) to relieve certain veterans who relied on an erroneous interpretation of the law from liability to repay a portion of the subsistence allowances which they received under the Servicemen's Readjustment Act of 1944.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. FORD. Reserving the right to object, Mr. Speaker, I simply want to state for the RECORD, and I am not asking anyone to draw any inferences from this statement, that the official objectors have not had an opportunity to study any of the remainder of the bills on the Consent Calendar.

The SPEAKER. This is the last bill that is going to be called today on the Consent Calendar.

Mr. FORD. I have no objection to the procedure, but I wanted to make that statement.

The SPEAKER. The trouble about it is that we do not have the bills here on the desk.

Mr. FORD. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That every individual who, while attending the University of California or Standford University prior to January 1, 1951, was employed by the Veterans' Administraton as a clinical psychologist trainee, and who, in reliance upon interpretations of paragraph 6 of part VIII of Veterans Regulation No. 1 (a) that work performed in excess of 20 hours per week was to be considered as irregular and nonscheduled overtime, did not report to the Veterans' Administration income derived from work performed for the Veterans' Administration in excess of 20 hours per week, is hereby relieved from liability to repay to the United States all sums for which he has been held liable arising out of such work performed for the Veterans' Administration. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, full credit shall be given for any amount for which liability is relieved by this section.

SEC. 2. The Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to each of the individuals described in the first section of this act an amount equal to the sum of all amounts which he has repaid to the United States (or which have been withheld by the United States from amounts otherwise payable to him, or for his benefit) by reason of the liability of which he is relieved by the first section of this act: *Provided*, That no part of the amount appropriated in this act for the payment of any one claim in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with such claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ATOMIC ENERGY COMMUNITY ACT OF 1955

Mr. DEMPSEY. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2630) to facilitate the establishment of local self-government at the communities of Oak Ridge, Tenn., and Richland, Wash., and to provide for the disposal of federally owned properties of such communities.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That this act may be cited as the "Atomic Energy Community Act of 1955."

CHAPTER 1. DECLARATION, FINDINGS, AND PURPOSE

Sec. 11. Declarations of policy.
Sec. 12. Findings.
Sec. 13. Purpose.

CHAPTER 2. DEFINITIONS

Sec. 21. Definitions.

CHAPTER 3. LOTS, APPRAISALS, AND PRICE

Sec. 31. Lots.
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Sec. 33. Basis of appraisal.
Sec. 34. Posting.
Sec. 35. Sales prices.
Sec. 36. Improvements.

CHAPTER 4. CLASSIFICATION OF PROPERTY AND PRIORITIES

Sec. 41. Classification of property.
Sec. 42. Priorities.
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CHAPTER 5: SALES OF PROPERTY FOR PRIVATE USE

Sec. 51. Application.
Sec. 52. Disposal of property.
Sec. 53. Sales.
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Sec. 55. Form and provisions of instruments.
Sec. 56. Occupancy by existing tenants.
Sec. 57. Lots.

CHAPTER 6. FINANCING

Sec. 61. Contract purchase.
Sec. 62. Commission financing.
Sec. 53. Commission indemnity.
Sec. 64. Community employment and population.
Sec. 65. Amount of indemnity.
Sec. 66. Conditions of indemnity.

CHAPTER 7. UTILITIES

Sec. 71. Authorization to transfer utilities.
Sec. 72. Date of transfer.
Sec. 73. Entity receiving transfer.
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CHAPTER 8. MUNICIPALITIES

Sec. 81. Assistance in organization.
Sec. 82. Authorization to transfer municipal installations.
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Sec. 85. Installations transferable.
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CHAPTER 9. LOCAL ASSISTANCE

Sec. 91. Basis of assistance to cities and other State and local entities.
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Sec. 93. Area of service.
Sec. 94. Commission contracts.

CHAPTER 10. TRANSFER OF FUNCTIONS, AND REVIEW

Sec. 101. Transfer of functions.
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CHAPTER 11. GENERAL PROVISIONS

Sec. 111. Powers of the Commission.
Sec. 112. Qualification to purchase.
Sec. 113. Contract forms.
Sec. 114. Evidence.
Sec. 115. Administrative review.
Sec. 116. Repossession.
Sec. 117. Net proceeds.
Sec. 118. Appropriations.
Sec. 119. Separability of provisions.
Sec. 201. Amendment to National Housing Act.
Sec. 202. Amendment to Public Law 874.

CHAPTER 1. DECLARATION, FINDINGS, AND PURPOSE

SEC. 11. Declaration of policy: It is hereby declared to be the policy of the United States of America that Government ownership and management of the communities owned by the Atomic Energy Commission shall be terminated in an expeditious manner which is consistent with and will not impede the accomplishment of the purposes and programs established by the Atomic Energy Act of 1954. To that end, it is desired at each community to—

a. facilitate the establishment of local self-government;

b. provide for the orderly transfer to local entities of municipal functions, municipal installations, and utilities; and

c. provide for the orderly sale to private purchasers of property within those communities with a minimum of dislocation.

SEC. 12. Findings: The Congress of the United States hereby makes the following findings concerning the communities owned by the Atomic Energy Commission;

a. The continued morale of project-connected persons is essential to the common defense and security of the United States.

b. In issuing rules and regulations required or permitted under this act for the disposal of the communities and in disposing of the communities in accordance with the provisions of this act and in accordance with the rules and regulations required or permitted by this act, the Commission is acting under authority delegated to it by the Congress.

c. Funds of the United States may be provided for the disposal of the communities and for assistance in the operation of the communities thereafter under conditions which will provide for the common defense and promote the general welfare.

SEC. 13. Purpose: It is the purpose of this act to effectuate the policies set forth above by providing for:

a. the maintenance of conditions which will not impede the recruitment and retention of personnel essential to the atomic energy program;

b. the obligation of the United States to contribute to the support of municipal functions in a manner commensurate with—

(1) the fiscal problems peculiar to the communities by reason of their construction as national defense installations, and

(2) the municipal and other burdens imposed on the governmental or other entities at the communities by the United States in its operations at or near the communities;

c. the opportunity for the residents of the communities to assume the obligations and privileges of local self-government; and

d. the encouragement of the construction of new homes at the communities.

CHAPTER 2. DEFINITIONS

SEC. 21. Definitions: The intent of Congress in the definitions as given in this section should be construed from the words or phrases used in the definitions. As used in this act—

a. The term "Commission" means the Atomic Energy Commission.

b. The term "community" means that area at—

(1) Oak Ridge, Tenn., designated on a map on file at the principal office of the Commission, entitled "Minimum Geographic Area, Oak Ridge, Tenn.," bearing the legend "Boundary Line, Minimum Geographic Area, Oak Ridge, Tenn.," and market "Approved, 21 April 1955, K. V. Nichols, General Manager"; or

(2) Richland, Wash., designated on a map on file at the principal office of the Commission, entitled "Minimum Geographic Area, Richland, Wash.," bearing the legend "Boundary Line, Minimum Geographic Area,

Richland, Wash.," and marked "Approved, 21 April 1955, K. D. Nichols, General Manager."

c. The term "house" includes the lot on which the house stands.

d. The term "member of a family" means any person who, on the first offering date, resides in the same dwelling unit with one or more of the following relatives (including those having the same relationship through marriage or legal adoption): spouse, father, mother, grandfather, grandmother, brother, sister, son, daughter, uncle, aunt, nephew, niece, or first cousin.

e. The term "mortgage" shall include deeds of trust and such other classes of lien as are given to secure advances on, or the unpaid purchase price of real estate under the laws of the State in which the real estate is located.

f. The term "municipal installation" includes, without limitation, schools, hospitals, police and fire protection systems, sewerage and refuse disposal plants, water supply and distribution installations, streets and roads, libraries, parks, playgrounds and recreational means, municipal government buildings, other properties suitable for municipal or comparable local public service purposes, and any fixtures, equipment, or other property appropriate to the operation, maintenance or repair of the foregoing.

g. The term "occupant" means a person who, on the date on which the property in question is first offered for sale, is entitled to residential occupancy of the Government-owned house in question, or of a family dwelling unit in such house, in accordance with a lease or license agreement with the Commission or its property-management contractor.

h. The term "offering date" means the date the property in question is offered for sale.

i. The term "project area" means that area which on the effective date of this act constitutes the Federal area at Oak Ridge, Tenn., or Hanford, Wash.

j. The term "project-connected person" means any person who, on the first offering date, is regularly employed at the project area in one of the following capacities:

(1) An officer or employee of the Commission or any of its contractors or subcontractors, or of the United States or any agency thereof (including members of the Armed Forces), or of a State or political subdivision or agency thereof;

(2) An officer or employee employed at a school or hospital located in the project area;

(3) A person engaged in or employed in the project area by any professional, commercial, or industrial enterprise occupying premises located in the project area; or

(4) An officer or employee of any church or nonprofit organization occupying premises located in the project area.

k. The term "resident" means any person who, on the date on which the property in question is first offered for sale is either—

(1) an occupant in a residential unit designated for sale at the community, or

(2) a project-connected person who is entitled, in accordance with a lease or similar agreement, to residential occupancy of privately owned rental housing in the community.

l. The term "utility" means any electrical distribution system, any public transportation system, or any public communication system, and any fixtures, equipment, or other property appropriate to the operation, maintenance or repair of the foregoing.

Chapter 3. Lots, Appraisals, and Prices

Sec. 31. Lots: The Commission is authorized to plat each community immediately upon passage of this act, or immediately upon the inclusion of the community within the provisions of this act. The Commission may establish lot boundaries, and realine, divide, or enlarge existing tracts as it deems appropriate.

Sec. 32. Appraisals: The Commission shall proceed to secure appraisals of all property at the community which is to be sold pursuant to this act. The appraisals shall be made by the Federal Housing Commissioner or his designee. The Commission shall reimburse the Federal Housing Commissioner for the cost of such appraisals. Appraisals made under this section shall be the appraisals on which the Federal Housing Commissioner may insure any mortgage or loan under the National Housing Act until such time as he finds that the appraisal values generally in the community no longer represent the fair market values of the properties.

Sec. 33. Basis of appraisal: Except for lots sold pursuant to the provisions of section 57a., the appraised value shall be the current fair market value of the Government's interest in the property.

Sec. 34. Posting: Lists showing the appraised value of each parcel of property to be offered for sale to priority purchasers shall, prior to the offering of such property for sale, be made available for public inspection, at reasonable times, at the offices of the Commission at the community.

Sec. 35. Sales prices:

a. In the sale to priority purchasers of properties on which are located Government-owned single or duplex houses, the sales price shall be the appraised value less a deduction of 15 percent of the appraised value and less the deductions provided by section 36.

b. In all other cases the sales price to priority purchasers shall be the appraised value less the deductions provided by section 36, except that sales made under sections 53 b. and c. shall be made at the price set forth therein.

Sec. 36. Improvements:

a. In addition to any other deduction which may be permitted from the sales price for residential property, there shall, upon application by the prospective purchaser, be deducted the amount by which the current fair market value of the Government's interest in the premises is enhanced as a result of improvements to the premises made by, or at the expense of, the prospective purchaser.

b. A junior occupant of a duplex house, which was purchased by the senior occupant, shall, upon application therefor, be entitled to a credit against the purchase price of any residential property purchased through the exercise of a priority right established under the provisions of section 42, for the amount by which the current fair market value of the Government's interest in the duplex house of which he was an occupant is enhanced as a result of improvements to the premises of such duplex house made by, or at the expense of, the junior occupant.

c. The value of the improvements as specified in subsections 36 a. and b. shall be determined in accordance with the provisions of section 32.

d. Persons purchasing property pursuant to the provisions of section 52, who do not desire to avail themselves of the indemnity provisions contained in sections 63 through 66, shall be entitled to an additional deduction of 10 percent of the appraised value of the property in addition to any other deduction set forth in this section.

Chapter 4. Classification of Property and Priorities

Sec. 41. Classification of property:

a. Immediately upon passage of this act, the Commission shall classify all real property (including such improvements and such fixtures, equipment, and other personal property incident thereto as it may deem appropriate) within each community in accordance with such classifications as shall insure reasonably similar treatment for reasonably similar property. The classification shall be made by such procedures, consistent with this chapter, as it shall determine.

b. The Commission may, but shall not be required to, classify any other real property at or in the vicinity of the community, whether within or outside of that community.

Sec. 42. Priorities: The Commission shall establish, by rule or regulation, a detailed system of reasonable and fair priority rights applicable to the sale of Government-owned property to private purchasers at each community. The priorities shall—

a. be uniform in each class or subclass of property;

b. give such preference to occupants and project-connected persons and to incoming employees of the Commission, of a contractor, or of a licensee as the Commission finds necessary or desirable, giving due consideration to the following factors:

(1) The retention and recruitment of personnel essential to the atomic-energy program;

(2) The minimization of dislocations within the community;

(3) The expeditous accomplishment of the disposal program; and

(4) The desirability of encouraging private firms to locate or remain in the community;

c. give the occupant of a Government-owned single-family house, and the senior occupant of a duplex house, at least 90 days in which to exercise the first right of priority;

d. permit persons who have formerly been occupants, project-connected persons, or inhabitants of the community, upon application therefor, to have such priority as the Commission finds to be fair and equitable;

e. not impair any rights, including purchase rights, conferred by existing leases and covenants; and

Sec. 43. Transferability: No priority shall be transferable, except—

a. a husband and wife may exercise a priority in their joint names;

b. a religious organization may exercise the priority which would otherwise belong to its priest, minister, or rabbi, regardless of whether that position happens to be filled at the time of the exercise of the priority;

c. two or more priority holders having a common interest in a building or location may assign their interests to a single assignee; and

d. the Commission may permit such other transfers as it finds to be fair and equitable.

Chapter 5. Sales of Property for Private Use

Sec. 51. Application: The provisions of this chapter shall be made applicable at each community as soon as the Commission makes a finding in writing that there is a reasonable possibility that the Government-owned real property at such community can be disposed of in accordance with the provisions of this chapter.

Sec. 52. Disposal of property:

a. The Commission shall offer for disposal all real property (including such improvements thereon and such fixtures, equipment, and other personal property incident thereto as it may deem appropriate) within the community which is presently under lease or license agreement with the Commission or its community management contractor for residential, commercial, or industrial, agricultural, church, or other nonprofit use, or which, in the opinion of the Commission, is appropriate for such use, other than—

(1) structures which in the opinion of the Commission should be removed from the community because of their unsatisfactory type of construction, condition, or location; or

(2) property which in the opinion of the Commission should be transferred pursuant to chapter 7 or chapter 8.

b. The Commission may, but shall not be required to, dispose of any other real prop-

erty at the community, whether within or outside of that community.

c. Such property shall be disposed of on such terms and conditions, consistent with this chapter, as the Commission shall prescribe in the national interest, and without regard to any preferences or priorities whatever except those provided for pursuant to this act. Transfers by the Commission of such property shall not impair rights under existing leases and covenants, including any purchase rights therein conferred.

SEC. 53. Sales:

a. Where rights of priority have been granted pursuant to the provisions of this act to Government-owned property, it shall be offered for sale to priority purchaser by giving notice to those eligible for such priority. Such notice shall (1) be in such manner as the Commission shall prescribe, (2) identify the property to be sold, and (3) state the terms and conditions of sale and the date of the offer which, in the case of occupants of single family or duplex houses, shall expire not less than 90 days after the date of the offer.

b. Any property (other than church property) classified for sale under section 41 and offered for sale under section 52, as to which no priority right has been conferred, or as to which all priority rights have expired, shall be advertised for sale to the highest bidder, subject to the right of the Commission to reject any or all bids, and also subject to the right of an occupant of a Government-owned single family or duplex house to buy such house by paying an amount equal to the highest bid. No bid shall be accepted which is below the appraised value or, in the case of Government-owned single and duplex houses is below 85 percent of the appraised value.

c. As to any property which has not been sold under subsection 53 b. within 1 year after the first advertisement for sale under subsection 53 b. the Commission may make such disposition, on such terms and conditions, as it may deem appropriate, but the Commission shall give an occupant of a Government-owned single family or duplex house such further opportunity to purchase such house as shall be fair and equitable.

d. Property for use of churches, in respect of which all priority rights have expired, may be disposed of by advertising and competitive bid, or by negotiated sale or other transfer at such prices, terms, and conditions as the Commission shall determine to be fair and equitable.

SEC. 54. Cash sales: All sales shall be for cash, and the buyer shall arrange for the necessary financing, except as provided in chapter 6 of this act.

SEC. 55. Form and provisions of instruments: Deeds executed in connection with the disposal of property pursuant to the provisions of this act—

a. shall be as simple as the Commission shall find to be appropriate, and may contain such warranties or covenants of title and other provisions (including any indemnity) as the Commission may deem appropriate;

b. with respect to any dormitories or apartment houses and any property used or to be used for construction of housing developments for rental purposes, may retain or acquire such rights to the Commission to designate the future occupants of part or all of such properties as it may deem appropriate to insure the availability of housing for employees of the Commission and its contractors;

c. may require that the transferee, his heirs, successors, and assigns shall compensate the Commission for any municipal services provided by the Commission at rates which will not be in excess of the average tax for such services in the immediate vicinity of the community; and any amounts due and unpaid for such compensation (together with interest and costs thereon) shall, as of the date on which such amounts become delinquent, be a lien in favor of the United States upon the premises sold by the Commission, though not valid as against any mortgagee, pledgee, purchaser, or judgment creditor until notice thereof has been filed in accordance with the laws of the State in which the property is situated or in the office of the clerk of the United States district court for the judicial district in which the property subject to the lien is situated, if such State has not by law provided for the filing of such notice;

d. in transferring any property pursuant to sections 31 and 52, may impose such restrictions and requirements relating to the use of the premises and to public health and safety, as the Commission may deem appropriate, which restrictions and requirements shall not be valid beyond 1 year after the incorporation of the city at the community; and

e. may require that any payments in lieu of property taxes or assessments for local improvements made by the Commission with respect to the property shall be equitably prorated.

SEC. 56. Occupancy by existing tenants: Upon application by any occupant of a single or duplex house made within the period of the first priority when such house is first offered for sale under this act, the Commission shall execute a lease to such occupant for a period not to exceed 1 year from the date on which such property is first offered for sale, or for such period as he remains a project-connected person, whichever is shorter. In selling any house with respect to which a lease executed under this section is in effect, the Commission may provide that the purchaser shall assume any or all obligations of the lessor, but the Commission shall guarantee the lessee's performance under the terms of the lease.

SEC. 57. Lots:

a. Notwithstanding any other provision of this act, the Commission is authorized, immediately upon passage of this act, or immediately upon the inclusion of the community within the provisions of this act, to offer for sale to the lessees single residential lots, which were leased by competitive bid and which do not have a Government-owned building thereon, at a price equal to the initial valuation of the lot as stated in the lease.

b. The Commission is authorized to offer for sale, as soon as possible, other lots, to individual owners, upon which single family or duplex houses may be erected, taking into consideration the zoning restrictions the new city is likely to enact with respect to those lots.

CHAPTER 6. FINANCING

SEC. 61. Contract purchase: The Commission may, in the sale of any single-family or duplex house to a priority purchaser, enter into a contract to purchase which provides that the purchaser shall conclude his purchase within not more than 3 years after the date the contract is entered into. Such contracts to purchase shall provide for such periodic payments, including payments on account of principal, interest, or tax equivalents, as the Commission shall prescribe.

SEC. 62. Commission financing:

a. In the event that the Commission finds that financing on reasonable terms is not available from other sources, the Commission may, in order to facilitate the sale of residential property under chapter 5 of this act, accept, in partial payment of the purchase price of any house, apartment building, or dormitory notes secured by first mortgages on such terms and conditions as the Commission shall deem appropriate. In the case of houses and apartment buildings, the maturity and percentage of appraised value in connection with such notes and mortgages shall not exceed those prescribed under section 223 (a) of the National Housing Act, as amended, and the interest rate shall equal the interest rate plus the premium being charged (and any periodic service charge being authorized by the Federal Housing Commissioner for properties of similar character) under section 223 (a) of the National Housing Act, as amended, at the effective date of such notes and mortgages.

b. The Commission may sell any such notes and mortgages on terms set by the Commission.

SEC. 63. Commission indemnity: For a period of not more than 15 years after the date of enactment of this act, the Commission shall indemnify the purchaser (except a purchaser taking advantage of the provisions of subsection 36 (d)), and any successor in title, of any such single family or duplex house as set forth in this chapter. This indemnity shall be deemed to be incorporated in the deeds given on the sale of Government-owned houses. One person may not invoke the indemnity in respect of more than one house.

SEC. 64. Community employment and population: The indemnity obligation specified in section 63 shall arise only if, for the 6 months just preceding the date on which it is invoked—

(a) the total number of operating, maintenance, and administrative employees in the project area, as determined by the Commission, has been less than 14,337 in the case of Oak Ridge or 7,622 in the case of Richland; and

(b) the population in the community has been less than 29,250 in the case of Oak Ridge or 25,200 in the case of Richland.

For purposes of this section employment shall be determined on the basis of the pay period or periods ending nearest the 15th of each month.

SEC. 65. Amount of indemnity. The indemnity obligation of the Commission specified in section 63 shall be for such amount, less the sales price of the property, as would have remained unpaid under a loan entered into on the date of the execution of the original deed by the Commission—

(1) which was in the amount of the purchase price from the Commission and provided for equal monthly payments of principal and interest over a period of 20 years computed on the basis of the average interest and other charges recorded for property of the same class at the community; and

(2) on which all payments due to the date when notice was received by the Commission had been made.

SEC. 66. Conditions of indemnity. The Commission shall make the indemnity payment specified by section 65 only if the Commission receives a notice from the then owner of the property that he is about to sell the property for a sum less than the unpaid balance of the real or hypothetical loan calculated pursuant to section 65. Such payment shall be made only if—

a. notice is given to the Commission at a time when the conditions of section 64 are satisfied;

b. the sale is made within such time as the Commission may prescribe and in a manner which the Commission determined to afford adequate assurance of a fair price without excessive costs; and

c. the Commission is given such prior notice of the sale and such opportunity to become a purchaser as it shall prescribe.

In such circumstances the Commission is hereby authorized to purchase the property. Sales pursuant to this section and payment by the Commission of such amount, if any, as is owing pursuant to sections 63 through 66 shall end the obligation of the Commission under sections 63 through 66 with respect to that property.

CHAPTER 7. UTILITIES

SEC. 71. Authorization to transfer utilities: The Commission is authorized to transfer to one or more of the entities specified

in this chapter such utilities as in the judgment of the Commission will be appropriate to enable the transferee to meet the needs of the residents of the community for adequate utility services of the kind to be transferred.

SEC. 72. Date of transfer: Transfers of utilities shall be made as soon as possible, but in any event, not later than 5 years after the date of enactment of this act.

SEC. 73. Entity receiving transfer:

a. Transfer may be made to one or more of the following, if the transferee has the legal authority to receive and operate the utility:

(1) the city at the community;

(2) the State in which the community is located;

(3) any political subdivision or agency of that State; or

(4) any person, firm, corporation, or other legal entity.

b. In determining the transferee for any utility, the Commission may consider the following:

(1) the pattern of ownership of the comparable utilities in the State in which the community is located;

(2) the ability of the transferee to operate the utility;

(3) the probable price of the sale of the utility, the ability of the transferee to pay that price, and any probable expense; and

(4) the desires of the eligible voters of the community as directly expressed in any vote in any officially recognized procedure or in any procedure established by the Commission;

(5) the benefit of the United States in reducing possible requirements for local assistance as authorized in chapters 8 and 9 of this act.

SEC. 74. Utilities transferable: All utilities are authorized to be transferred under this chapter, but shall not include property which the Commission determines to be needed for its own use.

SEC. 75. Charges for utilities transferred: The Commission may give the utility to the city incorporated at the community; and must charge in selling the utility to any other transferee. The charges and terms for the transfer of any utility may be established by advertising and competitive bid, or by negotiated sale or other transfer at such prices, terms, and conditions as the Commission shall determine to be fair and equitable.

CHAPTER 8. MUNICIPALITIES

SEC. 81. Assistance in organization: The Commission is authorized, for a period not to extend beyond 5 years after the date of enactment of this act to cooperate with and assist the residents of the community in preparation for and establishment of local self-government and in the transfer of municipal installations and responsibilities to local entities. Such assistance may include payment of any amounts reasonably necessary to meet expenses incident to the establishment and organization of a city government and other local entities at the community, until such time as the municipal installations are transferred in accordance with the provisions of this chapter.

SEC. 82. Authorization to transfer municipal installations: The Commission is authorized to transfer to one or more of the entities specified in this chapter such municipal installations as in the judgment of the Commission, will be appropriate to enable the transferees to meet the needs of the residents of the community for adequate school, hospital, and other municipal services.

SEC. 83. Date of transfer: Transfers of municipal installations may be made at any time, not later than 5 years after the date of enactment of this act.

SEC. 84. Entity receiving transfer:

a. Transfers may be made to one or more of the following, if the entity has the legal authority to receive the installation: (1) the city at the community; (2) the State in which the community is located; (3) any political subdivision or agency of that State; or (4) a private nonprofit organization in the case of the hospital installation or cemetery at the community.

b. In determining the entity to which school, hospital, and other municipal installations, respectively, shall be transferred, the Commission shall be governed, in order, by

(1) the results of a vote in which the eligible voters in the community expressed themselves directly on the transfer in the vote on the incorporation of the city;

(2) the results of a vote in which the eligible voters have directly expressed themselves on the proposed transfer in a referendum or other officially recognized procedure;

(3) there being only one entity which is legally authorized to receive the municipal installation; or

(4) in the absence of the other alternatives, the Commission has conducted a vote of the eligible voters of the community on the proposed transfer under such procedures as it may establish.

SEC. 85. Installations transferable: All municipal installations are authorized to be transferred under this chapter, but shall not include property which the Commission determines to be needed for its own use.

SEC. 86. Charges for municipal installations transferred: The transfer of any municipal installation authorized to be made under the provisions of this chapter may be made without charge to the entity receiving the installation.

CHAPTER 9. LOCAL ASSISTANCE

SEC. 91. Basis of Assistance to Cities and Other State and Local Entities:

a. From the date of transfer of any municipal installations to a governmental or other entity at or for the community, the Commission shall for a period of 10 years make annual assistance payments of just and reasonable sums to the State, county, or local entity having jurisdiction to collect property taxes or to the entity receiving the installation transferred hereunder. In determining the amount and recipient of such payments, the Commission shall consider—

(1) the approximate real property taxes and assessments for local improvements which would be paid to the governmental entity upon property within the community if such property were not exempt from taxation by reason of Federal ownership;

(2) the maintaining of municipal services at a level which will not impede the recruitment or retention of personnel essential to the atomic energy program;

(3) the fiscal problems peculiar to the governmental entity by reason of the construction at the community as a single purpose national defense installation under emergency conditions; and

(4) the municipal services and other burdens imposed on the governmental or other entities at the community by the United States in its operations in the project area.

b. Special interim payments may be made under the provisions of this section to any governmental entity which—

(1) has a special burden due to the requirements under law imposed upon it in assisting in effectuating the purposes of this act for which it will not otherwise receive adequate compensation or revenues; or

(2) will suffer a tax loss or lapse in place of which it will not receive any other adequate revenues until the new governmental entities contemplated by this chapter are receiving their normal taxes and performing their normal functions,

c. Payments made under this section shall be payments made for special burdens imposed on the local governmental entities in accordance with the second sentence of section 168 of the Atomic Energy Act of 1954. Payments may be made under this section notwithstanding the provisions of the act of September 30, 1950 (Public Law 874, 81st Cong), as amended.

d. With respect to any entity not less than 6 months prior to the expiration of the 10-year period referred to in subsection a, the Commission shall present to the Joint Committee on Atomic Energy its recommendation as to the need for any further contribution payments to such entity. If it recommends further contribution payments, it shall propose a definite schedule of such contribution payments which will provide for an orderly and reasonably prompt withdrawal of the Atomic Energy Commission from participation in and contribution toward local government.

SEC. 92. Commission reductions: Any payment which becomes due under section 91 prior to the transfer of all municipal installations at the community may be reduced by such amount as the Commission determines to be equitable based on the municipal services then being performed by the Commission, and the municipal services then being performed by such governmental entity.

SEC. 93. Area of service: The payments made pursuant to section 91 to transferees of municipal installations are in anticipation that the respective recipients of those payments furnish, or have furnished, for the community, the school, hospital, or other municipal services in respect of which the payments are made. Any such payment may be withheld, in whole or in part, if the Commission finds that the recipient is not furnishing such services for any part of the area so designated.

SEC. 94. Commission contracts: The Commission is authorized, without regard to section 3679 of the Revised Statutes, to enter into a contract with any governmental or other entity to which payments are required to be made pursuant to section 91, obligating the Commission to make to such entity the payments as directed to be made by section 91.

CHAPTER 10. TRANSFER OF FUNCTIONS, AND REVIEW

SEC. 101. Transfer of functions: The President is authorized to delegate the duties and responsibilities placed on the Commission by this act to such other agencies of the United States Government as are reasonably qualified to perform those duties and responsibilities. The President may delegate any or all of the duties and responsibilities of the Commission in the operation of the communities to such other agencies of the United States Government that are reasonably qualified to perform those duties and responsibilities. The Commission shall retain no financing duties and responsibilities.

SEC. 102. Review: The Commission shall present to the Joint Committee on Atomic Energy of the Congress a full review of its activities under this act every 3 years in addition to any other presentation which may be required or requested by the joint committee.

SEC. 103. Joint Committee on Atomic Energy: The provisions of chapter 17 of the Atomic Energy Act of 1954 shall be applicable to all matters under this act.

CHAPTER 11. GENERAL PROVISIONS

SEC. 111. Powers of the Commission: The Commission shall have all powers conferred by the Atomic Energy Act of 1954, including the power to make, promulgate, issue, rescind, and amend such rules, regulations, and delegations as may be appropriate to carry out the provisions of this act and shall be subject to the limitations contained in chapter 14 of that act. Nothing contained

in this act shall impair the powers vested in the Commission by the Atomic Energy Act of 1954, as amended, or any other law.

SEC. 112. Qualification to Purchase: No officer or employee of the Commission or of any other Federal agency (including officers and members of the Armed Forces) shall be disqualified from purchasing any property or exercising any right or privilege under this act, but no such officer or employee shall make any determination as to his own eligibility or priority, or as to valuation, price, or terms of sale and financing of property sold to him.

SEC. 113. Contract forms: Contracts entered into pursuant to this act and other instruments executed pursuant to this act shall be in such form and contain such provisions, consistent with this act, as the Commission shall prescribe; and shall be as simple and concise as possible. Any mortgage shall contain terms which will place the United States in the same position, with respect to any mortgages it may hold under the provisions of chapter 6, as that occupied by a private lender under the applicable State laws for the relief of mortgagors with respect to deficiency judgments.

SEC. 114. Evidence: A deed, lease, contract, or other instrument executed by or on behalf of the Commission purporting to transfer title or any other interest in property disposed of pursuant to this act shall be conclusive evidence of compliance with the provisions of this act and rules and regulations promulgated thereunder, insofar as concerns title or other interest of any bona fide grantee or transferee for value without notice of lack of such compliance, and his successors in title.

SEC. 115. Administrative review: Determinations authorized by this act to be made by the Commission as to classification, priorities, prices, and terms and conditions of sale of property disposed under this action shall be subject to review only in accordance with such provisions for administrative review or reconsideration as the Commission may prescribe.

SEC. 116. Repossession: The Commission is authorized to repossess any property sold by it in accordance with the terms of any contract to purchase, mortgage, or other instrument, and to sell or make any other disposition of any property so repossessed and any property purchased by it pursuant to section 66.

SEC. 117. Net proceeds: The net proceeds derived by the Commission from the disposal of property pursuant to this act, after defraying expenses incident to appraisal, sale or other transfer and any financing under section 62, shall be covered into the Treasury. Annually, upon advice of the Commission, there shall be transferred to miscellaneous receipts of the Treasury such portion of such net proceeds as may no longer be needed to meet the contingent obligations provided for in subsection 118 c.

SEC. 118. Appropriations:

a. There are hereby authorized to be appropriated such sums as may be necessary and appropriate to carry out the provisions and purposes of this act.

b. There are authorized to be appropriated the sum of $518,000 at Oak Ridge and the sum of $2,165,000 at Richland for construction, modification, or expansion of municipal installations authorized to be transferred pursuant to chapter 8 of this act.

c. As much as may be necessary of net proceeds from section 117 are hereby appropriated and made available for use by the Commission (without fiscal year limitations) to pay any costs, losses, expenses, or obligations incurred by the Commission in connection with obligations entered into pursuant to section 37 or section 63, with repossession or repurchase, rehabilitation, and further disposition pursuant to sections 63 through 66 and section 116, and with the defense and payment of any claims for breaches of warranties and covenants of title of any property disposed of pursuant to this act.

SEC. 119. Separability of provisions: If any provisions of this act, or the application of such provision to any person or circumstances, is held invalid, the remainder of this act or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

AMENDMENT TO NATIONAL HOUSING ACT

SEC. 201. Section 223 (a) of the National Housing Act, as amended, is further amended as follows:

(a) After paragraph (3) thereof there is added the following new paragraph:

"(4) executed in connection with the sale by the Government, or any agency or official thereof, of any housing (including any property acquired, held, or constructed in connection therewith or to serve the inhabitants thereof) pursuant to the Atomic Energy Community Act of 1955, as amended: *Provided*, That such insurance shall be issued without regard to any preferences or priorities except those prescribed by the Atomic Energy Community Act of 1955, as amended; or".

(b) The paragraph numbered (4) is renumbered (5).

(c) The paragraph numbered (5) is renumbered (6) and is revised to read as follows:

"(6) executed in connection with the first resale, within 2 years from the date of its acquisition from the Government, of any portion of a project or property of the character described in paragraphs (1), (2), (3), and (4) above; or".

(d) The paragraph numbered (6) is renumbered (7) and the last proviso therein is amended by striking "(4) or (5)" and inserting "(4), (5), or (6)" and by striking "(3), or (5)" and inserting "(3), (4), or (6)".

AMENDMENT TO PUBLIC LAW NO. 874, 81ST CONGRESS

SEC. 202. Section 8 (d) of the act of September 30, 1950 (Public Law No. 874, 81st Cong.), as amended, is further amended by adding, after the words "Indian Affairs", the following: ", or the availability of appropriations for the making of payments directed to be made by section 91 of the Atomic Energy Community Act of 1955, as amended."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MR. T. K. QUINN'S REPLY TO REPRESENTATIVE REECE OF TENNESSEE

Mr. PATMAN. Mr. Speaker, on June 16, 1955, the gentleman from Tennessee [Mr. REECE] extended his remarks in the RECORD in which he made certain unflattering references to Mr. T. K. Quinn. Again on June 29, 1955, the gentleman from Tennessee extended his remarks in the RECORD at which time he made further references to Mr. Quinn and referred back to his earlier remarks of June 16, 1955. It is my personal opinion that the gentleman from Tennessee has been misled and is under some erroneous impressions both concerning what is contained in Mr. Quinn's writings and concerning Mr. Quinn's record of outstanding public service. Mr. Quinn is a distinguished citizen, a man with long and successful experience within the big corporations about which he has written, and his writings and statements, in my opinion, deserve careful and respectful attention. Insofar as I am able to tell, Mr. Quinn has had but one objective in all of his writings—which is to make a good economic system work even better and, particularly, to give small business a chance in this system.

On July 7, 1955, Mr. Quinn wrote to me concerning the references made to him by the gentleman from Tennessee [Mr. REECE], as follows:

JULY 7, 1955.

DEAR MR. PATMAN: I have, only this week, had my attention called to Representative CARROLL REECE'S rather lengthy remarks about me which appeared in the CONGRESSIONAL RECORD on June 16, 1955, and to which Representative REECE referred on June 29, saying, "I exposed the philosophy of T. K. Quinn."

Since my philosophy is constantly developing with greater experience, new events, and more study and reflection, it may be premature to say that my philosophy has been fully exposed, even to myself. However, Representative REECE'S remarks have occasioned me to review some of my writings over the years, and I think that my expressions have not been as inconsistent as Representative REECE has been led to think. In any case I find a great deal of similarity of thinking in my first book written some 15 years ago, my more recent book titled "Giant Business Threat to Democracy," and my new book, Reign of the Painted White Elephants, which is to be published this fall.

The subjects of mergers, monopoly, giant corporations, and concentrated economic power overflowing into the political field need much more airing than they are getting from the press, which is dangerously dependent on the advertising dollars of the giants. The country needs more light and clarification. We are in a critical period involving the organization of our society, the preservation of small and independent business and of our revered democratic institutions.

Representative REECE'S unflattering appraisal of me is in the main based upon two charges: First, an old, and I think unfounded, charge concerning my work with the War Production Board; and, second, a charge that my position concerning giant business has been inconsistent over the years.

The charge concerning my WPB record rests upon an old statement made by former Congressman Jerry Voorhis, which Mr. Voorhis was later kind enough to state was made on misinformation. I quote a letter from Mr. Voorhis to me dated July 5, 1955, as follows:

"Mr. T. K. QUINN,
"New York, N. Y.

"DEAR MR. QUINN: It is with profound regret and great alarm that I learned of the attack made upon you and your fine record of service to the American people in the House of Representatives recently. I am certain that the Congressman who made these remarks did so out of misinformation and it is a source of profound regret to me that an old extension of remarks of my own apparently contributed to that misinformation.

"I believed very strongly during the war period, as I do today, that the system of having the Government employ the services of outstanding individuals on a so-called dollar-a-year basis is wrong. I think the Government should pay people in all cases a salary reasonably commensurate with what they are worth. I was frankly concerned about this problem during the war period.

"On one occasion a man in whom I had great confidence came to me with certain information respecting the publication of a new manual on management-labor relations.

This man, mistakenly as I now know, felt that there was something improper about your publishing this book and promoting its sale while you were serving as a War Production Board executive. As you know, I included this material furnished by this man in an extension of my remarks published in the CONGRESSIONAL RECORD and I have regretted that I ever did so.

"I feel it is inexcusable that I did not telephone you first to ascertain the full facts. Had I done so I would have found that your whole purpose in the publication of this manual was to try to carry over into peacetime some of the harmonious relationships between management and labor which had developed during the war period. I would have found out that you were devoting any receipts over and above the actual costs of publication of this manual to contributions to the Red Cross and it was therefore quite impossible for you to derive any personal profit or advantage from this undertaking.

I am writing this letter in the hope that it may in some measure correct the RECORD and also to express my very sincere regard for you as a person and as a leader of American thought.

"Sincerely yours,

"JERRY VOORHIS,
"Executive Director."

With respect to my work with the War Production Board, I worked wholeheartedly for labor-management peace and the successful outcome of the war, with no political or other ambitions whatever. When the war was over, hoping to preserve something of the constructive relationships we had developed and to avoid the postwar labor troubles which I foresaw, I sought to have printed the results of our work. There was no appropriation, and I therefore printed a manual at my own expense. First, however, I took the manuscript to John Lord O'Brian, the WPB counsel, pointing out to him an opening paragraph in which I explained that if the proceeds of the manual exceeded its cost the balance would be donated to the American Red Cross. If there was a loss I was obliged to absorb it, and I did. Mr. O'Brian's advice was, "Since you are bent upon doing good, go ahead; you will get hell anyway." A wise man.

In marked contrast to Mr. REECE's impression of my work, Mr. Donald Nelson, the able Chief of the War Production Board, has the following to say in his book, Arsenal of Democracy, page 327:

"In June 1943, T. K. Quinn, president of Maxon, Inc., a national advertising agency, resigned his position to become a dollar-a-year Director General of the War Production Drive. He was at one time vice president of General Electric and chairman of the GE Finance Corp., which he organized. Ted enlarged the division, reorganized procedures, published a weekly paper for war plants, conducted specific industry campaigns, and widely publicized the drive. Under his supervision the number of committees in successful operation was raised from 2,000 to more than 5,000 by the fall of 1944."

Mr. REECE's charge of inconsistency in my writings over the years rests upon his belief that my earlier writings condoned all aspects of big business and that my later writings have been an attack upon all aspects of big business. And there is a suggestion left that I have done this about-face "because some were successful and his Monitor corporation was not, the system is at fault." Actually I think that the book of mine from which Mr. REECE's remarks quote extensively, a book titled "Liberty, Employment, and No More Wars," is not inconsistent, but supports to a surprising degree many of my present views. Here, for example, are some quotations from that book which were apparently not called to Mr. REECE's attention. They express considerable concern over centralized economic power and indicate that at that time I held beliefs which were just the opposite to those suggested by extracts which the gentleman from Tennessee [Mr. REECE] has quoted from this same book.

On page 52:

"Centralization is evil. Now the evil in all these instances is centralization itself, whoever practices it. Centralization is evil because it is essentially inhuman. It impersonalizes, disregards the individual and undertakes by remote regulation to control human situations which it never sees, feels, nor understands. Any vaunted 'efficiency' which it claims can be attained only at the cost and sacrifice of human values."

On page 53:

"Centralization of power and authority elsewhere whether political or economic always takes from the individual something of strength and character which is vital to his existence as a self-reliant freeman. It is basically un-American regardless of the form of the transfer. Any kind of remote control amounts to slavery or subordination which must always be repugnant to those for whom liberty is the very breath of life itself. Those who lose their freedom lose what is strongest and noblest in them."

On page 54:

"Let Americans serve notice upon the separate groups, upon unionists, farm blocs, employers, social planners, and all of the ism adherents, that if there actually had to be any all-powerful, all-controlling factor in this country why, of course, we much prefer that it be a strong government, responsible to all of the people. For at least we still have a vote, all of us, in determining its personnel and conduct and we all have a Constitution to protect the rights of minorities and keep our national train on its all-for-one and one-for-all track. All other group rulership is lawless because it represents only its selfish interest and is therefore intolerable to the people as a whole."

On page 57:

"In this book I am primarily interested in pointing the way through a new American decentralization and teamwork toward the objectives which we can and must meet without trying to blueprint the future. We must not expect to have a world or a society that is much better than the people in it, and better people is the first hurdle, as Justice Holmes explained years ago. But the people we have are generally better than we think they are. One of the great difficulties is that the very best of them are not the acquisitive, aggressive, selfish, praise-loving, power-seeking people so often found in many political and economic high places. In the very nature of our limited competition those whom society so noisily rewards for pushing their way into notice and position often stand consciously or unconsciously in the way of progress. Had they been more considerate and generous they might never have attained this eminence. The cause of the greatest number may have to be advanced in spite of some of them."

All of this, representing the heart of what I undertook to say, is entirely consistent with everything I have ever said and still believe. In this same old book I also went on to show that unrestricted competition will not work to the best interests of society.

On page 87:

"In passing, I must point a finger of moral and social disapproval at those corporations which, having established themselves in some one industrial field, take advantage of their financial positions to move into unrelated lines, where they contribute nothing and often cut prices ruinously. The wanton, adroit method is to go after the cream or easy picking in the other field. Thus the position gained in one industrial line enables a large competitor to become a destructive raider in another."

In order to understand my writings on the problems raised by giant business firms, it is important to recognize the difference between a $10 million, $100 million, and billion or multibillion dollar business. I have never opposed necessary big business. A corporation can be a national asset and still be dangerous. Up to a point, size is essential to genuine efficiency and I say so in several of Mr. REECE's selections. There are indeed techniques of production that require a certain minimum volume. Bigness does make for efficiency—up to a point. But this does not begin to justify United States Steel's combination of 149 other corporations. It does not justify $10 billion General Motors being in the clothes washing machine business or General Electric's ownership of a steel mill among some 90 other corporations. Nor does it justify outright, financial monsterism arranged solely for purposes of capital power and market domination contrary to every tenet of American economic freedom and opportunity.

I do now and always have favored constructive competition of the kind which the giants are now throttling. But not all competition is constructive. Without fair and reasonable governmental restrictions—which he opposes—competition can lead to the elimination of all but a few giants. Do we need anything more than a mere reference to the automobile industry to prove the point? There are only 5 producers left and 2 of them are in mortal danger. Competition is not a god. The Government should act to prevent the bankruptcy of American Motors and Studebaker-Packard when the time comes.

It becomes just a little more difficult to understand that monopoly, on the other hand, is also intolerable. Thus unrestricted competition and monopoly have a polarity. In large areas of our economy price competition has been eliminated, along with free enterprise and open opportunity. Mr. Benjamin Fairless admitted to the Senate Fulbright committee this year that there is no price competition in the steel industry. After the recent wage increases the price of steel was increased by $7.50 a ton and by all of the producers. No one announced a $7 increase or a $7.25 increase but an identical $7.50 increase by all, in unison. Similar price conditions prevail in many other industries which have crowded free enterprise and even constructive competition to the wall. What we actually have in America today is not a system of free enterprise as is so often misrepresented. We have a partially managed and partially free economy.

With respect to certain other allegations, I should explain that efficiency has a narrow and also a broad social meaning. What is good for General Motors may be bad for the country, Mr. Wilson to the contrary notwithstanding. It does not answer my assertion that General Motors used its power to secure more than its share of postwar steel, for example, by presenting figures that in the years from 1946 to 1950—years of steel shortage—General Motors increased its share of the passenger car market from 38 percent to 46 percent. That is precisely my point. The corporation was not only able to increase its proportion of automobile passenger business, but also its other metal production business, in many instances to the disaster of its helpless rivals. It has loaned millions to preempt steel supplies.

Broadly, giant business has not shouldered its social responsibility since the war. Instead, it has fought minimum hours and fair wages—purchasing power—social security, intelligent planning, and in fact, most of the progressive measures. At the same time it opposed all price controls and in many instances exacts enormous profits. I should say now that it must pay in taxes for what it has by default required the Government to undertake. Largely through the expansion of private and public credit, business has kept booming and will, but for how long we do not know. These are new conditions subsequent to my early book. My viewpoint here has changed with new developments.

I still believe that a man of outstanding ability has a greater potential in a big business or a big county then in a small one, thinking only in terms of business, and provided you can find him and help him to develop. But in monster corporations he is lost. Moreover, the constant absorptions and mergers by giant corporations, particularly since the war and in the past 3 years, is decreasing proportionately the number of top jobs so that today even college graduates and white-collar men can look forward only to subordinate positions—see my new October 1955 book, Reign of the Painted White Elephants.

I have always believed that giant corporations should not be broken up "regardless of manufacturing costs and efficiencies." On the other hand, giant corporations are not always organized today wholly on the basis of efficiency; nor do I believe, as the gentleman from Tennessee [Mr. REECE] seems to argue, that the antitrust laws have been effective. I would have to say, "Look around you at the giant mergers and combinations and the combinations of combinations which both the Sherman law and the Clayton Act were intended to prevent. How many mergers are being prevented today under the present undeclared open season?" There have been thousands of them in the industrial field, and the banks have so merged that today only 10 of them have 46 percent of the total deposits. Giant corporations are reaching out in all directions for purely market power, excessive profits, and dominating capital positions, and they have entirely too much political as well as economic power.

Sincerely yours,

T. K. QUINN.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7278) entitled "An act making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to Senate amendments Nos. 3, 22, 23, 25, 27, 31, 33, 35, 56, 75, 76, 84, 93, 104, 109, 116, and 123, to the above-entitled bill.

The message also announced that the Senate recedes from its amendment No. 62.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 2576. An act to amend the joint resolution entitled "Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes," approved January 14, 1933, and for other purposes.

The message also announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 2260. An act granting the consent of Congress to the States of Arkansas, Louisiana, Oklahoma, and Texas to negotiate and enter into a compact relating to their interests in, and the apportionment of, the waters of the Red River and its tributaries.

The message also announced that the Senate insists upon its amendment to the bill (H. R. 4048) entitled "An act making recommendations to the States for the enactment of legislation to permit and assist Federal personnel, including members of the Armed Forces, and their families, to exercise their voting franchise, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. GREEN, Mr. GORE, and Mr. CURTIS to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 2391) entitled "An act to amend the Defense Production Act of 1950, as amended, and for other purposes"; requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. SPARKMAN, Mr. DOUGLAS, Mr. MORSE, Mr. CAPEHART, and Mr. BRICKER to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 100) entitled "An act to permit the mining development, and utilization of the mineral resources of all public lands withdrawn or reserved for power development, and for other purposes."

AMENDING THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 7470) to amend the Defense Production Act of 1950, as amended.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 7470, with Mr. DAVIS of Tennessee in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the committee rose on yesterday, the Clerk had read section 1 of the bill. If there are no amendments to this section the Clerk will read:

The Clerk read as follows:

SEC. 2. Subsection (c) of section 701 of the Defense Production Act of 1950, as amended, is amended to read as follows:

"(c) Whenever the President invokes the powers given him in this act to allocate any material in the civilian market, he shall do so in such a manner as to make available, so far as practicable, for business and various segments thereof in the normal channel of distribution of such material, a fair share of the available civilian supply based, so far as practicable, on the share received by such business under normal conditions during a representative period preceding any future allocation of materials: *Provided*, That the President shall, in the allocation of materials in the civilian market, give due consideration to the needs of new concerns and newly acquired operations, undue hardships of individual businesses, and the needs of smaller concerns in an industry."

SEC. 3. Section 708 of the Defense Production Act of 1950, as amended, is amended—

(1) by inserting before the period at the end of the first sentence of subsection (b) a colon and the following: *"Provided, however*, That after the enactment of the Defense Production Act Amendments of 1955, the exemption from the prohibitions of the antitrust laws and the Federal Trade Commission Act of the United States shall apply only (1) to acts and omissions to act requested by the President or his duly authorized delegate pursuant to duly approved voluntary agreements or programs relating solely to the exchange between actual or prospective contractors of technical or other information, production techniques, and patents or patent rights, relating to equipment used primarily by or for the military which is being procured by the Department of Defense or any department thereof, and the exchange of materials, equipment, and personnel to be used in the production of such equipment. The Attorney General shall review each of the voluntary agreements and programs covered by this section, and the activities being carried on thereunder, and, if he finds, after such review and after consultation with the Director of the Office of Defense Mobilization and other interested agencies, that the adverse effects of any such agreement or program on the competitive free enterprise system outweigh the benefits of the agreement or program to the national defense, he shall withdraw his approval in accordance with subsection (d) of this section. This review and determination shall be made within ninety days after the enactment of the Defense Production Act Amendments of 1955.";

(2) by inserting in subsection (d) thereof after the word "hereunder" the following: ", or upon withdrawal by the Attorney General of his approval of the voluntary agreement or program on which the request or finding is based,";

(3) by inserting after the first sentence of subsection (e) thereof the following new sentence: "Such surveys, and the reports hereafter required, shall include studies of the voluntary agreements and programs authorized by this section.";

(4) by striking out from the last sentence of subsection (e) thereof the words "at such times thereafter as he deems desirable" and inserting in lieu thereof the words "at least once every three months".

SEC. 4. Section 710 (b) of the Defense Production Act of 1950, as amended, is amended to read as follows:

"(b) (1) The President is further authorized, to the extent he deems it necessary and appropriate in order to carry out the provisions of this act, and subject to such regulations as he may issue, to employ persons of outstanding experience and ability without compensation;

"(2) The President shall be guided in the exercise of the authority provided in this subsection by the following policies:

"(i) So far as possible, operations under the act shall be carried on by full-time, salaried employees of the Government, and appointments under this authority shall be to advisory or consultative positions only.

"(ii) Appointments to positions other than advisory or consultative may be made under this authority only when the requirements of the position are such that the incumbent must personally possess outstanding experience and ability not obtainable on a full-time, salaried basis.

"(iii) In the appointment of personnel and in assignment of their duties, the head of the department or agency involved shall take steps to avoid, to as great an extent as possible, any conflict between the governmental duties and the private interests of such personnel.

"(3) Any person appointed under the authority of this subsection shall file, under oath, with the head of the employing agency

at the time of employment a full and complete report of his outside connections, listing all personal and financial relationships which he has or had within 12 months prior to his appointment with any person, firm, corporation, or other entity, or any trade organization, labor union or similar organization, and he shall file monthly thereafter, under oath, so long as his appointment shall be in effect, any changes in such outside connections.

"(4) Appointees under this subsection (b) shall, when policy matters are involved, be limited to advising appropriate full-time salaried Government officials who are responsible for making policy decisions.

"(5) Any person employed under this subsection (b) is hereby exempted, with respect to such employment, from the operation of sections 281, 283, 284, 434, and 1914 of title 18, United States Code, and section 190 of the Revised Statutes (5 U. S. C. 99), except that—

"(i) exemption hereunder shall not extend to the negotiation or execution, by such appointee, of Government contracts with the private employer of such appointee or with any corporation, joint stock company, association, firm, partnership, or other entity in the pecuniary profits or contracts of which the appointee has any direct or indirect interest;

"(ii) exemption hereunder shall not extend to making any recommendation or taking any action with respect to individual applications to the Government for relief or assistance, on appeal or otherwise, under the provisions of the act made by the private employer of the appointee or by any corporation, joint stock company, association, firm, partnership, or other entity in the pecuniary profits or contracts of which the appointee has any direct or indirect interest;

"(iii) exemption hereunder shall not extend to the prosecution by the appointee, or participation by the appointee in any fashion in the prosecution, of any claims against the Government involving any matter concerning which the appointee had any responsibility during his employment under this subsection, during the period of such employment and the further period of 2 years after the termination of such employment; and

"(iv) exemption hereunder shall not extend to the receipt or payment of salary in connection with the appointee's Government service hereunder from any source other than the private employer of the appointee at the time of his appointment hereunder.

"(6) Appointments under this subsection (b) shall be supported by written certification by the head of the employing department or agency—

"(i) that the appointment is necessary and appropriate in order to carry out the provisions of the act;

"(ii) that the duties of the position to which the appointment is being made require outstanding experience and ability;

"(iii) that the appointee has the outstanding experience and ability required by the position; and

"(iv) that the department or agency head has been unable to obtain a person with the qualifications necessary for the position on a full-time, salaried basis.

"(7) The heads of the departments or agencies making appointments under this subsection (b) shall file with the Division of the Federal Register a statement including the name of the appointee, the employing department or agency, the title of his position, and the name of his private employer.

"(8) At least once every 3 months the Chairman of the United States Civil Service Commission shall survey appointments made under this subsection and shall report his findings to the President and the Joint Committee on Defense Production and make such recommendations as he may deem proper."

Mr. PATMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PATMAN: On page 4, line 7, strike out line 7 and all that follows down to line 4 on page 8 and insert: "SEC. 4. Section 710 (b) of the Defense Production Act of 1950, as amended, is hereby repealed.

TO PREVENT W. O. C. EMPLOYEES

Mr. PATMAN. This amendment really means that we shall not have any W. O. C.'s, that is, employees of the Government serving without compensation. It strikes out the section which makes that possible. The discussion yesterday is in the RECORD this morning, and I do not think it is necessary to take up too much time because the issue is well known and, I believe, the Members have their minds pretty well made up. This is an attempt to perpetuate in a time of peace something that we have never heretofore allowed except in time of war. I am in accord with the policy of the Government that during a war or great national emergency, when patriotism is the first consideration, it is all right for us to call in people who are representing great corporations with a particular know-how to advise with them. In time of war that is all right. But in time of peace, it could amount to permitting the Government to be used as a vehicle for private business and private concerns when it permits people with a conflict of interest to serve in a governmental capacity and at the same time receive pay from their employers.

SERVE TWO MASTERS

The question is which one would the employee serve more faithfully and loyally, the Government of the United States, from whom he is receiving nothing, or his private employer, to whom he is greatly obligated? This private employer over the years has been good to his employee; the employee's future is wrapped up in his employer. Now, which is he going to serve? You know it is awfully hard for a person to serve 2 masters, yet this permits a person to serve 2 masters—the Government and his private employer—when the Government pays him nothing and the private employer pays him a good salary.

I do not think it should be permitted in time of peace. If we were to permit this bill to become law like it is, it would be the first time in the history of this Republic, commencing in 1789, when we have ever permitted people to serve without pay during time of peace and serve their private employer at the same time.

So this is attempting to perpetuate a new policy; it is in violation of all our traditions of the past. I do not think we should undertake it. If we need people with certain qualifications and experience in the Government in time of peace, we should be able to obtain and pay career employees who could do this type of work and should not rely upon private business in time of peace.

But you know it will be contended that this is a national emergency, that this bill carries a national emergency. I contend it does not, because if it involved a national emergency it would carry more powers. In a national emergency it would carry standby authority to the President to invoke price controls, wage controls, allocations, allotments, and everything like that which normally goes along with a great national emergency or war.

This bill does not carry any such provision as that; therefore, it cannot be said that it is meeting a great national emergency, because it is not; it does not carry normal standby powers for a national emergency, and I ask you to consider this. I know each Member has his own views, and I am not capable of changing anyone's mind; I am not attempting to, but I do hope you seriously consider this one fact. If you pass this bill like it is even by attempting to place limitations and restrictions upon it, that still will not get the job done. If you pass it like it is you are commencing for the first time in the history of this Republic a new policy, that of letting people serve in the Government and have a conflict of interests by serving private employers at the same time.

I hope you strike this out.

Mr. BROWN of Georgia. Mr. Chairman, I rise in opposition to the amendment.

Mr. BROWN of Georgia. Mr. Chairman, the gentleman from Texas [Mr. PATMAN] states that he would be for some of the dollar-a-year men if it were in time of war or great national emergency. He admits the need under those circumstances. Are we not in great national emergency now? We are spending $40 billion a year in preparation for peace or for war. This is certainly convincing evidence that we are in a national emergency.

The Director, Dr. Flemming, said there is a national emergency. If there is no national emergency, why do we want this bill at all?

We will never be caught as we were before World War I and World War II. We are going to be ready to fight and we are going to stay ready to fight always.

The man who administers the act says: Give me the tools for me to do the job. We have certain specialists in private enterprise that we do not have in Government, and we need them. We cannot find substitutes for them. Are we going to fail to give him those men? I thought we were satisfied in the committee after we adopted this amendment that I offered which gives all the safeguards necessary to protect the Government. I thought we had satisfied the gentleman from Texas [Mr. PATMAN]. We put all the safeguards that we possibly could put around this so that there will be no further abuse along these lines.

When ex-President Truman was Senator, he was chairman of an investigating committee of the other body. At that time he wanted to do away with the dollar-a-year men. After he became President of the United States he changed his mind because he could not find certain specialists in Government and had to go to private enterprise for them.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Georgia. I yield to the gentleman from Texas.

Mr. PATMAN. Is it not a fact that he changed his mind during the war, right after the Korean war started?

Mr. BROWN of Georgia. That may be true, but he changed his mind on account of a national emergency like this is and it is a national emergency as long as you are spending $40 billion a year for preparation for national defense.

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Georgia. I yield to the gentleman from California.

Mr. JOHNSON of California. I have observed the gentleman a good many years and I believe that what he says is his firm conviction. Is it the gentleman's conviction that the patriotic impulse of these men to serve the Government in time of need would overcome the temptation to take money or influence on the side?

Mr. BROWN of Georgia. The gentleman is correct. You cannot get men with certain specialized training and experience who are receiving large salaries, $40,000 or $50,000 a year, to come into the Government for just a few months at small salaries.

We put all the safeguards in this bill we could in order to get good men and I do not see how anyone can oppose it.

Let me read what the safeguards are. President Truman issued an order after he became President of the United States placing safeguards around dollar-a-year appointments. That was an Executive order that was issued. Now for the first time we are putting it in this bill. That is not the only curb we have. Let me read some of the others.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Georgia. I yield to the gentleman from Texas.

Mr. PATMAN. Is it not a fact that the curb he imposed was during wartimes? If those curbs were necessary in time of war should we not have additional curbs away beyond what we have, if at all?

Mr. BROWN of Georgia. We are doing more today getting ready for peace or for war than we ever did during the time the fighting was going on.

This Executive Order 10182 issued by the President and other pertinent restrictions are included in the bill. This is the first time that the Truman order has been made law.

Section 4 (1) limits the role of w. o. c. personnel when policy matters are involved to advising appropriate full-time salaried officials who are responsible for making policy decisions.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

(By unanimous consent (at the request of Mr. BROWN of Georgia) Mr. BROWN of Georgia was permitted to proceed for 5 addtional minutes.)

Mr. BROWN of Georgia. Mr. Chairman, these dollar-a-year men cannot make policy. They can only advise.

Section 4 (2) requires every appointee to file under oath with the head of his employing agency at the time of his employment a full and complete report of his outside connections, listing all personal and financial relationships which he has at that time, or has had within 12 months prior to his appointment, with any person, firm, corporation, or other entity, or any trade organization, labor union, or similar organization. The appointee would also be required to file monthly thereafter, under oath, during the period of his appointment any changes in his outside connections and (3) requires the Chairman of the Civil Service Commission to file with the Joint Committee on Defense Production the findings of his quarterly surveys of w. o. c. appointments together with his recommendations with respect thereto. I believe these provisions will provide adequate safeguards against any future abuse.

At present there is a relatively small number of w. o. c.'s on the Government's rolls, but they are rendering important service to the mobilization program. The use of section 710 to provide the Government with the services of high-caliber men during the present emergency has been highly successful and should be continued. The termination of this authority would be a grave blow to national defense. I strongly urge that the House will follow the recommendations of its Committee on Banking and Currency in regard to w. o. c.'s.

In some instances men with good qualification are found in the Government career service, but in others they are available only in private life—in industrial concerns, labor unions, universities, and the various professions. Many of them are financially able to accept Government employment on civil-service salaries, but others are economically committed to an extent that would not permit so great a reduction in their income. As you know the salaries of Government executives are not generally on a par with those of private enterprise. Under such circumstances the experience of that type of person can be obtained only if he can be appointed without compensation and can continue to receive his salary from private sources. Men from private life appointed on a w. o. c. basis, or its equivalent World War II basis of $1 a year, have rendered outstanding services during periods of mobilization—essential services which could not be obtained in a comparable degree by any other means.

Now, Mr. Chairman, we think we have placed all the safeguards that are necessary to protect the Government from any abuses by the w. o. c.'s. We know that Mr. Flemming cannot do a good job in carrying out the intention of Congress without some of these specialists from private enterprise, since he cannot get them from Government. And he will not secure any from private enterprise if he can find qualified men in Government.

I certainly hope you will vote down this amendment by my esteemed friend from Texas.

Mr. SHORT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I think this particular amendment does raise a very important question and one that deserves the most serious consideration of the Members of this House. I have considerable sympathy with what the gentleman from Texas said in his remarks. He has pointed out some points which we should and must consider. It is not easy; it is difficult. I have not thought too highly of every dollar-a-year man in the past working for the Government, whether in time of peace or in war, and I think we should exercise great caution and restraint and sound judgment before smearing or condemning some of the men who have been unjustly accused and smeared even by some of the Government agencies in days gone by and particularly at the present time.

In yesterday's Washington Daily News there was an article by Peter Edson entitled "How Much Patriotism? How Much Profit?" It poses this question of how we can get top-grade executives, men of long and successful business experience, to serve their Government in times of great emergency, of war. I think we all have to agree, too, that it would be much easier for a man to serve unselfishly out of pure patriotism and without any hope of reward or profit in time of war than in time of peace. Today we are neither in war nor peace, which makes our decision all the more difficult.

In this article of yesterday by Peter Edson he says, after citing several cases that have been brought to the public's attention:

> Still another mixup has now come to light in a case going back to the Truman administration. It is revealed by Senator JOHN J. WILLIAMS, Republican, Delaware, and Comptroller General Joseph Campbell.
>
> They charge that the Government lost $325,000 on a zinc-supply contract for the defense stockpile. The contract was with Mid-Continent Supply Co., of St. Paul. It was made by former General Services Administrator Jess Larson on recommendation of Howard I. Young, his dollar-a-year metals adviser, who was also president of American Zinc, Lead & Smelting Co., St. Louis.
>
> The Mid-Continent zinc was to be refined by American Zinc Co., of Illinois, a subsidiary of the St. Louis company in which Mr. Young's son, R. A. Young, was vice president.
>
> Comptroller General Campbell has suggested a possible conflict of interest in this case, though both Larson and the Youngs deny there was anything wrong, and say it was all in the national interest.

I agree completely with the gentleman from Texas [Mr. PATMAN] that no man can serve two masters. We cannot serve God and Mammon. I want to assure the Members of this House that the only God served in this particular instance is the Father of us all, and not Mr. Young's company or any other company in which he has a selfish interest. His mind, heart, and hands are clean and there are no fears as to the outcome. It is not only indiscreet but positively wicked to charge a great patriot who has given so unselfishly of his time, money, and effort to serve our country in a time of crisis.

Mr. Speaker, let us not drive away the biggest brains, the best hearts, and greatest patriots from the service of our country in time of need.

I want to say to the Members of this House that I have known Howard I. Young for 30 years. He is one of the finest Christian gentlemen, of unimpeachable integrity, absolute honesty, and pure patriotism that I have ever

known. He enjoys the highest confidence, the greatest trust and respect, not only of his associates in the mining industry, but of all the people, regardless of religion or politics, down in the 7th Congressional District which I have the honor to represent and in which Mr. Young was lucky enough to be born. He comes from Stotts City and Joplin, Mo., and at the present time lives in the city of St. Louis.

After these wild and reckless charges were made by the agency of this Congress, not by the Executive Department, but by the Comptroller General's Office, after hearings were held and the story was told—and the report should never have been made until the facts were known in advance—I was happy to read in yesterday afternoon's edition of the Washington Star this article on the front page: "United States Retracts Accusation Against $1-a-Year Man."

This is by the Associated Press and, as I said, on the front page of the Star of yesterday afternoon. I think this is very important:

The Office of Comptroller General Joseph Campbell says it was wrong in two accusations of wrongdoing against Howard I. Young, a Government dollar-a-year man in 1951-2, and was dropping them.

Mr. Young is president of American Zinc, Lead & Smelting Co., of St. Louis. He retained his position with the company when he was an official in the Defense Materials Procurement Agency during the Truman administration.

The CHAIRMAN. The time of the gentleman from Missouri [Mr. SHORT] has expired.

(By unanimous consent, Mr. SHORT was allowed to proceed for 5 additional minutes.)

Mr. SHORT—

Allegations of "conflict of interest" in Mr. Young's handling of some zinc contracts during his time with the DMPA were made by Mr. Campbell July 7. The Senate-House Defense Production Committee conducted an inquiry. Yesterday, the committee made public testimony taken the day before behind closed doors in which Mr. Campbell's office said two of its charges against Mr. Young were based on wrong information.

The charges were that Mr. Young's firm sold $60,000 worth of machinery to the Mid-Continent Mining Co. after Mr. Young helped to promote a DMPA loan to Mid-Continent—

Which is untrue—

and that Mr. Young's firm sold 1,167 tons of zinc to the stockpile at a price 1½ cents a pound above the market price.

That is also untrue. We do not have all the evidence. Even so times and conditions change.

The transcript of the committee meeting quoted Frank H. Weitzel, Assistant Comptroller General—

Who is taking the rap for his superiors for the serious mistake made—

as testifying that "we admit we were wrong" and that the Comptroller General was dropping the accusations.

The transcript also quoted Mr. Young's lawyer, John F. Lane, as accusing the General Accounting Office, which Mr. Campbell heads, of bias and prejudice against his client.

Mr. Young has said in sworn testimony before the committee that he never made any money for himself or his firm from Government contracts which he had handled.

The committee did not say what steps it might take next.

But I hope they will follow the recommendation made by Mr. Young's attorney:

1. That we be relieved of any further obligation to this committee to discuss the GAO report with the GAO.

2. That the committee direct the Comptroller General to withdraw all copies of his report on the grounds that its erroneous, misleading inferences, inaccuracies and lack of completeness fully warrant the conclusion that it should not have been issued in the first place.

3. That this committee suggest to the Comptroller General that an apology to Mr. Young now appears to be entirely in order.

Mr. Chairman, a grievous wrong has been done to a great and good man, a loyal and patriotic American. Oh, yes, they drove the nail in the wall and now they are pulling the nail out, but the hole is still in the wall. That has caused this man unjust criticism and caused his lovely wife and two fine sons much mental anguish and physical suffering by false accusation without any foundation in fact whatever. Retraction can never catch up with accusation. Where is our great ethical press? So I think we should exercise great caution and restraint and judgment before we file or hurl unfounded charges.

Mr. WICKERSHAM. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield to the gentleman from Oklahoma.

Mr. WICKERSHAM. I am not as well acquainted with Mr. Young as is the gentleman, but I do have faith in the gentleman from Missouri, and I do know Jess Larson who was the boss of this man. There is no more able and conscientious public servant than Jess Larson. He was a No. 1 public servant during that time. I want to compliment the gentleman.

Mr. SHORT. I thank the gentleman from Oklahoma and I join him in his high regard for Jess Larson. He was a fine, faithful, and loyal public servant. Howard Young has told me that there is no finer nor abler man than Jess Larson. And Jess Larson had the courage, fairness, and the honesty to go before this committee and say that if any mistakes were made it was his fault and not that of Howard Young. To point the finger of suspicion at this good man is a dastardly thing to do unless men are well informed before they hurl these reckless and irresponsible charges.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield to the gentleman from Minnesota.

Mr. JUDD. I do not know Mr. Young personally, but not only was he libeled and his good name blackened in this GAO report, but other people were also involved. One firm against which charges were made was the Mid-Continent Mining Co., whose headquarters happens to be in St. Paul. That is not in my district, but I know some of its officers and have some familiarity with this whole case. The GAO report suggested that in return for the recommendation of Mr. Young that a loan be granted that company, it would have its zinc ore processed in Mr. Young's smelter in St. Louis. Now, where else would zinc ore mined in the gentleman's part of the country, Missouri, go to be refined except to St. Louis? Whoever prepared the GAO report took certain facts which were not cause and effect and insinuated they were. Some of the statements made as facts were easily demonstrable not to be facts. GAO recklessly destroyed the good name of American citizens. When that can happen, there ought to be an investigation of the General Accounting Office. And I trust, Mr. Chairman, that the Member of the other body who spread this libelous report on the official pages of the Congress will ask to have it expunged from the permanent RECORD.

Mr. SHORT. The investigators should be investigated. I am not mad at anybody. I want to live peaceably with all men. I am easy to get along with. But I can fight; and I never run away from one. Howard Young is my friend. More important he is a good American who unselfishly serves his country. Even the Democrats know it and that seals the book. Do not smear him nor cause his wife and sons to suffer this unjustified mental anguish and physical torture. It is a blemish upon us and not them.

Mr. Speaker, the following editorial appeared in the Joplin Globe of Sunday, July 24, 1955:

THE CASE OF HOWARD I. YOUNG

People in this district naturally have been interested in recent publicity concerning Howard I. Young, president of the American Zinc, Lead & Smelting Co. He is a product of this district, sharing with Alton Jones, head of Cities Service, the honor of being our finest examples of smalltown boys who made good in the city.

Starting as a clerk with the important company he has now headed for so long, Howard Young has received almost every honor the American mining industry could offer, including the presidency of the American Mining Congress, a position he still holds.

It is understandable that a man who has received such convincing evidence of the trust of the leaders of his profession as to his ability, honesty and integrity should have been astounded to pick up the newspapers recently and discover that a United States Senator, WILLIAMS, of Delaware, had made a speech in the Senate in which he reported that the head of the General Accounting Office of the United States suspected Young of misconduct while acting as the nonsalaried Deputy Administrator of the Defense Materials Procurement Agency from 1951 to 1953.

The amazing thing is that such a charge should have been made and publicized without giving Young a chance to present his side of the matter. There is no room here to print the multitudinous details of the case as it progressed, including sizzling castigation of Senator WILLIAMS on the Senate floor by Senator CAPEHART, of Indiana, for what he termed "character assassination" before hearing from the person accused. Suffice it to say that Young immediately asked for and did present his side of the case and that after he had done so it was obvious the charges were completely unreasonable and unfair.

In 1951, shortly after Young's appointment to the position with the Government as a dollar-a-year assistant, he visited this district and addressed mine operators in Joplin.

Here is a brief excerpt from an editorial in this column following this visit:

"If district mining men had hoped a plan for generous subsidy of local mining operations would be announced for the DMPA by Deputy Administrator Howard I. Young, in his address here Friday night, they were disappointed. He made no such announcement. The best he had to say was that the matter of encouraging increased production is being studied and that he will do what he can, consistent with the best interest of the Nation at large, to promote the interest of the mining industry here and elsewhere in the country.

"Howard Young is one of the most capable and highly honored men of the Nation in the mining industry. In addition, he is a 100 percent American, earnestly devoted to the task in which he now has an important part—that of allocating critical mineral resources for America and the free world. It is encouraging to feel and believe that there are many men of similar high repute and sterling character engaged in cooperating for the Nation's safety and protection."

We reiterate this sentiment today. But it is self-evident that Uncle Sam will find it harder and harder to get capable business leaders to cooperate in Government operation if they are to be maligned without cause and without a chance to tell their story before absurd charges are given general publicity. It is a procedure idiotic on its face and unqualifiedly condemnable.

Mr. SPENCE. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. WOLCOTT].

Mr. HIESTAND. Mr. Chairman, I ask unanimous consent to yield the time allotted to me to Mr. WOLCOTT.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WOLCOTT. Mr. Chairman, as has been so ably and well said by the gentleman from Georgia [Mr. BROWN], although we are not in a war the whole concept of the Defense Production Act is predicated on preparation for possible conflict. Were it not for the threat to the free democracies of the world today by potential enemies there would be no justification for continuing the Defense Production Act in any particular. So long as there is a clashing of political ideologies between the East and West, then we must keep ourselves in a position of preparedness, which we are doing. That, of course, involves and calls for some advice on the part of those who know what it is all about. We are still producing for a stockpile of strategic and critical materials, and it is absolutely essential that under this act we bring into the Government the people who are familiar with the production and distribution of these critical materials. Mention was made by the gentleman from Georgia of an Executive order promulgated by President Truman in 1950, Executive Order 10182, which is still in force and effect. It is a workable order and ties in with this problem of those who are employed without compensation. The purpose of that Executive order was to throw certain safeguards around this employment. It is a workable order. Now the substance of this Executive order for the first time has been written into the law so that unless the law is changed some time in the future, we always will have these standards under which these dollar-a-year men have had to work since 1950. The major change from that is an addition, which at the suggestion of the Department of the Interior, your Committee on Banking and Currency wrote into the act. It is found on page 5 wherein it provides that—

(4) Appointees under this subsection (b) shall, when policy matters are involved, be limited to advising appropriate full-time salaried Government officials who are responsible for making policy decisions.

That is an addition to the Executive order which has been in full force and effect since 1950. In other words, when these dollar-a-year men come in to aid with this problem of producing and allocating the materials for the stockpile, they come in as advisors. I think all the safeguards we should write into the act have been written in. I am certain, or anyway I am hopeful, that the gentleman's amendment will be defeated.

Mr. McDONOUGH. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. McDONOUGH. The gentleman from Texas stated to the committee a moment ago that we should not have these w. o. c. men unless we are in a national emergency. As I recall, the other day the Speaker of the House asked the Attorney General for a ruling as to whether we were in a national emergency to determine whether the House should adjourn on the 31st of July, and the Attorney General said that we are in a national emergency and, therefore, any action after the 31st of July is legal action on the part of this Congress. So I point out we are in a national emergency.

Mr. MULTER. Mr. Chairman, I also have the highest regard for Jess Larson. I do not know the gentleman, Mr. Young, who has been mentioned here, but I have no reason to disbelieve anything that has been said by our colleagues about him and his high repute.

However, let us get the record straight. Our Banking and Currency Committee of the House considered this matter in executive session, and our committee has released nothing with reference to these charges. As to what has been done in the other body, I must quote to you now, and this comes directly from the ticker tape:

WASHINGTON.—The General Accounting Office said today it had only reworded—not withdrawn—its charge that the Government bought zinc above market prices from a firm headed by Howard I. Young while he was a Government official.

Young, of St. Louis, president of the American Zinc, Lead & Smelting Co., was a dollar-a-year official in the Defense Materials Procurement Agency from 1951 to 1953 while still drawing his regular pay from the company.

The GAO said its charge that American Zinc sold 1,167 tons of zinc to the Government stockpiling program in 1952 at a price of 1½ cents above the market price still stands. It denied that testimony made public Thursday constituted a withdrawal of its earlier statement.

This charge must be aired in the proper place. The floor of the House is not the proper tribunal in which to try anyone. I make no charges, but I do say that this matter does indicate the need for strengthening this bill with reference to employing w. o. c.'s.

Mr. HIESTAND. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield.

Mr. HIESTAND. Was not the gentleman from New York instrumental in committee in putting these safeguards in the bill?

Mr. MULTER. The committee did not accept all of my suggestions on the subject. I intend to offer other amendments today. You will recall that two of my amendments were rejected by a very close division.

When it comes to extending the employment of these w. o. c.'s outside of defense procurement we are extending this bill too far. The bill is a bad bill unless it is going to limit these w. o. c.'s as to their activities. I do not think the bill goes far enough on that score.

The CHAIRMAN. The gentleman from Kentucky [Mr. SPENCE] is recognized.

Mr. SPENCE. Mr. Chairman, I regret and deplore all this talk about breach of trust. How else and where else can we find good men of experience in time of emergency?

I am for the bill; I am against the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. PATMAN].

Mr. GROSS. Mr. Chairman, may we have the amendment read?

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The Clerk again read the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. PATMAN].

The amendment was rejected.

Mr. VANIK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VANIK: Page 5, line 15, insert the following new sentence: "Such affidavit will also list the name of the appointee's private employer and will further state that such appointee shall not knowingly commit any act of omission or commission which will to the detriment of the Government inure to the appointee's personal benefit or to the benefit of his present or prospective employer."

Mr. VANIK. Mr. Chairman, this amendment is a very simple amendment to the bill. It merely provides that the affidavit carry supplemental information in which the appointee says that he will not knowingly commit any act of omission or commission which will to the detriment of the Government inure to his own personal benefit or to the benefit of his present or prospective employer. This is a very simple amendment which in effect is a loyalty-to-Government affidavit.

I think the time has come when we should boldly endeavor to do those things

that should be done to strengthen and improve civil service methods and Government salary-levels to develop and attract high quality personnel into Government. It is surprising how much competence and ability can be found throughout the public service in view of the lack of incentives by reason of low salaries and official confusion.

In this period of relief from "shooting" wars, we must take time out to develop selective methods and incentives to in some way compete with private industry in "luring" topflight officials to Government. If this effort cannot be undertaken at this time, the opportunity is not likely to become better.

If the Government career man cannot hope for promotion to high administrative or policy-participating positions, one of the greatest incentives to careers in Government is destroyed. If the Government employee cannot look forward to promotion and advancement to high administrative responsibility, his prospects are dull indeed.

The dollar-a-year man, while he can contribute special training and experience, can never contribute a prime essential in Government service—loyalty. His compensation comes from his private industry. His future by way of promotion and advancement and his retirement security rest with his employer. He could rarely be expected to render a decision in Government which would be contrary to the interests of his employer. While he may never render decisions or make policy contrary to public interest while in Government service, the accumulation in his know-how in confidential Government methods and procedures may far exceed his contribution of know-how to Government. This contact with governmental methods, processes, and officials could well develop as a private business channel into Government for the advantages of private business.

What other great impelling force would justify the willingness of private business to "loan" executives to Government. The cost of this type of business expense could not be justified unless the stockholders could be convinced of a profitable return.

Ever since President Grover Cleveland's day, the effort has been continuous to improve the standards and the nature of civil service. Government can be as readily contaminated against the public interest by private business as by political interference. The public service must be kept pure of influence. The public trust undertaken in public service must be undertaken by dedicated men and women who have or who can be made to acquire adequate know-how in the public service. The public service must be developed to provide in-service training facilities. The critical times which may have necessitated the "loan" of private executives to Government have substantially passed. Government must again develop and train its own administrative leaders.

Until such time as government can provide proper and adequate incentives and as long as the national emergency continues, w. o. c.'s are necessary. Their activities, however, are of great concern and safeguards must be taken to insure their loyalty to the Government service.

All I propose by this amendment is to suggest that the affidavit include these substantial points: First, that the official must state in his affidavit that he will not knowingly commit any act or fail to do any act which will be to the detriment of Government, or one that will be either to his own personal advantage or to the advantage of a prospective employer.

Before closing, may I say that Dr. Fleming stated in committee that he saw no reason why any official contemplated to be appointed under this act should refuse to sign such an affidavit. If we can ask public employees to sign an affidavit stating that they will remain loyal to the country, if we can ask them to sign an affidavit in which they promise not to strike, and we passed that kind of a requirement a few weeks ago, it seems to me entirely reasonable to require w. o. c.'s to sign an affidavit in which they promise to be loyal to their Government. I urge your support of this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. VANIK].

The amendment was rejected.

Mr. MULTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MULTER: On page 5, line 19, strike out the period in line 19 and inserting the following: "and appointments under this subsection (b) shall not be made to the position of the director or assistant director, head or assistant head of a bureau division, section, or other comparable policymaking or administrative position, and a person appointed under this subsection shall not perform the functions of such a director, assistant director, head or assistant head."

Mr. MULTER. Mr. Chairman, the committee by its action has decided that we do need an extension of this act as it applies to w. o. c.'s and in line with that I offer this amendment and the subsequent amendments in order to strengthen the bill. These amendments will probably prevent another Young incident or any of the other incidents which have been developed during the testimony before our committee and further developed and elaborated upon in the hearings being conducted by the distinguished gentleman from New York [Mr. CELLER] chairman of the Committee on the Judiciary.

I put into the RECORD yesterday a list of names furnished to us by the Secretary of Commerce, Mr. Weeks. Let me just indicate 1 or 2 instances, taking the names and the facts from that list, to indicate the necessity for this amendment. Working as a w. o. c. in that department, we had one gentleman by the name of Rowlands. His job was deputy director of the Container and Packaging Division. Now, who was this gentleman? After you decide first, of course, that that division was necessary to defense production, then let us see what was he doing. Well, he was writing specifications for containers and packages for the United States Government. Where did he come from and who was paying his salary and for what? One of the largest packaging and container companies in the country, Continental Can Co., was employing that gentleman as its special representative in Washington. Now, a special representative in Washington is just a nice name for what we used to call 5 percenters and more recently we called 10 percenters, and now we find they are on the payrolls of the big companies at salaries that run into 5 and 6 figures per annum. So this gentleman, for whom apparently there was no substitute, as the special representative of this large company, was put in charge of the very department that was writing specifications for commodities on which his company would bid.

Second, I put the entire list in the RECORD yesterday. All you need to do is to read the names, what they are doing in Government, what they are doing outside, and you will see the tremendous conflict in interest that my amendment seeks to avoid.

The next gentleman is William H. Thomas. What is his job? Government director of the General Industrial Equipment Division of Government, writing specifications and buying equipment for the Government. What is his job on the outside where he is drawing his livelihood at a very high compensation? He is manager of the Government Sales Division of Air Products, Inc. My amendment would prevent that kind of employment of w. o. c.'s.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from Indiana.

Mr. HALLECK. I must admit I am a little confused and slightly dismayed by some of the statements made here. I would like to ask the gentleman, does he proceed on the assumption that if a man is in the business or industrial world or even possibly been something of a success at it, necessarily he is not loyal to his country and is a crook who would like to gouge his Government?

Mr. MULTER. I would like to make it clear, as I did today and yesterday on this floor and as I did in committee, that I am making no charges against any of these men. But, the fact of the matter is we are in an emergency; we are still drafting boys and we are still drafting physicians and dentists who must give up their outside interests and serve only our Government. If these business men want to do a loyal job for our Government, which they ought to do, and not serve their masters on the outside in private enterprise at the same time, if they want to serve their Government loyally, let them do it in a fashion where their employers on the outside will not participate; let them stay away from specifications on which their employers will bid.

Let them not consult with anybody in Government who is going to give their private employers any advantage under such contracts.

Mr. HALLECK. Mr. Chairman, will the gentleman yield further?

Mr. MULTER. I yield further.

Mr. HALLECK. I am glad to hear the gentleman say that we are still in an

emergency; and that, of course, is the reason for the extension of this act.

Mr. MULTER. Yes.

Mr. HALLECK. If the gentleman will permit me, I would like to make this further observation. I have had occasion firsthand to see something of the work of these "without compensation" employees. The head of the telephone division until today, comes from my district in Indiana. He is the president of a telephone company with 3,000 subscribers. I happen to know he is one of the best men in our part of the country. He came down here and has done a good job. I resent the implications that I continue to hear all the time that somehow or other all of these people must be crooks. As a matter of fact, when you get into war, you start sending for the people who know how to get things done. Thank God, we have got that kind of people in this country.

Mr. MULTER. Unfortunately, the friend of the gentleman from Indiana is not the rule but the exception. My amendment seeks to make them not the exception but the rule.

Mr. CELLER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, nobody charges that w. o. c.'s and businessmen who are drawn into the Government are crooks. We need those skilled and talented businessmen. We covet them. It is essential to have them in this mobilization period. What is sought is to get after the abuses in the use of these men. And there have been grave abuses.

The bill before us goes a great way toward alleviating and preventing those abuses. For example, on page 4, lines 21 to 25, we have this significant and cogent language:

> Appointments to positions other than advisory or consultative may be made under this authority.

That is fine, but what has happened? That language is already part of an Executive order. This bill nails the Executive order into statute. But in the interpretation of that order to the effect that w. o. c.'s may be used only in an advisory capacity, we find that w. o. c.'s are made heads of divisions where they are in control of from 20 to 80 employees, career men of the Government and actually determine policy. And when you are head of a division or a deputy head, you make important and momentous decisions which, indeed, are not merely advisory, but are administrative and involve policy. But those decisions are in the main policymaking decisions. I cannot repeat this too often.

For example, in the case of the Aluminum and Magnesium Division in the BDSA of the Department of Commerce, the head of the Division was a man by the name of Perkins, who was an official of the Reynolds Metals Co. He was succeeded by a man named Erskine, who was an official of the Aluminum Company of America. Mind you, they were heads of divisions; and, for example, they had to pass upon the question whether or not there should be an expansion of the production of aluminum with Government aid. And what did they do? They advised against expansion of aluminum in the face of grave shortages of aluminum in this country.

I do not impugn their motives. I do not know what their motives were. I am sure they are honorable men. I do know that in the face of the grave shortages that decision that was made would greatly enhance the prestige and power and profits of their own companies. Failure of expansion would necessarily increase demand for an ever shortening supply of aluminum.

We have something like 25 divisions in the Department, the successor to the NPA in the BDSA Department of Commerce, known as the Business Defense and Services Administration.

Fifteen of the twenty-five divisions are headed by w. o. c. men. Those are policymaking heads of divisions. The amendment that has been offered by the gentleman from New York would be a command by the Congress to the Department of Commerce that the head of the division could not be a w. o. c.—must be a career man.

Let me read to you what Mr. Honeywell stated. He is the head of the Business Defense Services Administration. He said this on February 4, 1954, before the Chicago Conference on Industry:

> Other key executives from industry, serving without compensation from the Government, are directors of most of the industry divisions. In time we hope to have all of these divisions headed by w. o. c.'s, as we call them for serving "without compensation."

Thus the Department of Commerce desires only w. o. c.'s and not career Government officials in these position.

Now, see how industry dictates the policy promulgated and evaluated by the Business Defense Services Administration. In numerous industry advisory committees strongest recommendations are made that only officers of these industry members shall occupy policymaking positions; namely, heads of departments and divisions.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. CELLER. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

Mr. HALLECK. Reserving the right to object, Mr. Chairman, we have a lot of work to do today. We have some amendments here that everyone knows are not going to get anywhere. It seems to me it would be a good thing to go on and vote on this amendment.

Mr. CELLER. I ask for 2 minutes.

Mr. HALLECK. All right; bargain rates. I withdraw my objection, Mr. Chairman.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CELLER. In the minutes of the steel products industry advisory meeting on September 9, 1953, appeared the following:

> In a discussion of the proposed organization of the Iron and Steel Division Mr. Wallace explained that plans are to fill the positions of Director and Assistant Director with w. o. c. employees, each to serve for 6 months.

That recommendation of the steel products industry was followed to the letter by the head of the Business Defense Services Administration. I can show you many minutes of industry meetings of a similar nature where it was said, "We want w. o. c.'s to head divisions, we want the w. o. c.'s in policymaking positions." And slavishly the head of the Business Defense Services Administration responds to the request, or rather I should say the commands of the industry. The result is that practically most of the BDSA are run by w. o. c.'s—members of the industry. In such positions decisions are made affecting tax amortizations, affecting quotas and the like. Industry and not the Government really makes the decisions. They do not merely advise, they make the decisions. That is the abuse I speak of, and I say that to the gentleman from Indiana. Of course, Mr. Honeywell or Commerce officials will answer that they merely suggest action to the Secretary of Commerce. They do suggest but the suggestion is usually so powerful as always to be accepted. The Secretary of Commerce cannot possibly know all the details and ramifications of all actions taken, he must of necessity rely upon and accept the so-called suggestions. These suggestions are really orders—orders never, if ever, rejected.

Therefore, if we adopt this amendment, we would say to those in authority, "You cannot appoint w. o. c.'s in these policymaking positions as heads of divisions or heads of departments, you must appoint career paid Government men."

Mr. RODINO. Mr. Chairman, I rise in support of the amendment of the distinguished gentleman from New York [Mr. MULTER].

We must keep in mind that persons from industry who come to work for the Government as w. o. c.'s are in a very real sense serving two masters. Although these w. o. c.'s work for the Government, their salaries are paid not by the Government but by their company. Human nature being what it is, can anyone be so naive as to suppose that the decisions of a w. o. c. would run counter to the best interests of his company? It would be an extraordinary individual who would not have a subconscious gravitation to his company's best interests; who would make a decision adverse to his company upon which he depends for a livelihood.

This amendment has but one purpose, to prevent w. o. c.'s from being placed in a position where they can make decisions which affect not only their own company but competing companies as well. This amendment would set up safeguards so that vital policy decisions, such as the granting of tax-amortization certificates to particular companies and the channeling of defense materials will be made by officials in Government who do not have a private ax to grind.

Mr. Chairman, all this week our antitrust subcommittee has been hearing testimony about the activities of w. o. c.'s in the Business and Defense Services

Administration of Secretary Weeks' Department of Commerce, which employs more w. o. c.'s than any other agency of Government.

What did our Antitrust Subcommittee find? We found that in the Business and Defense Services Administration everyone of the three Assistant Administrators as a w. o. c.; the directors of 15 of the 25 industry divisions are likewise w. o. c.'s. We found that these w. o. c.'s by virtue of occupying these strategic positions have made vital policy decisions affecting their own companies; they have decided as to what companies in their own industry should or should not be the beneficiary of Government tax-amortization certificates; the extent to which, if any, defense production of critical materials should be expanded or not; what companies should be the recipients of Government financial assistance. This is fundamentally wrong. I say it is too much to expect any man under these circumstances to make decisions which will not parallel the best interests of his company. In saying this, I am not impugning the motive of any individual. I want to make it clear that many w. o. c.'s have rendered excellent service to the Government, particularly in technical and advisory capacities. I am all in favor of having men trained in industry serve a tour of duty with the Government, particularly in time of emergency. Certainly there is much in the way of skill and technical background that industry persons can contribute to the complex machinery of Government. That is one thing. It is quite another to turn over to men whose pecuniary ties with industry continue responsibility for making vital Government decisions in which their companies have a direct and immediate stake.

Mr. Chairman, we cannot legislate morality. But we can by adopting this amendment insure that people will not be placed in a position where they can use their public office to private advantage.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. MULTER].

The question was taken; and on a division (demanded by Mr. CELLER) there were—ayes 27, noes 89.

So the amendment was rejected.

DEFLATIONARY MOVE ON HOME CONSTRUCTION

Mr. PATMAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I strongly disapprove of action of the FHA and VA in reducing from 30 years to 25 years and increasing the maximum maturity by 2 percent the minimum downpayments for homes.

It cannot be said that we are overbuilding, in view of new family formation, high mobility, rising housing standards, increasing incomes, and the unfilled housing needs of the country. While the rate of new family formation has been declining, there are many other determinants of future housing requirements. The latter are based not only on population growth and family formation but migration, losses of housing units, obsolescence and deterioration, undoubling of families, and vacancy and occupancy rates.

In 1950, according to the Census, there were 10.6 million occupied nonfarm dwellings which were dilapidated or were deficient in plumbing facilities. It may be conservatively estimated that at least 8 million nonfarm dwellings are substandard and are either so far gone that they must be destroyed or that economically they can be brought up to standard through rehabilitation. Another 2 or 3 million farm homes are below accepted farm standards. To date we have made little progress in reducing the number of substandard dwellings. At the rate of only 1.3 or 1.4 million homes a year, little further can be done to replace substandard homes and meet the Nation's minimum housing requirements.

Many experts in the field believe that 2 million homes a year are needed. Professor Wheaton in his study of American Housing Needs: 1955–70 found 2 to 2.4 million units a year were needed and that it was economically feasible to achieve this goal. The National Association of Home Builders has estimated that 1.4 million homes are needed annually between 1954 and 1960, and that in the sixties need would rise sharply with increasing family formation. The recently published authoritative 20th Century Fund Survey of America's needs and resources estimates that 1,550,000 dwelling units a year are needed for new construction in the 1950–60 decade, with an additional 350,000 a year to be rehabilitated.

Production of more houses to bring down their price is the cure for any inflationary possibility that may exist. The imposition of credit controls will have the effect of reducing production.

The press release is as follows:

Housing Administrator Albert M. Cole and Federal Housing Commissioner Normal P. Mason in a joint statement today announced that the FHA, effective immediately, is reducing the maximum maturity of FHA-insured home mortgages from 30 years to 25 and is increasing by 2 percent the minimum down payments for homes.

Administrator Cole described the action taken by FHA Commissioner Mason as "a mild and temporary precautionary measure which seeks to assure that the housing market will not contribute inflationary measures to the economy."

Following is the text of the Cole-Mason statement:

"We have been watching with great interest recent trends in housing costs. FHA's Division of Research and Statistics has seen indications of a slight but rising trend in the cost of housing.

"This has not yet been reflected in the prices purchasers must pay for homes but it is a pressure which will affect the general economic well-being of the United States.

"There are also indications of possible shortages in building materials, such as certain steel items, Portland cement and wallboard.

"These signs are not alarming but they are warning signs of inflationary possibilities.

"To counteract any unnecessary rise in the price of homes, FHA is temporarily suspending its regulations which permit the writing of 30-year mortgage loans, substituting instead a 25-year maximum. Prior to August 2, 1954, the maximum generally was 25 years.

"FHA is also increasing by 2 percent the minimum down payments for all 1-to-4 family dwelling units purchased with FHA-insured loans."

Minimum down payment for FHA-financed homes formerly was 5 percent of the first $9,000 of the FHA's appraised value of the home and 25 percent of the amount above $9,000. The minimum down payment does not include closing costs, which also must be paid in cash.

The new directive requires a minimum down payment, exclusive of closing costs, of 7 percent of the first $9,000 of value plus 27 percent of the value in excess of $9,000.

Mr. WOLCOTT. Mr. Chairman, I make a point of order that the gentleman is not speaking in order. He is out of order because he is not speaking in order.

Mr. PATMAN. Mr. Chairman, I am glad to answer that point of order. This relates to the emergency. You know the President asked for this power a year ago, and it was denied. The Congress turned him down on that request, but now a year after it was denied, on the theory evidently of an emergency, they are going ahead and reducing these maturities from 30 years to 25 years, and also increasing the payments effective tomorrow. I just wanted to enter this disapproval.

Mr. MULTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MULTER: On page 8, after line 4, insert the following:

"(9) Appointees under this subsection (b) shall only be assigned duties with regard to functions specifically authorized by titles I, III, and VII of this act."

Mr. MULTER. Mr. Chairman, this amendment seeks to limit the activities of these w. o. c.'s to the three titles of the defense production act that we are extending in this bill. Those titles are the only matters which we are extending in this Defense Production Act, and they are matters as to which these w. o. c.'s should be limited in their activities. That is all the amendment seeks to do—to limit their activities to the three titles that we are now extending.

Mr. Chairman, I urge the adoption of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. MULTER].

The amendment was rejected.

Mr. MULTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MULTER. On page 8, after line 4, insert the following:

"(10) Before any appointment is made under this subsection (b) the appointing official shall first certify to the Civil Service Commission the duties to be performed by such appointee and the efforts he had made to obtain a person competent to perform them and that he has been unable to employ any competent full-time salaried Government employee to perform such duties and the Civil Service Commission shall certify that there is no existing list of persons qualified to perform such duties and the President shall certify that the appointment is necessary to carry out the purposes of this act as amended and extended. The duties of the appointee shall be limited to those set forth in the certification of the appointing official."

Mr. MULTER. Mr. Chairman, the amendment is self-explanatory. It will make effective the very limitations and

restrictions that we have put into this bill thus far.

I urge the adoption of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. MULTER].

The amendment was rejected.

The Clerk read as follows:

SEC. 5. Section 712 of the Defense Production Act of 1950, as amended, is amended—

(1) by striking out "25" from the second sentence of subsection (c) thereof and inserting in lieu thereof "40"; and

(2) by striking out "$50,000" in the first sentence of subsection (e) thereof and inserting in lieu thereof "$65,000".

SEC. 6. Section 717 of the Defense Production Act of 1950, as amended, is amended by striking out "July 31, 1955" from the first sentence of subsection (a) thereof and inserting in lieu thereof "June 30, 1956".

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. DAVIS of Tennessee, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 7470, to amend the Defense Production Act of 1950, as amended, pursuant to House Resolution 320, he reported the same back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

Mr. SPENCE. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 2391) to amend the Defense Production Act of 1950, as amended, and for other purposes, to strike out all after the enacting clause and insert the provisions of the House bill just passed.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the Senate bill?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That this act may be cited as the "Defense Production Act Amendments of 1955."

SEC. 2. Section 2 of the Defense Production Act of 1950, as amended, is amended to read as follows:

"DECLARATION OF POLICY

"SEC. 2. In view of the present international situation and in order to provide for the national defense and national security, our mobilization effort continues to require some conversion of certain materials and facilities from civilian use to military and related purposes. It also requires the development of preparedness programs and the expansion of productive capacity and supply beyond the levels needed to meet the civilian demand, in order to reduce the time required for full mobilization in the event of an attack on the United States."

SEC. 3. Section 303 of the Defense Production Act of 1950, as amended, is amended—

(1) by striking out "1963" in subsection (b) and inserting in lieu thereof "1965"; and

(2) by adding at the end thereof a new subsection as follows:

"(g) When in his judgment it will aid the national defense, and upon a certification by the Secretary of Agriculture or the Secretary of the Interior that a particular strategic and critical material is likely to be in short supply in time of war or other national emergency, the President may make provision for the development of substitutes for such strategic and critical materials."

SEC. 4. Subsection (c) of section 701 of the Defense Production Act of 1950, as amended, is amended to read as follows:

"(c) Whenever the President invokes the powers given him in this act to allocate any material in the civilian market, he shall do so in such a manner as to make available, so far as practicable, for business and various segments thereof in the normal channel of distribution of such material, a fair share of the available civilian supply based, so far as practicable, on the share received by such business under normal conditions during a representative period preceding any future allocation of materials: *Provided,* That the President shall, in the allocation of materials in the civilian market, give due consideration to the needs of new concerns and newly acquired operations, undue hardships of individual businesses, and the needs of smaller concerns in an industry."

SEC. 5. Section 701 of the Defense Production Act of 1950, as amended, is amended by adding after subsection (c) a new subsection as follows:

"(d) In order to further the objectives and purposes of this section, the Office of Defense Mobilization is directed to investigate the distribution of defense contracts with particular reference to the share of such contracts which has gone and is now going to small business, either directly or by subcontract; to review the policies, procedures, and administrative arrangements now being followed in order to increase participation by small business in the mobilization program; to explore all practical ways, whether by amendments to laws, policies, regulations, or administrative arrangements, or otherwise, to increase the share of defense procurement going to small business; to get from the departments and agencies engaged in procurement, and from other appropriation agencies including the Small Business Administration, their views and recommendations on ways to increase the share of procurement going to small business; and to make a report to the President and the Congress, not later than 6 months after the enactment of the Defense Production Act Amendments of 1955, which report shall contain the following: (i) a full statement of the steps taken by the Office of Defense Mobilization in making investigations required by this subsection; (ii) the findings of the Office of Defense Mobilization with respect to the share of procurement which has gone and is now going to small business; (iii) a full and complete statement of the actions taken by the Office of Defense Mobilization and other agencies to increase such small business share; (iv) a full and complete statement of the recommendations made by the procurement agencies and other agencies consulted by the Office of Defense Mobilization; and (v) specific recommendations by the Office of Defense Mobilization for further action to increase the share of procurement going to small business."

SEC. 6. Section 708 of the Defense Production Act of 1950, as amended, is amended—

(1) by inserting before the period at the end of the first sentence of subsection (b) a colon and the following: *"Provided, however,* That after the enactment of the Defense Production Act Amendments of 1955, the exemption from the prohibitions of the antitrust laws and the Federal Trade Commission Act of the United States shall apply only (1) to acts and omissions to act requested by the President or his duly authorized delegate pursuant to duly approved voluntary agreements or programs relating solely to the exchange between actual or prospective contractors of technical or other information, production techniques, and patents or patent rights, relating to equipment used exclusively by or for the military which is being procured by the Department of Defense or any department thereof, and the exchange of materials, equipment, and personnel to be used in the production of such equipment; and (2) to acts and omissions to act requested by the President or his duly authorized delegate pursuant to voluntary agreements or programs which were duly approved under this section before the enactment of the Defense Production Act Amendments of 1955. The Attorney General shall review each of the voluntary agreements and programs covered by clause (2) of the proviso in the preceding sentence, and the activities being carried on thereunder, and, if he finds, after such review and after consultation with the Director of the Office of Defense Mobilization and other interested agencies, that the adverse effects of any such agreement or program on the competitive free enterprise system outweigh the benefits of the agreement or program to the national defense, he shall withdraw his approval in accordance with subsection (d) of this section. This review and determination shall be made within 90 days after the enactment of the Defense Production Act Amendments of 1955.";

(2) by inserting in subsection (d) thereof after the word "hereunder" the following: ", or upon withdrawal by the Attorney General of his approval of the voluntary agreement or program on which the request or finding is based,";

(3) by inserting after the first sentence of subsection (e) thereof the following new sentence: "Such surveys, and the reports hereafter required, shall include studies of the voluntary agreements and programs authorized by this section.";

(4) by striking out from the last sentence of subsection (e) thereof the words "at such times thereafter as he deems desirable" and inserting in lieu thereof the words "at least once every 3 months".

SEC. 7. Section 710 of the Defense Production Act of 1950, as amended, is amended—

(1) by amending subsection (b) thereof to read as follows:

"(b) (1) The President is further authorized, to the extent he deems it necessary and appropriate in order to carry out the provisions of this act, and subject to such regulations as he may issue, to employ persons of outstanding experience and ability without compensation. This authority may be delegated to heads of departments or agencies delegated or assigned functions under this act but may not be redelegated by them. In order to carry out the policy of the Congress that, so far as possible, operations under this act shall be carried on by full-time, salaried employees of the Government, heads of departments and agencies in making appointments under this subsection shall certify to the following with respect to each such appointment:

"(A) That the appointment is necessary and appropriate in order to carry out the provisions of this act;

"(B) That the duties of the position to which the appointment is being made require outstanding experience and ability;

"(C) That the appointee has the outstanding experience and ability required by the position; and

"(D) That the department or agency head has been unable to obtain a person with

qualifications necessary for the position on a full-time salaried basis.

"(2) Appointees under this subsection (b) shall, when policy matters are involved, be limited to advising appropriate full-time salaried Government officials who are responsible for making policy decisions.

"(3) The President is authorized to provide by regulation for the exemption of persons appointed under this subsection from the operation of sections 281, 283, 284, 434, and 1914 of title 18 of the United States Code and section 190 of the Revised Statutes (5 U. S. C. 99); except that such exemption shall not extend to the following:

"(A) To the negotiation or execution by an appointee under this subsection of Government contracts with the private employer of such appointee or with any corporation, joint stock company, association, firm, partnership, or other entity in the pecuniary profits or contracts of which the appointee or his private employer has any direct or indirect interest;

"(B) To the making of any recommendation or the taking of any action with respect to individual applications to the Government for relief or assistance, on appeal or otherwise, made by the private employer of the appointee or by any corporation, joint stock company, association, firm, partnership or other entity in the pecuniary profits or contracts of which the appointee or his private employer has any direct or indirect interest;

"(C) To the prosecution by the appointee, or participation by the appointee in any fashion, in the prosecution of any claims against the Government involving any matter concerning which the appointee had any responsibility during his employment under this subsection, during the period of such employment and the further period of 2 years after the termination of such employment; and

"(D) To the receipt or payment of salary in connection with the appointee's service under this subsection from any source other than the private employer of the appointee at the time of his appointment under this subsection.

"(4) Persons appointed under the authority of this subsection may be allowed transporation and not to exceed $15 per diem in lieu of subsistence while away from their homes or regular places of business pursuant to such appointment."; and

(2) by redesignating subsections "(e)" and "(f)" as subsections "(f)" and "(g)", respectively, and by inserting after subsection "(d)" a new subsection as follows:

"(e) The President is further authorized to provide for the establishment and training of a nucleus executive reserve for employment in executive positions in Government during periods of emergency. Members of this executive reserve who are not full-time Government employees may be allowed transportation and not to exceed $15 per diem in lieu of subsistence while away from their homes or regular places of business for the purpose of participating in the executive reserve training program. The President is authorized to provide by regulation for the exemption of such persons who are not full-time Government employees from the operation of sections 281, 283, 284, 434, and 1914 of title 18 of the United States Code and section 190 of the Revised Statutes (5 U. S. C. 99)."

SEC. 8. Section 712 of the Defense Production Act of 1950, as amended, is amended—

(1) by striking out "25" from the second sentence of subsection (c) thereof and inserting in lieu thereof "40"; and

(2) by striking out "$50,000" in the first sentence of subsection (e) thereof and inserting in lieu thereof "$65,000."

SEC. 9. Section 717 of the Defense Production Act of 1950, as amended, is amended by striking out "July 31, 1955" from the first sentence of subsection (a) thereof and inserting in lieu thereof "June 30, 1957."

SEC. 10. The Rubber Producing Facilities Disposal Act of 1953, as heretofore amended, is amended by adding at the end thereof the following new section:

"SEC. 26. (a) Notwithstanding the second sentence of section 7 (a), the period for receipt of proposals for the purchase of the Government-owned rubber-producing facility at Institute, W. Va., known as Plancor No. 980, shall not expire until the end of the 60-day period which begins on the date of the enactment of this section.

"(b) If one or more proposals are received for the purchase of Plancor No. 980 within the time period specified in subsection (a), the Commission, notwithstanding the expiration of the period for negotiation specified in section 7 (f), shall negotiate with those submitting the proposals for a period not to exceed 75 days for the purpose of entering into a definite contract of sale.

"(c) Within 10 days after the termination of the actual negotiation period referred to in subsection (b) or, if Congress is not then in session, within 10 days after Congress next convenes, the Commission shall prepare and submit to the Congress a report containing, with respect to the disposal under this section of Plancor No. 980, the information described in paragraphs (1) to (5), inclusive, and paragraph (8) of section 9 (a). Unless the contract is disapproved by either House of the Congress by a resolution prior to the expiration of 30 days of continuous session (as defined in section 3 (c)) of the Congress following the date upon which the report is submitted to it, upon the expiration of such 30-day period the contract shall become fully effective and the Commission shall proceed to carry it out, and transfer of possession of the facility sold shall be made as soon as practicable but in any event within 30 days after the expiration of such 30-day period. The failure to complete transfer of possession within 30 days after the expiration of the period for congressional review shall not give rise to or be the basis of rescission of the contract for sale.

"(d) If, upon termination of the transfer period provided for in subsection (c), no contract for the sale of Plancor No. 980 has become effective, the operating agency last designated by the President shall continue to maintain said plancor in adequate standby condition under the provisions of section 8 of the Rubber Producing Facilities Disposal Act of 1953."

SEC. 11. Notwithstanding the provisions of section 3 (d) of the Rubber Producing Facilities Disposal Act of 1953, the Rubber Producing Facilities Disposal Commission (hereinafter referred to as the "Commission") before submission to the Congress of its report relative to Plancor No. 980, shall submit it to the Attorney General, who shall, within 7 days after receiving the report, advise the Commission whether, in his opinion, the proposed disposition, if carried out, will violate the antitrust laws.

SEC. 12. Notwithstanding the provisions of sections 14 and 22 of the Rubber Producing Facilities Disposal Act of 1953, the Rubber Act of 1948, as amended, is hereby extended with respect to the rubber-producing facilities covered by this act, to the close of the day of transfer of possession of Plancor No. 980 to a purchaser in accordance with the provisions of section 26 of the Rubber Producing Facilities Disposal Act.

SEC. 13. Notwithstanding the provisions of section 4 of Public Law 19, approved March 31, 1955, and notwithstanding the provisions of section 20 of the Rubber Producing Facilities Disposal Act of 1953, the Commission established by the latter act shall cease to exist at the close of the 30th day following the termination of the transfer period provided for in section 26 (c) of that act, unless no sale of Plancor No. 980 is recommended by the Commission pursuant to section 26 (c) of that act, in which event the Commission shall cease to exist at the close of the 130th day following the date of enactment of this act.

SEC. 14. Except as otherwise provided in this act, disposal of Plancor No. 980 shall be fully subject to all the provisions of the Rubber Producing Facilities Disposal Act of 1953 and such criteria as have been established by the Commission in handling disposal of other Government-owned rubber-producing facilities under that act: *Provided*, That the provisions of section 7 (j), 7 (k), 9 (d), 9 (f), 10, 11, 15, and 24 of that act shall not apply, to the disposal of Plancor No. 980. As promptly as practicable following the date of transfer of possession of Plancor No. 980 to a purchaser under this act, the operating agency last designated by the President shall offer for sale to such purchaser the end products at such plant and held in inventory for Government account on the day of such transfer of possession, together with the feedstocks then located at such plant or purchased by the operating agency for use at such plant. Sale of such end products shall be made at the Government sales price prevailing on the business day next preceding the date of transfer of possession of such plant. Sale of such feedstocks shall be made at not less than their cost to the Government. In the event the purchaser declines to purchase such end products or feedstocks when first offered to it by the operating agency, they may be thereafter disposed of in such manner as the operating agency deems advisable. In the event Plancor No. 980 is not sold under the provisions of this act, any end products at such plant and held in inventory for Government account and any feedstocks located at such plant or purchased by the operating agency for use at such plant shall be disposed of in such manner as the operating agency deems advisable, at the prevailing market price for such end products and feedstocks.

SEC. 15. The provisions of this act shall not be applicable to the disposal of any Government-owned rubber-producing facilities other than Plancor No. 980; and all action taken pursuant to the provisions of the Rubber Producing Facilities Disposal Act of 1953, or the amendment thereto known as Public Law 19, enacted March 31, 1955, prior to the enactment of this act shall be governed by the provisions of that act as it existed prior to the enactment of this act and shall have the same force and effect as if this act had not been enacted.

Mr. SPENCE. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SPENCE: Strike out all after the enacting clause and insert the provisions of H. R. 7470 as passed, as follows:

"That this act may be cited as the 'Defense Production Act Amendments of 1955.'

"SEC. 2. Subsection (c) of section 701 of the Defense Production Act of 1950, as amended, is amended to read as follows:

"'(c) Whenever the President invokes the powers given him in this act to allocate any material in the civilian market, he shall do so in such a manner as to make available, so far as practicable, for business and various segments thereof in the normal channel of distribution of such material, a fair share of the available civilian supply based, so far as practicable, on the share received by such business under normal conditions during a representative period preceding any future allocation of materials: *Provided*, That the President shall, in the allocation of materials in the civilian market, give due consideration to the needs of new concerns and newly acquired operations, undue hardships of individual businesses, and the needs of smaller concerns in an industry.'

"SEC. 3. Section 708 of the Defense Production Act of 1950, as amended, is amended—

"(1) by inserting before the period at the end of the first sentence of subsection (b) a colon and the following: '*Provided, however,* That after the enactment of the Defense Production Act Amendments of 1955, the exemption from the prohibitions of the antitrust laws and the Federal Trade Commission Act of the United States shall apply only (1) to acts and omissions to act requested by the President or his duly authorized delegate pursuant to duly approved voluntary agreements or programs relating solely to the exchange between actual or prospective contractors of technical or other information, production techniques, and patents or patent rights, relating to equipment used primarily by or for the military which is being procured by the Department of Defense or any department thereof, and the exchange of materials, equipment, and personnel to be used in the production of such equipment. The Attorney General shall review each of the voluntary agreements and programs covered by this section, and the activities being carried on thereunder, and, if he finds, after such review and after consultation with the Director of the Office of Defense Mobilization and other interested agencies, that the adverse effects of any such agreement or program on the competitive free enterprise system outweigh the benefits of the agreement or program to the national defense, he shall withdraw his approval in accordance with subsection (d) of this section. This review and determination shall be made within 90 days after the enactment of the Defense Production Act Amendments of 1955.'

"(2) by inserting in subsection (d) thereof after the word 'hereunder' the following: ', or upon withdrawal by the Attorney General of his approval of the voluntary agreement or program on which the request or finding is based,';

"(3) by inserting after the first sentence of subsection (e) thereof the following new sentence: 'Such surveys, and the reports hereafter required, shall include studies of the voluntary agreements and programs authorized by this section.';

"(4) by striking out from the last sentence of subsection (e) thereof the words 'at such times thereafter as he deems desirable' and inserting in lieu thereof the words 'at least once every 3 months.'

"SEC. 4. Section 710 (b) of the Defense Production Act of 1950, as amended, is amended to read as follows:

"'(b) (1) The President is further authorized, to the extent he deems it necessary and appropriate in order to carry out the provisions of this act, and subject to such regulations as he may issue, to employ persons of outstanding experience and ability without compensation;

"'(2) The President shall be guided in the exercise of the authority provided in this subsection by the following policies:

"'(i) So far as possible, operations under the act shall be carried on by full-time, salaried employees of the Government, and appointments under this authority shall be to advisory or consultative positions only.

"'(ii) Appointments to positions other than advisory or consultative may be made under this authority only when the requirements of the position are such that the incumbent must personally possess outstanding experience and ability not obtainable on a full-time, salaried basis.

"'(iii) In the appointment of personnel and in assignment of their duties, the head of the department or agency involved shall take steps to avoid, to as great an extent as possible, any conflict between the governmental duties and the private interests of such personnel.

"'(3) Any person appointed under the authority of this subsection shall file, under oath, with the head of the employing agency at the time of employment a full and complete report of his outside connections, listing all personal and financial relationships which he has or had within 12 months prior to his appointment with any person, firm, corporation, or other entity, or any trade organization, labor union or similar organization, and he shall file monthly thereafter, under oath, so long as his appointment shall be in effect, any changes in such outside connections.

"'(4) Appointees under this subsection (b) shall, when policy matters are involved, be limited to advising appropriate full-time salaried Government officials who are responsible for making policy decisions.

"'(5) Any person employed under this subsection (b) is hereby exempted, with respect to such employment, from the operation of sections 281, 283, 284, 434, and 1914 of title 18, United States Code, and section 190 of the Revised Statutes (5 U. S. C. 99), except that—

"'(i) exemption hereunder shall not extend to the negotiation or execution, by such appointee, of Government contracts with the private employer of such appointee or with any corporation, joint stock company, association, firm, partnership, or other entity in the pecuniary profits or contracts of which the appointee has any direct or indirect interest;

"'(ii) exemption hereunder shall not extend to making any recommendation or taking any action with respect to individual applications to the Government for relief or assistance, on appeal or otherwise, under the provisions of the act made by the private employer of the appointee or by any corporation, joint stock company, association, firm, partnership, or other entity in the pecuniary profits or contracts of which the appointee has any direct or indirect interest;

"'(iii) exemption hereunder shall not extend to the prosecution by the appointee, or participation by the appointee in any fashion in the prosecution, of any claims against the Government involving any matter concerning which the appointee had any responsibility during his employment under this subsection, during the period of such employment and the further period of 2 years after the termination of such employment; and

"'(iv) exemption hereunder shall not extend to the receipt or payment of salary in connection with the appointee's Government service hereunder from any source other than the private employer of the appointee at the time of his appointment hereunder.

"'(6) Appointments under this subsection (b) shall be supported by written certification by the head of the employing department or agency—

"'(i) that the appointment is necessary and appropriate in order to carry out the provisions of the act;

"'(ii) that the duties of the position to which the appointment is being made require outstanding experience and ability;

"'(iii) that the appointee has the outstanding experience and ability required by the position; and

"'(iv) that the department or agency head has been unable to obtain a person with the qualifications necessary for the position on a full-time, salaried basis.

"'(7) The heads of the departments or agencies making appointments under this subsection (b) shall file with the Division of the Federal Register a statement including the name of the appointee, the employing department or agency, the title of his position, and the name of his private employer.

"'(8) At least once every 3 months the Chairman of the United States Civil Service Commission shall survey appointments made under this subsection and shall report his findings to the President and the Joint Committee on Defense Production and make such recommendations as he may deem proper.'

"SEC. 5. Section 712 of the Defense Production Act of 1950, as amended, is amended—

"(1) by seeking out '25' from the second sentence of subsection (c) thereof and inserting in lieu thereof '40'; and

"(2) by striking out '$50,000' in the first sentence of subsection (e) thereof and inserting in lieu thereof '$65,000'

"SEC. 6. Section 717 of the Defense Production Act of 1950, as amended, is amended by striking out 'July 31, 1955' from the first sentence of subsection (a) thereof and inserting in lieu thereof 'June 30, 1956.'"

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider and the bill H. R. 7470 were laid on the table.

Mr. SPENCE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill S. 2391 with an amendment of the House, insist on the amendment of the House, and ask for a conference with the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. SPENCE, BROWN of Georgia, PATMAN, RAINS, WOLCOTT, GAMBLE, and TALLE.

INVESTIGATION BY COMMITTEE ON WAYS AND MEANS

Mr. SMITH of Virginia. Mr. Speaker, by direction of the Committee on Rules, I offer the following privileged resolution (H. Res. 331, Rept. No. 1601) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That the Committee on Ways and Means, acting as a whole or by subcommittee, is authorized and directed to conduct thorough studies and investigations of all matters coming within the jurisdiction of such committee.

SEC. 2. For the purposes of this resolution, the committee, or any subcommittee thereof, is authorized to hold such hearings, to sit and act during the present Congress at such times and places, within the continental United States, its Territories and possessions, as the committee may determine, whether or not the House is in session, has recessed, or has adjourned, to require the attendance of such witnesses and the production of such books, papers, and documents by subpena or otherwise, to administer such oaths, and to take such testimony, as it deems necessary. Subpenas may be issued under the signature of the chairman of the committee or of any subcommittee, or by any member designated by any such chairman, and may be served by any person designated by any such chairman or member.

SEC. 3. The committee may report to the House at any time during the present Congress the results of any studies or investigations made under authority of this resolution, together with such recommendations as it deems appropriate. Any such report which is made when the House is not in session shall be filed with the Clerk of the House.

The resolution was agreed to.

REVISION AND EXTENSION OF SUGAR ACT OF 1948

Mr. COOLEY. Mr. Speaker, I move that the House resolve itself into the

Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 7030) to amend and extend the Sugar Act of 1948, as amended, and for other purposes.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 7030 with Mr. DAVIS of Tennessee in the chair.

The Clerk read the title of the bill.

By unanimous consent the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from North Carolina [Mr. COOLEY] will be recognized for 30 minutes and the gentleman from Kansas [Mr. HOPE] will be recognized for 30 minutes.

The Chair recognizes the gentleman from North Carolina [Mr. COOLEY].

Mr. COOLEY. Mr. Chairman, I yield myself 29 minutes.

Mr. Chairman, our committee is about to present to this House one of the most complicated pieces of legislation that the House has ever been called upon to consider. It is of far-reaching importance. The time for presenting this complicated bill to the House is very limited. I have at my disposal only 30 minutes, which is a rather short time to present a bill of this importance to the House, when our committee has worked diligently on the bill for more than a month, with meetings in the morning and in the afternoon. I know I have never worked harder on any bill that has been reported from our committee during my service on the committee than I have on this bill. It affects people in far-distant places and it vitally affects every one of your constituents.

In presenting the matter to the Rules Committee, knowing that the Rules Committee was pressed for time just as we are pressed for time, I stated to that committee that I would not undertake to discuss the details of this complicated program, and unless there is some real demand for a detailed discussion of the program we are now presenting, I should like very much to avoid a discussion of those details, if possible.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Iowa.

Mr. GROSS. When does the present law expire?

Mr. COOLEY. The present law was rewritten in 1951 and it expires in December 1956.

Mr. GROSS. Then why is the bill here at all today?

Mr. COOLEY. I am glad the gentleman asked me that question. I will be very glad to answer it.

Mr. MORANO. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Connecticut.

Mr. MORANO. No hearings have been printed on this bill; is that so?

Mr. COOLEY. Unfortunately, that is true.

Mr. MORANO. How do we know what transpired in the hearings?

Mr. COOLEY. I will tell the gentleman if he will give me a chance.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Michigan.

Mr. DONDERO. Does this further restrict the quotas allowed to the growers of sugar in this country?

Mr. COOLEY. No.

Mr. CHUDOFF. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Pennsylvania.

Mr. CHUDOFF. The gentleman said he did not want to go into details. In Philadelphia we have two big sugar refineries that refine practically all of the Cuban sugar that comes into this country. I am told by men who work in that factory that this is going to cut off Cuban sugar completely. They will have to close up their refinery if that is so. I would like to know whether that is true or not.

Mr. COOLEY. If the gentleman will let me proceed with my statement, I think I can save time, and I will try as best I can to explain the bill. I have no desire to avoid a discussion of the details of the bill, but I do want to say, in the first place, the information that the gentleman has received is entirely inaccurate.

We have before us the proposition of dividing 8,400,000 tons of sugar.

That sugar is divided among our domestic producers, the beet area, the sugarcane area, Puerto Rico, Hawaii, and then we provide an allotment for the Philippines, for Cuba, for Mexico, for the Dominican Republic, for Peru, Haiti, Panama, and so on. Representatives of every country and area participating in this program have been very active in behalf of the particular area in which they are interested.

This town has been literally throbbing with lobbyists and lawyers. I was urged to start these hearings, and I was reluctant to do so because I knew just how controversial this matter is.

When the bill was presented to this House in 1951 by our committee, it was only briefly discussed, because when all these various groups came to me for hearings I insisted that they themselves try to reach an agreement, and, they did just that. So, when the bill was presented here, I doubt if a single Member of the House even remembers the occasion. It was adopted, and we proceed to live with it and under it until our own domestic growers, because of no fault of their own, found themselves with a burdensome surplus, and when this Congress convened a bill was introduced in the other body which was supported by 49 Senators. More than 30 bills were introduced in this House and referred to our committee. I mention that only to show you the interest in this legislation.

Then a meeting was called at the White House and some 40 to 45 Senators and Congressmen attended the meeting with the President. At that meeting the President was advised of the fact that this law would not expire until December 1956 but that notwithstanding that expiration date this Sugar Act should be opened up to the end that the domestic producers might be given some relief. At that meeting I think the President said something like this:

> I realize that it is better to write this sort of legislation in advance of the year in which it goes into operation. I appreciate the fact that we should have conferences.

I am not trying to quote the President, but this is the substance of what he said:

> And I will call it to the attention of the Secretary of Agriculture. But—
>
> He said—
>
> the State Department should be in the conferences and we should not run out on any agreements.

That is the first time I had ever seen that many Members of Congress together, none of whom wanted to talk. Not another word was said, and we left the White House. No one asked the President what he meant when he said we should not run out on agreements. We all knew what he meant when he said the State Department should be in on the conferences. I interpreted what he said to mean that he regarded the sugar law somewhat in the nature of an international agreement with Cuba. Of course, it is not an international agreement. We know we have a perfect right legally and morally to change any law we enact. This law we are asking you to accept today can be changed tomorrow if Congress decides to exercise its will. So, the pressure was terrific not to open up the act, not to schedule hearings, and, on the other hand, the pressure was terrific to open up the act and to schedule hearings.

All these bills were pending in our committee. Finally, in April I asked the Secretary of Agriculture, Mr. Benson, the Department of State, and the Department of the Interior for a report on these bills. The Department of the Interior, of course, is interested because of the Territories. Although I asked for the reports in April, we did not receive a report. Weeks came and went. Finally, on the 22d day of June, we started these hearings. I was so certain that we would find ourselves deadlocked in a great controversy, that we would only consume 2 or 3 days and then perhaps call off the hearings. But after the hearings were started, the officials of the departments, in testifying before our committee, when they were reminded of the fact that they had not reported on any of these bills, they finally brought in a report. When we received the report and the bill which was proposed by the administration, it was in language difficult to understand.

So I asked that the formula be broken down into tonnages so that our committee could deal with figures and facts concerning the different areas. That was done. We were presented with a chart. When we received the chart showing the tonnages, it was easy to understand what had been done.

The Department of Agriculture took the position that in dealing with foreign countries the State Department should exercise its judgment as to the quotas for those foreign countries. Agriculture made its recommendations with regard to the domestic areas, and the two departments concurred in the result.

When that chart was presented and understood, apparently everybody was dissatisfied. I know that members of our committee approached the performance of their duty impartially and with open minds and in an effort to accomplish something that would be as acceptable to the administrative branch as possible and something that would be equitable among all of the areas.

So we started with the proposal from the Department, and all of us were determined to stick as closely as we possibly could to the recommendations of the administration, but not do violence to ourselves and our own judgment and to other areas.

While we gave careful consideration to the bill recommended by the executive branch we claimed for ourselves the right to prepare and present a bill which we considered to be fair, just, and equitable.

The bill presented to us called for a 55–45 division of the consumption in the American market. We started out with 8,400,000 tons. The departments recommended that we give our own producers 55 percent of that and the other 45 percent of our consumption to Cuba and to other foreign countries. They went further than that and took it upon themselves in the Department of State to say that in the distribution of the 45 percent of our total consumption among Cuba and foreign countries, it should be divided 60 percent to Cuba and 40 percent to the full-duty countries.

Our committee again exercised its own will and we changed the figures of 60–40 to 50–50—and we changed the 55–45 to 50–50. And then we claimed for ourselves the right to make other arbitrary decisions.

This matter was presented to us as if there were something sacred about the formula that had been worked out in the bill. I pointed out to the officials that they had made at least 20 arbitrary decisions and determinations before they arrived at their formula.

We certainly have a right to make some arbitrary decisions ourselves. We tried to satisfy as many people as we could and to do as little harm as possible to any particular area, because in dividing this up we could only give away that which we could take away from somebody else. So we started out with this: The Department had taken away from Cuba 100,000 tons of sugar and had given it to our domestic producers. The Department had recommended 977,000 tons of sugar for the Philippines, and that was an arbitrary decision. The Department had suggested that the Philippine quota be frozen through the life of the bill. That was an arbitrary decision, and we accepted all of these arbitrary decisions.

Naturally, every group affected was asking for an increased quota. The refiners from Houston to Boston were interested in this legislation. The refiners of sugar in Puerto Rico wanted to increase their refined sugar quota. So the committee—with all these problems before us, and I say that I do not want to discuss the details of the act because if I do I will never be able to tell you what I want to tell you about the bill—started out to do the best job we could.

First, after giving 100,000 tons to our domestic producers and fixing the Philippine quota at a fair level of 977,000 tons, the Hawaiian Islands are perfectly satisfied because they have a quota large enough, they think, to take care of their needs. Puerto Rico has been willing to accept what we have provided in this bill for Puerto Rico, although it is far short of its wants. Puerto Rico would like to have an increased quota. Puerto Rico would like to have an increased raw sugar quota and an increased refined sugar quota.

Mr. SIMPSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. SIMPSON of Illinois. Now that the chairman of the Committee on Agriculture has explained the bill, I wonder if he would admit that the sugar legislation is just as confused as the road legislation was last week.

Mr. COOLEY. I will admit this House will really be confused if they try to know all that is in this bill. It is something you almost are forced to accept upon faith. I think you are justified in accepting it upon faith because this sugar program has been in operation for 20 years, and I am certain that some of you ladies and gentleman who are listening to me now did not know that. I have made speeches in city districts and throughout this country and I have said to many audiences, "People denounce the farm program, but here is one part of our program that no one denounces." The program has operated so well, so successfully, and so smoothly, that the average housewife is not even aware of the fact that we have a sugar program. Even the average Congressman is unaware of the fact that we have a sugar program. But we have it. It has operated well, and under the program, prices have been stabilized through the years. We have avoided great fluctuations in prices even in war, World War II, the Korean war, and otherwise. On this program at the end of this year this sugar program will result in a net profit to the taxpayers of America of more than $300 million.

Mr. BELCHER. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Oklahoma.

Mr. BELCHER. In addition, at this time the Government does not own one single dollar's worth of sugar.

Mr. COOLEY. The gentleman is right. If a program has operated so well so long, that is justification for your accepting this program today on faith.

Mr. HALE. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Maine.

Mr. HALE. Am I correct in understanding that the general effect of this legislation is to cut down the importations from Cuba in favor of importations from other Western Hemisphere countries?

Mr. COOLEY. No. If I can hurry on, I think I can tell you what we did.

I would just like to say this, and I think I am right. There are men here who can correct me if I am wrong. There are people on this floor from the beet-sugar-growing areas. We have some distinguished Members from the Congress on the committee from the beet-producing districts. They are here to speak for themselves. But I think I am safe in saying to you that they are satisfied with this bill, and that those from the cane-sugar-producing areas are also satisfied with the bill. The people in Hawaii are satisfied with the bill. Puerto Rico is satisfied with it. All of the full-duty countries are satisfied with it. I think I am safe in saying that the refiners of America are satisfied with it, and if they are not, they can speak for themselves. When I say they are satisfied, I mean there is general satisfaction with the bill. I do not mean as we have presented it and as it is here now, because there are some controversies involved. There is a section here that deals almost directly with the Philippines because the Philippines have discriminated against us in their own Congress. They have enacted a law and have named the American Virginia type of tobacco by name, and they by their congressional action have driven us out of their markets and have unfairly discriminated against us. That act is still on their books. So we put this provision in this bill, and I will say here and now that it is directed at the Philippines because of that unfair law which they enacted against us, which is nothing more or less than a gratuitous insult to the American flag, because even if the law were repealed tomorrow, we could not force them to buy tobacco. They have provided by law that their manufacturers cannot buy our tobacco. I have discussed this matter with many people and I have agreed that when the amendment is offered to strike out that section, I will accept the amendment and let the section be stricken out.

I understand the gentleman from Massachusetts [Mr. McCORMICK] will offer the amendment, but I am saying here now, and I want to make it clear, that the Congress of the Philippines can repeal their law just as quickly as we can withdraw this amendment, and if they do not do it I am saying now that I will bring a bill out of my committee in January to prevent any further discriminations against any agricultural commodities produced in our country.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. GROSS. The gentleman has already answered one question that I had, but I do have another question. I should like to ask the gentleman whether this bill was well supported in committee.

Mr. COOLEY. Oh, yes; I will say that but for one section in the bill I have reason to believe that the vote in the committee would have been unanimous or almost unanimous. The section I refer to is the section providing for nonrecourse loans. We do provide here for relief—not only should we provide immediate relief for our domestic producers, but we should give domestic producers the benefit of nonrecourse loans at a level of 90 percent of parity. I am

certain that an amendment will be offered to strike this provision out. I still believe it should be retained. But if the producers do not want it, and if the Congressmen representing those districts in which sugar is produced do not want it, I certainly shall not attempt to force a loan program upon them. I understand my good friend, the gentleman from Utah [Mr. DIXON], will offer an amendment to strike out this provision for nonrecourse loans.

Mr. GROSS. I was in hopes that somebody from that area of the country would offer an amendment to strike it out, because certainly most of them from the Rocky Mountain area voted against 90 percent of parity for midwestern agriculture.

Mr. COOLEY. That is exactly the reason why the gentleman from North Carolina is not willing to take it out. I want them to take it out, if it is to be taken out.

Mr. BELCHER. I think you have cleared up the question I wanted to ask, that is that the two controversial sections of the bill of the 90 percent and the Philippines, and my understanding is that the gentleman is not opposed to taking them out.

Mr. COOLEY. No, but I want these 82½-percenters to take it out; I do not want to take it out myself.

One other thing about the State Department. The State Department is objecting to the bill as it affects Peru because Peru would be greatly handicapped in negotiations in connection with the International Sugar Agreement if that provision is retained in the bill. The Peruvian representative, a very distinguished Washington lawyer, came to me and pointed out that Peru would be handicapped by this provision and would go to the next international sugar conference handcuffed and would be unable to negotiate at arms length and on a fair basis with other countries. I shall, therefore, offer an amendment to strike out this provision.

Mr. SIMPSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. SIMPSON of Illinois. I wonder if the gentleman from North Carolina would tell the House what the average acre subsidy is.

The CHAIRMAN. The time of the gentleman from North Carolina has again expired.

Mr. COOLEY. Mr. Chairman, if nobody objects I will take 3 additional minutes.

Mr. Chairman, I would just like to say to my good friend from Illinois that it would take too much of the time of the House to answer the gentleman's question, because the subsidy per acre varies in different areas.

Mr. SIMPSON of Illinois. Would the gentleman admit that it averages better than $40 an acre in the United States?

Mr. COOLEY. I have the figures and assure the gentleman I will put them in, but I think the gentleman is very modest in the figure he uses.

Mr. SIMPSON of Illinois. It will average more than $42 an acre in the United States.

Mr. COOLEY. Probably so. But when you think about voting against this bill, just think what the situation would be if you did not have this bill.

Mr. SIMPSON of Illinois. I did vote against the bill.

Mr. COOLEY. I am surprised at the gentleman.

Mr. SHEEHAN. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. SHEEHAN. One of the objections that has been made has been to the use of 1947 as a factor in the computation of price.

Mr. COOLEY. That has been taken out. That is something that will probably afford some relief to the industrial users and I assume that is what the gentleman has in mind.

Mr. SHEEHAN. That is right.

Mr. COOLEY. Not only that, but also the formula is modified in the way the gentleman has indicated. Furthermore, any time that the Secretary thinks sugar prices are too high he can authorize the bringing in of more offshore sugar and that itself would tend to put prices down.

Mr. SHEEHAN. Was it not proposed that instead of using 1947 as a base, 1947–49 be used as a base?

Mr. COOLEY. Certainly. That is correct, and that is the provision we approved.

Mr. SHEEHAN. What advantage or disadvantage does it give?

Mr. COOLEY. My recollection is a reduction of about 80 cents a hundredweight.

Mr. SHEEHAN. You mean it reduces the total.

Mr. COOLEY. The price ceiling would go down that much.

Mr. SHEEHAN. However, if the Secretary of Agriculture should use this as a factor in getting at the prices does not the gentleman think it would get close to 105 or 110 percent of parity, using 1947–49 as a factor?

Mr. COOLEY. Actually, if the Secretary should carry out the full effect of the formula written in the Sugar Act the price of sugar would be substantially higher, I think probably a cent or a cent and a half a pound.

Mr. SHEEHAN. It would simply mean that, regardless even if the 90 percent factor is taken out, if the Secretary of Agriculture goes to 1947–49 base, the price of sugar will be 105 or 110 percent of parity, and this would mean that sugar was in the most favored position of any agricultural product.

Mr. COOLEY. It is now and always has been.

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I have but 2 minutes remaining, but I will yield to the gentleman.

Mr. JOHNSON of California. Referring to the gentleman's statement of what the situation would be if we did not have a law, in 1920 when I was married we paid 32 cents a pound for sugar. Ever since then, in my experience, it has not gone over 8½ cents a pound. That is what the sugar law did.

Mr. COOLEY. You cannot live without the act, because you would actually crucify all the domestic producers.

Mr. MORANO. But the law expires in December of 1956.

Mr. COOLEY. I wish that I had the time, for I would be glad to go over the facts and show exactly what we have done for Cuba.

Mr. MORANO. I am thinking about the United States right now.

Mr. COOLEY. Take the State Department bill and our bill, and at the end of the 4-year period Cuba has only given up about 11,000 tons of sugar more than she would have to give up under the State Department bill.

Mr. MORANO. That may be true, but I am thinking about the things that Cuba buys from the United States.

Mr. COOLEY. Well, what about Mexico? Mexico buys more from us than Cuba and all the full duty countries put together.

Every sugar-producing area and all the problems of all of those areas were carefully considered by members of our committee in our efforts to deal fairly and justly with the people from all of the sugar-producing areas participating in this program. Hearings started June 22 and ended July 21. Twenty meetings of our committee were held. More than 1,300 pages of testimony was taken and numerous lengthy statements were presented to the committtee and inserted in the record. More than 100 witnesses testified, and hundreds of letters and telegrams were received and considered. Numerous charts and documents were analyzed, and many formulas were considered. The one purpose of our committee was to act impartially and to do justice among all friendly areas participating in this program.

Mr. HAYS of Arkansas. Mr. Chairman, I appreciate the hard work of the Committee on Agriculture in response to the appeal of representatives of sugar-producing areas, but it is to be regretted that the involved relationship between the economic problems dealt with in the pending bill and those of other countries, particularly of Cuba, have not received greater emphasis. Our own welfare requires it, and I trust that in the periodic reviews which this legislation will receive we may be able to devise an acceptable policy with reference to the importation of Cuban sugar. Undue restrictions in the Cuban quota create new problems for us since Cuba's interests are so closely tied to our own. I think of this illustration, Mr. Chairman. Cuba, having a high per capita rice consumption, is one of our best customers for American rice, but because her sugar markets here are not permitted to expand the Cuban people are not purchasing our rice in quantities they would normally use. As a result they are forced to turn land to rice cultivation for their own use which is uneconomic from every standpoint. Sugar and rice are vital elements in the island's economy. Granting that much depends upon the wisdom and foresight of Cuba's own policymakers, it is evident that economic difficulties in Cuba and the Caribbean react upon our own domestic situations. Ultimately we must weigh this interrelationship.

As chairman of the subcommittee on foreign economic policy of the House Foreign Affairs Committee, I urge the

Agriculture Committee members to take into account the economic factors which I have briefly described.

Mr. HOPE. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, it is true, as the distinguished chairman of the Committee on Agriculture has stated, that it is impossible in the time allotted to discuss all the details of this legislation. However, this is legislation which has been before the Congress ever since 1934. We passed legislation that year; in 1937 we amended it somewhat; the 1937 legislation was extended several times. We passed legislation in 1948 and in 1951, all of which embodied essentially the same principles that are contained in this legislation and which did not differ a great deal from this legislation except in the distribution of sugar consumption to the various producing areas. The basic theory of the legislation has been the same since 1934.

The problem that committee faced and which the House faces in considering this legislation is making as fair a distribution of sugar production to the various producing areas as it is possible to do. I believe that the committee has done a good job, not just as I would have it if I were writing it, not just as you would do it, perhaps; but when you consider that we have every producing area asking for more production than it is now receiving and more than we can possibly give, you can understand, of course, that no one is going to be entirely satisfied with a bill of this kind. It is impossible to satisfy everyone.

For a number of years going back to the beginning of the war, and up until last year, we had no particular problem as far as taking care of domestic sugar producers was concerned, because, owing to the competition of other crops, domestic quotas on the mainland were not filled. In fact, in 1948 following the war years, the sugar producers of this country voluntarily gave up their share of any increase in domestic production in favor of Cuba and other foreign countries. But in the period which has elapsed since that time, during which we have had a constantly increasing demand for sugar acreage in this country, due to the fact that we have a surplus of almost every agricultural commodity, it has come about that the sugar-producing areas on the United States mainland and in Puerto Rico need more sugar acreage and production. This situation is particularly acute in the mainland cane areas in Louisiana, and Florida, and it exists to a considerable degree also in the beet sugar producing areas of the country.

This situation has become so difficult that in the mainland cane areas a surplus of sugar has accumulated to the extent that unless some relief is afforded this year there will be no market for a large percentage of the cane sugar production in 1955.

Now, the same position does not prevail as to beets, but there are more than normal carryovers of beet sugar, also. The way this bill attempts to solve that problem is to provide that for 1955 authority will be given to purchase 100,000 tons of sugar for foreign relief distribution. This 100,000 tons will be purchased from the supplies already on hand and will, to that extent, relieve the congested situation.

Then for the year 1956 we amend the present law, which will still be in effect in 1956, by providing for a division between the domestic producers and the foreign producers of the increase in production above 8,350,000 tons of sugar, and we provide for a division of that sugar on the basis 50 percent to domestic producers and 50 percent to foreign producers. Of the domestic 50 percent—45.2 percent will go to domestic beet producers, 42.6 to domestic cane producers, and 10.6 percent to Puerto Rico and a small percentage to the Virgin Islands. The 50 percent going to foreign countries will be divided 96 percent to Cuba and 4 percent to the full duty countries. This is for the year 1956. Beginning in 1957 domestic producers will be given 50 percent of the increase in domestic consumption, which is estimated to be about 135,000 tons per year. Foreign producers, excluding the Philippines, will be given the other 50 percent, and that will be divided during the life of this legislation approximately on the basis of one-third to Cuba and two-thirds to the full duty countries.

Now, there are other changes in the legislation. Those are the important ones, however, as far as the division of sugar production is concerned, and they are the most controversial parts of the legislation. There is a change in the pricing formula, which was mentioned by the gentleman from North Carolina [Mr. COOLEY], in that the base is changed from 1947 to the period 1947–1949, and there are changes in the definitions and other technical changes in the act which it will not be possible for me to go into at this time.

Mr. HOLMES. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Washington.

Mr. HOLMES. I have been listening with a great deal of interest to the gentleman's presentation of this matter. We have a great many people out in the State of Washington in the irrigation districts that are classified as nonhistory growers. These people are very vitally interested in receiving some recognition in relation to their needs for sugar beet acreage in these new lands coming under irrigation. I know the matter was seriously discussed in committee, and could the gentleman advise me as to what is provided in the bill in relation to any flexibility concerning these nonhistory growers?

Mr. HOPE. I will say to the gentleman that the bill itself does not provide any formula for the distribution of additional acreage of sugar beets. However, the committee feels that very careful consideration should be given to the needs of the new growers and so states in the report.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Michigan.

Mr. DONDERO. The point I am interested in is this. I have followed the gentleman closely and understand that the acreage for domestic producers will be increased?

Mr. HOPE. That is correct.

Mr. DONDERO. What I am particularly interested in is this, because I have had complaints about it. Will the quota for domestic producers be increased in order to take care of the increased production of sugar? And I want to add right there that one domestic producer in this country I am informed has on hand some 55,000 tons of sugar in a warehouse, and cannot sell a pound of it because of the quota. Is there any relief granted in this bill to that kind of a situation?

Mr. HOPE. This bill, of course, provides, as I stated in the beginning of my remarks, for the purchase of 100,000 tons of sugar for foreign relief purposes. The producer the gentleman has in mind might get some relief from that source, as that is the purpose of this purchase, to relieve the situation on sugar which has accumulated and cannot be disposed of under the quota allocations.

Mr. DONDERO. It is one of the large cane producing companies of this country.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from North Carolina.

Mr. COOLEY. We had no such evidence as that before the committee. We did have evidence of the fact that there were about 15,000 tons in Louisiana and about 35,000 tons in Florida actually in storage.

Mr. DONDERO. I may have misunderstood what was the amount, but that was the figure given me, 55,000 tons. Maybe it was 35,000 tons. This was cane sugar.

Mr. MORANO. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Connecticut.

Mr. MORANO. The distinguished gentleman from Kansas [Mr. HOPE] in answer to a question of the gentleman from Washington [Mr. HOLMES] said that there was additional acreage for domestic beet sugar provided in this bill. If so, what is that additional acreage, if the gentleman has that figure?

Mr. HOPE. That could only be an estimate, but from a rough computation that I made a little while ago, it would indicate that based on the estimate of 135,000 tons increase in consumption per year and on the division that we are talking about, 50 percent to domestic producers and 50 percent to foreign producers, beginning in 1957 domestic sugar beet producers would get about 12,000 acres per year and mainland cane producers would get somewhat less than that.

Mr. MORANO. If there is now a surplus of beet sugar, why do we need additional acreage? I do not understand that.

Mr. HOPE. This would be the absorption of the increased consumption. They will not get the increased acreage until the consumption increases. Under this bill domestic producers will share in the increase in consumption. Since

1948 all increased consumption has gone to Cuba and other foreign countries.

The CHAIRMAN. The time of the gentleman from Kansas [Mr. HOPE] has again expired.

Mr. HOPE. I yield 10 minutes to the gentleman from Colorado [Mr. HILL].

Mr. HILL. Mr. Chairman, the bill H. R. 7030, to amend and extend the Sugar Act of 1948, is one of the most important pieces of legislation to come before this session of Congress.

Let me state in the beginning of my remarks that the Committee on Agriculture, its chairman and both the majority and minority members have cooperated and labored diligently on this legislation and brought to this House a bill on the extension of the Sugar Act of 1948 which in my considered opinion meets the changing condition of world production and marketing of sugar.

In order to understand why we need this legislation in this session of Congress we should be reminded that the basic quotas for the mainland sugar producers and the Hawaiian Islands have remained rigidly fixed since 1948. When we speak of the mainland sugar producing areas we, of course, mean the cane and sugar beet areas in the United States proper.

In the act of 1948 Puerto Rico's basic quota was increased 170,000 tons, the Virgin Islands was increased 6,000 tons, but the mainland sugar producing areas within the borders of the United States remained the same, which was 1,800,000 tons beet area and 500,000 tons for the cane area.

During this same period of time the United States consumption increased about 1 million tons. And remember now that not 1 ton of increase was granted to the domestic sugarcane and beet sugar producers. This is the main reason the Sugar Act should be amended and changed at this time.

The Sugar Acts of 1934 and 1937 divided the United States market percentagewise. The 1937 act reserved 55.59 percent of the United States market for domestic producers and the balance to foreign countries. And as the demand for sugar increased in the United States these producing areas shared proportionately in the expanding market.

Under the law as it now exists Cuba supplies 96 percent of each year's increased demand for sugar in the United States. All other foreign suppliers supply, not proportionately but in the manner indicated in the legislation, the balance of the 4 percent. None of the increase in consumption under the present law can be supplied by the domestic producers.

Under the present law the Secretary of Agriculture has estimated that we will use 8,400,000 tons of sugar in 1955 and according to the formula in the law the maximum the domestic areas can produce would be in short tons as follows:

Domestic beet	1,800,000
Mainland cane	500,000
Hawaii	1,052,000
Puerto Rico	1,080,000
Virgin Islands	12,000
Total	3,956,000

Under the present law the Republic of the Philippines supplies us 977,000 tons; Cuba, 2,859,840 tons; and the full-duty countries, which are the countries permitted to supply us with 4 percent of our annual consumption, would supply the balance.

These full-duty countries, according to our report, would supply as follows:

Peru	55,658
Dominican Republic	29,592
Mexico	12,269
Nicaragua	8,386
Haiti	2,863

And a small amount from various countries mentioned in the report.

I might add that when we are speaking of domestic industry in this Sugar Act we refer to United States mainland, Hawaii, Puerto Rico, and the Virgin Islands.

I think I should mention the fact that Cuba's supply of our entire domestic consumption in the United States is 2,859,840 tons. Cuba has been well taken care of and certainly receives the cream of the sugar imports under the present act and will continue to do so under H. R. 7030.

Under the proposed changes in the law the domestic industry would be granted quota increases to relieve an intolerable situation which has developed because of increased per-acre yields and the inflexibility of marketing quotas fixed by the present law. And the domestic industry would share in future growth of the United States sugar markets on a 50–50 basis.

The principal reasons for considering the changes of the Sugar Act at this time are based on the fact that the present Sugar Act expires at the end of 1956. Growers contract with processors before the planting of crops, and the sugar crops are marketed a year after the crops are harvested.

Our domestic sugar industry is important to our national well-being both agriculturally and economically. In the vast reaches of the semi-arid West, the sugar beet has become synonymous with stability. New growers could get little consideration under present legislation, but would share in the increased consumption under H. R. 7030. It is the ace-in-the-hole upon which many of our western farmers depend. It is a prime cash crop, it is important to proper rotation practices, it is the basis for livestock feeding operations.

In the South—Louisiana and Florida—sugarcane means just as much to the farmers who grow it. We have been told that in the 150-year history of the sugarcane industry in Louisiana, no other cash crop has been found to replace sugarcane.

In our offshore island possessions—Hawaii, Puerto Rico, and the Virgin Islands—sugarcane is a mainstay of the entire economies.

Last year alone, the domestic sugar industry poured more than a billion dollars into our national economy.

We are all well aware that the United States sugar industry is regulated by Federal law. For more than 20 years, our national sugar program has proven to be an excellent one. In 1934 we initiated the present system. In 1937 Congress made changes in the details of the first Sugar Act. Again in 1948 and in 1951 it was deemed necessary to amend and extend the existing act. Now, once again, changing conditions make necessary changes in the law to keep it modernized and attuned to circumstances as they now exist.

If we examine what has taken place in our domestic sugar industry and our Nation as a whole since the Sugar Act was amended, it becomes quite obvious why this Congress must once again revise the law to fit new conditions. Our population is expanding rapidly, at the rate of some 2½ million persons each year. As we grow in numbers, so do we grow in our appetite for food. Sugar is no exception. Our annual consumption of this commodity is going upward, year by year.

But, as a result of the fixed marketing quota provisions applied to all domestic sugar producers in amendments to the Sugar Act in 1948, these people have been forced to remain static. Worse than that, as our Nation grows and expands, our sugar farmers are being told they must cut back their acreages. These cuts have become necessary because of the fixed quotas, plus the industry's own tremendous advances in efficiency.

Our domestic sugar industry lays just and indisputable claim to being the most efficient in the entire sugar world—and sugar is almost a universal product, produced in varying quantities in all but a very few countries on earth.

In the past 7 years, our western sugar-beet farmers have increased their production of sugar per acre by some 15 percent. In the past 30 years, their production improvement has been estimated at 68 percent.

In Louisiana, sugar production per acre has been increased 21 percent in the past 7 years.

In Hawaii, the man-hours required to produce 1 ton of sugar are the lowest in the world.

These are gains which have been achieved through hard work and hard thinking. Our farmers and processors, our scientists and experts in the Department of Agriculture, our State colleges and others have united their manpower and their brainpower in bringing into reality these truly American accomplishments, only to be penalized for increasing efficiency.

In the past 2 years our sugarcane farmers in Louisiana and Florida have had this said to them twice for an aggregate acreage cut of 18 percent. And our sugar-beet farmers throughout the West have had the same word and a cut of 10 percent in their acreage.

This simply does not make sense when one considers that we produce in this Nation only a portion of the sugar we consume. We are not producing sugar enough to meet our needs. We are importing almost half of every pound of sugar we use.

We are penalizing our farmers for no good reason, forcing them out of sugar production into the growing of other crops already in surplus supply.

It is essential that we reverse this trend by passing H. R. 7030.

During the 12 years I have been privileged to serve on the Committee on Agriculture, there seldom has been greater effort made to solve a more complex problem than confronted our committee when we addressed ourselves to the matter of proposed sugar legislation. Hearings on the proposal to amend and extend the Sugar Act extended over a period of a month. We heard from virtually everyone with a direct or indirect interest in the matter. Thousands of words of testimony have gone into the record.

As we weighed the many problems involved, we have been not only keenly sensitive to the problems and best interests of our own domestic sugar industry, but we have attempted to give full attention to our trade relationships with our good neighbors and friends in foreign lands who help supply our sugar. The bill before us represents give and take on all sides. We have all had to compromise in order that some solution, if not ideal, could be found and action taken this year.

Throughout our committee deliberations, and now that the matter is before us as a Committee of the Whole, it has been and continues to be necessary that we test the proposed amendments and extension in relation to the basic stated purposes of the Sugar Act, which is our national policy. These purposes are stated thus:

An act to regulate commerce among the several States, with the Territories and possessions of the United States, and with foreign countries; to protect the welfare of the consumers of sugars and those engaged in the sugar-producing industry; to promote the export trade of the United States; and for other purposes.

Mr. Chairman, time is of the essence. Our sugar farmers must, and deserve to know now what they are going to be permitted to grow next year. They cannot wait until next spring to be told how they may crop their lands. California plants in November and contracts will not be let for sugar that cannot be marketed. They have sought our counsel and assistance. We cannot deny them.

I earnestly hope my colleagues that you will feel disposed to support this legislation.

Mr. HOPE. Mr. Chairman, I yield 1 additional minute to the gentleman from Colorado.

Mr. HILL. Mr. Chairman, I have not time to finish my remarks, so I will place them in the RECORD and I hope you will read them carefully, because we tried very earnestly in this bill to carry out the theory that we need a national Sugar act.

Mr. CEDERBERG. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield.

Mr. CEDERBERG. I want to associate myself with the remarks of the gentleman from Colorado and also express to the Committee on Agriculture the appreciation of thousands of sugar beet growers in the State of Michigan for your farsightedness in bringing up this legislation. We think it will be of real benefit to us.

Mr. BEAMER. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield.

Mr. BEAMER. I want to associate myself with the remarks of the gentleman from Colorado and to ask a question. I also have received inquiries, among them a telegram asking why we do not have 55 percent instead of 50 percent.

Mr. HILL. I will answer that under the 5-minute rule.

Mr. BENTLEY. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. BENTLEY. Mr. Chairman, in connection with this debate on H. R. 7030, I wish to call the attention of the Members to the present serious situation whereby fixed quota restrictions are discriminating against United States sugar and permitting foreign sugar to fill entirely the increase in the United States sugar market.

In 20 years, the cost of sugar has risen 30 percent less than the average cost of other foods and today retails at practically the same price as it did in 1948. It is a vital commodity, being crystallized energy, the lowest in cost per energy unit of all foods, vital to diet, vital to industry in peace and war. It is not a surplus crop since the United States, including its Territories, produces little more than half of the sugar we consume.

Since 1948, United States population has increased from 146 to 162 million people, an increase of 16 million. During this same period, the Nation's annual sugar consumption has risen by a million tons, from 7.2 to 8.2 million tons and is still increasing.

Mr. Chairman, this increase has been supplied entirely by foreigners. All the annual market growth goes to foreign countries, 96 percent to Cuba, 4 percent to other foreigners, nothing to Americans. Domestic sugar producers have fixed quotas set by existing law and cannot supply 1 ounce of present or future market increases unless that law is changed. Thus the American producers' share of the American sugar market shrinks as the Nation's total sugar needs rise.

During the last 7 years, American sugar farmers have modernized and mechanized their operations at great expense, increased their efficiency tremendously and raised their production per acre by as much as 20 percent. However, Mr. Chairman, their progress has been stalled by rigid marketing quotas which have forced drastic cuts in sugar crop acreage up to 18 percent in the last 2 years, with more cuts to come unless immediate action is taken.

This immediate action to restore to American producers their rightful share in the United States sugar market increases is urgent because American citizens should no longer be denied the right to share in the growth of their own country. If there are further acreage cuts it will work a severe hardship on American sugar farmers in 24 States and in American Island Territories. Further, if more acres are diverted from sugarcane or sugar beets, it will add to the supplies of crops which are already in surplus. Finally, the American sugar industry, which each year pours a billion dollars into the economic lifestream of our country and helps other industries pay the wages of millions of Americans, must be kept healthy.

Now, Mr. Chairman, I understand that bills have been introduced by 49 Senators and 28 Congressmen to remedy the situation that has arisen under the present sugar act. These 77 sponsors are divided almost equally between the two political parties and there is widespread bipartisan support for these measures by many persons who understand the need for and the effect of this proposed legislation. However, many Americans have been confused by a propaganda campaign conducted by certain Cuban sugar interests.

Mr. Chairman, this proposed legislation will not reduce the volume of sugar shipments from Cuba or any other foreign nation below their present quotas. It does not deny to Cuba or to any other foreign producer the privilege of continuing to participate in the future growth of the United States market. It merely restores the historic right of our own citizens to receive a share of future increases in our own market and it should be passed this year to avoid further damaging consequences to the American sugar industry.

Now what about the situation in Michigan. This year Michigan sugar beet growers were allocated 9.58 percent of the total acreage of 850,000 acres. Now in 1950 there were 5,300 sugar beet producers in Michigan while in 1935 there were 12,500. That drop is explained by the restrictions and by the acreage cuts on sugar beet farmers to which I have referred above. This unprofitable situation has driven many sugar beet producers in my district to divert their acreage to corn, a basic commodity, and now one sees corn bins all throughout central Michigan, holding surpluses under Government loans, whereas a few years ago those counties were corn-importing areas. Relief is needed and needed quickly for Michigan's sugar beet producers.

Mr. Chairman, I do not regard H. R. 7030 as the best possible relief that our sugar producers can obtain but I intend to support it because it certainly is a step in the right direction. That direction is to give American sugar producers their fair share of the American sugar market.

Mr. CHENWORTH. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. CHENOWETH. Mr. Chairman, I rise in support of H. R. 7030, a bill amending and extending the Sugar Act of 1948. I want to commend the committee on bringing this bill to the floor of the House.

I was one of several Members of the House who introduced similar bills. My bill was H. R. 5470. I am very much

interested in this sugar legislation and I feel that the bill before us today is vitally needed at this time.

Mr. Chairman, I represent the Third Congressional District of Colorado, which is a large sugar beet producing area. I have three sugar beet factories located in my district. All of these factories have been in operation for many years, and are a vital part of the economy of our area. I consider it highly essential to our national economy to promote and maintain the domestic sugar industry of our country, both cane and beet. We do not appreciate the importance of our domestic sugar industry until outside supplies are cut off as in time of war, when we must rely on our domestic production for our needs. Certainly it would be a shortsighted policy to neglect this important industry.

I submit that every effort should be made to keep our domestic sugar industry in a healthy and prosperous condition. This is what we are seeking to do by this legislation before us today. We want to do everything possible to assure an adequate supply of domestic sugar in the event of another emergency.

I strongly feel that our domestic sugar producers should be permitted to participate in the expanding domestic market. Under sugar legislation in effect from 1934 to 1948 both domestic and foreign sugar producers shared the United States sugar market on a percentage basis. However, the Sugar Act of 1948 established fixed inflexible quotas for all domestic producing areas. It gave to foreign producing countries all of the benefit of increased consumption in this country. Practically 100 percent of this increase went to Cuba.

The domestic industry concurred in the 1948 act because of appreciation for the contribution which Cuba had made, along with our domestic areas, in meeting wartime sugar demands. It was felt in 1948 that Cuba should have some temporary period within which to adjust production to post-war market demands. It was understood at that time that this arrangement was not to be final or irrevocable, and the right was reserved to ask for a revision of the act whenever circumstances required.

Mr. Chairman, that time has now arrived, and the proposed amendment is absolutely necessary. The domestic producing areas as asking that their traditional share of the expanding United States market be restored to them. Under the Sugar Act of 1937 the domestic areas received 55.59 percent of total domestic requirements. This bill will restore the quota system under which our domestic producers will again be permitted to obtain their fair share of the increased consumption of sugar in this country.

Mr. Chairman, sugar companies in this country are now carrying large inventories, and are not able to dispose of the sugar stocks on hand. Under this bill 100,000 tons of domestic sugar will be purchased by the Government for foreign distribution. This will be of great help in relieving the present situation.

Mr. Chairman, it is important to have this legislation enacted at this session, and I want to again commend the Committee on Agriculture for its prompt action on this bill. This is a good bill and should receive the support of the House.

Mr. HOPE. Mr. Chairman, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. CARRIGG].

Mr. CARIGG. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. CARRIGG. Mr. Speaker, at the hearings on the bill to amend the Sugar Act of 1948, Mr. Henry F. Holland, Assistant Secretary of State for Inter-American Affairs, explained before the committee the position of his Department, and as regards the Philippines, he said the following: "The Department does not recommend an increase in the Philippine qouta at this time. The Department believes, however, that consideration should be given to allowing the Philippines a share in increased consumption when sugar legislation is next amended and after sugar from the Philippines begins to pay a tariff." The Filipinos were at first gratified with the statement. They were not surprised at the first part of this statement that said that "the Department does not recommend an increase in the Philippine quota at this time" in view of the observation of the Department that the act should not be amended so as to take effect during next year. Sugar from the Philippines begins to pay a tariff next year, and the phrase "when sugar legislation is next amended," was interpreted to mean the legislation under consideration.

It now turns out that what Mr. Holland meant is when the legislation is amended after the present amendments, which are intended to be in effect for 6 years. In other words, the Department would permit the domestic producers and the so-called full-duty countries—Santo Domingo, Haiti, Mexico, Peru—all countries supplying the United States, to share in increased quotas due to increased sugar consumption, with the solitary exception of the Philippines.

Is it possible that of all the countries supplying the American sugar market, the only one to be excluded from the benefits of increased quotas is the Philippines who, among these foreign suppliers, is the country that needs it most because it has the gravest problem of trade deficits, unemployment, and inflation as a consequence of her loyalty to America in the last war?

Is it possible that the only country to be excluded is this country who, among these foreign suppliers, paid most dearly in lives and property for their loyalty to the cause of freedom, who continued to shed blood for this cause in Korea, and whose representative acted so effectively to prevent the Asian-African conference in Bandung from becoming a Communist and anti-American organization which would have lined up the peoples of these two great continents against America and the free world?

Is it possible that this country which, among the foreign suppliers, has the most serious problem of communism, aggravated by unemployment and inflation, should precisely be the country singled out for exclusion from the benefits of increased American quotas?

Is it possible that this country that is the showcase of democracy and the only Christian country in the Orient, and which is being watched by one-half of humanity that lives in that area to see if the democratic and the Christian way of life is superior to that of communism, should be so unfairly discriminated against?

Is it possible that this country that notwithstanding its still shattered economy buys only 25 percent less in the American market than another supplier that has 200 percent more sugar quota—is it possible that the United States should want this country with its great potential market of 20 million progressive people to delay its economic recovery?

Is it possible that this country that was prevented, because of the war and the resulting destruction of her industries, from selling 8 million tons of sugar worth a billion dollars on which the United States collected duties from the substitute suppliers of $100 million, should be further punished by excluding her from the benefits of increased quotas in the United States sugar market?

Is it possible that this country where we have valuable military, naval, and aerial bases and is only a few hundred miles from the coast of Communist China, this country that gives our investments the same rights and protection as those of her own nationals, should be singled out for exclusion from the benefits of increased American sugar quotas?

When the Department sent the Assistant Secretary of State for Inter-American Affairs as its spokesman on the proposed legislation, the Philippine case may be said to have two strikes on it. We have the highest respect for Assistant Secretary Holland, but he is daily exposed to the pleadings and pressures of the representatives of the countries with which his division has to deal, and has little contact with the representatives of the Philippines. The importance of the legislation now before Congress transcends the mere value of so many tons of sugar. We pray the American Government and the American Congress to pause and reconsider the implications of the proposed exclusion of the Philippines from the benefits of the amendments to the Sugar Act. The Filipinos and particularly Asia and the world at large are watching how America deals with her tried allies and friends.

Mr. HOPE. Mr. Chairman, I yield such time as he may desire to the gentleman from Wyoming [Mr. THOMSON].

Mr. THOMSON of Wyoming. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Wyoming?

There was no objection.

Mr. THOMSON of Wyoming. Mr. Chairman, I rise in support of fair treatment of our domestic sugar industry. I reluctantly state that the bill before the

Committee, in my opinion, falls far short of giving fair treatment to the domestic industry.

Of course, the State which it is my privilege to represent has vested interest in this legislation. We are not one of the largest producing States in the Nation, but the sugar beet industry is very important to our economy. Sugar beets represented 20 percent of the cash farm income crop in Wyoming in 1954, according to Department of Agriculture figures. It is not only important to us as farming commodity, but affects almost every other segment of our economy, including labor and business, which is practically all small business in Wyoming. Just to give you some idea of this, the farmer received approximately $6½ million for his crop. Payrolls of the sugar factories in 1954 represented $2 million. Freight payments by truck and railroad amounted to $1½ million. Two and one-half million were accounted for by sugar refinery purchases of coal and various other industrial supplies. This totals $12½ million, but is really only a fraction of what could be developed, and if we were to arrive at the true realistic total, we would have to take into account the equipment purchased by the farmer and the food and other items purchased by farmers and factory workers, and those indirectly concerned. This will give you some idea of the importance of this to our economy.

I am not here, however, to make an appeal for special consideration for my State, or any other State. I think this is good, sound legislation, for the best interest of the country as a whole, and when I say the country as a whole, I mean of the farmers, businessmen, laborers, and the consumers.

Although the statement has apparently been criticized, I still think the question before this committee and the Congress can be simply boiled down to the proposition of, Is the American farmer to be allowed to share in the growth and progress of America? No matter how one attempts to sidestep the issue, that is what must be decided.

I attended a good portion of the hearings and had a representative present at almost all others. We secured copies of those statements made available to us. Most of the pertinent facts were put in the record, and were presented very fairly and ably by representatives of the growers and the domestic industry. I am confident that if they were weighed on the basis of fairness and historical evidence, and what is best for the over-all American citizen, then fair legislation would certainly be passed by this Congress in the form which my colleagues and myself introduced identical bills.

The main opposition seems to be centered around the so-called obligation we have to Cuba. I think that it is established beyond contradiction that we have no legal obligation, which we seek to controvert. Cuba would be left with her full quota before World War II, plus virtually all the increased consumption up to the present date, plus whatever share of the historic 45 percent foreign production that is eventually allotted to her by this committee and this Congress. The argument that we are cutting down on her is simply without basis in fact. We cannot be charged with disrupting her economy, for we do not propose to buy less from her, but continually more. Cuba had a right to expect that the domestic producer would reenter the market for their historic share as soon as they had recovered from the various effects of wartime dislocations. Cuba entered the market during World War II and supplied us over and beyond her historic quotas. Naturally we were gratified at this. On the other hand, they have been repaid well, and to say that they are entitled to more consideration is to completely overlook the primary fact that we fought and financed a war that benefited Cuba just as well as the rest of the world. I remember a Puerto Rican regiment in North Africa, and a Brazilian division in Italy, but to the best of my knowledge, no Cuban blood was spilled on foreign soil. I think we cannot disregard the interest of the American farmer, and particularly the debt that we owe to the veteran who located on one of our reclamation farms in Wyoming and other Western States, and is now denied any sugar-beet production under the present law.

Yes, Cuba was well repaid for contributing to our war effort by producing sugar—at a profit—while we fought a war—at a loss. Cuba has had all our increase in domestic consumption since the beginning of World War II, added to their basic quota at that time. The Cuban import quota increased from roughly 1,900,000 tons in 1940 to 2,668,000 tons in 1955. Under our bills we would take 188,000 tons out of the 200,000 estimated increase in consumption this year, and share the balance. Therefore, Cuba's quota for 1955 might well be as high as 2,673,000 tons. The argument that we would be taking something away from Cuba this year does not stand up in this light.

As far as I am concerned, the argument fails that we even have a moral obligation to Cuba in connection with this. If this Government, and this Congress, has a moral obligation to anyone, it is to these veterans, who are suddenly denied a right to produce. They have obligated themselves to pay for the expensive machinery now used on a sugar beet farm. Unless we do something about this law and do it now, we are saying to them, "We made available to you a small 160-acre farm. We encouraged you to sign the repayment contract to pay back the cost of irrigation. We stood by while you invested in this machinery and gave a boost to the American factory worker. Now we are no longer interested in you. You cannot grow a cash crop. For all we care you can lose your machinery. You can lose your farm, and your family can go begging."

If there is any moral obligation involved in this legislation, in my humble opinion it is to these veterans.

Let us look at the moral obligation statements from yet another angle. Throughout the hearings it was pointed up that the reason for the 1948 Sugar Act amendments was to give the American farmer a chance to build back his production curtailed by the war, and to allow Cuba to scale down her production gradually to gear it to a postwar economy over a period of 5 years rather than to take an abrupt drop in quota. There lies a moral obligation on the part of Cuba. Cuba has not lived up to the spirit of the agreement, nor made any recognizable attempt to live up to it. She has each year increased her acreage, and each year increased her production. Cuba, then, is in the peculiar position of charging the wronged party with a moral obligation that cannot exist in the light of her refusal to comply with the spirit of the agreement made possible by the generosity and understanding of the domestic producers and the Philippine producers.

I have always tried, throughout my legislative experience, to decide issues on the basis of principle. The principle involved here is that the American citizen, whether he be a farmer, laborer, a shipowner, or a lawyer, is certainly entitled to benefit from his own enterprise and his own initiative—he is certainly entitled to a share in the growth of America. This is the principle involved in the 50–50 provision of S. 2090, adopted on the floor of the House last week, to give the American shipowner a chance to take a half share of the shipping of American products abroad. When my Wyoming Farm Bureau Federation wired me to oppose this proposal, I immediately contacted them by telephone to tell them that I considered the principle involved—exactly the same principle we are fighting for in attempting to get the sugar bill passed—the right of the American to participate in the growth of America. I supported the 50–50 provision for American shipowners and sailors. It was adopted by an overwhelming division vote. I think the House will follow the same principle as applied to our sugar industry.

What is the present law, how did it come about and how does it operate? At the end of World War II the domestic producer, in what appears now to be too generous a gesture, said in effect, "It will take us a few years to build back to what we were producing before the war, which was 1,800,000 tons a year. Cuba is way up on production. Heretofore, we have shared the market at 55 percent for domestic and 45 percent for foreign production. We will consent to take a fixed quota of 1,800,000 tons for our beet sugar growers and similar fixed quotas for others, based on the production before the war. We will let Cuba have most of the increased consumption, 96 percent of it; the rest will go to other foreign producers. Furthermore, we will let Cuba make up the deficit as to quotas on the Philippine production, while that country is being redeveloped, plus the domestic deficit as well. This will permit Cuba to go down from her wartime peak gradually, without serious economic dislocations, and we will give them 5 years to do it."

In simple language, this was the effect of the 1948 act. In 1951, it was extended for another 5-year period, because of the intervention of the Korean war, but with the express reservation that if the domestic production moved up before that time, we would ask for a share of the increase in the future market.

What do we mean by increase in the future market? Simply that by reason of increased population and increased per capita consumption, there is an average of about 150,000 or 200,000 tons more sugar marketed in the United States each year. With the sudden end of the Korean war, and for that we thank God, the American production did build up more rapidly than expected. In 1953, we raised 1,872,000 tons of beet sugar, 72,000 tons over quota. In 1954, this jumped to 1,978,000 tons. Acreage restrictions had to be applied.

You can imagine my concern with this, as the Congressman representing Wyoming. I therefore introduced H. R. 5443, calling for an amendment to the Sugar Act to increase the domestic quota for the sugar-beet producer by a total of 85,000 tons and similar increases for other domestic producers, and calling for a return to the historic formula of allowing the United States domestic producer a 55-percent share of the increasing market, starting with 1955 quotas.

In connection with reciprocal-trade legislation, H. R. 1, some of you probably wondered why I voted to place a curb on the power of the State Department to control our foreign-trade policy. I think this is a very good indication of why I feel this way. I believe we must trade with the rest of the world. I believe that trade is one of our best weapons for peace, but I do not believe we should give away our American standard of living or disregard the interest of our American producers.

The bill which I introduced, and the identical bills introduced by other Congressman, were introduced after many, many meetings within the industry and other interested persons. They represented the very minimum necessary to take care of our accumulated inventories of refined sugar which were not held in Government storage at Government expense, but in private storage as a private inventory, and still give some relief to our hard-pressed American sugar-beet farmer and cane-sugar grower. Why is it that the committee bill is not satisfactory?

In the first place, it will not give us any relief on the 1955 quota, which determines the crop to be grown in 1956. The banker will not wait for his money. The farm-machinery man will insist on his payments. The sugar farmer, and particularly the young veteran, will go broke, will be faced with foreclosure, and with loss of the expensive machinery which he bought in good faith. Yes, he may even lose his farm itself. The first money that will come to him under this committee bill cannot be reasonably expected until 1958, when payment is made for the crop he grows in 1957.

In the second place, the bill refuses to recognize the historic basis for sharing in increased sugar consumption. It cuts the American producer from 55 percent of the increase in the American market to 50 percent. Unless this is changed, Congress will be placed in the position of again giving away just a little bit more of our American standard of living to the detriment of our farmer, our laborer, our businessman, and our general economy.

In the third place, the bill attempts to tie sugar into a rigid price-support program at the taxpayers expense when it is not a surplus product at all. We produce only about 50 percent of our domestic consumption. Are we to increase our consumption at the taxpayers' expense and drive down the price to our American farmer?

In the fourth place, the bill puts the American farmer in the position of accepting largesse through a purchase of domestic sugar for free overseas distribution, when all the American farmer wants is a chance to earn an honest living and share in the growth of America on a fair basis as an American citizen, just life, liberty, and the pursuit of happiness—by hard work.

The bills which were introduced were fair to foreign producers as previously pointed out—took nothing away from them and represented the very minimum that would be helpful to the American sugar beet farmer, or cane sugar grower.

If it were not for the fact that I sincerely believe and hope that the amendment to be offered by Congressman DIXON, of Utah, taking the 90-percent provision out will be adopted, and if it were not for my sincere belief that the other body will make further changes in this bill which time does not permit us to consider, I would be constrained to speak in opposition to the bill and vote against it. If time permitted, I am confident that this House could take care of putting the bill in proper form right here on the floor because I have complete confidence in the combined judgment of the Members of this House when all the facts are known to them. There are many other deserving bills, however, on the schedule and I do not believe that the best interests of the country would be served by bringing about a prolonged floor discussion on the amendments that are necessary to make this bill a fair and just bill to all.

Mr. HOPE. Mr. Chairman, I yield such time as he may desire to the gentleman from Utah [Mr. DAWSON].

Mr. DAWSON of Utah. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Utah?

There was no objection.

Mr. DAWSON of Utah. Mr. Chairman, here is some legislation which everyone in this House should vote for with enthusiasm.

It takes nothing away from our friends in other sugar-producing countries, but it at the same time gives something to our domestic producers: to wit, a share of the increase in domestic consumption.

The fact that this legislation has been subjected to any opposition and controversy is an indication of how far we have traveled down the road of considering the welfare of other nations before considering the needs of our own people at home.

The simple truth is that since the Sugar Act was passed by Congress in 1948, annual sugar consumption has increased about 1 million tons in the United States. Yet, this increased consumption in our own country has not benefited our domestic cane- and beet-sugar producer at all. Due to rigid quotas imposed by the act, the increased market has been given to Cuba while our own farmers have had their beet-sugar acreage cut as productivity increases.

This legislation would not cut back Cuba sugar production. It would just give the United States producer the right to share in the increased market our own Nation's expanding population creates.

The Cuban argument that it must sell us ever-increasing amounts of sugar if it is to buy products of our American industries falls of its own weight. The domestic beet and cane producer is also a customer of domestic industry—provided he can make a living—and he pays property, income, and excise taxes for the support of his Government in addition.

There should be no question about the fairness, timeliness, or need for this legislation in anyone's mind.

Mr. HOPE. Mr. Chairman, I yield such time as he may desire to the gentleman from Montana [Mr. FJARE].

Mr. FJARE. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. FJARE. Mr. Chairman, we are considering H. R. 7030, a bill amending and extending the Sugar Act of 1948, as amended. This legislation is important to the diversified farmer of the West, and especially to the citizens of my home State of Montana. Agriculture in general is the leading industry of my State, as is the case with many of our States, and consequently legislation enabling our sugar industry to grow as our Nation grows is of vital importance to a continuing sound agricultural economy.

I believe that the Sugar Act of 1948 was designed to meet problems of the temporary postwar transition period and was not to be regarded as the establishment of long-time national sugar policy. With our steadily increasing population in the United States, the demand for sugar continues to rise. Yet the domestic sugar producer fails to share in this expanding market under the present Sugar Act. This means that the Montana sugar-beet grower, for example, is being treated more like a colonist than the foreign producer. Certainly we must realize the need for foreign trade, but not at the complete expense of our own people.

Sugar-beet growers in the West have a heavy investment in equipment, and their expenditures constitute an important part of our national economy, especially in the rural areas of our Nation. In addition the sugar industry through its sugar factories in the fall of the year provides employment for many people in these areas during that period, and this is important because of seasonal lags in employment during that time. Transportation and other businesses directly and indirectly receive a stimulus

from the operations of these sugar-beet growers and processors, and all in all they are an important part of our economy.

This legislation is not an attempt to cut down on our imports, but merely an effort to allow our own farmers to share in the growth of our Nation. In a time of agricultural surpluses, it does not make sense to unduly restrict production on a crop that is not in long supply in our own Nation. To do so is to divert production to crops grown for storage rather than consumption. I, therefore, urge favorable consideration of H. R. 7030.

Mr. HOPE. Mr. Chairman, I yield such time as he may desire to the gentleman from Oregon [Mr. COON].

Mr. COON. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. COON. Mr. Chairman, I am supporting this legislation, to increase the quotas of the United States sugar producers. This is especially important to me, because most of the beet sugar produced in this country, comes from the Rocky Mountain and Pacific coast areas.

The production of sugar is one of the most important of the western agricultural industries. This industry includes the growing and processing of sugar beets, for the production of sugar, and the valuable byproducts used in the feeding of livestock.

Many of our industries accepted restrictions during the international economic adjustment following World War II. Heavy curbs were put on our sugar growers, in order to aid Cuba, during that emergency.

Circumstances have now changed. It is necessary for our producers of sugar to have immediate adjustments of these restrictive quotas, which are still in force. Consumption of sugar in this Nation is increasing at a rate of over 125,000 tons a year. All of this increased market is reserved to Cuba and other foreign suppliers. Our sugar people here at home are not allowed to supply one ounce of it. They are not permitted to profit one cent from the increased market, which they, themselves, have helped to create.

I feel very strongly that our domestic producers should share in this Nation's growth. Yet the reasonable and proper request of the American sugar growers for relief has been met by a storm of protest by Cuban interests. These foreign markets now feel that they have a vested right, and special privileges greater than those of our own citizens.

Therefore, Mr. Chairman, and colleagues, I strongly urge that this legislation be enacted.

Mr. HOPE. Mr. Chairman, I yield such time as he may desire to the gentleman from West Virginia [Mr. BURNSIDE].

Mr. BURNSIDE. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. BURNSIDE. Mr. Chairman, I am in favor of H. R. 7030.

I note that H. R. 7030, which is now before the House, makes provision for a modest increase in the sugar quota of Mexico. I am glad to see that, although I don't believe that the measure of relief granted is enough to take care of the problems of our good friends south of the border. I am in receipt of a petition filed on behalf of the sugar producers of Mexico by my good friend, the former Secretary of the Interior Oscar Chapman, which makes out what is to my mind a very persuasive argument for allotting a quota of 2 percent of United States consumption of sugar to Mexico. I have also received a letter from Mr. Chapman stating that he and the Mexican sugar producers, whom he represents, are urging the passage of H. R. 7030, even though it gives them only a small fraction of what they originally requested, because it does afford some urgently needed relief to the Mexican sugar industry.

Mr. Chairman, this fairminded and practical attitude of compromise has characterized the approach of the Mexican sugar producers throughout this controversy on sugar legislation. I am glad to say that they have recognized the equities of other claimants and, so far as I know, they have been the only foreign country which has consistently emphasized that the first duty of Congress is to take care of the best interests of the United States sugar industry. I believe that such a fairminded approach deserves commendation and recognition by the Congress.

I certainly believe, Mr. Chairman, that the Congress should attempt, insofar as possible, to give the benefits of legislation where it is needed most and to help those who do the most to help us.

Mexico is the best customer of the United States in all Latin America and the fourth largest in the entire world, purchasing more from the United States than all the principal sugar-quota countries combined. Last year, for example, Mexico purchased $628 million worth of products from the United States, $200 million more than the giant sugar-quota country, Cuba.

Mexico's balance of trade with the United States was unfavorable to Mexico by $300 million last year. This figure is astounding: almost $1 million a day. From this it will be seen how desperately Mexico needs United States dollars, some of which will be made available by this increased sugar quota.

Mexico has tried very hard to diversify its industry. For this reason, each industry in Mexico must do its part in bringing in some dollars. I am advised that the Mexican sugar industry is the fourth largest in the country and the relief provided by some additional dollars through increased sugar quotas is of vital importance to the Mexican economy.

It is my information, Mr. Chairman, that the original request of Mexico for which such a strong and persuasive case was presented would amount to a quota of approximately 164,000 tons per year. The present bill, H. R. 7030, I am advised, affords only an average of 44,000 tons per year. Surely this is a modest request. This sugar quota will not even provide enough dollars to pay for the sugar machinery that the Mexican sugar industry is buying in the United States every year. Nevertheless, Mexico is supporting the proposed legislation as a just and reasonable compromise of all of the equities of all of the various claimants. I urge the House to adopt H. R. 7030 which was favorably reported by its Committee on Agriculture and represents a careful balancing of all of the equities.

Mrs. PFOST. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentlewoman from Idaho.

Mrs. PFOST. Mr. Chairman, in behalf of all the sugar-beet producers of Idaho, and particularly those producers in my own district, I urge immediate passage of H. R. 7030.

I believe we all are familiar with the basic reasons for this legislation. Since 1948 American sugar producers have been denied the right all other Americans have had—the right to share in the growth of our great country. H. R. 7030 will restore that right, beginning in 1956.

To be sure, this bill does not fill the entire needs of American sugar producers. It doesn't give them immediate benefits of the scale to which I, in my heart, believe they are entitled. The bill represents a compromise between the needs of the American sugar farmer and the interests of foreign nations which share in supplying our Nation's sugar requirements.

In recognition of the rights and interests of others, this bill is representative of the genuine spirit of my State, and the spirit of the entire West. The West was settled by people who sought a better life not only for themselves, but also for their neighbors. Many are the examples of self-sacrifice in the history of Idaho—sacrifices made by the individual for the general welfare of the community.

And it was in this spirit that the terms of this bill were developed during many long hours and weeks of arduous work.

As a temporary measure, to help our friends in the Caribbean, American sugar producers gave up the right to share in the growth of America under the Sugar Act of 1948, which this bill amends. With the passage of this bill, the right will be restored.

And so for all American sugar farmers, and for a fundamental American principle, I ask you to cast your vote in favor of H. R. 7030.

Now, for just a few moments I should like to tell you why the sugar-beet crop is of such tremendous importance to the West. The beet is more than a sugar crop. It is the key to success in the irrigated sections of Idaho and in the other Western States. It is the most important and most dependable cash crop, and more than any other has built strong and stable communities.

Because of its versatility and the value of its byproducts, the sugar beet is the foundation of a sound livestock industry, which contributes immeasurably to the

economic soundness of the operations of many of our Idaho farmers.

For the sugar beet is many crops in one.

From the beet itself comes pure sugar—the product of sunshine and carbon dioxide taken from the air and the sparkling water which comes from the melting snows and the rains that flow into our streams and irrigation canals.

When the beet is pulled from the ground at harvest, countless small roots remain in the soil, later decaying and giving our land new fertility.

The leafy green beet tops, removed from the beet before processing, are a succulent livestock feed. The pulp which remains after the sugar has been removed from the beet is another byproduct, which also is a valuable livestock feed. A single acre of sugar beets will produce enough feed—in addition to the sugar—to produce 300 pounds of meat to feed our people and provide income for our farmers.

In the great cycle of nature, the residue from the feed lots is returned again to the soil, and the land on which beets are grown is fertilized.

Thus the sugar beet takes nothing from the land, under the wise plan of farm management which our Idaho farmers use. The sugar is manufactured by this miraculous plant from sunshine, air and water. All the rest is returned again to the soil.

And that is why the sugar beet is so vital as a rotation crop in the West—as well as a source of American sugar for the American people.

But our farmers cannot obtain the full benefits from this crop if, year after year, their acreage is drastically cut—more and more.

Yet that is what is happening under the fixed quota system which has denied our citizens the right to supply any of our growing sugar market. The kind of progress that has made America great has resulted in more and more efficient production of sugar beets. We now need fewer acres to produce a specific amount of sugar than we did in 1948, when the present fixed quotas were established. And so our acreage must be cut to keep production in line with antiquated quotas. And each time our farmers increase their efficiency of production, they are penalized further.

Does this make sense in America? Surely it does not.

H. R. 7030 will restore once again to Idaho sugar beet farmers—and to all American sugar producers—the right to progress with our Nation, and to plant a reasonable acreage of a crop so essential to their operations.

And so again I ask your support of this urgently needed legislation.

Mr. HOPE. Mr. Chairman, I yield such time as he may desire to the gentleman from Texas [Mr. THOMPSON].

Mr. THOMPSON of Texas. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. THOMPSON of Texas. Mr. Chairman, I have no desire to prolong the discussion of the proposed sugar legislation. As has been so well said, this is one of the most complicated matters which comes before the Congress.

The Committee on Agriculture has worked long hours for many weeks, and the bill which is before you is the best compromise which could be had under all circumstances. I started deliberations with three major responsibilities in mind.

In my district there are sugar-refining interests, and I did not want to see any disturbance of the traditional balance between domestic and offshore refiners. The present bill gives my people the protection which I desired.

Further, I was very much concerned over the problems of the domestic raw sugar producers, and I was entirely in sympathy with their desire to have some help in their extremely critical surplus problem. The bill before us makes provision for the domestic producers.

My third responsibility was to my rice producers. Texas and adjoining southwestern States sell more rice in Cuba than in any other part of the world. I am very reluctant to have anything done which would disturb this good neighbor and good customer.

I hope that before this bill is finally enacted into law, the proportion of offshore raw sugar allocated to Cuba will be more generous than it is in the present bill.

In addition to my regard for a good customer, I cannot forget the loyalty of our neighbor nation in times of stress when we were in desperate need of sugar and when other producing nations were undertaking to hold us up. Perhaps between now and the time the bill is passed by the other body and finally enacted into law, the situation which is causing Cubans so much distress will be more reasonably adjusted.

I make these comments without any criticism whatever of the work of the committee. Certainly no one who watched the long and patient work of the committee leadership could say a word other than of praise for any one of them.

Mr. HOPE. Mr. Chairman, I yield such time as he may desire to the gentleman from Florida [Mr. ROGERS].

Mr. ROGERS of Florida. I thank the gentleman and I just want to bring to the attention of the House that in my district alone we have 40,000 tons of sugar that we cannot sell because our domestic producers have not been allowed any part of the increase in the American market since 1948; we have not been able to sell even 1 single ounce of sugar. It is time for us to get some action.

Mr. HOPE. Mr. Chairman, I yield the remainder of my time to the gentleman from Maine [Mr. MCINTIRE].

Mr. MCINTIRE. Mr. Chairman, I first want to state that the chairman of our Committee on Agriculture, the distinguished gentleman from North Carolina, and the gentleman from Maine, could not deal with the sugar problem any more objectively because neither of us has sugar involved in his district, nor in his State.

I have enjoyed the opportunity to become acquainted with sugar as we have worked on this legislation. We have worked diligently on the legislation.

I voted against this bill as it was reported out of committee. Some of the amendments which will be proposed will improve the bill substantially. However, there are one or two points that I did want to bring to the committee's attention. I want to preface these remarks with this statement, that my difference of opinion with the majority of the committee rests largely in the distribution of tonnage among our friendly neighbors, together with the provisions in the bill that will no doubt be subject to amendment later. I fully appreciate the hours spent by members of the committee and appreciate that the chairman, the ranking member, Mr. HOPE, and others have extended experience in this legislation and I deeply respected their idea.

From the very start it would seem to me that there has been no basic question as to whether it would be 55–45 or 50–50 as far as the domestic industry is concerned; that has not been the major area of controversy. It has come pretty largely in the division as between the foreign countries that participate in our market.

The gentleman from Kansas [Mr. HOPE] has pointed out to you that this bill does not change quotas for 1955. It changes quotas only slightly for 1956. The legislation goes into full effect in relation to the full duty countries and Cuba when we come into 1957, although it does affect some, particularly Cuba in 1956.

I have tried to look at this legislation objectively. I am not in accord entirely with the formula as set up because I think, as our chairman has indicated, there have been many things that have had to be set up arbitrarily. I feel that the formula does not deal equitably as between Cuba and the full duty countries.

Mr. BUDGE. Mr. Chairman, will the gentleman yield?

Mr. MCINTIRE. I yield to the gentleman from Idaho.

Mr. BUDGE. I want to express my appreciation to the gentleman and to the other members of the committee for bringing this bill on the floor at this time. It is desperately needed and I heartily commend it to the membership.

Mr. MCINTIRE. I am fully in accord with the fact that this is important legislation, but I regret that, in the haste which has seemed to be essential that it has been necessary to meet some domestic problems, we seem to have overlooked rather substantially what in my personal opinion is an inequity in distribution of that which goes to our neighbors to the south.

Time does not permit details but I believe this legislation would be far more equitable to all parties concerned if one of the following suggestions were followed in distributing tonnage developed by our increase in our domestic needs, namely: First, 55 percent to domestic producers and 45 percent to Cuba and full duty countries; (2) provide fixed quotas for the fullduty countries by adding 40,000 tons to a base attained in 1956 and provide no increase for sub-

sequent years of the act dividing balance of annual growth two-thirds to domestic producers and one-third to Cuba; (3) distribute total annual increase on basis of 55 percent to domestic producers, 35 percent to Cuba and 10 percent to full duty countries. Formula would be effective from 1957 to end of act.

Mr. COOLEY. Mr. Chairman, I yield to my distinguished and beloved friend, Mrs. KNUTSON, of Minnesota, such time as she may desire to use.

Mr. Chairman, I have been a member of the House Committee on Agriculture for 21 years. No other woman has ever served on that committee, so far as I know, before Mrs. KNUTSON was elected to membership on that very important Committee on Agriculture. When I was advised that a lady would be elected to our committee, very frankly I objected. I looked with grave apprehensions and actually did not want a woman on the committee. I am ashamed of myself. No human being could have been more worthy of membership on that committee than COYA KNUTSON. Frankly, I would not swap her for one-half dozen men. Mrs. KNUTSON has been intensely and constantly interested in the work of the committee, in the welfare of the farmers, and has performed all the duties assigned to her in magnificent fashion. She is a brilliant woman, a tireless worker, a diplomat, and a statesman in the true sense of the word. She has made a great contribution to the work of our committee, to her constituents and to her country. She understands the problems of farmers and has a community of interests with them in the great cause of agriculture. It has been a real pleasure to me to serve with her on the committee and I want to thank her now for her splendid efforts, for the great contributions she has made, and for the help she has given to me and to the other members of our committee.

Mrs. KNUTSON. Mr. Chairman, I would like to associate myself with the statements made by the chairman of the Committee on Agriculture [Mr. COOLEY] who has done a tremendous job on this bill. There is a great deal of interest in my district for this legislation and I sincerely hope it will pass. If you could have followed us around on this legislation you would appreciate how much work has been done. I have great respect for the ability and courage that the chairman showed in helping us with this legislation. It has been a sweet subject for some time, I assure you.

I represent the Ninth District in Minnesota, one of the largest sugar beet growers in the United States; farmers and growers of my district need a substantial increase in sugar beet acreage.

The bill that I have introduced and support does not provide anywhere near the additional acreage for sugar beets needed in the Red River valley of Minnesota and North Dakota. It will only prevent additional acreage cutbacks and perhaps in a few years restore to present growers the acreage they lost this year because of limitation of acreage in the United States to that required to produce 1,800,000 tons of beet sugar.

Last year, about 95,000 acres of sugar beets were grown and harvested in the valley. With our new plant, completed in 1954 at a cost of about $10 million, we can easily process beets grown on 115,000 acres. However, our growers have been restricted to less than 90,000 acres for 1955.

We have hundreds of thousands of acres of land suitable for growing sugar beets in the Red River valley, and our farmers and growers desire to substantially increase beet acreage. This crop is the only rotation crop that can successfully be used as far north as the Red River valley. To a certain degree, more acreage in sugar beets takes the pressure off other crops that would normally be grown.

Mr. COOLEY. Mr. Chairman, I yield such time as he may desire to the gentleman from California [Mr. SISK].

Mr. SISK. Mr. Chairman, I want to take this opportunity to commend the chairman of the Committee on Agriculture [Mr. COOLEY] on this legislation. I rise in support of it and I hope it will pass.

Mr. Chairman, I feel that this is a good bill, that it provides a fair and honest break to our friendly neighbors who produce sugar as well as to the farmers in our own country who are struggling to make both ends meet in the face of acreage reductions and limitations on their sugar output.

As I understand it, under the present law, quotas of imported sugar are increased to supply the increased sugar consumption in the United States, while our own growers are restricted to supplying their portion of our historical requirements. The proposal now before us would give a share of increased consumption to domestic producers and, above certain increases, would authorize increased imports.

It has been charged that passage of this bill would injure Cuba by decreasing that country's exports to the United States. I do not believe this to be true. Cuba would remain entitled to send us as much sugar as she has in the past and could increase her quota if our consumption warrants, but our own beet and cane growers would have a fair share of increases, to which they are obviously entitled.

I personally know of the difficulties and problems facing beet growers in my own district and I am going to vote here to help them with those problems. Certainly, we cannot deny our own farmers the right to participate in our country's growth and I have confidence in the sense of fair play and justice of my colleagues in voting for this bill to help in relieving our own farm problems.

Mr. JOHNSON of California. Mr. Speaker, on July 13, I made a short speech entitled "Excellent Food With Low Caloric Content Now Available to Everyone." This statement illustrated the ingenuity of American industry. It was not intended, directly or indirectly, to cast any reflection on the beneficial uses of sugar and especially its importance as an energy-producing food necessary to the health and vigor of all normal persons.

Sugar is a tremendously important part of the normal diet. Its production is an important American industry. As the Representative of the people of one of California's foremost beet sugar-producing districts, I am, and long have been, well aware of these facts.

During my seven terms in the House of Representatives, I have been fully aware of the importance of the beet sugar industry. For 10 years, I had 4 sugar refineries in my congressional district—third. Following the redistricting after the census of 1950, my district has been the 11th and it contains two sugar refineries; the Spreckels Sugar Co. at Manteca, and the Holly Sugar Corp. at Tracy, both successful and prosperous plants.

When consideration is given to the fact that 85 to 90 percent of all food taken into the body is used for energy expenditure, the importance of carbohydrates—particularly sugar—is evident. These are the quick energy foods which play an important role as intermediates in protein manufacture as well as in the growth process.

The production of sugar in the United States is a major industry. In California, the income to sugar beet farmers from their 1954 crop alone amounted to more than $65 million. Payrolls in our 11 California beet sugar processing factories amounted to an additional $13 million. Our beet sugar industry, one of the most important consumers of natural gas in California, paid gas companies in excess of $3 million last year, and more than $8½ million was received by the railroads from our California beet sugar industry. Exclusive of Federal taxes, expenditures of the industry reached the very significant total of $100 million in California in 1954.

This year, more than 170,000 acres of sugar beets are being grown in 34 counties of California.

This year we are writing a sugar bill. I believe I can modestly say that I had a part in getting the Rules Committee to reverse its stand, and consent to put out a rule to make the sugar bill in order.

I have a vivid recollection of how in 1920, when I was married, my bride paid 32 cents a pound for sugar. Later, a Sugar Act was enacted and at no time since we have had a Sugar Act, has the price risen above 8.5 cents a pound.

All during my congressional career I have given complete support to the beet sugar industry and to the legislation pertaining to the industry, and expect to continue to do so.

Mr. COOLEY. Mr. Chairman, as I explained in the outset, because of the pressure of time, it is not possible for me to discuss, with any degree of satisfaction, the details of this complicated bill. I am glad to provide for the record detailed information which I hope will be beneficial and helpful.

PRESENT SUGAR ACT

Objective: The major objectives of the Sugar Act are to maintain a healthy domestic sugar industry, to assure adequate sugar supplies to consumers at reasonable prices, and to promote our general export trade.

Outline of major provisions: The total supply of sugar that may be marketed in the United States is determined annually by the Secretary of Agriculture at a level which, in conjunction with existing demand conditions, is expected to produce a price fair to both producers and consumers. Shares in the total supply are assigned to domestic and foreign sugar-producing areas. When necessary, domestic quotas are subdivided into marketing allotments for each qualified marketer. Also, when necessary, the quota for each domestic area is subdivided into proportionate shares assigned to individual producers of sugarcane and sugar beets. Government payments are made to domestic growers who comply with the condition prescribed in the act.

Determining sugar requirements: Each December, the Secretary of Agriculture is required to determine how much sugar will be needed to meet United States requirements for the subsequent calendar year. A public hearing is held at which all interested persons, including consumers, industrial users, wholesalers, refiners, sugarcane and sugar-beet processors, and producers may present views and recommendations on the matter.

Establishing quotas: After requirements are determined, each domestic and foreign producing area supplying the United States with sugar is assigned a quota representing its share of the United States market. The law establishes fixed marketing quotas for the five domestic areas and the Philippines and residual quotas to Cuba and other foreign countries. Cuba receives 96 percent and other foreign countries 4 percent of the residual quota. Fixed quotas for the domestic areas are as follows:

Area:	*Short tons sugar (raw value)*
Domestic beet sugar	1,800,000
Domestic cane sugar	500,000
Hawaii	1,052,000
Puerto Rico	1,080,000
Virgin Islands	12,000

On the basis of an annual sugar requirement of 8,400,000 tons, domestic areas supply about 53 percent and foreign countries supply about 47 percent.

Establishing marketing allotments: One important function of the sugar program is to promote orderly marketing. This can sometimes be accomplished through quotas alone. However, quotas may not suffice, especially when supplies in the producing areas materially exceed the quotas. If the Secretary believes that the pressure of supplies in an area is likely to result in disorderly marketing, he must allot the quota fairly among persons who market sugar. This allotment assures each marketer of an equitable share of the market, and permits the conduct of business on a more stable day-to-day basis.

Establishing proportionate share-acreage allotments: When the indicated sugar supply for a domestic area is greater than the quantity needed to fill the quota and provide a normal carryover inventory, the act requires the Secretary to divide the market among individual producing farms. The total amount of sugarcane or sugar beets that may be harvested for sugar on a farm is known as a farm's "proportionate share." The establishment of proportionate shares assures that each eligible farm in the producing area will receive its fair share of the market and, at the same time, bear its fair share of any required adjustment in production. Among other conditions, producers are required to market within their proportionate shares if they wish to qualify for conditional payments.

Making conditional payments: In addition to the price protection afforded growers under the quota system, the act provides for direct payment to growers ranging from 80 cents per 100 pounds of sugar for production of less than 350 tons of sugar per farm, down to 30 cents per 100 pounds for production in excess of 30,000 tons per farm. The average payment for all domestic producers is about 67 cents per 100 pounds. In addition to these payments, the act affords a degree of protection to producers with respect to bona fide abandonment of planted acreage and crop deficiencies of harvested acreage resulting directly from drought, flood, storm, freeze, disease or insects. In the case of payment for acreage abandonment and crop deficiency, the payment is computed on the basis of specified percentages of the farm's normal yield.

Conditions of payments: To qualify for conditional payments, producers must fulfill a number of conditions. These are: (a) they must not employ child labor; (b) they must not market sugarcane or sugar beets in excess of farm proportionate shares; (c) they must pay fair wages as determined by the Secretary; and (d) if they are also processors, they must pay fair prices as determined by the Secretary for sugar beets or sugarcane purchased from other producers.

Processing tax: A tax on sugar provides funds to the Government which more than offset the total of all conditional payments plus the costs incurred in administering the Sugar Act. This tax is one-half cent a pound, raw value, on all sugar processed or imported for direct consumption.

MAJOR PROVISIONS OF H. R. 7030

Term of the amendment: The bill reenacts and extends for 4 years, to December 31, 1960, the Sugar Act of 1948, as amended, with further amendments dealing primarily with adjustments of quotas. The present act, in the absence of any action by the Congress, would expire December 31, 1956. The bill also extends for 4 years, to June 30, 1961, the applicability of the excise tax on sugar in the Internal Revenue Code. This tax finances the sugar-stabilizing program.

Major effects: This legislation's major effect is to open the way for United States domestic-area producers to participate with foreign areas in supplying the growth of the United States sugar market. The bill maintains unchanged participation of domestic and foreign areas in the present level of consumption in the United States market. Cuba, for a number of years, has enjoyed an increasing market for her sugar here—equal virtually to the complete growth of sugar consumption in the United States. This legislation would open the way for United States producers to participate in the larger market constantly being created by the growth of our consumption of sugar. In addition, and to a lesser extent, other foreign suppliers would enjoy a part of the expanding market along with Cuba.

Method of assigning increases in the domestic market in 1956: An annual growth in the United States sugar consumption of approximately 135,000 tons is expected on the basis of past experience. For the calendar year 1956, the amount of the increase in our market above 8,350,000 short tons, raw value, would be apportioned 50 percent to domestic producing areas and 50 percent to the foreign suppliers—except the Philippines, which has a fixed quota—with Cuba getting 96 percent and all other countries receiving 4 percent of the 50 percent going to the foreign suppliers. The first 188,000 tons, or any part thereof, by which quotas for the domestic areas are so increased in 1956, would be apportioned 45.2 percent to the domestic beet area, 42.6 percent to the mainland cane area, 10.6 percent to Puerto Rico, and 1.6 percent to the Virgin Islands. If rising consumption should increase the quotas of domestic areas by more than 188,000 tons in 1956, the excess would be allotted on the basis of the present law's assignment of quotas.

Specific quota provisions for 1957, 1958, 1959, and 1960: This bill—

First. Assigns between the domestic producing areas and the foreign suppliers additional quotas year by year, each equal to 50 percent of the growth of the United States market above the current 8,350,000 tons of consumption a year.

Second. Provides that for 1957, 1958, 1959, and 1960 the additional quotas for domestic areas producers—representing 50 percent of the growth in the United States market—will be distributed in accordance with the final quotas established for the calendar year 1956.

Third. Provide that in 1957 the total of established and growth quotas for foreign suppliers—other than the Philippines—would be distributed as follows: The first 175,000 tons to the foreign suppliers other than Cuba and the Philippines and Cuba to receive a quota computed by subtracting 175,000 tons from the sum of the quotas for foreign countries other than the Philippines.

Fourth. Provides that for 1958, 1959, and 1960 the additional quotas representing 50 percent of the growth assigned to foreign suppliers—other than the Philippines—would be distributed as follows: The first 45,000 tons to the foreign suppliers other than Cuba and the Philippines and Cuba to receive an additional quota computed by subtracting 45,000 tons from the 50 percent of the growth in the United States market which would be assigned to foreign countries.

Fifth. Provide that proration of their quota among the foreign countries other than Cuba and the Philippines be changed beginning in 1957—

(a) By assigning to those countries which exported to the United States less

than 1,000 tons during the years 1953 and 1954 a fixed quantity equal to their average proration in those years.

(b) By assigning to the countries that brought in between 1,000 and 3,000 in those years a fixed quantity of 2,000 tons in addition to their further proration below.

(c) Countries whose average imports here were between 1,000 and 2,000 short tons in 1953 and 1954 receive prorations for 1957 equal to such average entries plus 30 percent thereof and for each subsequent year prorations for such countries are increased by an additional 30 percent above the prorations for the immediately preceding year.

(d) The balance of the quota for countries other than Cuba and the Philippines is prorated 37 percent to the Dominican Republic, 36 percent to Peru, 20 percent to Mexico, 5 percent to Nicaragua, and 2 percent to Haiti.

Special 100,000-ton program: To alleviate a surplus condition in the continental United States sugar-producing areas, this bill provides that the Government purchase or otherwise remove from the market 100,000 tons from the 1955 or previous crops in such areas for disposition outside the continental United States in such manner as not to interfere unduly with normal marketing of sugar. It is assumed this sugar will be distributed in the relief operations of the International Cooperation Administration.

New growers: Although the committee has not included in the bill any specific directive for distribution of additional domestic quotas to new producers, it is the belief of the committee that the act should be administered so as to benefit new producers and new producing regions as increased domestic acreage becomes available as the result of quota increases.

Restrictions on quota of foreign countries: Foreign countries which fail by a substantial margin to supply sugar to this market in years when the world price is higher than our domestic price are subject to quota curtailment in future years, unless the Secretary of Agriculture finds that such curtailment is unwarranted. Foreign countries which discriminate against the importation of agricultural commodities from this country are subject to quota suspension during each year when such restrictive measures are in effect. Foreign countries which did not become participants to the International Sugar Agreement on or before January 1, 1957, are not eligible for increases in quotas or prorations above the 1956 level.

Direct-consumption sugar limitations: Provisions of the Sugar Act which limit the entry of direct-consumption sugar within quotas of both foreign and offshore domestic areas would be varied slightly to permit an increase in such allocations for the offshore domestic areas and to permit those foreign countries which have relatively small quotas—less than 7,000 tons—the convenience of shipping either raw or refined sugar to this market.

Proration of deficits in area quotas: The method of prorating deficits would be changed slightly to insure that increases which domestic areas receive through market participation but which they are not able to fill shall first be prorated to other domestic areas rather than to Cuba and the other domestic areas as is the case under the present act. In the event a domestic area is unable to fill a proration of a deficit assigned to it which results from increased quota due to market participation, the unfilled portion also would be apportioned to other domestic areas unless no such area is able to supply the required quantity in which case it would be added to the quota of Cuba.

Definitions and administrative provisions: The bill also contains a number of minor amendments which affect the administrative procedures under the act and other amendments which affect definitions. Sections 1 through 4 of the bill revise some of the definitions contained in title I of the act. Sections 15, 16, and 17 of the bill revise administrative provisions of the bill.

Liberalization of allotments and proportionate shares: Section 10 authorizes the Secretary to consider and make allowance for the effect of drought, storm, flood, freezes, disease, insects, and other uncontrollable conditions when he allots any area quota or proration. Section 14 provides similar authorization with respect to the establishment of proportionate shares. Section 13 would permit the marketing of or processing of sugar beets or sugarcane for livestock feed in excess of the proportionate share for a farm.

Refunding of import tax: Section 23 provides for the refunding of the import compensating tax on manufactured sugar imported for use as livestock feed or in the distillation of alcohol.

Price consideration: Section 5 changes the base period for the consideration that the Secretary is directed to give to the relationship between the wholesale price of refined sugar and the general cost of living in the United States from that part of 1947 when ceiling prices were effective to the generally accepted statistical base period of 1947–49.

BENEFITS TO VARIOUS AREAS UNDER SUGAR PROGRAM

DOMESTIC AREAS

Quantity: Under the 1948 act domestic areas receive fixed quotas totaling 4,444,000 tons.

Under H. R. 7030 they will receive, in addition to their fixed quotas, one-half of future increases in domestic requirements which will increase their estimated total quotas to 4,536,000 tons in 1956 and to 4,806,000 tons in 1960.

Benefits: Domestic areas receive the following benefits:

(a) Quota premium, $1.90 per hundred pounds.

(b) Tariff, 50 cents per hundred pounds.

(c) Sugar Act payment average, 70 cents per hundred pounds.

Each producer, to receive a Sugar Act payment, must fulfill the following conditions:

(a) Market within his proportionate share.

(b) Pay fair prices for any cane or beets purchased.

(c) Pay fair wages as determined by the Secretary.

(d) Employ no child labor.

PHILIPPINES

Quantity: Under the proposed bill the Philippines will continue to receive a fixed quota of 977,000 tons.

Benefits: The Philippine producers now receive the same quota premium and tariff benefit as domestic producers, but receive no Sugar Act payments. Under the trade agreement, the Philippines will begin to pay 5 percent of the tariff next January but will not pay the full tariff until 1974.

CUBA

Quantity: Under the Sugar Act of 1948, Cuba received 96 percent of all increases in domestic requirements.

Under H. R. 7030 Cuba will receive small increases which will bring its estimated quota from 2,900,000 tons in 1956 to 2,982,000 tons in 1960.

Benefits: Cuba receives the benefit of the quota premium of $1.90 per hundred pounds. It receives no Sugar Act payments.

Under the agreement of 1902 the duty on Cuban products imported into the United States is 80 percent of full duty which results in the present tariff on Cuban sugar of 50 cents per hundred pounds compared with 62.5 cents per 100 pounds of sugar from full-duty countries. Since the bulk of our imports come from Cuba, the Cuban rate is considered the effective one.

FULL-DUTY COUNTRIES

Quantity: Under the original Sugar Act of 1948, full-duty countries supplied only 1.36 percent of the increase in domestic requirements and under the amended act now in effect they supply 4 percent of such increases.

Under H. R. 7030 they will have fixed increases. The bill will increase the quotas of these countries from an estimated 120,000 tons in 1956 to 175,000 tons in 1957 from which point they will be increased from 45,000 tons per year to 310,000 tons in 1960.

Benefits: The full-duty countries receive the quota premium of $1.90 per hundred pounds. They pay the full tariff rate of 62.5 cents per 100 pounds.

SUGAR PRICES

Sugar prices are supported under the Sugar Act at levels which will maintain and protect the prosperity of the domestic industry without unduly burdening consumers.

Domestic prices are supported primarily through adjustments in the total supplies made available under quotas.

The total quotas or requirements are determined in light of:

(a) Past sugar distribution.

(b) Size of inventories.

(c) Population increase.

(d) Demand conditions.

(e) Trend and level of consumer-purchasing power.

(f) Comparative trends in sugar prices and the consumer-price index since the period of price controls in 1947.

Actual prices recently have been approximately as follows:

Raw sugar, 6 cents per pound compared with 6.32 under price control in 1947.

Refined cane sugar, New York, 8.55 cents per pound compared with 8.40 in 1947.

Beet sugar, Chicago, 8.10 cents per pound compared with 8.30 in 1947.

Amendment: The Consumers' Price Index has risen since 1947 while sugar prices have held about stationary. If sugar prices had risen with other commodities, refined sugar would now sell at 10 cents per pound.

To allay fears of consumers, H. R. 7030 provides that the base period 1947–49 shall be used rather than the first 10 months of 1947 while prices were under price control for comparisons with the Consumers' Price Index. The amendment will have the effect of reducing the formula price to just over 9 cents per pound.

COMPUTATION OF SUGAR ACT PAYMENTS

Basic payments: Sugar Act payments are computed on the amount of sugar commercially recoverable—(actual or average amount recovered)—from sugar beets or sugarcane marketed from farms in the domestic sugar-producing areas for the extraction of sugar. The basic rate of 80 cents per 100 pounds of sugar, raw value, is paid on the first 350 short tons of sugar produced on a farm. This rate is reduced progressively to a minimum of 30 cents on all sugar produced in excess of 30,000 tons per farm. The average rate of payment for all domestic areas on recent crops has averaged approximately 69 cents per 100 pounds of sugar.

Crop insurance type payments: In addition to the payments on sugar beets or sugarcane marketed, the act affords protection to producers with respect to bona fide abandonment of planted acreage and crop deficiencies of harvested acreage resulting directly from drought, flood, storm, freeze, disease, or insects. In case of acreage abandoned and approved for payment, the payment is computed on the number of acres within the farm's proportionate share at one-third of the normal yield of sugar per acre established for the farm. With respect to crop deficiency on harvested acreage which is approved for payment, the payment is computed upon the deficiency of actual production below 80 percent of normal production.

Payments in recent years: Sugar act payments per ton of sugar beets or sugarcane during the most recent crop for which information is available have averaged:

Sugar beets	$2.33
Mainland sugarcane	1.19
Hawaii	1.05
Puerto Rico	1.54
Virgin Islands	1.25

Total payments for recent years are shown below:

Area	Years				
	1949	1950	1951	1952	1953
Domestic beet sugar	$26,587,114	$33,750,327	$25,894,874	$24,735,389	$28,978,787
Mainland cane sugar	7,100,263	7,826,148	6,467,540	7,976,607	8,608,393
Hawaii	8,437,504	8,471,073	9,143,041	9,398,138	10,155,590
Puerto Rico	17,509,831	17,148,123	18,922,493	16,965,951	16,710,000
Virgin Islands	65,586	138,509	97,776	145,089	170,844
Total	59,700,388	67,324,180	60,525,724	59,221,174	65,623,614
Portion of above total representing payment for abandonment or deficiency	898,500	1,192,900	1,764,800	639,700	1,025,800

Tax collections in recent years

1950	$75,087,101
1951	83,660,289
1952	82,077,127
1953	82,996,776
1954	80,197,761

ACREAGE RESERVES FOR NEW GROWERS

The proportionate share determinations issued for the producing areas wherein restrictions are in effect provide the following reserves for new growers:

Sugar beet area: A minimum of 1 percent of each State acreage allocation is set aside for new growers.

Mainland cane sugar area: Any new grower may market sugarcane from 5 acres.

Puerto Rico: Any new grower may market sugarcane to produce 5 tons of sugar.

WAGE RATES UNDER THE SUGAR ACTS

General: Fair and reasonable wage determinations by the Secretary of rates which producers of sugar beets and sugarcane must pay field workers, as one of the requirements for payments under the Sugar Acts, have been issued annually in most of the domestic sugar-producing areas since 1937. One sugar beet wage determination was issued in 1935, and determinations in the Virgin Islands were not instituted until 1942. From 1934, the average earnings of workers for all the areas as a group have increased slightly more than 4½ times, or from about 17 cents per hour in 1934 to approximately 80 cents in 1954.

By areas: The amount of increase has varied somewhat in accordance with conditions among and affecting the various areas. Foremost among these conditions is the extent to which productivity gains have occurred during the 20-year period in each area. Estimated average hourly cash earnings of all workers not including payments in kind or perquisites for 1954 and the percentage relationship to 1934 are shown below:

Area	Estimated average earnings per hour		1954 average earnings as a percent of 1934
	1934	1954	
Sugar beet	$0.30	$0.85	283
Louisiana	.12	.53	442
Florida	.15	.82	547
Hawaii	.12	1.42	1,183
Puerto Rico	.10	.41	410
Virgin Islands	.06	.55	917

The controversial sections: First, the provision for nonrecourse loans; second, the section directed at the Philippines; third, the provision directed at Peru, may all be deleted without doing real violence to the bill we are submitting. I repeat, however, that I am still in favor of a nonrecourse loan provision, but I am convinced that the other two sections I have referred to should be removed from the bill. If, however, the Philippines continue to discriminate against American tobacco, when Congress convenes in January, the Sugar Act which we are now considering may be again amended. I am not willing to tolerate longer this rank discrimination against a product upon the production of which my people depend for a livelihood. The Philippines have been treated fairly in the bill we are presenting, and in recognition of this fair treatment, the discriminatory provisions of the Philippine law should be forthrightly and immediately repealed.

Mr. Chairman, I have made some interesting calculations which indicate just how fairly Cuba has been treated. Certainly I am interested in Cuba and in the welfare of the people of Cuba, and I value the friendship existing between the people of Cuba and the people of our own country, but I maintain that Cuba should be delighted with the treatment which has been accorded her in this bill. Here are arguments, facts, and figures which I do not believe can be successfully controverted or denied:

First. The theory of the administration proposal was to provide a substantial participation in the growth factor to the domestic producers and to supply some increased participation in the growth factor to the full duty countries. At the same time the administration proposal took into account the importance of maintaining for the Cubans a reasonable and fair participation in the growth factor.

Second. The committee, in amending the proposed administration proposal, followed the philosophy of the administration proposal. However, the committee determined that it would be better to give to the Cubans a larger quota in the early years under the new bill so as to permit the Cubans better to adjust their planning to the future quotas. In other words, the committee has strengthened the position of the Cubans by giving to them a larger quota in the years 1956, 1957, and 1958 than is provided under the administration's proposal and reducing their quota slightly from the administration proposal for the years 1959 and 1960. In this way the committee believed that the Cubans would have a better opportunity to adjust to the new situation, the equity of which the Cubans themselves recognize, wherein the domestic producers and other foreign producers would have a greater participation in the growth factor.

Third. The end result, insofar as total tonnage of sugar to be supplied to the United States by Cuba during the years 1956 through 1960, is almost identical under the administration proposal and the bill as reported out by the House Committee on Agriculture. Thus, during this period under the administration

proposal, Cuba would have exported to the United States 17,563,260 tons of sugar. During the same period, under the bill as reported out by the committee, the Cubans will export 17,551,480 tons of sugar, or a reduction of 11,780 tons in the entire period from that provided under the administration proposal. This reduction amounts to three-fourths of one-tenth of 1 percent.

Fourth. The following table reveals how the bill as reported out by the committee is a better bill for the Cubans than the bill as proposed by the administration:

Cuba's exports of sugar to the United States

Year	Administration proposal	Committee bill	Tonnage by which committee bill exceeds administration proposal
1956	2,891,760	2,900,640	+8,880
1957	2,898,240	2,914,000	+15,760
1958	2,934,690	2,936,500	+1,810
1959	2,971,140	2,959,000	−12,140
1960	3,007,590	2,981,500	−26,090
Total			[1] −11,780

[1] Net loss over life of bill.

In working out the participation in the growth factor, the committee has recognized:

(a) The importance of the domestic producers obtaining a substantial participation in the growth factor which never before had been provided to them.

(b) Giving a small increase in participation in the growth factor to the full-duty countries whose participation up to now under the existing law had been limited to 4 percent.

(c) Adjusting the smaller participation that Cuba would have in the growth factor so that the cut would be a more gradual one than that provided by the administration bill and would permit Cuba to plan better its future sugar economy.

The ability of the committee to achieve this result for Cuba and at the same time maintain the philosophy that Cuba should receive a substantial part of the growth factor is revealed by the following table:

Percent of Cuba in growth factor

Year	Administration proposal	Committee bill
1955–56	23.6	30.2
1956–57	4.8	9.9
1957–58	27.0	16.67
1958–59	27.0	16.67
1959–60	27.0	16.67
Average	21.9	18.02

Under the sugar legislation as it now exists, Cuba supplies 34.04 percent of the entire sugar consumption of the United States.

The administration, the committee, and the Cubans have all recognized that this participation must be reduced to some extent in order to permit greater participation to the domestic producers and some small increased participation to the full-duty countries.

The administration recognized this factor since its bill, as of 1960, would have given to the Cubans the privilege of supplying 33.14 percent of the entire sugar consumption of the United States.

The committee bill has followed the principle recognized by the Cubans and as advocated by the proposed administration bill by granting to the Cubans in 1960 the privilege of supplying 32.85 percent of the entire sugar consumption of the United States. In other words, the committee bill reduces Cuba's share in the total United States market in 1960 by less than 1 percent, by 0.29 of 1 percent from the administration proposal.

Under the proposed administration bill, in 1960 the Cubans would have accounted for 71.06 percent of all the sugar exported to the United States.

The committee has followed this principle of recognizing that the Cubans should receive the larger share of the United States market insofar as all foreign countries are concerned. Under the committee bill, the Cubans in 1960 will supply 69.85 percent of all the sugar exported to the United States from abroad. The difference, therefore, between the proposed administration bill and the committee bill involves only a reduction of 1.13 percent insofar as Cuba's relative position among all foreign suppliers is concerned.

The annual average of Cuban deliveries to the United States under existing legislation for the period 1948–52 is 3,061,000 tons as compared to the average of the full-duty countries of 56,000.

Under existing legislation, for the period 1953–56, the annual average of the Cuban deliveries to the United States would be 2,812,000 as compared to the annual average of the full-duty countries of 117,000.

Under the committee bill, the annual average of Cuban deliveries to the United States for the period 1957–60 is 2,939,000 as compared to the annual average of the full-duty countries of 242,500.

Thus the Cuban position is bettered from what has been the case under the existing legislation.

Moreover, it is to be noted that the annual average of Cuban deliveries to the United States for the period 1948–60 under existing legislation and the committee bill is 2,947,000, as compared to the average of the full-duty countries of 132,000.

In his testimony in 1951 Mr. Myers stated:

> The Sugar Act of 1948 was designed particularly to assist Cuba. It was feared in 1947 when the Sugar Act of 1948 was being drafted that a period of declining demand and retrenchment might lie ahead. Therefore, it was felt that the United States had a moral obligation to give the Cuban sugar industry every reasonable assistance during the period of anticipated retrenchment.

Thus Cuba was given substantial benefits under the 1948 act, which Cuba accepted, on the theory that these benefits would permit it to prepare for the necessary retrenchment.

The fact is that Cuba failed to retrench. Thus, in 1947, her annual production was 6,448,000 tons. The annual average production of Cuba for the years 1948–51 was 6,228,000 tons. Its annual production in 1952 was 7,964,000 tons. This production was equal to 99.98 percent of the total United States consumption.

The fact is, therefore, that while Cuba accepted the benefits of the 1948 act, it failed to undertake the obligation imposed by the theory of the act, which was for Cuba to restrict its production and prepare for the inevitable retrenchment.

It is important to note how much more the United States Treasury will obtain under the provisions of the committee bill as against the existing legislation as a result of additional tonnage being granted to the full-duty countries.

The additional tonnage granted to the full-duty countries is 474,740 tons.

This additional amount means that the United States Treasury gets $2.50 per ton more than would be obtained if Cuba were to ship this extra amount.

The total additional amount obtained, therefore, by the United States Treasury is $1,186,850.

It is important to study the history of Cuban sugar entries to the United States, both in terms of tonnages and dollars.

In 1948 Cuban sugar entries totaled 2,927,000 tons.

In 1954, Cuban sugar entries totaled 2,729,000 tons, or a reduction of 200,000 tons from her 1948 sugar entries.

The value of the Cuban sugar sales to the United States in 1948 totaled $271.6 million, as compared to $283.3 million in 1954.

Thus, although in 1954 Cuban sugar entries were 200,000 less tons than in 1948, she earned on her 1954 sugar entries $11.7 million more than in 1948.

In respect of total Cuban exports to the United States, Cuba exported, in 1954, $26 million more, including sugar, than she did in 1948, although her imports from the United States had decreased in 1954 by $12.8 million from her imports from the United States in 1948.

In changing the recommendation of the executive branch from 55 to 45, that is, 55 percent of our total consumption to domestic producers and 45 percent to foreign producers, to a division of 50 percent to domestic producers and 50 percent to foreign producers, we took away from our own domestic producers and gave to foreign producers far more than we have taken away from Cuba during the life of the bill we have presented. Fortunately, Cuba does not complain about the 100,000 tons which were given to our domestic producers, but some of the people interested in Cuba seem to be very unhappy and somewhat dissatisfied with the provisions of the bill we are presenting. Actually, Mr. Chairman, Cuba should be delighted. It should be realized that in 1955 and 1956 and all through the life of the program Cuba has been well cared for, and in 1962, if the present arrangement continues, Cuba will have a quota in excess of 3 million tons, while all of the full-duty countries put together will only have 400,000 tons.

I frankly believe, Mr. Chairman, that all countries and areas participating in this program should be pleased with the provisions of this bill.

It is not possible for me to tell you how much work has been done in connection

with the bill and the problems involved. I have made just about every possible calculation that could be made, based upon different percentages and under different formulas and with different tonnages. Most of these calculations have of necessity been made without the aid or assistance of the statisticians and mathematicians and calculating machines of the Department of Agriculture. The Department of Agriculture closes at about 5:30 in the afternoon, and only by laborious effort and by working into late hours of the night and the early hours of the morning was I able to present the various charts and calculations to the members of our committee for their consideration. I know, Mr. Chairman, better than anyone else how hard and how faithfully the members of our committee have worked on these problems. In making these calculations and in preparing these charts, if one figure is changed, then all the rest of the figures must be changed. I hope, therefore, that no effort will be made to change these figures and calculations and tonnages here on the floor of the House.

Many of the areas and countries participating in this program, and I might say most of the countries and areas participating in this program, have been well and ably represented by distinguished lawyers, economists, and lobbyists, but unfortunately some of the participating full-duty countries have had no lawyers, economists, or lobbyists representing them except the members of our committee who were determined to accord fair treatment to all areas. Some people seem to be dissatisfied because our committee decided to increase the quotas for our good neighbors south of the border. Mexico has not even been able to sell enough sugar in our market to earn enough dollars to buy enough machinery to operate the sugar industry of Mexico. The Dominican Republic has filled the quotas she has been given and has kept faith with our country. Panama was entitled to better treatment than had been accorded, and so our committee increased the quota to Panama. We did not forget Haiti, Costa Rica, Formosa, and the other countries who have participated, even in a small way, in this very important sugar program—even Hong Kong was given 3 tons and British Guiana 85 tons.

In conclusion, Mr. Chairman, I want to say again that our committee has done a good job. This bill is important. It should be passed as presented. It should be accepted by all countries and areas involved, and certainly it should be accepted by the Senate and signed by the President.

If this bill is forced into a conference we will adjourn without a sugar bill and relief will be denied to our domestic producers who are now temporarily in distress. Our labor will be lost and the sugar program may expire next year and we may face the chaotic condition that existed before the House Committee on Agriculture prepared and presented the first sugar bill more than 20 years ago.

This bill contains everything that the present Secretary of Agriculture has denounced, ridiculed, and repudiated. It is saturated with subsidies, it is permeated with controls and regimentations. Every phase of the industry is strictly controlled. Even the wages of the laborers in the fields are fixed. In this program we have acreage allotments and marketing quotas, and marketing quotas are fixed in tonnages. The refining of sugar is regulated. The price of sugar is fixed. Price supports are provided and prices are now being supported in the beet producing areas at 93.5 percent of parity. Import quotas are fixed. Refining quotas are fixed. Every possible thing affecting the production, harvesting, marketing, and distribution of sugar is firmly fixed by this law, and yet the Secretary of Agriculture and even the President of the United States in a special message to Congress officially approve of the sugar program.

Yes, both the Secretary and the President recommended and approved the wool program, under which the production of wool is now supported at 105 percent of parity. But those of us who are primarily interested in the producers of basic commodities are told that 90 percent of parity for our farmers involves something that is evil, unholy, and un-American.

Consistency—oh, what a jewel. It probably depends upon whose ox is gored. Seventy-six percent of parity for wheat farmers, 93½ percent for sugar farmers, 105 percent for sheep farmers, and flexible supports for everyone else seems to be the price support program of the present administration. Why cannot we be fair with all farmers? Why cannot we be fair with each other? This thing we call 90-percent price support for basic commodities is obviously obnoxious to the present administration. The present administration talks eloquently about 100 percent of parity—in the market place—but the present administration has not been able to find the market place. The present administration is frightened by the abundance which the farmers of our Nation have produced, and the present administration does not seem to know how to deal with the problem of abundance. The fact remains that when this administration came into office, the overall price support program on basic agricultural commodities showed a net profit of more than $13 million, but under this present administration that net profit has disappeared, and now the program shows substantial losses. Mr. Chairman, I could go on and on talking about the weaknesses of the present administration, but let us come back to the matter before us. This bill must be enacted before this Congress adjourns.

Mr. Chairman, I cannot conclude in good conscience until I have paid at least a brief tribute to the one man who has been responsible for the proper administration of the sugar program, Lawrence Meyers, the director and administrator of the sugar program. Larry Meyers knows more about this bill and all other sugar bills and programs than any man in America. He has done and is doing a magnificent job. He has not and he will not yield to pressure from any quarter. He has well and faithfully discharged all of the great and grave responsibilities of the office he holds. He is held in high esteem by all men everywhere who have known him well. He is an upright, a forthright, trustworthy, and courageous "bureaucrat." He has devoted his life to public service, and he deserves a commendation of Congress. Because of Larry Meyers this sugar program has been an outstanding success and has operated so well and so successfully that it has not been criticized by men of either party. Larry Meyers is a public servant, and he has rendered service far beyond the call of duty. If he had rendered such valuable service in England instead of here at home, I am sure that we would now today be addressing him as Sir Lawrence.

Mr. Chairman, I want to publicly congratulate and commend Lawrence Meyers and publicly thank him for his constant interest in the problems here involved and for the great assistance that he has been to me and to the members of our committee in the preparation of the bill now under consideration. I do not know whether he approves of everything we have done or not, but I do know that he knows that we have a right to do everything we have done. If this bill is enacted, I am certain that he will, to the very best of his ability, carry out the true intent and meaning of every provision of this bill. Larry Meyers knows that legislation is the result of compromise, and while this bill might not reflect his views entirely, he appreciates the importance of the program, which must, of necessity, be continued. During our deliberations and the consideration of the problems involved, I have felt perfectly free to call upon him during all of the hours of the day and even at his home late into the night. I know that he has worked many long hours after he has finished his labors in the Department of Agriculture. Not only does he know the problems which here perplex us, but he understands the problems of the producers of sugar throughout the world. He is our representative at all international conferences, at which such problems are considered, and is recognized as a world authority. May the Lord bless and keep him as he continues his labors.

The CHAIRMAN. All time has expired. The Clerk will read the bill for amendment.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent that the bill be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The bill follows:

Be it enacted, etc., That section 101 (d) of the Sugar Act of 1948, as amended, is amended to read as follows:

"(d) The term 'raw sugar' means any sugars (exclusive of liquid sugar from foreign countries having liquid sugar quotas), whether or not principally of crystalline structure, which are to be further refined or improved in quality to produce any sugars principally of crystalline structure or liquid sugar."

SEC. 2. Section 101 (e) of such act is amended to read as follows:

"(e) The term 'direct-consumption sugar' means any sugars principally of crystalline structure and any liquid sugar (exclusive of liquid sugar from foreign countries having liquid sugar quotas), which are not to be further refined or improved in quality."

SEC. 3. Section 101 (l) of such act is amended by deleting the parenthetical word "(Clerget)."

SEC. 4. Section 101 of such act is amended by adding at the end thereof a new paragraph to read as follows:

"(n) The term 'to be further refined or improved in quality' means to be subjected substantially to the processes of (1) affination or defecation, (2) clarification, and (3) further purification by adsorption or crystallization. The Secretary is authorized, in accordance with findings based on public hearings to determine whether specific processes to which sugars are subjected are sufficient to meet the requirements of this paragraph (n) and whether sugars of specific qualities are raw sugar within the meaning of paragraph (d) of this section, or direct-consumption sugar within the meaning of paragraph (e) of this section."

SEC. 5. Section 201 of such act is amended by striking in the second sentence thereof the words "1947 prior to the termination of price control of sugar" and inserting in lieu thereof "1947–49."

SEC. 6. Section 202 (a) of such act is amended by inserting a colon and "(1) For the calendar year 1956" in lieu of the first comma and by adding the following new paragraphs:

"(2) For the calendar year 1956, by apportioning among such areas 50 percent of the amount by which the determination made pursuant to section 201 exceeds 8,350,000 short tons, raw value, as follows:

"(A) The first 188,000 short tons, raw value, or any part thereof, by which quotas for the domestic areas are so increased shall be apportioned 45.2 percent to the domestic beet area; 42.6 percent to the mainland cane area; 10.6 percent to Puerto Rico; and 1.6 percent to the Virgin Islands; and

"(B) Any additional amount shall be apportioned on the basis established in paragraph (a) (1) as adjusted by subparagraph (A) of this paragraph (a) (2).

"(3) For the calendar year 1957 and each subsequent calendar year, by apportioning among such areas 4,444,000 short tons, raw value, in accordance with paragraph (a) (1) of this section, and by adding thereto 50 percent of the amount by which the determination made pursuant to section 201 exceeds 8,350,000 short tons, raw value, apportioned as follows: First, by apportioning in accordance with the provisions of paragraph (a) (2) of this section an amount not in excess of the amount so apportioned in 1956, and second, by apportioning the remainder, if any, in accordance with the final quotas established for the calendar year 1956, pursuant to paragraphs (a) (1) and (a) (2) of this section."

SEC. 7. Section 202 (c) of such act is amended by striking out "For" after "(c)" and inserting in lieu thereof "(1) For the calendar year 1956, for" and by adding at the end thereof the following new paragraphs:

"(2) For the calendar year 1957 and for each subsequent calendar year for foreign countries other than the Republic of the Philippines, by prorating to Cuba 96 percent and to such other foreign countries 4 percent of the amount of sugar, raw value, by which 8,350,000 short tons or such lesser amount as determined pursuant to section 201 exceeds the sum of 4,444,000 short tons, raw value, and the quota established pursuant to subsection (b) of this section; and by prorating to Cuba 50 percent and to foreign countries other than Cuba and the Republic of the Philippines 50 percent of the amount of sugar, raw value, by which the amount determined pursuant to section 201 exceeds the sum of 8,350,000 short tons plus the increase in quotas provided for in subsection (a) (3) of this section: *Provided*, (i) That for 1957 the quota for foreign countries other than Cuba and the Republic of the Philippines shall be 175,000 short tons, raw value, and the quota for Cuba shall equal the sum of the quotas for foreign countries other than the Republic of the Philippines less 175,000 short tons, raw value; and (ii) that for the calendar year 1958 and each subsequent calendar year through 1960 the quota for foreign countries other than Cuba and the Republic of the Philippines shall be increased 45,000 short tons, raw value, annually and the quota for Cuba shall equal the sum of the quotas for foreign countries other than the Republic of the Philippines for such year less the quota for foreign countries other than Cuba and the Republic of the Philippines for such year. The quota for foreign countries other than Cuba and the Republic of the Philippines shall be prorated for the calendar year 1957 and for each subsequent calendar year, as follows:

"(A) Each country whose average annual importations into the United States within the quota were less than 1,000 short tons, raw value, during the years 1953 and 1954 shall receive a proration equal to such average importations.

"(B) Each country whose average annual importations into the United States within the quota were more than 1,000 short tons but less than 3,000 short tons, raw value, during the years 1953 and 1954 shall receive each year 2,000 tons in addition to the basic tonnages prorated under subparagraphs (C) or (D) hereof.

"(C) Each country whose average annual importations into the United States within the quota were 1,000 short tons but less than 2,000 short tons, raw value, during the years 1953 and 1954 shall receive a proration for 1957 equal to its average importations for the calendar years 1953 and 1954 plus 30 percent thereof and for each calendar year subsequent to 1957 through 1960 the proration for each such country shall be increased by an additional 30 percent of its proration under this subparagraph (C) for the immediately preceding calendar year.

"(D) That part of the quota not otherwise prorated in subparagraphs (A), (B), and (C) above shall be prorated as follows:

"Country:	*Percent*
Dominican Republic	37
Peru	36
Mexico	20
Nicaragua	5
Haiti	2"

SEC. 8. Section 202 of such act is amended by adding the following new paragraphs:

"(e) Whenever in any year any foreign country with a quota or proration thereof of more than 10,000 short tons fails to fill such quota or proration by more than 10 percent and at any time during such year the world price of sugar exceeds the domestic price, the quota or proration thereof for such country for subsequent years shall be reduced by an amount equal to the amount by which such country failed to fill its quota or proration thereof, unless the Secretary finds that such failure was due to crop disaster or force majeure or finds that such reduction would be contrary to the objectives of this act. Any reduction hereunder shall be prorated in the same manner as deficits are prorated under section 204.

"(f) No country shall have its quota or proration thereof increased above its quota or proration thereof for the calendar year 1956 unless, on or before January 1, 1957, such country becomes a party to and bound by the International Sugar Agreement for the Regulation of the Production and Marketing of Sugar (ratified by and with the advice and consent of the U. S. Senate on April 29, 1954).

"(g) Notwithstanding any other provision of law except paragraph (d) hereof, if the Secretary determines that any country for which a sugar quota or proration thereof is established herein causes a substantial reduction in the importation of any agricultural commodity from the United States below the quantity imported during a representative period of years, in raw or manufactured form, through import quotas, import taxes, exchange restrictions, or other trade restrictive measures, the sugar quota or proration thereof for such country shall be suspended during each year when such restrictive measures are at any time in effect and the portion of such quota or proration thereof so suspended shall be prorated in the same manner as deficits are prorated under section 204."

SEC. 9. (a) The second sentence of section 204 (a) of such act is amended by inserting before the period at the end thereof a colon and the following: "*Provided*, That any deficit in any domestic sugar-producing area occurring by reason of inability to market that part of the quota for such area allotted under the provisions of section 202 (a) (2) or the increases allotted under section 202 (a) (3) shall first be prorated to other domestic areas on the basis of the quotas then in effect."

(b) The last paragraph of section 204 (a) of such act is amended by inserting before the period at the end thereof a semicolon and the following: "except that in the case of proration of any such deficit in any domestic sugar-producing area occuring by reason of inability to market that part of the quota for such area allotted under and by reason of section 202 (a) (2) or the increases allotted under section 202 (a) (3), the Secretary shall apportion the unfilled amount on such basis and to such other domestic areas as he determines is required to fill such deficit, and if he finds that no domestic area will be able to supply such unfilled amount, he shall add it to the quota for Cuba."

SEC. 10. Section 205 (a) of such act is amended by inserting immediately before the final sentence thereof the following: "In making such allotments, the Secretary may also take into consideration and make due allowance for the adverse effect of drought, storm, flood, freeze, disease, insects, or other similar abnormal and uncontrollable conditions seriously and broadly affecting any general area served by the factory or factories of such person.".

SEC. 11. (a) Section 207 (a) of such act is amended by adding after the word "year" the following: ", plus an amount equal to the same percentage of 29,616 short tons, raw value, that the increase in the quota for Hawaii under section 202 is of 1,052,000 short tons, raw value."

(b) Section 207 (b) of such act is amended by striking the period at the end thereof and by adding the following: "which shall be principally of crystalline structure, plus an amount equal to the same percentage of 126,033 short tons, raw value, that the increase in the quota for Puerto Rico under section 202 is of 1,080,000 short tons, raw value, which latter amount may be filled by direct-consumption sugar whether or not principally of crystalline structure.".

SEC. 12. Section 207 (h) of such act is amended by striking out "The" after "(h)" and inserting in lieu thereof "(1) for the calendar year 1956, the" and by adding the following new paragraph:

"(2) For the calendar year 1957 and each subsequent calendar year, the quota for foreign countries other than Cuba and the Republic of the Philippines may be filled by direct-consumption sugar to the extent of 1.36 percent of the amount of sugar determined pursuant to section 201 less the sum of the quotas established in subsections (a) and (b) of section 202: *Provided*, That such limitation shall not apply to countries receiving prorations under section 202 (c) of 7,000

short tons or less. The direct-consumption portion of such quota which is subject to the 1.36 percent limitation referred to above shall be prorated to countries which receive prorations under section 202 (c) of more than 7,000 short tons on the basis of average imports of direct-consumption sugar within the quota for the years 1951, 1952, 1953, and 1954."

SEC. 13. Section 301 (b) of such act is amended by inserting after the words "(or processed)" the following: ", except for livestock feed, or for the production of livestock feed, as determined by the Secretary,".

SEC. 14. Section 302 (b) of such act is amended by inserting after "(or processed)" the words "within the proportionate share" and by striking the period at the end thereof and inserting the following: "and of the producers in any local producing area whose past production has been adversely, seriously, and generally affected by drought, storm, flood, freeze, disease, insects or other similar abnormal and uncontrollable conditions. For the purposes of establishing proportionate shares hereunder and in order to encourage wise use of land resources, foster greater diversification of agricultural production, and promote the conservation of soil and water resources in Puerto Rico, the Secretary, on application of any owner of a farm in Puerto Rico, is hereby authorized, whenever he determines it to be in the public interest and to facilitate the sale or rental of land for other productive purposes, to transfer the sugarcane production record for any parcel or parcels of land in Puerto Rico owned by the applicant to any other parcel or parcels of land owned by such applicant in Puerto Rico.".

SEC. 15. Section 405 of such act is amended by inserting "(a)" at the beginning thereof and by adding the following new paragraph:

"(b) Any person whose sugar-processing operations otherwise meet the requirements of section 101 (n) and who subjects to such processes sugar imported or brought into the continental United States under a declaration that it is raw sugar but which sugar subsequently is determined to be of direct-consumption quality and to be in excess of the direct-consumption portion of the applicable quota or proration or allotment thereof, shall forfeit to the United States a sum equal to 1 cent per pound for each pound, raw value, of such sugar in excess of the direct-consumption portion of the applicable quota or proration or allotment thereof, which forfeiture shall be recoverable in a civil suit brought in the name of the United States."

SEC. 16. Section 407 of such act is amended by adding at the end thereof the following sentence: "The provisions of this section shall not apply to persons whose services are obtained pursuant to section 305."

SEC. 17. Section 411 of such act is renumbered as section 412, section 412 of such act is renumbered as section 413, and a new section 411 inserted as follows:

"SEC. 411. The Secretary is authorized to issue such regulations as may be necessary to carry out article 7 of the International Sugar Agreement for the Regulation of the Production and Marketing of Sugar (ratified by and with the advice and consent of the United States Senate on April 29, 1954), restricting importations of sugar into the United States from foreign countries not participating in such agreement, or to carry out the corresponding provisions of any such future agreements ratified by and with the advice and consent of the United States Senate."

SEC. 18. Renumbered section 412 of such act (relating to termination of the powers of the Secretary under the act) is amended by striking out "1956" in each place it appears therein and inserting in lieu thereof "1960".

SEC. 19. A new section 414 is added to such act as follows:

"SEC. 414. (a) To alleviate the conditions which exist in the continental United States sugar-producing areas by reason of the quantities of surplus overquota sugar produced in such areas, the Commodity Credit Corporation shall carry out loans, purchases, or other operations with respect to 100,000 short tons of sugar produced from the 1955 or previous crops in such areas.

"(b) Sugar acquired hereunder shall be disposed of outside the continental United States in such manner as the Corporation determines will not unduly interfere with normal marketings of sugar, including dispositions under the Agricultural Trade Development and Assistance Act of 1954, as amended.

"(c) No borrower shall be personally liable for any deficiency arising from the sale of the sugar securing any loan made under authority of this section, unless such loan was obtained through fraudulent representations by the borrower. This provision shall not, however, be construed to prevent Commodity Credit Coporation from requiring the borrower to assume liability for deficiencies in the quality or quantity of sugar delivered under the loan, for failure to properly care for and preserve such sugar, or for failure or refusal to deliver the sugar in accordance with the requirements of the program.

"(d) Sugar acquired hereunder shall not be subject to the provisions of title II of this act."

SEC. 20. Section 201 of the Agricultural Act of 1949, as amended (63 Stat. 1052; 68 Stat. 899, 912), is further amended as follows:

1. After the comma following the word "butterfat" in the clause preceding the colon, insert the following: "sugar beets and sugarcane,".

(2) After subsection (c) thereof insert a new subsection (d) as follows:

"(d) The price of sugar beets and sugarcane, respectively, shall be supported at a level of 90 percent of the parity price therefor through loans, purchases, or other operations with respect to sugar derived from the processing of proportionate shares of sugar beets or sugarcane of the 1956 and subsequent crops produced in the domestic sugar-producing areas of the United States. Loans, purchases, or other operations with respect to such sugar shall be at such rates or prices as the Secretary determines, after taking into account receipts of producers from by-products and conditional payments will reflect the equivalent of 90 percent of the parity price either for sugar beets or sugarcane. Sugar acquired hereunder shall not be subject to the provisions of title II of the Sugar Act of 1948, as amended."

SEC. 21. Section 4501 (c) and 6412 (d) (relating to the termination of taxes on sugar) of the Internal Revenue Code of 1954 are amended by striking out "1957" in each place it appears therein and inserting in lieu thereof "1961."

SEC. 22. Section 4502 (4), chapter 4, subchapter A, "Sugar," of the Internal Revenue Code of 1954 is amended as follows: Strike out the parenthetical word "(Clerget)" where it occurs in the first sentence and delete the second sentence thereof.

SEC. 23. (a) Section 4504, chapter 37, subchapter A, "Sugar," of the Internal Revenue Code of 1954 is amended by adding before the period at the end thereof the following: "and except that such tax may be subject to refunds as a tax under the provisions of section 6418 (a)."

(b) Section 6418 (a) of chapter 65 of the Internal Revenue Code of 1954 is amended by striking out the "(a)" immediately following "section 4501."

SEC. 24. The amendments made hereby shall become effective January 1, 1956, except as otherwise designated and except that required determinations and regulations may be issued in 1955 for the calendar year 1956.

Mr. LAIRD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LAIRD: On page 15, beginning on line 18, strike out the remainder of section 8 through and including line 18 on page 16.

Mr. LAIRD. Mr. Chairman, I support this legislation, but may I say that at the time this legislation was before the committee there were certain sections that were written into the bill which I took exception to. On page 15 of the bill, section 8, beginning with line 18, there are two restrictive sections written into this bill that will affect two particular countries.

I read from page 15, line 18:

No country shall have its quota or proration thereof increased above its quota or production thereof for the calendar year 1956 unless, on or before January 1, 1957, such country becomes a party to and bound by the international sugar agreement for the regulation of the production and marketing of sugar.

That particular section applies only to Peru.

The next subparagraph of section 8 applies only to the Philippines. The Legisature of the Philippines is now in session and considering suspending some of the practices which brought this section about, and I feel that this sugar bill is not the place to deal with this particular problem. The Philippines were great friends of ours during World War II. I served and was in the Philippines during World War II, and I do not feel that we should discriminate against the Philippine Islands in establishing these sugar allotments. It is my hope that the Government of the Philippines will take immediate action to suspend these discriminatory practices.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. LAIRD. I yield to the gentleman from North Carolina.

Mr. COOLEY. I also say that we should not discriminate against the Philippine Islands: I agree with that. But does not the gentleman agree with me that the Philippine Islands should not discriminate against us?

Mr. LAIRD. I certainly do agree with the chairman, but I do not think we should write this language into the sugar bill at this time.

Mr. COOLEY. I am perfectly willing for it to be deleted from the bill, and I so stated to the House a minute ago, and, so far as I am concerned, I accept the amendment.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I think the RECORD should show in justice to the gentleman from North Carolina [Mr. COOLEY] that prior to this bill being programed, in consultation with Speaker RAYBURN and myself, the gentleman from North Carolina [Mr. COOLEY] and other members of his committee stated to the Speaker and myself that the provisions of the bill relating to the Philippine Islands would be deleted. And it was my intention to offer such an amendment. However, that is included in the amendment which is pending at the desk and which is be-

fore the Committee at the present time. Of course, I support the amendment, because authorship of the amendment is immaterial. It is the result which I am concerned with.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I will be very happy to.

Mr. COOLEY. I might also add that I assured the gentleman that I would offer an amendment striking out the section directed at Peru, because Peru is not a member of the International Sugar Agreement.

Mr. McCORMACK. Exactly.

Without getting into the field referred to by the gentleman from North Carolina, the international situation is such that the carrying of these provisions, in my opinion, would be highly inadvisable at this time. I am confident and I sincerely hope that any actions on the part of any other country that are discriminatory in results to our own country or any of the products of our own country will be removed as quickly as possible. However, we must lift ourselves above such situations at times, and it seems to me that this is one of the times, and the striking out of this provision, I think, would be most healthly, most beneficial, because in relation to the Philippines we must remember that we have there real friends, friends that we can rely upon.

During the trying days of World War II, and for many years prior thereto, they were, for all practical purposes, a part of the United States and they showed their love of America by the great sacrifices that they made.

Mr. BONNER. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I am happy to yield to the gentleman.

Mr. BONNER. This situation in the Philippines is not something new. This has been going on for some time.

Mr. McCORMACK. Let us not get into that now.

Mr. BONNER. I thought maybe I could get my piece in here now instead of delaying the House with another 5-minute speech.

When some time ago I objected to the renewal of the Philippine trade agreement, there were discriminations going on in the issuance of import licenses. We got that straightened out. Then there was a discriminatory act passed. This is a two-way street. I think it is wholesome that this discussion has taken place in the House so those in the Philippines might know that we were not giving way all the time but were willing to accept some and give some. I will withdraw my objection in this case for the reason that this week I had a very satisfactory understanding with a very prominent member of the Philippine Congress, who was here in Washington on a short visit and greatly interested in this bill. Hereafter my action will be different.

Mr. McCORMACK. I am sure the remarks made by the two gentlemen from North Carolina will be noticed. On the other hand, we are a great Nation and we can afford to show our greatness by lifting ourselves above ordinary human reactions at times. This is one of those occasions. Certainly as a message of friendship to those who are our friends and as a contribution to our good relations on an international level, it is important not only to the United States, but to the people of the Philippines for us to accept the amendment of the gentleman. It will be greatly appreciated.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I am glad to yield to the distinguished ranking member of the committee with whom, I might say, I had a conversation, and he told me, when he learned I was going to propose the amendment, that he would accept it and I assume he is accepting the amendment.

Mr. HOPE. Mr. Chairman, I am in entire accord with the gentleman and the amendment which he has sponsored. Also I want to express the thought that those of us on this side of the aisle who are interested in this legislation appreciate the splendid cooperation we have had from the majority leader in programing this bill under very difficult circumstances.

Mr. McCORMACK. I appreciate the comments of the gentleman.

Mr. ZABLOCKI. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. ZABLOCKI. Mr. Chairman, as a member of the Foreign Affairs Committee, and chairman of the Subcommittee on the Far East and the Pacific, I have been closely concerned with the economic, political, and collective security conditions prevailing in that important region.

As we all know, more than one-half of humanity lives in that area. Further, far-reaching economic, political, and social developments are presently taking place in that region—developments which may seriously affect the future course of events insofar as our Nation, and the other free nations of the world, are concerned.

For these, and other equally important reasons, I believe that it is in our own interest to pay close attention to what is happening in the Pacific and in the Far East.

I rise to address myself to H. R. 7030, a bill to amend and extend the Sugar Act of 1948 and more particularly to section 8, subsection g thereof, which provides:

(g) Notwithstanding any other provision of law except paragraph (d) hereof, if the Secretary determines that any country for which a sugar quota or proration thereof is established herein causes a substantial reduction in the importation of any agricultural commodity from the United States below the quantity imported during a representative period of years, in raw or manufactured form, through import quotas, import taxes, exchange restrictions, or other trade restrictive measures, the sugar quota or proration thereof for such country shall be suspended during each year when such restrictive measures are at any time in effect and the portion of such quota or proration thereof so suspended shall be prorated in the same manner as deficits are prorated under section 204.

Everyone who knows anything about the hearings on the proposed legislation is well aware of the fact that this provision is directed at our good friend and ally the Philippines. In 1952, the Philippine Republic enacted a law, Republic Act No. 698, establishing import quotas on all foreign grown leaf tobacco and thereby curtailed the amount of tobacco permitted to be imported into the Philippines. Let me say, first of all, that in spite of the import restrictions imposed in the Philippines, for reasons I will subsequently enumerate, they are still one of the biggest buyers of American tobacco. Why were these import quotas imposed? These import quotas were imposed upon the advice and strong recommendations made by the so-called Bell Mission and representatives of the Foreign Operations Administration in the Philippines. These agencies of our own Government sought to protect the dollar reserves of the Philippines in view of her tremendous trade deficits recognizing that the Philippines had to curtail its purchases abroad of such items as were considered nonessential. Mr. Chairman, tobacco happened to be considered one of the less essential products that the Philippines had to buy as it was quite evident that she had to give preference to capital goods and raw materials so necessary for the rehabilitation of her industries totally destroyed in the last war. I am glad to be able to say that my distinguished colleague, Congressman HERBERT BONNER of North Carolina, Chairman of the Merchant Marine and Fisheries Committee and well-known to have the interest of the American tobacco industry at heart, in a statement made on the floor of the House on June 21 in connection with certain Philippine legislation then under consideration, stated that he was recommending that the bill be passed because certain inequities that had been practised in the Philippines against American commerce, would be corrected. His recommendation on the legislation then being considered was based on assurances incorporated in a letter dated June 18, 1955, addressed to him from Gen. Carlos P. Romulo, special representative of the President of the Republic of the Philippines, together with a cablegram from President Magsaysay on this matter.

The executive branch of the present administration has spoken with respect to these import quotas, specifically on May 16, 1955, when the Philippine Trade Agreement was before the Committee on Ways and Means of the House of Representatives. On page 50, of the hearings the Honorable William J. Sebald, Acting Assistant Secretary of State for Far Eastern Affairs, in testifying on the imposition of import quotas stated:

Mr. SEBALD. One of the principal reasons for the import bans was to save foreign currency. There were a great many unnecessary, or items which the Philippine Government considered unnecessary, importations which were being made. They therefore put a ban on such imports because it was exhausting their foreign exchange.

Mr. JENKINS. We have had fine relationship with the Philippines. These matters that you have referred to were not anything

that would cause any rift between the two countries?

Mr. SEBALD. That is correct. It was a matter of necessity for the Philippine Government in order for it to keep its head above water.

Mr. JENKINS. In some of these cases of bans imposed by the Philippine Government, it looks as if they were going pretty far.

Mr. SEBALD. They were nondiscriminatory in the sense that it was the article which was banned, the importation of the article that was banned rather than because it happened to be an American article.

Mr. JENKINS. Anyhow, the agency that you represent was satisfied with what was going on?

Mr. SEBALD. Yes, sir; I think it was necessary.

It is significant at this point to direct your attention to the fact that the Philippines has been unable to fill her quota for the last 13 years resulting in the loss to her of some 8 million tons which went to another large American supplier and on which taxes were collected by the United States Government of approximately 100 million dollars. You are all aware of the fact that this body passed within the last 2 weeks amendments to the Philippine Trade Act, which amendments are now with the President of the United States. This penalty provision, retaliatory in character, in my opinion, would undo all the good that the recent approval of the amendments to the Philippine Trade Act has done to our happy relations with the Philippines and it is doubtful if the President can sign the trade agreement as authorized in this session if the penalty provision in this act is approved. It is urged that section 8 (g) be deleted from this bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. LAIRD].

The amendment was agreed to.

Mr. DIXON. Mr. Chairman, offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DIXON to the committee amendment: On page 22, line 20, strike out all of section 20 of the bill and renumber succeeding sections to conform.

Mr. DIXON. Mr. Chairman, I am fully in accord with the bill and shall support it, although I have this amendment to offer.

You have seen the apprehensive look and expression on the faces of all of us who come from the sugar States, and even on the face of our dear colleague, the lady from Minnesota [Mrs. KNUTSON], because she is worried because she sees the acute need for the passage of this bill. I shall not say more about the urgency of this measure.

I want also to thank our chairman and the committee for the fine work they have done on this bill.

Getting to the amendment, the purpose is to strike section 20 of the bill. I shall read the first few lines that contain the gist of this section:

The price of sugar beets and sugarcane, respectively, shall be supported at a level of 90 percent of the parity price.

I shall not read any more. That gives you the idea. This section 20 is foreign to the original purpose of the bill. The purpose of the bill as stated in the report is to give relief to the domestic sugar growers by allowing them to participate in the increasing consumption of sugar in the United States. Section 20 is foreign to that purpose.

At this juncture I should like to yield sufficient time to the gentleman from Louisiana [Mr. BOGGS], who represents the cane producers and who has faithfully attended our committee hearings, to answer two questions. The first question is, "Is section 20 essential to the achievement of the purposes of the bill from the standpoint of the cane growers?"

Mr. BOGGS. My answer is that this section was not in the bill introduced by my colleague the gentleman from Louisiana [Mr. WILLIS] and myself.

Mr. DIXON. Second, would the gentleman have any objection if this section were deleted?

Mr. BOGGS. Mr. Chairman, for myself, I have no objection whatsoever.

Mr. DIXON. Mr. WILLIS, I would like to yield to you.

Mr. WILLIS. I cannot improve on the replies of my colleague the gentleman from Louisiana [Mr. BOGGS].

Mr. DIXON. I should like to yield sufficient time to the gentleman from Colorado [Mr. HILL] to answer those two questions for the beet growers.

Mr. HILL. I would like to say two things I forgot to say a while ago.

Mr. DIXON. That is not what I yielded for.

Mr. HILL. In working on this legislation, the growers in my area never had finer supporters than the gentlemen from Louisiana [Mr. WILLIS and Mr. BOGGS]. In other words, the cane people have worked absolutely shoulder to shoulder with the beet growers in the long time we have worked on this bill.

Mr. DIXON. Now may I ask the gentleman to answer these two questions: Do the beet growers consider that this section is essential to achieving the purpose of this Sugar Act?

Mr. HILL. The gentleman knows I am not in a prayer meeting. I am testifying for this bill. As far as I am concerned, there are several other parts of this bill that could be left out and I would still be happy. But as things are today, I do not see any reason why this section should not come out of the bill just as we took the sections out a while ago. In other words, this bill has too much of an international flavor to come out of an agricultural committee. I have argued all the time, and I think with good reason, that when we come to dividing up sugar, and you will find it in our report——

Mr. DIXON. I refuse to yield further.

(By unanimous consent, Mr. DIXON was permitted to proceed for 2 additional minutes.)

Mr. BOGGS. May I say to the gentleman that I have always supported the 90-percent-of-parity concept. However, since the very inception of sugar legislation that concept has never been included for the obvious reason, as I see it, that sugar legislation, as the chairman of the committee and as the ranking minority member of the committee and other members of the committee have pointed out, is a very complex piece of legislation, covering domestic production, foreign production, mainland production, production in the possessions, and so forth. Therefore, my response to the gentleman really is that I do not believe we should debate that issue at this time in this bill. That does not mean I do not think it possibly is a very good thing to have for the sugar producers.

Mr. DIXON. I thank the gentleman.

I should like at this time to yield sufficient time for our honored chairman, the gentleman from North Carolina [Mr. COOLEY], who has worked so hard on this bill, to answer two questions.

In your opinion, is this section necessary to accomplish the purposes of this bill?

Mr. COOLEY. Frankly, I could say "Yes" or "No," but I would prefer to say this: In putting the provision in the bill, we did so only after conference with the people from the cane area. I actually believed at the time we put it in that you might need it in 2 or 3 years from now in the event you get into trouble again. In other words, if you have a surplus 2 years from now, you will not have to be running back here to the Congress to amend this law. But if you have the nonrecourse loan program, you could place the sugar under loan, if you had to freeze the crop, and then put it back into the market and continue without having to come back to the Congress to amend the law.

The CHAIRMAN. The time of the gentleman from Utah [Mr. DIXON] has again expired.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 2 additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. COOLEY. If I may finish my statement, I appreciate the fact, of course, that we are here dealing with what is ordinarily a deficit crop. It is a deficit crop under all circumstances because we do not produce all the sugar we need and consume in this country. But there is no objection that I can possibly see to having it in the law. But, if it is politically obnoxious to you, you have the right to have the House decide that. In fairness to the gentleman's amendment, I think I should point out that when the amendment was offered in committee to strike out this section, it failed by a tie vote of, I believe, 15 to 15. That, of course, shows that it is a controversial issue. I know that the gentleman, even with this provision in the bill, voted to report the bill favorably to the floor.

Mr. DIXON. Now, to go to the second question: Would you have any objection to the removal of section 20 from the bill?

Mr. COOLEY. Personally, I have no objection, but I do not think I can improve on the answer made by the gentleman from Louisiana [Mr. BOGGS] to the gentleman: I believe in 90 percent of parity, and I do not like flexible price supports.

Mr. MORANO. Mr. Chairman, I ask unanimous consent to extend my remarks at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. MORANO. Mr. Chairman, products exported to Cuba are produced in every section of the United States. The Cuban market is vital to the continued prosperity of ricegrowers and processors in Louisiana, Texas, Arkansas, Mississippi, and California, which produce almost the entire United States rice crop. Farmers in such States as Iowa, Illinois, Indiana, Ohio, Missouri, and Minnesota, which rely on lard exports for a large part of their income, send their lard to Cuba and other countries. In 1951, Cuba took nearly 15 percent of all the cotton manufactures exported from the United States, thus contributing to the prosperity of such textile-manufacturing States as North and South Carolina, Georgia, Alabama, Virginia, Tennessee, Texas, Massachusetts, and Connecticut. The United States sells to Cuba large quantities of iron, steel, and other metal products, the export of which is important to the economy of Michigan, Ohio, Illinois, Pennsylvania, New York, and New Jersey.

During July 1954, the Consolidated Railroads of Cuba placed a $7 million order for 51 diesel electric locomotives with the General Motors Electro-Motive division's plant near La Grange, Ill. The order, which is stated to be the largest of its kind received by the division for export, is cited as an example of foreign trade helping to create mutual prosperity for both the United States and Cuba. It required the export of roughly 70,000 tons of raw cane sugar from Cuba to the United States to make possible the $7 million purchase of locomotives from the United States. Thousands of employees in the United States were provided with work because of the interchange of locomotives and sugar.

The important point which United States foreign policy must take into account is that since Cuba pays for most of its purchases of United States exports with the proceeds of its sales of sugar to the United States, any reduction in the United States quota for Cuban sugar will, by the very law of economics, compel Cubans to reduce their purchases of United States products, such as those enumerated above. Such a reduction on imports by Cuba would affect almost every State of the Union.

It should continue to be our policy to encourage and assist Cuba in finding ways and means of reducing her dependence on sugar. This does not mean producing less sugar, but rather developing additional enterprises, by expanding existing and creating new industries producing sugar byproducts. This is of prime importance, because Cuba is beset by a high degree of instability due to the nature of the sugar industry. Every year there is a long dead season when most of the sugar workers are unemployed and the capital equipment of the centrales remains idle.

During its extended trip through Cuba the study mission was impressed with the fact that most of the farms are dedicated to one crop—sugar or tobacco or cattle or coffee. The seasonal unemployment inherent in the sugar industry, together with the fact that the growth of the Cuban economy has not kept pace with the needs of a growing population, point up the necessity for greater diversification of the Cuban economy wherever feasible. While the study mission did not have an opportunity to make an extensive study of this question, the problem was discussed with many Cubans from all levels. The consensus was that what is needed is a comprehensive plan for economic development. But this cannot emerge unless the Cubans themselves press forward on this problem at all fronts and can count on United States encouragement and support, both at the governmental and private-capital level.

Mr. Chairman, the United States in recent years has bought approximately 60 percent of Cuba's exports, and Cuba has bought approximately 75 percent of its imports from the United States.

Mr. Chairman, another factor which must be considered in formulating a sound foreign policy toward Cuba is United States private investment in Cuba. American direct investments in Cuba totaled $642.4 million at the end of 1950 making Cuba the fourth most important country in the world for such United States investment, preceded only by Canada, the United Kingdom, and Venezuela.

It is estimated that United States indirect or portfolio investments in Cuba totaled about $65 million at the end of 1950.

As already pointed out, 41 of Cuba's 161 active sugar mills are owned and operated by American interests. These currently account for approximately 43 percent of Cuba's sugar crop. United States interest is also substantial in electric power, radio and television, telephone and telegraph systems, railroads, and banks.

Mr. Chairman, I am opposed to this bill and I hope it is defeated. This bill changes the rules in the middle of the game.

Mr. HAYS of Ohio. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. HAYS of Ohio moves that the committee do now rise and report the bill with the recommendation that the enacting clause be stricken out.

Mr. HAYS of Ohio. Mr. Chairman, the Ohio district I have the honor to represent in this Congress is predominantly a dairy district. As a matter of fact, dairying accounts for approximately 80 percent of the farm income of my district. While asking your attention to speak on the sugar bill, I feel it only fair that I should associate milk and sugar since I do not represent any sugar growers directly.

You are all aware that in the past 3 years there has been a great deal of unjustified criticism expressed by the public, and by Members of this body, that the American dairy farmer is a recipient of undue Government subsidy in support of his operation.

As you know, I have denied such charges, and with justification, considering the fact that the American dairy farmer is the largest single segment of the Nation's agriculture; that annually he produces approximately 20 percent of the total gross farm income of the Nation; that 1 out of every 15 people gainfully employed in the United States, whether in industry or agriculture, works for the American dairy cow; that when we support the milk price of the American dairy farmer, we are supporting the basic economic structure of this Nation; and that presently under the 75-percent support level declared by the present Secretary of Agriculture, the American dairy farmer is today the worst off of any segment of our agriculture.

Today we are considering House bill 7030 introduced by my distinguished colleague from North Carolina, the chairman of the House Agriculture Committee, which concerns itself primarily with increasing the subsidy to the sugar growers of the United States. I would point out, to begin with, that the sugar growers of this Nation, both beet and cane producers, are a very minor segment of the American agricultural economy. I would also point out that as of this moment, despite the fact that they are producers of a deficit agricultural commodity, they are one of the most highly subsidized segments of our economy.

You will find in the report on this bill that the sugar growers are directly supported by a $65 million subsidy. This amounts to a $40-an-acre subsidy for beet growers, a $29-an-acre subsidy for the cane growers of Florida and Louisiana, and the astounding amount of $100 an acre for the cane growers of Hawaii.

I do not need to point out to you that comparatively these figures alone show a far higher subsidy than that accorded the American dairy farmer.

However, this is only a partial report of the subsidy received by our domestic sugar growers. In addition, they receive an approximate 2.63-cents-a-pound subsidy in the form of taxes and tariffs that raise the price every American consumer pays for each single pound of sugar he uses. When this total of direct and indirect subsidy to a selected group of American agriculture is tabulated, you will find that the American consumer is paying an approximate $400 million annually to subsidize a domestic sugar production that is now and always will be completely inadequate to meet domestic needs.

Yet this bill 7030, which bears the name of my distinguished colleague from North Carolina, would further increase this hidden tax upon the American taxpayer by approximately $16 million annually in the course of the life of this bill.

Gentlemen, I must oppose this financial rape of the American consumer, and I would like to say in closing that while, in opposing this measure, I want to pay great tribute to my distinguished colleague from North Carolina in the fact that he was the author of, and directed through this Congress, a bill which would raise the dairy-support level from 75 to 80 percent of parity, I feel that, in supporting that increase, and I feel now, that such action was taken in behalf of the general economic prosperity of the United States, while this bill would only

add to consumer costs without aiding the general economy.

I feel, in voicing my opposition to this sugar bill, that if we enact this measure we are simply subsidizing a selected group of farmers, not only at the expense of the rest of the Nation's agriculture, but also at direct cost to the American consumer and the American taxpayer.

Mr. POAGE. Mr Chairman, I rise in opposition to the preferential motion.

Mr. BASS of Tennessee. Mr. Chairman, will the gentleman yield for me to ask a question of the gentleman from Idaho?

Mr. POAGE. I would be glad to have the gentleman ask the same question I have in mind.

Mr. BASS of Tennessee. I would like to ask him. He did not have time to yield to me a moment ago.

Mr. POAGE. I yield to the gentleman.

Mr. BASS of Tennessee. We had a little discussion here a minute ago, the gentleman from Utah [Mr. DIXON], my close friend—and we sat together on the committee all through this sugar bill. Let me ask him this question: Would the 90 percent parity provision in this bill increase or decrease the support price on sugar?

Mr. DIXON. I do not believe it would change it.

Mr. BASS of Tennessee. Does the gentleman mean he is not aware of the fact that beet sugar is now supported at 93½ percent of parity?

Mr. DIXON. Ninety-three percent?

Mr. BASS of Tennessee. That is true; and if this provision carries it will be carried at 90 cents, would it not?

Mr. DIXON. No; I do not think it would change.

Mr. BASS of Tennessee. That is what the language says, 90 percent of parity.

Mr. POAGE. Mr. Chairman, I do not yield further.

I think it is absolutely clear to the House that the gentleman from Utah has come before us opposing a program to support beet sugar at 90 percent of parity when he is getting 93½ percent of parity support on all the beet sugar that he has heretofore produced. I wonder if his opposition to this bill is based on such deep principles as have been suggested by some of the speakers, or if the fact that beet producers have heretofore done pretty well made him unmindful of what may happen in future years.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield.

Mr. COOLEY. I am glad to have sugar get 93½ percent of parity.

Mr. POAGE. Beet sugar is getting 93½ percent of parity and has been for a good many years. Cane sugar does not get so much.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield.

Mr. GROSS. Could that possibly be the reason why most of the Republicans voted originally against 90 percent of parity for the midwestern farmers and other farmers?

Mr. POAGE. I cannot tell the gentleman from Iowa why the western Republicans voted as they did. I am not going to pass judgment on why anybody voted. It is a fact that certain Members did vote against 90 percent of parity for cotton, peanuts, and for other commodities. I know those same Members have been getting 93½ percent of parity for the products they told us are so important to their area. I know when we propose to give them 90 percent of parity in this bill. Now they say it is all wrong.

Mr. GROSS. They also invoked the law of supply and demand?

Mr. POAGE. Yes; but they have been living under a completely controlled economy. They want the law of supply and demand for everybody else.

Mr. MARTIN. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Massachusetts.

Mr. MARTIN. I would like to get this situation out in the open. I understood the gentleman from Utah was making this motion because those of you on the Democratic side who wanted a sugar bill, realizing it had to come out, asked him to do it.

Mr. POAGE. Let us be fair about that, Mr. Minority Leader. The gentleman now occupying the well has never asked anybody to take this out. He is for it, he has been for it always and he is now for it, and I do not want any insinuation made that I am not for the proposal in this bill. There has not been any agreement to take this out.

Mr. MARTIN. Well, is that not a fact?

Mr. POAGE. No; it is not a fact. Anybody who insinuates that this present speaker has ever favored taking this out makes a misstatement.

Mr. MARTIN. I am not making any insinuation about the present speaker, but I say this gentleman is doing it because those of you on the other side who wanted a sugar bill asked him to do it.

Mr. POAGE. No. I was present when the gentleman from Utah sat in the committee and voted to report this bill out with this provision in it. No; he is not offering this amendment because somebody on the other side asked him to offer it. He offered it in committee and it was voted down, as the chairman said, by a close vote. He then voted for the bill with the amendment in it.

Mr. MARTIN. What was the conversation up in the Rules Committee?

Mr. POAGE. I was not present in the Rules Committee. I do not know a thing in the world about any conversation in the Rules Committee. If the gentleman knows something about a conversation in the Rules Committee, let him get time and tell the House about it. If the gentleman wants to tell this House something, let him get time and tell this House what he understands about it. I was not present at any Rules Committee meeting. I was not a party to any agreement. I am for 90 percent for any crop that is willing to submit to the necessary controls.

The CHAIRMAN. All time on the preferential motion has expired. The question is on the motion offered by the gentleman from Ohio [Mr. HAYS].

The motion was rejected.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent that all debate on the bill and all amendments thereto close in 20 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

Messrs. HAYS of Ohio, MATTHEWS, and JENNINGS objected.

Mr. COOLEY. Mr. Chairman, I move that all debate on the bill and all amendments thereto close in 20 minutes.

The motion was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. MCCARTHY].

Mr. MCCARTHY. Mr. Chairman, it is impossible to make in 1 minute an adequate statement on this bill. I was a member of this committee when we extended the Sugar Act in 1951. I supported the extension. I have examined the report on this bill, and I find it to be completely inadequate. I hope to support the bill on final passage. The House should be permitted to hear the case against certain provisions of this bill and amendments should be offered with some order. The chairman of the committee argues that we should accept this bill on faith as there is not sufficient time for explanation. We have a right to have an explanation of the bill. Since this is obviously not going to be granted I will support a motion to recommit. The present act does not expire until December 1956. We can act early next year.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. BARRETT. Mr. Chairman, I ask unanimous consent that the time allotted me be yielded to the gentleman from Minnesota [Mr. MCCARTHY].

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. MCCARTHY. I yield to the gentleman from North Carolina.

Mr. COOLEY. I only point out to the House that the Committee on Rules gave us 1 hour. I had 30 minutes, and I explained that it was impossible within 30 minutes for me to explain this bill and that the membership, of necessity, would have to take it on faith.

Mr. MCCARTHY. And I am arguing that they should not take it on faith.

Mr. COOLEY. Did the gentleman come before this committee that he used to serve on and that he has such a high regard for and express his views on this legislation?

Mr. MCCARTHY. I hoped to read the hearings to see what was going on.

Mr. COOLEY. We had 1,300 pages of hearings, and the gentleman's name does not appear in the record.

Mr. MCCARTHY. I could scarcely get a chance to ask a question when I was a member of the committee. I scarcely expected better treatment as an outsider.

Mr. MORANO. Mr. Chairman, if the gentleman will yield, is it not true that there were no hearings so that you could read them?

Mr. MCCARTHY. That is correct.

refused to seek price supports. On the days I have received a letter from one

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

The Chair recognizes the gentleman from Pennsylvania [Mr. KING].

Mr. KING of Pennsylvania. Mr. Chairman, if the Dixon amendment is not accepted, we are here involved not only in a fight over the sugar bill, but a fight over the extension of the price-support program to include another crop, and give the Government authority to pile up surplus sugar in storage.

Before proceeding further I would like to ask the chairman of the committee, the gentleman from North Carolina [Mr. COOLEY], whether he accepts the Dixon amendment.

Mr. COOLEY. Do I accept it?

Mr. KING of Pennsylvania. Does the gentleman accept it, yes or no?

Mr. COOLEY. No.

Mr. KING of Pennsylvania. We proceed then with the assumption that when you vote for this bill you are voting for an extension of the price-support program to include a commodity not previously included and that the Government is going to start piling up sugar in storage and adding to that $1 million-a-day rental that we are paying. The sugar program in itself is a finely managed program for the sugar interests.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from North Carolina [Mr. COOLEY].

Mr. COOLEY. Mr. Chairman, I take this time to clear up 2 or 3 points. First as to what was said in the Committee on Rules. I am prompted to take the floor at this time because of the question propounded by the gentleman from Massachusetts [Mr. MARTIN] to the gentleman from Texas [Mr. POAGE]. I stated frankly to the Committee on Rules that the vote in the committee was 15 to 15 on this proposition, that I had no authority whatever from the committee to accept the amendment which would be offered by the gentleman from Utah [Mr. DIXON]. I told the Committee on Rules that I understood the amendment would be introduced and would be voted upon in the House. The gentleman from Colorado [Mr. HILL] thereupon said, "Mr. Chairman and members of the committee, I am quite certain that we will take this provision out on the floor of the House."

I am not now in a position to speak for the committee. I still say that I believe that the provision now in the bill is good. But if Mr. DIXON does not want it and others do not want it, that is up to the House to decide. But I am not in a position to accept it.

The CHAIRMAN. The Chair recognizes the gentleman from Colorado [Mr. HILL].

Mr. HILL. Mr. Chairman, I am happy to join our chairman concerning what went on in the Committee on Rules. I would like to say this concerning this argument about 90 percent of parity that has been injected into the discussion on the floor today, that that has nothing to do with it except for that little bit of overproduction that we would get above the line; because the gentleman from North Carolina [Mr. COOLEY] in the preparation of this amendment said that all the sugar that was grown under the provisions of this section, whatever the number is, would not be considered anyway.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from Florida [Mr. MATTHEWS].

Mr. MATTHEWS. Mr. Chairman, we shall be called upon soon to vote on the Dixon amendment, and I intend to vote for that amendment because I believe it will help us get this sugar legislation that is desperately needed by our sugar growers. I think it is fair and reasonable legislation.

I want to say a word in appreciation of the magnificent efforts of our distinguished colleague, the gentleman from Texas [Mr. POAGE], and the fight that he has made over the years for the great farm programs of this country and for our country. I want him to know that I have not retreated at all from my convictions concerning 90-percent price support on basic crops, but frankly, I feel that we ought to support the Dixon amendment in order to get this legislation passed, and I shall so support it.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. SIMPSON].

Mr. SIMPSON of Illinois. Mr. Chairman, I merely wish to say that at the proper time I am going to offer a motion to recommit.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana [Mr. BOGGS].

Mr. BOGGS. Mr. Chairman, I regret the fact that this 90-percent fight has occurred on this bill. Everybody has had to compromise on this legislation. This is not the bill any of us really wanted. Those of us who represent the areas in distress feel that it is not quite adequate. Nevertheless, it represents a tremendous amount of work on the part of the committee.

The sugar producers have never had a 90-percent-of-parity concept in this legislation since its very beginning. It might be a very good thing to have, but I doubt that we can settle the matter at this time.

Further, this legislation over a period of years has been bipartisan in nature. It has been passed by Republican-controlled Congresses and Democratic-controlled Congresses. I hope we can continue the legislation on a bipartisan basis, because it affects so many States in the Union.

The CHAIRMAN. The Chair recognizes the gentleman from Wyoming [Mr. THOMSON].

Mr. THOMSON of Wyoming. Mr. Chairman, I want to associate myself with the remarks of the gentleman from Louisiana. I know we are all interested in working effectively to accomplish our work and adjourn. It is unfortunate that this controversy on which we have already spent so much time in this session should be injected into this bill. To bring up irrelevant side issues causes us to appear to take positions that I know we would not take in more considered moments. I know the gentleman from Texas would never be serious in complaining about our small sugar beet farmers getting 93.5 percent of parity after listening to the conflicting opinions that I have heard from him on the floor of the House. We certainly get confused when we try to apply the same reasoning to totally incompatible problems. I think it is obvious on the surface that the situation pertaining to the principal basic commodities and the situation that pertains to sugar in the United States are not comparable for the simple reason that in the case of most of the basics, we have a surplus raised in the United States over what is consumed in the United States; whereas in the case of sugar, we are dealing with a commodity where our domestic production is approximately one-half of our consumption. I voted in favor of flexible price supports. Before doing so, I tried to give honest consideration to the other proposals. My vote was based on what I believe to be in the best interest of the American farmer and the American economy in general. I am confident that others, who voted otherwise, to a large measure, voted because of similar convictions. I certainly respect the opinions of those who disagree with me, and only time will tell which of us is correct. Certainly this committee should and will consider this legislation on its merits, and on the basis of what is best for the American farmer, the American economy and the American public without permitting the legislation to be prejudiced by side issues.

Let me state that my constituents and myself are extremely interested in a selfish way in the basic crop which is of greatest concern. Of course, I refer to wheat. Reference has been made to the livingroom approach in connection with the restrictions on imports by quotas. If the approach with regard to sugar is a livingroom approach, then certainly our policy as to wheat, in which my constituents are also directly interested, and most of the other basic commodities, is that of a closed-door policy. With certain limited exceptions, we permit no importations, and this is as it should be, for we are raising presently in the United States more of these commodities than we can consume.

Considerable comment has been made about the awful subsidy attached to this program. This, in my humble opinion, is not a subsidy in the sense that the word is commonly used in America today, but is a production payment made to the American producer in lieu of tariff. I think all of us must agree that the American producer cannot pay high wages or other high costs of production, nor can we in America continue to advance our standard of living, and still compete with foreign producers, whether we produce sugar, automobiles, bicycles, textiles, cotton, wool, livestock, toys, oil, coal, or almost any other commodity that you can think of. The Sugar Act took us from the high tariffs to the quota procedure, with payments to growers, primarily to benefit Cuba. The whole sugar problem is a tariff problem, and not a price-support problem. Just as a further example, some members of this committee and myself have common interest in the livestock industry. We take great pride that our livestock producers have

refused to seek price supports. On the other hand, if we were to suddenly throw open the Mexican border and drop all barriers to importation of Argentine beef, it would be but a short time before domestic industry was completely demoralized. I can continue to draw similar parallels with other commodities. The facts show that the sugar program has not operated to the detriment of the consumer, but rather to his benefit.

In connection with the problem as to basic commodities, may I also point out that this revision of the Sugar Act will help to solve some of the problems pertaining to acreage cuts on the basic commodities. I know of instances in my own State where the reason that some of our veterans, who have been on projects far long enough to have acquired a sugar history since World War II, but have not, is caused mainly because they could grow certain basic commodities, at a guaranteed price, with less investment and less work. By permitting them to grow sugar beets now, we will ease the pain as far as the acreage restrictions are concerned on wheat; not only on them, but on other wheatgrowers in other districts.

It has been inferred that we cannot ease off on acreage controls every time we feel a pinch, or we will have a chaotic farm program. This might be true generally, but we certainly can increase the acreage allotments on sugar when we have a crop which we do not domestically produce in surplus, and when we can do so without taking it away from anyone else, as I will subsequently point out. I should also like to mention that during my short service in Congress, I have had occasion to vote for acreage increases for the small tobacco producer, rice producer, cotton farmer, and, I believe, peanut farmer, even though these are crops in which there is a domestic surplus. Certainly it is not fair to infer that there is no compassion in our souls for others while we ask special privileges, when all we are asking is for a share in the growth of America for our sugar producers and are willing to give and pay higher domestic prices in order to maintain our American standard of living, and so forth, with regard to the entire domestic consumption of other commodities.

I was somewhat amazed by the sweeping statements made before the House Agriculture Committee by representatives of some domestic industries, who apparently felt that they were best serving their own interests by suggesting that everything should be given to the foreign interests. In connection with this, I should like to compliment and thank the representatives of foreign interests other than Cuba for the very fair and fine statements which they made. I certainly hope that they shall be given favorable consideration for a greater share in the foreign quota. As concerns domestic interests, who made statements to the opposite effect, I would again like to point out that they cannot, over the long haul, compete with lower labor and other production costs in foreign countries any better than can the American sugar producers. Within the last few days, I have received a letter from one of my constituents wanting to know why he could not buy truck tractors from Canada without paying a 10 percent duty. I could very well use a new car. I might very well be driving an Italian Fiat, or a German Volkswagen, or a British Austin, if we were to remove the 10 percent duty. I am not suggesting that this be done, because I believe in preserving the American standard of living and protecting the American worker and businessman, but I might suggest that the same consideration be given our sugar farmers, laborers, and businessmen. I have some figures available, if anyone is interested, on what the small population in Wyoming alone buys in some of these commodities. Certainly if our economy is strong, the ability of the domestic market to purchase must be preserved. It is rather interesting to note that one of the companies whose representative appeared before this committee minimizing the importance of the domestic producer only very recently contacted me in an entirely different vein. The State which I represent was thinking of going into a machine accounting system. The local representative of this company approached me with the request that I speak to the governor about giving his company an opportunity to be considered. At that time, I was led to believe that this was a very important piece of business to the company generally. May I remind this company that a good portion of the taxes that must be raised to pay for these machines, when and if they are bought, must come from Wyoming sugar beet producers and others directly and indirectly connected with the industry.

Mr. Chairman, I urge that we defeat the preferential motion. I urge that we pass the Dixon amendment. The debate as to high rigid or flexible price supports for basic commodities that has already become repetitious has nothing to do with this bill. This is not a question of price supports paid from the Treasury for crops produced in this country in excess of the total needs of the country. This is a tariff problem. The payment made is a production payment in lieu of tariff under a system established for the benefit or the foreign producer. Not so long ago I received a wire from my Farm Bureau organization for which I have the highest regard suggesting that I should oppose guaranteeing 50 percent of the shipping to American ships. I notified them that I could not do that because of the principles in which I believe. I believe that we must preserve the American standard of living, whether it be for our sailors, who must support their families here in America, or it be for our sugar-beet farmers and those who labor in our sugar industry. I suggest to you that the identical principle involved in the shipping amendment is involved in this bill. As I recall, the vote in favor of protecting American shipping was almost unanimous. I suggest to you that this bill should receive the same treatment after adoption of the Dixon amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. POAGE].

(By unanimous consent, Mr. JENNINGS and Mr. JONES of Missouri yielded the time allotted them to Mr. POAGE.)

Mr. POAGE. Mr. Chairman, I am sorry some of our Members seem to be so disturbed and so afraid of what may happen to them. I am not afraid of the threats that have been made here about killing the sugar bill. I do not think many Members would kill the sugar bill, least of all the very people who are making the threats about killing it. They have no intention of killing the sugar bill, yet they tell us that because this sugar bill has the 90-percent-of-parity provision in it, that that endangers the passage of the bill and we ought to run and hide somewhere because perchance they will kill the bill if we do not take out the 90-percent-of-parity provision. If they are really afraid that the bill is going to be defeated why did they not accept it as reported by the committee? I submit these people who claim to be so deeply concerned are the ones who were willing to jeopardize the bill with an amendment.

Let us see what this 90-percent-of-parity does. It is put in the bill simply because many of us thought that we ought to give to sugar as fair treatment as we give to any other commodity. We do not want to discriminate against sugar. We hate to see discrimination in favor of sugar. We think it ought to be treated as fairly as cotton, peanuts, wheat, or tobacco. Ninety percent, yes, that is a fair basis. We ask it for our commodities. We offer it to others.

This 90-percent-of-parity provision does a whole lot more than simply establish the principle. Some people seem to think it simply establishes the principle, but that is far from all it does. We are taking care of the State of Florida with this 90 percent provision. We are taking care of the State of Louisiana. Those States have now a surplus of sugar. The Representatives from Florida stood on this floor and told you that. They cannot sell. It is grown on allotted acres. You pass this bill without this 90-percent provision and you still are going to have a surplus and your farmers are not going to be able to dispose of their sugar this coming year.

You pass this legislation with this provision in it and every pound of sugar you grow on allotted acres by your farmers will get 90 percent of parity, not only this year but in the future. Turn to California. You have at least one mill shut down in California right this moment because they cannot sell their supply of sugar. Pass this bill with the 90-percent provision in it and every bit of that sugar will be taken up and the farmers of California will be able to get contracts and sell their sugar this coming year and in future years.

It is simple enough. Do you want a bill that is going to take care of all the farmers of America? There is not one sugar farmer in my district and not one of them in my State. But, I do want to be fair with them. If you want to run out on your own farmers, that is your privilege. Remember, they are your

farmers and not mine. But I would suggest that if they were my farmers, I would be trying to see that they get the kind of coverage that the cotton farmer gets. I would be trying to see that they get the same fair treatment that the tobacco farmers get. I would be trying to see that they had an opportunity to dispose of their surplus sugar, and this bill, as it is now written, gives them that. This bill as it stands offers that protection. If this amendment is carried there will be no sale for their surplus sugar.

(By unanimous consent, at the request of Mr. DAWSON of Utah, the time allotted to him was granted to Mr. DIXON.)

The CHAIRMAN. The Chair recognizes the gentleman from Utah [Mr. DIXON].

Mr. DIXON. The gentleman from Texas argued this 90-percent idea on the basis of analogy. This form of argument is only fair where the situations are similar but where they are entirely different, it is the weakest form of argument. Sugar is nothing like wheat, cotton, and rice. Wheat, cotton, and rice are produced in surplus. We produce more than we can consume. Sugar, on the other hand, is not produced in surplus. We must buy and import 3,800,000 tons each year or 47 percent of what we consume. Our domestic producers need an additional quota of 100,000 to 188,000 tons. Instead of placing this under loan, having it pass into Government hands at great cost and having it depress our market, as section 20 would have us do, all we need to do is to import that much less sugar from foreign countries and our troubles are over.

Now, Mr. Chairman, leaders of both the beet and cane producers just testified that section 20 is not necessary and that they have no objection to taking it out. Even our esteemed chairman of the Committee on Agriculture testified to the same effect. Why then should we not support my amendment and delete section 20?

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. HAYS].

Mr. HAYS of Ohio. Mr. Chairman, I would like to ask the gentleman from Utah [Mr. DIXON] four questions which he can answer by saying yes or no.

First. Is wool an important commodity in Utah?

The answer is "Yes"—I will answer for the gentleman from Utah.

Second. Sugar is an important commodity in Utah. Since you do not seem to want to answer the question, I will answer that that is true.

Third. Wool is supported by 105 percent of parity. Sugar by 93 percent of parity.

Now I come to the $64 question: Has the Secretary of Agriculture from Utah ever said anything about cutting them below 90 percent of parity?

The CHAIRMAN. The Chair recognizes the gentleman from Nebraska [Mr. HARRISON].

Mr. HARRISON of Nebraska. Mr. Chairman, I want to support this legislation since the amendments have been offered, and evidently will be passed. I want to make it as simple as I can. It seems to me we have been talking about a complicated situation. We are talking about 135,000 tons of sugar each year, and that is the increased consumption in this country created by the increase in population. At the present time, Cuba is getting that increased consumption in this particular bill. Now we are going to take it away from Cuba. I think if we wanted to be fair we would give it to our domestic producers. The reason the bill is before us at the present time is because our domestic producers are in trouble. Since we are trying to take care of them, I do not think we have gone near far enough to take care of our domestic producers. I was in Washington last winter. They have 1,200,000 acres of land coming into production out there and they want to raise some sugar beets. I say that we should go further in taking care of our domestic producers.

The CHAIRMAN. The gentleman from Florida [Mr. CRAMER] is recognized.

Mr. CRAMER. Mr. Chairman, I have received many letters in the last few weeks from many areas in the State of Florida. There has been considerable concern shown over the surplus cane-sugar condition that exists in my State, in which I am very much interested.

I am pleased that on page 7 of the report that the matter of surplus has been at least partially worked out and that it has been agreed that 100,000 tons will be purchased this year by the Government through ICA to help alleviate that situation.

I want to compliment the committee on the manner in which it has attempted to work out and compromise this problem.

The CHAIRMAN. The gentleman from California [Mr. JOHNSON] is recognized.

Mr. JOHNSON of California. Mr. Chairman, I have been familiar with this program for 13 years, and the program itself has been in effect for 21 years. The proof of the pudding is that it has stabilized the price of sugar.

I may be pardoned, I hope, by telling you my own experience with the cost of sugar. I was married in 1920. My wife and I started housekeeping in May 1920. My bride was shocked when she went to the grocery store to buy some sugar and to be confronted with the statement of the clerk that the cost was 32 cents a pound. I merely mention this personal experience because it illustrates what could happen to sugar when the price is not controlled.

In 1934 the first Sugar Act was passed. Since that time the price has not varied very much. For the past 10 years it has varied from 8 to 10 cents a pound. Every home will be benefited by this legislation.

In my district are now two sugar refineries. In the district I first represented—Third of California—I had four sugar refineries. The sugar made in those refineries was beet sugar. The sugar industry in my district is a large industry. I am proud of the beet growers and those who operate the refineries and have supported their program during my entire service in Congress, and expect to continue to do so as long as I am a Member of Congress.

This bill is a most constructive bill, and I have no doubt that it will pass.

The CHAIRMAN. The gentleman from Kansas [Mr. HOPE] is recognized.

Mr. HOPE. Mr. Chairman, this is a program which has been in effect for 21 years. I do not think we have had any farm program that has been as successful as the sugar program. It has operated under a price formula which was entirely different from the 90-percent support provision which relates to the basic commodities.

To adopt the 90-percent amendment would not have any effect that I can see upon this legislation because we still leave in the bill section 201, which is the pricing formula of this legislation. It would be just as necessary and just as cumbersome I think to leave this 90-percent formula in the bill as it would be to put a fifth wheel on an automobile; it is not needed; there is no justification for it, and I think we ought to vote it down.

The CHAIRMAN. The gentleman from California [Mr. HAGEN] is recognized.

Mr. HAGEN. Mr. Chairman, I wish to commend the gentleman from North Carolina [Mr. COOLEY], and the gentleman from Texas [Mr. POAGE], who in my opinion are two of the most outstanding members of this body.

I want to say first that the concept of 90 percent of parity involves a whole structure of supporting laws which have not heretofore been provided for sugar and are not supplied by this bill. No outside expert testimony was taken with respect to such laws necessary to the application of the 90-percent concept to sugar. The inclusion of this concept in the sugar bill was very hastily considered and for that reason the Dixon amendment should be adopted.

Furthermore I wish to say that the basic impact of this bill is the question of which producers will secure the largest participation in an admitted program of subsidization. Are you going to permit the domestic producer to secure a larger share of the subsidy, or are you going to let that subsidy go increasingly abroad? That is the basic question posed by this bill. I am certain that the membership will overwhelmingly agree that our United States producers are entitled to a fair share of that subsidy by a fair degree of participation in the growth of our sugar consumption.

The CHAIRMAN. The time of the gentleman from California has expired, all time on this amendment has expired.

The question is on the amendment offered by the gentleman from Utah [Mr. DIXON] to the committee amendment.

The question was taken; and on a division (demanded by Mr. MORANO) there were—ayes 123, noes 37.

So the amendment was agreed to.

The CHAIRMAN. The question is on the committee amendment as amended.

The committee amendment as amended was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the Chair, Mr. SIKES, Chairman of the Committee of the Whole House on the State of the

Union, reported that that Committee, having had under consideration the bill (H. R. 7030) to amend and extend the Sugar Act of 1948, as amended, and for other purposes, pursuant to House Resolution 328, he reported this bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

Mr. POAGE. Mr. Speaker, I ask for a separate vote on the Dixon amendment.

The SPEAKER. Does the gentleman want a division?

Mr. MARTIN. I suggest to the Chair that we have gone beyond the point where he may ask for a separate vote.

The SPEAKER. Well, the Chair will be liberal with Members. Does the gentleman ask for a division?

Mr. POAGE. Mr. Speaker, I ask for a separate vote on the Dixon amendment.

The SPEAKER. That is exactly what the Chair put.

Mr. POAGE. There were three amendments adopted.

Mr. COOLEY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. COOLEY. Mr. Speaker, was not the Dixon amendment, and the other amendments, amendments to the committee amendment? In that situation can we have a separate vote on either one of the amendments without having a vote on the committee amendment?

The SPEAKER. Under the rule anyone may demand a separate vote on the whole amendment or on an amendment to the committee amendment.

Mr. MARTIN. Mr. Speaker, I do not like to differ with the Speaker, but the gentleman from North Carolina, in my opinion, is correct in the statement that the amendment of the gentleman from Utah is an amendment to the committee amendment, and, therefore, all we have before us is the committee amendment, as amended.

The SPEAKER. The Chair would like to read part of the rule to the gentleman. It states:

> The Committee shall rise and report the bill back to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the bill or committee substitute.

The amendment of the gentleman from Utah is an amendment adopted in the Committee of the Whole to the committee substitute.

Mr. MARTIN. Mr. Speaker, that amendment disappeared when we adopted the committee amendment.

The SPEAKER. Well, that is what the special rule provides.

Mr. MARTIN. The special rules are getting awfully tough around here.

The SPEAKER. They are not any tougher than the job of the present occupant of the Chair.

The question is on the so-called Dixon amendment, which the Clerk will report.

The Clerk read as follows:

> Amendment offered by Mr. DIXON of Utah to the committee amendment: On page 22, line 20, strike out all of section 20 of the bill and renumber the succeeding sections.

The SPEAKER. The question is on the amendment.

Mr. POAGE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

The amendment was agreed to.

The SPEAKER. The question is on the committee substitute as amended.

The committee substitute, as amended, was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. SIMPSON of Illinois. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. SIMPSON of Illinois. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

> Mr. SIMPSON of Illinois moves that the bill, H. R. 7030, be recommitted to the Committee on Agriculture.

The SPEAKER. The question is on the motion to recommit.

Mr. MORANO. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. MORANO. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

The question was taken; and on a division (demanded by Mr. JONES of Missouri) there were—ayes 194, nays 44.

So the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. COOLEY. Mr. Speaker, I ask unanimous consent that all Members desiring to do so may have 5 legislative days to revise and extend their remarks.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

JANE EDITH THOMAS

Mr. WALTER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 7588) for the relief of Jane Edith Thomas.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There being no objection, the Clerk read the bill, as follows:

> *Be it enacted, etc.*, That, for the purposes of the Immigration and Nationality Act, Jane Edith Thomas shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

With the following committee amendment:

> Strike out all after the enacting clause and insert: "That section 301 (a) (7) of the Immigration and Nationality Act, commonly referred to as the McCarran-Walter Act, shall be held and considered to be applicable to Jane Edith Thomas, the daughter of Leslie F. Thomas, a United States citizen."

Mr. SCHENCK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SCHENCK. Mr. Speaker, a week ago last Thursday, on July 21, the Dayton Daily News, of Dayton, Ohio, brought a matter to my attention that has since received almost nationwide publicity through the wire services, newspapers, radio stations, and television stations. This has happened because of the natural interest and concern by people everywhere in matters which affect small children, and also because of the circumstances surrounding this situation. As a result, I have received many letters, telegrams, and personal messages urging me to take every necessary corrective and proper step to resolve this problem.

Here, Mr. Speaker, is a résumé of what has happened to cause such warmhearted concern.

Leslie Francis Thomas was born in Russell, Ky., in 1931. He became a soldier and was sent overseas. In 1950, while stationed in the then free city of Trieste, he married an Italian girl. A year later, their daughter, Janie, was born in a United States Army hospital in Trieste. Mr. and Mr. Thomas were told that their daughter would be an American citizen because her father had been born and raised in the United States and also because his daughter was born in a United States Army hospital over which the flag of the United States was flown. This, it seems, was further confirmed because when Thomas was returned to the United States, in March 1952, he brought his wife and daughter, Janie, carrying an American passport issued by the American consul in Venice, Italy.

Mr. Thomas was mustered out, but reenlisted and was assigned to Fort Dix, N. J. In June 1952 he received a letter from the United States consul in Venice which stated in part:

> At the time of the birth of Jane Edith Thomas, you had not resided in the United States for a period sufficient to bring your case under the provisions of section 201 (G) of the Nationality Act of 1940.

The letter went on to say that "the already issued passport is disapproved" and explained that:

> Section 201 (G) provides that children born overseas to an American citizen and a foreign national are automatically United States citizens if the American parent has had 10 years of residence in the United States, at least 5 of which were after attaining the age of 16 years.

Private Thomas had not lived in the United States 5 years after becoming 16 years of age because he was just 20 years old when Janie was born.

All of this didn't make sense to Private Thomas and he ignored the letter. After

all, he was a bona fide American citizen, he had served in the United States Army and he had reenlisted, all because of his devotion to his country. He just could not make himself believe that a responsible official of our Government would raise such a technical point against the citizenship of his daughter and against the properness of her remaining in the United States. He thought American Immigration and State Department officials had more important duties and that they would not become overly concerned about his baby daughter. But he did not reckon with the great lengths to which some will go to observe every little technicality.

Private Thomas was sent overseas again in September 1952—this time to Germany. His wife and baby daughter, Janie, went to New York to live with relatives to await his return from overseas duty. Thirteen months later his wife sent him the frantic word:

Janie had been served with a warrant for arrest as an alien and ordered to appear at a deportation hearing on November 5, 1953, at Ellis Island.

At the hearing their little two-year-old daughter was charged with illegal entry and was paroled to her mother who became a naturalized citizen soon thereafter. The friendly American Red Cross had assisted Mrs. Thomas by securing the assignment of an attorney to help her in this very trying time.

The entire matter was then held in abeyance until Private Thomas returned to the United States in June 1954. After his discharge from the Army, he and his family moved to Dayton, Ohio, which is located in the Third Congressional District of Ohio. Mr. Thomas was told that he could take Janie to Canada and could bring her back on an "immigrant visa" and, of course, he has had to make monthly parole reports on Janie. He was also advised that he had until September 30, 1955, to complete arrangements to have Janie readmitted to the United States on an immigrant visa. Naturally, Mr. Thomas resented all this deeply because he felt all this reflected upon his baby daughter, Janie, and Mrs. Thomas, a recently naturalized citizen of her chosen country, and could not understand how the laws of our Nation would make such a seemingly unnecessary demand upon them.

When I learned this story, Mr. Speaker, I was deeply concerned and determined to do all I could properly do to assist this little girl and her family in this problem.

I found the Immigration and State Department officials both friendly and cooperative. They were willing to do anything they properly could within the scope of their authority to assist the Thomas family. They suggested that arrangements could be completed in advance with the friendly cooperation of Canadian officials so that Janie could be taken into Canada and immediately admitted back into the United States on an "immigrant visa." This, it was stated, however, still left the citizenship of Janie undetermined while she completed the necessary arrangements to become a citizen of the United States.

Mr. Thomas, however, had several objections to that procedure. He felt that it was entirely unnecessary and he still had faith and confidence in his native United States that some other and better way would be found. He also, as an industrial worker, felt, Mr. Speaker, that he could not afford to lose the time from his work or spend the money necessary for the trip especially in view of his anticipated expenses in connection with the expected arrival of another child.

Upon studying the matter with earnest care, Mr. Speaker, and talking it over fully with my good friend and colleague, the distinguished gentleman from Pennsylvania, Congressman FRANCIS WALTER, I found there is another and proper way.

I need not remind the Members of Congress, Mr. Speaker, that our colleague, Congressman WALTER, is well recognized among us as the outstanding authority and expert on all matters of immigration and that as chairman of the Subcommittee on Immigration of the House Committee on the Judiciary, he is always ready and willing to be of every proper assistance. Neither do I need to remind our colleagues, Mr. Speaker, that Congressman WALTER takes a warmhearted interest in the problems of his colleagues and is always very helpful.

As the result of our discussion, Mr. Speaker, I introduced H. R. 7588, a bill for the relief of Jane Edith Thomas, on Monday, July 25, 1955. Because of his deep interest and desire to be helpful, Mr. Speaker, Congressman WALTER obtained the approval of not only his subcommittee but also the approval of the full Committee on the Judiciary, after the bill was properly amended on Thursday, July 28. Then through the helpful consideration of my good friend, the majority leader, Congressman JOHN MCCORMACK, and with your gracious permission, Mr. Speaker, H. R. 7588 appears today on the final Private Calendar of this session of the House. It is my sincere hope, Mr. Speaker, that this legislation to assist Janie Thomas will be unanimously approved at this time so that it can be presented to the Senate immediately in the sincere hope that it will also be approved in that body without delay. This will make a veteran of our United States Army, Leslie Thomas, his wife, their daughter, their Congressman, and many interested people throughout the Nation happy and convinced all over again that the United States is the greatest Nation in the world and that it does have a heart that is warm toward the needs of its people. It will renew the faith of people, if that is at all necessary, because it will show to the world that even in the rush of the final hours of a session of Congress, we can and will take the time to be of human service.

I cannot close these comments, Mr. Speaker, without pointing out to my colleagues here and the Nation as a whole, that this trying situation came about as the result of a provision in the Nationality Act of 1940. It was my privilege, Mr. Speaker, as a Member of the 82d Congress in 1952, to vote for the McCarran-Walter Act and to also vote to override a Presidential veto so that this legislation could be enacted into law. It is under the provisions of this McCarran-Walter Immigration Act, Mr. Speaker, that this corrective action is possible here today. It is also most heart-warming, Mr. Speaker, to know that not only will Jane Edith Thomas be properly admitted to these United States when H. R. 7588 becomes a law with the signature of President Eisenhower, but that also, Mr. Speaker, she will be immediately endowed at the same time with all the rights and privileges of full citizenship in these great United States.

I am deeply indebted to all who have had a part in making the consideration of H. R. 7588 possible today, and I urge its adoption.

The SPEAKER. The question is on the committee amendment.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DISTRIBUTION OF CERTAIN MONEYS TO MEMBERS OF KAW TRIBE OF INDIANS

Mr. BELCHER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2197) to authorize the Secretary of the Interior to distribute equally to members of the Kaw Tribe of Indians certain moneys to the credit of the tribe in the United States Treasury.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to distribute equally among the members of the Kaw Tribe of Indians whose names appear on the roll prepared pursuant to the act of July 1, 1902 (32 Stat. 636), and the persons who were allotted under the Act of April 29, 1922 (42 Stat. 1589), all funds on deposit in the Treasury of the United States to the credit of the Kansas or Kaw Tribe of Indians, including funds appropriated by the Act of April 22, 1955 (69 Stat. 28), for the payment of a judgment against the United States. The share of any deceased member shall be distributed among his heirs or devisees.

The bill was ordered to be read a third time was read the third time and passed, and a motion to reconsider was laid on the table.

KOREAN WAR ORPHANS

Mr. WALTER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2312) for the relief of certain Korean war orphans.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, Joseph

Han Holt, Mary Chae Holt, Helen Chan Holt, Paul Kim Holt, Betty Rhee Holt, and Nathanial Chae Holt shall be held and considered to be the natural-born alien children of Harry and Bertha Holt, citizens of the United States.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONVEYANCE OF REAL PROPERTY TO ANNISTON, ALA.

Mr. VINSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 46) to authorize the conveyance to the city of Anniston, Ala., of certain real property within Fort McClellan, Ala., with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Resolved, That the bill from the House of Representatives (H. R. 46) entitled "An act to authorize the conveyance to the city of Anniston, Ala., of certain real property within Fort McClellan, Ala.," do pass with the following amendments:

(1) Page 1, line 3, strike out "after" and insert "if."

(2) Page 1, line 10, strike out "cemetery" and insert: "municipal."

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

STEAMSHIP "LA GUARDIA"

Mr. BONNER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution (S. J. Res. 91) to authorize the Secretary of Commerce to sell the steamship *La Guardia*.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the joint resolution, as follows:

Resolved by the Senate, etc., That (a) the Secretary of Commerce is hereby authorized during a period of 6 months after the enactment of this act, to sell the steamship *La Guardia* and the materials and equipment heretofore removed from the vessel and held in storage by the Maritime Administration, on an "as is, where is" basis to the Hawaiian Steamship Co., Ltd., subject to the provisions of this act and such terms and conditions not contrary hereto as the Secretary may prescribe. The sales price of the vessel (including all its furnishings, furniture, equipment, and spare parts whether held aboard or on shore), shall be $3,950,000. The sales price shall be subject to depreciation computed at the rate of 5 percent per annum for the period commencing with the date of enactment of this act and ending with the date of execution of the contract of sale of the steamship *La Guardia* hereunder. Such sale shall be made upon a condition and agreement that the purchaser recondition the vessel satisfactory to the Secretary of Commerce in a domestic shipyard for passenger service.

(b) The Secretary of Commerce, upon application by the Hawaiian Steamship Co., Ltd., purchaser of the steamship *La Guardia* hereunder, upon determination that such action may be taken without prejudice to the Department of Commerce, Maritime Administration operations, is authorized to release to such purchaser such additional furnishings, furniture, and equipment now held by the Maritime Administration, as he may determine are necessary to equip the steamship *La Guardia* for the passenger trade, with payment by the purchaser of an amount equal to 25 percent of the estimated original acquisition cost of such furnishings, furniture, and equipment as determined by the Secretary of Commerce.

(c) The purchaser hereunder may be permitted, entirely at his own expense and risk, to inspect the steamship *La Guardia* and to move such vessel, upon conditions approved by the Secretary of Commerce, to drydock and inspect the underwater surfaces.

(d) Such sale shall be on the basis of the payment of not less than 25 percent of the sales price of the vessel at the date of the execution of such sales contract, with balance payable in approximately equal annual installments, the first of which shall be due and payable 1 year from the date of execution of the contract, over the remainder of the 20-year economic life of the vessel, with interest on the unpaid balance at the rate of 3½ percent per annum; with right of prepayment from time to time of any or all of the sales price remaining unpaid. The obligation of the purchaser with respect to payment of such unpaid balance, with interest, shall be secured by a first preferred mortgage on the vessel sold, which mortgage may provide that the sole recourse against the purchaser of the vessel under such mortgage, and any of the notes secured thereby shall be limited to repossession of the vessel by the United States, and the assignment of insurance claims, if the purchaser shall have complied with all provisions of the mortgage other than those relating to the payment of principal and interest when due, and the obligation of the purchaser shall be satisfied and discharged by the surrender of the vessel, and all right, title, and interest therein to the United States. Such vessel upon surrender shall be (1) free and clear of all liens and encumbrances whatsoever, except the lien of the above-mentioned preferred mortgage and any other mortgage held by the Secretary of Commerce pursuant to an assignment under title XI of the Merchant Marine Act, 1936, as amended, (2) in class, and (3) equipped and in as good order and condition, ordinary wear and tear excepted, as when reconditioned as a passenger vessel by the purchaser except that any deficiencies with respect to freedom from encumbrances, condition, and class, may, to the extent covered by valid policies of insurance, be satisfied by the assignment to the United States of claims of the purchaser under such policies of insurance.

(e) Any contract of sale executed under authority of this act shall provide that in the event the United States shall, through purchase or requisition, acquire ownership of such vessel, the owner shall be paid therefor the value thereof, but in no event shall such payment exceed the actual depreciated sales price under such contract (together with the actual depreciated cost of capital improvements thereon), or the fair and reasonable scrap value of such vessel, as determined by the Maritime Administrator, whichever is the greater; that such determination shall be final; that in computing the depreciated acquisition cost of such vessel, the depreciation shall be computed on the vessel on the schedule adopted or accepted by the Internal Revenue Service for income-tax purposes as applicable to such vessel; that such vessel shall remain documented under the laws of the United States for a period of 10 years after completion as a passenger vessel or as long as there remains due the United States any principal or interest on account of the sales price, whichever is the longer period; and that the foregoing provisions respecting the requisition or the acquisition of ownership by the United States and documentation shall run with the title to such vessel and be binding on all owners thereof.

The joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

STEAMSHIP "MONTEREY"

Mr. BONNER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution (S. J. Res. 92) to authorize the Secretary of Commerce to sell the steamship *Monterey*.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the joint resolution, as follows:

Resolved by the Senate, etc., That (a) the Secretary of Commerce is hereby authorized, during a period of 6 months after the enactment of this joint resolution, to sell the steamship *Monterey* and the uninstalled materials heretofore acquired by the United States with said vessel, which are held in storage by the Maritime Administration, Department of Commerce, to a citizen of the United States at competitive bidding, subject to the provisions of this joint resolution, and such terms and conditions not contrary hereto as the Secretary may prescribe. The vessel with such materials shall be sold on an "as is, where is" basis, at an aggregate minimum sales price of $3,081,665.72, depreciated on the basis of a 20-year life from August 6, 1952, to the date of the award of the contract of sale. Such sale shall be made upon a condition and agreement that the purchaser expend at least $10 million to recondition the vessel satisfactory to the Secretary of Commerce in a domestic shipyard for passenger service, with documentation under the laws of the United States. Such sale shall be on the basis of the payment of not less than 25 percent of the sale price of the vessel and materials at the time of the execution of such sales contract, with balance payable in approximately equal annual installments over the life expectancy of the vessel after reconditioning by the purchaser which life expectancy shall be determined jointly by the Secretary of the Treasury and the Secretary of Commerce, with interest on the portion of the sales price remaining unpaid at the rate of 3½ percent per annum; with right of prepayment from time to time of any or all of the sales price remaining unpaid. The obligation of the purchaser with respect to payment of such unpaid balance, with interest, shall be secured by a first preferred mortgage on the vessel sold, which mortgage may provide that the sole recourse against the purchaser under such mortgage, and any of the notes secured thereby, shall be limited to repossession of the vessel by the United States and the assignment of insurance claims, if the purchaser shall have complied with all provisions of the mortgage other than those relating to the payment of principal and interest when due, and the obligation of the purchaser shall be satisfied and discharged by the surrender of the

vessel, and all right, title, and interest therein to the United States. Such vessel upon surrender shall be (1) free and clear of all liens and encumbrances whatsoever, except the lien of the above-mentioned preferred mortgage and any other mortgage held by the Secretary of Commerce pursuant to an assignment under title XI of the Merchant Marine Act, 1936, as amended, (2) in class, and (3) equipped and in as good order and condition, ordinary wear and tear excepted, as when reconditioned as a passenger vessel by the purchaser except that any deficiencies with respect to freedom from encumbrances, condition, and class, may, to the extent covered by valid policies of insurance, be satisfied by the assignment to the United States of claims of the purchaser under such policies of insurance.

(b) Any contract of sale executed under authority of this joint resolution shall provide that in the event the United States shall, through purchase or requisition, acquire ownership of such vessel, the owner shall be paid therefor the value thereof, but in no event shall such payment exceed the actual depreciated sales price under such contract (together with the actual depreciated cost of capital improvements thereon), or the fair and reasonable scrap value of such vessel, as determined by the Maritime Administrator, whichever is the greater; that such determination shall be final; that in computing the depreciated acquisition cost of such vessel, the depreciation shall be computed on the vessel on the schedule adopted or accepted by the Secretary of the Treasury for Federal income tax purposes as applicable to such vessel; that such vessel shall remain documented under the laws of the United States for a period of at least 10 years after completion as a passenger vessel or as long as there remains due the United States any principal or interest on account of the sales price, whichever is the longer period; and that the foregoing provisions respecting the requisition or the acquisition of ownership by the United States and documentation shall run with the title to such vessel and be binding on all owners thereof.

The joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

APPROPRIATION OF ACCUMULATED RECEIPTS UNDER PITTMAN-ROBERTSON ACT

Mr. BONNER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 756) to authorize the appropriation of accumulated receipts in the Federal aid to wildlife-restoration fund established by the Pittman-Robertson Act and to authorize the expenditure of funds apportioned to a State under such act for the management of wildlife areas and resources.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. MARTIN. Reserving the right to object, Mr. Speaker, I do not know much about this bill. Will the gentleman explain it?

Mr. BONNER. Mr. Speaker, this bill provides for the distribution of the tax money under the Pittman-Robertson Act that accumulated during the world-war period and has not been distributed. Under the formula of that act these funds are distributed to the States. It requires a matching by the States. They are distributed annually but this money accumulated during the war when the States could not use the money.

Mr. MARTIN. I think I should like to have that withdrawn until I have an opportunity to know something more about it. It looks as if this is going back a number of years to get an extra bite from the Treasury.

Mr. BONNER. It is the understanding of the Speaker and myself that this was cleared with the gentleman.

Mr. MARTIN. How much money is involved?

Mr. BONNER. $13 million.

Mr. MARTIN. Then you will have to come back and get another appropriation?

Mr. BONNER. No; this money has already been collected. The tax has accumulated. No one is taxed any additional money. This is a tax that was imposed in years gone by, and the money is available at the present time for distribution.

Mr. BOW. Mr. Speaker, will the gentleman yield?

Mr. MARTIN. Yes. I am trying to get information.

Mr. BOW. Is this an appropriation?

Mr. BONNER. No; this is not an appropriation. The money is now in the Treasury available for distribution.

Mr. MARTIN. This money has not been spent in the past?

Mr. BONNER. No; the money is in the Treasury now.

Mr. MARTIN. Is it a unanimous report from the committee?

Mr. BONNER. Yes; it is unanimous.

Mr. MARTIN. I withdraw my reservation of objection, Mr. Speaker.

Mr. TABER. Reserving the right to object, Mr. Speaker, I wonder how this can be anything but an appropriation of funds.

Mr. BONNER. This money does not have to be appropriated. The sportsmen of the Nation have already paid this money in on a tax on firearms and other utensils used in hunting. The money is in the Treasury now. It is a special fund. There is no appropriation.

Mr. TABER. We have always had those items submitted to us for action. Frankly, I feel that I must object at this time, and I do object.

COAST GUARD MILITARY PERSONNEL

Mr. BONNER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2566) to amend title 14, United States Code, so as to provide for compensatory absence of Coast Guard military personnel serving at isolated aids to navigation, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 432 (f) of title 14, United States Code, is amended by inserting the words "as amended" following the words "Federal Employees Pay Act of 1945."

SEC. 2. Section 432 (g) of title 14, United States Code, is amended by amending the first sentence thereof to read as follows: "The head of the department in which the Coast Guard is operating, under regulations prescribed by him, may regulate the hours of duty and the pay of civilian keepers of lighthouses and civilians employed on lightships and other vessels of the Coast Guard, but such personnel may be called upon for duty in emergency circumstances or otherwise at any time or all times."

SEC. 3. The analysis of chapter 13 of title 14, United States Code, is amended by inserting in such analysis, the following item:

"511. Compensatory absence of military personnel at isolated aids to navigation."

SEC. 4. Chapter 13 of title 14, United States Code, is amended by inserting a new section as follows:

"§ 511. Compensatory absence of military personnel at isolated aids to navigation

"The head of the department in which the Coast Guard is operating, under regulations prescribed by him, may grant compensatory absence from duty to military personnel of the Coast Guard serving in lightships and at lighthouses and other isolated aids to navigation of the Coast Guard when conditions of duty result in confinement because of isolation or in long periods of continuous duty."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 7379) was laid on the table.

AMENDEMENT OF RAILROAD RETIREMENT ACT AND RAILROAD UNEMPLOYMENT INSURANCE ACT

Mr. PRIEST. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4744) to amend the Railroad Retirement Act of 1937, as amended, and the Railroad Unemployment Insurance Act, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 3, lines 4 and 5, after "appointed", insert ", except one administrative assistant to each member of the Board."

Page 3, line 11, after "appointed", insert ", except one administrative assistant to each member of the Board."

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

ADJUSTMENT OF OBLIGATIONS OF SETTLERS ON CERTAIN PROJECTS

Mr. POAGE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1621) to authorize adjustment by the Secretary of Agriculture of certain obligations of settlers on projects developed or subject to the act of August 11, 1939, as amended, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the provisions of sections 41 (g), 43, and 51 of the Bankhead-Jones Farm Tenant Act, as amended (7 U. S. C. 1015 (g), 1017, and 1025), are hereby extended to apply on the obligations of settlers on projects developed under the Act of August 11, 1939, as amended (16 U. S. C. 590y–z), or similar projects under the water conservation and use item of the Department of the Interior Appropriation Act, 1940, as amended (53 Stat. 719), of the type incurred in accordance with section 5 of said act (16 U. S. C. 590z–3), or other obligations to or administered by the Secretary of Agriculture incurred in connection with the development or operation of the project unit, and the Secretary is authorized to make such additional adjustments in the terms and conditions and amounts of any such obligations of such persons or in the price at which project units are sold to settlers as may be reasonably necessary to permit such persons to acquire, develop, and establish successful farming operations on their farm units and repay such adjusted obligations.

With the following committee amendments:

Page 1, line 6, following the words "settlers on", insert "the Angostura."

Page 1, line 6, strike out the word "projects" and insert the word "project" and add the words "in South Dakota."

Page 1, line 8, following the parenthesis strike the comma and insert in lieu thereof a period, and strike the balance of the bill.

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WAR HOUSING PROJECTS, NORFOLK, VA.

Mr. BOLLING. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2351) to authorize the conveyance of certain war housing projects to the city of Norfolk, Va.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding any other provision of law, the Housing and Home Finance Administrator is authorized to sell and convey at fair market value as determined by him on the basis of an appraisal made by an independent real estate expert to the city of Norfolk, Va., or to the Norfolk Redevelopment and Housing Authority, or to any agency or corporation established or sponsored in the public interest by such city, all of the right, title, and interest of the United States in and to War Housing Project VA–44075 and War Housing Project VA–44184, or either of them. Any sale pursuant to this authorization shall be on such terms and conditions as the Administrator shall determine, and the amount received for each project shall be reported by the Administrator to the Committee on Banking and Currency of the Senate and the Committee on Banking and Currency of the House of Representatives.

SEC. 2. The authority conferred by this act shall terminate 6 months after the date of its enactment.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 7073) was laid on the table.

POLITICAL ACTIVITIES BY GOVERNMENT EMPLOYEES

Mr. BEAMER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 3084) to amend certain provisions of the laws relating to the prevention of political activities to make them inapplicable to State officers and employees.

The SPEAKER. Is there objection to the request of the gentleman from Indiana [Mr. BEAMER]?

Mr. HAGEN. Mr. Speaker, I object.

BONDING OF CIVILIAN AND MILITARY PERSONNEL OF FEDERAL GOVERNMENT

Mr. MURRAY of Tennessee. Mr. Speaker, I call up the conference report on the bill (H. R. 4778) to provide for the purchase of bonds to cover officers and employees of the Government, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee [Mr. MURRAY]?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 1568)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4778) entitled "An act to provide for the purchase of bonds to cover officers and employees of the Government," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "That section 14 of title 6 of the United States Code is amended to read as follows:

"'§ 14. Purchase of Bonds to Cover Officers and Employees of the Federal Government

"'(a) Subject to subsection (b) of this section, the head of each department and independent establishment in the executive branch of the Federal Government shall obtain, under regulations which shall be promulgated by the Secretary of the Treasury, blanket, position schedule, or other types of surety bonds covering the civilian officers and employees and military personnel of such department or independent establishment who are required by law or administrative ruling to be bonded. The appropriate officials of the legislative and judicial branches of the Federal Government may obtain any or all of such types of surety bonds covering such officers and employees under their respective jurisdictions as such officials may deem appropriate to be bonded. Each bond obtained under this section shall be of the most economical type available for the number and type of personnel to be bonded and shall be conditioned upon the faithful performance of the duties of the individual or individuals so bonded. The bond premium may cover a period not exceeding two years and shall be paid from any funds available for the payment of administrative expenses at the time such premium becomes payable. Whenever any civilian officers or employees or military personnel are covered by a bond under authority of this section, the surety or sureties on any existing bond of any such civilian officers or employees or military personnel shall not be liable for any defaults occurring subsequent to the date of the new coverage. For purposes of this section, the term "faithful performance of the duties" shall include the proper accounting for all funds or property received by reason of the position or employment of the individual or individuals so bonded and all duties and responsibilities imposed upon such individual or individuals by law or by regulation issued pursuant to law.

"'(b) If, in the opinion of the head of the department or independent establishment concerned, the premium cost for any bond procured under this section covering officers or employees in the executive branch of the Federal Government will exceed the rate of $150 per annum, the procurement of such bond shall be made by the head of such department or independent establishment only after advertising a sufficient time previously for proposals for the furnishing of such bond, except that such advertising for proposals shall not be required when the public exigencies require the immediate procurement of such bond.

"'(c) The Secretary of the Treasury shall transmit to the Congress, on or before June 30, 1956, a comprehensive report of the operations of the departments and independent establishments under this section. Thereafter, the Secretary of the Treasury shall transmit to the Congress on or before October 1 of each year, beginning with the year 1957, a comprehensive report of such operations during the preceding fiscal year. Such report shall include, among other matters, information, in summary and in detail, with respect to operations under this section, setting forth—

"'(1) the number of officers and employees covered by bonds procured under this section,

"'(2) the number and types of bonds procured under this section and the individual penal sums thereof,

"'(3) the amounts of the premiums paid for bonds procured under this section, and

"'(4) such other information as may be necessary to enable the Committee on Post Office and Civil Service of the Senate and the Committee on Post Office and Civil Service of the House of Representatives to determine the results of operations under this section. The reports submitted by the Secretary of the Treasury under this section shall be delivered to the President of the Senate and to the Speaker of the House of Representatives (or to the Clerk of the House and the Secretary of the Senate, respectively, if the Congress is not in session) on the same day, and shall be referred to the Committee on Post Office and Civil Service of each House.'

"SEC. 2. The last sentence of section 6 of title 6 of the United States Code is amended to read as follows: 'Except with respect to bonds obtained under section 14 of this title, no officer or person having the approval of any bond shall require that such bond shall be furnished by a guaranty company or by any particular guaranty company.'

"SEC. 3. The analysis of title 6 of the United States Code, immediately preceding section 1 of such title, is amended by striking out the item

"14. Rate of premium on bond; premiums not to be paid by United States.'

and inserting in lieu thereof the following:

"14. Purchase of bonds to cover officers and employees of the Federal Government.'.

"SEC. 4. The amendments made by this Act shall take effect on January 1, 1956."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill and agree to the same with an amendment as follows:

In lieu of the amended title proposed by the Senate amendment, amend the title so as to read: "An Act to provide for the purchase of bonds to cover civilian officers and employees and military personnel of the Federal Government."

And the Senate agree to the same.

TOM MURRAY,
J. H. MORRISON,
EDWARD H. REES,
Managers on the Part of the House.

OLIN D. JOHNSTON,
MATTHEW M. NEELY,
FRANK CARLSON,
Managers on the Part of the Senate.

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4778) entitled "An act to provide for the purchase of bonds to cover officers and employees of the Government" submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate amendments struck out all of the House bill after the enacting clause and inserted a substitute text and provided a new title for the House bill.

With respect to the amendment of the Senate to the text of the House bill, the committee of conference recommends that the House recede from its disagreement to the amendment of the Senate with an amendment which is a substitute for both the text of the House bill and the text provided by the Senate amendment and that the Senate agree to the same.

The House bill related to the purchase of bonds to cover postmasters, officers, and employees of the Post Office Department and mail clerks in the armed services and in the United States Coast Guard. The Senate amendment related to the purchase of bonds to cover civilian officers and employees and military personnel of each department and independent establishment in the executive branch of the Federal Government, including the government of the District of Columbia, and officers and employees in the legislative and judicial branches of the Federal Government.

Except for technical and minor drafting changes, the differences between the texts of the House bill, the Senate amendment, and the conference substitute are explained below.

The House bill authorized the Postmaster General to purchase certain types of bonds to cover any or all postmasters, officers, and employees of the Post Office Department and mail clerks in the armed services and in the United States Coast Guard required by law or administrative determination to be bonded. Under the House bill, such purchase of bonds was authorized to be made, under regulations to be prescribed by the Postmaster General, whenever the Postmaster General determined that such purchase would be in the best interests of the Federal Government. The types of bonds so authorized to be purchased were such blanket, position schedule, or other type of surety bonds as the Postmaster General deemed appropriate to cover those individuals required to be bonded. Payment for such bonds was to be made from appropriations or other funds available to the Post Office Department.

The House bill further provided (1) that the premiums on any such bonds could cover periods of not to exceed 4 years, (2) that the bonds should contain such conditions and be in such penalty as the Postmaster General deemed necessary to protect the interests of the Federal Government, and (3) that nothing contained in the House bill should operate to relieve any postmaster, officer, employee, or mail clerk or his surety from any liability otherwise imposed by law.

The Senate amendment required the head of each department and independent establishment in the executive branch of the Federal Government and in the municipal government of the District of Columbia to obtain blanket, position schedule, or other type of surety bonds to cover civilian officers and employees and military personnel thereof who are required by law or administrative ruling to be bonded. The Senate amendment also authorized the appropriate officials of the legislative and judicial branches of the Federal Government in their discretion to obtain any or all of the above-mentioned types of surety bonds to cover officers and employees under their respective jurisdictions.

The Senate amendment further provided that each bond should be of the most economical type available for the number and type of personnel required to be bonded. The Senate amendment also provided that the bond premium might cover a period not exceeding 2 years and that such premium should be paid from any funds available for the payment of administrative expenses at the time such premium becomes payable.

A further provision of the Senate amendment was to the effect that if, in the opinion of the head of the department or independent establishment concerned, the premium cost for any bond procured under authority of the Senate amendment covering officers and employees in the executive branch of the Federal Government would exceed a rate of $250 per annum, the procurement of such bond would be required to be made through the Administrator of General Services when so required by him pursuant to section 302 of the Federal Property and Administrative Services Act of 1949 (41 U. S. C., sec. 252).

The Senate amendment was to become effective 60 days after the date of its enactment.

The conference substitute provides, in general, (1) for the mandatory purchase of surety bonds to cover civilian officers and employees and military personnel of each department and independent establishment in the executive branch of the Federal Government (not including the government of the District of Columbia) who are required to be bonded by law or by administrative decision, and (2) for the discretionary purchase of surety bonds to cover those officers and employees in the legislative and judicial branches of the Federal Government with respect to whom the appropriate officials of the legislative and judicial branches deem it advisable to require the purchase of surety bonds.

With respect to the executive branch, the conference substitute provides that the head of each department and independent establishment shall obtain and procure blanket, position schedule, or other types of surety bonds to cover those civilian officers and employees and military personnel of such department or establishment who are required by law or administrative ruling to be bonded. It is required that such bonds shall be obtained and procured under and in conformity with regulations which the Secretary of the Treasury is required to prescribe and issue under the provisions of the conference substitute.

With respect to the legislative and judicial branches, the conference substitute provides that the appropriate officials of those branches may obtain and procure, in their discretion, blanket, position schedule, or other types of surety bonds to cover those officers and employees under their respective jurisdictions as such officials may deem it necessary or advisable to cover by surety bonds. It may be noted that the above-mentioned regulations prescribed and issued by the Secretary of the Treasury will not be applicable with respect to the legislative and judicial branches of the Federal Government.

The conference substitute further provides that each surety bond obtained and procured, under the provisions of the conference substitute, to cover personnel in the executive, legislative, and judicial branches of the Federal Government, shall be "of the most economical type available for the number and type of personnel to be bonded." It is not the intent of this provision that a bond or bonds obtainable at the lowest premium rate per annum shall constitute in all cases a bond of the "most economical type." Such would seem to be the case as a general rule, all other factors and considerations being equal. However, in many cases, variations in such factors and considerations as differences in the relative financial standing and reliability of the surety, the terms of the respective surety bond contracts available, and the number and types of personnel to be bonded may require, in the interests of the Federal Government other than in the strictly financial sense, the purchase of such bonds at premium rates per annum which are higher than the lowest premium rates per annum actually obtainable. The above-discussed provision of the conference substitute will permit this result.

The conference substitute further provides that each bond obtained and procured, under the provisions of the conference substitute, shall be conditioned upon the "faithful performance of the duties" of the individual or individuals so bonded. The conference substitute elaborates upon the meaning of such quoted words, as an aid to the administration of the conference substitute, by providing that the term "faithful performance of the duties" shall include, for purposes of the conference substitute, (1) the proper accounting for all funds or property received by reason of the position or employment of the individual or individuals so bonded and (2) all duties and responsibilities imposed upon such individual or individuals by law or by regulation issued pursuant to law.

The conference substitute also authorizes the payment of any bond premium to cover a period of not in excess of 2 years. Existing law, however, limits any such payment to a period not in excess of 1 year. Therefore, the operation of this provision of the conference substitute, together with existing law, makes possible the payment of a bond premium to cover either a period not in excess of 1 year or a period not in excess of 2 years, whichever is determined to be the more advantageous to the Federal Government. No bond premium, however, may cover a period in excess of 2 years. The purposes of this provision of the conference substitute are to secure the advantage of more favorable premium rates on surety bonds and to effect savings to the Federal Government in administrative costs in connection with the procurement of such bonds.

With respect to the funds from which bond premiums are to be paid, the conference substitute provides that any such premium shall be paid from any funds available for the payment of administrative expenses at any time such premium becomes payable. This provision will afford necessary flexibility in entering into contracts for the

purchase of surety bonds, including (among other matters) the advertising in advance for proposals and the negotiation of terms which are most advantageous to the Federal Government. Under this provision of the conference substitute, the head of a department or independent establishment in the executive branch, or the appropriate official in the legislative or judicial branch, could enter into a contract for the purchase of a bond in advance of the date on which the bond premium is to be paid. This provision will not, however, permit the avoidance of those laws relating to the obligation and expenditure of appropriated funds or to the incurring of deficiencies, or any other laws and procedures relating to appropriations. For example, it will not permit postponement of the payment of any premium to a fiscal year which begins later than the fiscal year in which such premium is due.

The conference substitute also contains a provision the purpose of which is to clarify the liability of old and new sureties during any changeover periods which occur, with respect to surety bonds, under the provisions of the conference substitute. Such provision is to the effect that whenever any civilian officer or employee or military personnel is covered by a surety bond under authority of the conference substitute, the surety or sureties on any existing surety bond of any such civilian officer or employee or military personnel shall not be liable for any defaults occurring subsequent to the date of the coverage of such officer, employee, or personnel by a new surety bond.

Another provision of the conference substitute relates to advertising for bids or proposals for the furnishing of bonds to the Federal Government under the conference substitute. The effect of such provision is to require the head of the executive department or independent establishment concerned, when in his opinion the procurement of any bond under the conference substitute will result in a premium cost to the Federal Government in excess of $150 per annum, to advertise a reasonable time in advance of such procurement in order to obtain proposals for the furnishing of such bond. Advertising in advance to obtain proposals for the furnishing of such bond will not be required, however, in any case in which the public exigencies require the immediate procurement of such bond without such advertising.

In this connection, it should be noted that section 3609 of the Revised Statutes, as amended, contains, among other provisions, a requirement for advertising in advance for bids or proposals with respect to purchases and contracts for supplies or services for the Government if the amount involved in any case exceeds $500, except when the public exigencies require immediate procurement, when there is only one source of supply, or when the services to be procured are personal in nature.

A further provision of the conference substitute provides a means for the Congress to conduct a thorough review and analysis of the operations of the departments and independent establishments of the Federal Government under the conference substitute.

Under such provision the Secretary of the Treasury is required to furnish the Congress with comprehensive reports of such operations. The first such report is to be submitted to the Congress on or before June 30, 1956—that is, 6 months after the effective date of the conference substitute. Thereafter, the Secretary of the Treasury will be required to submit a report of such operations to the Congress by October 1 of each year, beginning with the year 1957. Each such report shall cover such operations during the preceding fiscal year. These reports will be referred to the Committee on Post Office and Civil Service of the Senate and the Committee on Post Office and Civil Service of the House of Representatives.

The reports of the Secretary of the Treasury under the conference substitute shall include information, in summary and in detail, with respect to (1) the number of officers and employees in the executive branch covered by bonds procured under the conference substitute, (2) the number and types of such bonds and the penal sums thereof, and (3) the amounts of the premiums paid for such bonds. The reports also shall include such other information as may be necessary to enable the Committee on Post Office and Civil Service of the Senate and the Committee on Post Office and Civil Service of the House of Representatives more effectively to perform the review function, with respect to this legislation, which is contemplated by section 136 of the Legislative Reorganization Act of 1946.

It is the intention of the committee of conference that, under the provisions of the conference substitute, the Secretary of the Treasury shall have full authority to require (in such cases as he deems necessary and appropriate to effect the orderly and efficient administration of the provisions of the conference substitute and to accomplish the purposes thereof) that the bonds (including representative types of bonds) obtained by the head of each department and independent establishment in the executive branch of the Federal Government shall be filed in the Department of the Treasury. It is not intended that all such bonds necessarily be required to be filed in the Department of the Treasury. It is intended, however, that there shall be filed in such department such bonds, or representative types of bonds, as the Secretary of the Treasury may deem necessary and appropriate to enable the Department of the Treasury to discharge its regular operating functions under the conference substitute and to determine whether bonds are being obtained and procured under the conference substitute in accordance with the regulations which the Secretary of the Treasury shall issue thereunder.

The committee calls attention to the fact that the conference substitute supersedes section 7803 (c) of the Internal Revenue Code of 1954, which provides that—

"Whenever the Secretary or his delegate deems it proper, he may require any such officer or employee to furnish such bond, or he may purchase such blanket or schedule bonds, as the Secretary or his delegate deems appropriate. The premium of any such bond or bonds may, in the discretion of the Secretary or his delegate, be paid from the appropriation for expenses of the Internal Revenue Service."

Consultations were held with representatives of the Department of the Treasury, who agreed that such section 7803 (c) is superseded by reason of the enactment of the conference substitute. However, under the conference substitute, any blanket or schedule bond obtained by the Secretary of the Treasury or his delegate pursuant to such section 7803 (c), the term of which will expire after the date of enactment of the conference substitute, may, in accordance with such regulations as the Secretary of the Treasury may promulgate for the purpose, be continued in force until the expiration of such term.

The conference substitute for the most part is composed of amendments to title 6 of the United States Code, relating to official and penal bonds. The conference substitute amends the last sentence of section 6 of such title which now provides that—

"No officer or person having the approval of any bond shall exact that it shall be furnished by a guaranty company or by any particular guaranty company."

Since such sentence is inconsistent with the purpose of the conference substitute, the effect of such amendment is to make such sentence inapplicable with respect to the conference substitute in order to give full effect to the new system for the procurement of bonds provided by the conference substitute.

In addition to making several technical amendments to title 6 of the United States Code to conform to the provisions of the conference substitute, the conference substitute further provides that its effective date shall be January 1, 1956.

With respect to the amendment of the Senate to the title of the House bill, the committee of conference recommends that the House recede from its disagreement to the amendment of the Senate to the title of the bill and agree to the same with an amendment to such title set forth in the conference substitute which will reflect more accurately the provisions of the text of the conference substitute and that the Senate agree to the same.

TOM MURRAY,
J. H. MORRISON,
EDWARD H. REES,
Managers on the Part of the House.

The conference report was agreed to.

A motion to reconsider was laid on the table.

HOUR OF MEETING ON MONDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet on Monday at 10 o'clock a. m.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

NATHANIEL ROSS MOORE

Mr. LANE. Mr. Speaker, I ask unanimous consent that the bill (H. R. 2043) for the relief of Nathaniel Ross Moore which was on the Private Calendar No. 791, today, be recommitted to the Committee on the Judiciary for the reason that general legislation has already been passed and signed.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

FRANCES IRENE SMART

Mr. LANE. Mr. Speaker, I ask unanimous consent for the immediate consideration of a private bill which was passed over this morning for the reason that the report was not available, the bill (H. R. 1513), Private Calendar No. 777, for the relief of Frances Irene Smart.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. MARTIN. Mr. Speaker, reserving the right to object, has the gentleman cleared this bill with the Private Calendar Committee of Objectors.

Mr. LANE. I understand that they had no objection to it except that the report was not available.

Mr. MARTIN. I believe the gentleman had better confer with them, however.

Mr. AVERY. Mr. Speaker, further reserving the right to object, I might also tell our distinguished minority leader

that the Objectors' Committee has not even seen the report.

Mr. LANE. Mr. Speaker, I withdraw the request.

AMENDING VETERANS' READJUSTMENT ASSISTANCE ACT OF 1952

Mr. TEAGUE of Texas. Mr. Speaker, I move to suspend the rules and pass the bill (S. 2081) to amend the Veterans' Readjustment Assistance Act of 1952 to provide that education and training allowances paid to veterans pursuing institutional on-farm training shall not be reduced for 12 months after they have begun their training.

The Clerk read as follows:

Be it enacted, etc., That the first sentence of subsection (d) of section 232 of the Veterans' Readjustment Assistance Act of 1952 (38 U. S. C., sec. 942) is hereby amended to read as follows: "The education and training allowance of an eligible veteran pursuing institutional on-farm training shall be computed at the rate of (1) $95 per month, if he has no dependent, or (2) $110 per month, if he has 1 dependent, or (3) $130 per month, if he has more than 1 dependent; except that his education and training allowance shall be reduced at the end of the third, and each subsequent, 4-month period as his program progresses by an amount which bears the same ratio to $65 per month, if the veteran has no dependent, or $80 per month, if he has 1 dependent, or $100 per month, if he has more than 1 dependent, as 4 months bears to the total duration of such veteran's institutional on-farm training reduced by 8 months."

SEC. 2. The amendment made by this act shall take effect as of the first day of the second calendar month which begins after the date of its enactment, but for the purposes of computing education and training allowances to be paid after such first day, such amendment shall be deemed to have been in effect since July 16, 1952.

The SPEAKER. Is a second demanded?

Mrs. ROGERS of Massachusetts. Mr. Speaker, I demand a second.

A second was considered as ordered.

Mr. TEAGUE of Texas. Mr. Speaker, this bill should only take a few minutes. Under the present law, a veteran training under the farm program under Public Law 550 has his allowance from the Federal Government reduced every 4 months. It is the opinion of the people dealing with this legislation that that is very unrealistic, and that a veteran under the farm program should not have this money reduced at least until the end of a crop cycle or an animal cycle.

This bill is identical to the bill H. R. 4006, which was reported unanimously from the Committee on Veterans' Affairs on June 22 and on which a rule has been granted by the Rules Committee. Mr. Speaker, Mrs. ELIZABETH KEE, of West Virginia, introduced H. R. 4006 and she is chairman of the Committee on Education and Training. I wish to compliment Mrs. KEE, Congressman ED EDMONDSON, of Oklahoma, Congressman B. F. SISK, of California, Congressman WILLIAM AYRES, of Ohio, and Congressman Ross ADAIR, of Indiana, for their work in behalf of this bill. Every veteran group supported the bill, the Veterans' Administration supported the bill, and we have had many, many requests from all over the United States for the enactment of this bill.

Under the existing law—Public Law 550, 82d Congress—a veteran of the Korean conflict taking on-farm training has his training allowance reduced at the end of each 4-month period.

Administration of this act shows that the veteran taking this type of training should be allowed at least one animal- or crop-production cycle before the reduction formula begins to operate.

Hearings were held on this proposal before the Subcommittee on Education and Training and, as I have indicated, the bill was reported unanimously by our committee, as well as the Senate committee.

The cost to the Government for enactment of this bill would be $324 per trainee for a 36-month course. The overall cost for the next 5 years is as follows:

Fiscal year:	*H. R. 4006 (suspend—12 months—farm)*
1956	$3, 500, 000
1957	4, 000, 000
1958	4, 000, 000
1959	3, 500, 000
1960	3, 000, 000

The effect on the individual veteran as a result of the enactment of this proposal would be as indicated in the table below:

Months in training	Public Law 550, 82d Cong.	H. R. 4006, 84th Cong.
1 to 4	$130	$130
5 to 8	118	130
9 to 12	107	130
13 to 16	96	115
17 to 20	85	101
21 to 24	74	87
25 to 28	63	72
29 to 32	52	58
33 to 36	41	44

There are 34,196 veterans enrolled in the program.

It should be noted that the Veterans' Administration is in favor of the bill as reported by the committee.

All this bill does is to provide for a 12-month delay in reducing the veterans' allowance.

Mrs. KEE. Mr. Speaker, after careful consideration the Veterans' Affairs Committee unanimously reported H. R. 4006, a bill to amend the Veterans' Readjustment Assistance Act of 1952. This bill provides that education and training allowances paid to veterans pursuing institutional on-farm training shall not be reduced for 12 months after they have begun their training.

The purpose of this proposed legislation is to modify the so-called automatic reduction formula applicable to on-job and on-farm trainees enrolled under the Veterans' Readjustment Assistance Act of 1952, as amended.

The automatic reduction formulae establishes the rates of education and training allowances for apprenticeship and other training on the job and for institutional on-farm training, and provides for such allowances to be reduced at the end of each 4-month period as the veteran's training progresses.

However, it has been clearly shown that this formula as applicable to on-farm training does not take into account the realities of farming operations because on-farm trainees cannot ordinarily anticipate income from their farms until the end of a crop or marketing cycle which is usually near the end of their first year of training.

This bill retains the principle of the automatic reduction formula intact, but would merely modify the formula applicable to on-farm training so as to suspend all reductions during the initial 12 months' training. This is reasonable and stimulates the veteran to progressive self-improvement during the period of training to the end that he will become sufficiently self-sustaining by the completion of his training program so as to continue with his farming operation.

In this connection, Mr. Speaker, I wish to especially thank the members of the Veterans' Affairs Committee's Subcommittee on Education and Training for the diligent manner in which they reviewed and studied this question. I wholeheartedly join with them in urging the House of Representatives to pass this bill today.

Mr. SISK. Mr. Speaker, I want to strongly urge the Members to pass this bill so that we may have a practical, workable on-farm training program for veterans who want to go into farming as a life career and so that they may have benefits comparable to those already enjoyed by other veterans who choose education for other pursuits.

I introduced a bill which is identical with that now before you, as did other Members. They were carefully considered in the Committee on Veterans Affairs and were favorably reported out with the endorsement of veteran organizations, the Veterans' Administration and many State directors of vocational training.

The fact of the matter is that many veterans now cannot go into this program because the schedule of subsistence allowances is unrealistic and will not provide for their needs until they are able to harvest their crops and obtain income from them.

This bill would postpone quarterly reductions in allowances for a period of 12 months to permit the veteran trainee to harvest a crop and get his money. The present law requires reductions in allowances 4 months after the start of the training program, with further cuts at 4-month intervals thereafter.

I am sure many of my colleagues who have farming backgrounds, as I have, know that the present law is out of kilter and does not fit into the crop and harvest cycle these farm trainees are dependent upon for a livelihood and for the care of their families.

This legislation will benefit many thousands of veterans now practically barred from training as well as those already enrolled. It will accomplish this at a very modest increase in cost. It is good legislation and I feel sure you will approve it and merit the thanks of the coming farming generation.

Mrs. ROGERS of Massachusetts. Mr. Speaker, this bill was unanimously reported out of the committee. We felt

that there never should have been a reduction after the first month.

I think no Member of the House will object to the bill, as it is a very just one.

The SPEAKER. The question is on the motion of the gentleman from Texas that the rules be suspended and the bill be passed.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

By unanimous consent, a similar House bill (H. R. 4006) and House Resolution 313 were laid on the table.

GENERAL LEAVE TO EXTEND

Mr. TEAGUE of Texas. Mr. Speaker, I ask unanimous consent that all Members may have 3 legislative days in which to extend their remarks on this bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

AMENDING THE CLASSIFICATION ACT OF 1949

Mr. MURRAY of Tennessee. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 3255) to amend the Classification Act of 1949, as amended.

The Clerk read the bill, as follows:

Be it enacted, etc., That title V of the Classification Act of 1949, as amended, is amended by adding at the end thereof the following new section:

"SEC. 507. (a) Each officer or employee subject to this act—

"(1) who holds, on or after the date of enactment of this section, under a career-conditional or career appointment in the competitive civil service, a position (A) which is in any grade of a basic compensation schedule of this act (other than grade 16, 17, or 18 of the General Schedule) and (B) which is placed, on or after such date of enactment, while such officer or employee holds such position, in a lower grade of such schedule under any reclassification of such position pursuant to this act;

"(2) who has held such position for a continuous period of not less than 2 years ending immediately prior to the date of such reclassification; and

"(3) whose performance of the work of such position at all times during such period is satisfactory or better than satisfactory;

shall continue to receive basic compensation at the rate to which he was entitled immediately prior to such reclassification of his position (including any increases in such rate of basic compensation provided by law at any time while such officer or employee is in such position) until (i) he leaves such position or (ii) he is entitled to receive basic compensation at a higher rate by reason of the operation of this act; but, whenever such position becomes vacant, the rate of basic compensation of any individual subsequently appointed to such position shall be fixed in accordance with this act.

"(b) Each officer or employee subject to this act—

"(1) who, during the period beginning on July 1, 1954, and ending immediately prior to the date of enactment of this section continuously held a position (A) which was in any grade of a basic compensation schedule of this act (other than grade 16, 17, or 18 of the General Schedule) and (B) which was placed, at any time during such period, in a lower grade of such schedule under one or more reclassifications of such position pursuant to this act;

"(2) who holds such position on the date of enactment of this section;

"(3) who has held such position for a continuous period of not less than 2 years ending immediately prior to the date of enactment of this section; and

"(4) whose performance of the work of such position at all times during such period of 2 years specified in paragraph (3) of this subsection and also on the date of enactment of this section was satisfactory or better than satisfactory,

shall be granted, effective as of the first day of the first pay period which begins after the date of enactment of this section (if he continues to hold such position on such first day of such first pay period), the rate of basic compensation to which he was entitled immediately prior to such reclassification of his position (or, in the case of more than one reclassification of such position, the date of the first of any such reclassifications), including any increases in such rate of basic compensation provided by law at any time while such officer or employee is in such position, until (i) he leaves such position or (ii) he is entitled to receive basic compensation at a higher rate by reason of the operation of this act; but, whenever such position becomes vacant, the rate of basic compensation of any individual subsequently appointed to such position shall be fixed in accordance with this act. No officer or employee shall be entitled by reason of this subsection to basic compensation for any period prior to the first day of the first pay period which begins after the date of enactment of this section."

The SPEAKER. Is a second demanded?

Mr. GROSS. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. MURRAY of Tennessee. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. LESINSKI].

Mr. LESINSKI. Mr. Speaker, this legislation provides generally that any classified employee who has performed 2 years or more of satisfactory service in his position will continue to receive his same salary if his position is placed in a lower grade under the reclassification provisions of that act.

This legislation will apply to classified employees on the rolls on date of enactment whose positions were downgraded between July 1, 1954, and date of enactment, as well as to any classified employee whose position is downgraded later, provided the other tests are met.

This "salary savings" protection will extend to the employee until he leaves the position or becomes entitled to a higher salary by operation of law. When he vacates the position, any subsequent appointee will receive the salary of the position in the lower grade to which the position has been reclassified.

There will be no retroactive payment of compensation under this legislation. Nor will an employee whose salary is protected when his position is reduced to a lower grade receive any step increases in the grade from which the position was reduced.

According to the Civil Service Commission, approximately 11,000 positions have been reduced in grade under the Classification Act, but a proportion of the incumbents suffered no loss in salary due to, first, being eligible for the same or slightly higher rates in the lower grades; or, second, transfers to other positions at their old grade. However, witnesses testified before our committee that several thousand employees have suffered salary losses ranging from $100 to $500—and in some instances more—a year. The Civil Service Commission has issued regulations designed to partially remedy this situation. In the judgment of the committee these regulations are inadequate; they provide only partial and temporary relief.

This legislation is essential to correct existing inequities and to prevent further inequities in the future. Our committee unanimously approved this bill, and I earnestly hope that, in justice to our Federal employees who through no fault of their own have suffered substantial salary losses, it will be approved by this House.

Mr. BECKER. Mr. Speaker, I desire wholeheartedly to join with my colleague in support of H. R. 3255. This is the same bill that I introduced in the 83d Congress and again this year. This bill will correct one of the greatest injustices to Federal employees. It will not only correct the injustices, but it will also prevent a great deal of distress amongst the lower grade of classified employees. It is true that the Civil Service Commission audits the job classifications, however, a much shorter period of time should be required. There is no reason why a person classified and put to work, and remaining in that position for a period of 2 years, should not be able to feel secure. American citizens in every walk of life have a right to anticipate that, when properly performing the functions assigned to them faithfully and well, they can look forward to the upward steps to higher grades.

I am certain that the Members of Congress, after this bill passes, can go home feeling somewhat happier by this action. This action is long past due, but at least this action prevents further injustice.

I am happy to have participated in the passage of this bill.

Mrs. KELLY of New York. Mr. Speaker, I, too, support H. R. 3255 which will correct a serious injustice to our loyal civil servants. So many of my constituents were the victims of downgrading in their civil-service positions that I was prompted to introduce similar legislation early this year. My bill, H. R. 5887, is very similar to the one introduced by the gentleman from Michigan [Mr. LESINSKI] which the House considered favorably last week. The only difference is that my measure included those persons who had held their jobs for 1 year while H. R. 3255 pertains to those employees with not less than 2 years of service.

I commend my colleague from Michigan for the excellent presentation of this legislation. Every employee, whether in the Government or in private industry, can do a much better job when he has a feeling of security in his position. On the other hand, an employer—in this case the Federal Government—has an obligation to its employees.

I have been impressed with the number of letters I have received from my constituents on this subject. In many cases, they have held a certain grade for 4 or 5 years, or even longer. A classification survey occurs and a decision is reached that their duties no longer warrant the grade they are holding. Or, after several years in a position of a certain grade, the employee is informed that the agency had improperly placed his position in a higher grade. Assuming this contention is accurate, it is difficult to understand how the failure of the agency to properly classify the position should be borne by the employee. If the agency has failed to apply the classification standards developed in the Classification Act of 1949, as amended, the employee should not be made to suffer a monetary loss.

Very recently, Congress approved a much needed salary increase for Federal classified workers. In those instances where jobs have been downgraded in the past several months, the effect of the salary increase has been nullified in whole or in part by the loss of pay resulting from the reduction in grade. I am most gratified that the House has passed H. R. 3255 to correct this situation this year.

The SPEAKER. The Chair understands the gentleman from Iowa does not desire to use time on this bill.

Mr. GROSS. That is right.

The SPEAKER. The question is on the motion of the gentleman from Tennessee that the rules be suspended and the bill be passed.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The title of the bill was amended so as to read: "A bill to amend the Classification Act of 1949 to preserve in certain cases the rates of basic compensation of officers and employees whose positions are placed in lower grades by virtue of reclassification actions under such act, and for other purposes."

SETTLEMENT OF TEXAS CITY, TEX., DISASTER CLAIMS

Mr. LANE. Mr. Speaker, I move to suspend the rules and pass the bill (S. 1077) to provide for settlement of claims for damages resulting from the disaster which occurred at Texas City, Tex., on April 16 and 17, 1947, as amended.

The Clerk read the bill, as follows:

Be it enacted, etc., That while denying any equitable or legal responsibility on the part of the United States, but for compassionate reasons, and as a gratuity, it is the intention of the Congress to make payment on behalf of those persons who suffered death, personal injury, and property losses as a result of the explosions and fires at Texas City, Tex., on April 16 and 17, 1947.

SEC. 2. The Secretary of the Army or such persons as he may designate shall investigate and settle claims against the United States for death, personal injury, and property losses proximately resulting from the disaster at Texas City, Tex., on April 16 and 17, 1947, commonly referred to as the Texas City disaster.

SEC. 3. (a) Claimants shall submit their claims in writing to the Secretary of the Army, under such rules as he prescribes, within 180 days after the enactment of this act.

No claim shall be entertained by the Secretary of the Army unless it shall appear to his satisfaction that such claim was a part of a civil action filed against the United States in a United States district court prior to April 25, 1950, except that, for good cause, the Secretary may waive the limitation date of April 25, 1950, where it is shown that claimant, by reason of infancy, insanity, or other legal reason, was unable to bring such civil action.

(b) The Secretary of the Army shall promulgate and publish rules of procedure for handling the claims referred to in section 2 within 60 days after the date of enactment of this act.

He shall determine and fix the amount of awards, if any, in each claim within 12 months from the date on which the claim was submitted.

SEC. 4. Since it is the intention and purpose of this act, and of the Congress, to relieve the claimants hereunder, the Secretary of the Army shall limit himself to the determination of—

(1) whether the losses sustained resulted from the explosions and fires at Texas City on April 16 and 17, 1947;

(2) the amounts to be allowed and paid pursuant to this act; and

(3) the persons entitled to receive the same.

SEC. 5. (a) Claims for awards based on death shall be submitted only by duly authorized legal representatives. No claim under this subsection shall be approved by the Secretary of the Army in amounts in excess of $20,000.

(b) No claim for personal injuries may be approved by the Secretary of the Army in amounts in excess of $20,000.

(c) No claim for property losses may be approved by the Secretary of the Army in amounts in excess of $20,000.

SEC. 6. (a) In determining the amounts to be awarded for death, personal injury, or property losses, the Secretary of the Army shall reduce any such amount by an amount equal to the total of insurance benefits (except life insurance benefits), or other payments or settlements of any nature, previously paid with respect to such death claims, personal injury, or property loss.

(b) Payments approved by the Secretary of the Army on death, personal injury, and property loss claims, the same being gratuitous, shall not be subject to insurance subrogation claims in any respect.

(c) The Secretary of the Army shall not include in an award any amount for reimbursement to any insurance company or compensation insurance fund for loss payments made by such company or fund.

(d) No claim cognizable under this act shall be assigned or transferred.

SEC. 7. The Secretary of the Treasury shall pay out of moneys in the Treasury not otherwise appropriated, the claims referred to in this act in the amounts approved for payment by the Secretary of the Army.

SEC. 8. A payment made under the provisions of section 7 shall be in full settlement and discharge of all claims against the Government of the United States.

SEC. 9. The Secretary of the Army shall require assignment to the United States of any right of action against a third party arising from the death, personal injury, or property-loss claim with respect to which settlement is made.

SEC. 10. The Secretary of the Army shall, 24 months after the date of enactment of this act, transmit to the Congress—

(a) a statement of each claim submitted to the Secretary of the Army in accordance with this act which has not been settled by him, with supporting papers and a report of his findings of facts and recommendations; and

(b) a report of each claim settled by him and paid pursuant to this act. The reports shall contain a brief statement concerning the character and justice of each claim, the amount claimed, and the amount approved and paid.

SEC. 11. Attorney and agent fees shall be paid out of the awards hereunder. No attorney or agent on account of services rendered in connection with each claim shall receive in excess of 10 percent of the amount paid, any contract to the contrary notwithstanding.

Whoever violates the provisions of this act shall be fined a sum not to exceed $5,000.

SEC. 12. If any particular provision of this act or the application thereof to any person or circumstance is held invalid, the remainder of the act shall not be affected thereby.

The SPEAKER. Is a second demanded?

Mr. MILLER of New York. Mr. Speaker, I demand a second.

Mr. LANE. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the purpose of this bill, S. 1077, as amended by the committee, is to compensate to a limited extent those persons, or their survivors, who suffered death, personal injury and property losses as a result of the explosions and fires at Texas City, Tex., on April 16 and 17, 1947, commonly known as the Texas City disaster.

In 1947 a man-made disaster occurred in Texas City, Texas, of almost unbelievable proportions. Loaded bags of ammonium nitrate fertilizer—called FGAN—stowed for overseas shipment in the holds of two ships at the docks in that city blew up. The shipment was destined for France, as part of the United States Government's foreign aid program to help the war-ravaged areas and famine-stricken peoples overseas. Over 570 persons suffered violent death in that disaster, and about 3,500 more were injured and suffered either delayed death or mental and physical anguish attendant upon months of hospital confinement and medical care. In addition, approximately 1,000 residences, industrial plants and other buildings were either totally destroyed, or suffered major structural damage. Damage to these private properties ran into millions of dollars.

After the disaster court actions were instituted in the Federal courts in Texas under the Tort Claims Act by some 8,000 claimants.

After a trial of the issues, the lower Federal district court found the Government wholly responsible for this disaster in that the Federal Government negligently produced, shipped, and distributed this inherently dangerous fertilizer which blew up at Texas City. On appeal, however, both the circuit court of appeals and the Supreme Court reversed the decision of the lower district court on the grounds that the Government was performing a discretionary function and that therefore it

could not be sued under the Tort Claims Act.

In the 83d Congress our colleague, Congressman CLARK THOMPSON, who represents that particular area of Texas, introduced House Resolution 296, which was adopted by the House and which directed the Judiciary Committee to make a complete investigation and study of the disaster at Texas City.

Accordingly, a special committee was appointed, of which I was a member, and it proceeded to Galveston and Texas City, where 3 days of hearings were held. The members of the special committee not only heard some of the claimants and their lawyers, but we examined the devastation caused by the explosions, which virtually leveled the city of Texas City, Tex. In addition, we met and talked with the people who suffered serious injury, some of whom suffered the loss of an arm or a leg. The committee could not help but be deeply impressed by the stories of hardship and sorrow which these people suffered, and it is most important to note, and I therefore wish to deeply impress upon the minds of the Members of this Congress, that these people were innocent victims of the disaster. Regardless of who may or may not have been responsible for this catastrophe, the cold, hard fact is that these people, who by act of fate were in this area at the time of the explosion, not only were unaware that such fertilizer was being shipped through their city, but because of the suddenness and force of the explosions, could not escape from them.

As a result of the special subcommittee's study, H. R. 9785 was introduced in the 83d Congress, and passed by the House. Briefly, that bill conferred jurisdiction on the Army to investigate these claims and put a monetary limit of $10,000 on death claims, and a 50-percent limitation on subrogation claims. The Senate amended the bill, however, raising the limit on death claims to $20,000 and eliminating insurance subrogation claims. However, because of the lateness of the hour, no conferees were appointed to iron out the differences between the Senate and House versions of that bill, and it died in the 83d Congress.

The same legislation was introduced in both Houses this Congress, and since the Senate passed its bill first, the House Committee laid its own bill aside and directed its attention to S. 1077, which is presently before us. This committee had amended the bill by, in effect, substituting a clean bill. The important provisions of the committee amendments are four:

First. It denies any equitable or legal responsibility on the part of the United States Government. In providing compensation for these people, the committee amendment bases such relief on the theory that such payments are to be made in the nature of disaster relief benefits.

Second. It confers jurisdiction on the Army to settle the claims.

Third. It puts a maximum limitation of $20,000 on all claims for death, personal injury and property damage, and

Fourth. It expressly provides that no subrogated insurance claims may be recognized, under this bill.

Since the committee amendment eliminates subrogated insurance claims, and puts a limitation of $20,000 on all other claims, it is felt that the total amount which the Government is likely to pay will be substantially less than that claimed in the Federal court cases.

It may be well to mention also that the Department of Justice would not be opposed to legislation to provide relief along the lines contained in the committee amendment.

In conclusion, Mr. Speaker, I wish to say that only recently the United States Government provided $1 million for the families of Japanese fishermen who were injured by the result of the setting off of atomic explosions by the United States Government in the Pacific ocean. The setting off of an atomic bomb is, of course, a discretionary function, and the United States Government is not legally liable for any damages which may result therefrom. The Supreme Court has held that the fertilizer which was being shipped to France as part of this Government's foreign aid was also a discretionary function. The only difference then between the atomic explosion and the Texas City explosion is that there Japanese fishermen were injured, whereas at Texas City American citizens were injured and killed. It is hard for the people in Texas to understand why the Japanese fishermen's families should be compensated for their injuries and not the people of Texas City.

I hope the House acts favorably upon this legislation, and provides some relief for these people. They were innocent victims. They did not contribute to or cause the disaster in any way; in fact, they were unaware of the fertilizer's presence in Texas City and when it exploded with such force and devastation, they were unable to escape from it.

We can never give them back their lives or their limbs which they have lost. The least this Congress can do is to provide some measure of assistance to help them in their losses.

Mr. MILLER of New York. Mr. Speaker, I yield 5 minutes to the gentleman from Maryland [Mr. HYDE].

Mr. HYDE. Mr. Speaker, this bill has more merit to it than any claim bill which has come before the Committee on the Judiciary since I have been a member of that committee. Justice, equity, and compassion, it seems to me, compel this Congress to adopt this bill. If there is anything wrong with the bill, I would say it is the restrictions that the committee placed upon it; that is, restrictions on the amount of individual recovery. For my own part, I think it is rather unconscionable to put a limit on the personal injury damages such as has been placed in this bill, but, of course, I am obliged to bow to the will of the majority of the committee in that respect.

Mr. WILLIS. Mr. Speaker, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from Louisiana.

Mr. WILLIS. Is there any doubt whatsoever in the gentleman's mind on the proposition that if this explosion had occurred and the operator had been a private corporation, the private corporation would have been liable?

Mr. HYDE. There is absolutely no doubt in my mind in that respect. As a matter of fact, I put the same question to the attorneys for the Government who appeared before our committee and testified on this bill, some of whom testified at one point in opposition to it, and they did not express any doubt in their minds, either, in that respect.

Mr. WILLIS. I might say that I am a member of the Committee on the Judiciary, too, and that is my opinion. But I think that is very significant and should be considered by the House, that had the plant been in the operation of an individual corporation, there would be no question as to where the responsibility would lie for the accident.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. HYDE. I yield to the chairman of our committee.

Mr. CELLER. Is it not true also that the Committee on the Judiciary as a matter of grace rather than as a matter of law has allowed these claims; and furthermore, the charge that is made that the insurance companies would profit is unfounded; that is, the insurance companies will not profit by this bill?

Mr. HYDE. That is absolutely right. The insurance companies will not profit. I think one of the misunderstandings about claims bills before this Congress is the matter of legal liability. If there is any legal liability then claims bills would not come to Congress. They would be adjudicated in court.

Mr. BRAY. Mr. Speaker, will the gentleman yield?

Mr. HYDE. I yield to the gentleman.

Mr. BRAY. The injured party has already exhausted his remedy at law, has he not?

Mr. HYDE. That is true.

Mr. BRAY. And this is not in the nature of any legal claim against the United States. It is a matter of relief according to who was responsible for the accident?

Mr. HYDE. Yes, that is right. I might say, however, that there probably would be some dispute here as to the matter of blame, but it is not a question of blame, and I shall try to explain that if I get sufficient time.

Mr. HAND. Mr. Speaker, will the gentleman yield?

Mr. HYDE. I yield.

Mr. HAND. Is this claim based on any negligence on the part of the Government of the United States?

Mr. HYDE. No.

Mr. HAND. It is a matter of grace?

Mr. HYDE. This is a matter of justice.

Mr. HAND. Has the committee considered a similar situation in South Amboy, N. J.?

Mr. HYDE. Not to my knowledge.

Mr. HAND. I thank the gentleman. We will see that you do.

Mr. HYDE. We will be glad to consider it.

I might say, on the question of negligence, that issue is not before the Con-

gress. However, the fact remains that the courts have said that here was a product being shipped under a Government program, and it was a highly dangerous product, which cannot be denied, because the product exploded and killed over 560 people and injured over 3,000. As a matter of fact, the Supreme Court in that connection said this:

> Following the disaster, of course, no one could fail to be impressed with the blunt fact that FGAN would explode.

In a dissenting opinion, the Court, on a matter of fact—this is not a question of opinion, now, but a matter of fact—said:

> In addition, there was a considerable history over a period of years of unexplained fires and explosions involving such ammonium nitrate.

So you have a dangerous product, dangerously explosive, being shipped under a Government program and exploding in this little city of Texas City. It did all of this damage. To my mind it cannot be distinguished in any manner whatsoever from the Port Chicago disaster where an ammunition ship exploded and this Congress voted to pay claims in that case.

The SPEAKER. The time of the gentleman has expired.

Mr. LANE. Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. BROOKS].

Mr. BROOKS of Texas. Mr. Speaker, I am strongly in favor of the Forrester Texas City relief bill, S. 1077, as amended by the House Judiciary Committee, which grants $20,000 maximum compensation each for death, personal injuries, and property losses, and I respectfully urge its passage at this time.

In April 1947, two explosions originating in ships docked and loaded at Texas City, Tex., rocked the entire community and surrounding area. Five hundred and seventy persons were killed and an estimated 3,500 persons were injured. The entire volunteer fire department of more than 40 members was completely wiped out as the second ship exploded while the volunteers were fighting the first blaze. And, of course, along with the tragic loss of life and injury to the citizens of Texas City, was the tremendous loss of homes and property.

Under the United States Constitution setting up our courts, this matter was tried and neither the first circuit court of appeals nor the Supreme Court of the United States has held that any of the victims of the Texas City explosions has any legally established claim for compensation from the United States Government.

FORRESTER BILL COVERS 99 PERCENT OF CLAIMS

Despite this—while denying any equitable or legal responsibility on the part of the United States Government—for compassionate reasons, to alleviate hardship, and in a genuine effort to help the unfortunate victims of these tragic explosions, I wholeheartedly endorse and support the House Judiciary substitute for S. 1077, drafted by Hon. E. L. FORRESTER, of Georgia. The Forrester substitute provides for a maximum award of $20,000 each for death claims, for personal-injury claims, and for property damage.

Since the Forrester substitute was adopted by the House committee, a former colleague of mine in the Texas Legislature who represents, as an attorney, a great many of the Texas City claimants, called to talk with me. This Texas City attorney told me that the Forrester substitute would cover 99 percent of the individual Texas City claimants. This bill, as amended, is an honorable bill we can all support and which would bring long-overdue compensation for the hundreds of Texas City citizens killed and maimed and whose property was damaged in the tragic 1947 explosions.

The Forrester substitute does not, first, recognize or assume the equitable and compassionate responsibility of the United States Government for the damages sustained by reason of these explosions and fires. Insurance companies have paid out $41.2 million in claims awarded to policyholders who suffered losses at Texas City. Mr. Bryan, attorney for proponents of S. 1077, in August 1954 before a Senate Judiciary subcommittee said: "Once you waive immunity, subrogation can result."

Assuming responsibility on the part of the Government would invite these insurance companies to shift the cost of these claims to the American taxpayer, while policyholders have since 1947 already paid premiums on adjusted rates to compensate for these losses. If Uncle Sam has to cover the losses, why does not Uncle Sam collect the premiums?

The Forrester substitute does not, second, allow unlimited claims on losses at Texas City and enable large corporations which were operating in the area in 1947 to collect up to $72.8 million from the Treasury. Testimony before special House and Senate subcommittees has revealed that 6 corporations have claims on file totaling $72.8 million to compensate for their losses. Further testimony maintains that this total might be scaled down to about $43 million. That is still a pretty healthy windfall at our expense when the highest Federal courts have not held that there is any legal liability on the part of the Federal Government for this disaster.

As you gentlemen well know, time is of primary consideration in this instance, both because the first session of the 84th Congress is drawing to a close, and because the victims of the Texas City disaster are long overdue this consideration by their Government. However, in view of the approximately $38,800,000 maximum payable under this bill as amended, and the desirability for the multimillion dollar revision by this House amendment to the Senate bill, I would respectfully ask favorable consideration of this bill as amended by the House Judiciary Committee granting desperately needed compensation directly to the people who suffered injury, loss of property and for deaths in the catastrophe of April 16 and 17, 1947.

Mr. SCHWENGEL. Mr. Speaker, will the gentleman yield?

Mr. BROOKS of Texas. I yield to the gentleman from Iowa.

Mr. SCHWENGEL. I note what was said by the gentleman, and also what was said in the report, that you put a limitation on a death of $20,000. I can understand going over the normal amount paid under compensation laws in the States for injuries, to people who are still living. My question is, How is it that you allow $20,000 for a death claim here when we allow only $10,000 in the case of a soldier boy who is shot?

Mr. BROOKS of Texas. That is not exactly the same proposition. Some of the people involved here, quite frankly, were engineers, men whose life expectancy might have been 30 more years, who might have had an earning capacity of $7,000 or $8,000 or possibly $10,000 a year. The $20,000 death claim would not be unusual under the civilian laws applicable in not only Texas but many States.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. BROOKS of Texas. I yield to the gentleman from New York.

Mr. CELLER. This does not mean $20,000 to the family or estate of each victim, it is a maximum that may be reduced by those who are going to parcel out the damages.

Mr. BROOKS of Texas. That is exactly right.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. BROOKS of Texas. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Where there is pain and suffering the amount could be unlimited in any State court.

Mr. BROOKS of Texas. I think that is true.

Mr. CELLER. Is it not true that this House passed a similar bill in the last Congress?

Mr. BROOKS of Texas. Yes; we passed a similar bill in the last Congress. I hope we get this one passed in this Congress without further difficulty.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. BROOKS of Texas. I yield to the gentleman from Iowa.

Mr. GROSS. What is the overall cost of the bill, can the gentleman say?

Mr. BROOKS of Texas. The overall cost of the bill varies. The estimates run from $38 million for this particular bill on up. It is difficult to say how high you could go under the original bill as submitted, but under the Forrester bill I think $38 million would be a conservative estimate of what the cost might be.

Mr. MILLER of New York. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I think I have voted against every handout bill that has been before me since I have been in the Congress, yet I wholeheartedly endorse and support this bill and the principles underlying it. I know of no case in my experience where there has been such a manifestation of recklessness, of negligence, of irresponsibility as was manifested by the Government of the United States in connection with this matter.

This case has a record of over 20,000 pages through the courts, and more before our committee.

The production of this ammonium nitrate was solely and wholly within the jurisdiction of the Government. It made it in its ordnance plant. It labeled it

as a fertilizer. It shipped it in interstate commerce at rates which are less than the rates which would be charged by the railroads for explosives. It was unloaded in Texas City and put into the ship by longshoremen who were paid at rates less than they would have been paid for loading explosives. When these bags were loaded, the ordnance people were called on the telephone and asked if there was anything dangerous in this fertilizer, and the ordnance people informed the people at the warehouse there was nothing dangerous in this product at all. When it was stored in the hold it was treated by steam, which is the very thing you would not do if it was an explosive. It is wholly and solely the responsibility of the Government of the United States that this explosion occurred.

We have indemnified the people of Japan who were injured as the result of the explosion of the atom bombs. We have given relief to people who have suffered as the result of tornadoes. We had claims commissions running all over the world during the war indemnifying our allies for claims arising out of war damage that had no basis in negligence at all.

No court has ever said the Government was not negligent in this case. The only court that found, found that the Government of the United States was negligent, and was responsible. The appellate courts refused to entertain the cases simply because they said they did not come within the purview of the Tort Claims Act, a construction of the statute such as we had the other day with the gas bill in connection with the Supreme Court decision.

The fact remains, however, that these people never have had their day in court because the court said, "We cannot consider them, they do not come within the purview of the Tort Claims Act." But they have never said the Government was not negligent or the Government was not responsible. Only because of this cloak of immunity have we not paid these people who suffered injury, death, and property damage only as a result of the acts of negligence of this Government.

This is not a bill of charity. This is a bill of justice. It is a bill which gives a minimum of justice and not a maximum of justice.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. MILLER of New York. I yield.

Mr. CELLER. Did we not establish a precedent for a bill of this character when we passed the so-called Port Chicago-California explosion bill?

Mr. MILLER of New York. It is exactly the same thing. We treated the people in the Port Chicago case just as we are attempting to treat the people of Texas City at the present time.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. MILLER of New York. I yield.

Mr. McCORMACK. I understand also under this bill it is so worded that there will be no reimbursement of any insurance company.

Mr. MILLER of New York. There are no subrogated claims here. No insurance company and no corporations are going to get anything. Just the widows and orphans and those who were injured by this explosion caused by the acts of our agents, the agents of the Government of the United States, will get anything. I say it was a record of negligence and incompetency which caused this explosion.

Mr. CELLER. Mr. Speaker, will the gentleman yield further?

Mr. MILLER of New York. I yield.

Mr. CELLER. Is it not true also that we left the jurisdiction with the Secretary for the Army to settle these claims and we were loathe to put the claims in the United States district courts because of the heavily cluttered up calendars of those courts that if we superimpose on the work of the judges the handling of these claims, there would be the necessity of appointing masters and auditors and referees and that it would be more expeditious to let the Department of Defense handle these claims?

Mr. MILLER of New York. That is true. The figures involved here are not final, but whatever it is, it is justice. We do justice for everyone else and we should do justice for the people here in our own country.

Mr. LANE. Mr. Speaker, I yield 4 minutes to the gentleman from Georgia [Mr. FORRESTER].

Mr. FORRESTER. Mr. Speaker, the bill we are presently considering is the substitute that I offered in our committee. I think it well that you know a little something about the background of this legislation. When this bill came from the other body, they had a provision in their bill, and I would like some of the gentlemen who asked questions a few moments ago to listen especially—they had a provision in the bill holding that the Government of the United States was responsible for the disaster, in other words, legally responsible. In addition to that, they had the sky as the limit as to the recovery for death, personal injuries, and property damage. It just so happens that the Circuit Court of Appeals of the United States and the United States Supreme Court disagreed with their theory of responsibility. The Supreme Court and the Court of Appeals held that this did not come within the Tort Claims Act. Of course, that is completely correct. However, I part company with anyone who says that the courts did not go into the facts and rule against the claimants on the facts also. At last 6 of 7 courts of appeals judges held that there was no negligence or liability on the part of the United States Government.

Now, that appealed to me and I know it appeals to you, and it appealed strongly to a great majority of the members of the House Committee on the Judiciary who, with the exception of myself, are splendid lawyers. They just simply would not go on record as holding the Government legally responsible. We were not going to do that because of these reasons. All of this fertilizer program was occasioned by Executive order and by authority from the Congress. The plaintiffs in their cases, and in all their arguments, admit that never at any time did any employees of the Government of the United States deviate from their orders and their instructions. If that can be the basis of negligence and legal liability, then the judge of a court by the same token is liable for an erroneous decision. If the fire department goes out and tries to put out a fire in your house and fails to put out the fire, then you can sue the fire department and the city for damages.

Another objection we had to that was that if you say, as the Senate was trying to say, that there was legal responsibility—do not kid TIC FORRESTER, do not kid anybody else—if you say that there is no way on earth to shut out insurance companies, the law is absolutely plain. If anybody is entitled to recover legally then it is absurd to say that you would give John Jones a certain thing but you must deny the same to Bill Smith. It simply does not make good sense.

We put in this bill, this substitute, that there is no legal liability upon this Government.

Proceeding from that standpoint I say that instead of this bill's being unconscionable as described, I say it is a most reasonable bill. It shows a compassionate heart and a compassionate spirit upon the part of this House. I am the man who suggested it.

I will tell you now, the only way any bill could come out of this committee was on this basis.

I want to express my thanks for the assistance of the gentleman from Texas [Mr. BROOKS], who, I want to tell you, is greatly responsible for the bringing of this bill here today. It was Mr. BROOKS who persuaded us to raise the recovery ceilings to $20,000 instead of $15,000. Without him there would be no bill.

The only way that you can lock up insurance companies, the only way that you can solve this question that there is no legal liability is to pass this bill. I am only telling you that I want the Senate to stay with it. If they do not stay with it I want the conferees to know that you mean for them to stay with it.

Mr MILLER of New York. Mr. Speaker, I yield to the distinguished gentleman from Missouri for a consent request.

Mr SHORT. Mr. Speaker, I ask unanimous consent that following the remarks I made in the Committee of the Whole this afternoon I may include an editorial which appeared in the last Sunday's edition of the Joplin Globe.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. MILLER of New York. Mr. Speaker, I yield back the balance of my time.

Mr. LANE. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois [Mr. BOYLE], a member of the Committee on the Judiciary.

Mr. BOYLE. Mr. Speaker, I regret that a matter of this consequence comes up at this late hour. However, I can assure everybody present here that the matter received studied and careful consideration in the Judiciary Committee.

I probably am as familiar with this record as anybody in this Congress, and

I want to tell you it was a very tough and difficult problem. I want to commend all of my colleagues on the Judiciary Committee for their painstaking approach to this situation.

This is a simple matter as it is resolved in this bill. I am one who with the gentleman from Georgia [Mr. FORRESTER] feels that there is no legal liability as far as paying these claims is concerned.

Mr. FORRESTER. Mr. Speaker, will the gentleman yield?

Mr. BOYLE. I yield.

Mr. FORRESTER. The great majority of the members of the Committee on the Judiciary also felt that way and insisted on that. Is not that true?

Mr. BOYLE. That is a fact. This is a bill that is a result of true, honest compromise. The committee felt that the judiciary being the highest court in the land, being a court of conscience, recognized that that which ought to be done should be done. We feel that in this bill we have done that; we feel we have satisfield the conscience of this Congress, that this was a disaster, that a lot of people were killed and injured and a lot of property damaged as a result of this occurrence.

We have spelled out categorically so that there will not be any possible question of legal liability that this is a gratuity, this is merely a contribution, and that the door should not be left open for any subrogated claims to come in on the basis that there was a lack of real honest and fair treatment.

I submit that this bill is a law of conscience and that there is a lot of tender charity in it, and I recommend, Mr. Speaker, that it be passed.

Mr. LANE. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. THOMPSON], author of the House bill.

Mr. THOMPSON of Texas. Mr. Speaker, there is very little more to be said. I express deep gratitude to the gentlemen who have preceded me and who have presented the case well and who have spent many hours trying to do justice to my people.

There is only one piece of information I should like to give you. This comes from the studied opinion of the attorneys who have been with the case for the past 8 years. It deals with the amount that may be paid under the present bill. It is estimated the death claims will not be over $5 million, it is estimated that personal injury claims will be $1½ million and not over that and it is estimated that property damage will not be over $500,000, which makes a total of $7 million. That is a very modest sum.

Mr. DAWSON of Utah. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of Texas. I yield to the gentleman from Utah.

Mr. DAWSON of Utah. Do any of the attorneys participate in these funds that might be appropriated?

Mr. THOMPSON of Texas. The attorneys are paid fees, yes, of course.

Mr. Speaker, to bring the Texas City disaster legislation into proper focus, let us first review the history of the case. There are some points which need not be discussed because, so far as I know, everyone who has paid any attention to the case concedes that they are true.

First, we all agree that the explosions were caused by a concoction labeled fertilizer grade ammonium nitrate. There was no question that the product was manufactured by and for the United States Government in Army ordnance plants, that it was under Government control at all times, and that it was being shipped to Europe as a part of our foreign-aid program.

I shall not discuss the question of negligence because for the present consideration of the House, it is not material. The fact that the product which exploded was something made by and under the control of the United States Government makes the people who were victims of the explosion as entitled to remuneration as were the victims of the Port Chicago explosion during the war.

In that case, an ammunition ship blew up in the harbor doing great damage to Port Chicago and its people. That case was handled in a manner similar to that which has been presented to you today. The Texas City case has one important difference. Between the Port Chicago explosion and the Texas City explosion, the Congress had passed what is known as the Federal Tort Claims Act.

The victims filed their claims in the Federal district court, which held in favor of the claimants. It was appealed and finally the Supreme Court, on a 4 to 3 decision, held that the Tort Claims Act did not apply. Three of the Justices held that it did. The question of responsibility was not decided by the Supreme Court. They merely said that the law did not apply.

When this decision was rendered in 1953, I discussed the matter at considerable length with the then chairman of the Committee on the Judiciary, the gentleman from Illinois [Mr. REED] and with other distinguished members of that committee. We concluded that since there was, evidently, reason to believe that the Government was responsible, the people should still have a forum in which to seek redress; and that since the Supreme Court had held that the Tort Claims Act did not apply, there remained but one such forum and that was the Congress.

The prospect of filing several thousand private claims did not appeal to me and because of the magnitude of the case, financially and otherwise, it seemed best to first establish whether or not the Government was responsible.

To accomplish this, I introduced House Resolution 296 in June of 1953. It provided that the Committee on Judiciary or a subcommittee thereof should make a full and complete investigation and study of the merits, if any, of all claims against the United States resulting from the explosions. It further provided that that committee should make recommendations as to subsequent procedure.

After extensive hearings in Texas City, Galveston, and Washington, that committee reported that the Government was responsible and recommended passage of legislation to settle the claims. In June of the following year, this House passed such legislation without a dissenting vote. It was late in the session and although the Senate passed similar legislation, it differed somewhat from the House measure and there was not sufficient time to compose the differences before adjournment. For that reason, the Texas City claimants come back to this Congress with exactly the same merits as have been acted upon favorably in both bodies.

The bill which is before you today provides for a very small settlement. It provides for a limit on death claims, claims for personal injury, and for property damage of $20,000. If the figures remain unchanged, and so far as I am concerned I am not going to suggest that they be amended here today, the total outlay should not exceed $5 million for death claims, $1,500,000 for personal injury, and $500,000 for uninsured damage to property.

I point out to you, however, that while the majority of the death claims will fall well below the $20,000 limit and while most of the injury claims would also come well within it, there are some of the latter which ought to be compensated more liberally. Fathers who were injured so seriously that they cannot earn a livelihood, men with legs blown off, cases like that ought to have more than $20,000 compensation.

I also point out that these death and injury claims should not be subject to deductions of amounts received from insurance companies. I realize the good intention of the sponsors of the substitute to the Senate measure, which is under consideration today. I agreed with them when they insisted on leaving subrogated claims out of the bill entirely.

However, if the limits now in the bill prevail, some very meritorious corporations will be shut out. One of these is the city of Texas City which suffered a loss of $231,000. They lost their entire volunteer fire department which was on the dock fighting the fire when the explosion occurred. Much of their street and sewer system was destroyed and had to be rebuilt. Public buildings were seriously damaged. Possibly in conference with the other body, which has passed unanimously a more liberal bill, these payments may be liberalized.

Under the present bill, the total claims should not be more than $7 million—$5 million for death claims, $1,500,000 for personal injury, and $500,000 for uninsured damage to property.

I urge passage of the bill and I trust that the conference committee will act promptly and grant this meager compensation to my people who have waited 8 years for their Government to pay its just debt.

The SPEAKER. The question is on suspending the rules and passing the bill.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

The title was amended so as to read: "An act to provide for settlement of claims resulting from the disaster which occurred at Texas City, Tex., on April 16 and 17, 1947."

Mr. LANE. Mr. Speaker, I ask unanimous consent that all Members may

have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. CELLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (S. 1077) to provide for settlement of claims for damages resulting from the disaster which occurred at Texas City, Tex., on April 16 and 17, 1947, with House amendment thereto, insist on the House amendment and ask for a conference with the Senate.

The SPEAKER. Is there objection to the request of the gentleman from New York? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. CELLER, LANE, FORRESTER, MILLER of New York, and HYDE.

FEDERAL EXECUTIVE PAY ACT OF 1955

Mr. MURRAY of Tennessee. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 7619) to adjust the rates of compensation of the heads of the executive departments and of certain other officials of the Federal Government, and for other purposes.

The Clerk read as follows:

Be it enacted, etc., That this act may be cited as the "Federal Executives Pay Act of 1955."

TITLE I—BASIC COMPENSATION FOR HEADS OF EXECUTIVE DEPARTMENTS AND OTHER FEDERAL OFFICIALS

SEC. 101. The annual rate of basic compensation of the head of each executive department and of the Secretary of Defense shall be $25,000.

SEC. 102. The annual rate of basic compensation of the Deputy Secretary of Defense, of the Under Secretary of State, of the Director, Office of Defense Mobilization, of the Comptroller General of the United States, and of the Director of the Bureau of the Budget shall be $22,500.

SEC. 103. The annual rate of basic compensation of the Secretary of the Army, of the Secretary of the Navy, of the Secretary of the Air Force, of the Director of the Federal Bureau of Investigation, Department of Justice, and of the Director of Central Intelligence shall be $22,000.

SEC. 104. Section 105 of title 3 of the United States Code is amended to read as follows:

"Compensation of secretaries and executive, administrative, and staff assistants to President

"§ 105. The President is authorized to fix the compensation of the six administrative assistants authorized to be appointed under section 106 of this title, of the Executive Secretary of the National Security Council, and of five other secretaries or other immediate staff assistants in the White House Office, as follows: 2 at rates not exceeding $22,500 per annum, 3 at rates not exceeding $21,000 per annum, and 7 at rates not exceeding $19,000 per annum."

SEC. 105. The annual rate of basic compensation for each of the offices or positions listed in this section shall be $21,000, as follows:

(1) Each Under Secretary of an executive department (other than the Department of State);

(2) The Deputy Postmaster General;

(3) The Administrator of Veterans' Affairs;

(4) The Administrator of General Services;

(5) The Administrator of the Housing and Home Finance Agency;

(6) The Director of the International Cooperation Administration;

(7) The Deputy Director of the Office of Defense Mobilization;

(8) The Administrator of the Federal Civil Defense Administration;

(9) The Chairman of the Renegotiation Board;

(10) The Director of the United States Information Agency;

(11) The President of the Export-Import Bank of Washington;

(12) The Governor of the Farm Credit Administration;

(13) The Chairman of the Council of Economic Advisers;

(14) The Associate Director of the Federal Bureau of Investigation, Department of Justice.

SEC. 106. The annual rate of basic compensation for each of the offices or positions listed in this section shall be $20,000, as follows:

(1) The Assistant Comptroller General of the United States;

(2) The Deputy Director of the Bureau of the Budget;

(3) The Under Secretary of the Army;

(4) The Under Secretary of the Navy;

(5) The Under Secretary of the Air Force;

(6) The Deputy Administrator of Veterans' Affairs;

(7) The Director of the Federal Mediation and Conciliation Service;

(8) The Chairman of the United States Civil Service Commission;

(9) Each member (other than the Chairman) of the Council of Economic Advisers;

(10) Each member of the Board of Governors of the Federal Reserve System;

(11) Each member of the Board of Directors of the Federal Deposit Insurance Corporation;

(12) The Comptroller of the Currency;

(13) Each Deputy Under Secretary of the Department of State;

(14) The First Vice President of the Export-Import Bank of Washington;

(15) The Chairman of the Federal Maritime Board, Department of Commerce;

(16) The Deputy Director of the United States Information Agency;

(17) The Deputy Administrator of the Federal Civil Defense Administration;

(18) The Deputy Director of the International Cooperation Administration;

(19) The Deputy Director of Central Intelligence.

SEC. 107. (a) The annual rate of basic compensation for each of the offices or positions listed in this section shall be $19,000, as follows:

(1) The Assistant to the Director of the Federal Bureau of Investigation, Department of Justice;

(2) Each Assistant Secretary of an executive department;

(3) Each Assistant Postmaster General;

(4) The Fiscal Assistant Secretary of the Treasury;

(5) The Director of the National Advisory Committee for Aeronautics;

(6) Each member of the Civil Aeronautics Board;

(7) Each member of the Federal Communications Commission;

(8) Each member of the Federal Power Commission;

(9) Each member of the Federal Trade Commission;

(10) Each member of the Interstate Commerce Commission;

(11) Each member of the National Labor Relations Board;

(12) Each member of the National Mediation Board;

(13) Each member of the Railroad Retirement Board;

(14) Each member of the Securities and Exchange Commission;

(15) Each member of the Board of Directors of the Tennessee Valley Authority;

(16) Each member (other than the Chairman) of the United States Civil Service Commission;

(17) Each member of the United States Tariff Commission;

(18) The General Counsel of the National Labor Relations Board;

(19) The Deputy Administrator of General Services;

(20) The Archivist of the United States;

(21) The Commissioner of Internal Revenue;

(22) The Commissioner of Immigration and Naturalization;

(23) The Commissioner of Public Roads;

(24) The Administrator of Civil Aeronautics;

(25) The Administrator of the Rural Electrification Administration;

(26) The Counselor of the Department of State;

(27) The Governor of Alaska;

(28) The Governor of Hawaii;

(29) The Governor of the Virgin Islands;

(30) The Governor of the Canal Zone;

(31) The Public Printer;

(32) The Librarian of Congress;

(33) The Architect of the Capitol;

(34) The President of the Federal National Mortgage Association, Housing and Home Finance Agency;

(35) The Deputy Administrator of the Housing and Home Finance Agency;

(36) Each member of the Home Loan Bank Board, Housing and Home Finance Agency;

(37) The Public Housing Commissioner, Housing and Home Finance Agency;

(38) The Federal Housing Commissioner, Housing and Home Finance Agency;

(39) Each Assistant Secretary of the Army;

(40) Each Assistant Secretary of the Navy;

(41) Each Assistant Secretary of the Air Force;

(42) The Special Assistant to the Secretary (Health and Medical Affairs), Department of Health, Education, and Welfare;

(43) The Chairman of the Military Liaison Committee to the Atomic Energy Commission, Department of Defense;

(44) The Administrator, Bureau of Security and Consular Affairs, Department of State;

(45) Each member of the Board of Directors of the Export-Import Bank of Washington;

(46) Each member of the Foreign Claims Settlement Commission of the United States;

(47) Each member (other than the Chairman) of the Federal Maritime Board, Department of Commerce;

(48) Each Assistant Director of the Bureau of the Budget;

(49) Each member (other than the Chairman) of the Renegotiation Board;

(50) The Administrator, Wage and Hour and Public Contracts Divisions, Department of Labor;

(51) The Director of the National Science Foundation;

(52) Each member of the Subversive Activities Control Board;

(53) The Solicitor, General Counsel, Legal Adviser, or other chief legal officer of each executive department (excluding the Department of Justice);

(54) The 10 assistant directors, International Cooperation Administration, designated under section 1 (d) of Reorganization Plan No. 7 of 1953 and section 527 (b) of the Mutual Security Act of 1954, respectively;

(55) The Administrator of the St. Lawrence Seaway Development Corporation;

(56) The Administrator of the Small Business Administration.

(b) The first sentence of section 603 of title 28 of the United States Code (relating to the annual compensation of the Director of the Administrative Office of the United

States Courts) is amended to read as follows: "The Director shall receive a salary of $19,000 a year."

SEC. 108. The annual rate of basic compensation for each of the offices or positions listed in this section shall be $17,500, as follows:

(1) The Associate Director of the Federal Mediation and Conciliation Service;

(2) The Director of Selective Service;

(3) Each Commissioner of the Indian Claims Commission;

(4) Each Commissioner of the United States Court of Claims;

(5) The Assistant Architect of the Capitol;

(6) The Chief Assistant Librarian of Congress;

(7) The Deputy Public Printer.

SEC. 109. The annual rate of basic compensation for each of the offices or position listed in this section shall be $17,000, as follows:

(1) The Treasurer of the United States;

(2) The Commissioner, Federal Supply Service, General Services Administration;

(3) The Director of the Bureau of Prisons, Department of Justice;

(4) The Commissioner, Public Buildings Service, General Services Administration;

(5) The Commissioner of Social Security, Department of Health, Education, and Welfare;

(6) The Commissioner of Reclamation, Department of the Interior;

(7) The Commissioner of Customs, Department of the Treasury;

(8) The Commissioner of Narcotics, Department of the Treasury;

(9) The Administrator, Bonneville Power Administration;

(10) The Deputy Administrator of the St. Lawrence Seaway Development Corporation;

(11) The Director, Division of Slum Clearance and Urban Redevelopment, Housing and Home Finance Agency;

(12) The Director of Housing Research, Housing and Home Finance Agency;

(13) Each Deputy Administrator, Small Business Administration.

SEC. 110. Except as otherwise specifically provided in this title, the chairman or other head of each independent board or commission in the executive branch shall receive, during the period of his service as chairman or other head of such board or commission, annual basic compensation at a rate which is $500 more than the annual rate of basic compensation prescribed by this title for the other members of such board or commission.

TITLE II—INCREASES IN MAXIMUM LIMITATIONS ON BASIC COMPENSATION UNDER CLASSIFICATION ACT OF 1949 AND OTHER LAWS

SEC. 201. (a) The compensation schedule for the General Schedule contained in section 603 (b) of the Classification Act of 1949, as amended, is amended by striking out:

Per annum rates and steps

	1	2	3	4	5
"GS–17	13,975	14,190	14,405	14,620	
GS–18	14,800"				

and inserting in lieu thereof:

"GS–17	13,975	14,190	14,405	14,620	14,835
GS–18	16,000".				

(b) The rates of basic compensation of officers and employees to whom this section applies shall be initially adjusted as follows:

(1) If the officer or employee is receiving basic compensation immediately prior to the effective date of this act at a scheduled rate of grade 17 or 18 of the General Schedule, he shall receive a rate of basic compensation at the corresponding scheduled rate in effect on and after such date;

(2) If the officer or employee, immediately prior to the effective date of this act, is in a position in grade 17 of the General Schedule and is receiving basic compensation at a rate between two scheduled rates of such grade, he shall receive a rate of basic compensation at the higher of the two corresponding rates in effect on and after such date;

Per annum rates and steps

	1	2	3	4	5	6	7
"18	12,500	12,800	13,100	13,400	13,700	14,000	14,300
19	13,600	13,900	14,200	14,500	14,800		
20	14,800"						

and inserting in lieu thereof:

"18	12,800	13,100	13,400	13,700	14,000	14,300	14,600
19	14,000	14,300	14,600	14,900	15,200		
20	16,000".						

(3) If the officer or employee, immediately prior to the effective date of this act, is in a position in grade 17 of the General Schedule and is receiving basic compensation at a rate which is in excess of the maximum scheduled rate of his grade as provided in this section, he shall continue to receive such higher rate of basic compensation until (A) he leaves such position, or (B) he is entitled to receive basic compensation at a higher rate by reason of the operation of the Classification Act of 1949, as amended; but when such position becomes vacant, the rate of basic compensation of any subsequent appointee thereto shall be fixed in accordance with such act, as amended.

SEC. 202. The Postal Field Service Schedule in section 301 (a) of the Postal Field Service Compensation Act of 1955 (Public Law 68, 84th Cong.) is amended by striking out:

Per annum rates and steps

	1	2	3	4	5	6	7
"18	12,500	12,800	13,100	13,400	13,700	14,000	14,300
19	13,600	13,900	14,200	14,500	14,800		
20	14,800"						

and inserting in lieu thereof:

"18	12,800	13,100	13,400	13,700	14,000	14,300	14,600
19	14,000	14,300	14,600	14,900	15,200		
20	16,000".						

SEC. 203. Section 3 of the act of January 2, 1946, as amended (38 U. S. C., sec. 15b), is hereby amended as follows:

(1) The first paragraph of such section 3 as amended by paragraph (1) of the first section of the act of October 12, 1949 (63 Stat. 734), and the second and third paragraphs of subsection (b) of such section 3 as amended by paragraphs (3) and (4) of the first section of such act of October 12, 1949, are hereby redesignated as subsections "(a)", "(c)", and "(d)", respectively, of section 3 of the act of January 3, 1946;

(2) The last sentence of section 3 (b) is amended to read: "During the period of his service as such, the Chief Medical Director shall be paid a salary of $17,800 a year.";

(3) The last sentence of section 3 (c), as redesignated by paragraph (1) of this section, is amended to read: "During the period of his service as such, the Deputy Chief Medical Director shall be paid a salary of $16,800 a year."; and

(4) That portion of the first sentence of section 3 (d), as redesignated by paragraph (1) of this section, which precedes the proviso in such sentence is amended to read: "Each Assistant Chief Medical Director shall be appointed by the Administrator upon the recommendation of the Chief Medical Director and shall be paid a salary of $15,800 a year:";

SEC. 204. (a) Subsection (c) of the first section of the act of August 1, 1947, as amended (5 U. S. C., secs. 171p, 230, 476, and 626t; 50 U. S. C., sec. 158), relating to limitations on rates of basic compensation for research and development positions requiring the services of specially qualified scientific or professional personnel in the Department of Defense and in the National Advisory Committee for Aeronautics, is amended (1) by striking out "$10,000" and inserting in lieu thereof "$12,500" and (2) by striking out "$15,000" and inserting in lieu thereof "$17,500."

(b) Section 208 (g) of the Public Health Service Act, as amended (42 U. S. C., sec. 210 (g)), relating to limitations on rates of basic compensation for research and development positions requiring the services of specially qualified scientific or professional personnel in the Public Health Service, is amended (1) by striking out "$10,000" and inserting in lieu thereof "$12,500" and (2) by striking out "$15,000" and inserting in lieu thereof "$17,500."

(c) Section 12 of the act of May 29, 1884, as amended (62 Stat. 198; 21 U. S. C., sec. 113a), relating to the maximum limitation on basic compensation for positions of technical experts or scientists for research and study of foot-and-mouth disease and other animal diseases, is amended by striking out "$15,000" and inserting in lieu thereof "$17,500."

(d) The amendments contained in subsections (a) and (b) of this section shall not affect the authority of the United States Civil Service Commission or the procedure for fixing the pay of individual officers or employees under the provisions of law amended by such subsections (a) and (b); except that the rate of basic compensation in effect immediately prior to the effective date of this act of any officer or employee to whom the provisions of law amended by this section apply, which is less than a basic rate of $12,500 per annum, shall be increased to such rate on such effective date.

TITLE III—GENERAL PROVISIONS

SEC. 301. The following provisions of law are hereby repealed:

(1) The act entitled "An act to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies," approved October 15, 1949 (Public Law 359, 81st Cong.; 63 Stat. 880), except section 2 (b), section 6 (b), section 6 (c), section 6 (d), and section 9 thereof;

(2) That part of the paragraph under the heading "Federal Bureau of Investigation" and under the subheading "Salaries and expenses" contained in title II (the Department of Justice Appropriation Act, 1956) of the Departments of State and Justice, the Judiciary, and related agencies Appropriation Act, 1956 (Public Law 133, 84th Cong.), which reads ": *Provided*, That the compensation of the Director of the Bureau shall be $20,000 per annum so long as the position is held by the present incumbent"; and

(3) That part of the first paragraph under the heading "National Advisory Committee for Aeronautics" contained in title I of the Independent Offices Appropriation Act, 1956 (Public Law 112, 84th Cong.), which reads "one Director at not to exceed $17,500 per annum so long as the position is held by the present incumbent;".

SEC. 302. Nothing contained in this act shall be held or considered to affect the last proviso in the paragraph under the heading "Federal Prison System" and under the subheading "Salaries and Expenses, Bureau of Prisons" contained in title II (the Department of Justice Appropriation Act, 1956) of the Departments of State and Justice, the Judiciary, and related agencies Appropriation Act, 1956 (Public Law 133, 84th Cong.), which reads *"Provided further*, That hereafter the compensation of the Director of the Bureau shall be $17,500 per annum so long as

the position is held by the present incumbent."

SEC. 303. The rate of basic compensation of any officer or employee of the Federal Government which is in effect immediately prior to the effective date of this act shall not be reduced by reason of the enactment of this act.

SEC. 304. This act shall take effect at the beginning of the first pay period following the date of enactment of this act.

The SPEAKER. Is a second demanded?

Mr. GROSS. Mr. Speaker, I demand a second.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MURRAY of Tennessee. Mr. Speaker, I yield myself 5 minutes.

Mr. MURRAY of Tennessee. Mr. Speaker, this legislation is known as the Federal executive pay bill. There are about 300 executive positions covered in this bill. The cost of it is approximately $1 million per year. There are 8 salary brackets in the bill, ranging from $25,000 to $17,000 a year.

In the beginning a proposal was sent down to me as chairman of the Committee on the Post Office and Civil Service setting forth salaries up to $27,500 for members of the Cabinet and certain other executive positions. I refused to introduce such a bill and I sent back word that I did not propose to sponsor any executive pay legislation which provided that any executive in our Government, outside of members of the Cabinet, shall be paid more than Members of Congress. So thereupon a new proposal was sent down to me as chairman of the committee.

After many, many hours of study and many conferences I introduced a bill which was not entirely the exact proposal sent down to me by the administration.

Now, this bill before you today provides that the 10 members of the Cabinet shall receive a salary of $25,000. Their present salary is $22,500, which makes an increase of only $2,500 in their salary. In the $22,500 bracket, which is our salary, there are only 7 members of the executive departments who are in this class. Outside of the members of the Cabinet, there are only seven persons in this bill who receive as much as Members of Congress. In the next bracket of $22,000 there are only 5 executives. In the next bracket of $21,000 there are 24 executives. In the next bracket of $20,000 there are 29 executives. In the bracket of $19,000 there are 190 executives. This is the largest bracket, because this bracket includes members of our various commissions and independent boards. The next bracket of $17,500 includes 19 executives and the final bracket of $17,000 includes 15 officials of our Government.

The last increase given to our executives was in the Executive Pay Act of 1949. These officials in this act have not received any increase in pay for 6 years, since 1949. Since that time there have been 2 pay bills for classified employees, one in 1951 amounting to 10 percent and another pay bill of 7.5 percent this year. Also, Congress has seen fit to increase its salary this year, and certainly we want to extend the same treatment to our executives as we do to ourselves and to our classified personnel.

I can assure you that this bill, containing about 300 positions, was prepared with much care and deliberation. The ranking minority member of the committee, the gentleman from Kansas [Mr. REES], and I collaborated together and held many conferences with officials who are interested, and we prepared our own bill. I certainly hope the House will go along with this bill. It is fair; it is just and reasonable and provides a very moderate increase to these officials. The pay raises in this bill are from $2,500 to $4,000. I appeal to you to support your committee.

Basically, this bill is a revision of the Executive Pay Act of 1949. The only change in a major rate in the Executive Pay Act since 1949 was an $800 increase for the group originally carried in the bill at $14,000. This was in order to correspond to the increase in the maximum for the Classification Act made in 1951. All other rates of the Executive Pay Act, that is, those at $15,000 or more a year have remained unchanged since their original establishment in 1949.

Since 1949 there have been substantial increases in pay for Federal employees generally. Public Law 201, 82d Congress, provided a 10 percent increase but not less than $300 per annum nor more than $800 per annum, in the rates of the Classification Act and related groups. Public Law 94, 84th Congress, provided a 7½ percent increase for the same groups. Substantial increases were made in the salary schedules of the postal field service by Public Law 204, 82d Congress, and Public Law 68, 84th Congress. The salary rates of Members of Congress and of Judiciary were increased effective March 1, 1955, by Public Law 9, 84th Congress.

However, there has been no general change in the levels of salary rates of heads and assistant heads of departments and agencies and related positions in the executive branch. Until recently, there has been no comprehensive approach to revising the Executive Pay Act.

In the meantime, nevertheless, there has been much separate legislation fixing salaries for executive positions outside the Executive Pay Act. Since 1949 about 20 separate acts of Congress and reorganization plans have fixed rates for about 50 comparable positions outside the Executive Pay Act; some of these are heads and assistant heads of recently created organizations.

Title I of the bill (a) increases the rates of the Executive Pay Act of 1949, and (b) brings it content up to date by eliminating references to obsolete or abolished positions and by consolidating or replacing many individual salary-fixing provisions in existing law.

Title I covers 299 positions at an annual cost of $1,115,000.

Title II increases the maximum rate for employees paid under the Classification Act. It increases GS–18 from the present rate of $14,800 to $16,000 a year. This was the only rate of the Classification Act of 1949 which was not increased by the recently approved employees salary increase. It makes a similar adjustment in the postal field-service schedules.

Also, title II contains adjustments in the pay for medical directors in the Veterans' Administration.

Section 204 of title II provides for adjustments in the salary rates of scientific and professional positions. These positions are limited in number, and the rates range from $10,000 to $15,000 a year. The new rate range would be from $12,500 to $17,500 a year.

This legislation was requested by the President in a letter to me as chairman of the House Post Office and Civil Service Committee. The President in his letter outlined the general principles which he believed should be followed in making this adjustment in executive salaries.

The President stated in his letter with respect to executive salaries that "the Cabinet rate be increased to a level of $25,000." With this benchmark as an important guide, this bill organizes the offices, positions, and rates below Cabinet level in such a way as to produce, in proper and logical relationship between responsibilities on the one hand, and salary rates on the other.

In general, the salary levels of the bill are as follows: First, the Cabinet office level set at $25,000 a year. The next is at $22,500 which includes such positions as Deputy Secretary of Defense, Director of Office of Defense Mobilization, Comptroller General, and Director of the Bureau of the Budget. At $22,000 are such positions as the Secretaries of the Army, Navy, and Air Force. The next group are positions established at a salary of $21,000 a year and includes the Administrators of most of the independent etablishments such as the Administrator of the Veterans' Administration and the Administrator of the General Services Administration.

The next group at $20,000 a year includes positions such as the Comptroller of the Currency and members of certain boards and commissions. The next group, which is by way the largest group, contains members of most boards and commissions and has a salary rate of $19,000 a year. The next group at $17,500 includes such positions as Commissioner of the Indian Claims Commission and Commissioners of the United States Court of Claims.

The next group at $17,000 a year includes such positions as Commissioner of Customs, Commissioner of Narcotics, and so forth.

Mr. GROSS. Mr. Speaker, I yield 3 minutes to the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Speaker, I want to commend the gentleman from Tennessee [Mr. MURRAY] and the gentleman from Kansas [Mr. REES] and the members of the committee who have worked very diligently and effectively on this important measure.

I think the gentleman from Tennessee put his finger on the nub of the problem when he said that very properly in this

Congress we have adjusted and brought up to date the pay of the legislative branch of the Government and the judicial branch of the Government. I, believe we all recognize that following that precedent—and, as I say, it was a good precedent, which I supoprted; I did the best I could to bring it to passage—but, we must all recognize that these top people in the executive branch of the Government, in positions of extreme responsibility, where their labors are necessarily burdensome and where they are working day in and day out and many times through the night, are likewise entitled to an increase in their pay to bring them up to date. I do not need to remind you, because it is something that has been said to us before not only by the present occupant of the White House but by occupants of the White House preceding him in my time, that they find it increasingly difficult to get able people to give up salaries at a much higher figure in private life to come down here in the service of the Government.

It is bad enough as it is, and certainly we cannot expect our Federal Government and the executive branch of the Government to continue to function efficiently, as it should, unless we are able to attract the people with talent and capacity we need in the Government for these assignments.

As the gentleman from Tennessee [Mr. MURRAY] pointed out, the original suggestions of the administrative branch of the Government were quite a bit in excess of the figures that are here presented. But I think I can say to you with complete assurance that this measure is acceptable to the administration. While it does not go in some particulars as far as they would like to have it go, it certainly is very obviously a step in the right direction. I sincerely hope that without too much delay we shall proceed to the passage of this measure.

Mr. CRETELLA. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield.

Mr. CRETELLA. I should like to ask the chairman of the committee, the gentleman from Tennessee [Mr. MURRAY], a question.

On page 5 of the bill, each assistant secretary of an executive department is provided for. What arrangement has been made for career assistant secretaries?

Mr. MURRAY of Tennessee. I might state that the career secretaries are under the Classification Act. The top salaries of classified employees are raised from $14,800 to $16,000.

Mr. CRETELLA. Then I understand that the career secretaries are taken care of under the Classification Act?

Mr. MURRAY of Tennessee. That is correct.

Mr. HALLECK. As a matter of fact, when we dealt with the matter of pay in the legislative establishment and with the matter of pay for the judiciary, and now as we are dealing with the pay of people in the executive branch in these responsible positions, we have kept, and we must keep, in mind that in recent years the classified employees and the postal employees have had successive raises, one after another, that have kept them pretty well in line with the advance in the cost of living. But these people we seek to deal with here have not had that treatment.

Mr. GROSS. Mr. Speaker, I yield myself 5 minutes.

Mr. GROSS. Mr. Speaker, it is not my intention to labor this issue, but there are a few facts that the Members of the House ought to have before they vote upon this provision.

In the first place, the Committee on Post Office and Civil Service was called to meet at 10 o'clock last Wednesday morning. At approximately 10:45 o'clock we still had no bill before us, no executive pay raise bill. Somewhere around 10:45 or between that time and 11 o'clock a carrier pigeon arrived with copies of this bill.

What I am saying is that there has been not a single moment of hearings upon this bill. It was considered in committee for about 30 minutes, between 30 and 45 minutes, and voted out to the floor of the House.

Mr. MURRAY of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. GROSS. Yes.

Mr. MURRAY of Tennessee. The bill was fully explained by me to the committee, and does not the gentleman know that only three members of the committee, including himself, voted against it?

Mr. GROSS. Certainly that is correct. There were only three members of the committee who voted against it. But the gentleman does not dispute the fact that the bill was still hot off the printing presses when we got it. We had never seen a copy of the bill before. The gentleman will also bear me out that not one moment of hearings was held in justification of this proposed legislation.

Mr. Speaker, I should like to call attention to the letter from the White House to the chairman of the committee, the gentleman from Tennessee [Mr. MURRAY] in connection with this bill. The President said, in part:

> For 85 years the pay for Cabinet members has been 50 to 60 percent higher than the pay of Members of Congress. I have always felt that this differential has been excessive, and was pleased when the Members' pay was recently increased. The effect of Public Law 9 was to put congressional pay on the same level as that of Cabinet officers. Reestablishment of the traditional relationship would require—

And so forth. I was not aware until I read that letter that Cabinet officers and perhaps others in Government are traditionally entitled to higher pay than Members of Congress. I thought it was upon a basis of justification that Cabinet officers and other officers of the Government are paid, but I learn to my dismay that the increase in pay proposed here for Cabinet officers and other officers of Government is based upon a traditional relationship over that of Members of Congress. If we are going to deal in tradition perhaps some attention ought to be given to the Cadillacs, chauffeurs, special planes, and a few other things that are furnished Cabinet officers and others.

Let us take a look at this bill. I am not fully acquainted with all its provisions, because, as I stated before, no hearings were held. Members of the committee have had no particular opportunity to acquaint themselves with all the details. But let me tell you that these increases run from 8.1 to 37.5 percent.

Mr. LONG. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Louisiana.

Mr. LONG. This is an administration bill and a "must"; is it not?

Mr. GROSS. It is not a "must" with me and I doubt that it is a "must" with the gentleman from Louisiana.

Let me repeat, these increases go from 8.1 percent to 37.5 percent, notwithstanding the fact that back in 1949 a pay increase was voted for the executive branch of the Government which provided for increases in some instances of approximately 100 percent. So it could be possible that with this bill some people are being increased 137.5 percent since 1949. I regret that I have not had time to make accurate totals in this respect.

Mr. MURRAY of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield.

Mr. MURRAY of Tennessee. Will the gentleman cite one particular example of what he is stating?

Mr. GROSS. The gentleman well knows there were some increases in 1949 that went from approximately $10,000 to $20,000.

Mr. MURRAY of Tennessee. What cases are those, may I ask the gentleman from Iowa?

Mr. GROSS. I do not have them here but the gentleman knows that to be approximately the fact.

Mr. MURRAY of Tennessee. No; I do not know it.

Mr. GROSS. I will be glad to present the gentleman with some figures later on.

I would not be opposed to raising some salaries if we were getting more efficiency out of some people over including the Department of Defense which suddenly discovered, a few days ago, $302 million under some mattress or on some shelf—$302 million they did not know they had. And some of these employees in the Foreign Operations Administration suddenly discovered, a few days ago, they had $66 million they did not know they had. I would be perfectly willing to pay people in Government if we were getting value received, but in all too many instances I say to you that we are not.

Mr. MURRAY of Tennessee. May I say to my friend, the gentleman from Iowa, that I had thought that extensive hearings were not necessary since many, many hours were spent in the planning of this bill. I thought in view of the fact that Members of Congress had already increased their salaries 50 percent and had given two increases to the classified and postal employees since 1949, everyone should agree we should

treat these executive officers fairly, reasonably, and right, just as this bill does.

Mr. GROSS. I know of no reason why a Cabinet officer should be paid more than a Member of Congress. If the gentleman has some good reason for it, let him state it. I see no justification for this pay increase. We did not have any real justification before the committee and we do not have it now. The taxpayers of this country are being loaded with debt and taxes. This bill ought to be defeated.

Mr. REES of Kansas. Mr. Speaker, the chairman of the committee has made a fine, concise statement covering a very complex salary schedule. It is a subject with which he is thoroughly familiar—made doubly so by the fact that he spent so much time and so much effort in attempting to clear the salary schedules and the relative positions of the executive branch of the Government with the leadership of the Congress and responsible officials of the White House.

It is seldom, in my experience, that a bill as complex as this one, a bill which must with necessity involve so many personalities and positions of such importance, could be approved without amendment.

Our committee approved this bill without amendment by a substantial vote. I might say that this was a vote not only of a job well done but a vote of complete confidence in the Chairman of the Post Office and Civil Service Committee who has done such an outstanding job in this Congress.

Addressing myself now to the principle involved in this request of the President, in my opinion this is in much the same category as legislation which we passed involving our own housekeeping plans for the legislative budget.

The positions of the individuals covered by this legislation represent the official family of the President. With but few exceptions they are appointed by the President, and with the advice and consent of the Senate. We should treat this request of the President, and approach the consideration of this legislation, in the same spirit that he has accorded our own problems.

I can think of no more appropriate time than this to say something that has been long on my mind. It is this: Never in the history of this Government has there been a President who has been more concerned that the Congress and its Members be given proper recognition at the highest level in our Government.

The President has been most generous in his consultation with the leadership of the Congress. His thoughtfulness, his kindly consideration, have won for him many friends on both sides of the aisle. It has won for him the approval of outstanding legislative programs in the 83d Congress and this first session of the 84th Congress.

The President has consistently and strongly asserted that Congress is the very essence of the democratic government we enjoy. His request in this executive pay bill is consistent with that policy. He has recommended that only officers at the Cabinet level be paid more than Members of Congress. He has done this forthrightly, despite comments from other directions and, I am sure, many pressures, pointing out that although for years many executives of the Government were paid more than Members of Congress, this has never been justified and should be corrected.

I hope that this legislation will be adopted in the spirit in which it is sent down, a spirit of correcting inequities and of bringing into line the salaries of his official family as a final link in the many adjustments that have been made in the Federal salary schedules.

The SPEAKER. The question is, Will the House suspend the rules and pass the bill, H. R. 7619?

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

EXTENDING MAILING PRIVILEGES TO MEMBERS OF THE ARMED FORCES

Mr. MURRAY of Tennessee. Mr. Speaker, I ask unanimous consent to file a supplemental report on the bill (H. R. 7125) to extend to June 30, 1956, the free mailing privileges granted by the act of July 12, 1950, to members of the Armed Forces of the United States.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

FLOOD-CONTROL IMPROVEMENT AT ST. LOUIS, MO.

Mr. DAVIS of Tennessee. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 7092) to provide for the improvement of the Mississippi River at and in the vicinity of St. Louis, Mo., for flood control, as amended.

The Clerk read the bill, as follows:

Be it enacted, etc., That the following work of improvement for the control of destructive floods is hereby adopted and authorized to be prosecuted under the direction of the Secretary of the Army and the supervision of the Chief of Engineers in accordance with the plans in the report hereinafter designated and subject to the conditions set forth therein:

Mississippi River, at and in the vicinity of St. Louis, Mo., in accordance with the recommendations of the Chief of Engineers in Senate Document No. 57, 84th Congress, 1st session, at an estimated cost of $123,020,000.

There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

The SPEAKER. Is a second demanded? If not, the Chair will put the question.

The question is on suspending the rules and passing the bill, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

Mr. DAVIS of Tennessee. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate bill (S. 56) authorizing construction of certain public works on the Mississippi River for the protection of St. Louis, Mo., a bill similar to the bill H. R. 7092, which was just passed.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the project for flood protection at St. Louis, Mo., is hereby authorized substantially as recommended by the Chief of Engineers in Senate Document No. 57, 84th Congress, at an estimated cost of $123,020,000.

SEC. 2. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The proceedings whereby the bill H. R. 7092 was passed were vacated and that bill was laid on the table.

The SPEAKER. The Chair wishes to announce that that is the last bill which will be taken up today under suspension of the rules.

TWO HUNDREDTH ANNIVERSARY OF BIRTH OF ALEXANDER HAMILTON

Mr. CELLER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1395) to amend the joint resolution entitled "Joint resolution to establish a commission for the celebration of the 200th anniversary of the birth of Alexander Hamilton."

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 7 of the joint resolution entitled "Joint resolution to establish a commission for the celebration of the 200th anniversary of the birth of Alexander Hamilton," approved August 20, 1954, is amended to read as follows:

"SEC. 7. There area hereby authorized to be appropriated such sums, not to exceed $150,000 in addition to the sum of $25,000 heretofore appropriated, as the Congress may determine to be necessary to carry out the provisions of this joint resolution."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING INTERNAL REVENUE BILL OF 1954

Mr. COOPER. Mr. Speaker, by direction of the Committee on Ways and Means, I ask unanimous consent for the immediate consideration of the bill (H. R. 4582) to amend the Internal Revenue Code of 1954 with respect to deductions from gross income of amounts contributed to employees trusts, which was unanimously reported favorably by the Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

Mr. JENKINS. Mr. Speaker, reserving the right to object, and I shall not object, we are proceeding now to take up a series of bills reported out by my committee, all of which were unanimously reported out favorably from the Committee on Ways and Means.

Mr. Speaker, I ask unanimous consent that I may extend my remarks on each of these bills, following the consideration of the bill.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That a new paragraph be added to section 381 (c) of the Internal Revenue Code of 1954 to read as follows:

"(20) Carryover of unused pension trust deductions in certain cases: Notwithstanding the other provisions of this section, or section 394 (a), a corporation which has acquired the properties and assumed the liabilities of a wholly owned subsidiary shall be considered to have succeeded to and to be entitled to take into account contributions of the subsidiary to a pension plan, and shall be considered to be the distributor or transferor corporation after the date of distribution or transfer for the purpose of determining the amounts deductible under section 404 with respect to contributions to a pension plan if—

"(A) the corporate laws of the State of incorporation of the subsidiary required the surviving corporation in the case of merger to be incorporated under the laws of the State of incorporation of the subsidiary; and

"(B) the properties were acquired in a liquidation of the subsidiary in a transaction subject to section 112 (b) (6) of the Internal Code of 1939."

With the following committee amendments:

Page 2, line 4, after "transfer", insert "(but not for taxable years with respect to which this paragraph does not apply)."

Page 2, line 14, after "Internal", insert "Revenue."

Page 2, after line 14, insert:

"SEC. 2. The amendments made by the first section of this act shall apply with respect to taxable years beginning after December 31, 1953, and ending after August 16, 1954."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. COOPER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD on the bill just passed, and also ask unanimous consent to extend my remarks in the RECORD immediately following the consideration of each of the bills to follow.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. COOPER. Mr. Speaker, cases arising under the 1939 code have been called to the attention of the Committee on Ways and Means in which a tax-free merger of a subsidiary corporation, incorporated in one State, into the parent corporation, incorporated in another State, has been prevented by reason of State laws requiring that the surviving corporation be incorporated under the laws of such State. For this reason, parent corporations have been forced to forego the tax benefits granted by the Federal income tax laws to tax-free mergers and liquidate the subsidiary thus acquiring its property via the tax-liquidation route which has liabilities. This result follows under the 1939 code because certain tax benefits and elective rights are available to a successor corporation upon a tax-free reorganization or liquidation only if the combination is effectuated in a particular legal form.

The 1954 code substitutes definitive rules for the old test of form. Under the new rule, specified tax benefits, elective rights, and obligations carry over to a successor corporation or corporations in certain tax-free liquidations and reorganizations.

H. R. 4582 extends the new treatment to corporations which, because of the State laws described above, were denied the benefits of a tax-free merger and permits such corporations to utilize any excess pension plan contributions made by the subsidiary to a qualified pension plan as though it were the subsidiary for this purpose.

This bill was unanimously reported by the Committee on Ways and Means.

Mr. JENKINS. Mr. Speaker, H. R. 4582 permits, under certain circumstances, a corporation which has acquired the properties and assumed the liabilities of a wholly owned subsidiary in a tax-free liquidation under section 112 (b) (6) of the 1939 code, to utilize any excess contributions made by the subsidiary to a qualified pension plan as though it were the subsidiary corporation for this purpose. These excess contributions are to be available as deductions in years beginning after December 31, 1953, and ending after August 16, 1954. This bill was introduced by the distinguished gentleman from Pennsylvania [Mr. SIMPSON] and was reported unanimously by the Committee on Ways and Means.

FOREIGN-TRAVEL TAXES

Mr. COOPER. Mr. Speaker, by direction of the Committee on Ways and Means, I ask unanimous consent for the immediate consideration of the bill (H. R. 5265) to exempt certain additional foreign travel from the tax on the transportation of persons, which was unanimously reported favorably by the Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That subsections (a) and (b) of section 4261 of the Internal Revenue Code of 1954 (relating to the tax on transportation of persons) are amended to read as follows:

"(a) Amounts paid within or without the United States: There is hereby imposed upon the amount paid within or without the United States for the domestic transportation of persons by rail, motor vehicle, water, or air, a tax equal to 10 percent of the amount so paid.

"(b) Definition of domestic transportation: For purposes of subsection (a), the term 'domestic transportation' means—

"(1) Transportation which begins and ends in the United States, except (A) any such transportation, payment for which is made outside the United States, which is covered by a separate ticket or order but which is part of transportation from or to a point outside the United States, if it is established, pursuant to regulations prescribed by the Secretary or his delegate, at the time of payment that the several portions of the transportation are being purchased for use in conjunction with each other; and (B) round-trip transportation, payment for which is made outside the United States, between a point within the United States and a point outside of the United States; and

"(2) Transportation, payment for which is made within the United States, between any port or station within the United States, and any other port or station within the United States, which is part of transportation to or from a point outside the United States, except any such transportation by water on a vessel which makes one or more intermediate stops at ports within the United States on a voyage which begins or ends in the United States and ends or begins outside the United States, if the vessel in stopping at such intermediate port is not authorized both to discharge and to take on passengers.

SEC. 2. Section 4264 (c) of the Internal Revenue Code of 1954 is amended by striking out "or (b)".

SEC. 3. Section 4262 (a) of the Internal Revenue Code of 1954 is hereby repealed.

SEC. 4. The amendments and repeal made by this act shall apply to amounts paid on or after the first day of the first month which begins more than 10 days after the date of the enactment of this act for transportation commencing on or after such first day.

With the following committee amendment:

Strike out all after the enacting clause and insert "That (a) subsections (a) and (b) of section 4261 of the Internal Revenue Code of 1954 (relating to the tax on transportation of persons) are hereby amended to read as follows:

"'(a) Amounts paid within or without the United States: There is hereby imposed upon the amount paid within or without the United States for the domestic transportation of persons by rail, motor vehicle, water, or air a tax equal to 10 percent of the amount so paid.'

"(b) Subsection (c) of such section is hereby amended by striking out 'or (b)', and such subsection is hereby redesignated as subsection (b).

"(c) Subsection (d) of such section is hereby amended by striking out 'taxes' and inserting in lieu thereof 'tax', and such subsection is hereby redesignated as subsection (c).

"SEC. 2. (a) Section 4262 of the Internal Revenue Code of 1954 is hereby amended by striking out subsection (a) and by redesignating subsections (b), (c), (d), and (e) as subsections (a), (b), (c), and (d), respectively, and such section is hereby redesignated as section 4263.

"(b) Part I of subchapter C of chapter 33 of the Internal Revenue Code of 1954 is hereby amended by inserting after section 4261 the following new section:

"'SEC. 4262. Definition of domestic transportation.

"'As used in section 4261, the term "domestic transportation" means—

"'(1) Transportation which begins and ends in the United States, except—

"'(A) any such transportation, payment for which is made outside the United States,

which is covered by a separate ticket or order but which is part of transportation from or to a point outside the United States, if it is established, pursuant to regulations prescribed by the Secretary or his delegate, at the time of payment that the several portions of the transportation are being purchased for use in conjunction with each other;

"'(B) that portion of such transportation which is outside the United States in any case where the route of the transportation passes through or over a point at least 200 miles from the nearest boundary of the United States, as measured from a direct line between the points of departure from and reentry into the United States (except that where passengers are discharged and taken on at a point or points outside of the United States, such line shall be from the point of departure from the United States to such point or, consecutively, to such points outside the United States and from there to the point of reentry into the United States); and

"'(C) round-trip transportation between a point within the United States and a point outside the United States (except to the extent specified in paragraph (2) of this section); and

"'(2) Transportation, payment for which is made within the United States, between any port or station within the United States and any other port or station within the United States (except as described in subparagraph (B) of paragraph (1) of this section), which is part of transportation to or from a point outside the United States, except any such transportation by water on a vessel which makes one or more intermediate stops at ports within the United States on a voyage which begins or ends in the United States and ends or begins outside the United States, if the vessel in stopping at such intermediate port is not authorized both to discharge and to take on passengers.'

"(c) The table of sections for such part I is hereby amended by striking out

"'Sec. 4262. Exemptions.'

and inserting in lieu thereof

"'Sec. 4262. Definition of domestic transportation.

"'Sec. 4263. Exemptions.'

"SEC. 3. The amendments made by this act shall apply to amounts paid on or after the first day of the first month, which begins more than 10 days after the date of the enactment of this act for transportation commencing on or after such first day."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. COOPER. Mr. Speaker, the 10 percent excise tax presently levied on the transportation of persons applies only to domestic transportation and is not imposed upon travel which is outside the United States. However, the present definition of domestic transportation covers trips to Central America, the Caribbean area, Mexico, and Canada. The Committee on Ways and Means believes this treatment to be discriminatory and in opposition to the good-neighbor policy which this country has so long followed. To remove this discrimination against our closest neighbors, H. R. 5265 redefines domestic transportation to achieve the objective of taxing all transportation which begins and ends in the United States and yet not discriminate against the named countries. Therefore, with exceptions, "domestic transportation" is defined as all transportation beginning and ending in the United States.

The first exception relates to transportation which is paid for outside the United States and which is part of transportation from one point in the United States to another point in the United States, such as a trip from New York to Los Angeles where the ticket is used in connection with a ticket for transportation outside the United States, such as a trip beginning in London.

The second exception relates to trips a portion of which is out of the United States, for example, from Seattle to Anchorage, Alaska. In such cases, if the route passes at one or more points at least 200 miles from the nearest boundary of the United States, that portion of the transportation which is outside the United States will not be considered as domestic transportation. The 200 miles are measured in a direct line determined on the great circle.

The third exception relates to round-trip transportation between a point within the United States and a point outside the United States. Thus if the trip is an express trip with no stops between the point of departure and the principal destination, it would be free of tax whether made by rail or by air, or any other taxed mode of transportation.

This bill was unanimously reported by the Committee on Ways and Means.

Mr. JENKINS. Mr. Speaker, H. R. 5265, in general, exempts from the 10-percent excise tax on the transportation of persons, travel which is outside the United States. This bill was introduced by the distinguished gentleman from New York [Mr. REED], the ranking minority member of the Committee on Ways and Means. It was reported unanimously by the Committee on Ways and Means.

RETIREMENT INCOME-TAX CREDIT

Mr. COOPER. Mr. Speaker, by direction of the Committee on Ways and Means, I ask unanimous consent for the immediate consideration of the bill (H. R. 7036) to amend section 37 of the Internal Revenue Code of 1954 so as to conform its provisions respecting retirement income-tax credit to the corresponding liberalized provisions of the Social Security Amendments of 1954, and to extend its provisions to members of the Armed Forces, which was unanimously reported favorably by the Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 37 (d) of the Internal Revenue Code of 1954 is amended as follows:

(1) The phrase "the amount of retirement income shall not exceed $1,200" is amended by striking "$1,200" and inserting in lieu thereof "$1,500."

(2) Clause (2), which reads "in the case of any individual who has not attained the age of 75 before the close of the taxable year, any amount of earned income (as defined in subsection (g)) in excess of $900 received by the individual in the taxable year", is amended by striking "75" and inserting in lieu thereof "72" and by striking "$900" and inserting in lieu thereof "$1,200."

SEC. 2. Section 37 (f) of the Internal Revenue Code of 1954 is amended by striking out the following: "; except that such term does not include a fund or system established by the United States for members of the Armed Forces of the United States."

SEC. 3. The amendments made by the first section of this act shall be applicable to taxable years beginning after December 13, 1954. The amendment made by section 2 of this act shall apply only with respect to taxable years beginning after December 31, 1953, and ending after August 16, 1954.

With the following committee amendment:

Strike out all after the enacting clause and insert: "That section 37 (d) (2) of the Internal Revenue Code of 1954 (relating to limitation on retirement income) is hereby amended to read as follows:

"'(2) in the case of any individual who has not attained the age of 72 before the close of the taxable year, any amount of earned income (as defined in subsection (g))—

"'(A) in excess of $900 received by the individual in the taxable year if such individual has not attained the age of 65 before the close of the taxable year; or

"'(B) in excess of $1,200 received by the individual in the taxable year if such individual has attained the age of 65 before the close of the taxable year.'

"SEC. 2. The amendment made by the first section of this act shall apply only with respect to taxable years beginning after December 31, 1955."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to amend section 37 of the Internal Revenue Code of 1954 with respect to the earned income limitation on retirement income."

A motion to reconsider was laid on the table.

Mr. COOPER. Mr. Speaker, H. R. 7036 amends the Internal Revenue Code to liberalize the retirement income credit and to conform the earnings test imposed by the Internal Revenue Code with the work test used under the social-security laws.

Under existing law an individual who is 65 years of age or older is granted a credit against his tax liability equivalent to the tax imposed, in the first bracket, on the amount of his retirement income up to $1,200. Existing law also permits an individual to earn up to $900 a year without affecting the amount of the retirement income credit to which he is entitled. Amounts earned in excess of $900 reduce, dollar for dollar, the maximum retirement income credit to which an individual under 75 years of age is entitled. For those over 75 years of age no such limitation is imposed.

This bill amends the Internal Revenue Code to increase the amount which an individual can earn without reducing the amount of the retirement income credit to which he is entitled from $900 to $1,200. It also reduces the age for which the earnings limitation will cease to apply from 75 to 72. By this action the treatment accorded under the Internal Revenue Code with respect to the retire-

ment income credit will be conformed to the changes in the social-security laws made by the amendments of 1954.

The Committee on Ways and Means unanimously reported this bill.

Mr. JENKINS. Mr. Speaker, H. R. 7036 liberalizes the retirement income credit provided in section 37 of the Internal Revenue Code of 1954 so that the earnings test under this provision corresponds with the work test under the social-security law. This bill, which was sponsored by the distinguished gentleman from Illinois [Mr. MASON], was reported unanimously by the Committee on Ways and Means.

DEDUCTIONS FOR CHARITABLE CONTRIBUTIONS

Mr. COOPER. Mr. Speaker, by direction of the Committee on Ways and Means, I ask unanimous consent for the immediate consideration of the bill (H. R. 7094) to amend section 120 of the Internal Revenue Code of 1939—relating to unlimited deduction for charitable contributions—which was unanimously reported favorably by the Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 120 of the Internal Revenue Code of 1939 (relating to unlimited deduction for charitable and other contributions) is hereby amended by striking out "in each of the 10 preceding taxable years" and inserting in lieu thereof "in 8 of the 10 preceding taxable years."

SEC. 2. (a) Except as provided in subsections (b), (c), and (d), the amendment made by the first section of this act shall apply to all taxable years to which the Internal Revenue Code of 1939 applies.

(b) Notwithstanding any other provision of law, credit for any overpayment resulting from the amendment made by the first section of this act shall not be allowed, and the refund of any such overpayment shall be made only if it is established to the satisfaction of the Secretary of the Treasury or his delegate—

(1) in the case of a taxpayer who has not died at the time the refund is made, that the amount of such refund is to be paid forthwith as a charitable contribution (as defined in section 170 (c) of the Internal Revenue Code of 1954), or

(2) in the case of a taxpayer who has died at the time the refund is made, that (A) the amount of the refund, under the terms of the decedent's will, will be transferred to a trustee or trustees as described in section 2055 (a) (3) of the Internal Revenue Code of 1954, and (B) the amount of such transfer is deductible from the value of the gross estate under such section or the corresponding provisions of the Internal Revenue Code of 1939.

(c) The amount of any refund made under this act, and the payment or transfer of such amount as described in paragraph (1) or (2) of subsection (b), shall not be taken into account in determining any liability of the taxpayer or his estate for income tax or estate tax under the Federal income tax and estate tax laws.

(d) If a claim for refund relates to an overpayment on account of the amendment made by the first section of this act, in lieu of the 3-year period of limitation prescribed in section 322 (b) (1) of the Internal Revenue Code of 1939, the period shall be 7 years from the date prescribed by law for filing the return for the year with respect to which the claim is made. In the case of a claim described in this subsection, the amount of the refund may exceed the portion of the tax paid within the period prescribed in paragraph (2) or (3), whichever is applicable, of section 322 (b) of such code, to the extent of the amount of the overpayment attributable to the amendment made by the first section of this act.

With the following committee amendments:

Page 2, line 13, after "(A)", insert "an amount equal to."

Page 2, line 15, strike out "a trustee or trustees as described in section 2055 (a) (3)" and insert "any person or organization described in section 2055."

Page 2, line 17, after "(B)", insert "an amount equal to."

Page 2, after line 20, insert "No interest shall be paid upon any overpayment resulting from the amendment made by the first section of this act."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. COOPER. Mr. Speaker, under the Internal Revenue Code of 1939 the 20-percent limitation imposed on charitable contributions did not apply if the amount of the taxpayer's contribution plus his income-tax payments in the current year and in each of the prior 10 years equaled 90 percent or more of his taxable income. Last year the law was changed and the 1954 code provides, instead, that the 90-percent test need be met in only 8 out of 10 past years. However, the change was made effective only with respect to taxable years beginning after December 31, 1953, and ending before August 16, 1954.

Just as Congress last year considered the 10-year rule too restrictive, the Committee on Ways and Means believes it to be unduly restrictive concerning prior years; for that reason H. R. 7094 would extend the 8-out-of-10-year rule to all taxable years to which the 1939 code is applicable. Should any refund result from the enactment of this bill, it will be permitted only if the amount of the refund is paid immediately as a charitable contribution. If the taxpayer is dead at the time the refund is made, an amount equal thereto must be transferred for public, charitable, or religious uses by the terms of the decedent's will.

This bill was reported unanimously by the Committee on Ways and Means.

Mr. JENKINS. Mr. Speaker, H. R. 7094 provides that an unlimited charitable deduction is to be available for charitable and other contributions under the 1939 code where in the current year and in 8 out of 10 of the immediately preceding years the individual's contributions to charity, plus his income-tax payments, accounted for 90 percent or more of his taxable income, but only if an amount equal to any refund under this provision is paid to, or set aside for, charity. The bill was reported unanimously by the Committee on Ways and Means.

GAIN OR LOSS IN CERTAIN RAILROAD REORGANIZATIONS

Mr. COOPER. Mr. Speaker, by direction of the Committee on Ways and Means, I ask unanimous consent for the immediate consideration of the bill (H. R. 7247) to amend the Internal Revenue Code of 1954 with respect to the treatment of gain in certain railroad reorganizations, which was unannmously reported favorably by the Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the title and subsection (a) of section 373 of the Internal Revenue Code of 1954 are amended to read as follows:

"SEC. 373. Gain or loss not recognized in certain railroad reorganizations.

"(a) Nonrecognition of gain or loss: No gain or loss shall be recognized if property of a railroad corporation, as defined in section 77 (m) of the Bankruptcy Act (49 Stat. 922; 11 U. S. C. 205), is transferred in pursuance of an order of the court having jurisdiction of such corporation—

(1) in a receivership proceeding, or

(2) in a proceeding under section 77 of the Bankruptcy Act,

to a railroad corporation (as defined in section 77 (m) of the Bankruptcy Act) organized or made use of to effectuate a plan of reorganization approved by the court in such proceeding."

SEC. 2. The amendment made by the first section of this act shall be effective with respect to transfers after the date of enactments.

With the following committee amendment:

Strike out all after the enacting clause and insert "That part IV of subchapter C of chapter I of the Internal Revenue Code of 1954 is hereby amended by adding at the end thereof the following new section:

"'SEC. 374. Gain or loss not recognized in certain railroad reorganizations.

"'(a) Exchanges by corporations:

"'Nonrecognition of gain or loss: No gain or loss shall be recognized if property of a railroad corporation, as defined in section 77 (m) of the Bankruptcy Act (49 Stat. 922; 11 U. S. C. 205), is transferred after July 31, 1955, in pursuance of an order of the court having jurisdiction of such corporation—

"'(A) in a receivership proceeding, or

"'(B) in a proceeding under section 77 of the Bankruptcy Act,

to another railroad corporation (as defined in section 77 (m) of the Bankruptcy Act) organized or made use of to effectuate a plan of reorganization approved by the court in such proceeding, in exchange solely for stock or securities in such other railroad corporation.

"'(2) Gain from exchanges not solely in kind: If an exchange would be within the provisions of paragraph (1) if it were not for the fact that the property received in exchange consists not only of stock or securities permitted by paragraph (1) to be received without the recognition of gain, but also of other property or money, then—

"'(A) if the corporation receiving such other property or money distributes it in pursuance of the plan of reorganization, no gain to the corporation shall be recognized from the exchange, but

"'(B) if the corporation receiving such other property or money does not distribute

it in pursuance of the plan of reorganization, the gain, if any, to the corporation shall be recognized, but in an amount not in excess of the sum of such money and the fair market value of such other property so received, which is not so distributed.

"'(3) Loss from exchanges not solely in kind: If an exchange would be within the provisions of paragraph (1) if it were not for the fact that the property received in exchange consists not only of property permitted by such paragraph to be received without the recognition of gain or loss, but also of other property or money, then no loss from the exchange shall be recognized.

"'(b) Basis: If the property of a railroad corporation (as defined in section 77 (m) of the Bankruptcy Act) was acquired after July 31, 1955, in pursuance of an order of the court having jurisdiction of such corporation—

"'(1) in a receivership proceeding, or

"'(2) in a proceeding under section 77 of the Bankruptcy Act,

and the acquiring corporation is a railroad corporation (as defined in section 77 (m) of the Bankruptcy Act) organized or made use of to effectuate a plan of reorganization approved by the court in such proceeding, the basis shall be the same as it would be in the hands of the railroad corporation whose property was so acquired, increased in the amount of gain recognized under subsection (a) (2) to the transferor on such transfer.

"'(c) Assumption of liabilities: In the case of a transaction involving an assumption of a liability or the acquisition of property subject to a liability, the rules provided in section 357 shall apply.'

"SEC. 2. Section 357 of such Code is hereby amended—

"(1) by deleting 'or 371' wherever appearing in subsection (a) and (b) thereof, and inserting in lieu thereof '371, or 374', and

"(2) by deleting from subsection (c) (2) (B) '371' and inserting in lieu thereof '371 or 374'.

"SEC. 3. Section 373 is hereby amended—

"(1) by deleting from subsection (a) 'transferred in pursuance' and inserting in lieu thereof 'transferred before August 1, 1955, in pursuance', and

"(2) by deleting 'December 31, 1938', and inserting in lieu thereof 'December 31, 1938, and before August 1, 1955,'."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. COOPER. Mr. Speaker, under the 1954 code no loss is recognized where property of a railroad corporation is transferred pursuant to a court order in a receivership proceeding or in a proceeding under section 77 of the Bankruptcy Act to another railroad corporation organized to effectuate a plan of reorganization approved by a court. However, existing law makes no provision with respect to any gain realized in such a transfer.

H. R. 7247 amends the 1954 code to correct this situation by adding a new section 374 which provides that gain will not be recognized with respect to property of a transferor corporation exchanged solely for stock or securities of the transferee corporation pursuant to a court order issued in a receivership proceeding or bankruptcy proceeding under section 77 of the Bankruptcy Act. However, to the extent that the transfer of property involves "boot" gain will be recognized to the transferor corporation unless it distributes the "boot" pursuant to a plan of reorganization.

The bill was unanimously reported by the Committee on Ways and Means.

Mr. JENKINS. Mr. Speaker, H. R. 7247 adds a new section 374 to the 1954 code to provide that no gain will be recognized to a railroad corporation where its properties are transferred, pursuant to a court order in a receivership proceeding or in a proceeding under the Bankruptcy Act, in a reorganization approved by the court in exchange solely for stock or securities in another railroad corporation. H. R. 7247 was introduced by the distinguished gentleman from Missouri [Mr. CURTIS] and was reported unanimously by the Committee on Ways and Means.

MANUFACTURERS' EXCISE TAX

Mr. COOPER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 7024) with Senate amendments thereto and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 6, line 1, after "by", insert "the first section and section 2 of."

Page 6, after line 17, insert:

"SEC. 4. Subsection (e) of section 534 of the Internal Revenue Code of 1954 (relating to burden of proof in certain proceedings relating to imposition of accumulated earnings tax) is hereby amended to read as follows:

"'(e) Application of section:

"'(1) Notwithstanding any other provision of law, this section shall apply with respect to taxable years to which this subchapter applies and (except as provided in paragraph (2)) to taxable years to which the corresponding provisions of prior revenue laws apply.

"'(2) In the case of a notice of deficiency for a taxable year to which this subchapter does not apply, this section shall apply only in the case of proceedings tried on the merits after the date of the enactment of this paragraph.'

"SEC. 5. Subsection (b) of section 534 of such Code (relating to notification by Secretary) is hereby amended by adding at the end thereof the following new sentence: 'In the case of a notice of deficiency to which subsection (e) (2) applies and which is mailed on or before the 30th day after the date of the enactment of this sentence, the notification referred to in the preceding sentence may be mailed at any time on or before such 30th day.'"

Amend the title so as to read: "An act to remove the manufacturers' excise tax from the sales of certain component parts for use in other manufactured articles, to confine to entertainment-type equipment the tax on radio and television apparatus, and for other purposes."

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Senate amendments were concurred in; and a motion to reconsider was laid on the table.

COMMITTEE ON WAYS AND MEANS

Mr. COOPER. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means may have until midnight, July 31, 1955, to file reports on the following bills which were unanimously ordered reported: H. R. 2667, H. R. 3413, H. R. 6143, H. R. 6712, and H. R. 7634.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

EXTENSION OF REMARKS

Mr. COOPER. Mr. Speaker, I ask unanimous consent to extend my remarks in the CONGRESSIONAL RECORD and to include therein letters from the Department of Health, Education, and Welfare relating to the provisions of the social-security laws dealing with sharecroppers and migrant agricultural laborers.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

FRANCES IRENE SMART

Mr. LANE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 1513) for the relief of Frances Irene Smart.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Frances Irene Smart, of Frederick, Okla., the sum of $25,000 in full satisfaction of her claim against the United States for compensation for personal injuries, and resulting pain, suffering, permanent disability, hospital and doctor bills, and other expenses, caused to her by the negligent and reckless operation of an automobile on or about the 31st day of October 1951, at excessive speed by an insane Army veteran prematurely and negligently released from a hospital of the Veterans' Administration by employees of the United States, and any claim of her husband in connection therewith: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, strike out "$25,000" and insert "$6,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BERNARD L. DENN

Mr. LANE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 2465) for the relief of Bernard L. Denn.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. MARTIN. Mr. Speaker, reserving the right to object, is this a Senate bill?

Mr. LANE. No. This is a House bill that has been cleared through the official objectors on the gentleman's side. The report was not available this morning. Your objectors have now seen the report.

Mr. MARTIN. It was on the calendar this morning?

Mr. LANE. It was.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Bernard L. Denn, or Portland, Oreg., the sum of $2,443.57. The payment of such sum shall be in full settlement of the claim of said Bernard L. Denn, an employee of Bonneville Power Administration, Department of the Interior, against the United States for retroactive pay adjustment to reimburse him for loss resulting from administrative error: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROVIDING THAT CERTAIN LANDS ACQUIRED BY THE UNITED STATES SHALL BE ADMINISTERED BY THE SECRETARY OF AGRICULTURE AS NATIONAL FOREST LANDS

Mr. FERNANDEZ. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 72) to provide that certain lands acquired by the United States shall be administered by the Secretary of Agriculture as national forest lands. I may say, Mr. Speaker, this bill was on the calendar this morning and was passed over at the request of the gentleman from Pennsylvania [Mr. SAYLOR]. The gentleman from Pennsylvania has looked into the bill and is now agreeable to its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New Mexico?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That those certain lands situated within the boundaries of the Lincoln National Forest, New Mexico, which were conveyed to the United States by the State of New Mexico, by deeds dated December 3, 1951, and recorded in book 142 at pages 547 to 556, inclusive, records of Otero County, N. Mex., in exchange for lands of the United States pursuant to the act of June 28, 1934 (48 Stat. 1269; 43 U. S. C. 315g), as amended, are hereby made parts of said Lincoln National Forest and hereafter shall be subject to all laws, rules, and regulations applicable to that national forest.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEGISLATIVE PROGRAM FOR MONDAY

Mr. MARTIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN. Mr. Speaker, may I inquire of the majority leader as to the program for Monday?

Mr. McCORMACK. Mr. Speaker, the program for Monday, without being confined completely to the following, is as follows:

There will be consideration of a House bill extending the Small Business Administration brought up under suspension of the rules. There will be a rollcall on that matter and Members should be governed accordingly.

Then there are the following:

H. R. 7541, increasing the borrowing power of the Commodity Credit Corporation.

S. 1894, the International Finance Corporation.

H. R. 7126, Poliomyelitis Vaccination Assistance Act of 1955.

S. 890, strengthening the Water Pollution Act.

S. 1189, national banks, real-estate and construction loans. That was on today's list, but we did not reach it.

H. R. 2552, Great Lakes connecting channels. That was on today's list.

H. R. 6309, the Mississippi River-Gulf outlet. That was on today's list also.

H. R. 2097—S. 1287—increase in the annuities of Foreign Service officers.

There will be consideration in some form or another—I am unable to state or advise just now—of legislation relating to an increase in pay for employees of the House and increasing clerk hire for Members. In what form it may come up I do not know.

There may be consideration of legislation in connection with the present strike going on in Washington. The Senate has been considering a bill today and may have passed it by this time relating to that matter. I understand the House Committee on the District of Columbia has reported out a bill. My personal opinion is, and speaking for myself only, I think it would be a mistake if we were to adjourn without something being done from a legislative angle to meet that situation. Then there is S. 2237, which was not reached today, a bill relating to State Department personnel. If that does not come up under suspension, there is a rule out and it will come up under a rule. The bill relates to an additional Under Secretary or some other high official, and I understand it is a matter of concern to the State Department. Then there is H. R. 5222, and there is a rule out on it, a bill to amend the Flammable Fabrics Act.

Mr. MARTIN. I will say to the gentleman he had better put that on the foot of his list if he does not want considerable time consumed, if he expects to adjourn on Monday. That is just a little advice.

Mr. McCORMACK. I appreciate the observation of the gentleman, and I might say I have alerted my mind along the same line. There are bills on the Speaker's desk that have passed the Senate, and some of those bills, of course, will be brought up by unanimous consent. There are conference reports and other matters that might develop.

Mr. MARTIN. Is there any chance that the President's atomic ship bill could be placed on that list?

Mr. McCORMACK. I do not see it on this list.

Mr. MARTIN. I notice the gentleman did not read it, so I presume it was not on the list.

Mr. McCORMACK. But I did make a reservation that I was not confining myself to this list.

Mr. MARTIN. If I might make a suggestion, we have to commence to confine ourselves to the list pretty soon if we are going to get out Monday.

Mr. McCORMACK. I thoroughly agree with the gentleman. Of course, this is not such a tremendous program as it appears to be when one is reading it and when the House wants to function.

Mr. MARTIN. It is a question of how they want to function. That word can be interpreted two ways.

Mr. McCORMACK. I always have confidence in the House functioning in the right direction.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. MARTIN. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. I would like to ask the gentleman if it could be arranged so that if there is a vote it could be taken immediately after 10 o'clock. Senator GEORGE has arranged a meeting with the President on the cotton and the cotton textile situation for 9:30. I wonder if it could be arranged so that any votes could be taken after 10 o'clock. The President is inclined to help us. I hope so, anyway.

Mr. McCORMACK. I think the gentlewoman is entitled to an answer. I wish I could do that, and it may be in practical operation we can work it out. But, I do not want to be bound by it. When I make a bargain, I will keep it, but on Monday I cannot make any definite commitment.

Mrs. ROGERS of Massachusetts. The gentleman's word has always been his bond so far as I ever knew.

Mr. McCORMACK. I thank the gentlewoman.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Indiana.

Mr. HALLECK. If I might inquire of the majority leader, the Defense Production Act extension is in conference, as is the housing bill. Both of those,

of course, are working against the deadline as of tomorrow midnight. Apparently the conference reports will not be acted upon today. Could the gentleman say whether or not if they are before the House Monday morning they would be the first order of business ahead of other action?

Mr. McCORMACK. I would say they would be, because naturally we have to give consideration to legislation which is expiring unless there is legislation which will extend it.

The information I received from members of the Committee on Banking and Currency is that if we get those conference reports through Monday, no extension resolution would be necessary. Of course, if a situation develops where that does not happen, then we have already anticipated that in relation to expiring legislation.

Mr. HALLECK. A further question, if the gentleman please. A bill having to do with impacted school areas has been listed for consideration. I did not notice it in the list the gentleman just read.

Mr. McCORMACK. My recollection is that that bill was passed on the Unanimous Consent Calendar. There were 4 or 5 bills on this list, I might advise the gentleman, that were passed on the Consent Calendar.

Mr. MARTIN. For the information of the men who work on the Consent Calendar, is there liable to be another call of the Consent Calendar on Monday?

Mr. McCORMACK. No.

The SPEAKER. The Chair will state that he thinks it would be a waste of time to pass House bills on Monday; that we shall only consider Senate bills and concur in Senate amendments.

Mr. MARTIN. I agree with the Speaker.

GENERAL LEAVE TO EXTEND

Mr. MULTER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to extend their remarks in the body of the RECORD immediately prior to the vote on H. R. 7470.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent that all Members have 2 legislative days within which to extend their remarks in the RECORD on the bill H. R. 3255.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

LEAVE OF ABSENCE

Mr. SIEMINSKI. Mr. Speaker, I ask unanimous consent that I be granted a leave of absence on Monday.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

SPECIAL ORDERS GRANTED

Mr. MINSHALL asked and was given permission to address the House for 60 minutes on Monday next, following the legislative program and any special orders heretofore entered.

Mr. MERROW asked and was given permission to address the House for 10 minutes on Monday next, following any special orders heretofore granted.

GENERAL LEAVE TO EXTEND

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent that all Members may be permitted to extend their remarks in the RECORD immediately preceding the vote on the bill H. R. 7619 today.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

ANNUITABLE SERVICE UNDER THE CIVIL SERVICE RETIREMENT ACT

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to include a bill.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I have introduced a bill, H. R. 2090, which provides that those working in the House of Representatives at the present time and who have rendered service for Members of Congress at a previous time but paid salary of the Members, may apply for retirement and be included in the Retirement Act on making the necessary back payments. This is a just bill, and I hope it will be passed. It is very hard to work side by side in an office with an employee who has the benefit of long-service contributions and retirement when one has had equally long service but cannot get full retirement benefits because the Member paid him or her in a time from his salary—it makes for great bitterness. Not many would be involved. All kinds of retirement benefits have passed, including those employed by the States. Please, oh please, pass this and right a great injustice. Millions and millions of dollars have been spent in civil-service benefits this year. I cannot understand the failure of this bill.

THE LATE HONORABLE RICHARD B. VAIL

The SPEAKER. The Chair recognizes the gentleman from Illinois [Mr. O'HARA].

Mr. O'HARA of Illinois. Mr. Speaker, it is my sad duty to announce the passing in the city of Chicago on July 29 of the Honorable Richard B. Vail, who represented the 2d District of Illinois in the 80th and 82d Congresses. Funeral services will be held on Monday. Mr. Vail was born on August 31, 1895, on the South Side of Chicago, which later he represented in the Congress of the United States and in which his father and grandfather had been pioneer residents.

When World War I broke out he was a student in John Marshall Law School. He laid aside his books to enlist in the service of his country and became a lieutenant of infantry. In World War II, he was chairman of the selective service appeals board and a member of the War Labor Board. He generously endowed a service center on the South Side which will be remembered in warm appreciation by many servicemen of that period.

He was an active member of the American Legion giving to his own post not only the contribution of his devotion but also most generous financial aid enabling it to own one of the finest Legion homes in Chicago.

At the time of his death, Mr. Vail was board chairman of the Vail Manufacturing Co., the makers of wire specialities. His brother, Walter Vail, Jr., is the company president. To him and to the two sisters surviving, I extend my deepest sympathy in their great loss.

The Honorable Richard B. Vail will long be remembered as a man of deep convictions and courage in championing that in which he believed. He was held in warm affection by a host of friends with many of whom he had grown up from boyhood.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Illinois. I yield.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I am deeply grieved to learn of the death of Congressman Vail. He was on the Committee on Veterans' Affairs when I was chairman of the committee in the 81st Congress. He was an extremely fine, courageous, and extremely able gentleman and Member of Congress. The Congress passed a great deal of veterans' legislation in that session and he was always active in its passage. He will also be remembered for his great contribution in fighting un-American activities. My deepest sympathy goes to his family and friends and to the State of Illinois. We can ill afford to lose men of his caliber.

Mr. REED of Illinois. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Illinois. I yield.

Mr. REED of Illinois. Mr. Speaker, It is with deep regret and great sorrow that I learned of the sudden death of Richard B. Vail at the Presbyterian Hospital in Chicago on Friday, July 29.

We all remember his great services and untiring efforts in combating communism during his tenure as a Member of Congress when he served on the Committee on Un-American Activities. His utter fearlessness in taking a definite position in all controversial issues endeared him to all who had the privilege of serving with him.

Not only was he a faithful representative of his constituency but was active in many civic and charitable organizations benefiting mankind in his community. He will be sorely missed by the people of Illinois and the Members of this body.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Illinois. I yield.

Mr. HALLECK. Mr. Speaker, when I learned of the passing of Dick Vail it made me very, very sad. I shall always remember him as one of the finest, friendliest and nicest Members of the

House that I have known in my time in the House of Representatives. With all of that, Mr. Speaker, he was an able and effective Member of this body. His service will always be remembered by us. It is a service that has been useful to the State and to the country. I am, indeed, sorry to learn of his passing and to his loved ones, I extend my deepest sympathy.

Mrs. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Illinois. I yield.

Mrs. CHURCH. Mr. Speaker, I was shocked and saddened this morning on learning of the passing of Dick Vail. I know of no Member of the House who was so generous in his friendship and so unfailing in the good cheer that he gave every day. I am thinking tonight of the sisters in particular to whom he was more than the usual good brother. I wish to extend to them and to his brother my deepest sympathy. I would like to think of Dick Vail as he came through the door with a smile on his face and with his shoulders set back, ready to battle for the things in which be believed. I know of no man in the House who more thoroughly showed at all times the courage of his convictions. I know what his loss will mean to his many friends in his district. I, as well as the many Members of the House who were privileged to call him friend, will miss him.

Mr. McVEY. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Illinois. I yield.

Mr. McVEY. Mr. Speaker, I wish to join with my colleagues in lamenting the passing of my good friend, Richard Vail. It was my privilege while he was a Member of the House to become very well acquainted with Mr. Vail.

I can say without reservation that I have never found anyone more thoroughly devoted to those principles that have made this country great than was Mr. Vail. In his passing we have lost a wonderful American.

I wish to extend my deepest sympathy to the remaining members of his family.

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent that all Members may have 5 days in which to extend their remarks on the life and public service of Mr. Vail.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ALLEN of Illinois. Mr. Speaker, I was shocked beyond measure when I heard of the passing of my good friend Richard B. Vail. He was possessed of great character and integrity. During the years he was in Congress he served his country, his State, and his district with distinction.

I know every Member of Congress who was privileged to serve with Dick Vail, will remember his many courtesies and acts of kindness.

I join with all his many friends in expressing my heartfelt sympathy to the members of his family.

Mr. HOFFMAN of Illinois. Mr. Speaker, it was with a deep sense of personal loss that I learned of the untimely death of Dick Vail, whose friendship I valued highly. He was a man whose many fine personal qualities endeared him to all who knew him, a charming person with whom it was a pleasure to be associated.

But he was a great deal more than that, and it is these additional qualities which make his death a public as well as a private loss. Richard B. Vail was devoted to the principles of republicanism, of democracy, to those qualities which have made America great. He was an ardent anti-Communist and performed a significant service to his country through his participation in the work of the House Committee on Un-American Activities in the 80th Congress. He saw clearly the danger to the strength of this country which lay in the growing power of the Federal Government, and he opposed vigorously, both as a Member of the 80th and 82d Congresses and as a private individual, the impending threat of the trend toward socialism.

Dick Vail was a Christian gentleman, whose deep and real kindness was evidenced by frequent and generous contributions made quietly and privately to many needy individuals and organizations. He was a man who never knowingly injured another, and who was scrupulously fair to all.

His death is a great loss to the people he served, to his friends, and to his family. I should like to extend to his sisters, Emily and La La, and his brother, Walter, my deepest sympathy.

Mr. VELDE. Mr. Speaker, I know many Members of this House are sorely grieved as I am to have learned this past weekend of the passing of our former colleague, Richard B. Vail, of Chicago.

There was no more militant foe of communism in the Congress than Dick Vail. He was known for his steadfastness and firmness of conviction. Dick always spoke out as his conscience dictated regardless of political considerations and everyone respected him for it.

Those of us who knew Dick so well will miss the warmth of his friendship, the wisdom of his counsel, and the determination of purpose with which he met every problem.

Our deepest sympathy goes out to Dick Vail's family and close associates in their hour of bereavement.

NORTH AMERICAN AIRLINES

Mr. ROONEY. Mr. Speaker, I ask unanimous consent to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentletman from New York?

There was no objection.

Mr. ROONEY. Mr. Speaker, on July 1 the Civil Aeronautics Board issued an order revoking the operating authority of North American Airlines, the company which originally introduced air coach to American aviation, a company with a perfect safety record. This action comes as the culmination of a many-year effort to banish this airline. The carrier was charged with flying too frequently and regularly, allegedly in violation of its temporary operating authority.

In the words of one of the carriers' executives, James Fischgrund:

> We are evidently guilty of flying too many people too often, too cheaply, and doing this profitably without any subsidy from the Government.

In the light of all the facts, I should like to issue this warning: that the elimination or the crippling of North American will result in a general increase in the cost of airline transportation. Fares will go up once the air-coach pioneer is put out of business.

There has been a tremendous impatience in certain quarters to get North American on the ground and let fares go sky high. This is why cease-and-desist orders curtailing North American are cause for celebration among the high-fare, subsidy-minded carriers, while a genuine cause of worry to the traveling public.

For years the major airlines have resisted any investigation of passenger rates. In the entire history of the CAB there has never been a fare investigation. Some years ago the Board voted to hold such an investigation, and then, under pressure from the industry, the Board reversed itself and called off the rate investigation. Thus, there still has been no study or analysis of passenger fares, from which the industry derives 90 percent of its revenue.

North American has been the pace setter in low fares. It provides the yardstick, because its rate of 3.2 cents per mile is based on realistic costs. There is no mail pay, and if the company goes into the red it cannot fall back on subsidy. Therefore its rates have become a practical criterion and we find major airlines fares closely parallel those of North American on those segments where North American also offers service. On segments where there is no independent competition, the rates are substantially higher.

In 1953 a majority of the Board permitted all carriers to arbitrarily up their fares by $1 per ticket. Two members of the CAB, Josh Lee and Joseph Adams, dissented on the grounds that there was no supporting evidence of any need. This capricious increase costs the public $30 million annually.

We now have considerable talk in the industry of a further fare increase, despite the fact that the financial picture for most of the major airlines has been exceptionally good in recent years. The claim is that costs have been rising, therefore fares should go up. This, despite the fact that the industry is the fastest growing in the country and is evolving away from the exclusive, luxury concept into a mass consumer industry.

The only thing that stands in the way of an arbitrary fare increase is North American. Although this company is relatively small, it has pursued a policy of national advertising which has educated the public to the idea of $99 fares for transcontinental travel and similar low rates on shorter runs. As long as there is one company which insists on low fares, and high utilization of equipment, the rest of the industry must follow. Large volume at a small profit is

the keystone of American abundance—this was North American's contribution to aviation.

For this reason, Mr. Speaker, I fear any steps to hobble or curtail North American will have industrywide repercussions which will ultimately cost the traveling public millions of dollars in additional fares.

This will be the major effect of the CAB's move to kill this company. I should like to know any beneficial results that come from banishing the one independent company which survives in passenger air transportation, and which bases its business success not on charging what the traffic will bear but rather on the basis of attracting the greatest number of customers.

I know all of the negative consequences of grounding this company: the effect on fares, the elimination of the one company that might possibly win a certificate for permanently supplying air coach, the tightening of monopoly control on aviation. But I fail to see any specific good, or gain to the traveling public, to the taxpayer, or to the national defense by killing off an enterprise that has shown great creative ingenuity, that has stood on its own feet financially, that has a perfect safety record, and that has tried and is trying to be certificated to provide the kind of air transportation which the great mass of the American people seek and require. In the eyes of the CAB, self-reliance appears to be a crime punishable by death.

Obviously, the only ones who want to see a company like this eliminated are those special interests which regard subsidy as sacred, and who believe that the air belongs exclusively to the grandfather carriers and think of any newcomer as a trespasser.

Mr. Speaker, this is most serious. I am impelled to say these things so that we will be alert to developments now in the making. Too often administrative agencies have waited for Congress to recess to perform some objectionable and irrevocable act.

I should like to urge that the Committee on Interstate and Foreign Commerce move swiftly and directly and examine the entire policy of the Board as regards fares, competition, right of entry, subsidy, and development of air coach. Above all, Congress should be advised as to whether the Civil Aeronautics Act is being administered fully and intelligently by the CAB. We know that the Board has been extremely conscientious about enforcing its so-called "economic regulations," those special rules which it has used to revoke the small veteran enterprises and which are now being used to strangle North American. Has the Board been acting merely as the protective arm for the chosen few grandfather carriers, or has it been concerned with the development of a dynamic public service industry? I urge that the distinguished Interstate and Foreign Commerce Committee be especially vigilant.

After all, the day when air travel was merely a frill for the wealthy and for those who traveled on lush expense accounts is over. Today it is a major means of interurban travel for all citizens. The hothouse days are over—today one-third of all air travel is by air coach, thanks to North American. Any attempts by the CAB to hold back dynamic new enterprise must be prevented. The country needs all of the safe, sound, and economical air service it can get. We are entitled to know what the real effect of the CAB's policies are in this respect.

COMMITTEES OF CONFERENCE

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that the committees of conference on the bills H. R. 100 and H. R. 6373 may have until midnight tonight to file conference reports.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

MINING, DEVELOPMENT, AND UTILIZATION OF MINERAL RESOURCES OF PUBLIC LANDS WITHDRAWN OR RESERVED FOR POWER DEVELOPMENT

Mr. ENGLE submitted a conference report and statement on the bill (H. R. 100) to permit the mining, development, and utilization of the mineral resources and for other purposes.

ENCOURAGING THE DISCOVERY, DEVELOPMENT, AND PRODUCTION OF CERTAIN DOMESTIC MINERALS

Mr. ENGLE submitted a conference report and statement on the bill (H. R. 6373) to amend the Mineral Program Extension Act and for other purposes.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. PATMAN to revise and extend the remarks he made in the Committee of the Whole this afternoon and include extraneous matter.

Mr. WICKERSHAM.

Mr. DODD.

Mr. MATTHEWS.

Mr. SMITH of Mississippi in two instances.

Mr. KILDAY and to include extraneous matter.

Mr. RIVERS (at the request of Mr. BOYKIN).

Mr. STAGGERS (at the request of Mr. SIKES).

Mr. FLOOD and to include extraneous matter.

Mr. CARNAHAN and to include extraneous matter.

Mr. JONES of Missouri.

Mr. MILLER of Nebraska.

Mr. JUDD and to include extraneous matter.

Mr. CURTIS of Missouri.

Mr. BYRD.

Mr. DAVIDSON.

Mr. TEAGUE of Texas.

Mr. CELLER.

Mr. HARRISON of Nebraska (at the request of Mr. SCHWENGEL).

Mr. SCHWENGEL in three instances, and in one to include the remarks of the president of the University of Iowa, notwithstanding the fact that they will exceed two pages of the RECORD and are estimated by the Public Printer to cost $267.

Mr. BRAY and to include extraneous matter.

Mr. FORD.

Mr. YOUNG in two instances and to include extraneous matter.

Mr. MAILLIARD.

Mr. UTT and to include extraneous matter.

Mr. MCCULLOCH.

Mr. HAND.

Mr. ADAIR in two instances and to include extraneous matter.

Mr. REES of Kansas and to include extraneous matter.

Mr. DAVIS of Wisconsin in two instances, in one to insert a voting record and in the other extraneous matter.

Mrs. ROGERS of Massachusetts and to include a release from the Veterans' Administration.

Mr. RABAUT.

Mr. FISHER (at the request of Mr. PRIEST) and include extraneous matter.

Mr. MCDOWELL (at the request of Mr. PRIEST).

Mr. MACK of Washington in two instances.

Mr. WAINWRIGHT.

Mr. LIPSCOMB.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. KRUEGER (at the request of Mr. LOVRE) from July 28 to August 1, on account of illness.

Mr. CRETELLA, for August 1, on account of death in family.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 34. An act to authorize the leasing of restricted Indian lands for public, religious, educational, recreational, residential, business, and other purposes requiring the grant of long-term leases;

S. 665. An act to revive section 3 of the District of Columbia Public School Food Services Act;

S. 1138. An act to continue the effectiveness of the act of July 17, 1953 (67 Stat. 177), as amended, providing certain construction and other authority; and

S. 2171. An act to amend the Subversive Activities Control Act so as to provide that upon the expiration of his term a member of the Board shall continue to serve until his successor shall have been appointed and shall have qualified.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his ap-

proval, bills of the House of the following titles:

H. R. 291. An act to extend the retirement income tax credit to members of the Armed Forces;

H. R. 542. An act to amend the Internal Revenue Code;

H. R. 727. An act to authorize the conveyance of certain land to the Pecwan Union School District for use as the site of a school;

H. R. 898. An act to provide for the approval of deeds executed by the heirs of Anna Hollywood Fickz;

H. R. 910. An act to authorize and direct the sale of certain land in Alaska to John Ekonomos, of the Fairbanks Precinct, Alaska;

H. R. 939. An act for the relief of Laura Safir;

H. R. 999. An act for the relief of Nurith Spier;

H. R. 1159. An act for the relief of Anna Histed (nee Wiesneth);

H. R. 1160. An act for the relief of Vittorio Capano;

H. R. 1408. An act for the relief of Caterina Ruello;

H. R. 1976. An act for the relief of Luigi Tomasella;

H. R. 2788. An act for the relief of Miguel Sandoval-Michel (also known as Arturo Rodriguez-Gomez);

H. R. 2851. An act to make cornmeal and wheat flour available to needy persons;

H. R. 3437. An act to amend the Internal Revenue Code of 1954 to provide for a maximum manufacturers' excise tax on the leases of certain automobile utility trailers;

H. R. 3587. An act granting the consent of the Congress to the negotiation of a compact relating to the waters of the Klamath River by the States of Oregon and California;

H. R. 3626. An act for the relief of Ilse Werner;

H. R. 3712. An act to extend the period during which claims for floor stocks refunds may be filed with respect to certain manufacturers' excise taxes which were reduced by the Excise Tax Reduction Act of 1954;

H. R. 3822. An act to amend title V of the Agricultural Act of 1949, as amended;

H. R. 3856. An act for the relief of Leopoldine Simonetti;

H. R. 3956. An act for the relief of Elizabeth Rotics Whitney;

H. R. 3990. An act to authorize the Secretary of the Interior to investigate and report to the Congress on projects for the conservation, development, and utilization of the water resources of Alaska;

H. R. 4718. An act to authorize and direct the issuance of patent to Robert W. Retherford, of Anchorage, Alaska, to certain land in Alaska;

H. R. 4970. An act for the relief of Edeltraudt Margot Gallagher, nee Hackelberg;

H. R. 5080. An act for relief of Florence E. McConnell;

H. R. 5767. An act for the relief of Sally S. Shulman or Zell Sholman;

H. R. 5936. An act to provide wage credits under title II of the Social Security Act for military service before April 1956, and to permit application for lump-sum benefits under such title to be made within 2 years after interment or reinterment in the case of servicemen dying overseas before April 1956;

H. R. 6002. An act for the relief of Helene Rapp;

H. R. 6036. An act for the relief of Mrs. Florentine Kintzel;

H. R. 6886. An act to amend the act of October 19, 1949, entitled "An act to assist States in collecting sales and use taxes on cigarettes";

H. R. 6896. An act for the relief of Luisa Guidi Miller;

H. R. 7148. An act to amend the Internal Revenue Codes so as to provide a personal exemption with respect to certain dependents in the Republic of the Philippines;

H. R. 7224. An act making appropriations for mutual security for the fiscal year ending June 30, 1956, and for other purposes; and

H. R. 7301. An act to amend the Rubber Producing Facilities Disposal Act of 1953, as heretofore amended, so as to permit the disposal thereunder of Plancor No. 980 at Institute, W. Va.

ADJOURNMENT

Mr. PRIEST. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 38 minutes p. m.) the House, pursuant to its previous order, adjourned until Monday, August 1, 1955, at 10 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1055. A letter from the Acting Director, Bureau of the Budget, Executive Office of the President, transmitting a report that the appropriation to the Veterans' Administration for "General operating expenses," for the fiscal year 1956, has been apportioned on a basis which indicates a necessity for a supplemental estimate of appropriation, pursuant to paragraph 2 of subsection (e) of section 3679 of the Revised Statutes, as amended; to the Committee on Appropriations.

1056. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting relative to the case of Mei Chio Chen, A-6967742, involving the provisions of section 4 of the Displaced Persons Act of 1948, as amended, and requesting that the case be withdrawn from those before the Congress and returned to the jurisdiction of this Service; to the Committee on the Judiciary.

1057. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders granting the applications for permanent residence filed by the subjects, pursuant to section 4 of the Displaced Persons Act of 1948, as amended; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MURRAY of Tennessee: Committee on Post Office and Civil Service supplemental report. H. R. 7125. A bill to extend to June 30, 1956, the free mailing privileges granted by the act of July 12, 1950, to the members of the Armed Forces of the United States; without amendment (Rept. No. 1131, pt. 2). Referred to the Committee of the Whole House on the State of the Union.

Mr. BONNER: Committee on Merchant Marine and Fisheries. House Joint Resolution 380. Joint resolution to authorize the Secretary of Commerce to sell the steamship *Monterey;* with amendment (Rept. No. 1600). Referred to the Committee of the Whole House on the State of the Union.

Mr. SMITH of Virginia: Committee on Rules. House Resolution 331. Resolution to authorize the Committee on Ways and Means to conduct studies and investigations relating to matters within its jurisdiction; without amendment (Rept. No. 1601). Referred to the House Calendar.

Mr. COOLEY: Committee on Agriculture. H. R. 4054. A bill to encourage the improvement and development of marketing facilities for handling perishable agricultural commodities; without amendment (Rept. No. 1602). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. H. R. 7718. A bill to authorize the Capital Transit Co., under certain conditions, to surrender its franchise, and for other purposes; with amendment (Rept. No. 1603). Referred to the Committee of the Whole House on the State of the Union.

Mr. PRICE: Joint Committee on Atomic Energy. H. R. 7038. A bill to authorize appropriations for the Atomic Energy Commission and Maritime Administration for the design, construction, and installation of a nuclear propelled merchant ship; with amendment (Rept. No. 1604). Referred to the Committee of the Whole House on the State of the Union.

Mr. SIMPSON of Pennsylvania: Committee on Ways and Means. H. R. 2667. A bill to amend section 208 (b) of the Technical Changes Act of 1953 (Public Law 287, 83d Cong.); without amendment (Rept. No. 1605). Referred to the Committee of the Whole House on the State of the Union.

Mr. CURTIS of Missouri: Committee on Ways and Means. H. R. 3413. A bill to amend the Internal Revenue Code of 1954 to provide that the tax on amounts paid for communication services or facilities shall not apply to amounts paid for the installation of equipment; with amendment (Rept. No. 1606). Referred to the Committee of the Whole House on the State of the Union.

Mr. SADLAK: Committee on Ways and Means. H. R. 6143. A bill to amend the Internal Revenue Code of 1939 to provide that for taxable years beginning after May 31, 1950, certain amounts received in consideration of the transfer of patent rights shall be considered capital gain regardless of the basis upon which such amounts are paid; without amendment (Rept. No. 1607). Referred to the Committee of the Whole House on the State of the Union.

Mr. BOGGS: Committee on Ways and Means. H. R. 6712. A bill to amend section 1237 of the Internal Revenue Code of 1954; without amendment (Rept. No. 1608). Referred to the Committee of the Whole House on the State of the Union.

Mr. KEAN: Committee on Ways and Means. H. R. 7634. A bill to provide that amounts which do not exceed 61 cents shall be exempt from the tax imposed upon amounts paid for the transportation of persons; without amendment (Rept. No. 1609). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee of conference. H. R. 100. A bill to permit the mining, development, and utilization of the mineral resources of all public lands withdrawn or reserved for power development, and for other purposes (Rept. No. 1610). Ordered to be printed.

Mr. ENGLE: Committee of conference. H. R. 6373. A bill to amend the Domestic Minerals Program Extension Act of 1953 in order to extend the programs to encourage the discovery, development, and production of certain domestic minerals (Rept. No. 1611). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CURTIS of Missouri:

H. R. 7746. A bill to provide tax relief to a charitable foundation and the contributors thereto; to the Committee on Ways and Means.

By Mr. KARSTEN:

H. R. 7747. A bill to provide tax relief to a charitable foundation and the contributors thereto; to the Committee on Ways and Means.

By Mr. ALGER:

H. R. 7748. A bill to repeal the Federal gasoline tax; to the Committee on Ways and Means.

By Mr. BARTLETT:

H. R. 7749. A bill to encourage the discovery, development, and production of tin in the United States, its Territories, and possessions; to the Committee on Interior and Insular Affairs.

By Mr. BENTLEY:

H. R. 7750. A bill to amend the Tariff Act of 1930 so as to apply the same duty to wheat unfit for human consumption as applies to all other wheat; to the Committee on Ways and Means.

H. R. 7751. A bill to reduce individual income taxes and certain excise taxes, and to provide that the 52 percent rate of income tax on corporations shall drop to 50 percent on April 1, 1956; to the Committee on Ways and Means.

By Mr. BROYHILL:

H. R. 7752. A bill to provide that all service of postal employees in the Armed Forces of the United States shall be credited for longevity purposes; to the Committee on Post Office and Civil Service.

By Mr. DONOHUE:

H. R. 7753. A bill to provide that no fee shall be charged by any branch of the Defense Department for furnishing copies of official documents related to a veteran's or a serviceman's military record; to the Committee on Armed Services.

By Mrs. FARRINGTON:

H. R. 7754. A bill to authorize an appropriation for the establishment of a geophysical institute at the University of Hawaii; to the Committee on Interior and Insular Affairs.

H. R. 7755. A bill to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue general obligation bonds; to the Committee on Interior and Insular Affairs.

H. R. 7756. A bill to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue public improvement bonds; to the Committee on Interior and Insular Affairs.

H. R. 7757. A bill to enable the Legislature of the Territory of Hawaii to authorize the Board of Supervisors of the City and County of Honolulu to issue certain bonds for the completion of the construction of the Kalihi tunnel and its approach roads and for the construction of a second bore; to the Committee on Interior and Insular Affairs.

By Mr. FERNANDEZ:

H. R. 7758. A bill to amend section 4 of the act of May 31, 1933 (48 Stat. 108); to the Committee on Interior and Insular Affairs.

By Mrs. GRIFFITHS:

H. R. 7759. A bill to prohibit discrimination on account of sex in the payment of wages by employers engaged in commerce or in operation of industries affecting commerce, and to provide procedures for assisting employees in collecting wages lost by reason of any such discrimination; to the Committee on Education and Labor.

By Mr. GUBSER:

H. R. 7760. A bill to provide for the establishment of rates of compensation for positions in the Federal Government in appropriate relationship to local prevailing rates for similar positions, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. JOHNSON of California:

H. R. 7761. A bill providing for the conveyance of a portion of the Sharpe General Depot, Calif., to the Stockton Port District; to the Committee on Armed Services.

By Mrs. KNUTSON:

H. R. 7762. A bill to amend the National School Lunch Act so as to authorize assistance to the States in furnishing two half pints of milk a day to school children; to the Committee on Education and Labor.

By Mr. LANE (by request):

H. R. 7763. A bill to amend the Japanese-American Evacuation Claims Act of 1948, as amended, to expedite the final determination of the claims, and for other purposes; to the Committee on the Judiciary.

By Mr. O'HARA of Minnesota:

H. R. 7764. A bill to amend the Federal Food, Drug, and Cosmetic Act for the protection of the public health, by prohibiting new food additives which have not been adequately pretested to establish their safe use under the conditions of their intended use; to the Committee on Interstate and Foreign Commerce.

By Mr. QUIGLEY:

H. R. 7765. A bill to amend the Federal Deposit Insurance Act to increase the amount of a deposit which may be insured under that act; to the Committee on Banking and Currency.

H. R. 7766. A bill to permit the interment of the last survivor of the Union Army and the last survivor of the Confederate Army within the Gettysburg National Military Park, and to provide for the erection of a suitable memorial therein; to the Committee on Interior and Insular Affairs.

By Mr. THOMPSON of New Jersey:

H. R. 7767. A bill to permit payments under Public Laws 815 and 874, 81st Congress, with respect to certain children of members of the Armed Forces stationed overseas; to the Committee on Education and Labor.

By Mr. CELLER:

H. R. 7768. A bill to revise, codify, and enact into law title 39 of the United States Code entitled "The Postal Service"; to the Committee on the Judiciary.

By Mrs. FARRINGTON:

H. R. 7769. A bill to extend the benefits of the Watershed and Flood Prevention Act to Alaska, Hawaii, and Puerto Rico; to the Committee on Agriculture.

By Mr. JENKINS:

H. R. 7770. A bill to amend the provisions of the Federal old-age and survivors insurance program relating to the investment of the assets of the trust fund, to consolidate the reporting of wages by employers for income tax withholding and old-age and survivors insurance purposes, and for other purposes; to the Committee on Ways and Means.

By Mr. SCHWENGEL:

H. R. 7771. A bill to amend sections 4081 and 4082 of the Internal Revenue Code of 1954 to include wholesale distributors within the definition of "producers" of gasoline, and for other purposes; to the Committee on Ways and Means.

By Mr. SMITH of Virginia (by request):

H. R. 7772. A bill to authorize the appropriation of funds for the construction of certain highway-railroad grade separations in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. HIESTAND:

H. R. 7773. A bill to provide for the conferring of cash awards for distinguished achievements in various fields, and for other purposes; to the Committee on Education and Labor.

By Mr. OSTERTAG:

H. R. 7774. A bill to amend title II of the Social Security Act to provide benefits thereunder for all individuals over 65; to terminate old-age assistance under title I, and to provide aid to dependent children in foster care; to the Committee on Ways and Means.

By Mrs. FARRINGTON:

H. J. Res. 427. Joint resolution authorizing and directing the Secretary of the Army to enter into an agreement with the Governor of Hawaii whereby a certain portion of Kapalama Military Reservation, Oahu, T. H., not needed for the military reservation, will be placed in the possession, use, and control of the Government of the Territory of Hawaii and given the status of land ceded to the United States by the Republic of Hawaii, in return for which an equal area of land needed for the military reservation and presently having the status of land ceded by the Republic of Hawaii will be given the status of land acquired by eminent domain proceedings; to the Committee on Armed Services.

H. J. Res. 428. Joint resolution to direct the Secretary of the Army to restore white crosses or other religious markers which until recently were above the graves of the honored war dead at the National Memorial Cemetery in Hawaii; to the Committee on Interior and Insular Affairs.

By Mr. POWELL:

H. J. Res. 429. Joint resolution designating the period beginning September 9, 1955, and ending September 16, 1955, as Salute to Italy Week; to the Committee on the Judiciary.

By Mr. JENKINS:

H. J. Res. 430. Joint resolution for the incorporation of the Ladies of the Grand Army of the Republic; to the Committee on the District of Columbia.

By Mr. COOPER:

H. Res. 331. Resolution to authorize the Committee on Ways and Means to conduct studies and investigations relating to matters within its jurisdiction; to the Committee on Rules.

H. Res. 332. Resolution providing funds for the expenses of studies and investigations authorized by House Resolution 331; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BAUMHART:

H. R. 7775. A bill for the relief of Haralambos Pavlides (Harry Pavlos); to the Committee on the Judiciary.

By Mr. HOLIFIELD:

H. R. 7776. A bill for the relief of Shinichi Hiraga; to the Committee on the Judiciary.

By Mr. HOSMER:

H. R. 7777. A bill for the relief of Panagiotis Kalatjis; to the Committee on the Judiciary.

By Mr. JUDD:

H. R. 7778. A bill for the relief of Yvonne Rohran (Tung) Feng; to the Committee on the Judiciary.

By Mr. LIPSCOMB:

H. R. 7779. A bill for the relief of Tai Win Wong; to the Committee on the Judiciary.

By Mr. MARTIN:

H. R. 7780. A bill for the relief of Chang Hong; to the Committee on the Judiciary.

By Mr. PHILBIN (by request):

H. R. 7781. A bill for the relief of Socrates Nikopoulos; to the Committee on the Judiciary.

H. R. 7782. A bill for the relief of Cho Hung Choy; to the Committee on the Judiciary.

By Mr. SMITH of Virginia (by request):

H. R. 7783. A bill to authorize the Philadelphia, Baltimore & Washington Railroad Co. to construct, maintain, and operate a branch track or siding over Second Street SE. in the District of Columbia; to the Committee on the District of Columbia.

By Mr. WILSON of Indiana:

H. R. 7784. A bill for the relief of Demetrios Tsalikis; to the Committee on the Judiciary.

By Mr. YOUNG:

H. R. 7785. A bill for the relief of Friederike Strachwitz; to the Committee on Interstate and Foreign Commerce.

EXTENSIONS OF REMARKS

The People of the United States Stand on the Threshold of Great Danger and Possible Disaster

EXTENSION OF REMARKS
OF
HON. THOMAS J. DODD
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Saturday, July 30, 1955

Mr. DODD. Mr. Speaker, as we approach adjournment of this 1st session of the 84th Congress, the people of the United States, swept up in a wave of boundless optimism and almost pathetic hopefulness, and nearly hysterical in their efforts to wish themselves into a peaceful world situation, stand on the threshold of great danger and of possible disaster.

Factually, there is no foundation for this synthetic optimism. Therefore it seems proper to soberly review recent developments and to examine our own posture in this uneasy world.

Let it be clearly understood that no fault is found with the President's pronouncements at Geneva concerning the desire of the American people for peace.

Because it can never be said too often, it may be considered unjust to remind ourselves that this same declaration has been made over and over again by other Presidents of the United States and by every responsible official of this country since the close of World War II.

The enemies of peace in the world would now have it appear that until the President spoke at Geneva, there was actually a warlike intention on the part of the people of America. Nothing could be further from the truth.

All of us are happy too that the President of the United States in Geneva again assured the world that we have no aggressive plans against the people or the property of any other nation. It is good that this was said again and certainly it can only help us.

But the Communists are already suggesting that until these statements were made at Geneva, they and others really believed that America was planning an attack somewhere in the world.

The Communists have never actually feared an attack by the United States because they know the true character of this Nation.

What the Communists really fear is that the United States and her friends are prepared to defend themselves.

It is the building of our defense system and of our alliances, starting several years ago and continuing to the present time, which has caused a change in tactics on the part of the international Communist conspirators.

This is the outstanding fact in the international situation and this is the only thing that can honestly be said to be a change.

If those responsible for our security and for our relations with other nations understand and bear this outstanding fact in mind, there is some reason to hope that we may enter a period in which there is no shooting and ultimately a time when there is neither war nor fear of war.

There are signs, however, on the horizon that the aggressive Communists are using our good intentions for their own evil purposes.

Recently I tried to warn the Members of this House and the American people of grave danger.

Because this may be a last opportunity to speak in this forum until next year, duty compels us to make a record of our fears, and conscience requires that we speak up before it is too late.

Parenthetically, and on the subject of frank talk, my colleagues will recall that on July 11, 1955, I suggested in this House that there has been a studied effort made to silence all in this Congress, and indeed outside of it, who have been bold enough to make suggestions and criticisms with respect to our foreign policy.

A distinguished Member of the other body, who has been acting as trial balloon man for the national administration in foreign affairs, within the past week may have unintentionally made more difficult the release of American citizens now held in Red Chinese prisons by suggesting that after Congress adjourns conversations should be conducted on the foreign minister level between the United States and the criminal Red Chinese Government.

This statement may very well encourage the Chinese Communists to hold onto our prisoners in the belief that they can raise the ante and increase the ransom.

Within a few days, another Member of the other body, well-known for his unfailing support of the national administration and its foreign policy, approached the height of folly by suggesting that we bomb the Chinese mainland with bags of wheat, thus potentially supplying the Chinese Communists with a tremendous propaganda weapon in the form of accusations against us concerning poisoned food and germ warfare.

It strikes me that the national administration has been attempting to muzzle the wrong people in Congress, and it should take a long careful look at the recklessness of its own highly touted friends.

I believe that there is a powerful element in the United States which wants to bring about the admission of Red China to the United Nations, and the recognition of the Red Chinese government by the United States of America. This must not happen.

In the past 18 months these people have made progress with respect to their aims without the full knowledge of the American people.

In the disastrous Berlin conference, held in the early winter of 1954, the United States agreed to meet with the Red Chinese at Geneva. This was the opening move toward a kind of diplomatic recognition.

At the Geneva meetings the representatives of the United States, Mr. John Foster Dulles and Mr. Walter Bedell Smith, did business with the Red Chinese Communists on the question of Indochina and of Korea, and did not discuss the plight of innocent Americans who were held in Red Chinese jails.

Now, more than a year later, on the wings of new optimism generated at Geneva, an American Ambassador, U. Alexis Johnson, is scheduled to meet next week with a Red Chinese diplomatic official in Geneva.

We have been told that our American Ambassador and the Red Chinese official will talk about the release of the American prisoners, but in addition, according to the State Department, about other practical questions involving Asia.

Now no one can object to conversations about our citizens who are prisoners, but everyone should object to a discussion of other practical questions involving Asia before every last American is home free.

Thus, we have taken the second giant step down the road of diplomatic recognition of the wholly aggressive, warmaking criminal Red Chinese government.

A distinguished Member of the other body, to whom I have referred above as the trial balloon man for the foreign policymakers of the national administration, has twice within a period of 4 months, and as recently as this week, suggested that the United States and the Red Chinese should meet on a foreign minister level. And thus we have moved still further down the road toward official diplomatic recognition of the Red Chinese government by the United States.

Some idea of the extent to which we have strayed from right reason, good taste, and sound judgment may be obtained when we consider the outrageous suggestions of the past several days that the President or the Vice President or some other leading national representatives of the United States make an official visit to Red Russia.

To compound the nonsense and further mislead the American people, it has even been suggested that the Russian Communists be officially invited to make a state visit to Washington.

This would be like the mayor of Chicago inviting Al Capone and his mob to the Chicago City Hall for an official visit and party during the lawless gangster era of the late twenties, and it would have the same effect on law and order and peace.

All of us who are concerned should speak up now before it is too late.

Likewise, we want our leaders to know that it is not enough to piously pronounce that we have not forgotten about the plight of the captive Eastern European nations which are occupied at this hour, through force and violence by the Russian Communists. The forced and continued occupation of these countries is naked aggression in violation of the United Nations Charter and all of the

agreements made during and since World War II.

On March 22, 1955, I introduced a resolution—House Resolution 183—in this House which requested our Secretary of State to instruct the United States representative to the United Nations to draw up and present a resolution to the United Nations naming the U. S. S. R. as an aggressor against the captive satellite nations.

This resolution passed through the House Foreign Affairs Committee by a large majority and today it is bottled up in the House Rules Committee at the request of the national administration and with the acquiescence of and concerted action of people on both sides of the aisle of this House.

So that this matter will be made a part of the permanent RECORD of this day, let me report that I have been told by both Republicans and Democrats who maneuvered this legislative shutoff that it was necessary to do so because they believed that if this resolution reached the floor of this House, it would be overwhelmingly approved by the membership.

This is not the climate in which free representative government flourishes.

To place shackles on truth and freedom can only result in dishonor and slavery.

But this is the atmosphere in which we are living.

Unless we mend our ways, historians may say of us that as we opened up the secrets of Nature and of science, and as we lived in unparalleled material wealth, we lost the struggle and fell in our own ruins, because we turned our backs on truth and we compromised our honor.

This need not be the awful verdict of history for within our reach and our grasp is the opportunity to lead the world to a better day of peace built on truth and honor and freedom.

But the path will not be easy and the journey will be long and difficult. To those who lead us I respectfully suggest that the great leaders of the past have not flinched from the truth of hard decisions in times of peril. This is the true mark of great leadership.

May Almighty God give our leaders of this hour the same courage of their convictions.

A New Highway Bill

EXTENSION OF REMARKS

OF

HON. RUSSELL V. MACK

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Saturday, July 30, 1955

Mr. MACK of Washington. Mr. Speaker, failure of Congress to enact highway legislation to provide the Nation with more, better, and safer highways is a disappointment and a disgrace.

This major mistake can be corrected only by Congress taking prompt action to enact a highway bill that will get the Nation's proposed expanded highway program on the road at the earliest possible date. Death on the highways does not wait while Congress procrastinates. While Congressmen vacation, death goes ahead killing an average of 100 persons a day, 3,000 a month, or 36,000 a year in highway traffic accidents.

Congressmen may have a vacation but death on the highways takes no holiday.

Because of the seriousness and urgency of the Nation's highway needs, I have introduced today a new highway bill as the basis for a compromise to obtain highway legislation at an early date.

President Eisenhower and the Republicans proposed to finance the greatly expanded highway program by bonds to be paid off with the present and anticipated receipts from the present 2-cent-a-gallon gasoline tax. That plan involves no new or additional taxes. Federal Treasury fiscal experts and most of the Nation's governors pronounced this plan to be fiscally sound and feasible.

The Democratic leadership, however, called this plan "fiscally irresponsible" and said the Democrats wanted nothing to do with any bonding plan to finance building highways.

The Democratic leadership, after weeks of working on a substitute for the Eisenhower-Republican bond financing plan, introduced a bill which proposed a finance highway building with new and additional taxes that would collect $13 billion in 15 years through new and additional taxes levied on motorists and truckers.

Two choices thus were before Congress: First, the President's bonding plan or, second, the Democratic high-tax plan.

When the two plans were put to a vote, both plans were rejected.

On the vote on the President's bonding plan, 216 Democrats voted against it and only 5 Democrats supported it.

Then when the high-tax plan of the Democrats came to a vote a majority of both the Democrats and the Republicans voted against it. These actions left Congress and the country without a highway bill. The Democrats voted against the President's bonding plan and then against the pay-as-you-go tax plan of the Democratic leadership. The Democrats seemingly wanted no highway bill.

It is imperative, it seems to me, that an expanded highway program be started just as soon as possible. Every day of delay means more persons killed or maimed needlessly.

There must be some ground on which the Republicans who want a bonding plan and the Democrats who want a tax plan can reconcile their differences. If Congress is to enact a highway bill, Republicans, who like myself have fought for the President's bonding plan, must agree to take some taxes as a means of raising some revenue for highways as wanted by the Democrats, and the Democrats who have opposed any bonding must agree to take some bonding, as desired by the Republicans. A blending of the two ideas of bonds and taxes, in my opinion, is the best compromise which can be had.

Because I am convinced there can be no highway legislation without compromise, I, today, introduce a new highway bill which proposes to finance the expanded highway program which all profess to desire by blending the two plans, the Republican bond financing plan and the Democratic tax plan. My bill would raise about half of the money to finance the highway program by taxes, as the Democrats prefer, and half by the bond issue method, favored by the Republicans.

The bond issue idea of the President is set up in my bill just as it was in the Dondero bill and would involve the sale of about $5 billion in bonds. Most of these bonds, however, would not have to be sold until the latter years of the highway construction program.

If Congress, later, extends the taxes levied by my highway bill for 4 to 5 years beyond completion of the highway building undertaking, the added revenues from the extra years would pay off this bond issue in 4 to 5 years after the highway program was completed. Thus, under my compromise bonding-tax bill proposal, the entire cost of the $48½ billion gigantic expanded highway program would be paid off in 20 to 21 years after enactment of the legislation.

The new taxes which I propose in my new highway bill are:

An additional one-half cent-a-gallon tax on gasoline which over a 16-year period would yield an estimated $4,324,000,000.

A 1 cent-a-gallon increase in the diesel fuel tax which over a 16-year period would yield $118,500,000.

A 4-cent-a-pound additional tax on large sized truck tires of the 8½ by 18 size which, it is estimated over 16 years, would yield $400 million.

A 2-cent-a-pound tax on tires of all sizes smaller than 8½ by 18, meaning those used on smaller trucks and pleasure automobiles, estimated to yield $1,447,000,000; and,

A 2-percent increase in the present excise tax on trucks at the wholesale level, estimated to yield in 16 years a total of $885 million.

The five taxes proposed in my bill would yield the Government an estimated additional $7,622,500,000 in revenue in 16 years or an average of about $475 million a year.

My bill exempts all off-highway users of tires and gasoline or diesel fuel from the taxes in the bill including farmers, on off-highway vehicles, and fishing boats and aircraft.

My bill does not make any provision for payments to utilities for removal of their facilities from highway rights-of-way but leaves the matter of whether such compensation should be made entirely to the States.

My bill does not exempt city transit companies from having to pay the taxes on tires, gas and diesel fuel that are in my bill.

My bill is different in another respect from all other bills thus far considered in the House in that it imposes no additional taxes on automobile and truck tubes or upon camelback used in tire retreading.

Tubes are rapidly becoming obsolete and the number manufactured is decreasing. A tax on tubes provides only

an uncertain source of revenue. Furthermore, tubes already are taxed 9 cents a pound which is higher than the tax on any type of tires that is now in effect or than is proposed in my bill. Also, a few cents of additional tax on tubes would not produce any great amount of revenue.

I abandoned any idea of taxing camelback because the revenue from this source would not be large and also because camelback is essentially a repair material used almost exclusively by small businessmen, 10,000 of them, who operate small tire repair businesses and who would be injured, and in many cases forced out of business, by any substantial additional tax levied on them.

I have offered my new bill in the hope that it may become the basis for reopening consideration of highway legislation and of soon arriving at some reasonable, practical and acceptable compromise that will get a grand program of highway building started soon.

With 36,000 Americans being killed on our highways annually, with another million or more being injured each year in traffic accidents and with the economic benefits of an expanded highway program estimated at more than $4 million a year, Congress ought to act affirmatively to enact needed highway legislation. We ought not to procrastinate and shun our responsibilities as congressmen and thereby force the President to call us into special session to do that which we should have done before we adjourned.

Recognition Well Deserved

EXTENSION OF REMARKS
OF
HON. HARRIS B. McDOWELL, JR.
OF DELAWARE
IN THE HOUSE OF REPRESENTATIVES
Saturday, July 30, 1955

Mr. McDOWELL. Mr. Speaker, I was greatly pleased and proud when it came to my attention that the Virgil Wilson and Auxiliary, No. 4961, Veterans of Foreign Wars, Seaford, Del., had received numerous awards and citations both locally and nationally for their wonderful community work. I would like to enumerate a few of their achievements to give proper recognition to this very fine organization.

For the second consecutive year the auxiliary received the trophy for the outstanding Americanism program in the State and a citation for the best legislation program. Mrs. Aline Hill was awarded a citation for the best legislative study program and facts book on legislation. Last year the Post's Press Book won the top award both in the State and nationally, and this year's edition was adjudged number one in the State and is being forwarded to the national competition where it is felt that it will again be in strong contention for the national award. In a statewide competition the post and auxiliary received the third place plaque for community service. The auxiliary placed second in rehabilitation, third for the cancer program, fourth in youth activities, above general average in hospital work, cerebral palsy, and aid to Korean children, and maintained a 100 percent contribution list for the VFW veterans orphan fund.

A very lively interest and concern for veterans and veterans' problems was justly rewarded when Mr. Wright Robinson, editor of the Seaford Leader, the local newspaper, received the Ernie Pyle award at the VFW National Encampment in Philadelphia, which was awarded to the editor who devoted the most in space and content to veterans' affairs, editorials, and advertising.

On the 13th of August of this year the post will hold a citations and awards night at which time they will present to Vernon Layton, Henry Hutchinson, John McKay, and past Post Commander William Lee Cordrey, all of Seaford, citations for their quick thinking, improvising, and effective action in saving two fishermen from drowning in the icy waters of the Nanticoke River last winter.

Additional citations will be given to the Lions Club of Blades, Del., for service rendered their community; to the members of the Teen-Age Canteen of Seaford who have done a wonderful job in making useful citizens of tomorrow as well as today by conducting their canteen in an atmosphere of wholesome entertainment and to John Temple for his outstanding work for the Blades-Seaford associated charities.

These tributes to the members of the Wilson Post and Auxiliary should also be taken as a tribute to the many other VFW posts throughout the land whose civic and patriotic responsibility is so graphically shown by their many good works. Men and women who take such a serious attitude toward their endeavor to make America a better place in which to live are deserving of the prayers and thanks of us all.

Eight-Hour Laws

EXTENSION OF REMARKS
OF
HON. STUYVESANT WAINWRIGHT
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Saturday, July 30, 1955

Mr. WAINWRIGHT. Mr. Speaker, recently the public has been fed a steady diet of statements and news items, originating with the majority party, which purport to show that the majority party will have passed into legislation most of the administration's program before this session of Congress adjourns.

Pardon me if I have a few reservations. For example, on April 20 I introduced a bill, H. R. 5758, which would revise and replace the present group of complicated, overlapping and ambiguous statutes known as the 8-hour laws, with a single general hours law. No action whatsoever has been taken on this bill.

Under the provisions of the present set of 8-hour laws, some of which have not been changed since the last century, contractors on Government jobs have been free to work their employees seven 8-hour days—56 hours—in a week without paying them overtime compensation. Other contractors have adopted the standard 40-hour week, established by Congress for Federal employment, and for work covered by the Federal wage-hour law and the Public Contracts Act, in their collective bargaining agreements with the unions representing their employees. They pay overtime compensation for hours worked in excess of 40 in the week. Thus, some contractors suffer an unfair competitive disadvantage when bidding for Federal contracts.

One of the 8-hour statutes permits employers to work their employees more than 8 hours a day if they pay time and one-half for the extra hours. The courts and the Comptroller General, however, have taken different views as to whether the present language of the law also gives the employees who work overtime the right to collect the overtime pay if the employer fails to pay it.

Even a casual glance at the laws as they exist today will convince anyone of their utter inadequacy. The Federal Government should set an example in good employment practices on projects proposed under Federal programs. As long as these archaic laws are on the books, we may set an example, but it won't always be a good one.

H. R. 5758 would eliminate the confusion and correct the abuses stemming from the present set of laws by doing the following things: First, it would replace the text of the present 8-hour laws with improved provisions; second, it would cover not only direct Government contracts, but also contracts for work financed in whole or in part with Federal assistance; and third, it would provide in addition to the present standard work day of 8 hours, a standard work week of 40 hours with not less than time and one-half pay for overtime work.

The bill is part of the President's program—the same program for which the majority party is claiming so much credit. How many here are against a 40-hour week for employees on Government contracts? How many here are for a set of outmoded laws which permit some operators to work their employees overtime without paying the standard compensation? How many here are willing to say that they are against a law which would help do away with unfair competition in the bidding of Government contracts? Does anybody on the majority side of the House disagree with the contention that the Federal Government should have a law which states clearly that workers on Government contracts must be paid overtime compensation for all hours worked over 40 in a workweek?

At the present time, the bill lies uselessly in the files of this body's Education and Labor Committee. Apparently, the majority party considers the bill unimportant. It is a small thing, this business of giving workers a 40-hour week. It would hardly cause a ripple of publicity. Social security and personal income tax reduction are far greater attention-getters.

During next year's campaign, I hope that a few of the majority party's candidates drop by the sites of Government projects which may be located in their home districts. Drop by when Saturday or Sunday work is being performed, and ask the workers if they consider the bill important. Perhaps, then, we will get some action.

Explanation of H. R. 3600 and H. R. 3601, Relating to Budgetary and Fiscal Matters of the Federal Government

EXTENSION OF REMARKS
OF
HON. GLENARD P. LIPSCOMB
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Saturday, July 30, 1955

Mr. LIPSCOMB. Mr. Speaker, there has long been a critical need for the Congress to know to what extend the taxpayer has been committed to expenditures annually, over long periods of time. Prudent management of governmental affairs would appear to require at the time of consideration of each legislative proposal, the availability of the probable cost of carrying out the legislation proposed over the period of its operation or if such legislation will be effective for more than 5 years, over the first 5-year period of its operation.

On February 3, 1955, I introduced two bills, H. R. 3600 and H. R. 3601 relating to the budgetary and fiscal matters of our Government.

The committees to which these bills were referred have not held hearings on the bills, and I believe that it was most unfortunate that they were not considered during the first session of the 84th Congress. I respectfully urge that they be given consideration as soon as possible after the reconvening of the Congress in its second session next year.

H. R. 3600 requires that estimates of cost be included in committee reports on proposed legislation which authorizes an appropriation. The estimate of costs shall cover the life of the operation, or a five-year period if that is shorter. Estimates will be made by the department or other agency concerned, and reviewed by the Bureau of the Budget at request of the congressional committee which reports the bill. The problem of keeping the information sufficiently current to guide Congress in extension of programs and enactment of new programs is the subject of H. R. 3601. That bill proposes to require incorporation in the Budget of "a special analysis of all active long-term construction and development programs and projects authorized by the Congress." This special analysis would show estimated total cost, and information about cost in both prior and subsequent years.

The bills would provide an increased amount of information of a sort that now is available in departmental proposals of legislation and in the budget. In the present budget estimates of the cost of proposed legislation are included in chapter summaries. Estimates for civil functions, Army, appear at page 613; and for Health, Education, and Welfare, at page 669. In a few earlier budgets, e. g., 1950 and 1951, the estimated costs of all proposed legislation were tabulated at the end of the President's Budget Message. The programs for which estimates appeared were described in more detail than in budgets subsequent to that for 1951. The estimates are deficient, from the standpoint of H. R. 3600, in referring only to 1 year. This deficiency is crucial if a program is expanding.

The public works programs are summarized in a special analysis in current budgets. Information shows estimated total cost, costs to date, and projected costs to complete the works. That analysis shows the name of the program or agency—Corps of Engineers, Reclamation, TVA, Veterans' Hospitals, Air Navigation facilities, grants in aid and kind of work—continuing, new projects, new features. Information is shown for the 1956 program, both authorized and proposed. The special analysis required by H. R. 3601 would include estimates of amounts for each of 5 years, in addition to data now provided, and presumably would require data to be shown for each project—which is now shown in the current special analysis.

The requirement in H. R. 3600 that cost estimates be made for all authorizations of appropriations would end indefinite authorizations. Of the 78 acts of the 2d session of the 83d Congress in which appropriations were authorized, 36 were indefinite in amount. Among them was Public Law 768, establishing insurance and other benefits for Federal employees. Definite amounts were authorized in 42 of the acts. Appropriations were made for 17 of the acts, including 4 for which authorizations were indefinite. Appropriations were made in 4 instances for only a portion of programs which are likely to continue 5 years or more.

The provisions of H. R. 3600 would not prevent year to year authorization of continuing programs such as ECA and MSA. The bill requires only that estimates be made for the period authorized unless it exceeds 5 years. The bill does not alter the content of authorizing legislation, but only requires definite financial statements in relevant reports. The adaptability of authorizations to current needs, and the bargaining strength gained by limiting commitments to 1 year, would not be impaired by this bill.

The additional information contained in reports is expected to make some substantial changes in what is authorized. Positive benefits would be obtained. The availability of cost estimates covering a period of years for each program authorized would enable the Congress to exercise better control over appropriations and expenditures, and better control over the civil benefits programs and the impact on industry of defense—protection—expenditures. The biggest and most difficult problem of controlling expenditures could be kept in sight of all the Congress by the reports prepared under these bills. The biggest problem is to control the number of programs and magnitude of responsibilities under those programs, for which money will be spent. The economies available through deciding not to enact a program, or through enacting a program of modest size, dwarf the economies that can be attained through such actions as replacing two GS–5 clerks with one GS–7, or other trimming of administrative costs. Statements of the cost of a program over its life or over a 5 year period would help the legislative branch to make a continually up-to-date approximation of the total of expenditures in future years, of the needs for revenue in those years, and of the portion of the Budget on which expenditures can be reduced without breaking commitments established by law.

The schedules of expenditures for construction and for armaments programs would enable the Congress to formulate a better estimate of when the industries included will be drawn on. A better picture of the effect of programs on the entire economy would be presented, and the economic feasibility of civil-benefits programs—grants-in-aid, air, farm, and other subsidy programs—could be better estimated if the demands of the programs were better known.

The substance of H. R. 3600 has passed the Senate in earlier Congresses. During the 82d Congress, S. 913 was passed. It was supported also by Frederick J. Lawton when he was Director of the Bureau of the Budget. In his remarks on a proposed Joint Committee on the Budget, he stated that—

> Still more important is the review of the fiscal effects—the effects upon following budgets—of authorizing legislation which is introduced and considered at any given session of Congress. Such a review is at present beyond the purview of the Appropriations Committees or any other single committee in either House. It would seem fundamental that in appraising the soundness of pending legislation from the standpoint of public policy, the Congress should do so with a knowledge of its effect upon future fiscal policies. * * *
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> Large segments of the Federal budget are required by authorizing legislation. * * * To illustrate the effect which such authorizing legislation produces upon the budget, * * * the 1952 budget, excluding the military programs which represent more than half of the budget, include more than $7.5 billion in expenditures to meet the requirements of legislation enacted by the 80th and 81st Congresses alone. * * *
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> Some authorizing legislation makes certain expenditures mandatory, as in the cases of the Federal-aid highway program. Still other authorizing legislation makes available permanent appropriations sometimes without regard to the need for these moneys in any single budget year, as in the case of the permanent appropriation of an amount equal to 30 percent of the customs' receipts for expenditure on certain agricultural programs.

The bill H. R. 3600 provides that reviewing of the departmental cost estimates by the Bureau of the Budget may be requested by the committee reporting a bill. The Bureau presumably will have passed on the estimates before the agency has transmitted them to Congress. Its review will extend to a legislative committee aid of the sort which it has given over the year to committees on appropriations.

I would respectfully urge prompt and careful consideration of these bills upon the convening of the second session of this Congress.

Official Actions of Howard I. Young

EXTENSION OF REMARKS
OF
HON. THOMAS B. CURTIS
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Saturday, July 30, 1955

Mr. CURTIS of Missouri. Mr. Speaker, on July 11, 1955 there was inserted in the CONGRESSIONAL RECORD, pages 10183 to 10192, what purports to be a summary of a General Accounting Office report of the official actions of Howard I. Young while serving as Deputy Administrator of the Defense Materials Procurement Agency from September 1951 to May 1953.

This summary and statements of certain Members of the other body cast a reflection upon the character and integrity of Mr. Young and have been given wide publicity in the newspapers and other public relations media. As is frequently the case, the wide publicity is being used to produce certain political ends, in this instance to effect legislation which will limit the use of businessmen in Government during periods of emergencies or otherwise. At least the political aspects of the matter have been limited to specific legislation rather than partisan politics, inasmuch as a democratic administration was involved with a Republican acting as Deputy Administrator.

This limitation, however, is hardly a comforting thought to the individual whose reputation has been affected.

Contrary to all concepts of American justice or good congressional investigatory procedure to get at the bottom of facts, the gentleman whose official actions were the subject of the alleged investigation and inquiry was never consulted or asked to throw light on the matters sought to be clarified before the publicity ensued.

I know the gentleman involved personally over a period of years. I know the excellent reputation he bears in his community for honesty and integrity. He is a person whom the term "public spirited" aptly fits, and the community and I know him as such.

The matter of Howard Young's official actions, of course, are matters for public scrutiny. He knows that and is among the first to insist that they do be scrutinized and that this principle be always followed in regard to actions of all public officials.

Because the CONGRESSIONAL RECORD has been used to present one aspect of the matters at hand, I am inserting into the RECORD a statement of John F. Lane on behalf of Howard I. Young before the Joint Committee on Defense Production July 27, 1955. I only wish the reporting fraternity would be as zealous in reporting rebuttals as they are in reporting charges. So often charges appear on page one under banner headlines and rebuttals and retractions appear in the back pages.

I do not know how much Mr. Campbell, the Comptroller General, is responsible for this deplorable matter. Certainly he is responsible for the basic errors already admitted by him to exist in his office's report, not mere "technical differences," as he is reported to have referred to them. Although from the knowledge I have of Mr. Young's integrity and ability and the brief review I have made of the charges and rebuttal, I am satisfied that Mr. Young will establish beyond a question of doubt his integrity and good judgment, I am not going to say that the investigation made by the GAO was uncalled for or was not properly conducted. I think it might have been, although it is difficult to see why at some stage it was not deemed important to question Mr. Young about the matters. I make this statement on the assumption that the publicity given to this matter was not done with either the consent or the connivance of the GAO. Possibly the actions of the congressional committee going into these matters were within the realm of proper procedures, provided again that the publicity given to the matter was not done either with the consent or connivance of the committee.

However, one thing is quite clear. Someone on the committee or on the committee staff was guilty of a gross error in "leaking" unsubstantiated charges to the press. If the committee wishes to protect its fair name, I suggest it be zealous in getting to the bottom of this matter and do something about it and properly publicize it.

When all is said and done and the facts have been sifted from rumors and hearsay I am hopeful that those who have made unfounded charges will realize the importance of admitting with the widest publicity possible that the charges were unfounded. I am referring to charges made against Mr. Campbell and the GAO just as much as I am referring to charges made against Mr. Young. Let us have an end to this hit and run smearing that has been going on for so many years.

Since writing the above, certain matters have already become apparent. In two specific and basic instances the GAO has admitted its facts were in error, and yet these specific instances bore directly upon the character and integrity of Mr. Young, if indeed they did not suggest criminality. There are only two other specific and basic matters in the summarized report of the GAO inserted in the record by a Member of the other body which specifically reflect upon the integrity of Mr. Young. Both of these specific matters have been clearly contradicted by Mr. Young in his statement which was placed in the RECORD by a Member of the other body. They are matters which are subject to outside proof and can be readily determined. One I have checked for myself and I find Mr. Young's version accurate, the GAO version inaccurate. The other should likewise be easy to verify and undoubtedly has been verified, I suspect, in Mr. Young's favor inasmuch as I have not seen it reiterated by the GAO representatives.

Of course, once the specific charges have been disproven, all the general charges fall of their own weight. It is the general charges, however, which are the most serious and most damning. Left with unproven generalities, if he is, the Comptroller General should waste no time in clearing the air and admitting his errors.

The matter has now gone beyond the case of Mr. Young, however. The charges against the GAO set out in Mr. Lane's statement must be carefully examined into. If, indeed, the GAO selected Mr. Young to illustrate a point in order to get through specific legislation, it has gone considerably beyond its authority and the purposes for which it was created. Indeed, it loses its usefulness to the Congress if it has been guilty of selecting an individual "as a case example to provide the Congress with material upon which to decide legislative policy," as alleged by Mr. Lane in his statement and has indulged in the techniques and tactics alleged in Mr. Lane's statement.

I am sending a copy of these remarks to the Comptroller General of the United States with an accompanying letter asking him to comment upon the charges made against his organization and perforce against himself in his official capacity. I am certain that he recognizes these charges are so serious that if proven, and done with his knowledge or knowledge attributed to him, his resignation is indicated.

STATEMENT OF JOHN F. LANE ON BEHALF OF HOWARD I. YOUNG BEFORE THE JOINT COMMITTEE ON DEFENSE PRODUCTION, JULY 27, 1955

At the adjournment of this committee's hearings on July 14, the committee requested that we meet with the representatives of the General Accounting Office for the purpose of reconciling the discrepancies between statements made in their report of investigations as to Mr. Howard I. Young and to Mr. Young's testimony before this committee.

We wish to inform the committee that we have sought in the utmost good faith to comply with the request. Our discussions began in the committee room immediately after adjournment of the last hearing and have continued up to this time. We have met with GAO on 4 occasions in the intervening period and on 2 of these occasions Mr. Young was present. I was present on all occasions. Our discussions involved approximately 18.5 hours of time and 60.5 man-hours. During this period, any and all readily available information and materials that GAO has requested of us has been made available to them and we have made it plain that any facts or information within our knowledge was at their disposal. We have also sought to demonstrate to them a number of the errors of omission and commission in their report as it relates to Mr. Young personally.

Nevertheless, in spite of these earnest efforts on our part we regret to have to report to the committee that the purpose of these talks has not been accomplished. We must further report to the committee that in our considered judgment, this reconciliation effort between Mr. Young and the General Accounting Office cannot be expected to prove helpful to this committee and in our opinion is grievously unfair to Mr. Young.

Our reasons for this conclusion include the following:

1. Our talks with GAO representatives have provided us with no evidence that they are interested in an impartial and unbiased determination of facts. On the contrary, since Mr. Young challenged the GAO report before this committee, it has seemed clear to us that the principal, if not the sole, effort of the GAO has been to justify its report rather than to find out all of the true facts bearing upon its erroneous and misleading allegations respecting Mr. Young's activities, which, of course, should have been fully determined by them in the first place. This, we believe, has been demonstrated in part by:

(a) Their sharp challenge and extensive investigation throughout the country of all information and data favorable to Mr. Young which tended to refute passages of their report submitted to this committee or directly to them.

(b) Their decision to neither accept nor reject for inclusion in their report new subject matter which favored Mr. Young (for example, the Hoffman letter and the facts respecting the capacity of operation of American Zinc smelters, both of which are of record before this committee).

2. We were astounded to be told that Mr. Young, because of his outstanding prominence in the mining industry, because of his presidency of the Mining Congress of 23 years, and because of his retention of presidency of the American Zinc Co. while he occupied a Government position, was selected as a case example to provide the Congress with material upon which to decide legislative policy as to businessmen in Government. We were not informed that Mr. Young was so picked as a "guinea pig" after all the facts were in, nor after their impartial ascertainment and after unbiased conclusions from all available facts were submitted to the Congress. Moreover, we derive the strong impression that the GAO people concerned with this report feel that it is wrong per se for businessmen to take Government positions on the ground that a "conflict of interests" is inevitable. Hence, these people who are fully conscious of their position as an arm of the Congress—and not of the executive department—in effect conduct their own crusade and their own powerful lobby to have businessmen legislated out of Government.

3. The clear and convincing evidence these talks provided that the report of investigation was not only ill-conceived and biased but incomplete. Thus,

(a) It was readily admitted that responsible present and former DMPA and GSA officials with accurate knowledge of the facts had not been contacted (though listed in the report). But this was thought to be justified on the basis of GAO's usual practice of having the report reviewed by the agency concerned before release. In this case we were told, as indeed was testified to before this committee, that the General Counsel, the Comptroller of GSA, and his assistant reviewed and approved this report. Thus, despite the fact that these gentlemen, however knowledgeable about the fiscal and legal procedures of the agency, would necessarily have little if any direct knowledge concerning Mr. Young's activities, the activities of the American Zinc Co., the activities of the contractors involved, and numerous other factual matters, their review and alleged approval appears to be relied upon by GAO to justify not only as to its assertion of facts but also its conclusions.

(b) When we informed the GAO that it was to the advantage of the Government and its contractors to have the concentrates involved in these contracts smeltered at East St. Louis, they immediately dispatched numerous investigators from their many regional offices to ascertain whether our allegations could be undermined. For example, they contacted smelters in Blackwell and Bartlesville, Okla., and reported to us information acquired there which initially, at least, seemed to modify our assertion. But they failed to inform us concerning similar contacts made by their investigators at other smelters which seem to corroborate our assertion.

(c) Rather than accept the corroborating statements of the alleged buyer and seller of $60,000 of equipment from American Zinc (an allegation of their report which was false) the GAO has resisted retracting their false statement which has seriously defamed Mr. Young from the 15th day of July to date. In the meantime, numerous investigators have been checking upon the sale of equipment issue. For example, the Western Machinery Co. (the secretary of which, I believe, is in the room today as he happens to be in Washington) has since July 15 been visited by no less than 3 teams of 2 investigators each. This in itself is significant but that is not all. These investigators have been interested not only in inquiring as to the facts of the alleged sale but apparently in order to retrieve something of GAO's position have been seeking to establish either a direct financial interest by American Zinc in Western Machinery or such a substantial business relationship between the two companies as no doubt to warrant an inference as to American Zinc influence. We have had similar reports of additional recent intensive investigations seemingly intended to discover information detrimental to Howard I. Young. As a further example, the American Cyanamid Co. in New York was so plagued by antagonistic investigators completely lacking in technical knowledge asking questions obviously designed to prejudice Mr. Young that the company had to object.

4. The patent unfairness to Mr. Young not only through taking extended periods out of his busy workdays but also through an effort to shift the burden of proof as to GAO's erroneous, unsupported or misleading statements to Mr. Young. This was made clear when we were informed that Mr. Young's testimony before this committee and the information that he had provided GAO after some 14 hours of discussion was not adequate to treat of various additional allegations made as to him in the GAO reports. We were informed that a list of these allegations, approximately 50 to 60 in number, would be submitted to us for comment.

5. The collective bargaining nature of GAO's ultimate proposal on Friday of last week after we had been requesting almost daily from July 15 that the GAO retract its defamatory statements respecting the alleged sale of equipment by American Zinc. At that time GAO formally proposed that as a result of a conference that morning with the Comptroller General, the Comptroller General would consider a statement to this and other committees correcting the report as to the sale of equipment and freight rates issues but on the condition that Mr. Young would retract two statements that he had made to this committee. This was explained to us to be a "2 for 2" basis, that is, 2 for you and 2 for us. One of the statements of Mr. Young to this committee requires no retraction and as to the other, the transcript was clarified by Mr. Young's letter to the chairman of July 20.

Mr. Young accordingly yesterday formally advised Mr. Ellis that the proposal was unsatisfactory and requested that the Comptroller General provide him with a prompt decision as to his willingness to fully and unmistakenly retract the admittedly erroneous GAO statements in its report respecting the alleged sale of equipment and to correct the inaccurate and misleading information provided by GAO as to the alleged disadvantageous freight rates to the Government and its contractors attributable to utilization of American Zinc smelter at East St. Louis. A copy of this statement is presented for the record of the committee.

6. Our own analysis of the GAO report, delivered to us at the request of this committee on July 14, indicates that the erroneous, misleading, and unsupported statements of the report are so numerous as to defy reconciliation with any agency operating in a climate as above prescribed. There is submitted for the record of the committee a numerical summary of these statements. We believe, that as to Mr. Young there are 21 erroneous statements, 12 misleading statements, and 34 unsupported statements in the GAO report.

7. We have also been shocked at the surprisingly militant—if not vicious—attack on Mr. Young personally by Mr. Ellis in the executive sessions of the Banking and Currency Committee and of this committee. We do not believe that the role thus assumed by Mr. Ellis is an appropriate one for an objective investigator for the Congress. And we cannot refrain from pointing out the marked differences in his attitude as revealed by the transcripts as between those committee sessions when Messrs. Young and Larson were not present and the session at which they confronted him.

It seems to us that this matter raises extremely important policy considerations for this committee, for the Congress and for GAO. These would include:

1. Does the Congress intend its own agency, the GAO, to provide it with reliable, accurate and supportable reports as a basis for its determination of important legislative policy?

2. Does the Congress intend that the appropriations it provides for the General Accounting Office shall be utilized to the extent here evidenced to hound and harass a citizen, to defame his character, to have his name dragged in the mud by sensational newspaper publicity, to attack his character, to affect his relations with his industry and with his Government, when his only offense is that he is an honest businessman doing a nortoriously successful job for his Government?

3. To what extent does the Congress of the United States wants its administrative arm, the General Acounting Office, to be unbiased, to be impartial in its reports of findings of fact? And to what extent does it wish its instrument to be crusaders seeking to impress upon the Congress ideologies and philosophies which in the last analysis it is for the Congress to determine as a matter of legislative policy under our Constitution? And finally, does the Congress wish it to be known throughout the land that no honest businessman can come into Government to do a job for his country without running the risk of personnel persecution and assassination from the General Accounting Office?

We believe these to be among all the important and vital questions raised before this committee. We conclude by making three requests of this committee:

1. That we be relieved of any further obligation to this committee to discuss the GAO report with the GAO.

2. That the committee direct the Comptroller General to withdraw all copies of his report on the grounds that its erroneous, misleading inferences, inaccuracies and lack of completeness fully warrant the conclusion that it should not have been issued in the first place.

3. That this committee suggest to the Comptroller General that an apology to Mr. Young now appears to be entirely in order.

Address by Hon. George H. Bender, of Ohio

EXTENSION OF REMARKS
OF
HON. GEORGE H. BENDER
OF OHIO
IN THE SENATE OF THE UNITED STATES
Saturday, July 30, 1955

Mr. BENDER. Mr. President, I ask unanimous consent to have printed in CONGRESSIONAL RECORD an address which was delivered by me over 33 Ohio radio stations on July 30, 1955.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

This has been one of the biggest months in recent history for news, and I am glad to discuss it with the folks back home. Whether we look at the recent Geneva Conference optimistically or pessimistically, it has given the world a clear picture of its leaders. We have watched them under fire and we have seen how they act. By any standard, our President emerged from Geneva as the No. 1 figure on the international scene. What is more important, he demonstrated the basic strength of our free Republic. The Soviet delegation did not report to the people whom they represented. They did not consult with congressional leaders. They were not concerned with the opinions of the men and women back home. President Eisenhower was. He consulted Congress before Geneva. He reported to us during the Conference, and we know what was done. Whatever he did, whatever he said at Geneva was done and said with deep concern for its effect upon the people of our country.

Our President made a tremendous impression upon world opinion through his conduct. They saw a constitutional leader at work. I regard this as a great gain. There is a serious and strange defect in our country's public relations. People in other countries do not believe that life can be as good as it is here. The nations of Asia and central Europe are so accustomed to a meager existence that they cannot grasp the richness of American living standards. They have equal difficulty in realizing that the leaders of our Republic represent our people instead of controlling them. President Eisenhower has gone a long way toward convincing them that our system really works.

I do not believe that we made any historic strides toward ending the conflict between East and West over the conference table at Geneva.

Our differences are too fundamental to be resolved by the exchange of ideas. The Communist ideology is based upon a set of economic theories and political conclusions which the Western World will always reject. I oppose the Communist viewpoint from its dialectric materialism to its Cominform strategy. But we should understand one truth in this second half of the 20th century. There have always been conflicting viewpoints on Government and economics in our world. It does not necessarily follow that we must go to war because we differ. Our country did not fight the Russian Czars although we disagreed violently with their tyranny. We did not go to war with any European nation until we were attacked.

What we must do in this generation is to prevent the Communists from imposing their way of life upon those who do not want it. As of this moment, no country has ever adopted communism by a vote of its people. They never will.

Our policy is simple. This is our approach. When the Russians understand that we are determined to prevent aggression and subversion wherever we find them, they will stop the cold war.

As of this moment, I believe that this policy has proven its validity. There is one great achievement which did come out of the Geneva Conference. We ended the name-calling game started by the Soviet Union and resumed the use of civil terms in public affairs.

This in itself was a victory, because the use of every conference for propaganda purposes is the complete denial of diplomacy. Propaganda is part of the cold war. Diplomacy is at least an approach to peace. It offers no guaranties, but opens the door. We do not have any illusions on the subject of world peace.

We have established a strong line with our Western allies. There is every reason to believe that for years to come, Western Europe will work at our side. We are doing our utmost to win new friends all over the world. The Conference of Asiatic and African Nations at Bandung this spring proved that we are doing better than the Russians. President Eisenhower's work at Geneva added new stature to our efforts. We are refilling that great reservoir of good will toward Americans which was once a tremendous asset of our Republic.

What this means in terms of foreign affairs is easy to understand. At the end of World War II, the Soviet Union was riding high in the saddle. Its influence was sweeping over Asia. So-called intellectuals were spreading the rotten apple theory all over Washington. They said that Russia had everything to gain and nothing to lose in Europe—it was all going to fall into the hands of the Communists like a rotten apple dropping off a tree. We have been growing better apples. Thanks to President Eisenhower we went to Geneva in a powerful position.

For once we went to an international conference leading from strength. After the Second World War, we allowed our military forces to disintegrate. We scrapped our guns and rushed back to normal living, while the Soviet Union kept its army intact and its powder dry. As a result, we found ourselves on the defensive in Korea. The Russians took advantage of our public statements to try for a knockout in Asia. We could not save free China, but we have served notice that we are going to save everything else that is threatened from Moscow.

At Geneva, President Eisenhower was in command of the situation. Bulganin and company knew that, for once, the men across the table were just as strong—and probably lots stronger—than themselves. If we have ever learned a lesson the hard way, this should be it. From now on, we must never permit ourselves the luxury of unpreparedness. We must be ready, willing, and able to meet the challenges of history, whenever, wherever, and however they may arise.

These are important developments in our world problems. We shall be facing some others of equal importance in the weeks to come. When Congress closes its books and goes home after more than 7 months of continuous sessions, there will still be plenty of unfinished business before the Nation. Legislation often works in stages. Congress will pass a law, but no one will know exactly how it may affect our country for some time to come. We must often wait and see.

One of the bills that has disturbed many people is the military Reserve program. Some folks insist that it is an entering wedge for universal military training. I am certain that the overwhelming majority of Congress is opposed to universal military training in any shape, form, or manner. We have made it clear on a dozen occasions that such legislation could not pass. What Congress is trying to do is to establish a system which will assure our country of a trained body of young men who can be called upon in an emergency. No one wants our sons and daughters to be exposed to the risks of war. We certainly do not want them exposed to war twice in their lifetime. That is exactly what happened to thousands of young men during the Korean war. Young fathers, young businessmen, families just getting started in normal living were recalled for military duty in Korea. We do not want that to happen again. I hope that our program will make it possible to train a strong nucleus of volunteers for Regular Army service. They must be backed by others who are part of our Reserve forces. Certainly, every American must realize the need for a powerful Military Establishment in these troubled times. We must never deplete our strength again to a point where our weakness invites attack. We must never permit our people to believe that we can buy preparedness without pain, or prevent war without preparation.

This session of the 84th Congress has a mixed record of accomplishments and failures. The Democratic majority found itself in the position of adopting a Republican program for the most part. It has not balanced the Federal budget. It has not cut taxes. It has not thought through the important job of cutting down waste and extravagance in the structure of our Federal Government.

These are items on the agenda for the future. We must do our best to bring them to pass when the next session takes place. I cannot exaggerate the feeling of frustration that grips so many Americans when we seek action in Washington. Businessmen find it impossible to obtain fast, reliable information. Departments shift responsibility for the handling of contracts. Things often get done despite red tape, not because of it. Yet, at the same time, we understand the need to protect Uncle Sam from unwise spending or hasty action. There are ways and means of ending much of this confusion. The Commissions that have studied these problems have made some down-to-earth recommendations. If we act upon them, we shall go a long way toward solving some of the big money problems that face our people.

I look forward to the next few weeks. They will provide me with an opportunity to talk face to face with thousands of people who do not come to Washington, who do not write letters, but who are deeply concerned with our country. I hope to see them at county fairs, in their home communities, and to learn their views. Nothing offers a better assurance for the future well-being of our Nation than the free expression of public opinion.

In the meantime, my standing rule is still in effect. If there is any way in which I can be of help, a letter to Senator GEORGE H. BENDER, Washington, D. C., always opens the door to my office for every public service.

The President at Geneva: Moral Leadership Regained

EXTENSION OF REMARKS
OF
HON. FRED SCHWENGEL
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Saturday, July 30, 1955

Mr. SCHWENGEL. Mr. Speaker, under leave to extend my remarks in the

CONGRESSIONAL RECORD, I wish to pay tribute to the President of the United States for the magnificent leadership he provided at the Big Four meeting.

The meeting at the summit has come and gone. The issues that divide the East from the West have not been settled. No realistic person expected them to be settled in so short a time.

Yet we know that it was eminently worthwhile, for in a few short days the work of years of Soviet propaganda against the United States was undone. The picture the Soviet Union has been trying to sell to the world of a trigger-happy, materialistic America was largely dissipated. It was dissipated because President Eisenhower, with the sincerity and moral fervor which are so characteristic of him, reached out and touched the heart of the world.

It was not only the President's dramatic proposal for an exchange of military blueprints with the Soviet Union and mutual aerial reconnaissance that was responsible, it was his evident truthfulness as a soldier, his directness, his refusal to be drawn into long discussions of controversial details, that evoked widespread admiration.

The President said he had searched his mind and heart for something that would convince everyone of the sincerity of America's desire for peace. He found it, and in so doing he dispelled any lingering doubt that America stands for good will to all men. At Geneva President Eisenhower was the champion of all that is best in our country, what has always been the true source of its strength in the world, namely, its adherence to principles of international morality, and its sympathy with the common desires of all humanity.

Simon E. Sobeloff

EXTENSION OF REMARKS
OF
HON. J. GLENN BEALL
OF MARYLAND
IN THE SENATE OF THE UNITED STATES
Saturday, July 30, 1955

Mr. BEALL. Mr. President, I ask unanimous consent that there be printed in the CONGRESSIONAL RECORD a statement I have prepared relative to Hon. Simon E. Sobeloff, who has just been nominated for membership on the Fourth Circuit Court of Appeals.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BEALL

Maryland is proud of Simon E. Sobeloff. The Free State has sent many talented members of the bar to Federal service, among them William Pinkney, Roger Brooke Taney, and Reverdy Johnson.

The contribution these men made to the Government of the United States is well known and their influence on the law of this land was great. They brought distinction to themselves and to their State. Simon E. Sobeloff, who has been nominated by the President as a member of the Fourth Circuit Court of Appeals, lives in that great tradition.

His philosophy as the attorney for the Government is that the best interests of the United States is served when justice is done. Such a concept is in keeping with that of the Honorable Morris Soper, the distinguished jurist whom Mr. Sobeloff is nominated to replace.

The career of Simon Sobeloff is exceptionally well known to all Marylanders. He was born in Baltimore, educated in our public schools, and graduated from the University of Maryland Law School in 1915.

As a member of the bar he earned the respect and admiration of the best lawyers and judges in our State.

As a Baltimorean and a Marylander he earned the gratitude of our people by his devoted public service.

Long before he held any public position he was known as a civic leader whose advice and counsel was readily available for any worthy cause.

Such an enviable reputation made him a man much sought after by other men in public office. His services were called upon by mayors of Baltimore city and governors of our State.

The present Governor of Maryland has paid Simon Sobeloff a great tribute by remarking that he is "a man who goes forth to meet the situations that are fraught with danger and calmly sets them aright before they acquire the statures of crises."

Simon Sobeloff has never failed the people of Maryland. As a public official and as a private citizen he has shown himself to be a man devoted to the common good.

He has served as solicitor of Baltimore city, chairman of the Commission on Administrative Organization of Maryland's Government, as Chief Judge of the Maryland Court of Appeals.

Our State was honored and proud of his appointment as Solicitor General of the United States.

In that office he has served his Government and the people of the United States well, and brought additional distinction to his name and to his native State.

I am not a lawyer, but I have heard his work as Solicitor General praised by outstanding members of the legal profession, and I know him as a man with a great understanding of people's problems, and as a man who possesses a rare and gifted sense of judgment.

Now, as Solicitor General it was Mr. Sobeloff's duty to present the Government's argument before the Supreme Court as to how that Court's historic decision on segregation in public schools should be implemented.

There are those with strong personal feelings on this subject who appear to hold Solicitor General Sobeloff responsible for the Court's original decision. The fact is that Mr. Sobeloff was not in office when the original case was argued and his presentation to the Court was the position of the Executive Department as to how the desegregation decree could best be implemented in the interests of all the people of the United States.

It was his duty to place before the Supreme Court the view of the Government, as it was the duty of other attorneys to advocate the recommendations of other interested friends of the Court.

Mr. Sobeloff, knowing the situation in the South and believing in the essential justice of the Supreme Court's decision, argued for a decree which would carry out the intent of the Court and yet not radically disrupt the public school system in those areas where segregation had long existed.

The brief Mr. Sobeloff presented demonstrates his wisdom, and is ample proof of his qualifications for membership on the Fourth Circuit Court of Appeals. Those who are "investigating" his qualifications would do well to read that brief and then join in confirming his nomination before this session of Congress adjourns.

I personally regret the delay on this nomination and I urge the committee to hold a prompt hearing and report the nomination to the Senate so that we may confirm Mr. Sobeloff.

Faith in the Atomic Future and Atoms for Peace

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES
Saturday, July 30, 1955

Mr. WILEY. Mr. President, I was pleased to note, as the leading article in this month's Reader's Digest, a splendid article entitled "My Faith in the Atomic Future," by Lewis L. Strauss, Chairman of the United States Atomic Energy Commission.

I believe that Admiral Strauss' message, as told to James Monahan, will be of deep interest to all thinking Americans.

Just a week and a half from now, the International Conference on Peaceful Uses of Atomic Energy will open in Geneva, ushering in, we trust, a new era in civilian application of this miraculous scientific development.

There is now on the press in the Government Printing Office a new Senate document, prepared at my request, and authorized by the Senate on June 21. It is entitled "Atoms for Peace Manual." The manual, Senate Document No. 55, will be ready in time for the conference and, to the extent of a somewhat limited supply, for general distribution to Americans who will be following the conference's work.

I ask unanimous consent that the text of Admiral Strauss' article, preceded by a biographical note, as published in the Reader's Digest, be printed in the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MY FAITH IN THE ATOMIC FUTURE

(By Lewis L. Strauss, Chairman, U. S. Atomic Energy Commission)

(As told to James Monahan)

(Rear Admiral Strauss brings to the position of Chairman of the AEC a deep personal interest in the promise of atomic energy. In 1935–37 his mother and father both died of incurable cancer. As a memorial, he started a project at the California Institute of Technology to pioneer in the production of cheap radioactive substitutes for radium in cancer treatment. Early in 1939 Dr. Nils Bohr, the Danish scientist, arrived in the United States with evidence that the Hahn-Strassmann-Meitner experiments in Germany had definitely fissioned the uranium nucleus, making a chain reaction theoretically possible. To Strauss this was portentous news: it could mean the mass production of radioisotopes, cheap enough to be available to every hospital. But it also meant much more. One physicist working on the Caltech project wired Strauss: "I see enormous possibilities * * * leading, unfortunately, perhaps to atomic bombs." Seven months later Dr. Albert Einstein wrote the historic letter to Pres-

ident Roosevelt stating that the atomic bomb could be made. During the war years Lewis Strauss was on active duty in the Navy, but the atomic future was much in his mind. In 1945 he became the Navy member of the Interdepartmental Committee on Atomic Energy. In 1946 he was appointed by President Truman to the newly authorized Atomic Energy Commission. He resigned from the AEC in 1950 to reenter private business but was recalled in 1953 by President Eisenhower and appointed Chairman. On August 8, when the United Nations' World Conference on the Peaceful Uses of Atomic Energy meets in Geneva, Switzerland, Admiral Strauss will lead the American delegation.)

Many people regard the atomic discoveries of recent years as part of a nightmare that disrupts the peaceful dreams of civilized man. I do not believe history will see them in that light. We have gained control over natural forces that can advance civilization, even within a single generation, to a point which man has never attained before. I believe firmly that our knowledge of the atom is intended by the Creator for the service and not the destruction of mankind.

The Atomic Energy Act of 1946 was a far-sighted law. But I had certain specific reservations about it. Nuclear energy, which I believed could change the world, was straitjacketed in Government regulations. Research, development, patents, manufacturing, and possession of fissionable materials were denied to private enterprise. Atomic energy was an absolute Government monopoly.

Atomic weapons development is necessarily a Government responsibility. But I was convinced that developments in agriculture, industry, and power production would not be realized fully until the field was opened to the genius and enterprise of American industry.

Actually, the restrictions might have been relaxed sooner but for the attitude of Soviet Russia. Beginning in 1946, when the United States held a virtual world monopoly on nuclear weapons, we proposed international control, subject to rigid inspections and enforcement, which would have limited the use of atomic energy to peaceful purposes. At that time we even offered to share our knowledge and resources with all nations.

The Soviets did everything possible to delay, confuse, and destroy that plan. Actually, they were launching their own secret atomic program. We detected their clandestine weapon test in 1949, and were at once engaged in the costly and perilous contest for supremacy in nuclear weapons. Every thinking person knows now that our present great and versatile stockpile is the major safeguard of the free world.

Meanwhile, atomic energy became associated in popular thinking with death and destruction. Yet the custodians of atomic energy under President Truman and President Eisenhower never lost sight of its benign potentialities. Progress was phenomenal in the production of radioisotopes.[1] They were produced by AEC reactors as early as 1947. They were distributed freely to institutions here and abroad, and within a few years revolutionized some areas of medical research and the diagnosis and treatment of certain diseases. Scarce, high-priced radium for the treatment of cancer was rendered virtually obsolete by radioactive cobalt and other elements which are equally effective sources of gamma rays and yet are now available to institutions at a small fraction of radium's cost.

Several different types of nuclear reactors for the generation of electrical power were designed by the AEC. But most authorities put the date of their construction in the remote future.

When I returned to the AEC as Chairman in 1953 I was deeply impressed by the growing conviction in the White House and the Congress that the time had come for full-scale development of atomic energy outside the military area.

President Eisenhower, in his address to the General Assembly of the United Nations on December 8, 1953, stated: "The United States pledges before the world its determination to help solve the fearful atomic dilemma, to devote its entire heart and mind to find the way by which the miraculous inventiveness of man shall not be dedicated to his death, but consecrated to his life."

Two months later the President sent to Congress the message which resulted in the Atomic Energy Act of 1954. The new law had two great aims—to make international cooperation possible, and to enable private enterprise to develop the atom for peaceful purposes.

The progress of the past 18 months—only a moment in history—has been extraordinary. For example, the AEC announced its program to develop power-producing reactors, and invited private companies to participate. The quick response was totally unexpected. The Duquesne Light Co. is building our first full-scale nuclear-power plant at Shippingport, Pa. At least 4 or 5 others will be constructed in the near future in Massachusetts, Michigan, Nebraska, Illinois, and New York.

These pioneer nuclear-power plants cannot be economically competitive with conventional plants at present. Yet the participating companies are paying about 90 percent of the total costs. This, I maintain, could only happen under free enterprise in an expanding economy.

Indeed, 2 or 3 proposed plants will be constructed entirely without financial help from the Government. Mr. Hudson R. Searing, president of one of these companies, Consolidated Edison of New York, recently told stockholders that nuclear power "is the only way we can see of bringing about lower electricity costs over the long pull."

It is pointless to speculate on how soon nuclear power will be cheaper than power produced by falling water or the burning of coal or oil. We do know that our resources of fossil fuels are limited, and that coal and oil will be needed for functions which atomic energy cannot perform. We know that there is a great disparity in electricity costs between those areas where waterpower, coal, and oil are plentiful and regions like New England where such resources are scarce or nonexistent. We also must remember that there are many countries which are not blessed with such abundant resources as our own. So to me the present question of "economic" nuclear power is academic. I believe that it will be available before long, and that it logically will be used first where it is needed most.

Nuclear power for the propulsion of ships and aircraft will also come sooner than is generally realized. Few people have grasped the significance of the *Nautilus* and her sister submarie, the *Seawolf*. With the feasibility and safety of the marine propulsion reactor established beyond doubt, the job now is up to the designers and builders of surface vessels. The time to begin is now. That was the thought behind the President's recent recommendation of a nuclear-powered merchant ship.

I am convinced that the radioactive isotopes will continue to be the wonders of the atomic age. Today, they are being used by many industries to control processes, detect flaws and test the durability or wearing quality of all sorts of materials. New uses for them are found every day.

Used as tracers or as radiation sources, these atomic particles can search out the innermost secrets of nature and give man greater control over his environment. For example, plant geneticists have already used radiation from isotopes to produce a new strain of rust-resistant oats, wilt-resistant tomato seedlings, and a peanut plant with 30 percent greater yield. These and similar developments will means millions—perhaps billions—of dollars to farmers.

By incorporating small amounts of radiophosphorus in fertilizers, and then using instruments to trace the uptake from the soil through roots, stem, leaves and blossom, agricultural experts can now determine the right amount of fertilizer to use in the most economical manner, and at the proper time in the growing cycle.

For nearly a century science has tried in vain to solve the fundamental secret of photo synthesis, the process whereby nature traps solor energy in the green leaf and converts water and carbon dioxide into the sugars and starches on which all higher life subsists. Using radioactive carbon as the tracer, researchers today seem to be on the point of solving (and perhaps duplicating) this mysterious process. If successful, that achievement might lead to the synthetic production of basic foodstuffs from simple and abundant chemicals—the solution to the world's pressing food problems.

Since 1946 the American people have spent more than $12 billion on atomic energy. We will probably continue spending about $2 billion a year. Most of this money is invested in our stockpile of nuclear weapons, which represents the security of the free world. We have no choice but to maintain that security—until the whole world joins us in arriving at a safe solution to the atomic dilemma. I firmly believe that can be accomplished.

But our nuclear stockpile also represents a national resource of incalculable value. With nuclear weapons you can "beat swords into plowshares and spears into pruning hooks" even more realistically than the Scriptures envisioned. The material is immediately convertible to peaceful uses. That is what President Eisenhower had in mind when he told the United Nations that the weapon "must be put in the hands of those who know how to strip its military casing and adapt it to the arts of peace."

Young people have asked me if I sincerely think that we shall enjoy the benefits of the atom before the world is overtaken by the destructive power that is within man's grasp. With all my heart I can answer: Yes!

We are living in an era that seems designed to test the courage and faith of freemen. Yet I do not believe that any great discovery of the atom's magnitude came from man's intelligence alone. A higher intelligence decided that man was ready to receive it. My faith tells me that the Creator did not intend man to evolve through the ages to this stage of civilization only now to devise something that would destroy life on this earth.

My old chief, former President Herbert Hoover, to whose Quaker convictions all warfare is revolting, listened to President Eisenhower's U. N. speech and said: "I pray it may be accepted by all the world." We pray that divine providence will guide men of all nations to grasp this opportunity to "shake off the inertia imposed by fear and make positive progress toward peace."

[1] An isotope is the twin of an element. It is chemically identical, but differs slightly in atomic weight. Radioisotopes also differ from their stable twins by giving off radiation. Some radio isotopes (radium and uranium, for example) occur in nature. Today it is possible to produce radioactive twins of any stable element (carbon, sodium, phosphorus, etc.) in the atomic pile or reactor.

Statement in Regard to S. 2253 Which Amends the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480)

EXTENSION OF REMARKS
OF

HON. ROBERT D. HARRISON
OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Saturday, July 30, 1955

Mr. HARRISON of Nebraska. Mr. Speaker, title I of Public Law 480, the Agricultural Trade Development and Assistance Act, authorizes the President to sell our farm surpluses to friendly nations for foreign currency. This law implements what I believe to be a sound principle, namely changing our farm surpluses into working capital and using that capital to develop and expand permanent markets in foreign countries for our farm products.

On July 12, 1955, the President issued the second semiannual report of the activities carried on under Public Law 480. In my opinion, this report demonstrates that this is an effective farm program which can be of material assistance to the present dilemma of American agriculture.

However, it became apparent to me that Public Law 480 needed minor changes which should be designed to assist in the administration of the program. I, therefore, introduced H. R. 7149 to amend title I of Public Law 480. A companion measure, S. 2253 was also introduced in the Senate. The Senate passed their bill on July 20, 1955. It was this bill as amended by the Senate that the House Committee on Agriculture reported out and that the House has passed.

While it is a matter of regret to me that the Senate amendments were felt to be necessary at this time, I feel that the Public Law 480 program will benefit substantially from the changes now in this bill.

It is hoped that by these few changes, sales under title I of Public Law 480 can be most efficiently made and the currency most effectively utilized. By these amendments, we hope to emphasize that the purpose of title I is trade development. We must find foreign markets for our surplus agricultural production. We do not feel that this program is designed to be used primarily to facilitate our foreign relations. This is not to say that any sale or other action under title I would be or should be contrary to the foreign policy of the United States. This program will continue to be limited to friendly nations and operate under basic foreign policies as determined by the State Department.

S. 2253 increases the authorization for the farm product sales program from $700 million to $1.5 billion. This will permit about $1 billion of our farm surpluses to be converted into currency and to be put to work developing foreign markets for farm products. We have now approximately $8 billion worth of surplus farm products. It seems only realistic to me that at least 12 percent of those surpluses should be taken out of storage and put to work for agriculture.

Let us examine the program as it has progressed to date. Public Law 480 was enacted in July of 1954. The President delegated the authority to administer title I to the Secretary of Agriculture in September of that year. By November the first sales agreement was signed under this authority. Turkey was the purchaser under this agreement. By January of 1955, agreements had been signed with two countries. During the next 6 months, the program became established and began to gain some momentum. Nineteen additional agreements were signed. Seventeen foreign nations agreed to purchase our farm products. As of June 30, 1954, we had sold 53 million bushels of wheat, 647,000 bales of cotton, 141 million pounds of cottonseed oil, and 62 million pounds of tobacco. To date $468.8 million of the $700 million authorization has been obligated. It should be borne in mind that this amount is the total Commodity Credit Corporation cost including transportation, handling, and so forth. The value of the farm products sold is actually $328.5 million. This points up the reasons why the $700 million authorization is inadequate. First, if it is not increased it could force the termination of this program by the end of 1955 since there remains only $231.2 million unobligated. Public Law 480 was designed as a 3-year program and should not be cut in half. Second, because of the other expenses charged against the authorization, the $700 million authorization will actually permit the sale of approximately $500 million worth of farm products. An increase to $1.5 billion could move about $1 billion worth of farm products.

S. 2253 also provides another means to insure that title I of Public Law 480 is used as a real trade program. By Executive Order 10560, the President gave the Secretary of Agriculture responsibility for the operation of title I. I feel it is essential that the Secretary also be given the authority commensurate with this responsibility.

Since we are attempting to sell farm products, it is logical that the Secretary of Agriculture should determine what surplus products should be sold and what quantity they should be sold in. If the purpose of this program is to create and expand permanent foreign markets for farm products, it is requisite that the Secretary determine what countries are our best potential markets.

Of course, I realize fully that Public Law 480 involves foreign interests of other departments of the Government. All of these interests should be coordinated. It is also necessary that the Secretary of Agriculture operate under the general policies laid down by these other departments. This amendment would not remove these requirements in any manner. What we are trying to do here is give the Secretary of Agriculture authority to operate the actual mechanics of selling farm products.

I believe that it is especially unfortunate that the present bill does not relieve surplus sales of farm products from the cargo-preference provision which now requires that 50 percent of these cargoes be shipped in American vessels. Sales made under Public Law 480 must eventually be exempted from cargo preference if we are to obtain maximum results from the program. These farm product sales are not just a means of disposing of surpluses. Another purpose is to use the foreign currency to develop permanent foreign markets. It is essential, therefore, that sales be made to countries where a demand can be generated for our farm products.

The plain fact is that the best potential markets for our farm products are maritime nations.

For example, the United Kingdom, Netherlands, Norway, and Denmark bought $654 million worth of farm products in 1954. This constituted over 20 percent of our entire agricultural export sales. These markets could be substantially increased if our surplus products could be put to work there.

The Cargo Preference Act, Public Law 664, was enacted last August despite the present administration's opposition. The principle had grown out of our foreign-aid programs, namely, when we give products away, 50 percent of them have to be shipped in American vessels. We do not here argue with this principle. What we contend is simply this: When bona fide sales are made under title I of Public Law 480, our customers should be allowed to transport the goods however they see fit. If we want to sell farm products, we must offer quality products, competitively priced and we cannot tell our customers they cannot transport the products in their own ships if they want to.

I can offer you specific examples from the experience gained with this program to date.

On April 4, 1955, Denmark refused to purchase $7 million worth of farm products because of our demand that 50 percent of them must be transported in American ships. In March of 1955, England refused $30 million worth of farm products because of cargo preference. Norway, as well as other Scandinavian countries, refused to purchase under Public Law 480 as long as cargo preference applies. These are countries where our sales program could reap the maximum benefits, yet the program often cannot operate there because of cargo preference.

In reviewing the agreements signed to date with 17 foreign nations, it is discouraging to note that 13 of those countries could have provided their own transportation. Thirteen million dollars has been spent by Commodity Credit Corporation for transportation that the customer country would have preferred to furnish itself. An additional $13 million worth of farm products could have been sold, had it not been for cargo preference. This is another unfortunate result of trying to make this type of requirement apply to a sales program.

Title I of Public Law 480 is a positive approach to our agricultural surplus problem and our urgent need to expand

permanently export sales of farm products. As long as it remains a sales program devoted to trade, it can make a substantial contribution to the national economy.

S. 2253, when signed by the President, will increase the effectiveness of Public Law 480, and will assure the continuance of this vital farm program for at least 2 more years.

Maybe the President Needs To "Unleash" Secretary Benson

EXTENSION OF REMARKS
OF
HON. PAUL C. JONES
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Saturday, July 30, 1955

Mr. JONES of Missouri. Mr. Speaker, the cotton producers of my area are quite properly becoming alarmed over the situation which exists with respect to the exporting of our cotton surpluses. It would appear that this situation results because of the indecision which exists in the Department of Agriculture which may or may not be influenced by pressure from the Department of State.

Many people believe that cotton is not moving to foreign markets because of a feeling that the Department is contemplating a program of entering the export market on a competitive basis, in which event cotton owned by the Commodity Credit Corporation would be made available at a price lower than that at which the cotton can be purchased at the present time.

Many of my producers would support such a program even if it meant a break in the cotton market which many believe would happen. I am inclined to believe this would happen. However, unless and until the United States begins to move more of its cotton into the export market, we will continue to see a greater increase in the production of cotton in other lands, in some of the nations where our mutual aid funds have been used to place their producers in a position to compete with us. I realize that there has been much opposition from our domestic textile mills if such a program is put into effect without the assurance that they would not be protected from the importation of textiles made from the cotton which we had sold at a lower price than that which prevails in our domestic market.

As long as our foreign buyers wait for the "fire sale" they will not buy cotton and the situation becomes more alarming each day with the approach of the harvest season in the United States.

The Secretary of Agriculture, in the opinion of most people, including some of the officials in his own Department, has the authority to sell surplus cotton for export at reduced prices, and there seems to be a prevalent rumor, current both at home and abroad that such action is contemplated, and the movement of cotton has come to a standstill.

There is need now for a positive statement from the Secretary of Agriculture, with the full support of President Eisenhower, as to what action, if any, may be expected during the next few months during which the 1955 crop will be harvested. A statement to the effect that there will be no reduced prices during the current season would at least have the effect of letting other cotton move. It is the inaction, the indecision, and the apparent inability of the Department of State and the Department of Agriculture to integrate their programs that has brought about the confusion which has prevented the disposal of surpluses now held by the Commodity Credit Corporation, and has discouraged the sale of private cotton in foreign markets.

While I have been anxious to cooperate in the passage of any legislation which is needed or which would relieve the situation, I would respectfully call attention to the fact that Secretary Benson has every authority which he needs to act, and if he needs to be "unleashed," I hope the President will take the appropriate steps to see that this is done.

During the past few days I have received numerous communications in the form of telegrams, letters, telephone calls, and personal visits expressing the interest of the cotton producers of southeast Missouri in obtaining some action. In additional I have met with numerous groups and had conferences with officials in the Department of Agriculture, in which I urged that some action—almost any action—be taken. Under leave to extend my remarks, I am reproducing herewith the text of a number of those telegrams indicating the interest in southeast Missouri in this problem:

PORTAGEVILLE, MO., *July 27, 1955.*
PAUL C. JONES,
House Office Building,
Washington, D. C.:
Please use your influence to save the cotton producers and industry. Administration do-nothing is ruinous. Get something done PAUL.
O. H. ACOM.

SENATH, MO., *July 27, 1955.*
PAUL C. JONES,
House of Representatives,
Washington, D. C.:
Believe it is urgent to obtain reasonable cotton-export program at once. Urge your every effort to obtain prompt positive action on a practical and continuous export program.
R. K. SWINDLE.

EAST PRAIRIE, MO., *July 27, 1955.*
Hon. PAUL JONES,
House Office Building,
Washington, D. C.:
Please be reminded that the future of the agriculture economy in southeast Missouri depends upon disposal of surplus cotton via immediate export program. Missouri farmers depend upon production schedules and not upon the futures market.
A. L. STORY.

KENNETT, MO., *July 27, 1955.*
Hon. PAUL C. JONES,
New House Office Building,
Washington, D. C.:
Respectfully solicit your immediate assistance in securing prompt positive action to export 5½ million bales of cotton during next fiscal year.
DON THOMASON.
CECIL CAMPBELL.
AMIEL CAMPBELL.

CARUTHERSVILLE, MO., *July 27, 1955.*
Congressman PAUL C. JONES,
Washington, D. C.:
Hope you can get something done on the cotton-export program as we are losing our foreign market.
S. CREWS REYNOLDS.

EAST PRAIRIE, MO., *July 27, 1955.*
Hon. PAUL JONES,
House Office Building,
Washington, D. C.:
I sincerely hope that you will lend full cooperation to some means of expediting cotton exports before session ends. Missouri cotton farmers need this export program to sustain cotton production in our State.
W. C. BRYANT.

CHARLESTON, MO., *July 27, 1955.*
Congressman PAUL JONES,
Tenth Missouri District,
Washington, D. C.:
Cotton producers this area urge quick action on export program.
JIM WALLACE.

KENNETT, MO., *July 27, 1955.*
Hon. PAUL C. JONES,
House of Representatives,
Washington, D. C.:
Urge you to do something about export program on cotton. We grow cotton to sell. Not to store. Had rather have reduced price and more acreage. Do something; we are in trouble.
VICTOR E. DOWNING.
VERNE W. JOHNSON.
F. W. JOHNSON.
A. E. BOLTON.
BRAGG CITY, MO.

SIKESTON, MO., *July 27, 1955.*
Hon. PAUL JONES,
House Office Building,
Washington, D. C.:
Cotton growers need an increase in acreage. Certainly not a decrease which must follow if exports are not greatly stimulated. We urge that all things possible be done to keep us in the cotton business abroad. Don't let us be frozen out of our foreign markets.
WILLIAM L. OLIVER.

EAST PRAIRIE, MO., *July 27, 1955.*
Hon. PAUL JONES,
House Office Building,
Washington, D. C.:
Earnestly request that you give every effort to matter of cotton exportation before Congress adjourns. Some means foreign disposal of cotton surplus absolutely necessary to agriculture in our area.
GEORGE U. SHELBY.

MATTHEWS, MO., *July 27, 1955.*
Congressman PAUL C. JONES,
House Office Building,
Washington, D. C.:
Would like something done on cotton-export situation.
ALLEN DAVIS.

A Tribute to Congress

EXTENSION OF REMARKS
OF
HON. FRED SCHWENGEL
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Saturday, July 30, 1955

Mr. SCHWENGEL. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I wish to make

an observation which has come to me as a freshman Congressman.

As we come to the end of the 1st session of the 84th Congress, I cannot help but express myself as being grateful for the privilege of representing a segment of the people of this mighty land of ours in the halls of Congress. I know now why it is often referred to as the greatest legislative body in the world. I have seen it operate. I know firsthand of its deliberation, of its innate sense of fairness, and of its constant striving to implement the voice of the people. I want to echo all of the fine things that have been said in tribute to Congress. I take exception to those who would deride and belittle it. It is not perfect in every sense of the word, but it is a true reflection of the hopes, ideals, and aspirations of freemen as they strive for perfection. I am proud of Congress, and prouder still that I am a Member.

In this tribute, it behooves me to pay due respect to all Members of Congress for their help and guidance. I had lots to learn as a new Member. I still have a long way to go before I can feel that I am a good Representative. I am certain, however, that I will attain that status sooner through the helpful cooperation of my colleagues who have been kind and tolerant of another freshman.

I have a special tribute to pay to my fellow Members of the Iowa delegation. They have not had a freshman to break in for a long time. But they took me under their wing, and through the generous help they have given my office staff and me, I have done a better job representing my district than had I been left to "learn the ropes" by trial and error. I will always be grateful that they helped me get off on the right foot and that they lived with me, and worked with me, through this first session.

Already the pundits are starting to appraise the record of the 84th Congress. It will probably be some time before our efforts are fully evaluated and assigned a place in history. I am optimistic about that evaluation, and with a deep sense of humility, truly proud to have played a part in the record.

Report to the People of the Second Congressional District of Wisconsin

EXTENSION OF REMARKS

OF

HON. GLENN R. DAVIS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Saturday, July 30, 1955

Mr. DAVIS of Wisconsin. Mr. Speaker, I include herein my seventh annual report to the people of the Second Congressional District of Wisconsin. In the six immediate preceding years I have prepared, and made available to my constituents, reports on my voting and attendance records for the sessions of Congress. This is a similar compilation for the 1st session of the 84th Congress complete to the date of sine die adjournment on August 2.

By means of newsletters and scheduled office hours for conferences throughout the district during congressional recesses I have attempted to inform my constituents and make myself available for questions relating to my work in Washington. This voting report is another attempt to keep the people of the second district as fully informed as possible on my stewardship in their behalf.

It is a complete official record. It is not a handpicked list of a few so-called key votes compiled by some lobbyist, pressure group, or political campaign committee.

It has been my practice, and it shall continue to be my purpose, to furnish further information or explanation relating to any vote I may have cast, upon request.

My voting and attendance record for 1955, compiled from the official CONGRESSIONAL RECORD, is as follows:

Voting record, 1st session, 84th Congress

Roll-call No.	Date	Identification and result of vote	My vote
1	Jan. 5	Quorum call	Present.
2	Jan. 5	Election of Speaker of House	Martin.
3	Jan. 25	H. J. Res. 159, authorizing the President to employ the Armed Forces of the United States for protecting the security of Formosa, the Pescadores, and related positions and territories in that area. (Adopted 409 to 3.)	Aye.
4	Jan. 27	H. R. 587, to provide that persons serving in the Armed Forces on Jan. 31, 1955, may continue to accrue educational benefits under the Veterans Readjustment Assistance Act of 1952, with Jan. 31, 1965, cutoff date. (Passed 365 to 0.)	Aye.
5	Feb. 8	H. R. 3005, extending the Selective Service and Dependents Assistance Act for 4 years. (Passed 394 to 4.)	Aye.
6	Feb. 16	H. R. 3828, to adjust the salaries of judges of United States courts, United States attorneys, and Members of Congress. (Passed 283 to 118.)	Aye.
7	Feb. 17	Quorum call	Present.
8	Feb. 17	Motion for previous question on H. Res. 142, providing a closed rule, prohibiting amendments, for debate on H. R. 1, to extend authority of President to enter into trade agreements. (Not ordered 178 to 207.)	No.
9	Feb. 17	Brown amendment to H. Res. 142, providing a closed rule for debate on H. R. 1, to extend authority of President to enter into trade agreements, which amendment would provide open rule to permit amendments to bill. (Rejected 191 to 193.)	Aye.
10	Feb. 17	H. Res. 142, providing a closed rule, prohibiting amendments, for debate on H. R. 1, to extend authority of President to enter into trade agreements. (Adopted 193 to 192.)	No.
11	Feb. 18	Motion to recommit H. R. 1, extending authority of President to enter into trade agreements, with instructions to strengthen the escape-clause provision by making findings of Tariff Commission binding. (Rejected 199 to 206.)	Aye.
12	Feb. 18	H. R. 1, extending the authority of President to enter into trade agreements. (Passed 295 to 110.)	No.
13	Feb. 23	Quorum call	Present.
14	Feb. 24	Quorum call	Present.
15	Feb. 25	Motion to recommit, H. R. 4259, to provide 1-year extension of existing corporate normal tax rate and of certain excise tax rates and to provide a $20 credit against individual income tax for each personal exemption, with instructions to strike out the $20 tax credit provision. (Rejected 205 to 210.)	Aye.
16	Feb. 25	H. R. 4259, to provide 1-year extension of existing corporate normal tax rate and of certain excise tax rates, and to provide a $20 tax credit against individual income tax for each personal exemption. (Passed 242 to 175.)	No.
17	Mar. 1	Conference report on H. R. 3828, to increase the salaries of justices and judges of United States courts, United States attorneys, and Members of Congress. (Adopted 223 to 113.)	Aye.
18	Mar. 10	Quorum call	Present.
19	Mar. 10	H. R. 4720, to provide incentives for members of the uniformed services by increasing certain pays and allowances. (Passed 399 to 1.)	Aye.
20	Mar. 16	Quorum call	Present.
21	Mar. 18	Preston amendment to H. R. 4903, making supplemental appropriations for fiscal year 1955, for an additional $4 million for United States contributions to United Nations program of technical assistance. (Agreed to 174 to 107.)	No.
22	Mar. 21	Quorum call	Present.
23	Mar. 21	Motion to suspend rules and pass H. R. 4644, to increase rates of basic pay of postal employees by an average of 7.6 percent and authorize reclassification of positions. (Rejected 120 to 302.)	Aye.
24	Mar. 21	Quorum call	Present.
25	Mar. 21	Motion to suspend rules and pass H. R. 4951, directing a redetermination of the national marketing quota for burley tobacco for the 1955-56 marketing year. (Rejected 260 to 151; ⅔ vote required.)	No.
26	Mar. 22	Quorum call	Present.
27	Mar. 22	H. Res. 170, declaring that the House of Representatives does not favor sale of Government-owned synthetic rubber plants, as recommended by the Rubber Producing Facilities Disposal Commission. (Rejected 132 to 283.)	No.
28	Mar. 23	Quorum call	Present.
29	Mar. 23	H. Res. 171, to disapprove proposed sale to Shell Oil Co. of certain synthetic rubber-producing facilities in California, as recommended by the Rubber Producing Facilities Disposal Commission report. (Rejected 137 to 276.)	No.
30	Mar. 24	Quorum call	Present.
31	Mar. 28	Quorum call	Present.
32	Mar. 29	Quorum call	Present.
33	Mar. 30	Conference report on H. R. 4259, to provide for a 1-year extension of existing corporate normal tax rate and of certain existing excise tax rates. (Adopted 386 to 8.)	Aye.
34	Mar. 30	Phillips amendment to H. R. 5240, independent offices appropriation bill for 1956 fiscal year, to limit to $1 per month the fee to be paid to education institutions for reports on veterans enrolled therein. (Rejected 156 to 225.)	Aye.
35	Apr. 13	Quorum call	Present.

Voting record, 1st session, 84th Congress—Continued

Roll-call No.	Date	Identification and result of vote	My vote
36	Apr. 20	Quorum call	Present.
37	Apr. 20	Moss amendment to H. R. 4644, postal employees' pay increase and classification adjustment bill, increasing average raise to 8.2 percent, in lieu of 7.6 percent provided in the bill. (Adopted 224 to 189.)	No.
38	Apr. 20	Motion to recommit to Committee on Post Office and Civil Service, H. R. 4644, postal employees' pay increase and classification adjustment bill (as increased by Moss amendment). (Rejected 125 to 287.)	Aye.
39	Apr. 20	H. R. 4644, postal employees' pay increase and classification adjustment bill (as increased by Moss amendment). (Passed 324 to 85.)	No.
40	Apr. 21	Quorum call	Present.
41	Apr. 21	H. R. 4393, to provide specific authorization for the construction on conversion of the 1956 naval shipbuilding program. (Passed 372 to 3.)	No.
42	Apr. 27	Quorum call	Present.
43	May 3	Quorum call	Present
44	May 4	Quorum call	Present.
45	May 5	Quorum call	Present.
46	May 5	Green amendment to H. R. 12 to amend the Agricultural Act of 1949 by restoring 90-percent price supports for basic commodities, to eliminate peanuts from the list of basic commodities. (Rejected 193 to 215.)	Aye.
47	May 5	Motion to recommit H. R. 12, to amend the Agricultural Act of 1949, by restoring 90-percent price supports for the basic commodities. (Rejected 199 to 212.)	Aye.
48	May 5	H. R. 12, to amend the Agricultural Act of 1949 by restoring 90 percent price supports for the basic commodities. (Passed 206 to 201)	No.
49	May 9	Quorum call	Present.
50	May 9	Motion to recommit the conference report on S. 1, postal employees compensation increase averaging 8.8 percent, to the conferees with instructions to promptly report back a new bill. (Rejected 118 to 275.)	Aye.
51	May 9	Conference report on S. 1, postal employees compensation increase averaging 8.8 percent. (Agreed to 328 to 66)	No.
52	May 9	H. Res. 223, closed rule, permitting no floor amendments, providing for consideration of H. R. 2535, to enable the people of Hawaii and Alaska each to form a constitution and State government and to be admitted into the Union. (Agreed to 322 to 66.)	No.
53	May 9	Quorum call	Present.
54	May 10	Quorum call	Present.
55	May 10	Quorum call	Present.
56	May 10	Quorum call	Present.
57	May 10	Motion to recommit H. R. 2535, to enable the people of Hawaii and Alaska each to form a constitution and State government and to be admitted into the Union. (Agreed to 218 to 170.)	Aye.
58	May 11	Quorum call	Present.
59	May 11	Quorum call	Present.
60	May 12	Quorum call	Present.
61	May 12	Quorum call	Present.
62	May 12	Vinson amendment to H. R. 6042; Defense Department appropriations bill for 1956 fiscal year, to delete language requiring congressional justification by the Department of Defense prior to disposal or transfer of work traditionally performed by civilian employees of the Department of Defense. (Rejected 184 to 202.)	Aye.
63	May 12	H. R. 6042, making appropriations for the Department of Defense for the 1956 fiscal year in the amount of $31.5 billion. (Passed 382 to 0)	Aye.
64	May 17	Quorum call	Present.
65	May 18	Quorum call	Present.
66	May 19	Quorum call	Present.
67	May 19	Quorum call	Present.
68	May 19	Quorum call	Present.
69	May 23	S. 727 to adjust the salaries of judges of the District of Columbia municipal court of appeals, municipal court, juvenile court, and the Tax Court. (Passed 282 to 32.)	No.
70	May 25	Quorum call	Present.
71	May 25	H. Res. 244, creating a select committee to conduct an investigation and study of the financial position of the White County Bridge Commission in connection with operation of bridges and approaches near New Harmony, Inc. (Adopted 205 to 166.)	No.
72	May 25	H. R. 2851, to make agricultural commodities owned by the Commodity Credit Corporation available to persons in need in areas of acute distress. (Passed 343 to 1.)	Aye.
73	May 26	Quorum call	Present.
74	May 26	Motion to recommit to the conference committee S. 727, to adjust the salaries of judges of the District of Columbia municipal court of appeals, the District of Columbia municipal court, juvenile court, and the Tax Court, with instructions to insist on the amendments adopted in the House. (Agreed to 170 to 165.)	Aye.
75	May 26	Quorum call	Present.
76	May 26	Motion to recommit H. R. 5881, to provide Federal cooperation in non-Federal reclamation projects, and for participation by non-Federal agencies in Federal reclamation projects, to limit scope of bill to the 17 western reclamation States. (Rejected 62 to 229.)	No.
77	June 1	Quorum call	Present.
78	June 1	Motion to recommit H. R. 3990, to authorize the Secretary of the Interior to investigate and report to the Congress on projects for conservation, development, and utilization of the water resources of Alaska. (Rejected 79 to 278.)	No.
79	June 7	S. 2061, to increase the average compensation of officers and employees of the field service of the Post Office Department about 8 percent, and provide reclassification authority. (Passed 409 to 1.)	Aye.
80	June 8	H. R. 5923, to authorize appropriation of $57 million in 3 years for completion of construction of the Inter-American Highway. (Passed 353 to 13.)	Aye.
81	June 13	Quorum call	Present.
82	June 14	Quorum call	Present.
83	June 14	Conference report on H. R. 1, to extend the authority of the President to enter into reciprocal trade agreements. (Adopted 347 to 54.)	Aye.
84	June 14	H. R. 6227, to provide same control and regulation of bank holding companies as banks, and, after 5 years, limits holding companies to banking enterprises. (Passed 371 to 24.)	Aye.
85	June 15	Quorum call	Present.
86	June 15	H. Res. 210, authorizing the Banking and Currency Committee to investigate the Federal Open Market Committee of the Federal Reserve Board. (Rejected 178 to 214.)	No.
87	June 16	Quorum call	Present.
88	June 20	S. 67, to adjust rates of basic compensation (average increase 7.5 percent) of civil-service employees of Federal Government. (Passed 370 to 3.)	Aye.
89	June 20	H. Con. Res. 109, authorizing the appointment of a congressional delegation to attend the North Atlantic Treaty Organization Parliamentrary Conference. (Adopted 338 to 31.)	Aye.
90	June 20	H. R. 6295, to provide an increased maximum per diem allowance for subsistence and travel expenses for Government officials and employees. (Passed 320 to 41.)	Aye.
91	June 21	H. R. 4663, to authorize $225 million for construction of the Trinity River division, Central Valley reclamation project, California. (Passed 230 to 153.)	No.
92	June 22	Quorum call	Present.
93	June 22	Motion to recommit to committee H. R. 6040, Customs Simplification and Administrative Procedure Amendments, with instructions to strike out sec. 2, which changes methods of fixing value to which customs duties apply. (Rejected 143 to 232.)	Aye.
94	June 23	H. Con. Res. 149, expressing the sense of Congress that the United States in its international relations should maintain its traditional policy in opposition to colonialism and Communist imperialism. (Adopted 367 to 0.)	Aye.
95	June 27	H. R. 6002, to extend for 1 year the existing temporary increase in the public debt limit. (Passed 267 to 56.)	Aye.
96	June 27	Quorum call	Present.
97	June 27	H. R. 6829, to authorize certain construction at military, naval, and Air Force installations. (Passed 317 to 2.)	Aye.
98	June 28	Quorum call	Present.
99	June 28	Motion to recommit conference report on H. R. 3005, extending selective service 4 years, and doctor-dentist draft 2 years. (Rejected 171 to 221.)	No.
100	June 28	Conference report on H. R. 3005, extending selective service 4 years, and doctor-dentist draft 2 years. (Adopted 388 to 5.)	Aye.
101	June 28	Quorum call	Present.
102	June 29	Quorum call	Present.
103	June 29	Motion to recommit conference report on S. 727, raising salaries of judges in District of Columbia, with instructions to insist on lower House-approved figures. (Rejected 157 to 227.)	Aye.
104	June 30	Quorum call	Present.
105	June 30	S. 2090, Mutual Security Assistance Act of 1955, authorizing $3.3 billion. (Passed 273 to 128.)	No.
106	July 1	Quorum call	Present.
107	July 1	Quorum call	Present.
108	July 5	Quorum call	Present.
109	July 6	Motion to recommit H. R. 3210, to authorize the State of Illinois and the Sanitary District of Chicago, to test, on a 3-year basis, the effect of increasing the diversion of water from Lake Michigan into the Illinois Waterway. (Rejected 74 to 316.)	Aye.
110	July 7	Conference report on S. 2090, Mutual Security Act of 1955. (Adopted 262 to 120.)	No.
111	July 11	Quorum call	Present.
112	July 11	H. R. 7224 making appropriations ($2.6 billion) for mutual security for fiscal year 1956. (Passed 251 to 123.)	No.
113	July 12	Quorum call	Present.
114	July 13	Conference report on H. R. 6766, Public Works Appropriations Bill for fiscal year 1956. (Agreed to, 315 to 92)	No.

Voting record, 1st session, 84th Congress—Continued

Roll-call No.	Date	Identification and result of vote	My vote
115	July 13	H. Res. 295, providing for consideration of H. R. 7089, to provide benefits for the survivors of servicemen and veterans. (Agreed to 376 to 24.)	Aye.
116	July 13	Quorum call	Present.
117	July 14	Quorum call	Present.
118	July 18	Quorum call	Present.
119	July 18	H. R. 7225, to amend the Social Security Act to provide disability insurance benefits for certain disabled individuals who have attained age 50, to reduce to age 62 the age on the basis of which benefits are payable to certain women, to provide for continuation of child's insurance benefits for children who are disabled before attaining age 18 and to extend coverage and increase the contribution. (Passed 372 to 31.)	No.
120	July 18	Quorum call	Present.
121	July 18	Quorum call	Present.
122	July 19	Quorum call	Present.
123	July 19	Quorum call	Present.
124	July 20	Quorum call	Present.
125	July 20	H. R. 7214, to amend the Fair Labor Standards Act to make the minimum wage $1 an hour effective Mar. 1, 1956. (Passed 362 to 54.)	Aye.
126	July 25	Quorum call	Present.
127	July 25	Quorum call	Present.
128	July 25	Quorum call	Present.
129	July 25	Conference report on H. R. 7000, providing for strengthening the Reserves of the Armed Forces. (Agreed to 315 to 78.)	Aye.
130	July 26	H. Res. 314, to provide for 3 hours debate on H. R. 7474, the Federal-State highway construction bill. (Adopted 274 to 128.)	Aye.
131	July 27	Quorum call	Present.
132	July 27	Motion to recommit H. R. 7474, the interstate highway construction bill, with instructions to incorporate the bond-financing provisions of the Clay report. (Rejected 193 to 221.)	No.
133	July 27	H. R. 7474, the interstate highway construction bill. (Defeated 123 to 292.)	No.
134	July 28	Quorum call	Present.
135	July 28	H. Res. 317, the rule for consideration of H. R. 6645, to amend the Natural Gas Act. (Adopted 272 to 135.)	No.
136	July 28	Quorum call	Present.
137	July 28	Motion to recommit H. R. 6645, to amend the Natural Gas Act, to Committee on Interstate and Foreign Commerce for further study. (Rejected 203 to 210.)	Aye.
138	July 28	H. R. 6645, to amend the Natural Gas Act to exempt producers of natural gas from public utility regulation. (Passed 209 to 203.)	No.
139	July 29	Quorum call	Present.
140	July 29	Wolcott amendment to S. 2126, Housing Act of 1955, which struck authorization of 135,000 public housing units. (Agreed to 217 to 188.)	Aye.
141	July 29	S. 2126, Housing Act of 1955. (Passed 396 to 3.)	Aye.
142	Aug. 1	Quorum call	Present.
143	Aug. 1	H. Res. 229, to provide $35,000 additional funds for expenses of Select Committee on Small Business. (Agreed to 231 to 134.)	No.
144	Aug. 1	S. 2576, repealing franchise of Capital Transit Co., operating in District of Columbia, providing public operation, with District of Columbia obligated to make up deficits. (Suspension of rules failed 215 to 150.)	No.
145	Aug. 1	Quorum call	Present.
146	Aug. 2	Quorum call	Present.
147	Aug. 2	Conference report on S. 2126, Housing Act of 1955, including 45,000 units of public housing. (Adopted 187 to 168.)	No.

Fiftieth Anniversary of the Kent County Tuberculosis Society

EXTENSION OF REMARKS

OF

HON. GERALD R. FORD, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Saturday, July 30, 1955

Mr. FORD. Mr. Speaker, it is my privilege to represent the Fifth Congressional District of Michigan which is composed of Kent and Ottawa Counties. This year, 1955, marks the 50th anniversary of the Kent County Tuberculosis Society which was organized July 3, 1905, as the Grand Rapids Anti-Tuberculosis Society.

Therefore, Mr. Speaker, I would like to state publicly and proudly a few of the outstanding accomplishments of the the Kent County Tuberculosis Society. This, I earnestly hope, will serve partly as a tribute to this organization's fine work and partly as an inspiration to other communities which are carrying on their own work in this crucial area of medical education and detection of disease.

During the 45-month period from January 1925 to September 1928 there were 377 deaths in Kent County attributable to tuberculosis. Now compare this to the 45-month period from January 1951 through September 1954 when, notwithstanding an approximate 20-percent population increase, only 91 tubercular deaths were recorded in Kent County.

The Kent County Tuberculosis Society has played an important role in achieving this record. It has through the years adopted the latest techniques as they have become available. The leaders in this society are convinced that any such program is best if handled on a local level wherever possible. Supported by the Christmas Seal series, their program is based largely on the Mantoux tuberculin test, the chest X-ray, and the fine opportunity for education it provides.

They fully realize that modern drugs and surgery are saving lives but cases must be found before they can be treated. A total of 37,512 persons were given Mantoux tuberculin skin tests between April 1, 1954, and March 31, 1955. Over 24,000 were X-rayed. Out of this number 21 active tuberculosis cases were discovered which may have gone for weeks without discovery had not these tests been promoted.

The society carries on a cooperative program with the public health department and the local sanatorium. It does the educational and stimulating job. Most of its work is carried on among apparently well people as it continues to educate for healthful living.

The citizens of Kent County,, Mich., owe a large debt to these people who are active crusaders against tuberculosis.

Multiple Use of the Surface Resources of Our Public Lands

EXTENSION OF REMARKS

OF

HON. CLIFTON (CLIFF) YOUNG

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Saturday, July 30, 1955

Mr. YOUNG. Mr. Speaker, legislation has been enacted by the Congress which provides for the multiple use of the surface resources of our public lands, to provide for their more efficient administration, and to amend the mining laws to curtail abuses of those laws by a few individuals who usually are not miners.

In our efforts to arrive at a fair and reasonable answer to the problem of multiple use of the surface of our public lands and at the same time to protect the prospector and small-mine operator, I, and other members of the House Interior Committee, have had the finest cooperation and able assistance of the Department of the Interior, the Department of Agriculture, the American Mining Congress, the Nevada Mining Association, other state mining associations, the American Forestry Association, the National Wildlife Federation, the National Lumbermen's Manufacturers Association, and many other conservationist groups.

Because of the interest that the miners and prospectors of Nevada and other Western states have in this legislation and because they wish to learn how they may be affected by the new law, I have prepared an explanation of H. R. 5891—Public Law 167, 84th Congress—which should answer many questions raised by those concerned.

Over the past 20 years there have been increasing demands from some conservation organizations, Federal agencies, recreational organizations, and sports writers that the mining laws be revised. It had been charged that the mining law of 1872 interfered with other uses of Government lands and resulted in unauthorized use of such lands in the guise of mining locations. The mining industry had in no way condoned the abuses by the few whose action has produced many of these demands.

There must be continued opportunity to go on the public domain to search for minerals, to locate mining claims as pro-

vided under existing law, to mine any minerals found, and to make a profit if fortunate enough to discover and develop commercial deposits. This is the way in which our mining industry has grown from the early days. Our Government must encourage development of minerals on the public lands—particularly so when our national security is so vitally dependent upon these basic raw materials. The miner must have security in his investment, which requires that full title be given to him when he shall have fulfilled all the requirements for a mineral patent.

The new law closes the door to abuses of the mining laws and provides for multiple use of the surface of mining claims prior to patent. At the same time, this new law guarantees the miner his full rights for prospecting and development, and the same rights upon patenting the claim as if the new law had not been enacted. The passage of H. R. 5891 has solved a problem that had been before Congress over the past two decades.

WHAT DOES THE NEW LAW DO?

It precludes from location under the mining laws common varieties of sand, stone, gravel, pumice, pumicite, and cinders and provides for the disposition of these minerals under the Materials Disposal Act of 1947. It does not affect the validity of any mining location based upon the discovery of some other mineral occurring in or in association with such a deposit, for example, gold occurring in gravel. A deposit of such materials which is valuable because it has some property giving it distinct and special value continues to be locatable under the mining laws as does also block pumice which occurs in nature in pieces having one dimension of 2 inches or more.

As to mining claims hereafter located, the law, prior to patent: First, bars the use of a mining claim for any purpose other than prospecting, mining, or processing operations and uses reasonably incident thereto; second, permits the United States to manage and dispose of the timber and forage, to manage other surface resources—except mineral deposits subject to location under the mining laws—and to use so much of the surface of the mining claim as may be necessary for such purposes or for access to adjacent land, so long as these activities do not endanger or materially interfere with mining operations or related activities; third, precludes a mining claimant from removing or using the timber or other surface resources subject to management or disposition by the United States, except to the extent required in his mining operations or related activities—permitted timber cutting, other than to provide clearance, must be done in accordance with sound principles of forest management; and, fourth, provides that if at any time the locator requires more timber for his mining operations than is available to him from the claim after disposition of timber therefrom by the United States subsequent to the making of his location, he shall be entitled, free of charge, to be supplied with timber for such requirements from the nearest timber administered by the disposing agency which is substantially equivalent in kind and quantity to the timber estimated by the disposing agency to have been disposed of from the claim.

None of these limitations apply after patent, and the patentee will acquire the same title to the mining claim as if this law had not been enacted.

The new law provides an in rem procedure similar to that contained in Public Law 585, 83d Congress, which resolved the conflict between the mining laws and the Mineral Leasing Act. This procedure enables the Government to resolve title uncertainties resulting from the existence of abandoned, invalid, dormant, or unidentifiable mining claims, located prior to enactment, in the national forests or on other public lands, and thus to eliminate problems incident to timber sales, and so forth. It is in the nature of a quiet-title action, and follows generally the procedure applicable to securing mineral patents, whereby those who claim rights adverse to those of the applicant for patent are required to come forward and assert them.

This procedure may be initiated by the head of the Federal agency responsible for administration of the surface resources of the lands involved, but will be conducted through and in the Department of the Interior.

Careful provision is made for notice to mining claimants of the pendency of such a procedure. A notice must be published in a newspaper having general circulation in the county in which the lands involved are situated. If published in a daily newspaper, the law requires publication in the Wednesday issue for 9 consecutive weeks; if in a weekly paper, in 9 consecutive issues; if in a semiweekly or triweekly paper, in the issue of the same day of each week for 9 consecutive weeks.

A copy of the notice must be personally delivered to or be mailed by registered mail within 15 days after the date of first publication (a) to each person found from a required examination of the lands to be in possession or engaged in working the lands involved in the procedure, (b) to each person who has filed in the county office of record a proper request for such notice, and (c) a copy of the notice must be mailed by registered mail to any person who is shown by a title search to have an interest in the lands. Following such notice, if a mining claimant files a statement asserting rights to the surface resources of a mining claim located on the lands involved in the procedure, a local hearing will be held to determine the validity of such asserted rights. If the decision upholds his asserted rights, no subsequent similar proceeding will in any way affect those rights. If a claimant fails within 150 days from the first publication to assert his rights in the prescribed manner, the claim thereafter has the same status as claims hereafter located, with the Government having the right, prior to patent, to manage and dispose of surface resources as set forth above.

Any mining claimant can assure himself of notice of an in rem proceeding affecting his claim by recording an acknowledged request in the county office of record for a copy of such notice, giving his name, address, and the specified descriptive data as to each unpatented mining claim under which he asserts rights.

To limit, as to any in rem proceeding, the length of the hearing and the cost of transcripts, the law restricts any single hearing to a maximum of 20 mining claims, unless the parties otherwise stipulate.

The new law permits the owner of any unpatented claim heretofore located, if he so desires, to waive and relinquish rights to the surface resources of his claim not required in his mining operations or related activities; and thereafter his claim will have the same surface rights status as claims hereafter located, with no disturbance of his priority rights in other respects. No such waiver would constitute any concession as to invalidity of the mining claim.

The new law prohibits inclusion in any mineral patent for any mining claim of any limitation or restriction not otherwise authorized by law. However, it does not limit or repeal any existing authority to include any reservation, limitation, or restriction in any such patent, and does not limit or restrict any use of the lands covered by any patented or unpatented mining claim by the United States, its lessees, permittees, and licensees which is otherwise now authorized by law.

The law also specifies that surface rights to waters reserved to the United States, as well as those assured to mining claimants, will be continued to be regulated and controlled by the provisions of State law to the same extent and degree as they were prior to enactment.

WILL THE NEW LAW AFFECT THE OWNER OF AN UNPATENTED MINING CLAIM HERETOFORE LOCATED?

Mining claim holders could be affected by the new law in that all unpatented claims heretofore located will be subject to a Section 5 in rem proceeding if one is filed which includes the lands covered by the mining claim. In this event, the mining claimants would be required to come forward and establish the validity of his mining claim if he desires to assert full possessory rights to the surface of the land. Determination of the validity of so asserted surface rights would be made by the Secretary of the Interior or his designated agent.

The new law should contribute to greater utilization of the surface resources of our public lands without restricting the opportunities for prospecting and mineral development or reducing the rewards of success.

ANSWERS TO QUESTIONS THAT MAY BE RAISED BY MINERS

Question: Does the new law affect the rights of an individual to go on the national forests and other public domain to prospect for minerals and to locate mining claims?

Answer: No.

Question: May a mining claim be hereafter located on a deposit of a common variety of sand, stone, gravel, pumice, pumicite, or cinders?

Answer: No. However the term "common varieties" does not include deposits of such materials which are valuable because of some distinct or special value and does not include "block pumice" which occurs in nature in pieces having one dimension of 2 inches or more. The report of the Senate Interior Committee pointed out that materials, such as limestone suitable for use in production of cement, metallurgical or chemical grade limestone, gypsum, and the like, will still be locatable under the mining laws. The law is also specific in providing that a mining location may be based upon the discovery of a locatable mineral occurring in or in association with the common variety materials.

Question: What rights to the surface of a mining claim hereafter located will be controlled by the Federal Government?

Answer: The United States is authorized to manage and dispose of surface resources on claims hereafter located and to use the surface for access to adjacent lands, so long as and to the extent that these activities do not endanger or materially interfere with mining, or related operations or activities on the mining claim. In other words, the new law will in no way deprive a miner of any surface right which is reasonably related to prospecting, mining, or processing operations. The House Interior Committee report on the bill was very specific in pointing out that this legislation would not have the effect of modifying long-standing essential rights springing from location of a mining claim by stating that the dominant and primary use of lands hereafter located would, as in the past, be vested in the mining locator of such claim.

Question: Do these reservations of surface rights to the United States continue after mineral patent has been granted?

Answer: No. The new law provides that no reservation, limitation, or restriction will be included in any mineral patent hereafter issued unless such reservation was otherwise authorized by law. In other words, the new law in no way affects the character and scope of title to a mining claim, including its surface resources, after patent is issued.

Question: Does the law impose any new restriction upon surface use of a mining claim validity located before the passage of the new law?

Answer: No.

Question: It has been charged that the new law gives a Government official the power to determine the validity of a mining claim. Is that true?

Answer: This has always been true under the general mining laws and this authority is not affected by the new law. The Secretary of Interior has always had authority to determine the validity of a mining claim. Under the in rem proceeding provided by the new law, the mining claimant without the filing of a specific contest against his location may be called upon to come forward and assert his claim and its validity. If he fails to do so, it does not invalidate his location, but simply gives it a surface-rights status like that of claims located after passage of the new law. He does not in such an in rem proceeding have to put the validity of his claim on the line. Of course, if he appears and asserts a validity of his claim predating passage of the new law, that question would be in issue. Determination might or might not completely condemn the location. For example, if it were found that the supporting discovery was not made until after passage of the new law, the effect of the decision would be to make the claim subject to the new law. But if it were found that the claim had no discovery, the effect would be a holding of complete invalidity.

Question: It has been charged that the new law discriminates against the small miner. Is this true?

Answer: The rights of every miner, small or large, are equally and fully protected under the new law. He is free to go on the public domain, including the national forests, and to prospect for minerals, to locate mining claims, and to patent mining claims, just as he has been able to do so since 1872.

Question: Why did the mining industry support this new law?

Answer: The mining industry recognized that there were occasional instances in which attempts were made to misuse the mining laws to obtain valuable timber, a desirable homesite, or property for commercial purposes. It recognized that although such attempted mining locations usually lacked good faith or other elements requisite to validity, they nonetheless presented problems to those administering public lands and cast an unfavorable aura of suspicion upon the mining law system. The mining industry in no way condoned such abuses. Bills have been introduced for the purpose of preventing abuses which would have changed the basic concept of the location-patent system, or which would have imposed burdensome requirements on the locator. The industry felt that it was of vital importance to maintain the location and patent concept of established mining law, that the real purpose of the mining laws was to permit mineral exploration and mining use, and that a prepatent preclusion of use of surface resources for other than legitimate mining purposes would not injure the good-faith miner or retard mining activity.

Question: Does the new law require recordation of mining claim location notices of heretofore or hereafter located mining claims with any Federal agency?

Answer: No.

Question: How will common varieties of sand, stone, gravel, pumice, pumicite, or cinders now be obtained from public lands?

Answer: Such materials may be obtained under the Materials Disposal Act from the Federal agency administering the lands involved—that is, from the Department of Agriculture or Department of the Interior. The charge for such materials will be determined by the administering agency. In the case of a Federal, state, or municipal agency, or nonprofit association or corporation, the Secretary of Agriculture or Secretary of Interior as to lands administered under their respective Departments may permit the removal of such materials without charge. In the case of an individual or private company, such materials may be obtained from the Federal agency administering the lands involved—from the United States Forest Service or from the Bureau of Land Management. Payment for such materials will be determined by the administering agency. In the case of a Federal, state, or municipal agency or nonprofit association or corporation, the United States Forest Service or Bureau of Land Management may permit the removal of such materials without charge.

Question: Does the new law affect the validity of a previously-located mining claim, based upon a discovery of common varieties of sand, stone, gravel, pumice, pumicite, or cinders?

Answer: No.

EXAMPLE

Jones is the owner of a mining claim located prior to enactment of the new law. He is satisfied that he has a valid mining claim, properly posted and recorded, and has a valid discovery of tungsten on the property. He has performed the annual assessment-work requirements.

Question: What courses of action are available to Jones in the event the Secretary of Interior initiates action to determine the surface rights on lands embracing his claim?

Answer: First, if Jones desires to retain the full rights to the surface use of his mining claim which he presently enjoys, he must file—in the office specified by the Secretary of Interior in the published notice of the proceedings—within 150 days from the date of the first publication of such notice, a verified statement setting forth as to his unpatented mining claim (a) the date of location; (b) the book and page of recordation of the notice or the certificate of location; (c) the section or sections of the public land surveys which embrace such mining claim; or if such lands are unsurveyed, either the section or sections which would probably embrace such mining claim when the public land surveys are extended to such lands or a tie by courses and distances to an approved United States mineral monument; (d) whether such claimant is a locator or purchaser under such location; and (e) the name and address of such claimant and names and addresses so far as known to the claimant or any other person or persons claiming any interest or interests in or under such unpatented mining claim. The Secretary of Interior will then fix a time and place for a hearing to determine the validity and effectiveness of any right or title to, or interest in or under such mining claim. The hearing must be in the county where the lands in question are located, unless the mining claimant agrees otherwise. Conduct of the hearing will follow the then established general procedures and rules of practice of the Department of Interior in respect to contest, or protests affecting public lands in the United States. If the final decision rendered affirms the validity and effectiveness of the rights asserted by Jones under his mining claim, then no subsequent similar proceedings

can affect his right or interest under such mining claim.

Second, if Jones does not desire to assert full rights to the surface use of his mining claim, prior to issuance of patent therefor and is satisfied to have his rights of surface use limited to the surface use required in his mining operations or related activities, he could either (a) refrain from filing any statement, in which event his failure to file would be deemed to constitute a waiver and relinquishment of full surface rights and would thereafter subject the claim to the limitations and restrictions which permit the Government to manage and dispose of surface resources; or (b) file a waiver and relinquishment of such exclusive surface rights in the office where the notice or the certificate of location of such mining claim is of record which would thereafter subject the claim to the rights of the United States to manage and dispose of surface resources.

Discredited Public Housing, Killed Last Year, Must Not Be Revived

EXTENSION OF REMARKS
OF
HON. O. C. FISHER
OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Saturday, July 30, 1955

Mr. FISHER. Mr. Speaker, the overwhelming vote by which the Wolcott substitute to S. 2126 was approved on yesterday marked another milestone in the long struggle this House has made against the abuses and evils of public housing. Public housing was killed last year. As of today there is no such thing—except for the remnants of contracting remaining in the authorization for 35,000 units in the bill last year. And that authorization expires at the end of August.

On yesterday I addressed the House in support of the Wolcott substitute. Because of time limitation I did not cover many phases of the public-housing program which I believe should be reviewed. Therefore, I shall pursue the subject a little further at this time.

COMMITTEE BILL AGAINST ADMINISTRATION VIEWS ON PUBLIC HOUSING

In the debate on the Wolcott substitute, many proponents of the committee bill, which carried an overall total authorization for 124,000 housing units, contended the measure was in accord with the administration's request. That claim was challenged, and properly so. In a press release on July 13, Housing Administrator Albert M. Cole stated that the administration wanted the housing to require that—

First. Cities develop approved programs of urban renewal prior to participation in Federal public housing aid.

Second. Public housing be made available only to families displaced by slum-clearance projects.

That, Mr. Speaker, is the latest authoritative statement of the administration's position on the subject, coming from an official spokesman.

Both of those requirements are in the law now. But the committee bill instead of retaining them and complying with the administration's request, repeals both of them from the law, along with the repeal of several other very desirable restrictions to protect the public interest against evils and abuses that have cropped up in the administration of the program.

Moreover, while the President requested 35,000 units for each of the next 2 years, the committee bill went further and reauthorized the 35,000 included last year and went even further to initiate a brand new program calling for 20,000 units for old folks. This provision, not included in the President's request, is known as the Townsend plan.

So it is obvious that while the spokesmen for the committee which reported S. 2126 contended on yesterday that they were merely complying with the administration's request, the bill as reported was in many respects completely contrary to the administration's program.

SLIGHT RELATIONSHIP BETWEEN SLUM CLEARANCE AND PUBLIC HOUSING

For years, Mr. Speaker, the public housers have based their principal justification for socialized housing upon the claim that housing must be available for people who are made homeless by slum clearance.

But surveys have revealed that only a minor portion of public housing projects have been built upon land from which slums had been cleared, and that a very limited number of public housing tenants ever lived in knocked down slums. Some say the percentage is as high as 30 percent; others insist the figure is from 10 to 20 percent. Actually, therefore, there is but little relationship between public housing and slum clearance.

This well-known fact is proven not only by surveys but also by tacit admission of the Public Housing Administration. A few days ago Mr. Charles E. Slusser, PHA Commissioner, reported that a total of 29,509 units have been contracted out of the 35,000 authorized under what he called the crippling amendments which tied the program to cumbersome procedures. He added:

> The restrictive provisions in the Housing Act of 1954, tying the low-rent housing to slum clearance and urban renewal, stopped many housing authorities from further participation in the low-rent housing program.

He went on to say that out of more than 700 local housing authorities with active low-rent housing programs, a bare 34 have been able to enter contracts during the year.

In other words, here we have the Public Housing Commissioner himself virtually admitting that there is very limited relationship between slum clearance and the need for public housing. Yet public housers have demanded for years that we spend billions for socialized housing just so the people forced out in the street by slum clearance will have a place to live.

PUBLIC HOUSING BREEDS JUVENILE DELINQUENCY

Mr. Speaker, during the debate on yesterday it was said that public housing is a weapon against crime. I wonder about that. Actually, many people are asking: Why is there so much juvenile delinquency in public-housing projects? That is difficult to answer unless we assume that among tenants attracted to such projects there are a considerable number of juvenile delinquents, and by concentrating them the problem is aggravated. That fact is illustrated by a story which appeared not long ago in the New York Times, to this effect:

> Dozens of families are being evicted from city housing projects because their delinquent children are regarded as a menace to the safety and comfort of other tenants.
>
> City housing authority officials said yesterday that chronic or dangerous juvenile delinquency was among the reasons for which about 250 families are evicted each year as undesirable tenants.

A couple of years ago District Judge Campbell in Houston refused the custody of a child to a litigant who proposed to keep it in the San Felipe courts, a public housing project, because he said it was not a proper place to rear a child. And he cataloged from police records a long and unsavory record of crime, immorality, and delinquency in public housing projects in the city of Houston. While I am sure such conditions do not obtain in many well-administered projects, yet scores of instances have occurred in other cities that could be cited.

S. 2126 WOULD COST TAXPAYERS $2½ BILLION

Let us look for a moment at the fantastic cost of this program. If the committee bill had prevailed, and if the public housing units covered in it were constructed, the cost would exceed $2½ billion.

It would be cheaper, much cheaper, for the Government to build the projects and then deed them to occupants, rather than carry the load of subsidy, upkeep, financing, interest, overhead, and so forth, that are involved. But the tenant would be foolish to accept title, if offered, because it is much cheaper for him to become a ward of the state, enjoy rent at low or nominal levels, no taxes on the property and no assessments for streets, schools, sewer lines, garbage disposal, or even lawn mowing.

Here are the facts about the cost. Each apartment with a development cost of $10,000 (which is below the present average cost) eventually costs the taxpayers $18,600. The law (sec. 10 (b) and (c) of the United States Housing Act of 1937, as amended) provides that the fixed annual contribution shall in no case exceed a sum equal to the applicable Federal interest rate plus 2 percent, times the development or acquisition cost.

Public Housing Administration has announced that the going rate for the period ending June 30, 1955, is 2⅝ percent. Therefore we can make this computation:

	Percent
Federal going rate of 2⅝ percent equals	2.65
Plus 2 percent	2.00
Total	4.65

Four and sixty-five hundredths percent times 40 years equals 186 percent.

One hundred and eighty-six percent times development cost of $10,000 equals $18,600.

Then by multiplying the 124,000 units authorized in S. 2126 times the $18,600, the total possible subsidy cost is $2,306,400,000.

The cost which I have just described does not include the $4.90 per month per unit, which represents the Federal tax loss on tax-exempt public housing bonds. The confirmation of that loss is found at page 314 of the President's Housing Advisory Committee Report.

The total additional cost per unit is thus increased by $2,352.00, when computed over the 40-year period.

Nor does this computation include the tax loss to local communities which are required to exempt a public housing project from any form of local tax for a period of up to 40 years. This alone amounted to $25 million in 1953, according to the President's Housing Advisory Committee Report. In fact, the Federal Housing Agency's handbook of 1949 states:

> It is expected that the value of the contribution which localities make by foregoing full ad valorem taxes on projects occupied by low-income families, less in lieu payments which are received, will approximate 50 percent of the Federal contributions over the life of the projects.

Nor do the cost figures I have given include the administrative costs that will go on indefinitely. That alone runs into millions.

In other words, when we add the net loss suffered in taxes by local communities to the mounting administrative costs of public housing, and add the loss in revenue from tax-free public housing bonds, to the costs I have previously computed, the total outlay, direct and indirect, to support this venture in state socialism is truly fantastic.

PUBLIC HOUSING BONDS A BONANZA FOR INVESTMENT BANKERS

Mr. Speaker, much has been said here about Government bonds providing a big advantage for investment bankers. The gentleman from Texas [Mr. PATMAN] has had a lot to say about that. He has expressed fear that such investors will garner an unfair advantage. That point is particularly applicable to the investors who reap such a windfall from the purchase of public housing bonds.

It must be remembered that the only Federal bonds being issued that are exempt from income taxes are public housing bonds. The Public Housing Administration has been selling around a billion dollars' worth of those bonds annually. They are much sought after by the investment bankers, and for good reason. You cannot blame them. It is legal, thanks to the 1949 Housing Act which exempts those bonds from income taxes. Now what does that mean to the investors?

It means this: Even at 2 percent yield, the tax-exempt bond is the equivalent of a yield of 13.33 percent on a taxable bond held by an individual in the $30,000 to $90,000 individual income tax bracket.

And the President's Advisory Committee on Housing states:

> It is estimated that for units completed under the Housing Act of 1949 the average tax loss (on tax-exempt bonds) will be about $4.90 per unit per month.

So the investment banker gets the big windfall at the expense of other taxpayers. As I see it, such an advantage is both unsound and indefensible. It should be repealed.

PUBLIC HOUSERS OPPOSE RESTRICTING OCCUPANCY TO LOW-INCOME TENANTS

Mr. Speaker, another deception that has been practiced by public housers has been the phony claim that it is to help only low-income people. Just you try to limit occupancy of public housing apartments to tenants who make $2,000 a year, or $3,000 a year, and witness the public housers blow their tops.

Let us take a few readings on this and see what the facts are. Take the city of Detroit where the local housing commission director reports that tenants are admitted to public housing apartments who earn $3,800 annually, and are permitted to remain indefinitely even if their income goes up to as much as $4,500.

In Wilmington, Del., it is reported to be $4,800.

In Dayton, Ohio, the annual income limit for public housing occupancy is reported to be $5,800.

Other comparable examples over the country could be listed here. But these serve to completely refute the phony contention that public housing is intended only for low-income people who have been displaced by slum clearance.

LATE SENATOR TAFT FAVORED PUBLIC HOUSING FOR WELFARE PURPOSES ONLY

Mr. Speaker, a number of speakers on yesterday cited the support of the late and lamented Senator Taft as justification for their present support of public housing as a policy. But they should go back and read the late Senator's speeches on the subject. They will find that his support of the program was confined to considerations of public welfare. He was too much of an advocate of free enterprise to favor public housing for tenants making incomes of, say, $4,000 a year.

Let me cite an illustration which delineates the difference between public housing as welfare and as socialism.

Two years ago, according to the Wilmington Morning News, Rev. F. Raymond Baker, a member of the Wilmington Housing Authority, appeared before the city council there and protested an increase of up to $4,800 which a public-housing tenant could make and remain in the project. He is quoted as saying: "Through the years, I have been a member of the Wilmington Housing Authority and during that time I have been interested in, first, housing for low-income families, and, second, keeping the professionals from going too far with public housing. I think I have been fighting against what happened in the Wilmington Housing Authority," where, he said, the action in increasing the income levels marked the end of public housing as welfare and the beginning of housing as socialism.

Those of you who get comfort from following the example of the late Senator Taft can be assured that he never advocated public housing as socialism. The record should be kept straight in that respect.

SHOULD TAXPAYERS HELP PAY GROCERY BILLS?

Mr. Speaker, the public housers demand that "every American have decent housing at prices he can afford." That is fine and good in theory. But it means having Uncle Sam help pay the rent bills each month. Under that theory, would it not be equally as logical to demand "a well-balanced diet of decent foods for every American at prices they can afford?" Or "decent medical and hospital care for every American at prices he can afford?" Or "decent transportation at prices he can afford?" Just where would those who adhere to that philosophy draw the line?

SHALL WE MARCH BACK DOWN THE HILL?

You and I know that socialized housing, as a philosophy, is simply contrary to our concept in this country of private ownership, of free enterprise. It is easy to say a little is all right. But that is just as logical as it is to say that a little pregnancy is all right. We have passed the so-called tapering-off stage. Public housing has passed beyond the welfare stage and is now in the socialistic stage. If that were not true there would be no such clamor by professional public-housing advocates for the repeal of the so-called restrictive provisions now in the law—provisions designed to confine public housing to welfare purposes.

We have been tapering off since 1951, when by a vote of 181 to 113 the House adopted the Gossett amendment to limit new public-housing starts the following year to 5,000. And we have insisted on ending the program each year, only to be overridden by the Senate. Then, last year, both the House and the Senate spelled out the total, final, complete end of public housing. Let us not march back down the hill and wipe out the progress that has been made. Let us think of America and its future, of the preservation of free enterprise against the inroads of this form of creeping socialism. After all, we have done right well under the free-enterprise system. Why pursue this foreign system of public housing, copied lock, stock, and barrel from England, where it was initiated by the Labor-Socialist Party?

Mr. Speaker, an English poet once wrote that—

> Vice is a monster of such frightful mien
> As, to be hated, needs but to be seen;
> But seen too oft, familiar with its face,
> We first endure, then pity, then embrace.

Banquo's Ghost—The Summit

EXTENSION OF REMARKS

OF

HON. ROBERT C. BYRD

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Saturday, July 30, 1955

Mr. BYRD. Mr. Speaker, the recent Geneva Conference is now over and, al-

though the meeting at the summit will be placed in its proper perspective by the cold and scrutinizing light of history, some of the newspaper columnists have already been able to whisk us out of the atomic and cobalt age into the glorious age of rose-colored glasses. All is suddenly sweetness and light, there has been a recognition of the status quo, the bear is not really a bad bear after all, everybody is buddy buddy, and "there ain't gonna be no war."

A magic has been exuded from the conference which far excels anything that can be found in the Arabian Nights and, borne upon the wings of soft breezes drifting down the slopes from the sun-swept summit, occult powers have completely overcome some of the crystal gazers, to say nothing of certain administration spokesmen of the Democratic Party who have been felled at a single stroke of the wand.

However, Mr. Speaker, like a breath of fresh air, it is satisfying to find that many writers are refusing to follow the white rabbit into the land of imagery and that, on the other hand, they are showing a determination to study the facts realistically and relate the real results of the conference to the American people. In so doing they are contributing a service to the cause of justice and freedom.

To those who do suffer the illusion that the real nature of international communism has been changed by the new show of amiability and affability put on by the Russian delegation at Geneva, one might point to the announcement, on the heels of the Geneva adjournment, that the Soviets are increasing their military forces in East Germany.

Then, too, the Israeli plane disaster, in which more than fifty persons were shot down by Bulgarian Communists, only conforms to the Russian pattern of committing overt, violent acts in order to demean the United States before the eyes of the world. "So sorry," says the Bulgarian Communists, and they feel that they have atoned for their trigger-happy brutality.

After all, it was virtually on the eve of the Geneva Conference that the Russians shot down one of our American planes over international waters, inflicting severe burns upon a number of American boys, scars which some of the victims will carry to their graves.

In that instance, the Soviets quickly assumed partial responsibility, a development, based upon past experience, that warranted the sound conclusion that they knew it was their full responsibility. Presented with this flagrant case which ought to have been pressed vigorously and for the assessment of full blame and total damages, our State Department made a hasty agreement, accepting the Soviet offer to pay for half the damages.

I repeat this case at this juncture, Mr. Speaker, to point up the sorry standards of measurement we are using in our official dealings with the Russians and to stress the fact that our sincere desire for peaceful relations with the Communists will carry us into serious danger unless we base our reckoning and policies on realism.

Mr. Speaker, the American people, without regard to party, would literally throw their hats in the air with joy, if Geneva had produced any real, sound basis for peace in our day. But all of the smiling and hale-fellow-well-met show at the summit failed miserably to alter the totalitarian Soviet structure. The satellite peoples are just as captive after Geneva as they were before. We have not read of a single prisoner having been freed. The world still looks in vain for the Soviet lifting of the ban against freedom of worship. The loved ones of the thousands upon thousands of politically imprisoned foreign nationals have less hope now for the release of their relatives than they had before the meetings began. No edict has been issued by the Kremlin for its subversive agents throughout the world to cease and desist in their foul efforts to undermine national governments throughout the free world.

What has come from the Geneva meetings, Mr. Speaker, is a vast flood of propaganda all aimed at showing that the prospects of peace are soaring because Bulganin exhibited party manners, that good fellowship was generated with the aid of cocktails and caviar, that a "new climate" has been produced, and that from here on everything is going to be just ducky.

If we ever get out from under this terrific barrage of propaganda bilge, we shall discover that the all vital, all important problem of German unification remains unsolved, and, as a matter of fact, the Western position vis-a-vis Germany has been damaged and the Adenauer government has been weakened. Why do I say this, Mr. Speaker? For the simple reason that the Western position on the German unification problem has been predicated upon a united-front posture by Britain, France, and the United States to the effect that German unification must be disposed of constructively before any discussion would be engaged in relative to the Soviet proposal of a general European security pact. As a matter of fact, published reports from recognized and established correspondents have related that, in a moment of exuberancy, during face to face conversations with the Russians, President Eisenhower said that the German unification matter was not necessarily a condition precedent for the discussion of European security. This statement, which the press reported, caused the British representatives to have a slight case of tremors, caused the French to go pale, and required a late hour press conference by Secretary of State Dulles to shore up the Western Alliance and give reassurance to the Bonn government.

As we get more of the picture of what really went on at Geneva, there are other disturbing angles coming to the fore. Let us consider for a moment the disclosure by French Premier Edgar Faure that it was a last minute proposal by President Eisenhower which broke the deadlock at the conference and made it the success it is being heralded.

The United Press is authority for the story on Premier Faure, and it carries the very significant editor's note to this effect:

> The secrecy of the final conference prevented Mr. Faure from explaining just what the items were that deadlocked the conference or what Mr. Eisenhower proposed to break the deadlock.

There is every indication that the concession Mr. Eisenhower made was in reference to the vital question of German unification coming before consideration, by the October Foreign Minister's meeting, of the Russian overall European security pact. If this is the price we paid for harmony, if this is the concession our President made in order that the summit meetings could be proclaimed a success, then, in reality, we have experienced a major defeat. It is hardly to be wondered at that the British would be greatly disturbed and that the French would be gravely upset, or that the Germans would have the feeling that its allies were cutting the ground from beneath the Bonn government.

And so, it is most disturbing to look back upon the fruitless Geneva Conference, and to wade one's way through the sea of phony claims being made for the summit meetings and then look out across the months to the forthcoming Foreign Ministers' meeting in October. You, Mr. Speaker, and the Members of this House know my feelings on the subject of trade with Russia, of my insistence that all goods are strategic and that when we supply and alleviate the deficiencies in the Russian economy we are in fact strengthening and perpetuating the Communist regime. Well, there are significant indications that at the October meeting steps will be proposed to drop the trade barriers and open the floodgates. Of what other import are the following words by President Eisenhower, contained in his last speech at the Geneva Conference:

> The work of our foreign ministers as they strive to implement our directives will be of great importance, perhaps of even more than what we have done here. Theirs is the task, reflecting the substantive polices of their governments, to reach agreement on courses of action which we here could discuss only in broad terms. I know we all wish them well.
>
> I trust we will all support the necessary adjustments which they may find our governments must make if we are to resolve our differences in these matters.

These words, too, could apply to the German unification question and to many others, and if they do they are cause for serious concern, not for cheers.

The Rose as the National Flower of the United States

EXTENSION OF REMARKS

OF

HON. HARLEY O. STAGGERS

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Saturday, July 30, 1955

Mr. STAGGERS. Mr. Speaker, I am privileged to submit the names of the

following prominent citizens in my Second Congressional District of West Virginia, who, together with myself, wish to add our voices to the current proposal to petition the United States Congress to designate the rose as the national flower of the United States.

The rose indeed personifies beauty and grace, majesty and leadership, sweetness and purity, love and tenderness to the great multitudes of Americans in this 48 States. God made all flowers to grace our lives, but none fulfills the overall role of messenger of inspiration, of victory, of consolation, of devotion, and of love—as does the rose.

It is my honor to enter into the CONGRESSIONAL RECORD the name of the following citizens from Keyser, W. Va., who have made known their wishes that the rose be designated as the national flower of the United States:

Mrs. J. Clark Bright, Mrs. W. H. Kolkhorst, Mrs. Eleanor Dove, Mrs. R. A. Stoutamyer, Mrs. Herman Davis, Mrs. George Sheetz, Mrs. Ernest A. See, Mrs. George R. Spotts, Mrs. Roy A. Leatherman, Mrs. Ralph E. Casteel, Mrs. S. B. Jeffries, Mrs. Evelyn Bright, Mrs. Helen Bownall, Mrs. Charles A. Steiding, Mrs. Ernest E. Church, Mrs. J. P. Davis, Mrs. G. H. Klinestiver, Mrs. James W. Goldsworthy, Mrs. William H. Chappell, Mrs. William C. Clements, Mrs. Robert D. Chapman Mrs. R. L. Bridgers, Mrs. Roy H. Davidson, Mrs. Thomas Bess, Clyde W. Gardner, Lester H. Oates, John M. Hamilton, and Donald Heare.

Funds for Recreational Facilities in National Forests

EXTENSION OF REMARKS
OF

HON. D. R. (BILLY) MATTHEWS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Saturday, July 30, 1955

Mr. MATTHEWS. Mr. Speaker, I have recently introduced a bill (H. R. 7537) which I believe will be of interest to many Members of Congress and to which I earnestly invite their attention. It is a bill which makes a further effort to solve the knotty problem of providing adequate funds for recreation facilities in our national forests.

As the Members know, Mr. Speaker, this is a problem which has been before the Congress for many years and for which, as yet, no satisfactory solution has been found. The phenomenon of mass use of our national forests by the people of this country for recreational purposes is one which has developed largely since the end of World War II. It is to my way of thinking one of the healthier and finer aspects of our American way of life. It is good for a man's body, mind, and spirit to get into the forests away from the necessary but unnatural jangle, stress, and routine of every day life.

There have always been a few hearty souls who have felt it necessary, from time to time, to shake the impediments of civilization from their shoulders and get off into the woods. Prior to World War II, however, their numbers were relatively few. Following the end of the war we found ourselves at a new high level of personal prosperity, with good roads, improved automobiles, a short workweek and paid vacations for many wage earners, plus what was apparently a new and wider desire among the American people to find relaxation and refreshment out of doors.

This was, as I have remarked, a most healthful development in our national way of living. But this development has brought with it serious problems. In 1954 an estimated 40 million people used the national forest areas for recreational purposes. They found there, in the main, facilities which had been constructed during the late 1930's—largely by CCC workers—designed to care for only a fraction of the number of people who are now using the national forests.

The problem involved is not merely that of the convenience or health of the persons using the national forests for recreation. The larger aspect of the problem is the protection of the forests, the wildlife, and essential water supplies from damage, dissipation, or pollution by those who are rightfully and lawfully using the forests for recreational purposes. One of the greatest problems—let us be frank about it—is sanitation. The national forests are one of our greatest and most important sources of water. With millions of vacationists going into these national forests the problem of sanitation becomes very great and, if not provided for, threatens the pollution of streams and water sources endangering not only those who are visiting the national forests and must use streams and springs for their water supply but also the residents of other areas who depend upon the national forests for their water.

Another danger is that of fire. There is relatively little fire danger from widespread use of a national forest for recreational purposes if those who are in the forest find prepared camp grounds at which they may camp with convenience and safety. If they do not find such camp grounds, they will camp where they can, and, scattered about the forests they present a very real fire hazard and are virtually out of the reach of any kind of supervision or of immediate assistance, in case a fire should start.

Another problem is the maintenance of wildlife population. Those who go into the forests for recreation hope to find there an adequate population of fish and game. Our wildlife resources have been maintained at their present level only by the intelligent and conscientious effort of State, Federal, and private conservation agencies. Wildlife will not maintain itself in the abundance desired against the inroads of mounting millions of forest users without additional intensive effort on the part of those engaged in the restocking, development, and conservation programs.

To sum it up, the problem involved is not so much that of providing conveniences and facilities for those who want to use the national forests—it is that of protecting the water sources, the wildlife, and the forests themselves from the adverse effects of use by millions of Americans who are going into the forests whether facilities are provided for them or not.

Many Members of Congress have clearly recognized this problem and over the past 7 or 8 years there has been a constant effort to work out a solution as to how funds might be adequately provided to meet the needs. Let me state at the very first that the appropriations committees and the Congress have not been ungenerous in this respect. But with so many demands upon the financial resources of the Nation, with so many items vital to the security and welfare of the Nation requiring tremendous appropriations, it is only natural that the appropriations for the purpose of providing adequate facilities for recreational users of the national forests have never been sufficient to do the job.

Beginning several Congresses ago, bills designed to provide these funds and solve this perplexing problem were introduced in Congress. At first, these bills took the simple form of providing that a certain percentage of all the receipts of the national forests should be set aside into a special fund to be used for the development, maintenance, and operation of recreational facilities within the national forests. This was a simple and effective plan, and there was precedent for it in laws providing for the setting aside of part of the Forest Service receipts for other special purposes. Many persons objected to this approach in principle, however, believing that the policy of establishing special funds which can be spent without further approval of Congress and of establishing permanent appropriations is not the best governmental procedure. Most of the major conservation groups and organizations in the country alined themselves solidly behind this approach and for several years there was a virtual stalemate as efforts were made time and again to secure favorable action on this type of legislation and Congress as frequently declined to approve it.

As an alternative, there were introduced in the 82d Congress bills which would have established some kind of fee system whereby the users of the national forests for recreational purposes would have paid a small fee and by their aggregate contributions have provided the funds for maintaining additional facilities.

These bills, too, encountered the valid objection that they gave the Forest Service what amounted to a taxing power and turned over to it funds for expenditure without the necessity of presenting a budget to the Congress and receiving approval of their plans. These bills were also objected to by certain groups, mostly sportsmen groups, who said that they were opposed to having to pay anything, no matter how small, for the use of facilities in the national forest.

Since then, intermittent conferences have gone on almost constantly between the staff of the Committee on Agriculture and the various groups and agencies and

individuals interested in this problem. A number of compromise bills were developed, seeking to resolve the differences in viewpoint which heretofore have prevented effective legislative action. Limitations have been put on the amount of money which could be accumulated in this special fund; requirements have been included that the Forest Service should have to seek an appropriation each year, even though the money were coming from a special fund; and other licensing provisions and campfire permit provisions have been advanced. I myself introduced one of these bills at this session of Congress (H. R. 4994) and there are pending at the present time before the Committee on Agriculture no less than 10 bills dealing with this subject.

The bill which I have now introduced today (H. R. 7537) is not by any means an entirely new approach to the subject but is, rather, a refinement and development of the many proposals which have heretofore been made. The bill will authorize and direct the Secretary of Agriculture to establish a fee for the use of recreational facilities in the national forests.

It requires the Secretary to set the fee annually at a level which he estimates will reimburse the Treasury for appropriations made for the development, maintenance, and operation of these recreational facilities. The money will not go into a special fund—it will be covered into the Treasury as miscellaneous receipts along with other Government income. The Forest Service will not have any fund available for expenditure without accounting to Congress. On the contrary, the Forest Service will seek and obtain its appropriations for recreational facilities in the usual budgetary manner but the Committee on Appropriations and the Congress will have the assurance when the appropriation is made that there will be no actual cost to the taxpayer—that every dollar appropriated for this purpose will be reimbursed to the Treasury by the special license fee established and collected by the Forest Service.

I know that there will be those who will protest against the imposition of any fee or license for the use of what is regarded as general public property. I will not be impressed by these objections, however. It is not intended that there should be a fee imposed for access to the national forest but only for the use of facilities which are provided therein for campers and others using the forests for recreational purposes. To my way of thinking, there is no more democratic way of doing business than to provide that those who use and enjoy special benefits and facilities should pay the major part of the cost of those facilities. I can see no reason why the taxpayer in Maine or New York City or Miami who may never have any desire of going into a national forest should bear any part of the cost of providing facilities for me and others like me who do want to go into the forest and engage in fishing, hunting, or other recreational activities. On the contrary, it seems quite plain to me that those of us who want to use these facilities should be willing to bear the cost of their development and maintenance. I think that every American who enjoys and loves the forest enough to want to get out into them will be proud and happy to have an opportunity to pay the small fee which will be assessed and know that he is doing his part to provide the facilities he uses and to protect the forests and the watersheds against unnecessary damage.

Nor am I impressed by the protest that I assume will come from some sportsmen that here is another fee being added to the backs of the fisherman or hunter. I have bought enough trout flies and bass plugs and shotgun shells in life to know that the 50-cent or $1 fee per year that a sportsmen may be asked to pay to maintain national forest recreational facilities is going to comprise such a small portion of his recreational budget that he will have forgotten about it by the time he makes the next trip to the sporting-goods store.

I have not discussed my bill in detail with the Forest Service so I certainly do not pretend to commit that fine organization as to how it will administer the bill, in case it should become law. As I see it, however, the licenses required by the bill would, in most cases, be a windshield sticker that could be affxed to the automobiles of those using the forest facilities. The price of the license would depend, of course, upon the amount of the appropriation and the estimated number of persons using the facilities. My best rough estimate at the present time is that when the program got into full operation the fee would be somewhere between 50 cents and $1 per auto.

It is not intended that any fee should be charged those people who, en route from one place to another, merely pass through the national forest, even though they should stop along the road for a picnic or for other casual use of the forest. It is intended that the license and the fee should apply to those who camp overnight in the forest, who fish there, or go there for skiing or hunting or other similar recreational activities. I think it quite likely that the criterion as to when a license is required might be determined on the basis of whether or not the person was staying overnight within the forest.

As I visualize it, the license stickers would be on sale very generally in sporting-goods stores, general stores, courthouses, and other public agencies, and similar convenient locations within reach of all the national forest areas. Special provision should be made in the Secretary's rules and regulations for parties which travel by bus or in some manner other than by private automobile.

There is no intention in this bill to turn forest rangers into policemen and in my opinion the policing job would be very slight. I cannot conceive of any red-blooded American who likes to use and enjoy our national forests objecting to paying an almost nominal fee each year for the purpose of developing and maintaining the facilities he enjoys. Personally, I would be glad to have the privilege of buying such a license each year even if I were not fortunate enough to get to make use of it.

I invite the cooperation of my colleagues who are interested in better recreational facilities in our national forests to joint with me during the second session of the 84th Congress in my efforts to obtain passage of H. R. 7537.

UNESCO

EXTENSION OF REMARKS
OF
HON. A. S. J. CARNAHAN
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Saturday, July 30, 1955

Mr. CARNAHAN. Mr. Speaker, since the end of World War II, the attention of the Congress has been increasingly focused on international affairs. The measures involving American relations with the rest of the world that have come before us will have a profound influence on the future of this Nation—indeed on the future of the free world.

We have voted huge sums to build America's defenses and to strengthen the defenses of our allies. We have given willing consent to American participation in a sequence of regional organizations—the Organization of American States, the North Atlantic Treaty Organization, and the Southeast Asia Treaty Organization. These are major components of the framework of collective security that we are endeavoring to construct.

We have approved the expenditure of huge sums for economic reconstruction and rehabilitation of the free nations with whom we are associated. We have, further, taken steps to remove barriers to international commerce by reciprocal reductions of tariffs and to simplify customs procedures. We have supported a program of technical cooperation to improve conditions of life in underdeveloped lands.

In taking these steps I am convinced that we have acted wisely and with foresight. They are important components of the world peace we are striving to establish. But both the Government and the people of this country long ago recognized that guns and planes—that economic aid and greater trade, of themselves will not make us secure nor insure peace. This realization was expressed in the initiative taken by this country in the formation of the United Nations and its collateral organizations. We have since reaffirmed it by our continuing support of the U. N.

The popular backing given the U. N. is by no means uncritical. The United Nations has been subjected to its share of criticism—much of it intelligent and constructive.

We are all aware that the United Nations Educational, Scientific, and Cultural Organization has been singled out for particularly bitter attacks from some quarters.

I will not burden the Members of the House with a detailed discussion of these attacks. But I would like to call to the

attention of the membership the procedure followed by a well-known national organization in regard to criticism of UNESCO in the past.

A few years ago, because UNESCO had become a subject of controversy, the executive committee of the American Legion appointed a special committee of distinguished legionnaires to study UNESCO and the criticisms made of it and report their findings. Ray Murphy, of Iowa, a past national commander, was made chairman. After an exhaustive inquiry which consumed 18 months, the special committee submitted its report which will be presented to the national convention in October.

It is a lengthy document but I can commend it to the attention of the Members of the House as a painstaking, thorough, and objective study. I believe that the American people are indebted to Past Commander Murphy and his committee members for their unselfish efforts to execute what must have been a difficult and probably thankless assignment. I feel, also, that the Legion national executive committee is to be complimented on the judicious manner in which they are handling a controversial matter.

Good as it is, I feel that the full report is too long to place in the RECORD. Therefore, I am asking that the conclusions reached by the special committee be made a part of the RECORD.

THE CONCLUSIONS OF A REPORT BY SPECIAL COMMITTEE ON COVENANT OF HUMAN RIGHTS AND UNITED NATIONS (UNESCO) TO THE NATIONAL EXECUTIVE COMMITTEE, THE AMERICAN LEGION, INDIANAPOLIS, IND., MAY 5, 1955

Your special committee finds:

1. That UNESCO is not favorable toward world government; that the programs and functions of UNESCO are not such as to tend toward world government; that the United States National Commission individually and as a group are strongly opposed to world government;

2. That UNESCO is not atheistic; and

3. That UNESCO is in no sense or no degree communistic.

The special committee recognizes UNESCO and the United Nations as facts of life. They could not at the fateful hour in history that gave them birth have come into being without the aid, the cooperation and the membership of the United States of America. For 10 years they have been important elements in the bipartisan foreign policy of the United States. For two presidents they have been an essential arm of government. Like every American, we share the deep sense of disappointment, at times tending to despair, that has resulted from the inability of the United Nations to achieve a sound and, as we had dared to hope, an enduring peace. Long, long ago Christ said "Peace on earth to men of good will." It is because men not of good will have reigned in the Kremlin that the United Nations has in grave crises appeared impotent. Given good will among all men and all rules, its full potential for peace can be realized. On April 21, 1955, President Eisenhower said:

"Our programs of national action are not in any manner a substitute for United Nations action in similar fields. Every instance of effective measures taken through the United Nations on a human problem improved the ultimate prospect of peace in the world. Therefore, I strongly recommend that the United Nations technical assistance program, in which 60 governments participate and which is carried out by the United Nations and its specialized agencies be supported in continuing and adequate manner."

And the President said:

"Neither can we be secure in our freedom unless everywhere in the world, we help to build the conditions under which freedom can flourish by destroying the conditions under which totalitarianism grows—poverty, illiteracy, hunger and disease. Nor can we hope for enduring peace until the spiritual aspects of mankind for liberty and opportunity and growth are recognized as prior to and paramount to the material appetites which communism exploits."

Gentlemen of the national executive committee, we leave our report with you, happy at least that a time-consuming onerous and at times unpleasant task has been done. We could do no other than to report without fear or favor the facts as we have found them, and to state conclusions which an overwhelming weight of the evidence justifies.

We have been deeply disturbed by an intolerance and implacability of attitude that we have found all too prevalent and which can serve no one well.

We counsel, if we may, against name-calling, against disparagement of men whose only crime is that they differ with us, against organizations whose names are fair and whose fame is great, whose achievements are magnificent.

We are now engaged in global war, wherein, as the President has said:

"The forces of freedom and the forces of tyranny are met in a struggle in which the battlefields are indeed the minds and the souls of men."

It has been said that:

"The most deadly weapons in this age of the undropped bomb and the unfired gun are the spoken word and the expressed idea" (Roger D. Green, Associated Press).

Grievous a blow as the collapse of Russian imperialism would be to the Communist revolution, communism would not die, for it is an idea, and for future generations of freemen that idea will remain a deadly danger. The idea, the dialectical materialism of communism, must be met with an idea of greater validity, the idea of the freeman deriving his individual rights from God. There can be no certainty now that the idea of the freeman will prevail, though it can never die as long as somewhere, even in some far place, one man still free in spirit and allegiance to God yet lives.

We of America and the American Legion have work to do. Let us be about our Master's business.

Respectfully submitted.

WILLIAM G. MCKINLEY,
PAUL M. HERBERT,
Rev. GORDON L. KIDD,
JACOB ARK,
Mrs. HAROLD S. BURDETT,
Vice Chairman.
RAY MURPHY, *Chairman.*

MAY 5, 1955.

Congressman Young Invites Nevadans to Discuss Problems

EXTENSION OF REMARKS
OF
HON. CLIFTON (CLIFF) YOUNG
OF NEVADA
IN THE HOUSE OF REPRESENTATIVES
Saturday, July 30, 1955

Mr. YOUNG. Mr. Speaker, it is the responsiblitity of a Congressman to keep in close touch with the people he represents.

Upon my return to Nevada during the adjournment of Congress, I will make an official business tour of the 17 counties in my State.

The prime purpose of these visits will be to meet with Nevada voters to discuss problems where my office may be of assistance and to receive views and suggestions regarding national policy.

A temporary office will be established in various communities, and local citizens will have an opportunity to confer informally with their Representative in Congress. A member of my Washington staff will accompany me and assist me.

No appointments are necessary for these conferences.

Following these congressional clinics and throughout adjournment, I will maintain a full-time office in Reno, Nev., and I can be reached by writing post office box 206 in that city.

Dates and locations of the congressional clinics are listed.

Higher Federal Taxes on Gasoline and Motor Fuel Not the Answer

EXTENSION OF REMARKS
OF
HON. FRED SCHWENGEL
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Saturday, July 30, 1955

Mr. SCHWENGEL. Mr. Speaker, we have heard a lot of testimony before the Public Works Committee about the need for this enlarged Federal highway program and how it should, or should not, be financed.

As a representative from Iowa—America's leading farm State—I am quite naturally concerned about how farmers feel about the proposed increase in the Federal gasoline tax and how they feel about some of the other aspects of the program as well.

Iowa, like most of the other States, has its own problems of acute traffic congestion today, but there is some question in my mind as to whether the true solution is for the Federal Government to levy higher and higher gasoline and fuel oil taxes upon farmers and other highway users, while at the same time calling upon the State to apply to costly Federal-aid projects increased sums of State revenue derived from the same taxpayers.

As it is, our State tax on gasoline has twice been increased during the past few years, and is now double the rate of 10 years ago. The Iowa State Highway Commission now has $40 million a year to spend on primary roads, and that, coupled with $200 million that has been authorized for toll-road construction, will put our highways in pretty fair shape—unless we find that an unusual amount of this State money will now have to be devoted to costly projects for national defense.

The farmers of Iowa, as highway users, pay heavily under the State gasoline tax, although not to the same degree as they

pay the Federal tax, which for years has been levied on the motor fuel they use on the farm as well as that used in their highway vehicles.

In Iowa, one out of every five gallons of motor fuel purchased is for nonhighway use—mostly agriculture. This is about twice the one gallon in ten ratio of nonhighway use that prevails throughout the Nation as a whole.

The natural distaste which Iowa farmers have for the Federal gasoline tax is understandable when you realize that there are more than 275,000 farm tractors now being used on the 203,000 farms of Iowa, and that these tractors and other farm machines consume about 250 million gallons a year. That, in terms of a 2-cent Federal gasoline tax, adds up to $5 million a year—or $7.5 million under a 3-cent tax—in Federal taxes on gallonage not taxed by the State.

Even if the Congress now sees fit to grant tax refunds or exemptions for nonhighway fuel—and thus makes the Federal gasoline tax an out-and-out tax upon highway use—an increased Federal tax will still fall heavy upon Iowa farmers, who own and operate about 39 percent of the trucks and 27 percent of the passenger cars in the State.

Figures compiled by the United States Bureau of Public Roads show that the revenues of the State gasoline tax have increased by 192 percent since 1939—nearly tripled—although the total vehicle registration in the State has increased by only 48 percent during the 16-year period. Certainly this is some indication of the high tax load farmers, as highway users, now bear.

Farmers, of course, are and always have been vitally interested in roads, but the roads which interest them most are the ones which have been receiving attention under the regular highway programs carried on by the State. They are interested in the super-highway aspects of the Federal program, but do not want to see it accomplished through the proposed increase in gasoline taxes of the Fallon bill.

One other aspect of this highway program that we have heard a lot about is safety. Hardly anyone who has stood up to speak in favor of this highway program has failed to mention something about all the lives that will be saved by the building of these new and faster highways.

Being an insurance man myself, I am not unfamiliar with some of the studies that insurance companies have conducted along those lines, and am inclined to believe that safety is not a very good argument for the building of all these public speedways.

Accident records of some of the big, well-engineered turnpikes have almost invariably shown a higher death rate in terms of vehicle miles traveled than the other highways of the State.

Just last week at the committee hearing, one of the tire men testified—not in connection with safety but in relationship to wear and tear—that speed and long, uninterrupted stretches of road tend to generate tire heat, which he said is a major factor in shortening the life of the tire. Apply that tire strain factor again to the relatively high rate of speed the vehicle travels on such a road, and you have perhaps one of the causes of so many serious accidents on these superhighways.

One argument that does impress me is the military and defense need for a highway program of the scope indicated—but the question then arises that if these improvements are truly defense items, why should they not be paid for like jet bombers, battleships, and tanks—out of general taxes paid by all citizens—not by increased levies upon highway users as a class.

North American Airlines and Free Enterprise

EXTENSION OF REMARKS
OF

HON. VICTOR WICKERSHAM

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Saturday, July 30, 1955

Mr. WICKERSHAM. Mr. Speaker, surely there was no intent to raise an iron curtain right here in the United States raised by Americans against Americans. I should like to take these few minutes to tell you some facts.

A tremendous amount of national energy is spent on the fight against slavery and anarchy overseas. We must realize that at the same time the same battle must be waged at home to keep the freedom we cherish.

Could it be possible that one Government Agency, the Civil Aeronautics Board, has unintentionally become an iron curtain drawn between the aviation industry and men of initiative who want to enter the passenger field?

The CAB was the result of 1938 legislation: "An act to create a Civil Aeronautics Authority and to promote the development and safety and to provide for the regulation of civil aeronautics."

Has the Board promoted the development of air transportation in the American spirit of free enterprise? Quite the contrary. The Board, perhaps because it did not realize the effects, has chosen to promote the development of the grandfather lines—those carriers operating in 1938. There were only 17 then. There are only 13 now. And soon there may be only 11; then maybe 9, then 7, then 5, then 3, then maybe only 1. Not a single new trunkline carrier has been authorized by the Civil Aeronautics Board in the 17 years of its existence.

Small feeder lines have been allowed into the passenger field, but only because they would not compete with the big boys. Four freight lines have been given the right to fly the skies, but only because their revenue is less than a drop in the billion and one-quarter dollar bucket—1.4 percent to be exact.

North American Airlines is the sole survivor of many companies who have been crushed trying to get through the defenses of CAB against competition and free enterprise. One of its principal officers, Stanley Weis is originally from my district. The traditional rights of an American to run his own business in the public interest are being badly mangled in the struggle. Not one carrier has made it through the Iron Curtain of discrimination, the barbed wire of regulation and the barrage of adamant refusal to allow even a fair hearing.

Is this development as stated in the title of the act which I quoted above? Surely it was not meant to be an imperious, absolute dictatorship. Again and again North American has been pounded back by rejections of applications for certification. North American's perfect safety record has been slandered by a member of the Board who had full and official knowledge of their accident-free operation. Surely this was not intended on his part. He has an opportunity to rectify the same.

North American—a company with the courage to join battle—is critically wounded. If it dies free enterprise will be killed by its side. The grandfather carriers will continue to monopolize the once free American air. There will be no one to challenge.

I respect the major airlines; however, today the 4 big airlines collect more than 73 percent of all trunkline revenue. These are the same companies that were serving the infant air passenger business in 1938. Air transportation has increased 40 times since then, yet no new company has survived the bloody battle of certification.

Aircoach, the greatest innovation in passenger traffic, was the invention of North America. It was bitterly resisted by the mail-subsidized monopolies. They said: "We just cannot afford to take the chance." They were finally forced by North American's low fares to adopt it. Even today, however, passengers pay one-third more on certificated aircoach than on North American.

Are the big companies—with the help of CAB—desperately trying to hold the line of unnecessarily high fares?

Passenger air travel has mushroomed. In 1954 alone its growth was over three times as great as the total industry in 1938. Every flying plane in America is needed to carry this gigantic load. Yet the CAB is using every weapon it has to shoot down North American, and with it free competition—American style. It would deprive the people of the United States of desperately needed air transportation. It would force those who cannot afford the inordinately high fares of the certificated carriers to be earthbound in this air-minded age. It would cripple the aviation industry—just as it has been doing for almost 20 years.

Any company with know-how, resources, and the desire to serve the public should be allowed to compete. No Government agency should have the arbitrary power to put them out of business, as long as the interests of the American people are being served just because the incumbent companies do not want competition. Actually the competition indirectly aids the big companies.

Has the Civil Aeronautics Board failed the public by acting in the interest of a select group instead of the public it was established to serve by violating the very

law which created it? Any such protection of big business against democratic competition is illegal.

If there is any Iron Curtain it must be lifted from the runways of all American airfields, by forcing the CAB to act in the interest of the people—not in favor of any bloc.

Yesterday the CAB took the first small, timid, trembling step in the right direction. It voted to await final execution of North American until the courts had a chance to review the legality of the regulations on which North American is being grounded. I think this shows, to same degree, that the new Chairman, Ross Rizley, has a spirit of fairness and grasps some of the practical consequences of killing off the air-coach pioneers.

The situation at the CAB was not Mr. Rizley's making. Last year it was brought out in floor debate that half of the CAB's enforcement budget was spent in a relentless vendetta against North American and other independent carriers. This was in direct conflict with the intention of Congress. This is the situation into which Mr. Rizley walked. The thinking of the majority of the Board has been inflexibly bent on warfare against new ideas, new enterprises, and new competition. There has long been a minority, Josh Lee and Joe Adams, who have fought valiantly in the public interest.

I should like to urge that the CAB go back to the act. I think that the Board now has a great opportunity to be of real service to the country, but it must hereafter move forward courageously, expeditiously, and administer all of the act, including the provision for entry and new competition. The CAB has been dangerously close to being an instrument of a few major carriers—the enforcer of the policies of certain companies rather than the administrator of the will and policies of Congress. Many Members of Congress are becoming greatly alarmed.

The Board can prove itself by handling the North American case in a constructive way. It cannot sit by and hope that the problem will disappear. Its job and function is to solve the problem—and not kill off the very assets which it is supposed to regulate. It should act without delay.

Confiscation or Compensation

EXTENSION OF REMARKS

OF

HON. L. MENDEL RIVERS

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Saturday, July 30, 1955

Mr. RIVERS. Mr. Speaker, under leave to extend my remarks, I wish to support and include herewith the statements of Congressmen JAMES P. RICHARDS and BROOKS HAYS relative to the payment of equivalent value of confiscated German and Japanese assets and commend them for the action taken by the Foreign Affairs Committee on this problem. For the first time during recent years hearings were held by a committee in the House on this vitally important question.

On July 1 and 11 hearings were conducted before a House Foreign Affairs Subcommittee relative to the payment of full compensation for those private properties owned by German and Japanese nationals which were vested by this Government. These assets were seized by the Office of Alien Property under the authority of the Trading With the Enemy Act which was essentially designed as a part of our economic warfare so that these properties could not be used in any manner detrimental to our war effort. However, it should be noted that the bulk of these assets were not in fact sequestered until after the war and such a program continued until 1953. Certainly, the permanent retention of these properties without the payment of just compensation stands out in marked contradistinction to what the United States has historically adhered to since the founding of our country.

One need not reiterate that the sanctity of private property has long been a recognized principle of this Government. It is inherent in the very concepts of our free enterprise system and has been stated over and over again from the days of Alexander Hamilton to the present time. Unquestionably the viciousness of such abuse to private property is best summed up in the words of our own beloved Speaker SAM RAYBURN, who denounced the policy of confiscation in stating that—

> Every writer upon international law in America from that time to now who has been recognized as an authority has taken the position that the most savage doctrine ever announced by any people anywhere was that private property should be taken for the satisfaction of a public obligation.

Truly, the theory upon which those German and Japanese properties were sequestered not only does not apply now but it is in diametric opposition to the postwar aims of this Government. Our policy is predicated on the basis that the Federal Republic of Germany is now to assume the status of an equal partner in the alliance against Communist aggression. Yet, how can an equal partnership be maintained or cooperation prevail when the policy of confiscation is directed against the individuals of that nation, a policy which still treats them as enemy aliens—as distrusted people. It can only be expected that Western Germany can become an effective partner in the Western coalition just so long as the people of that nation support the alliance.

In speaking out against the principle of confiscation, the Honorable Daniel Bell, one of the outstanding bankers of this Nation and former Under Secretary of the Treasury stated:

> I refer, of course, to the question as to whether our country, representing a bulwark of freedom and moral principle, has the ethical right to confiscate the property of private persons because of the fortuitous circumstance that they were within enemy territory during World War II. No charge is made or could be made that this property was confiscated because of the war crimes or similar offenses of its owners. On the contrary, in many cases the property confiscated belonged to persons hostile to the Axis regimes who placed their assets under our protection, having confidence in our institutions and integrity.

In short, the confiscation of these so-called enemy assets is without regard to the guilt or innocence of their owners and reflects a disturbing philosophy utterly foreign to American concepts of morality and justice.

The recent summit conferences made it clear that Germany is of key importance in easing world tensions, and it is imperative that it continue a course of close alliance with the Western Powers on a basis of mutual respect and friendship. The aforementioned hearings clearly evidence the policy of confiscation without compensation presents a barrier to complete understanding and harmony between our two countries. Our leaders of the Foreign Affairs Committee, evidencing the true statesmanship that they continually display in guiding our country through these critically important times, well recognized the importance of resolving with the maximum of speed possible this grave moral issue which is a source of major irritation between our two countries. As also evidenced from the enclosed documents of Congressmen RICHARDS and HAYS, it can readily be seen that final decision by the House in this matter is a necessary adjunct to the proper relationship between our countries. In order to realize the maximum benefits from the hearings and pressed with the urgency of presentation of this matter to the full House during the 84th Congress, they combined their broad policy consideration with Interstate and Foreign Commerce Committee's historical and technical background. It was well recognized by our Foreign Affairs Committee that the resolvement of this question of full return and the consequent benefits derived in our relation with Germany commands House attention at the earliest possible time. Moreover, the appended analysis of the hearings and transmittal statements bring into the House record the report of a Senate committee which likewise looked into the matter and established that the foreign-policy interests of our Government demand that full restitution be made for the property so seized. They further held that—

> Since the conclusion of the Second World War, the Congress has authorized expenditures in excess of $3 billion for the economic rehabilitation of Germany. This financial support was furnished in an effort to sustain the democratic areas of Germany as a bulwark in the death struggle between representative democracy and Communist totalitarianism. By like token, similar expenditures have been made to support the rebuilding of Japan. These appropriations have undoubtedly resulted in recuperation of these nations from the devastation remaining after World War II. However, the good will which might otherwise have resulted from such generosity has been diminished by the action of this Nation in continuing to expropriate property of individual citizens of those countries. There can be little question but what these individuals have been alienated by the shortsighted policy of confiscation which has been pursued by the United States Government since World War II.

Certainly the program of payment of full compensation for the property can also be supported solely as a matter of national self-interest as well as on international, legal, and moral grounds and the creation of good international relations. Our Government has continually encouraged the program of investments abroad by American citizens and industry. Therefore, the continued policy of confiscation of private property by this Government does not only put this property in jeopardy but lessens the effectiveness of protest by this country against the action of other nations who would insist on violating the rights of American property owners. The United States cannot long continue to wield a double-edge sword of supporting confiscation at home and condemning it abroad.

To suggest that only small amounts of some dollar limitation be returned to individuals only lacks merit. Confiscation of large amounts if accepted in principle would be disastrous to our own expanded foreign economy. Further, confiscation of any amount would defeat the principle involved. As was so aptly stated by Mr. Hermann J. Abs, an outstanding leader in German banking, financial, and governmental circles:

It is of vital and urgent necessity for the policies of the Western World and its interests abroad that the United States, as the most important nation of our community, take the lead in the defense and restoration of private rights, thereby setting a decisive step in dissolving the moral disintegration and legal confusion into which we are more and more getting entangled.

During this present time of international uncertainty and tensions throughout the world, the payment of just compensation of vested property to its thousands of individual owners will have the worldwide effect of this country's reaffirmation to the concepts of international justice and the established rights of the individual. To do less in this instance will be to do an irreparable harm to this Government as a leader of the free countries of the world.

The full statements of Congressmen RICHARDS and HAYS are set forth below:

HOUSE OF REPRESENTATIVES,
Washington, D. C., July 27, 1955.

Hon. J. PERCY PRIEST,
Chairman, Committee on Interstate and Foreign Commerce,
House of Representatives,
Washington, D. C.

MY DEAR MR. CHAIRMAN: I believe that Chairman RICHARDS of the Foreign Affairs Committee has already officially transferred to your committee House Joint Resolutions 264, 265, 268, and 272, together with documents and files pertaining to this legislation. It is my understanding that the testimony which was taken in two hearings before the Ad Hoc Subcommittee of which I was chairman are being printed and that the printed copies will be forwarded to you. Other members of the Ad Hoc Subcommittee were Mr. PILCHER, Mr. WILLIAMS of New Jersey, Mr. VORYS, and Mr. BENTLEY.

Mr. RICHARDS concurs with my feeling that perhaps this supplementary letter will supply additional information that might be useful to your committee in initiating further hearings and studies in connection with the resolutions and bills. We recognize that your committee has become familiar with the subject matter in view of the fact that H. R. 6730 which, as I understand, embodies the views of the administration, was referred by the Speaker to the Committee on Interstate and Foreign Commerce.

Our subcommittee heard a number of proponents of the joint resolutions and also witnesses in opposition, including representatives of the Departments of State and Justice, both of which agencies indicated that they could not support payments for all of the properties involved. Instead, they expressed support for a limited return calling for payments to individuals up to $10,000 each, as set out in H. R. 6730.

Among the first witnesses supporting the joint resolutions was Dr. Charles S. Collier of George Washington University, and I was naturally interested in his point of view since he was my instructor in constitutional law at the above institution some 35 years ago. Perhaps the legal basis for the proposals will be found to be adequately set forth in Dr. Collier's statement. He and other proponents of the resolutions presented the viewpoint that in justice and equity there should be no arbitrary dollar limitation.

The committee's attention was also called to the Senate committee report (the Dirksen report, No. 1982, 83d Cong.) which reviewed this question and made certain criticisms of existing policy with reference to claims of German and Japanese nationals. I am sure you will find the Dirksen report and hearings contain much relevant testimony and comment regarding the pending bills. You will also want to review the testimony of a number of witnesses who had something to say as to the overall question of permanent seizure without compensation, it being their contention that the United States had up until World War II a firm policy of returning to former enemy aliens any properties that had been held during wartime.

The committee will also be inquiring into the applicability of the Paris reparations agreement and the Bonn convention to the issues to be presented. In the light of the present world situation, particularly the desirability of promoting close ties with the Governments of Germany and Japan, I feel that the matter of determining a correct policy with reference to these claims is something to engage our best thought and consideration. This points up the helpfulness of a current review of the history of these relationships. I am confident, too, that passages in the testimony referring to congressional debates following World War I will be called to the attention of your committee. Several witnesses urged the United States not to use funds of private German and Japanese citizens for the payment of debts owing by their governments to the United States. This is covered in the testimony which was heard by our subcommittee.

No one could question the policy of requiring the German and Japanese Governments to make payments for damage and personal injury inflicted on our own citizens and their properties, and I presume that this will be fully considered at all stages of legislation and treaty negotiations. Along this line, it was advocated during the hearings that any reparations paid should be paid by such nations as a whole and constitute a burden on all their people rather than a special burden on the few based on the circumstances of their having held assets in this country. This is a moral and policy question which touches foreign policy considerations and I am sure that your committee will want to explore the matter fully.

As a member of the Foreign Affairs Subcommittee which visited Germany in 1951 to study occupation policies, I acquired a better understanding of the necessity for setting up conditions that would make it possible for Germany to continue a close alliance with the Western Powers and that the basis for this would be mutual respect and friendship. For this reason I feel that sources of major irritation between our countries should receive the attention of congressional committees. Due to the consideration of the resolutions so late in the session it became apparent that if the Foreign Affairs Committee was to consider the problem fully it would necessarily take a considerable period of time for study and historical review. It was the feeling of the full committee that the most propitious course would be to combine the broad foreign policy aspects of interest to the Foreign Affairs Committee with the technical and historical background of your committee, and therefore that the transfer of full information relative to these hearings should be made for the benefit of your committee. As I construe the action of our committee, this was the primary motive in having the matter referred to you, and I trust that it will be possible for us to give it an enlightened and proper consideration in the House early in the next session. At any rate, my own personal interest in the problem has been sharpened as a result of these studies and I want you to know that I am at your service if you find that I can be helpful.

BROOKS HAYS,
Member of Congress, Fifth District, Arkansas.

COMMITTEE ON FOREIGN AFFAIRS,
July 21, 1955.

Hon. J. PERCY PRIEST,
Chairman, Committee on Interstate and Foreign Commerce, House of Representatives, Washington, D. C.

DEAR MR. CHAIRMAN: During the latter part of March 1955 4 identical resolutions (H. J. Res. 264, 265, 268, and 272) designed to improve the relations of the United States with Western Germany and Japan by providing for the payment of equivalent value for the private properties of their nationals seized by our Government during and after the war were introduced and referred to the Committee on Foreign Affairs.

As chairman of the committee, I designated an ad hoc subcommittee, chairmaned by the Honorable BROOKS HAYS, to consider this matter. Subsequently, on July 1 and again on July 11, 1955, public hearings were held by that subcommittee and all witnesses desiring to be heard were given an opportunity to present testimony.

At the outset, it was realized that the subject matter involved not only serious questions of highly important policy, but matters involving questions of possible concurrent jurisdiction of the Committee on Foreign Affairs and the Committee on Interstate and Foreign Commerce. As these resolutions had been referred to the Committee on Foreign Affairs it was felt that their importance warranted consideration as soon as possible. During the course of the subcommittee hearings a number of important facts were developed. Representatives of both the Department of State and the Department of Justice testified that they could not support payment for the full amount of properties seized. They supported payment to individuals only of a maximum of $10,000, as proposed in H. R. 6730, which had been introduced on June 8, 1955, and referred to the Committee on Interstate and Foreign Commerce. Testimony by various witnesses raised questions concerning the equity of the proposed payment of only a portion of the value of the properties seized.

It was brought out in the hearings that a Senate committee within the last 2 years had conducted an intensive investigation of this whole matter. See Senate Report 1982, 83d Congress, 2d session.

Several witnesses traced the historical treatment accorded by our Government to such properties in the past.

Some questions were raised about the applicability of the Paris Reparations Agreement and the Bonn Convention to the problem at hand.

A number of witnesses contended that the United States ought not to be put in the compromise position of using private funds of private German and Japanese citizens for the satisfaction of any of the public obligations of the governments of these two countries.

As the subcommittee hearings developed, it became apparent that this entire problem, although of great concern to the Foreign Affairs Committee, was intricately interwoven with earlier legislation which historically has been handled by the Committee on Interstate and Foreign Commerce. It also became evident that proper consideration of these joint resolutions by the Foreign Affairs Committee would take many more months of study than would necessarily be the case with your committee, particularly in view of its familiarity with the legislative origins of this proposal.

Accordingly, after the approval of the subcommittee and after conversations with you, it was decided, by unanimous vote of the Committee on Foreign Affairs, that I would request that these resolutions be referred to the Committee on Interstate and Foreign Commerce.

In order that full advantage may be taken of the information developed in them, I am having the subcommittee hearings printed and copies will be sent you as soon as they are received from the Government Printing Office. It is hoped that this will facilitate the transition from our committee to the Interstate and Foreign Commerce Committee.

If your committee desires any further information in this regard, I shall be happy to cooperate to the fullest extent.

Sincerely yours,

JAMES P. RICHARDS,
Chairman.

Government Clinics

EXTENSION OF REMARKS
OF
HON. A. L. MILLER
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Saturday, July 30, 1955

Mr. MILLER of Nebraska. Mr. Speaker, it has been my custom every other year, during adjournment to hold government clinics in each of the 38 county seat towns in my district. These meetings are not political, but merely question and answer periods to give folks an opportunity to visit with their Representative and to ask questions. It also gives me an opportunity to report on my stewardship in Congress.

The first hour is devoted to school students, entitled "Youth Wants To Know." The last hour is for adults who may attend. Following is the schedule of clinics for the period from October 10 through October 20:

Monday, October 10: North Platte, 2 to 4 p, m,. (gas company building); Tryon, 7 to 9 p. m.

Tuesday, October 11: Stapleton, 2 to 4 p. m.; Thedford, 7 to 9 p. m.

Wednesday, October 12: Mullen, 2 to 4 p. m.; Arthur, 7 to 9 p. m.

Thursday, October 13: Chappell, 2 to 4 p. m.; Oshkosh, 7 to 9 p. m.

Friday, October 14: Grant, 10 to 12 a. m.; Ogallala, 2 to 4 p. m.

Monday, October 17: Brewster, 2 to 4 p. m.; Broken Bow, 7 to 9 p. m.

Tuesday, October 18: Lexington, 2 to 4 p. m.; Kearney, 7 to 9 p. m.

Wednesday, October 19: Burwell, 2 to 4 p. m.; Ord, 7 to 9 p. m.

Thursday, October 20: Loup City, 2 to 4 p. m.; Grand Island, 7 to 9 p. m.

All meetings will be held in the county courthouse unless otherwise indicated. The public is invited.

Schedule of Official Tour of the Fourth Indiana District

EXTENSION OF REMARKS
OF
HON. E. ROSS ADAIR
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Saturday, July 30, 1955

Mr. ADAIR. Mr. Speaker, with the adjournment of the first session of the 84th Congress, I wish to announce plans for my official tour of the Fourth Indiana District.

During my service in the Congress, I have made it a custom to tour the eight counties comprising the district I represent, to obtain first-hand reports on legislative and governmental matters and information from the people I serve.

These official tours, I have found to be of tremendous value in informing me of the grassroot sentiments. Opportunity is also afforded for free discussion of governmental problems in which my constituents are vitally interested.

It has been my policy to be present in the various courthouses and invite the people of these counties to meet with me.

To assure good government, I have always believed that we should keep it to the extent reasonably possible at the local level where every citizen can take part and express his views on current legislation or national problems.

I am looking forward to visiting the various county seats of the district again this fall and extend a warm invitation to all who are interested to visit with me when I am in their locality.

The 8 counties in the 4th Indiana District are: Allen, De Kalb, Whitley, Steuben, Lagrange, Wells, Adams, and Noble. I shall hold these courthouse conferences on this official tour at the following times and places and hope to have the pleasure of meeting with all interested constituents:

September 19, courthouse, Bluffton.
September 20, courthouse, Decatur.
September 21, courthouse, Auburn.
September 22, courthouse, Angola.
September 23, courthouse, Lagrange.
September 26, courthouse, Albion.
September 27, courthouse, Columbia City.

I shall be in each place from 10 until 12 and from 2 until 4 and other appointments may be made by special arrangement.

Upon the completion of the tour, I will open an office in the Federal building, at Fort Wayne, room 310, to carry on my official duties as Representative of the 4th District, and want the public to know that they are welcome to call at the office to discuss their personal legislative or governmental problems. My office in Washington, located in room 1511 House Office Building, also will be open during adjournment to enable me to carry on my obligations and responsibilities and to assist constituents.

This has been an important period in our national history and I feel we have come a long way in achieving peace and prosperity for our people. We must continue all efforts in this direction.

The Highway Program

EXTENSION OF REMARKS
OF
HON. FRANK E. SMITH
OF MISSISSIPPI
IN THE HOUSE OF REPRESENTATIVES
Saturday, July 30, 1955

Mr. SMITH of Mississippi. Mr. Speaker, under unanimous consent, I include a letter which I have written to several newspapers over the country:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C.

DEAR SIR: I read with interest your editorial in regard to the failure of the Congress to pass a highway program during the past session.

As a member of the House Public Works Committee who took an active part in the defeat of both the Eisenhower plan and the Fallon bill voted out of committee, I would like to call attention to several aspects of the controversy which you have overlooked.

Both plans would put all the major emphasis on Federal road construction on the interstate highway system, which currently carries only 14 percent of the Nation's traffic. Dissatisfaction with this procedure was evident in the Senate which provided for an entirely different accelerated highway program. The Fallon bill recognized the weakness of the Eisenhower plan in its failure to step-up the remainder of the Federal-aid program, but the $25 million increase per year which was provided was very minor in contrast with the vast interstate expenditures.

The major opposition to the Fallon bill, at least among Democrats, was this unbalanced aid program combined with a tax program which would have collected the greater part of the revenue from highway users who would have only indirectly benefited. These influences had greater weight with the Congress than the trucking lobby.

In addition, the Fallon bill approach as well as the Eisenhower plan, seemed to many of us to break an important constitutional precedent. With minor exceptions, Federal revenues are not earmarked, and all appropriations come out of general revenue. At first thought, linking taxes to any new expenditure may sound like fiscal responsibility, but actually it could lead to governmental chaos, as has been demonstrated in France. We would have no foreign-aid program, and a very limited defense program if this procedure were followed.

It should be obvious that there were factors other than the trucking lobby which defeated the Fallon bill. The Eisenhower plan, in addition to the above objection, was defeated because—

(1) The $12 billion interest charge involved.

(2) Creation of a corporation to conduct the program, largely outside congressional review.

(3) The freeze on Federal contributions to other portions of the Federal-aid highway system which would have been necessary to finance the plan.

The major obstacle to any compromise on the legislation has been the refusal of the administration and Republican congressional leaders to consider any plan which would recognize the highway expenditures as part of the public debt. Democratic congressional leaders are not going to accept the costly fiction of the Eisenhower plan, designed to get around the public debt limitation and to put more high interest bonds on the market. If the Republican leadership will accept regular Treasury bonds as the manner of meeting any deficit occasioned by highway spending, compromise highway legislation will be quickly approved in 1956.

Cordially,

FRANK E. SMITH,
Member of Congress.

The Highway Bill

EXTENSION OF REMARKS
OF
HON. LOUIS C. RABAUT
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Saturday, July 30, 1955

Mr. RABAUT. Mr. Speaker, we have failed to give the American public a much-needed highway program. I do not wish to point the accusing finger at any one group—for I sincerely feel that we must collectively stand responsible to the American public for failing to eleviate a problem that permeates our variated channels of commerce and industry.

I vigorously opposed the Eisenhower bond-issuing arrangement that was introduced under the rule by which the bill was brought to the floor. The committee's bill which provided for a "pay-as-you-go" tax plan sought to distribute the cost over the Nation as a whole, but met with defeat when extraneous matter was introduced that was designed to raise the ire of a large portion of the membership. I voted for the committee's bill on the grounds that the present emergency conditions of our Nation's highways required that some program be put into effect in the interest of public safety—if for no other reason. The death tolls on our highways, which for the main part are due to the inadequate accommodation of our roads, points directly to the necessity of remedial legislation for highway construction. It is reported that we daily kill 100 Americans and critically injure 3,000. The estimated economic loss approaches $4.5 billion annually. This type of negligence, I fear approaches moral culpability—and finds no justification on the grounds of partisan political considerations or for the need of providing a banker's bonding program.

Aside from failing in our moral obligation to the public we have also hindered seriously the economic development of our country. The automobile industry is the principal utilizer of highways; whether for travel, commerce or travel-communication. The vitals of our Nation are arterially connected by our roads and highways. Today we are producing 3 million vehicles in excess of the number we retire to the junk heap every year. Every year we compound further the problem of congested highways—but every year we fail to come forward with a workable solution. To continue this folly in the face of these startling facts can only be adjudged as governmental irresponsibility toward the critical needs of our people and their economy.

Mr. Speaker, I call upon the leadership and my colleagues to seriously contemplate the seriousness of this problem which is no longer merely economic, but moral as well. The needless loss of life and the economic waste which evolves therefrom should make firm our resolve to vigorously attack this problem next session and deliver to the people the means for providing adequate and safe highways.

GI Loans

EXTENSION OF REMARKS
OF
HON. EDITH NOURSE ROGERS
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Saturday, July 30, 1955

Mrs. ROGERS of Massachusetts. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following memorandum released by the Veterans' Administration today:

Effective today, July 30, veterans purchasing homes with the aid of GI loans will be required to make a downpayment of at least 2 percent, and the maximum time for repayment of loans will be set at 25 years, the Veterans' Administration announced.

Similarly moderate credit requirements are being placed in effect by the Federal Housing Administration for homes purchased with FHA-insured mortgages.

Since April 23, 1953, the VA has had no mandatory downpayment requirement, and the mortgage repayment period could run as high as 30 years.

Today's action, VA said, was taken after a thorough study of national economic conditions, especially those prevailing in the residential construction and mortgage financing fields. The new requirements are expected to help protect prospective GI loan applicants against increased prices of homes, overextension of credit and financial risks. Further, they should tend to stabilize the mortgage market by eliminating the 30-year no-downpayment loan which currently is being traded at widening discount margins.

The new requirements are not retroactive. They are not applicable to purchase of homes for which VA has issued certificates of reasonable value prior to July 30, or in cases where requests for appraisals actually have been received in VA offices prior to July 30.

Also, the requirements will not apply to GI loans made solely for the replacement or reconstruction of residential property that has been destroyed or substantially damaged by flood, fire, or other similar catastrophes, nor to repair, alteration, or improvement loans.

The most recent VA figures show that the average price for GI homes purchased with no downpayment has been about $10,500. Under the new regulations the downpayment requirement for such a house would be $210.

A VA study of the 407,000 VA home loans closed in 1954 revealed that veterans had made an average downpayment of $1,100. On those loans made in 1954 with downpayments, the average downpayment for new houses ran 11 percent, and the average for existing homes was 15 percent.

The study revealed that 2 out of every 5 new home loans, and 1 out of every 5 loans for existing dwellings were made with no downpayments. One-twelfth of the mortgages on existing homes and a little more than one-third of the mortgages on new homes had 26- to 30-year maturities.

On other occasions since the GI bill loan program was established in 1944, VA credit requirements have varied.

Credit controls were first imposed in July 1950 when a 5-percent downpayment was required for most GI loans. In October 1950, under the Defense Production Act, downpayment requirements ranged up to 45 percent, and the repayment period was limited to 25 years on homes costing under $7,000, and 20 years on homes over that amount.

Downpayment requirements were eased on three separate occasions—in September 1951, and June and October of 1952—before credit controls were removed entirely on April 23, 1953.

The VA emphasized that it would maintain a constant study of the housing situation, and make adjustments in credit requirements as might be indicated.

Trucks and Taxes

EXTENSION OF REMARKS
OF
HON. FRANK E. SMITH
OF MISSISSIPPI
IN THE HOUSE OF REPRESENTATIVES
Saturday, July 30, 1955

Mr. SMITH of Mississippi. Mr. Speaker, under unanimous consent, I include a letter from one of our distinguished colleagues, published in the St. Louis Post-Dispatch:

TRUCKS AND TAXES

To the EDITOR OF THE POST-DISPATCH:

I have just read your July 21 editorial, The Truck Lobby in High. Not once in it is there reference to the arguments advanced by the trucking industry against the proposed method of paying for the new highway program through additional taxes on gasoline, tires, trucks, buses, etc.

Now I can say this with a great deal more force because I do not happen to agree with the case presented by the trucking industry, although I respect many of the facts and arguments they have advanced. Furthermore, I respect both the honesty and forthrightness of their position and I certainly respect their right, and I might add, their duty, to present their side of the case to the Congress as long as they do it fairly and factually.

I am disturbed about this method of paying for our highways because it breaches a basic constitutional Federal approach to taxation. That is, there shall be no earmarked taxes and all taxes must go into general revenue and all appropriations must come out of general revenue.

This basic approach has been breached twice in the past and, in my judgment, has led to serious fiscal troubles which are still with us and will be further aggravated. A third major breach might well mark an end to this basic approach to Federal financing.

Incidentally, I am even more opposed to the special revenue bond approach for

financing the highway program proposed by the Eisenhower administration. This, in my judgment, would lead to even greater fiscal irresponsibility in the long run and will, as your editorial suggests, cost more.

THOMAS B. CURTIS,
United States Representative,
Second Missouri District.

WASHINGTON.

Fort Vancouver National Monument

EXTENSION OF REMARKS
OF
HON. RUSSELL V. MACK
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Saturday, July 30, 1955

Mr. MACK of Washington. Mr. Speaker, 8 years ago I presented to Congress a bill to authorize the establishment of a National Monument to preserve one of the most historical sites in the entire western part of the North American Continent. Congress approved my request and authorized the establishment of Fort Vancouver National Monument.

By so doing, Congress preserved for future generations part of the history of our western frontier which stems from an act of a previous Congress some 145 years before.

In January 1803, the Congress of the United States appropriated, at the request of President Thomas Jefferson, the sum of $2,500 for an expedition to the Pacific ocean for the purpose of extending the external commerce of the United States. Thus was born the famed Lewis and Clark Expedition the sesquicentennial of which we are celebrating this year.

Meriwether Lewis and William Clark blazed the trial to the great Northwest frontier and were soon followed by a constantly increasing flood of pioneer settlers. This vast new country required trading posts and so the Hudson's Bay Company established Fort Vancouver, which has been aptly called the cradle in which the civilization of the Northwest country was nurtured.

Fort Vancouver, established in 1825, was the largest Hudson's Bay Company establishment, and was the headquarters for this company for all its activities between the crest of the Rockies and the Pacific Ocean, from Russian Alaska to Spanish California. From this post stemmed all the commerce and culture, the development and civilization of the Oregon country. Its historical significance transcends not only State lines, but international boundaries.

Fort Vancouver was the western terminus of the famed Oregon Trail, and it was here, under the guidance of the Hudson's Bay Company's famous factor, John McLoughlin, that the planning and intrigue was carried on by which Great Britain hoped to gain possession of all the country north of the Columbia. At the same time, his very fine administration of the area, and his many acts of kindness to the pioneer American settlers, endeared him to all the people with whom he came in contact.

After the treaty of 1846 placed this territory under the American flag, the site of the Hudson's Bay Post became Vancouver Barracks, the first United States Military Establishment in the Northwest. Fort Vancouver has inscribed for itself a long and honorable chapter of thrilling events of great significance to the historians and others interested in the preservation of early Americana. Here were stationed, at one time or another, such famous officers as Ulysses S. Grant, Phil Sheridan, George B. McClelland, George E. Pickett, Nelson A. Miles, Frederick Funston, and George Catlett Marshall; truly a famous roster.

The Army post at Fort Vancouver continues active to this date. Known variously as Camp Vancouver, Columbia Barracks, Fort Vancouver, and Vancouver Barracks, it long served as military headquarters and supply point for the Pacific Northwest. Though now much reduced in size, it commemorates the role of the United States Army in the settlement and development of the American frontier.

Its international recognition also continues, for Pearson Field at Vancouver Barracks was the landing point of the pole-vaulting Russian fliers in 1937, about whom the famous explorer Vilhjalmur Stefansson said: "They found the world of transportation a cylinder; they left it a sphere."

The Fort Vancouver National Monument will be dedicated on August 13, just 2 weeks from today. Secretary of the Interior Douglas McKay will officiate at the dedication and an impressive ceremony and celebration has been planned. It is being sponsored by the Stockaders, a Vancouver, Wash., organization named in memory of the Hudson's Bay days and the original Fort Vancouver stockade.

In behalf of the Stockaders, Vancouver and Clark County citizens, I extend to all Members of Congress a cordial invitation to attend the dedication and celebration. You should by all means see first hand the results of actions taken by two Congresses of the United States over a span of 145 years.

Schedule of Conferences With Constituents

EXTENSION OF REMARKS
OF
HON. WILLIAM M. McCULLOCH
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Saturday, July 30, 1955

Mr. McCULLOCH. Mr. Speaker, I believe that a Congressman should be in his district to confer and visit with his constituents whenever possible.

When the Congress adjourns next week, I expect to return home and to be available for conferences and visits with residents of the Fourth District in the courthouse of each county seat between 9 a. m. and 4 p. m., in accordance with the following schedule:

Lima, Allen County: Monday and Tuesday, August 15 and 16.

Wapakoneta, Auglaize County: Wednesday, August 17.

Greenville, Darke County: Thursday, August 18.

Eaton, Preble County: Friday, August 19.

Sidney, Shelby County: Monday, August 22.

Celina, Mercer County: Tuesday, August 23.

Troy, Miami County: Wednesday, August 24.

No appointments will be necessary. Any problem with, or opinion concerning, the Federal Government will be proper subject for conference.

Of course, I will be glad to see residents of the district in my Piqua office any time that the Congress is not in session, except on the days scheduled above.

The Housing Bill

EXTENSION OF REMARKS
OF
HON. IRWIN D. DAVIDSON
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Saturday, July 30, 1955

Mr. DAVIDSON. Mr. Speaker, I would like to make my position on the housing legislation perfectly clear. I am an advocate for public housing. As a member of the Committee on Banking and Currency, I sought to have that committee report an adequate housing bill. I feel that it is axiomatic that not alone in a city like the city of New York, but in many communities throughout the United States, there are hideous slums to be cleared. We cannot clear slums unless we have decent housing in which to relocate those displaced by the destruction of the substandard dwellings in which they lived. Private industry, by reason of the terrifically increased building costs, has been unable to do the job. Public housing is the only answer.

The United States Senate saw the light. Its bill provides for 135,000 units of public housing. In my committee we were only able to find approval for a bill which provided for 35,000 units of public housing. When this bill reached the floor today, the Republican leadership was unanimous under the guidance of the ranking Republican Member of the Committee on Banking and Currency in its determination to eliminate public housing from the bill entirely. I am sorry to say that with the help of some of my colleagues, it succeeded.

My first instinct was to vote against what remained of the housing bill. It certainly was not a bill designed to provide decent housing for the great masses of people now subsisting in sordid dismal shelters; this bill was and is a continuation of the bonanza which has gratified the real-estate lobby.

The action in the House of Representatives today is unhappy. Many who have been pontificating about the necessity of doing something to curb juvenile delinquency ripped public housing out of the bill. Others who have successfully obtained literally billions of dollars in

farm subsidies refused to lift a finger to clean up the blighted areas of the teeming cities of America. They called the housing program socialistic. They find nothing socialistic or paternalistic in farm subsidies or windfall handouts, while slums and blighted areas in our cities grow steadily worse and increase in size. My experience as a judge in a criminal court has convinced me beyond any doubt that crime, especially juvenile crime, is bred and fostered by the sordid, unhealthy conditions which exist in substandard, slum areas. It is in these areas that policing activities, fire and health programs are taxed to the utmost.

It is equally clear that Federal assistance is needed to help the State and local governments combat the growth of slums, provide adequate low-rent housing, and eliminate juvenile delinquency. I am convinced that the agencies concerned with the administration of our housing laws are in need of renewed direction by the Congress, and that our Housing Act itself is in need of legislative revamping. Last year Congress amended the Housing Act to include an authorization for the FHA to insure urban renewal and slum-clearance projects. The purpose of the law is obviously laudable, but despite many applications which have been made for Federal assistance, FHA has not approved a single one.

At the public hearings held by the Committee on Banking and Currency, Mr. Cole, the Housing Administrator, was questioned at length by me. At first there was some question as to where the responsibility and the jurisdiction for slum clearance and urban redevelopment might lie. Mr. Cole indicated that the administration of section 220 of title I was primarily the responsibility of FHA.

He pointed out that when "a community desires to clear and redevelop a given slum or blighted area, it proceeds by going to the Urban Renewal Administration and asking for planning funds," and then stated:

> Heretofore there has not been very much of a closely coordinated effort between FHA and Urban Renewal.

I have no desire, Mr. Speaker, to castigate the Federal Housing Administrator who stated at the hearings that he agreed with me and was himself "not satisfied with the swiftness of the program."

Renewed questioning brought out this fact: Not a single application for slum clearance and urban redevelopment had been granted under section 220 because the FHA had established no policy of appraisal or cost evaluation.

The bill which the House Banking and Currency Committee reported contains a provision which the Senate has already approved and which was contained in the bill I introduced earlier this year. The phrase "estimated value" is replaced by inserting "replacement cost." This change, together with a realistic allowance for builders' profits by the FHA should go a long way toward the rapid approval and construction of urban renewal and slum-clearance projects.

The committee report also emphasizes the fact that under the cost-certification provisions of the Housing Act there will be full protection against "windfalls" under section 220, multifamily rental projects. The cost-certification section has been amended by the committee by the adoption of a provision contained in my bill. This new safeguard will close a loophole which exists in the present law. Rental housing eligible for FHA insurance under section 220 containing from 5 to 11 dwelling units is made subject to the cost certification provisions of section 227 now applicable only to projects containing 12 or more units.

Thus, the builder, in his application for a mortgage, must agree that upon completion of the physical improvements to the mortgaged property or project, he will file a sworn certificate subject to the scrutiny of the Government's accountants as to the actual cost of the improvements, and if the mortgage loan exceeded the actual cost, the builder must promptly repay any excess, the "windfall" surplus, over the approved percentage, and apply it to the reduction of the principal amount of the mortgage. No excess could then find its way to the builder's pockets.

It is essential too, for the proper administration of this law, that the FHA overcome its investigation jitters and promptly proceed with a workable housing program.

There is another very important provision contained in the committee housing bill. That is the housing which we have approved for the educational institutions of the country. With the increasing shortage of trained scientific personnel the more we can do in any way to help foster and encourage higher education the better. This provision to aid in the construction of housing and other facilities at these educational institutions is modest indeed when the need is considered. As an indication of the gravity of the situation I need only mention that the able chancellor of New York University, Henry T. Heald, has written to me stressing the importance of this provision and seeking its enactment.

> NEW YORK UNIVERSITY,
> *New York, N. Y., July 14, 1955.*
>
> The Honorable IRWIN D. DAVIDSON,
> *House of Representatives,*
> *House Office Building,*
> *Washington, D. C.*
>
> DEAR CONGRESSMAN DAVIDSON: I understand that the Banking and Currency Committee of the House has approved a bill dealing with the college housing loan program. A similar bill, S. 2126, has already been passed by the Senate.
>
> This legislation is extremely important to American colleges and universities and I hope very much that it will be finally passed in this session of Congress. I know that the Congress has a great deal of important work to do in a relatively short time, but I hope that it will be possible to secure favorable action on the college housing legislation.
>
> Thank you very much for anything you may be able to do to help.
>
> Sincerely yours,
> HENRY T. HEALD, *Chancellor.*

The Banking and Currency Committee considered another provision contained in my bill. I had proposed a study of the desirability and feasibility of establishing a program of insurance to protect small-home owners, whose dwellings are covered by mortgages insured under Federal law, against loss of their equity in their homes in cases where they are unable to make the mortgage payments as a result of economic conditions beyond their control. After discussion in executive session the committee determined that the question was worthy of further study and referred it to the housing subcommittee. I believe this a good start toward the establishment of an insurance fund to protect the small-home owners' equity.

Mr. Speaker, I voted for the substitute housing bill because had I not done so, there would have been no chance for public housing whatsoever. At least now this emasculated bill will go, with the more realistic Senate bill, to the conferees. I am convinced that these conferees will come up with a bill far more in consonance with the aspirations of the people and far more consistent with what our people need and have been hoping for.

Stockpiling of Anthracite Coal

EXTENSION OF REMARKS

OF

HON. DANIEL J. FLOOD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Saturday, July 30, 1955

Mr. FLOOD. Mr. Speaker, it has been said that we are specially expert in preparing for past wars and that we always seem to have difficulty in anticipating the realities of future wars. In less than 40 years 2 great world wars have occurred in which this country found itself quite unprepared. It required in each case considerable time to marshal our productive forces and military might. The ever-present danger that another one will break out is now our greatest concern.

It is not difficult to identify at least some significant differences between a possible third world conflict and World Wars I and II. This would be the length of time that we may have to assemble our military power to meet the enemy attack. In those former times we were extremely fortunate that the fields of battle were a long way off. Also, we had powerful allies who were able to absorb rather fully the shock of the first 2 years of each war.

Fortunately, this gave the United States time to bring its industrial and military power into a state of readiness. It is a safe conclusion, however, that we will not have such an extended period for preparation in the future. Neither can there be any assurance that a future war will be fought exclusively on foreign soil. Instead the probabilities are that war will be brought directly to America first, possibly an attempted surprise attack. Our former leisurely process of preparation probably cannot be repeated. We cannot afford to be unprepared.

In both former experiences it was necessary that our great energy resources be quickly and completely mobilized for war. Petroleum supplies were at once reserved for their dominant military uses. This would be no less necessary

for the future. Oils and gasoline are essential for our airplanes, our ships, and our mechanized land units. These military facilities would again make a first call upon the petroleum supplies of this country.

It is equally evident that a large share of the greatly increased energy needs for war mobilization would, as in the past, descend with great weight on the coal industry. The bituminous coal mines would again probably absorb most of the shock. Production of less than 400 million tons in the late thirties was expanded to more than 600 million tons by 1944.

Because of strategic locations of the deposits an important segment of this increased burden again would be shifted to the anthracite mines of this country. An annual production of less than 50 million tons before World War II was boosted to 56 million tons in 1941, 60 million tons by 1942, and almost 64 million tons by 1944. This large increase in mine output required time.

But fortunately there was time to prepare for increased production: To bring back discharged miners, to pump water from abandoned mines, to refurbish the facilities and install new equipment. In all probability time for such adjustments will not be available in a future war.

Under these circumstances, there is a most solid basis for legislation authorizing the Federal Government to accumulate an adequate stockpile of weather-resistant anthracite coal of sufficient proportions to absorb some of the early shock of expanded energy needs.

We should also recognize that a future war may quickly disrupt our transportation system and create an immediate need for many strategically placed mineral fuel stockpiles. The fuels most vulnerable to attack would probably be the oil and gas flowing in pipelines. A few well-placed bombs could disrupt the flow to the major industrial areas of the country of much of the supply of not only oil but also natural gas.

There is under way a continuous expansion in the consumption of mineral fuels but much of this new burden has recently been shifted to petroleum and natural gas. Petroleum especially would be required in large volume for many irreplaceable military uses in time of war. It would also be subject to the easiest destruction through bombs, since many oil pipelines are in vulnerable positions.

Fortunately many emergency fuel needs could be supplied from strategically located stockpiles of anthracite coal. This hard coal will maintain itself with almost no loss over periods of several years. Such stockpiles would be immediately available for many uses, both in essential industries and for heating homes.

A program of stockpiling, if properly synchronized with the present uneven and restricted production of anthracite coal, would do much to improve the economic health of vital depressed mining areas, and maintain them in a state of readiness in event of another great world war.

Our national stockpiling program has been directed preponderantly to the accumulation of various types of products, especially minerals that are available only from foreign countries or where major parts of the supply come from distant producing centers. Ocean-going shipping is especially vulnerable to submarine attack which can disrupt the flow of vital commodities. It seems equally important that we should also stockpile other essential materials which require time to produce.

The availability of adequate stockpiles of coal, especially of the anthracite variety, could add significantly to our preparedness. Such stockpiles would relieve the burden on other types of mineral fuel and permit rapid readjustment to stringent circumstances.

Even though we do have large reserves of coal which are adequate for all future needs, the unmined coal is not available to meet urgent needs. It will take time to rehabilitate an industry that has been subjected to unfortunate competition for so many years. It is this element of time that may very well be in shortest supply and also the greatest single determining factor in national survival.

Codification of Postal Service Laws

EXTENSION OF REMARKS

OF

HON. EMANUEL CELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Saturday, July 30, 1955

Mr. CELLER. Mr. Speaker, I have today introduced the bill H. R. 7768, to revise, codify, and enact into law title 39, United States Code, entitled "The Postal Service." This bill has been prepared under the supervision of Hon. Abe McGregor Goff, Solicitor of the Post Office Department, by Mr. Louis J. Doyle, Mr. Wendell W. Campbell, and Mr. Adam G. Wenchel of his office, in cooperation with the Willis subcommittee of the Committee on the Judiciary through its law revision counsel, Dr. Charles J. Zinn, and the assistant law revision counsel, Mr. Cyril F. Brickfield. I am glad to acknowledge the close harmonious cooperation of the Department with our committee.

The bill is intended to restate in one place all the existing laws relating to the postal service. During the coming recess it will be subjected to further study by the committee staff, the Post Office Department and other interested agencies, and if the need for further refinement develops, it will be taken care of before the bill is reported. The bill has been submitted to the Congress by means of an executive communication from Hon. Arthur E. Summerfield, Postmaster General, and the Department is aware that certain of the sections may need to be rewritten. The purpose of submitting the bill at this time is to have something formal before the committee upon which departmental reports may be requested with the view of having a perfect bill at the beginning of the next session.

Allocation of Contracts for the Construction of Vessels in American Shipyards

EXTENSION OF REMARKS

OF

HON. WILLIAM S. MAILLIARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Saturday, July 30, 1955

Mr. MAILLIARD. Mr. Speaker, I have recently introduced H. R. 7700, relating to the allocation of contracts for the construction of vessels in shipyards on the Atlantic, gulf, and Pacific coasts, and on the Great Lakes.

It is of the utmost importance that shipyards vital to the national security shall be capable of expanding, in times of emergency, to maximum capacity. Facilities alone are of no use unless trained personnel are available to build, repair, and convert seagoing vessels. This was forcibly brought out during the almost 2-year delay in the shipbuilding program during World War II—trained personnel were not available to perform the work, even after facilities were available.

The ability to maintain a labor pool of skilled workers is dependent upon a continuing volume of shipbuilding, conversion, and repair work. Where these skills are developed in the shipyards through apprentice and training programs, the first reduction in shipyard work accompanied by even temporary layoffs of these skilled personnel results in their seeking employment elsewhere, usually in a more stable industry. Fluctuations in shipbuilding activity add to the difficulty of maintaining a nucleus of trained and skilled shipyard personnel for wartime expansion, or even for peacetime demands.

The problem is to maintain a nucleus of skilled personnel in strategic areas, capable of being expanded to maximum capacity in minimum time. The three main areas for the building, repair, and conversion of seagoing vessels are at present the east, west, and gulf coasts, and prospects for further development of Great Lakes facilities appear good. In order to maintain a nucleus of skilled personnel, skilled workers must be induced to stay in the shipbuilding industry. The percentage of the total of skilled workers employed should, then, approximate the percentage of the total which would have to be employed in each area in time of emergency.

The purpose of H. R. 7700 is to assure, insofar as it is practicable, that ship construction, repair, and conversion work benefiting from Government subsidies will be distributed on a geographical basis to maintain shipyards and skilled personnel on all coasts in a state of at least minimum readiness for a national emergency.

At the peak of World II employment in 1943, a total of some 840,000 productive workers were employed in the industry, in both Navy and private shipyards. Geographical distribution was as follows: Pacific coast, 35.4 percent; Atlantic coast, 46.5 percent; Gulf Coast and Great Lakes, 8.1 percent.

Currently, approximately 99,100 persons are employed by private shipyards; approximately 15 percent of this number are nonproductive clerical and supervisory personnel. Geographical percentages are: Pacific coast, 14 percent; Atlantic coast, 55 percent; Gulf coast, 19 percent; Great Lakes, 2 percent.

The Department of the Navy has some 91,431 persons productively employed. Of this number, 53,692 are on the east and gulf coasts combined, and 37,739 are employed on the west coast.

The Department of the Navy has allocated funds to the Bureau of Labor Statistics for the purpose of collecting data concerning shipyard employment. The system was worked out by the combined efforts of the Navy, Maritime Administration, Bureau of Labor Statistics, and representatives of the Shipbuilders Council of America. The purpose is to determine the number of people employed on a month-to-month basis, broken down as to the kind of contracts upon which they are working. The response from the private shipyards has been disappointing so far however, since only about 50 percent of the yards have cooperated in this effort.

On the basis of figures submitted by the Bureau of Labor Statistics for employment in shipbuilding and repair for August 1953 and August 1954, the percentage of geographical distribution of employment was as follows:

	August 1953		August 1954	
	Number	Percent	Number	Percent
Private yards:				
Atlantic coast	77,300	60	57,500	58
Gulf coast	24,700	19	21,400	22
Pacific coast	14,900	12	11,900	12
Great Lakes	5,800	------	4,500	------
Inland	5,400	------	4,200	------
Total	128,100	------	99,500	------
Navy yards:				
Atlantic coast	78,300	65	67,600	63
Gulf coast	------	------	------	------
Pacific coast	43,100	36	40,100	37
Great Lakes	------	------	------	------
Inland	------	------	------	------
Total	121,400	------	107,100	------
Grand total for all yards:				
Atlantic coast	155,600	63	125,100	60
Gulf coast	24,700	9	21,400	10
Pacific coast	58,000	23	52,000	25
Great Lakes	5,800	------	4,500	------
Inland	5,400	------	4,200	------
Total	249,500	------	207,200	------

On the basis of these figures, as well as the others noted in previous paragraphs, it would appear that in order to maintain, percentagewise, the proper ratio of employment of each coast to the others, approximately 54 percent of the total should be employed on the Atlantic coast, approximately 29 percent should be employed on the Pacific coast, approximately 9 percent should be employed on the gulf coast, and approxmately 8 percent should be employed on the Great Lakes. This ratio would assure that each coast had a nucleus of skilled workers as a basis for training others in time of national emergency.

If the provisions of H. R. 7700 are applied, there would be some safeguard against the shifting of skilled workers from the shipbuilding industry to another industry. When private ship construction and repair work is slack, Government contracts would be let in the area, thus keeping those skills occupied.

I have introduced this bill at the end of the session in order that the cognizant departments of the executive branch of the Government might have an opportunity to study the subject and report on the bill. It is quite possible that because of the specialized nature of the several subdivisions of the industry that a separation should be made between repair and construction, particularly since repair work is generally dependent upon the physical location of the ship to be repaired and is not readily controllable by law.

Obviously, any percentages determined to be valid would be subject to review. In this connection, in view of plans to improve conditions of access to the Great Lakes, it is conceivable that this area might develop in importance in the shipbuilding and repair field. It is also possible that further separation should be made between private and Navy yards, since employment in the latter is directly controllable by the Government and their function is to support the operational forces of the United States Navy, which bears little relationship to mobilization expansion requirements of the merchant marine.

It is my sincere belief that the provisions of H. R. 7700 at least suggest a solution to a very real national problem. I hope that it will be possible, after proper study by the departments, for the Committee on Merchant Marine and Fisheries to direct its attention to this bill so that it may be properly improved and offered for the consideration of the Congress.

White House Ceremony Commemorating Issuance of United States Postage Stamp Atoms for Peace

EXTENSION OF REMARKS

OF

HON. EDWARD H. REES

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Saturday, July 30, 1955

Mr. REES of Kansas. Mr. Speaker, it was my honor and pleasure to be included among those who attended ceremonies at the White House yesterday, marking the issuance of a postage stamp Atoms for Peace. This ceremony, conducted under the direction of the Postmaster General and the President of the United States, was most impressive and effective. I should add that representatives of foreign countries, in Washington attended the ceremony. I am sure Members of Congress, as well as others, will be interested in the statements of the President of the United States, the Postmaster General, and the Chairman of the Atomic Energy Commission. They are included herewith:

REMARKS OF THE POSTMASTER GENERAL, ARTHUR E. SUMMERFIELD

Mr. President, distinguished representatives of other great nations, fellow Americans, and ladies and gentlemen, the Post Office Department is highly honored in having this ceremony here at the White House with the President of the United States and so many distinguished guests in attendance.

We are gathered here to dedicate the atoms for peace United States postage stamp, which goes on sale in Washington today, and throughout the Nation tomorrow. Traditionally the postage stamps of a nation are pictorial representations of its glories. They serve as reminders to the citizenry of great men and women who have gone on before, of the natural wonders that Almighty God has bestowed upon the land and the accomplishments that have made the Nation great.

But, this stamp that we dedicate today is different. It is unique. It does not deal with the past. It is concerned rather with the future. It does not deal with material achievement. It commemorates an ideal.

It does not proclaim purely nationalistic glories. It expresses a hope for all the world. This stamp prominently features the quotation taken from the December 8, 1953, address of President Eisenhower before the General Assembly of the United Nations. Quoting the President: "To find the way by which the inventiveness of man shall be consecrated to his life."

This stamp is an ambassador of good will and of hope. It is truly a symbol of our highest aspirations. It carries the rallying cry of a great crusade for permanent peace which so long tragically has eluded mankind. The message of this stamp is America's answer to a fateful choice, that of a more abundant life rather than the catastrophe of atomic warfare.

We believe the issuance and the use of the 120 million of these atoms for peace commemorative stamps, each carrying its dramatic message will be a powerful instrument in humanity's quest for a permanent world peace on mutual confidence and trust. It is in this spirit that we dedicate the issuance of this atoms for peace stamp here today.

Distinguished guests, it is now my pleasure to present the Chairman of the Atomic Energy Commission, the Honorable Lewis Strauss.

REMARKS OF ADM. LEWIS L. STRAUSS, CHAIRMAN OF THE ATOMIC ENERGY COMMISSION

Mr. President, Mr. Postmaster General, and distinguished guests, a more fortunate moment could not be chosen for this ceremony to dedicate this stamp. In just 11 days, on August 8, there will be convened in Geneva the first International Conference on the Peaceful Uses of Atomic Energy, the conference which we had the honor to propose. There, the United States will join with more than 60 other nations in an exchange of information concerned solely with the benign and bountiful atom and not with its powers of destruction.

I am reminded of another international conference also held in Switzerland 80 years ago. On that occasion, nations large and small gathered to establish the Universal Postal Union. It is by reason of that international agreement that the stamp which we dedicate today will carry its message of atoms for peace across frontiers to the far places of the earth.

Over the years, the International Postal Union has become the most durable and perhaps the most successful of all agreements among nations, and it has contributed in large measure to the free communication of

ideas, which is the bloodstream that nourishes science.

We hope most devoutly that, given good faith and cooperation, equally enduring and even more beneficent results will flow from this new gathering of nations in Switzerland to promote the peaceful atom.

In the inspiring words of your address to the United Nations, Mr. President—words now partly emblazoned upon this stamp which the Postmaster General and his Department have devised—we are determined to find the way by which the inventiveness of man shall not be directed to his death, but consecrated to his life.

ADDRESS OF HON. DWIGHT D. EISENHOWER, PRESIDENT OF THE UNITED STATES

Mr. Postmaster General, distinguished members of the diplomatic corps, my friends, as the Postmaster General has said, we have here a stamp that looks to the future, and its design has followed that conception. Yet, it tends also to pose to us a question that is as old as history: Shall the inventiveness of man be used for good or for evil?

Every discovery we have made, even the use of fire to warm our bodies, to cook our food, has also been used as one of the devastating weapons of war to bring destruction to enemies. Every single thing that man has discovered can be used for good or for evil depending upon the purpose of man. This would seem to imply that man indeed has to look within himself before he can predict with any certainty, with any possibility of accuracy whatsoever, before he can determine what will be the final results of a great invention such as the discovery of nuclear fission and nuclear fusion.

The United States, as you well know, has been attempting to do its part in promoting the peaceful, the good uses of this new science. The Chairman of the Atomic Energy Commission has outlined some of them to you. And, I should like to go further and leave no stone unturned in order to discover new ways in which all of us nations that love peace can, without threat to anybody else, without fear for our own security, move forward in this field.

Now, because of this belief, because of this feeling, because of this hope, I call your attention to what I think is a fortunate feature in the design of this stamp. We have the world bound together by new forces, bound together by the natural forces of science, and of nature, not split by them.

I hope, I devoutly pray that this is an augury of what will occur in the future—that through these great benefits, there will become so deeply impressed upon our minds the benefits that can come from this new science, that finally men will look within themselves and find the courage to reject the impulses of their own avarice, their own selfishness, their own greed, be it individual or national, and attempt, at least in this kind of work, to proceed toward the good of us all.

CONCLUDING COMMENTS BY POSTMASTER GENERAL SUMMERFIELD

Thank you, Mr. President. It gives me great satisfaction to present to you, Mr. President, the first album of these atoms for peace stamps.

It is a pleasure to present the Hon. John Foster Dulles, Secretary of State, with a similar album.

Senator CLINTON P. ANDERSON, chairman, Joint Committee on Atomic Energy, we take pleasure in presenting you with this album.

Senator BOURKE B. HICKENLOOPER, member, Joint Committee on Atomic Energy, we are pleased to present this album to you.

Congressman CARL T. DURHAM, Vice Chairman, Joint Committee on Atomic Energy, this album is presented to you with our compliments.

Congressman W. STERLING COLE, member, Joint Committee on Atomic Energy, it is a privilege to present you with this commemorative album.

Chairman Lewis L. Strauss, Chairman of the Atomic Energy Commission, it is most fitting that we present you with this commemorative album.

Identical albums of these new atoms for peace stamps are being sent to representatives of the 84 countries invited to the United Nations International Conference on Peaceful Uses of Atomic Energy to be held next month in Geneva, Switzerland.

We are gratified that so many of these representatives have joined us in this ceremony today.

We are confident the conference starting on August 8 will be fruitful and useful to men of good will the world over.

Surplus Agricultural Commodities

EXTENSION OF REMARKS
OF
HON. JAMES B. UTT
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Saturday, July 30, 1955

Mr. UTT. Mr. Speaker, one of America's burdens of this decade is her responsibility of seeing to it that our great abundance of agricultural products finds its way into the hands of deserving, friendly peoples of the world. Unfortunately, our price support program has heaped upon us a great surplus of food which not only finds us hoarding our abundance, but being burdened by the very cost of storing it. That cost now exceeds $1 million per day. I am convinced that in the sight of God and the history of mankind America must either find a means of distributing this surplus or certainly face a penalty.

Recently, there has come a ray of hope for solving America's problem of her abundance. For the first time in the history of our price support program the Department of Agriculture, under Republican leadership, has devised an aggressive plan for reducing our inventory of surplus in a way which could prove to be an example to the rest of the world of the advantages of America's free enterprise system. The United States Department of Agriculture has announced the appointment of Francis Daniels as sales manager and vice president of Commodity Credit Corporation. We are finally preparing to distribute our excess of agricultural products throughout the world, not by dumping or wasting our abundance, but by sound, aggressive selling in the world's free market. America should be encouraged that this program is headed by a man who is a product of our free enterprise business system.

No doubt there are some who would profit by the continued growth of America's surplus stockpile. However, the majority of our citizens, I am sure, will feel relieved to know that something is being done about introducing this great store of food into the world markets where it is sorely needed.

No program such as this can be inaugurated without the strong opposition of some who, perhaps, have profited for many years from the continued accumulation of these surpluses. I, therefore, submit that strong support and encouragement should be given those men in our Department of Agriculture whose responsibility it is to dispose of them. The entire commodity stabilization program of the United States is under the immediate supervision of Assistant Secretary of Agriculture, James A. McConnell. I believe a tribute should be given to this man's perseverance, hard work and personal sacrifice in this present service to our country.

No doubt Mr. McConnell's greatest personal desire would be to spend the remaining years of his life on his farm in northern Pennsylvania enjoying the companionship of his children and grandchildren. Many years of hard work and personal business success have earned for Mr. McConnell the right to such a life.

However, he, like many of us, feels that America's future may well be on trial at the present time and that unless we succeed in making democracy, free enterprise and our great productive resources of benefit to all, America's great gains of the past may be lost to the future. Here are some of Mr. McConnell's recent accomplishments concerning our surpluses which I feel are worthy of commendation:

First. He is singularly responsible for creating the position of Sales Manager and Vice President of Commodity Credit Corporation, the appointment of Francis Daniels to that position and the working out of an aggressive plan of selling America's surpluses.

Second. He has encouraged a policy of reducing the investment of our Government in storage facilities for these surplus products. In this regard, he eliminated the necessity of using 28 additional mothball Liberty ships from the San Francisco area for surplus-grain storage in the Northwest. I am informed that the grain originally destined for ship storage has either been sold or scheduled for storage in conventional grain warehouses located in California, at a greatly reduced cost to the taxpayer.

Third. Through Mr. McConnell's efforts a representative of Portland Commodity office has been located in California and has successfully reduced grain surpluses there to the point where it now appears that all oversupply in California may well be eliminated before next harvest.

Fourth. He has arranged for three representatives from California to be seated on the advisory board of the Portland office of Commodity Stabilization, thus giving our State of California representation in the matter of handling and disposing of surplus commodities.

Fifth. At Mr. McConnell's insistence over 500,000 tons of surplus grains have been sold on the Pacific coast during the past 30 days. Most of this has gone for export into trade channels of the free world.

For a long time I have been a critic of wasteful practices by some of our Government bureaus in the handling of surplus commodities. I am encouraged

that something is being done about it. I hope that Mr. McConnell's aggressive program and the selling job to be executed by Mr. Francis Daniels will be given the wholehearted support of the Congress.

Republican Administration Imposes Unneeded Credit Controls on Veterans' Housing

EXTENSION OF REMARKS
OF
HON. OLIN E. TEAGUE
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Saturday, July 30, 1955

Mr. TEAGUE of Texas. Mr. Speaker, the administration is playing politics with the veterans' housing program. The Veterans' Administration announced that effective today, July 30, veterans' purchasing homes with the aid of GI loans will be required to make a downpayment of at least 2 percent and the maximum time for repayment of loans will be set at 25 years.

The Servicemen's Readjustment Act of 1944 specifies that a veteran's loan may be guaranteed for a period of 30 years and sets no requirement for a downpayment. The amount of downpayment and the length of the mortgage term are the prerogatives of the lender and may be set by the lender at his own discretion within the maximum and minimum prescribed by law. We now find the administration tampering with the veteran loan guarantee program and in fact imposing credit control on veterans who wish to purchase a home guaranteed by a VA loan. This action by the administration represents a victory for the mortgage bankers and certain of the lending interests who have been campaigning for several months to impose credit controls on veterans.

These attempts came to the attention of the Veterans' Affairs Committee and were the subject of hearings on April 26, 1955. I would like to read a statement which I made at the beginning of the hearings regarding the campaign by lenders and also the statement by Mr. Ralph H. Stone, Deputy Administrator, Department of Veterans' Benefits:

VETERANS' HOUSING PROBLEMS

HOUSE OF REPRESENTATIVES,
COMMITTEE ON VETERANS' AFFAIRS,
Washington, D. C., April 26, 1955.

The committee met, pursuant to call, at 10 a. m., in room 356, Old House Office Building, OLIN E. TEAGUE, chairman, presiding.

The CHAIRMAN. The committee will please come to order.

For the past several months numerous items have appeared in the Wall Street Journal and various other business and builders' publications to the effect that there was an extensive boom in home building, and that the Government should take steps to curtail it.

Knowing that World War II housing benefits will expire in the next couple of years, of course this committee is very much interested in what happens along that line. I would like to read you a few of the statements that appeared in the different publications.

A spokesman for the Life Insurance Association of America made this statement [reading]:

"It is evident therefore that measures need to be taken promptly by Government and private groups to dampen down the boom in housing.

"The basic cause for this boom is excessively easy credit. This is certainly no time for 30-year, no downpayment mortgage loans guaranteed by the Veterans' Administration. Such terms are an open invitation to a boom-bust situation in home building, and they actually penalize the veteran by contributing to a high price for his house. We urge that Congress act promptly to require some downpayment and a shorter maximum amortization period on VA mortgage loans."

Fortune magazine has had a big spread, Is Housing Out of Hand? The sum and substance of what they say is: "A wholly unhealthy situation which calls for reappraisal and remedy."

The Kiplinger Newsletter, on April 16, 1955, had this to say:

"Government officials want to slow housing down, skim off the froth. They are convinced that the housing boom is moving a little too fast. They think they should act to take the edge off it in the near future, so that an excessive boom this year won't bring a sharp slide next year. We wrote you about this feeling some weeks ago—how it is crystallizing.

"How to go about it? Well, a number of things are now in mind: (1) Make the VA and FHA field offices tighten up on advance commitments to put a damper on speculation among builders of mass housing projects. (2) Ask Congress to give President power to set VA and FHA mortgage terms. (3) Get VA and FHA to boost the downpayments. ((1) and (2) are most likely.)"

Considerable publicity has been given recently to action by FHA to list certain cities throughout the country—Dallas, Tex.; Tucson, Ariz.; and others—as being overbuilt and as result curtail the issuance of commitments in those cities. There have been some reports that such action is contemplated by the Veterans' Administration.

These hearings were called in order that the VA may review the status of the loan-guaranty program and point out to the committee any aspect of the program's operation which it considers weak or undesirable and advise the committee of any plans which the Veterans' Administration may have to require downpayments, shorten the mortgage term, or limit the issuance of certificates of reasonable value in specific areas. If there is an unhealthy and undesirable situation in the veterans' housing program, the committee wishes to be advised of such circumstances. If such conditions do not exist, these rumors should be put at an end, since they have a detrimental effect upon the operation of the program as a whole.

Mr. Stone, we are glad to have you and your people with us. I am sure the committee's staff has told you generally what we would like to hear. With that, I will turn it over to you.

STATEMENTS OF RALPH H. STONE, DEPUTY ADMINISTRATOR, DEPARTMENT OF VETERANS' BENEFITS; THOMAS J. SWEENEY, ASSISTANT DEPUTY ADMINISTRATOR FOR LOAN GUARANTY; AND P. N. BROWNSTEIN, DIRECTOR, LOAN MANAGEMENT AND LIQUIDATION SERVICE, VETERANS' ADMINISTRATION, WASHINGTON, D. C.

Mr. STONE. I will make a few opening remarks. I have a prepared statement here I would like to present to the committee.

Of course, there have been a lot of stories, rumors, articles in the newspapers, about the possibility of overbuilding. We do not feel that there is overbuilding in the veterans' field at all.

The CHAIRMAN. Anywhere in the country, Mr. Stone?

Mr. STONE. Not right now, no; not in the veterans' field. Some of the FHA reports referred to overbuilding and there apparently is some overbuilding in rental units. Rental units overbuilt will probably reduce rents in rental units; a lot of our veterans then may be content to stay in the lower-priced rental units. There may not be the urgent desire to find a home. That is purely problematical.

As far as we are concerned, we have no idea of recommending regulating or anything of that sort of a downpayment or shorter term of mortgage. We feel that is entirely up to the lending people. Our job is to do what we can do to secure the homes for our veterans. We are going to continue that policy insofar as the Veterans' Administration is concerned.

The only thing that we will present in the statement is the reasons for the VA actions to date and the proposals we contemplate which we have thought of doing, purely, as good business. We do not feel that closing costs add to a mortgage or have any part in the value of a house. We feel they should be paid in cash at the time of the sale, or purchase of the house. That is the only thing we have in mind at all of doing.

Mr. Sweeney will give this report to you. I just want to reaffirm insofar as our policy is concerned, we have no thought of any further regulations, of curtailing or even endeavoring to curtail anything. Our great number of applications are curtailing it enough, in just making the backlog in existing work.

It is apparent from the statement by Mr. Stone that the Veterans' Administration had no intention of imposing a down-payment requirement or shortening the mortgage term.

Mr. Stone stated that these policies are entirely up to the lending people and that the Veterans' Administration's job is to secure homes for veterans. We now find the Veterans' Administration in an about-face position, imposing credit restrictions on veterans, yet no facts have been presented which indicate that previous policies had been unsound.

We know that the administration had made a big point of credit controls when it was seeking office—in fact, part of its campaign was the removal of all credit controls. Yet immediately on assuming office, the administration started clamoring for standby credit controls. An attempt was made by the President to gain authority to control housing credits in the Housing Act of 1954 and the amendment was defeated by the House of Representatives. Apparently, the administration has now decided that it will be unable to get control of housing credit in the name of the President and is seeking to impose controls through the Administrator of Veterans' Affairs and the Commissioner of the Federal Housing Administration. The administration's new credit control will undoubtedly make it much more difficult for many veterans to obtain a home and will seriously impair the veterans housing programs right at a time when World War II veterans must act if they do not wish to lose their guaranteed loan privileges. The administration's new credit control will undoubtedly result in a windfall to lenders through increased discounts on VA guaranteed mortgages, with the veteran ultimately paying the bill. In view

of the fact that the administration has been specifically refused authority to impose such controls, there is considerable doubt in my mind whether real authority exists for the Administrator of Veterans' Affairs or the Commissioner of the Federal Housing Administration to exercise authority which was denied the President.

Changes in the veterans housing program should be based strictly on the needs of the veterans being served by the program and should not be motivated by the desires of mortgage bankers and lending groups, and the political ambitions of the administration.

Congressman Hand Reports

EXTENSION OF REMARKS
OF

HON. T. MILLET HAND

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Saturday, July 30, 1955

Mr. HAND. Mr. Speaker, for the information of all the people in my congressional district I wish to include in the RECORD a summary of the accomplishments of the 1st session of the 84th Congress, with some comments thereon. Of necessity, this report can only touch the high spots and not all of them. It is well to remember that this is the first year of the session and that another full legislative year lies ahead of us before the work of this particular Congress can be properly evaluated. For the purpose of convenience I shall divide this report into sections, the first of which will be the national economy.

NATIONAL ECONOMY

Under this head early actions of the Congress extended until April 1, 1956, the existing excise taxes, the so-called nuisance taxes or luxury taxes, and the 52 percent corporate income tax. While it appears that under the present state of the national debt and some unbalance of the current budget, such an act was necessary, its necessity was to be regretted, and I am very hopeful that early in the next session further relief can be given to the excise taxes which we modified in 1954, and that some relief can likewise be given to the excessive rate of corporate income tax.

The Federal minimum wage was increased from 75 cents to $1 per hour in connection with all activities in interstate commerce. This seemed to me to be very much justified since the former minimum scale had become unrealistic with the passing of the years. This is of particular importance to those engaged in the clothing industry and the textile industry in our district because it tends to increase wages in the South and thus bring them to a more fairly competitive position with our northern factories. This increase was advocated to me by an almost unanimous opinion of both labor and management in our congressional district.

In view of the enormous increase in commercial air transport, we have authorized a 4-year program of airport construction, providing in excess of $60 million a year in grants and aids to States for the improvement and development of local airports.

HIGHWAYS ARE UNFINISHED BUSINESS

It is regrettable in the extreme that in the closing days of Congress the House refused the final enactment of a multimillion-dollar program of highway construction. The President's program, which I supported, would have provided a splendid program financed at least in part by a bond issue. There was great objection raised to the bond issue feature on the perfectly correct ground that the issuance of bonds would add to the cost of the program by the payment of interest, but I was not able to see just what all the fuss was about, because this is the characteristic way that States and localities build their highways, and since highways last for a very long time, there seems no reason why they should not be paid for on this sort of basis rather than impose very drastic taxes all on today's motorists. It was the greatly increased rate of taxes on gasoline, diesel oil, tires, and other automobile use taxes which led to the final defeat of the bill, after the President's program was rejected.

At this time, it seems very probable to me that a proper program, probably on some compromise basis, will be enacted during the next session of the Congress.

INTERNATIONAL AFFAIRS

The most important acts adopted under this head was H. R. 1, which extended until June 30, 1958, the authority of the President to make reciprocal trade agreements and to further reduce tariffs. As is well known, I doubt very much the wisdom of this type of legislation, which wholly abdicates the constitutional control of Congress over the tariff situation, and I am particularly concerned about its effect on our very large glass industry and the thousands of people employed in that industry in our southern New Jersey area, together with its effect on textiles and a number of other important fields of trade.

Recognizing, of course, the importance of foreign trade to our national economy, I still have not been able to see where this act is truly reciprocal and that we have gotten corresponding benefits from foreign countries. As I say, I think that an amendment should be written to it, which I have advocated for some time, which would restore to Congress the right of veto over any trade agreement which Congress considers dangerous to the economy of our country or to a section of it.

The other most important program was a continuance of the so-called foreign operations program, both military and economic. Whether you approve of this program or not, there is a dangerous situation which has developed and which continues to develop wherein the Congress has literally been appropriating more money to the program than the program can actually spend, and this year the House Subcommittee on Appropriations, of which I am a member, did succeed in cutting $500 million off the new money appropriated for this purpose. These cuts were fully justified and will still give the program more money than it can possibly use during the current fiscal year.

THE PRESIDENT AT GENEVA

By all odds, the most important accomplishment in the foreign field during the course of the year was not an accomplishment of Congress at all, but by the President of the United States at his so-called summit Conference in Geneva. While, of course, no agreements were entered into and no agreements were expected to be entered into, it is my opinion that the President did a magnificent job of diplomacy in Geneva and that he truly created a more friendly feeling than has existed between the United States and Russia for the last 20 years, and has laid a magnificent groundwork for future negotiations. It is quite conservative to say that the prospects for peace are better right this day than they have been for many years in the past, and under the inspired leadership of President Eisenhower there is reason to hope that we might be on the verge of great accomplishments.

NATIONAL SECURITY

The regular draft law, which has been in effect for some years, was extended another 4 years as the result of apparent bitter necessity. A very much modified and changed program of Reserve training was finally enacted which may or may not prove to be effective. Personally, I doubt it. A really effective law in lines of what the Pentagon wanted could not pass the Congress and the compromise result is not a very strong piece of legislation. Very frankly, I am not greatly impressed with the necessity of such a Reserve training program, for one reason because the Pentagon now has such a law which if they would administer it correctly would probably be sufficient for their purposes.

THIRTY-ONE BILLION FOR DEFENSE

To indicate the complete determination of the Congress to maintain our defenses at a very high level, we passed appropriation bills this year totaling about $31 billion, the major part of which was apportioned to the Air Force, and I am hopeful that in the very near future we can begin to reduce, to at least a reasonable extent, these enormous expenditures—which have nevertheless provided us with a first class fighting machine in case the necessity should arise. I have frequently commented that we should spend at least a part of our effort toward a real and concentrated effort to achieve the means of peace, and I am encouraged to observe that the President has created a new department, whose only duty is to provide plans for improving the prospects of peace. This is a healthy change.

VETERANS AND SERVICEMEN

Not a great deal of significant legislation was passed in this field, largely because the groundwork for proper assistance to millions of veterans has been very well laid in the past and the United States rightly has a program which is more generous than the program that any nation has ever adopted at any time for our veterans and servicemen. The important thing that was done was, of course, the allowance of perfectly adequate appropriations for the Veterans' Administration which ought to permit

them to carry on their work in an efficient and generous style. Among some of the specific acts which were adopted was providing substantial increases in incentive pay—anywhere from 6 percent to 25 percent—for members of the Armed Forces which, while an expensive bill, is in the long run an economy because it tends to keep highly trained personnel in the Services and induces them to reenlist, and in the long run is much less than the cost of training new and green recruits. Public Law 88 extends to June 30, 1956, the Veterans' Administration program for direct loans for purchase or building of homes. Public Law 118 extends to July 1, 1959, the provisions of the Dependents Assistance Act and in addition to that a new and thoroughly studied bill has passed the House, which sets up an entirely new, and I think improved system of dependents benefits.

The relationship of the New Jersey congressional delegation, both Republicans and Democrats, with our great service organizations, continues to be most pleasant and cooperative.

AGRICULTURE

The best accomplishment for agriculture in our own particular district is a negative one. The Congress passed by a very narrow vote an act which was designed to restore price supports for basic commodities so-called 90 percent of parity. I voted against this provision. It is contrary to the President's program and definitely contrary to the best interests of agriculture generally and certainly contrary to the interests of agriculture in our State of New Jersey. We, who are engaged in the production of perishable fruits and vegetables and eggs get no benefit whatever from it, and as a matter of fact the egg industry in particular suffers a detriment from it as the result of the artificially supported prices of feed grains which will gradually come down under the present program as support prices are decreased. I say this despite the passage by the House of this bill, because the Senate has not and probably will not take it up, and if they do, the President will undoubtedly veto it, which brings us back to the original law passed in 1948 which provides for the gradual reduction of the support program.

It is a matter of great regret to all of us who have been interested that we have not been able to get the Department of Agriculture to take any real steps of benefit to the egg industry in South Jersey, which has been severely hit lately by a number of factors including the high cost of feeds and overproduction, and of course their troubles were accentuated by the hurricane of 1954, causing a great deal of damage, but with fully expected decrease in the price of feed grains, the outlook for the future seems to be somewhat more hopeful.

However, Mr. Tyson has just reported to me that the provisions of the farm emergency loans, which are available to all farmers including our vegetable producers and egg people, have been extended to January 1, 1956, which will prove to be helpful.

As a result of the unprecedented drought and heat, we have now asked the Government to declare this area in an emergency, with the hope that such action will permit the release of surplus grain.

The Agriculture Department appropriation bill seems to me to have quite adequate provisions for all legitimate purposes and includes for the most part all of the recommendations that I have had from my friends in the district and from the great farm organizations of New Jersey and the country.

SOCIAL SECURITY, HEALTH, AND WELFARE

I have had the interesting experience of serving on the Appropriations Subcommittee for this department and I can report from personal knowledge that we have allowed very adequate appropriations for all of the departments involved, and especially for medical research into the cause and cure of the great killers of mankind, heart disease, cancer, and many others, and have just recently allowed ample funds for the further implementation of Salk polio vaccine to carry out the President's program that no child in America who cannot afford the vaccine will be denied its use.

MEASURES OF SPECIAL INTEREST TO THE DISTRICT

Of some unusual interest at least to the seashore area of our Second Congressional District is the culmination of my work to provide approximately a million dollars this year for beach erosion problems in Atlantic and Cape May Counties, and of interest to the entire district is additional appropriations to the Weather Bureau to permit them to greatly improve and implement their assistance for the early detection of hurricanes and a new law, Public Law 71, which authorizes the Government to make a complete study of the occurrence of hurricanes in New England, New York and New Jersey coastal areas, and elsewhere, to determine methods not only of earlier warnings but of other emergency methods to ameliorate the enormous damage which these great storms cause.

This report would be entirely too lengthy, as perhaps it already is, if I went into the hundreds of details which are involved in our appropriations bills, which are of enormous benefit to one or another groups of our people.

I can conclude with a personal note that I have had an extremely busy, interesting and, I hope, helpful year, and I am looking forward to seeing more of you in the months to come.

During the last few weeks of this legislative year, and especially during the last week or two, I had the privilege of serving on four separate conference committees with Members of the Senate in connection with various appropriation bills, and it is a matter of great personal pride to me that my colleagues in the House and I have been largely instrumental in reducing suggested appropriations by close to a billion dollars. You will permit me to have a real sense of satisfaction from having been a part of this very considerable saving of taxpayer's money.

The State of the Union is good:

America is enjoying peace, and an unprecedented prosperity.

Minority Views on the Foreign Aid Bill

EXTENSION OF REMARKS

OF

HON. E. ROSS ADAIR

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Saturday, July 30, 1955

Mr. ADAIR. Mr. Speaker, I wish to insert in the CONGRESSIONAL RECORD several pertinent excerpts from the views submitted by four members of the House Foreign Affairs Committee in a minority report on the mutual security bill—commonly known as the foreign aid bill.

This minority report, not having been placed in the CONGRESSIONAL RECORD, I believe that those who joined in voting against this bill when it was approved by the House would appreciate a restatement of some of the views set forth therein. The report was signed by Mr. SMITH of Wisconsin, Mrs. CHURCH of Illinois, Mr. BENTLEY of Michigan, and myself.

Since, by the executive branch's own figures, there was unexpended on June 30, 1955, about $8.7 billion in foreign-aid funds, the need for additional funds at this time is the more difficult to understand.

Portions of the report follow:

This marks our third consecutive report of minority views on the mutual security program. The first was on the Mutual Security Act of 1953. The second was on the Mutual Security Act of 1954. And now we feel compelled on the basis of the same objections we have heretofore enunciated to express our minority views on the proposed Mutual Security Act of 1955.

It is true that we support certain programs in this bill. Technical assistance has now become, and must remain, a people-to-people program of sharing know-how and technical skill. Helping people to help themselves brings lasting benefits with which we are in full accord. Such a program builds self-respect for peoples and independence for nations and should build reliable friends for the United States, which we sorely need. We also support other self-help humanitarian projects, typical of which is the international health program for children and mothers in the underdeveloped areas of the world. Such programs are in keeping with American history and American principles.

Just as it is important for the Congress and its Members to restate our fundamental principles—we have done this recently in the passage of House Concurrent Resolution 149 on colonialism and Communist imperialism—so we feel we must voice our opposition to a program each time it is presented to the Congress when such a program continues its disregard of such principles. The bill before this House is such a program.

The mutual security program authorized to be continued in this bill demonstrates a shocking lack of confidence in the fundamental principles which have made our Nation great. Respect is not a commodity which can be bought nor can security be attained by a mutual security program which is based on false concepts.

THE NEED FOR REAPPRAISAL

In the past we have urged what to us has seemed natural and logical—a thorough study, a reappraisal, a redefining of foreign policies, techniques and statutes concerned with the goal of international peace and security, which we all seek. The executive branch has not seen fit to do this before submitting this bill to the Congress; nor has the Congress of the United States itself,

which is directly responsible to the people who foot the bills, make the sacrifices, and fight the wars, undertaken such an analysis. This program, encompassed in the proposed Mutual Security Act of 1955, has been given less consideration from the point of view of legislative analysis and evaluation than in any previous year. This is true despite the fact that, as we have pointed out in our past minority reports, this program has no foreseeable termination date.

* * * * *

THE SUPPORT OF COLONIALISM

We do not agree with the further statement in the majority report that "There is today evidence on every continent that the mutual security program has begun to give us important foreign-policy advantages."

* * * * *

The mutual security program in this bill, more than ever before in its history, illustrates the almost complete abdication of our congressional constitutional and traditional powers. The Congress has lost control over the spending and over the policies adopted by the executive branch in spending the taxpayers' money.

Indeed, the executive branch itself has lost control over the programs which it is charged with administering.

* * * * *

THE BLANK CHECK

The abdication of congressional duties and responsibilities, as already instanced by vast transferability powers, is further glaringly evidenced by the proposed blank check which is given to the Executive in this bill. The hearings on the measure disclose little account of precisely how the money requested in this bill will fit into the new requirements.

* * * * *

We do not feel that there should be any authorization for a new mutual security program until the Department of Defense has reached the point where it can come back to the Congress and give us its detailed findings on the soundness of these past programs—programs against which, we again remind the House, we filed minority views last year and the year before.

The provision in the bill establishing the President's Fund for Asian Economic Development and authorizing approximately $200 million for such purpose is a further striking example of the abdictation of congressional control over the expenditure of funds by the executive branch. Do we know which countries in Asia will be receiving assistance out of this fund? And how much? Do we even have an estimate of how much each country will be receiving beyond some "conceivable" projects? Do we know what projects will be used for development purposes? Do we have any idea of what contributions the recipient countries themselves will be making? Do we know how much the executive branch expects to spend in fiscal year 1956 out of this fund? The hearings disclose no clue to any of these questions. What is certain, and what can be stated in certain terms, however, is that if such a fund is established, $200 million will be used, one way or another, by June 30, 1958, the termination date in the bill for the fund. But for whom, for what and how much we do not know. Nor do the administrators of the mutual security program. Under the provisions setting up the fund "the President is authorized to utilize the appropriations made available for the fund to accomplish in the free Asian area the policies and purposes declared in this act and to disburse them on such terms and conditions, including transfer of funds, as he may specify to any person, corporation, or other body of persons however designed."

Nowhere in any legislation we know of has such sweeping and blanket authority been delegated on such unknown terms. We ask the Members of this House to read these quoted words slowly and carefully. We have read them slowly and carefuly. We do not feel that congressional authorization and appropriation for the continued concept of "blank check" in the mutual security program, so pointedly exemplified in the above provisions, would constitute the proper exercise of our responsibilities as representatives of our people.

Wisconsin Dairy Farmers Are Making a Comeback

EXTENSION OF REMARKS
OF
HON. GLENN R. DAVIS
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Saturday, July 30, 1955

Mr. DAVIS of Wisconsin. Mr. Speaker, on Sunday last, it was my privilege to participate in the annual picnic of the Jefferson County, Wis., Farm Bureau held at Firemens Park in Waterloo.

After sharing in a buffet-style luncheon for which the farm women of Wisconsin are so justly famous, I attempted to outline the significant legislative developments affecting the Wisconsin dairy farmer, as we approach adjournment of the 1st session of the 84th Congress.

My remarks, as reconstituted from the notes which I used, were substantially as follows:

A TRIBUTE TO FARM BUREAU LEADERSHIP

I am pleased to come here today as a member of your organization, a member of the farm bureau in your neighboring Waukesha County. I am proud of that membership, because in my opinion no farm organization in Wisconsin has furnished more responsible leadership during this period of rather difficult adjustment for the Wisconsin dairy farmer.

On this beautiful summer afternoon, and in this fine company, there is only one sour note to mar the pleasure of this occasion. That is the retirement of Art Graper as your organizational director. I was, indeed, sorry to read the announcement of his retirement in October. In a sense this is a rather informal farewell party for Art, but I hope that as the time for his leaving approaches you will arrange the kind of farewell ceremony that he deserves.

JEFFERSON COUNTY, A SIGNIFICANT DAIRY AREA

This week there came to my desk a copy of the 1954 preliminary census of agriculture for Jefferson County. It was most timely that this preliminary report for Jefferson County, the first such report among the counties of the Second Congressional District to reach me, should arrive just prior to my trip here. This census indicates that there are about 2,800 farms averaging approximately 115 acres in Jefferson County. Almost 90 percent of the land in Jefferson County is in farms, utilized for agriculture. Five-sixths of the farms in Jefferson County are operated by the people who own them. In 1954, Jefferson County had 43,000 milk cows, an increase of about 4 percent in the last 5 years. In that year, Jefferson County produced about 305 million pounds of milk. These figures will come as no particular surprise to you. They simply bear out what we already know—that Jefferson County is a significant dairy area of comparatively small farms, largely operated by the people who own them.

AGRICULTURAL LEGISLATION IN THIS SESSION

I had expected Congress to adjourn prior to my trip here, but we just didn't quite make the grade last evening. It looks now as if we'll adjourn within the next 2 days. The record of agriculture legislation is now complete, so it is probably appropriate to mention some of the legislation of this session of particular interest to farmers. Actually there hasn't been a large volume of legislation directly affecting agriculture in this session. Among the legislative enactments of the 1st session of the 84th Congress have been, first, the so-called Holland amendment to the Agricultural Adjustment Act was repealed. Through this repeal, agricultural conservation payments are now permitted even if the acreage allotment on any particular crop is exceeded. The so-called cross-compliance provision has been removed.

Second. The law authorizing emergency loans to farmers and stockmen was extended, with interest rates reduced from 5 percent to 3 percent.

Third. Construction loans and insurance for farm housing were authorized.

Fourth. The imports controls of section 22 were successfully protected. This is the authorization which President Eisenhower has used effectively for import quotas on dairy products.

Fifth. In continuing the Selective Service Act, Congress inserted a provision which prohibits the consideration of agricultural scarcities and surpluses in agricultural deferments.

There are now pending two measures of general interest to farmers. One of them is the bill to exempt wheat from marketing penalties if the wheat is used for feed. This is of particular interest to those of us in this area of Wisconsin where most of the wheat is used as livestock feed.

The other significant pending measure is H. R. 12, which would fix the price supports for the so-called basic commodities (wheat, corn, cotton, rice, tobacco, and peanuts) at 90 percent of parity. Strictly for sugarcoating, the bill provided a section to increase the price supports for dairy products to 80 percent, increase the authorization for the brucellosis control program and increase the authorization for the special school milk program.

THE STORY OF H. R. 12

It is obvious that these extra provisions were added strictly for an enticement to get Dairy State Congressmen to support H. R. 12 for the benefit of the basic commodities. Actually, the increase to 80 percent price supports for milk would not put an extra dollar in the pockets of Wisconsin dairy farmers since the existing market level exceeds 80 percent of parity. The brucellosis and special school milk provisions do not belong in a price-support bill and should have been handled separately.

It is interesting to note that one of the chief witnesses in support of the 90 percent price support provisions of H. R. 12 was Walter Reuther, the national president of the Congress of Industrial Organizations. He testified before the House Agriculture Committee at some length. During his testimony he was highly complimented by Chairman COOLEY, of the House Agriculture Committee, and then Mr. Reuther in turn highly complimented Chairman COOLEY. This pleasant exchange was then printed in a slick looking brochure by the CIO, and has, I understand, been mailed to thousands of people throughout the country under the frank of the chairman of the House Agriculture Committee.

Along that same line, you will be interested to know that the Representative from the northwestern part of Wisconsin spoke about 3 or 4 minutes on the House floor this past week but then his statement with a great deal of embellishment, including com-

plimentary statements by other members of his political party, appeared the next morning as a very complete and comprehensive statement in the CONGRESSIONAL RECORD. This same Congressman then requested others of his colleagues to make flowery, complimentary statements about his efforts in behalf of Wisconsin dairy farmers and all these are being made up into a 16-page reprint to be broadcast among the farmers of the State of Wisconsin. Probably many of you in this audience will be receiving copies of that reprint, sent out under the frank, and I thought you ought to know the background of that falsified document before you receive it.

Between now and next January when the 2d session of the 84th Congress will convene, there'll be a considerable amount of propaganda in support of H. R. 12. During the month of November, hearings will be held by at least two separate subcommittees here in the State of Wisconsin, and I hope that the leaders of your organization will be alerted so that they can present the farm bureau point of view so that a balanced presentation of views of Wisconsin farmers will be made.

H. R. 12 WOULD BE A STEP BACKWARD

In my opinion the enactment of H. R. 12 would represent a serious setback to Wisconsin dairy interests. It would place Wisconsin dairy farmers in a less favorable relationship with those who produce the basic commodities. It would nullify many of the encouraging developments that have taken place in dairying in the past 2 years.

Early in 1953, dairying was a sick industry. Milk production was climbing rapidly. Government warehouses were bulging with dairy products. Consumption of dairy products through the normal channels of trade was greatly declining. At that time Secretary Benson, who had inherited this great problem from his predecessor, seriously considered reducing the support price of dairy products. However, he was prevailed upon to continue the 90 percent price supports for another year, to March of 1954, on the assurance of leaders of the dairy industry that a program would be developed during that time. During that year of extended 90 percent price supports from the spring of 1953 to the spring of 1954, the situation was not alleviated. In fact, it was greatly accentuated. The Department of Agriculture found itself with more than a billion pounds of dairy products in its warehouses. Production continued to climb. Consumption continued to decline. During that year, the consumption of oleomargarine exceeded the consumption of butter. In short, things got a great deal worse instead of getting better.

Accordingly, a year ago this spring Secretary Benson reduced the support price for dairy products to the minimum under the law, 75 percent. To many this seemed like a very harsh step. However, as we look back upon it now I think we recognize it as being comparable to other things with which we are familiar, steps that are less painful because of their suddenness. For instance, those of you who participated in athletics will recall that the total hurt is less if you remove adhesive tape with one sharp quick pull, rather than pulling it gradually from different angles. The surgeon, when he operates, makes the incision with one swift, complete stroke—so with the reduction to 75-percent support prices for dairy products. It may have seemed harsh but it reduced the total pain of the cure. I'm satisfied today that the worst is over and the dairy farmers of Wisconsin now face an encouraging future.

SURPLUS VANISHING

A most encouraging development has been the sharp reduction in Government holdings of dairy products in the last year. On June 30, 1954, for instance, the Government held about 440 million pounds of butter, 412 million pounds of cheese, 300 million pounds of dry milk. Contrast this to the picture at the end of last month, June 30, 1955. Butter holdings had been reduced to 171 million pounds, cheese holdings to 264 million pounds, dry milk holdings to 143 million pounds. Overall, the holdings of the Government of dairy products were about one-half of what they were a year ago. This was accomplished by the same means as you would reduce the supply of grain in one of your bins. It was accomplished by taking more out of the bottom and putting less in at the top.

INCREASED DISPOSALS AT HOME AND ABROAD

During the year just completed, from July 1, 1954, to June 30, 1955, the Government succeeded in disposing of approximately 445 million pounds of butter, 290 million pounds of cheese, and 740 million pounds of dry milk.

Of this, about 200 million pounds of milk was accounted for by the special school milk program. Quite appropriately, Wisconsin was the first State to participate and our neighboring community of Lodi was the first school system in the United States to become a participant. So effectively did the schools of Wisconsin cooperate with and participate in this program that the Department of Agriculture made a reallocation of funds for Wisconsin's benefit in the spring of this year. This permitted the expanded program to continue to the end of the school year, using funds unused by other States whose cooperation and participation had been limited.

Another 50 million pounds of milk during the 5 months prior to March of this year is accounted for through increased use of milk in the Armed Forces.

It is encouraging to note that just within the last couple of weeks that a substantial amount was sent overseas to Hong Kong where milk powder and butter will be used to reconstitute milk for the people of that British colony. Then too, a supply of Government-held stocks of dairy products have been disposed of to Japan, where the products will be used in the school-lunch program of that country.

LESS GOVERNMENT PURCHASES

This year, through the month of June, the Government price support purchases have been about 123 million pounds of butter, 75 million pounds of cheese, and 384 million pounds of dry milk. This contrasts with 273 million pounds of butter, 302 million pounds of cheese, and 452 million pounds of dry milk in the comparable period of last year. Thus the reduction in butter purchases during the first 6 months of this year, over the first 6 months of last year, has been about 60 percent. Reduction in cheese purchases have been 80 percent and reduction in dry milk purchases 17 percent. Overall the Government has purchased about one-half of the dairy products that it did during the comparable period last year.

SUPPLY HAS LEVELED OFF

The best available estimate we have is that there are now about 22.1 million milk cows in this country. This figure is down about 1½ percent from a year ago. Total milk production has continued high, about the same level as last year.

The reduction in the total number of milk cows means that there has been a higher rate of culling. The production of about the same amount of milk with less cows means that the production per cow has increased. Both of these things, higher culling, and greater production per cow, bespeak a greater efficiency in production with accompanying reduced production costs.

CONSUMPTION OF DAIRY PRODUCTS UP

The most gratifying development of all has been the increased consumption of dairy products. In the year ending March 31, 1955, butter consumption had increased 9 percent over the preceding year. Cheese consumption had increased 14 percent, and fluid-milk consumption had increased about 4 percent over the previous year.

The reports on June Dairy Month are now available. Your organization can take pride in the significant part it played in helping to make the American people conscious of quality dairy products. The figures on June Dairy Month indicate that the consumption of butter and cheese have increased about 14 percent over the month of June of 1954. This means that the American people ate 8 pounds of butter and cheese during the month of June 1955 for each 7 pounds of these dairy products which were consumed during June of 1954.

These three significant factors then, the increase in the consumption of dairy products, the leveling off of production, and the reduction of Government-held surpluses, are beginning to be felt in the place where it can do the most good for the dairy farmers of Wisconsin—in the market place.

In April of 1955 the price of wholesale milk was about 2 percent higher than it was during April of 1954. This is the first time since November of 1952 that the price of wholesale milk in any month has been higher than it was in the similar month during the previous year.

During May of this year, the price of wholesale milk was about 3 percent higher than it was during May of 1954. The presence of the three factors mentioned above, increased consumption, leveled off production, and reduced surpluses, give us reason to believe that this healthy improvement in prices at the market place will continue throughout the year of 1955.

OPTIMISTIC FUTURE FOR GOOD DAIRYMEN

As I see it the efficient dairymen of Jefferson County can look forward to the future with optimism. The end of heavy Government-held surpluses is in sight. Consumption is catching up with production so that with a balancing of supply and demand the price in the market place will supersede Government price supports as the measure of the dairy farmers income. In short, a healthy situation is beginning to succeed a very unhealthy one. In its report issued in June of this year, the American Dairy Association pointed out that nearly all leading agricultural economists are agreed that the end of the surplus of dairy products is in sight. The report states "the only major disagreement is whether the surplus situation will vanish in 1955 or 1956."

There are favorable prospects for greatly increased consumption.

The special school milk program, already in effect in 47,000 schools and accounting for 200 million pounds of milk in the last year, will help to develop the milk-drinking habit. Thus, its significance goes much beyond the number of half pints of milk that might be consumed in this year or next year. It will help to increase the per capita consumption of milk in the years ahead. It is something that we cannot discount.

During the past months, the trend of consumption of dairy products has moved steadily upward. In the year ending March 31, 1955, Americans consumed 6 million pounds more milk than they did in the previous year. Economists have credited about one-third of this amount (2 million pounds) to the increase in population. Another third has been credited to the more favorable prices of dairy products prevalent throughout the past year. The final third has been attributed to the effects of the intensive advertising program such as those sponsored by your organization.

If similar strides may be made during the next year, if Americans will consume 6 billion pounds more in this year than they did last year, the surplus of dairy products will be wiped out. We can anticipate that one-third of this increased amount, 2 billion

pounds, will be consumed through the normal increase in population in America. That leaves a little over 4 billion pounds of additional dairy products to be consumed by the American people. What does that amount to? It amounts to about 26 pounds per person, or in terms of glasses of milk it means one glass of milk per week for each person in the United States. That really is not very much. A glass of milk a week more could be quite a bit if we were already consuming anything approaching a maximum amount. However, that is not the case, and there is plenty of room for increased consumption on the part of the American people.

INCREASED CONSUMPTION SHOULD NOT BE DIFFICULT

The per capita consumption of dairy products among the American people is less than one-half that of Ireland, the leader in this respect. We rank 12th in our per capita consumption of dairy products, behind nearly all of the countries which have a standard of living quite similar to our own.

This is an expanding, growing country. It has been estimated that our population in 1960, just 5 years from now, will be about 177 million people. Even if dairy farmers continue to produce at 1954 levels, we will need 9 billion pounds more of milk in 1960 to meet the demand. However, if pricing is reasonable and satisfactory, and a vigorous advertising program is continued, there is no reason why the market, and the per capita consumption, cannot be much more than what they are at the present time.

In fact, if the per capita consumption for the next 5 years increases in the same ratio as it did in the year ending March 31, 1955, and if dairy farmers were to continue at their 1954 level of about 123 billion pounds of milk, there would be a deficit of 14 billion pounds of milk in this country in the year 1960.

In summary, this means that we will need somewhere between 9 and 23 billion pounds more milk in this country 5 years from now. By that year the problem might well be a shortage of dairy products rather than a surplus of them. I am satisfied that if Wisconsin dairy farmers, under the leadership of groups such as your own, will continue a vigorous advertising program, will insist on a program which puts dairy products into the stomachs of the American people and not into Government warehouses, and will depend primarily on efficient production and increased consumption, rather than upon Government price supports, that dairying will soon be a growing, healthy, and free industry. In my opinion, dairying is on the way up, and I predict in the months ahead that dairy farmers everywhere will come to recognize their debt to the farm bureau for keeping them free from production controls and the heavy hand of Government.

Outstanding Performance of Metropolitan Police During Transit Strike

EXTENSION OF REMARKS
OF
HON. WILLIAM G. BRAY
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Saturday, July 30, 1955

Mr. BRAY. Mr. Speaker, I have heard many favorable comments about the fine courteous job the police are doing in Washington during the transit strike. They have handled the traffic in an admirable manner, and in spite of their greatly increased duties and the hot weather, they have remained friendly, courteous, and efficient. I think I am only voicing the general feeling of all of us that theirs is a work that is being well done.

Conflicting Transportation Policies

EXTENSION OF REMARKS
OF
HON. PAUL J. KILDAY
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Saturday, July 30, 1955

Mr. KILDAY. Mr. Speaker, the Congress, and the country generally, should be alerted to practices of certain agencies of the Federal Government which, contrary to sound national policy, are weakening the defense potential of the Nation's essential system of common carrier transportation.

While the Congress and those administrative agencies specifically charged by law with responsibilities for maintaining a sound transport system bend their efforts toward the development and preservation of strong carriers capable of meeting the needs of the national defense, as well as of the peacetime economy, other agencies of the Government are engaging in practices which undermine this effort. The military departments, in particular, are out of step. By their transportation procurement policies, their practices with respect to leasing aircraft, and by direct competition with common carriers, the military services increasingly deny essential support to the carriers which would have to form the backbone of the logistics system in event of war.

Defense transportation was placed in true perspective as an essential element of military strength by the late Gen. Brehon Somervell, who was commanding general of the Army Service Forces in World War II, when he said, in 1944:

> We in the Armed Forces of the United States think of transportation as a military tool—a weapon as important as the very tank or gun it transports from factory to fighting front.

In 1944, the peak war year, this "military tool"—our transport system—handled 76 percent more freight traffic, in military equipment, material to support defense production, and goods for civilian consumption, than in 1940. The system handled 3½ times as much passenger traffic in 1944 as in 1940, much of it troop movements. Almost all of this additional traffic was handled by carriers which operated in 1940 to serve a peacetime economy. The railroads, which fortunately had maintained spare capacity, almost doubled their freight traffic, while their passenger traffic quadrupled during the period. This remarkable performance prompted Maj. Gen. Charles P. Gross, Chief of Transportation, Army Service Forces, in 1944 to say:

> Without the railroads, the war might of our country could not be mobilized.

Our declared national transportation policy recognizes the importance of anticipating transportation requirements for defense. It prescribes Federal promotion of safe, adequate, economical, and efficient service, provides that sound economic conditions in transportation be fostered, and requires that reasonable charges be established and maintained, all to the end of developing and preserving a national transportation system adequate to meet the needs of the commerce of the United States, of the postal service, and of the national defense. Although the Department of Defense is not specifically required as a matter of law to adhere to this policy declaration as contained in the Interstate Commerce Act, its principles are certainly no less valid with respect to sound military policy and practice than in any other direction affecting a sound and dependable transportation system.

Giving emphasis to this view the Presidential Advisory Committee on Transport Policy and Organization, in its report to the President in April of this year, proposed an effective transportation policy which would take defense requirements properly into account. The committee said:

> While a general transportation policy should concern itself primarily with our developing national economy, it must also be concerned with potential defense requirements. In this latter context two primary objectives may be noted: (1) to emphasize the growth and development of the several forms of transport somewhat in accord with the proportional demands that defense will make upon them, and (2) to support their financial well-being to the end that they will be physically in excellent shape and possessed of a desirable flexibility and some degree of excess capacity. A policy under which the transportation enterprises generally live in precarious financial position is not a policy calculated to enhance our preparedness. Any policy which has the effect of weakening any form of transportation on which we must place major reliance in the event of war is not a satisfactory defense policy.

It is axiomatic that the basic function of the Department of Defense is to foster and protect the security of the United States. But this grave responsibility is not now being discharged effectively with respect to transportation. The military services are depriving the common carrier of traffic and revenues needed to keep them intact and strong.

For example, during the limited mobilization attending the Korean emergency, and continuing to date, the military services have made extensive use of the large irregular or nonscheduled airlines for transporting personnel. In the first half of 1954 these operators were given one-third of all organized domestic military passenger traffic, while the common-carrier railroads were able to obtain less than one-half. Yet in World War II the railroads transported 97 percent of all organized military traffic, and they would be required to handle most of it again in any other full mobilization. The nonscheduled airlines could not handle the mass movements which would be required in a large-scale mobilization. Moreover, the large four-engine aircraft of the scheduled airlines are earmarked primarily for

military missions in long-range, over-ocean operations in an emergency.

My only concern is that we have in being and available for immediate use the forms of transportation which will be required in the event of mobilization or war. In the event of either contingency there will be neither time, material, or manpower to provide the same. What I have to say is not for the purpose of advocating an advantage for any form of transportation over another. My concern is solely and simply the national defense. The maintenance of such an adequate system need not do any violence to any other system.

As of the present time, and for a considerable time in the future, mass movements of troops and concentrations of heavy equipment within the United States must depend upon rail transportation. That this condition may change is probable and, I believe, inevitable. That such change is not yet here must be obvious to all. The Congress, unfortunately, at its last session, showed an unwillingness to provide a program for an adequate system of primary highway construction. Types and numbers of aircraft are surely not yet in being to handle this assignment.

If rails are to continue available for this purpose, roadbeds must be maintained and there must continue, in being, an adequate supply of freight cars and passenger cars. It cannot be contended that any of these facilities or equipment can be retained only on a standby basis. They can only be available if freight and passengers are provided in adequate quantity for profitable operation. The Military Establishment is the one agency of Government which should be alert to this situation. I doubt that it is. There is little evidence, if any, that military transportation of personnel and equipment is carried on with any idea in mind of the long-range necessity of rail transportation. There is no encouragement for individuals and organizations to bear this all-important subject in mind in any of their movements. Unless such is done we can hardly be content that this major mobilization requirement is receiving adequate attention. In each troop movement, each transfer of personnel, and each movement of freight there is more involved than the transfer of such from one place to another. Each such movement contains the element of maintaining the mobilization requirement. Whether the movement is large or small differs in degree only. All of these should be borne in mind by all of the services in all movements of persons and things. Surely prudence would dictate that a transportation system in being should be maintained in profitable operation at least until another is available to replace it.

We should not tolerate conflicting Government transportation practices which work at such cross purposes and in disregard of congressional policy. In urging that current practices be reappraised in the light of that sound policy, I will not attempt to improve upon the admonition by the Senate Appropriations Committee, which in 1954 said, in part:

> While the declaration of policy by its terms is directed primarily at the establishment of principles for the guidance of the Interstate Commerce Commission in the administration of the Interstate Commerce Act and in the regulation of carriers subject to that act, other agencies and departments of the Government are expected to carry out their respective functions in relation to these carriers in such a way as to be consistent with the objectives of the transportation policy.
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> The same thing is true in connection with the exercise by the General Services Administrator or other executive department officials of the right to negotiate with carriers for transportation services at rates lower than those set by regulatory agencies for application to the general public. It has long been recognized that transportation charges may be unreasonable because of being too low, and any policy of bargaining for rates or playing one carrier off against another with the primary objective of getting the lowest possible transportation rate without regard to the consequences for the carrier is promotive of destructive competitive practices and fosters unsound economic conditions in transportation contrary to the national transportation policy.
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> Accordingly all Government agencies and executive departments are admonished to pay full heed to the national transportation policy in their dealings with carriers.

One of the Great Underdeveloped Resources in the Orient: Millions of English-Speaking Asians

EXTENSION OF REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Saturday, July 30, 1955

Mr. JUDD. Mr. Speaker, most historians agree that the Battle of Quebec was one of the decisive battles in history, because it determined that English was to be the predominant language of the North American Continent. That meant that the basic culture and the basic ideas and philosophies of government in the United States and Canada were to be not French, but Anglo-Saxon—Anglo-Saxon law and jurisprudence, Anglo-Saxon ideas of individual freedom and democratic self-government, the concepts set forth in the King James Bible, the Magna Carta, Shakespeare, Pilgrim's Progress.

Too few Americans have realized the extent to which, before World War II, English had also become the dominant language in Asia, except in Japan, French Indochina, and the Dutch East Indies, in the sense that more people in more countries in Asia could read and write English than any other language. Most of their political ideas and aspirations had come from their study of English. This foundation is a strong asset the free world has in Asia, but which it has failed to appreciate and use with imagination.

This fact was pointed out strikingly by Mr. Ernest Lindley in the following report in Newsweek on his visit to the Bandung Conference and 14 Asian countries:

> In nearly all of free Asia, English is the second language, where it is not the first. It was the official language of the Bandung Conference. It is the only language in which most Asian countries can communicate with each other. In many, including Indonesia, the study of English is now compulsory, beginning in junior high school. One specific result of this prevalence of English as the second language is that most free Asian students who go abroad to study—as thousands want to do—prefer English-speaking countries. Many of these young people will rise rapidly to positions of influence—in most Asian countries trained men and women are in very short supply. It would be short-sighted of us not to provide more opportunities for them to study in the United States.
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> I think every American will realize how valuable this second language factor is to the spread of American ideas and ideals. But just to emphasize its potential importance, let's imagine the situation were reversed. Think what a staggering blow it would be if the second language of free Asia were Russian.

As an illustration of the power of a language and the documents written in it to influence a people's development, look at India, Pakistan, Burma, and Ceylon. One of the abiding residuals of several centuries of British rule is that their leaders have all been educated in English—it is the one thing they have in common. Most of their political and cultural ideas were imbibed from men, including the founders of America, who wrote in English and whose patterns of thought had been developed in that language medium.

It is no accident that the most successful elections in the newly independent countries of Asia have been those in the countries that learned their politics in England.

In contrast look at Japan. When she set out to modernize in the latter part of the 19th century, she sent a commission around the world to study the systems of government in various countries. It finally settled on the German system and the imperial Japanese Constitution was largely written in Germany. The Japanese adopted German, not English, as their foreign language and slavishly modeled their political system, their educational system, their military system, after the German imperial system. The results became apparent in the Japan that emerged a half-century later.

When China, after centuries of self-imposed isolation, was opened to outside influence, several foreign languages were introduced. For a while Russian predominated in Manchuria, French in southwest China, German in Shantung, English in the Yangtze Valley. But English gradually won out, due largely to the influence of two men: a cabin boy named Charley Soong, who was converted and educated in Christian schools in the United States and then founded a firm in China to publish the Bible and school textbooks in English; and Sun Yat-sen, who had a chance to study in mission schools in Hongkong and Hawaii.

Thirty years ago I found that Chinese schoolchildren began the study of English, not in high school, but in the fourth and fifth grades. I was surprised how many Chinese children knew as many facts about Washington and Lincoln as do our own youth. They studied our great heroes, memorized their writings, absorbed their ideas.

Almost the first thing the Communists did with Chinese schools was to abolish English and decree Russian as the second language. They understood better than we the power of a language to influence thinking and guide the direction a people takes in its political and economic development.

The Communists know, and we should never forget, that the West has in China a deep and abiding asset of western ideas and values which it will take the Communists decades to eradicate. We must not discount this asset in China and the continued opposition to Communist tyranny it will provide.

Even more urgent, we must not fail to appreciate and take advantage of the same priceless asset in the countries of Asia which are still free—and which do not need to be lost to the free world if we are alert and act intelligently. We should expand and improve our exchange programs for students and teachers; encourage private foundations and institutions to grant scholarships in the United States, Hawaii, the Philippines, to outstanding Asian students; and treat them, while in the United States, in a manner likely to enhance the ties of mutual respect, friendship, and cordiality between them and ourselves so they become ambassadors of good will—to us when here, and to their own people on their return.

SENATE

MONDAY, AUGUST 1, 1955

The Senate met at 11 o'clock a. m.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, whose loving kindness is over all Thy works and whose mercy endureth forever: As the pattern of yet another chapter of the deliberations of this body nears completion, with all the tangled threads of manifold interests which have been woven into it by fallible hands, may Thy blessing rest upon Thy servants, called to serve the Nation and the world in such an age. At home, amid familiar scenes, or in far parts of the world, may Thy protecting care encompass them, giving them every new day, whatever may be the circumstances, the assurance that underneath are Thy everlasting arms.

In the global decisions facing the Republic, make us sensitive to any subtle attempts, even camouflaged by smiles, to rule us by promises of a false peace to compromise principle and thus betray the rights that are given by Thee to every individual on the face of the earth. Help us to stand, whatever the cost, for the hard right even amid the blandishments of an easy wrong. Give us to see that to consent to the crucifixion of freedom anywhere is ultimately to nail our own liberty on the same cross, knowing that with what measure we mete, it shall be measured to us again.

Amid all life's changes, Thou who changest not abide with us, now and forever. Amen.

THE JOURNAL

On request of Mr. CLEMENTS, and by unanimous consent, the reading of the Journal of the proceedings of Saturday, July 30, 1955, was dispensed with.

ENROLLED BILLS SIGNED

The PRESIDENT pro tempore announced that on today, August 1, 1955, he signed the following enrolled bills, which had previously been signed by the Speaker of the House of Representatives:

S. 34. An act to authorize the leasing of restricted Indian lands for public, religious, educational, recreational, residential, business and other purposes requiring the grant of long-term leases;

S. 665. An act to revive section 3 of the District of Columbia Public School Food Services Act;

S. 1138. An act to continue the effectiveness of the act of July 17, 1953 (67 Stat. 177), as amended, providing certain construction and other authority; and

S. 2171. An act to amend the Subversive Activities Control Act so as to provide upon the expiration of his term of office a member of the Board shall continue to serve until his successor shall have been appointed and shall have qualified.

LEAVE OF ABSENCE

On his own request, and by unanimous consent, Mr. BRICKER was granted leave of absence for the remainder of the session of the Senate, because of official business.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

CONSTRUCTION OF DISTRIBUTION SYSTEMS ON CERTAIN RECLAMATION PROJECTS—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 223)

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read and referred to the Committee on Interior and Insular Affairs:

To the Congress of the United States:

Because of the great importance of western irrigation to the Nation as a whole, on July 4, 1955, I approved H. R. 103 "To provide for the construction of distribution systems on authorized Federal reclamation projects by irrigation districts and other public agencies." That approval, however, was given with reluctance because of serious defects in the act.

Although it contains desirable features for cooperation between the Federal Government and local agencies, the act falls short of according to the United States the protection which it requires. Important in that connection is the proviso that title shall at all times reside in the contracting water users. With that proviso in the law the United States lacks the means of assuring that the loans will be repaid, that the systems will be constructed in accordance with the plans, specifications and other engineering requirements of the Secretary of the Interior, and that they will be operated in conformity with the reclamation laws. Accordingly, I recommend that the act be amended so as to require, prior to the consummation of any loan, the transfer to the United States of the titles to the systems and rights-of-way held or acquired by the borrowers. Titles to those properties should remain in the United States until the loan is repaid.

In keeping with such recommendation, it is desirable that only revocable permits be granted across any of the lands of the United States. That limitation necessarily follows in view of the fact that the United States will probably advance virtually all of the funds which will be expended in the development of the distribution systems. Moreover, those funds are to be advanced for the specific purpose of effectuating the objectives of the reclamation laws. Thus, as stated, retention of title in the United States will assure to it adequate means of enforcing those laws. For that reason, easements for the rights-of-way should not be granted by the United States.

As a consequence, the act should be revised to eliminate those provisions which authorize the Secretary of the Interior or the head of any other executive department to sell and convey necessary rights-of-way. In lieu of that clause, it is suggested that all rights-of-way which are granted to borrowers pursuant to the act be brought within the provisions of those congressional enactments relating to the granting of permits for rights-of-way across the lands of the United States. The safeguards contained in those acts are necessary for the protection of the United States.

Because of the fact that large sums of money will be advanced pursuant to the act, it should contain measures precluding windfalls to the borrowers. An amendment explicitly requiring them to account in full to the Secretary of the Interior in regard to all disbursements of borrowed funds and to return at once for application toward amortization of the loans all funds which are not expended in the construction of the distribution systems would suffice as a safeguard against possible windfalls.

Because of the need for having the corrective measures that I have outlined applicable to all loans made under the

act, I hope that such measures will be adopted as promptly as possible after the convening of the next session of the Congress.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *August 1, 1955.*

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had passed, without amendment, the following bills and joint resolution of the Senate:

S. 72. An act to provide that certain lands acquired by the United States shall be administered by the Secretary of Agriculture as national-forest lands;

S. 463. An act to authorize the issuance of commemorative medals to certain societies of which Benjamin Franklin was a member, founder, or sponsor in observance of the 250th anniversary of his birth;

S. 1894. An act to provide for the participation of the United States in the International Finance Corporation;

S. 2604. An act to increase the borrowing power of Commodity Credit Corporation; and

S. J. Res. 73. Joint resolution to establish a commission to formulate plans for a memorial to Franklin Delano Roosevelt.

The message also announced that the House had passed the following bills of the Senate, severally with an amendment, in which it requested the concurrence of the Senate:

S. 197. An act for the relief of Vincenzo Santagata;

S. 198. An act for the relief of Filipo Mastroianni;

S. 550. An act for the relief of John Axel Arvidson;

S. 664. An act for the relief of Mecys Jauniskis;

S. 714. An act for the relief of Alfio Ferrara;

S. 1014. An act for the relief of Henry Duncan;

S. 1757. An act to amend the act known as the Agricultural Marketing Act of 1946, approved August 14, 1946;

S. 2087. An act to amend the act of May 19 1947 (ch. 80, 61 Stat. 102), as amended, so as to permit per capita payments to the individual members of the Shoshone Tribe and the Arapahoe Tribe of the Wind River Reservation in Wyoming, to be made quarterly; and

S. 2098. An act to amend Public Law 83, 83d Congress.

The message further announced that the House had passed the following bills of the Senate, severally with amendments, in which it requested the concurrence of the Senate:

S. 1041. An act to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide for the inclusion in the computation of accredited service of certain periods of service rendered States or instrumentalities of States, and for other purposes;

S. 1621. An act to authorize adjustment by the Secretary of Agriculture of certain obligations of settlers on projects developed or subject to the act of August 11, 1939, as amended, and for other purposes;

S. 1759. An act to consolidate the Hatch Act of 1887 and laws supplementary thereto relating to the appropriation of Federal funds for the support of agricultural experiment stations in the States, Alaska, Hawaii, and Puerto Rico;

S. 1792. An act to amend the Federal Employees' Group Life Insurance Act of 1954; and

S. 1849. An act to provide for the grant of career-conditional and career appointments in the competitive civil service to indefinite employees who previously qualified for competitive appointment.

The message also announced that the House had agreed to the amendment of the Senate to each of the following bills of the House:

H. R. 6634. An act to provide for the conveyance of 1.8 acres of land, more or less, within the Grapevine Dam and Reservoir project to the city of Grapevine, Tex., for sewage disposal purposes; and

H. R. 6994. An act to provide for entry and location, on discovery of a valuable source material, upon public lands of the United States classified as or known to be valuable for coal, and for other purposes.

The message further announced that the House had agreed to the amendments of the Senate to the joint resolution (H. J. Res. 330) to provide for the acceptance and maintenance of Presidential libraries, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 100) to permit the mining, development, and utilization of the mineral resources of all public lands withdrawn or reserved for power development, and for other purposes.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6373) to amend the Domestic Minerals Program Extension Act of 1953 in order to extend the programs to encourage the discovery, development, and production of certain domestic minerals.

The message also announced that the House had agreed to the concurrent resolution (S. Con. Res. 20) authorizing the printing of additional copies of Senate Document No. 13, 84th Congress, entitled "Our Capitol."

The message further announced that the House had agreed to the concurrent resolution (S. Con. Res. 42) favoring the suspension of deportation in the case of certain aliens, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed a concurrent resolution (H. Con. Res. 94) favoring the waiver of State residence requirements in certain elections, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H. R. 374. An act to authorize the adjustment and clarification of ownership to certain lands within the Stanislaus National Forest, Tuolumne County, Calif., and for other purposes;

H. R. 426. An act to provide for the establishment of townsites and for other purposes;

H. R. 585. An act to authorize the conveyance to Lake County, Calif., of the Lower Lake Rancheria, and for other purposes;

H. R. 929. An act for the relief of Mrs. Maria Del Mul;

H. R. 930. An act for the relief of John Daniel Popa;

H. R. 1005. An act for the relief of Alice Duckett;

H. R. 1014. An act for the relief of Chung Fook Yee Chung;

H. R. 1074. An act for the relief of Mrs. Esther Chan Lee (Eta Lee);

H. R. 1097. An act for the relief of John Meredith McFarlane;

H. R. 1104. An act for the relief of Guenther Kaschner;

H. R. 1137. An act for the relief of Harry John Wilson;

H. R. 1162. An act for the relief of Anakaleto Maria de Oliveira or Joseph Oliveira or Anacleto Oliver;

H. R. 1193. An act for the relief of Dr. and Mrs. Ivan Pernar;

H. R. 1198. An act for the relief of Kenneth K. W. Lau and Romana Say Soat Kheng, also known as Mrs. Anne Say Lau;

H. R. 1208. An act for the relief of Mrs. Esther Moreno;

H. R. 1209. An act for the relief of Numeriano Lagmay;

H. R. 1232. An act for the relief of Salvador, Mercedes, and Miguel Chofre;

H. R. 1319. An act for the relief of Vasilios Liakopoulos;

H. R. 1323. An act for the relief of Sister Ramona Maria (Ramona E. Tombo);

H. R. 1402. An act for the relief of Santiago Gonzalez Trigo;

H. R. 1410. An act for the relief of Giovanna Scano;

H. R. 1492. An act for the relief of Krsevan Spanjol;

H. R. 1513. An act for the relief of Frances Irene Smart;

H. R. 1516. An act to authorize the President of the United States to present the Distinguished Flying Cross to Col. Bennett Hill Griffin;

H. R. 1603. An act to terminate the prohibition against employment of Mongolian labor in the construction of reclamation projects;

H. R. 1639. An act for the relief of Laura Olivera Miranda;

H. R. 1641. An act for the relief of Mary Mancuso;

H. R. 1657. An act for the relief of Louis B. Prus-Latkiewicz;

H. R. 1666. An act for the relief of Jose Canencia-Castanedo;

H. R. 1761. An act to relieve certain veterans who relied on an erroneous interpretation of the law from liability to repay a portion of the subsistence allowances which they received under the Servicemen's Readjustment Act of 1944;

H. R. 1855. An act to amend the act approved April 24, 1950, entitled "An act to facilitate and simplify the work of the Forest Service, and for other purposes";

H. R. 1908. An act for the relief of Chu Hai-Chou;

H. R. 1909. An act for the relief of Rodolfo Pugeda de la Cerna;

H. R. 1920. An act for the relief of Ane Karlic Vlasich;

H. R. 1923. An act for the relief of Kevin Murphy;

H. R. 2054. An act for the relief of Induk Pahk;

H. R. 2072. An act for the relief of Julian Nowakowski, or William Nowak (Novak);

H. R. 2079. An act for the relief of Ingrid Liselotte Poch;

H. R. 2235. An act for the relief of Mrs. Margarete Gick Scordas;

H. R. 2283. An act for the relief of Wilhelmus Marius Van der Veur;

H. R. 2285. An act for the relief of Marie Lim Tsien;

H. R. 2339. An act for the relief of Monika Schefbanker;

H. R. 2345. An act for the relief of Jean Henri Buchet;

H. R. 2347. An act for the relief of Heinrich Wolfgang;

H. R. 2383. An act to authorize the National Inventors Council to make awards for inventive contributions relating to the national defense;

H. R. 2465. An act for the relief of Bernard L. Denn;

H. R. 2704. An act for the relief of Kazuko Iwata Rausch;

H. R. 2728. An act for the relief of Dr. Frederic S. Schleger;

H. R. 2729. An act for the relief of William Badinelli;

H. R. 2796. An act for the relief of Mrs. Khatoun Malkey Samuel;

H. R. 2897. An act for the relief of Chung Poik Cha and her child, Myra Poik Cha;

H. R. 2916. An act for the relief of Mrs. Elfrieda Schoeppe;

H. R. 2948. An act for the relief of Guglielmo Joseph Perrella;

H. R. 3057. An act for the relief of Dr. Bienvenido L. Balingit;

H. R. 3195. An act for the relief of Rolf Hugo Neuman;

H. R. 3201. An act for the relief of George Mikroulis, his wife, Dora Mikroulis, and his daughter, Madonna G. Mikroulis;

H. R. 3255. An act to amend the Classification Act of 1949 to preserve in certain cases the rates of basic compensation of officers and employees whose positions are placed in lower grades by virtue of reclassification actions under such act, and for other purposes;

H. R. 3265. An act for the relief of Alkista Sfounis;

H. R. 3276. An act for the relief of George E. Bergos (formerly Athanasios Kritselis);

H. R. 3527. An act for the relief of Josef and Perla Natanson;

H. R. 3857. An act for the relief of Constantin David, Paula Marie David, Claire Edmonde David, and Ariane Constance David;

H. R. 3689. An act for the relief of Esther Ledea Escobedo;

H. R. 3963. An act for the relief of Ashot Mnatzakanian and Ophelia Mnatzakanian;

H. R. 3965. An act for the relief of Max Moskowitz;

H. R. 4025. An act for the relief of Mrs. Donald A. Howard (nee Miss Elsa Ursula Kuchinke);

H. R. 4039. An act for the relief of Julian, Dolores, Jaime, Dennis, Roldan, and Julian, Jr., Lizardo;

H. R. 4229. An act to provide running mates for certain staff corps officers in the naval service, and for other purposes;

H. R. 4321. An act for the relief of C. J. Pobojeski;

H. R. 4326. An act for the relief of Regina Dippold;

H. R. 4391. An act to abolish the Castle Pinckney National Monument, in the State of South Carolina, and for other purposes;

H. R. 4548. An act for the relief of Michele Pica;

H. R. 4569. An act to provide for renewal of and adjustment of compensation under contracts for carrying mail on water routes;

H. R. 4582. An act to amend the Internal Revenue Code of 1954 with respect to deductions from gross income of amounts contributed to employees' trusts;

H. R. 4602. An act for the relief of Edward Neal Fisher;

H. R. 4612. An act for the relief of Vladimir and Svatava Hoschl;

H. R. 4734. An act to amend the provisions of the River and Harbor Act of 1954 which authorize the Secretary of the Army to reimburse local interests for work done on a dredging project at Los Angeles and Long Beach Harbors, Calif., during a period ending on July 1, 1953, by extending that period to November 7, 1953;

H. R. 4769. An act for the relief of Mrs. Barbara (Pearson) Boycott;

H. R. 4872. An act for the relief of Mrs. Helen Barsa;

H. R. 5074. An act for the relief of Miss Blanca Lina Rionegro;

H. R. 5079. An act for the relief of Tom Wong (Foo Tai Nam);

H. R. 5265. An act to exempt certain additional foreign travel from the tax on the transportation of persons;

H. R. 5280. An act to authorize land exchanges for purposes of Colonial National Historical Park, in the State of Virginia; to authorize the transfer of certain lands of Colonial National Historical Park, in the State of Virginia, to the Commonwealth of Virginia; and for other purposes;

H. R. 5285. An act for the relief of the Imperial Agricultural Corp.;

H. R. 5337. An act to amend the provisions of the Perishable Agricultural Commodities Act, 1930, relating to practices in the marketing of perishable agricultural commodities;

H. R. 5469. An act to extend the authority of the Corregidor Bataan Memorial Commission, and for other purposes;

H. R. 5516. An act to amend title III of the Army and Air Force Vitalization and Retirement Equalization Act of 1948 to provide that service as an Army field clerk, or as a field clerk, Quartermaster Corps, shall be counted for purposes of retirement under title III of that act, and for other purposes;

H. R. 5533. An act for the relief of John C. Walsh;

H. R. 5566. An act to terminate the existence of the Indian Claims Commission, and for other purposes;

H. R. 5844. An act to increase the fee for executing an application for a passport from $1 to $3;

H. R. 5866. An act for the relief of Giovanni Lazarich;

H. R. 5869. An act for the relief of Andreas (or Andrew) Voutsinas;

H. R. 5870. An act for the relief of Jesajahu Braun;

H. R. 5889. An act to provide for the conveyance of certain lands of the United States to the town of Savannah Beach, Tybee Island, Ga.;

H. R. 5908. An act for the relief of Mrs. Johanna Eckles;

H. R. 6198. An act to provide for the sale of certain war housing projects to the Housing Authority of Beaver County, Pa., for use in providing rental housing for persons of limited income;

H. R. 6199. An act to amend the act of October 14, 1940, to authorize the sale of personal property held in connection with housing under such act;

H. R. 6247. An act to amend subdivision a of section 66—unclaimed moneys—of the Bankruptcy Act, as amended, and to repeal subdivision b of section 66 of the Bankruptcy Act, as amended;

H. R. 6298. An act to amend section 601 (g) of the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended, to permit transfer of war housing projects to the city of Moses Lake, Wash., and to other communities similarly situated;

H. R. 6363. An act for the relief of Edward Barnett;

H. R. 6452. An act for the relief of William H. Foley;

H. R. 6461. An act to amend section 73 (1) of the Hawaiian Organic Act;

H. R. 6463. An act to ratify and confirm section 4539, Revised Laws of Hawaii 1945, section 1 (b), act 12, Session Laws of Hawaii (1951), and the sales of public lands consummated pursuant to the terms of said statutes;

H. R. 6622. An act for the relief of certain rural carriers;

H. R. 6625. An act to provide for the transfer of title to certain land and the improvements thereon to the pueblo of San Lorenzo (pueblo of Picuris), in New Mexico, and for other purposes;

H. R. 6741. An act for the relief of Elfriede Rosa (Kup) Kraft;

H. R. 6807. An act to authorize the amendment of certain patents of Government lands containing restrictions as to use of such lands in the Territory of Hawaii;

H. R. 6808. An act to amend section 73 (1) of the Hawaiian Organic Act;

H. R. 6824. An act to authorize the amendment of the restrictive covenant on land patent No. 10,410, issued to Keoshi Matsunaga, his heirs or assigns, on July 20, 1936, and covering lot 48 of Ponahawai house lots, situated in the county of Hawaii, T. H.;

H. R. 6857. An act to authorize the Administrator of the General Services Administration to convey certain land to the city of Milwaukee, Wis.;

H. R. 6888. An act to amend the act of September 3, 1954;

H. R. 6961. An act to designate the lake created by Buford Dam in the State of Georgia as "Lake Sidney Lanier";

H. R. 7030. An act to amend and extend the Sugar Act of 1948, as amended, and for other purposes;

H. R. 7036. An act to amend section 37 of the Internal Revenue Code of 1954 with respect to the earned income limitation on retirement income;

H. R. 7094. An act to amend section 120 of the Internal Revenue Code of 1939 (relating to unlimited deduction for charitable contributions);

H. R. 7097. An act to provide for the reconveyance of oil and gas and mineral interests in a portion of the lands acquired for the Demopolis lock and dam project, to the former owners thereof, and for other purposes;

H. R. 7114. An act for the relief of Frank G. Gerlock;

H. R. 7121. An act to validate payments of mileage made to United States Army and Air Force personnel pursuant to permanent change of station orders authorizing travel by commercial aircraft, and for other purposes;

H. R. 7125. An act to extend to June 30, 1956, the free mailing privileges granted by the act of July 12, 1950, to members of the Armed Forces of the United States;

H. R. 7156. An act to provide for the conveyance of certain land of the United States to the Board of County Commissioners of Lee County, Fla.;

H. R. 7186. An act to provide for the review and determination of claims for the return of lands, in the Territory of Hawaii, conveyed to the Government during World War II by organizations composed of persons of Japanese ancestry;

H. R. 7197. An act for the relief of Mrs. Mary Christine Dowdy;

H. R. 7236. An act to amend section 8 (b) of the Soil Conservation and Domestic Allotment Act with respect to water conservation practices;

H. R. 7247. An act to amend the Internal Revenue Code of 1954 with respect to the treatment of gain in certain railroad reorganizations;

H. R. 7471. An act to provide for the conveyance of certain lands of the United States to the Board of Commissioners of St. Johns County, Fla.;

H. R. 7619. An act to adjust the rates of compensation of the heads of the executive departments and of certain other officials of the Federal Government, and for other purposes;

H. R. 7746. An act to provide tax relief to a charitable foundation and the contributors thereto;

H. J. Res. 112. Joint resolution to release reversionary right to improvements on a 3-acre tract in Orangeburg County, S. C.; and

H. J. Res. 261. Joint resolution authorizing the Secretary of the Army to make such transfers of supplies and equipment as may be available to The Citadel, Charleston, S. C.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

H. R. 46. An act to authorize the conveyance to the city of Anniston, Ala., of certain real property within Fort McClellan, Ala.;

H. R. 482. An act to provide for the conveyance of a portion of the former O'Reilly General Hospital, Springfield, Mo., to the State of Missouri, and for other purposes;

H. R. 1034. An act for the relief of Erwin S. de Mocskonyi;

H. R. 1060. An act for the relief of Grace Casquite Hwang;

H. R. 1301. An act for the relief of Karlis Abele;

H. R. 1423. An act for the relief of Raymonde Rouxel Williams;

H. R. 1539. An act for the relief of Mrs. Ruthe Graves Messer;

H. R. 1552. An act for the relief of Dalisay Lourdes Cruz;

H. R. 1751. An act for the relief of Priscilla Louise Davis;

H. R. 1958. An act for the relief of Ingeborg Luise Walling;

H. R. 2149. An act to increase the annual compensation of the Academic Dean of the United States Naval Postgraduate School;

H. R. 2553. An act to amend section 223 of the Revenue Act of 1950, relating to the use of corporation property by a shareholder;

H. R. 2619. An act to amend section 345 of the Revenue Act of 1951;

H. R. 2747. An act for the relief of Col. McFarland Cockrill;

H. R. 2791. An act for the relief of Ofelia Martin;

H. R. 3189. An act for the relief of Dorothy Claire Maurice;

H. R. 3275. An act for the relief of Richard Ruffo Hanson;

H. R. 3635. An act for the relief of Birgit Camara, also known as Birgit Heinemann;

H. R. 4249. An act for the relief of Orrin J. Bishop;

H. R. 4394. An act to amend section 3401 of the Internal Revenue Code of 1954;

H. R. 4410. An act for the relief of William E. Ryan;

H. R. 4663. An act to authorize the Secretary of the Interior to construct, operate, and maintain the Trinity River division, Central Valley project, California, under Federal reclamation laws;

H. R. 4744. An act to amend the Railroad Retirement Act of 1937, as amended, and the Railroad Unemployment Insurance Act;

H. R. 4778. An act to provide for the purchase of bonds to cover civilian officers and employees and military personnel of the Federal Government;

H. R. 5078. An act for the relief of the estate of Victor Helfenbein;

H. R. 6066. An act authorizing modification of the project for flood protection on the San Joaquin River and tributaries, California;

H. R. 6232. An act to include as Spanish-American War service under laws administered by the Veterans' Administration certain service rendered by Stephen Swan Ogletree during the Spanish-American War;

H. R. 7024. An act to remove the manufacturers' excise tax from the sales of certain component parts for use in other manufactured articles, to confine to entertainment-type equipment the tax on radio and television apparatus, and for other purposes;

H. R. 7278. An act making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes; and

H. R. 7300. An act to amend the Internal Revenue Code of 1954 with respect to the tax treatment of income received from patent infringement suits.

HOUSE BILLS AND JOINT RESOLUTIONS REFERRED

The following bills and joint resolutions were severally read twice by their titles and referred as indicated:

H. R. 374. An act to authorize the adjustment and clarification of ownership to certain lands within the Stanislaus National Forest, Tuolumne County, Calif., and for other purposes;

H. R. 426. An act to provide for the establishment of townsites and for other purposes;

H. R. 1855. An act to amend the act approved April 24, 1950, entitled "An act to facilitate and simplify the work of the Forest Service, and for other purposes";

H. R. 5337. An act to amend the provisions of the Perishable Agricultural Commodities Act, 1930, relating to practices in the marketing of perishable agricultural commodities;

H. R. 7236. An act to amend section 8 (b) of the Soil Conservation and Domestic Allotment Act with respect to water conservation practices; and

H. J. Res. 112. Joint resolution to release reversionary right to improvements on a 3-acre tract in Orangeburg County, S. C.; to the Committee on Agriculture and Forestry.

H. R. 585. An act to authorize the conveyance to Lake County, Calif., of the lower Lake Rancheria, and for other purposes;

H. R. 1603. An act to terminate the prohibition against employment of Mongolian labor in the construction of reclamation projects;

H. R. 4391. An act to abolish the Castle Pinckney National Monument, in the State of South Carolina, and for other purposes;

H. R. 5280. An act to authorize land exchanges for purposes of Colonial National Historical Park, in the State of Virginia; to authorize the transfer of certain lands of Colonial National Historical Park, in the State of Virginia, to the Commonwealth of Virginia; and for other purposes;

H. R. 5566. An act to terminate the existence of the Indian Claims Commission, and for other purposes;

H. R. 6461. An act to amend section 73 (i) of the Hawaiian Organic Act;

H. R. 6463. An act to ratify and confirm section 4539, Revised Laws of Hawaii 1945, section 1 (b), Act 12, Session Laws of Hawaii (1951), and the sales of public lands consummated pursuant to the terms of said statutes;

H. R. 6625. An act to provide for the transfer of title to certain land and the improvements thereon to the pueblo of San Lorenzo (pueblo of Picuris), in New Mexico, and for other purposes;

H. R. 6807. An act to authorize the amendment of certain patents of Government lands containing restrictions as to use of such lands in the Territory of Hawaii;

H. R. 6808. An act to amend section 73 (i) of the Hawaiian Organic Act;

H. R. 6824. An act to authorize the amendment of the restrictive covenant on land patent No. 10,410, issued to Keoshi Matsunaga, his heirs or assigns, on July 20, 1936, and covering lot 48 of Ponahawai house lots, situated in the county of Hawaii, T. H.;

H. R. 7097. An act to provide for the reconveyance of oil and gas and mineral interests in a portion of the lands acquired for the Demopolis lock and dam project, to the former owners thereof, and for other purposes; and

H. R. 7186. An act to provide for the review and determination of claims for the return of lands, in the Territory of Hawaii, conveyed to the Government during World War II by organizations composed of persons of Japanese ancestry; to the Committee on Interior and Insular Affairs.

H. R. 929. An act for the relief of Mrs. Maria Del Mul;

H. R. 930. An act for the relief of John Daniel Popa;

H. R. 1005. An act for the relief of Alice Duckett;

H. R. 1014. An act for the relief of Chung Fook Yee Chung;

H. R. 1074. An act for the relief of Mrs. Esther Chan Lee (Eta Lee);

H. R. 1097. An act for the relief of John Meredith McFarlane;

H. R. 1104. An act for the relief of Guenther Kaschner;

H. R. 1137. An act for the relief of Harry John Wilson;

H. R. 1162. An act for the relief of Anakaleto Maria de Oliveira or Joseph Oliveira or Anacleto Oliver;

H. R. 1193. An act for the relief of Dr. and Mrs. Ivan Pernar;

H. R. 1198. An act for the relief of Kenneth K. W. Lau and Romana Say Soat Kheng, also known as Mrs. Anne Say Lau;

H. R. 1208. An act for the relief of Mrs. Esther Moreno;

H. R. 1209. An act for the relief of Numeriano Lagmay;

H. R. 1232. An act for the relief of Salvado, Mercedes, and Miguel Chofre;

H. R. 1319. An act for the relief of Vasilios Liakopoulos;

H. R. 1323. An act for the relief of Sister Ramona Maria (Ramona E. Tombo);

H. R. 1402. An act for the relief of Santiago Gonzalez Trigo;

H. R. 1410. An act for the relief of Giovanna Scano;

H. R. 1492. An act for the relief of Krsevan Spanjol;

H. R. 1513. An act for the relief of Frances Irene Smart;

H. R. 1639. An act for the relief of Laura Olivera Miranda;

H. R. 1641. An act for the relief of Mary Mancuso;

H. R. 1657. An act for the relief of Louis B. Prus-Latkiewicz;

H. R. 1666. An act for the relief of Jose Canencia-Castanedo;

H. R. 1761. An act to relieve certain veterans who relied on an erroneous interpretation of the law from liability to repay a portion of the subsistence allowances which they received under the Servicemen's Readjustment Act of 1944;

H. R. 1908. An act for the relief of Chu Hai-Chou;

H. R. 1909. An act for the relief of Rodolfo Pugeda de la Cerna;

H. R. 1920. An act for the relief of Ane Karlic Vlasich;

H. R. 1923. An act for the relief of Kevin Murphy;

H. R. 2054. An act for the relief of Induk Pahk;

H. R. 2072. An act for the relief of Julian Nowakowski, or William Nowak (Novak);

H. R. 2079. An act for the relief of Ingrid Liselotte Poch;

H. R. 2235. An act for the relief of Mrs. Margarete Gick Scordas;

H. R. 2283. An act for the relief of Wilhelmus Marius Van der Veur;

H. R. 2285. An act for the relief of Marie Lim Tsien;

H. R. 2339. An act for the relief of Monika Schefbanker;

H. R. 2345. An act for the relief of Jean Henri Buchet;

H. R. 2347. An act for the relief of Heinrich Wolfgang;

H. R. 2383. An act to authorize the National Inventors Council to make awards for inventive contributions relating to the national defense;

H. R. 2465. An act for the relief of Bernard L. Denn;

H. R. 2704. An act for the relief of Kazuko Iwata Rausch;

H. R. 2728. An act for the relief of Dr. Frederic S. Schleger;

H. R. 2729. An act for the relief of William Badinelli;

H. R. 2796. An act for the relief of Mrs. Khatoun Malkey Samuel;

H. R. 2897. An act for the relief of Chung Poik Cha and her child, Myrna Poik Cha;

H. R. 2916. An act for the relief of Mrs. Elfrieda Schoeppe;

H. R. 2948. An act for the relief of Guglielmo Joseph Perrella;

H. R. 3057. An act for the relief of Dr. Bienvenido L. Balingit;

H. R. 3195. An act for the relief of Rolf Hugo Neuman;

H. R. 3201. An act for the relief of George Mikroulis, his wife, Dora Mikroulis, and his daughter, Madonna G. Mikroulis;

H. R. 3265. An act for the relief of Alkista Sfounis;

H. R. 3276. An act for the relief of George E. Bergos (formerly Athanasios Kritselis);

H. R. 3527. An act for the relief of Josef and Perla Natanson;

H. R. 3857. An act for the relief of Constantin David, Paula Marie David, Claire Edmonde David, and Ariane Constance David;

H. R. 3869. An act for the relief of Esther Ledea Escobedo;

H. R. 3963. An act for the relief of Ashot Mnatzakanian and Ophelia Mnatzakanian;

H. R. 3965. An act for the relief of Max Moskowitz;

H. R. 4025. An act for the relief of Mrs. Donald A. Howard (nee Miss Elsa Ursula Kuchinke);

H. R. 4039. An act for the relief of Julian, Dolores, Jaime, Dennis, Roldan, and Julian, Jr., Lizardo;

H. R. 4321. An act for the relief of C. J. Pobojeski;

H. R. 4326. An act for the relief of Regina Dippold;

H. R. 4548. An act for the relief of Michele Pica;

H. R. 4612. An act for the relief of Vladimir and Svatava Hoschl;

H. R. 4769. An act for the relief of Mrs. Barbara (Pearson) Boycott;

H. R. 4872. An act for the relief of Mrs. Helen Barsa;

H. R. 5074. An act for the relief of Miss Blanca Lina Rionegro;

H. R. 5079. An act for the relief of Tom Wong (Foo Tai Nam);

H. R. 5285. An act for the relief of the Imperial Agricultural Corp.;

H. R. 5533. An act for the relief of John C. Walsh;

H. R. 5866. An act for the relief of Giovanni Lazarich;

H. R. 5869. An act for the relief of Andreas (or Andrew) Voutsinas;

H. R. 5870. An act for the relief of Jesajahu Braun;

H. R. 5908. An act for the relief of Mrs. Johanna Eckles;

H. R. 6247. An act to amend subdivision a of section 66—unclaimed moneys—of the Bankruptcy Act, as amended, and to repeal subdivision b of section 66 of the Bankruptcy Act, as amended;

H. R. 6363. An act for the relief of Edward Barnett;

H. R. 6452. An act for the relief of William H. Foley;

H. R. 6622. An act for the relief of certain rural carriers;

H. R. 6741. An act for the relief of Elfriede Rosa (Kup) Kraft;

H. R. 6888. An act to amend the act of September 3, 1954;

H. R. 7114. An act for the relief of Frank G. Gerlock;

H. R. 7121. An act to validate payments of mileage made to United States Army and Air Force personnel pursuant to permanent change of station orders authorizing travel by commercial aircraft, and for other purposes; and

H. R. 7197. An act for the relief of Mrs. Mary Christine Bowdy; to the Committee on the Judiciary.

H. R. 1516. An act to authorize the President of the United States to present the Distinguished Flying Cross to Col. Bennett Hill Griffin;

H. R. 4229. An act to provide running mates for certain staff corps officers in the naval service, and for other purposes;

H. R. 4602. An act for the relief of Edward Neal Fisher;

H. R. 5516. An act to amend title III of the Army and Air Force Vitalization and Retirement Equalization Act of 1948 to provide that service as an Army field clerk, or as a field clerk, Quartermaster Corps, shall be counted for purposes of retirement under title III of that act, and for other purposes; and

H. J. Res. 261. Joint resolution authorizing the Secretary of the Army to make such transfers of supplies and equipment as may be available, to The Citadel, Charleston, S. C.; to the Committee on Armed Services.

H. R. 4569. An act to provide for renewal of, and adjustment of, compensation under contracts for carrying mail on water routes; to the Committee on Post Office and Civil Service.

H. R. 4582. An act to amend the Internal Revenue Code of 1954 with respect to deductions from gross income of amounts contributed to employees' trusts;

H. R. 5265. An act to exempt certain additional foreign travel from the tax on the transportation of persons;

H. R. 7036. An act to amend section 37 of the Internal Revenue Code of 1954 with respect to the earned income limitation on retirement income;

H. R. 7094. An act to amend section 120 of the Internal Revenue Code of 1939 (relating to unlimited deduction for charitable contributions);

H. R. 7247. An act to amend the Internal Revenue Code of 1954 with respect to the treatment of gain in certain railroad reorganizations; and

H. R. 7746. An act to provide tax relief to a charitable foundation and the contributors thereto; to the Committee on Finance.

H. R. 4734. An act to amend the provisions of the River and Harbor Act of 1954 which authorize the Secretary of the Army to reimburse local interests for work done on a dredging project at Los Angeles and Long Beach Harbors, Calif., during a period ending on July 1, 1953, by extending that period to November 7, 1953; and

H. R. 6961. An act to designate the lake created by Buford Dam in the State of Georgia as "Lake Sidney Lanier"; to the Committee on Public Works.

H. R. 5469. An act to extend the authority of the Corregidor Bataan Memorial Commission, and for other purposes; to the Committee on Foreign Relations.

H. R. 5889. An act to provide for the conveyance of certain lands of the United States to the town of Savannah Beach, Tybee Island, Ga.; and

H. R. 7471. An act to provide for the conveyance of certain lands of the United States to the Board of Commissioners of St. Johns County, Fla.; to the Committee on Interstate and Foreign Commerce.

H. R. 6298. An act to amend section 601 (g) of the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended, to permit transfer of war housing projects to the city of Moses Lake, Wash., and to other communities similarly situated; to the Committee on Banking and Currency.

H. R. 6857. An act to authorize the Administrator of the General Services Administration to convey certain land to the city of Milwaukee, Wis.; and

H. R. 7156. An act to provide for the conveyance of certain land of the United States to the Board of County Commissioners of Lee County, Fla.; to the Committee on Government Operations.

HOUSE CONCURRENT RESOLUTION REFERRED

The concurrent resolution (H. Con. Res. 94) favoring the waiver of State residence requirements in certain elections, was referred to the Committee on Rules and Administration, as follows:

Whereas many citizens are deprived of the right to vote because they have recently moved from one State to another and have not subsequent to such move complied with the residence requirements of the State to which they have moved; and

Whereas it is desirable that citizens should be entitled to vote for the office of President and Vice President whether or not they have moved from one State to another; and

Whereas such disfranchisement could be avoided by reciprocal arrangements between the several States which would recognize the right of a citizen who had moved from one State to another to continue to vote in the State from which he had moved for such reasonable period of time as would enable him to fulfill the residence requirements in the State to which he had moved: Therefore be it

Resolved by the House of Representatives (the Senate concurring), That the Congress expresses itself as favoring, and recommends to the several States the consideration of appropriate legislation to enable a person to vote for President and Vice President when such person would be eligible to vote but for the fact that he had moved from one State to another and had not yet fulfilled the residence requirements of such State to which he had moved.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. CLEMENTS. Mr. President, under the rule there is a regular morning hour today for the presentation of petitions and memorials, the introduction of bills, and the transaction of other routine business. I ask unanimous consent that any statements made in connection therewith be limited to 2 minutes.

Mr. WATKINS. Mr. President, reserving the right to object, I should like to inquire of the acting majority leader if there will be an opportunity for Senators to make statements during the morning hour which will run as long as 25 or 30 minutes.

Mr. CLEMENTS. I should like to say to my friend from Utah that during the day a number of legislative matters will be brought before the Senate. During the consideration of any one of those, as the Senator knows, there will be an opportunity for any Senator to get the floor in his own right and to proceed for as long as he sees fit to address the Senate.

Mr. WATKINS. I hope that will be the case. For several days I have waited all day long trying to get an opportunity to make a statement. I wondered if such an opportunity would be afforded.

Mr. CLEMENTS. I can assure the Senator from Utah there will be ample opportunity.

Mr. WATKINS. Mr. President, I shall not object.

The PRESIDENT pro tempore. Without objection, the unanimous consent request of the Senator from Kentucky that statements be limited to 2 minutes, is agreed to.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT ON APPORTIONMENT OF AN APPROPRIATION

A letter from the Acting Director, Bureau of the Budget, Executive Office of the President, reporting that the appropriation for general operating expenses, Veterans' Administration, for the fiscal year 1956, has been apportioned on a basis which indicates a necessity for a supplemental estimate of appropriation (with an accompanying paper); to the Committee on Appropriations.

AUDIT REPORT ON THE GOVERNMENT OF THE VIRGIN ISLANDS

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the government of the Virgin Islands of the United States, for the fiscal year ended June 30, 1954 (with an accompanying report); to the Committee on Government Operations.

STAFF STUDY ON BUSINESS ENTERPRISES OUTSIDE DEPARTMENT OF DEFENSE

A letter from the Chairman, Commission on Organization of the Executive Branch of the Government, transmitting, pursuant to law, that Commission's staff study on business enterprises outside of the Department of Defense, dated June 1955 (with an accompanying document); to the Committee on Government Operations.

GRANTING OF APPLICATIONS FOR PERMANENT RESIDENCE FILED BY CERTAIN ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders granting the applications for permanent residence filed by certain aliens, together with a statement of the facts and pertinent provisions of law as to each alien and the reasons for granting the applications (with accompanying papers); to the Committee on the Judiciary.

ADMISSION OF DISPLACED PERSONS—WITHDRAWAL OF NAME

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, withdrawing the name of Mei Chio Chen from a report transmitted to the Senate on May 20, 1955, pursuant to section 4 of the Displaced Persons Act of 1948, as amended, with a view to the adjustment of his immigration status (with an accompanying paper); to the Committee on the Judiciary.

REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. FULBRIGHT, from the Committee on Banking and Currency:

H. R. 7244. A bill to provide for the striking of medals in commemoration of the 120th anniversary of the signing of the Texas Declaration of Independence and the Battles of the Alamo, Goliad, and San Jacinto in the year 1836; without amendment.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, August 1, 1955, he presented to the President of the United States the following enrolled bills:

S. 34. An act to authorize the leasing of restricted Indian lands for public, religious, educational, recreational, residential, business, and other purposes requiring the grant of long-term leases;

S. 665. An act to revive section 3 of the District of Columbia Public School Food Services Act;

S. 1138. An act to continue the effectiveness of the act of July 17, 1953 (67 Stat. 177), as amended, providing certain construction and other authority; and

S. 2171. An act to amend the Subversive Activities Control Act so as to provide upon the expiration of his term of office a member of the Board shall continue to serve until his successor shall have been appointed and shall have qualified.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. NEUBERGER:

S. 2732. A bill to authorize the Secretary of the Interior to cooperate with Federal and non-Federal agencies in the prevention of waterfowl depredations, and for other purposes; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. NEUBERGER when he introduced the above bill, which appear under a separate heading.)

By Mr. WATKINS:

S. 2733. A bill to provide for repayment to the United States of certain costs of certain rivers and harbors and flood-control projects; to the Committee on Public Works.

(See the remarks of Mr. WATKINS when he introduced the above bill, which appear under a separate heading.)

By Mr. CASE of South Dakota (for himself and Mr. MUNDT):

S. 2734. A bill authorizing improvement of the Missouri River from Sioux City, Iowa, to Gavins Point, S. Dak., for navigation and other purposes; to the Committee on Public Works.

(See the remarks of Mr. CASE of South Dakota, when he introduced the above bill, which appear under a separate heading.)

By Mr. LANGER:

S. 2735. A bill for the relief of Joseph Accardi; to the Committee on the Judiciary.

By Mr. BYRD (for himself and Mr. ROBERTSON):

S. 2736. A bill to authorize the conveyance of housing project to the city of Alexandria, Va.; to the Committee on Banking and Currency.

By Mr. SMITH of New Jersey:

S. 2737. A bill to provide for the transfer to the Department of Agriculture of the fertilizer research facilities of the Tennessee Valley Authority, and for other purposes; to the Committee on Public Works.

S. 2738. A bill to provide for the termination of the Postal Savings System; to the Committee on Post Office and Civil Service.

S. 2739. A bill to transfer to Federal Prison Industries all functions of the Post Office Department with respect to the manufacture and repair of mailbags, cord fasteners, and locks; and

S. 2740. A bill to provide for the closing of certain commercial-type enterprises operated by civilian departments and agencies of the Government, and for other purposes.

(See the remarks of Mr. SMITH of New Jersey when he introduced the above bills, which appear under a separate heading.)

S. 2741. A bill to amend Private Law 69, approved June 1, 1955 "To confer jurisdiction on the Attorney General to determine the eligibility of certain aliens to benefit under section 6 of the Refugee Relief Act of 1953, as amended"; to the Committee on the Judiciary.

By Mr. CASE of South Dakota:

S. 2742. A bill to authorize the issuance of a special stamp commemorative of the 50th anniversary of the founding and accomplishments of the conservation movement in the United States; to the Committee on Post Office and Civil Service.

PREVENTION OF WATERFOWL DEPREDATIONS

Mr. NEUBERGER. Mr. President, I introduce, for appropriate reference, a bill authorizing the use of surplus grains to feed migratory wildfowl, where they are starving or causing damage to crops. By permitting this humanitarian act, we not only will be putting surplus grain to beneficial use, but we also will be thwarting those unscrupulous hunters who are baiting wildfowl and attracting them close to blinds, where they can be shot.

The Honorable HENRY REUSS, of the Fifth Wisconsin District, has shown great and imaginative leadership in trying to save the migratory birds of our continent from hunters who obey no rules and who violate existing laws because of weak enforcement by the present Interior Department regime.

I trust this bill will be passed when the Congress meets again January. I ask unanimous consent that the text of the bill be printed at this point in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2732) to authorize the Secretary of the Interior to cooperate with Federal and non-Federal agencies in the prevention of waterfowl depredations, and for other purposes, introduced by Mr. NEUBERGER, was received, read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That, in order to prevent crop damage by migratory waterfowl and at the same time to avoid the depletion of our waterfowl resources by encouraging violation of the Federal regulation banning the shooting of waterfowl lured to or over the shooting area by bait, the Commodity Credit Corporation shall make available to the Secretary of the Interior, at locations specified by him, such wheat, acquired through price-support operations and certified by the Commodity Credit Corporation to be in such condition through spoilage or deterioration as not to be desirable for human consumption, as the Secretary of the Interior shall requisition pursuant to section 2 hereof.

SEC. 2. Upon a finding by the Secretary of the Interior that any area in the United States is threatened with damage to farmers' crops by migratory waterfowl, whether or not during the hunting season for such migratory waterfowl, the Secretary of the Interior is hereby authorized and directed to requisition from the Commodity Credit Corporation and to make available to Federal, State, or local governmental bodies or

officials, or to private organizations or persons, wheat acquired from the Commodity Credit Corporation pursuant to section 1 hereof in such quantities and subject to such regulations as the Secretary determines will most effectively lure migratory waterfowl away from crop depredations and at the same time not expose such migratory waterfowl to shooting over areas to which the waterfowl have been lured by such feeding program.

SEC. 3. With respect to all wheat made available pursuant to this act, the Commodity Credit Corporation shall be reimbursed by the Secretary of the Interior for the acquisition cost of the wheat to the Commodity Credit Corporation or the current support price for such wheat (whichever is lower), plus the costs of any packaging, transporting, or handling required for delivery of the wheat which the Commodity Credit Corporation determines to be in excess of the normal costs incurred in moving such agricultural commodity into normal commercial channels, and less an allowance appropriate to cover the deterioration of the wheat. Expenditures authorized by this act may be made by the Commodity Credit Corporation in advance of appropriations and shall be entered on the books of the Corporation as accounts receivable.

SEC. 4. There are hereby authorized to be appropriated, from any moneys in the Treasury not otherwise appropriated, such sums as are required for the purposes of this act.

AUTHORIZATION FOR CERTAIN IMPROVEMENTS OF MISSOURI RIVER

Mr. CASE of South Dakota. Mr. President, on yesterday the Secretary of the Army, Mr. Brucker, and the distinguished Chief of the Corps of Engineers, Lt. Gen. Samuel D. Sturgis, participated in the dedication service at the closing of the Gavin's Point Dam, on the Missouri River boundary between South Dakota and Nebraska. In connection with the brief remarks I made at that time, I suggested that the time had now come for consideration of navigation between the Gavin's Point Dam and Sioux City. I now introduce on behalf of myself, and the senior Senator from South Dakota [Mr. MUNDT], a bill pertaining to that matter, and request its appropriate reference.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2734) authorizing improvement of the Missouri River from Sioux City, Iowa, to Gavins Point, S. Dak., for navigation and other purposes, introduced by Mr. CASE of South Dakota, was received, read twice by its title, and referred to the Committee on Public Works.

BILLS IMPLEMENTING RECOMMENDATIONS OF HOOVER COMMISSION

Mr. SMITH of New Jersey. Mr. President, last Friday, in order that the appropriate Senate committees might have available for study during the recess all legislation prepared pursuant to the recommendations of the Hoover Commission, I introduced five bills reflecting recommendations of the several Hoover Commission reports. I now introduce, for appropriate reference, four additional bills as follows:

First. A bill to provide for the transfer to the Department of Agriculture of the fertilizer research facilities of the Tennessee Valley Authority, and for other purposes, which would implement recommendations Nos. 20 (a) and 20 (b) of the Report on Business Enterprises.

Second. A bill to provide for the termination of the postal savings system which would implement recommendation No. 10 of the Report on Business Enterprises.

Third. A bill to transfer to Federal prison industries all functions of the Post Office Department with respect to the manufacture and repair of mailbags, cord fasteners and locks, which would implement recommendation No. 12 of the Report on Business Enterprises.

Fourth. A bill to provide for the closing of certain commercial-type enterprises operated by civilian departments and agencies of the Government, and for other purposes, which would implement recommendations Nos. 21 and 22 in the Report on Business Enterprises.

The PRESIDENT pro tempore. The bills will be received and appropriately referred.

The bills, introduced by Mr. SMITH of New Jersey, were received, read twice by their titles, and referred, as indicated:

To the Committee on Public Works:

S. 2737. A bill to provide for the transfer to the Department of Agriculture of the fertilizer research facilities of the Tennessee Valley Authority, and for other purposes.

To the Committee on Post Office and Civil Service:

S. 2738. A bill to provide for the termination of the Postal Savings System.

To the Committee on Government Operations:

S. 2739. A bill to transfer to Federal Prison Industries all functions of the Post Office Department with respect to the manufacture and repair of mailbags, cord fasteners, and locks; and

S. 2740. A bill to provide for the closing of certain commercial-type enterprises operated by civilian departments and agencies of the Government, and for other purposes.

AMENDMENT OF DEFENSE PRODUCTION ACT—CHANGE OF CONFEREE

On request of Mr. SMATHERS, and by unanimous consent, the Senator from New York [Mr. IVES] was appointed a conferee on the bill (S. 2391) to amend the Defense Production Act of 1950, as amended, in place of the Senator from Ohio [Mr. BRICKER].

AUTHORIZATION FOR COMMITTEE ON BANKING AND CURRENCY TO FILE REPORT DURING ADJOURNMENT

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that the Committee on Banking and Currency be permitted to file a report during the adjournment of the Senate summarizing its activities during the 84th Congress, 1st session.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. HILL:

Statement made by him before Senate Public Works Subcommittee on TVA power-financing bill, on July 27, 1955.

By Mr. BEALL:

An analysis by the United States Tariff Commission with reference to the remanufacture of imported watches to increase their jewel count.

RELEASE OF 11 AMERICAN FLYERS BY CHINESE COMMUNISTS

Mr. CLEMENTS. Mr. President, the wire services have just carried the welcome news that the Chinese Communists are releasing the 11 American fliers they have imprisoned on trumped up charges.

This is a bulletin which will bring rejoicing to Americans everywhere. It will gladden the hearts of the families of these men who have lived through so many long and agonizing months of fear and frustration.

But it is a joy and a gladness that will be tempered by the thought that many Americans are still imprisoned in the jails of Red China. Those prisoners have endured an even longer and even more helpless captivity.

There is little doubt that the Chinese Communists intend the release of the fliers to be a gesture which will soften the heart of America. We accept what has been done with rejoicing, but we also accept it in the full knowledge that by itself it does not establish Communist good faith.

Because of the 11 who have been released, we are not going to surrender our claim to justice for those who are still in prison. Neither are we going to consider Red China a responsible nation because it has ended its barbarity toward a small group of our nationals.

The Communist mind appears incapable of understanding that we believe justice should apply to all men equally, and not merely at the discretion of the state. So long as Red China is unjust to one American, there will be a deep bitterness within our hearts.

We are hopeful that the act of releasing the fliers is the first step toward a more reasonable attitude. But it is only one step, and many more must be taken before Americans will have any feeling other than that of outrage.

Mr. KNOWLAND. Mr. President, I wish to commend the acting majority leader, and to associate myself with him in his remarks. In addition, I wish to say that the American people will welcome home the 11 American airmen, not as pardoned criminals, as they are called on the broadcast from the Peiping radio, but as honored members of our Air Force who have been illegally held by the Chinese Communists for 2 years, in flagrant violation of the terms of the Korean armistice.

Mr. THYE. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. THYE. I ask that I may be associated with the minority leader, as well as the acting majority leader, on this question.

Mr. KNOWLAND. I thank the Senator from Minnesota.

Mr. MORSE. Mr. President, will the Senator from California yield?

Mr. KNOWLAND. I yield.

Mr. MORSE. As the Senator from California knows, he and I have spoken on this subject on past occasions. I wish to associate myself again with the remarks of the Senator from California and those of the Senator from Kentucky concerning the release of the 11 American airmen; but it is equally important, in the interest of justice, that other Americans be released from Communist jails. I understand some of them are missionaries who have been incarcerated as a result of missionary activities in Red China in which they tried to spread the gospel of the Savior whom we love.

Mr. KNOWLAND. I think the evidence is beyond dispute that the Chinese Communists not only hold American missionary civilians, but they have held some of them for as long as 4 or 5 years. Some of them have been held with leg and arm chains, under prison conditions which would be considered barbaric by any civilized nation of the world. There are professional and business people who have been held for a period of from 3 to 4 years and upward.

Mr. MORSE. I wish to add one additional facet to this discussion, because I think it is important. I commented on it before, but it needs to be emphasized today.

The Chinese Communists not only hold Americans, whose release we should continue to do everything we can to bring about, but they hold nationals of some other countries, such as Canada to the north of us, and England. I think Canada and England should be exerting greater efforts, along with us, than they have been doing, to secure the release of all these persons by way of the juridical processes of the United Nations. I do not believe we should be standing alone to the extent we are in efforts to regain freedom for those who have been so unjustly incarcerated. So I raise my voice today to Canada and Great Britain and other free nations to join with the United States in making it clear to Red China that we think the time is long past when Red China ought to be at least willing to submit itself to the juridical processes of the United Nations, because when that is done, I am sure the finding will be that the prisoners should be released forthwith.

Mr. KNOWLAND. Mr. President, I think the senior Senator from South Carolina desired that I yield to him, and I do so.

Mr. JOHNSTON of South Carolina. Mr. President, I should like to ask a question of the Senator from Oregon. From his remarks I gather that he believes we should get Canada and England to work with us, and that he takes that position because he believes we probably would get better results if we united and worked together. Is that not correct?

Mr. MORSE. Yes. I think the Communists always respect unity of action on the part of the free nations, and I am always discouraged when the free nations do not act in unison against the ravages of the Communists.

Mr. JOHNSTON of South Carolina. I agree with the Senator from Oregon.

Mr. CLEMENTS. Mr. President, several Senators desire to speak in connection with this matter, inasmuch as there is considerable interest in it. Therefore, I ask unanimous consent that at this time 5 minutes may be allowed for the remarks which may ensue on this subject.

The PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President——

Mr. CLEMENTS. Before yielding to the Senator from Montana [Mr. MANSFIELD], I should like to express to the Senator from California [Mr. KNOWLAND], the Senator from Montana [Mr. MANSFIELD], the Senator from Oregon [Mr. MORSE], and the Senator from South Carolina [Mr. JOHNSTON] my complete understanding of the views they have set forth in regard to this subject. I appreciate the kindness of their expressions regarding what the minority leader and I have had to say.

I could not agree more fully with anything than I do with what the Senator from Oregon said regarding the need of our friendly allies joining with us in the strongest manner in which they are capable to gain the release not only of nationals of our country but also the nationals of every other freedom-loving country on the globe.

Mr. MORSE. Mr. President, I thank the Senator from Kentucky very much, indeed.

Mr. MANSFIELD. Mr. President, will the Senator from Kentucky yield?

The PRESIDENT pro tempore. Does the Senator from Kentucky yield to the Senator from Montana?

Mr. CLEMENTS. I yield.

Mr. MANSFIELD. I wish to associate myself with the remarks made by the majority leader, and to state that I am indeed happy that the 11 uniformed American airmen have been released. I am especially happy because one of them happens to be from my hometown of Missoula, Mont., Capt. Elmer Llewellyn.

It is my hope that this action will be only the start, insofar as the Chinese Communists are concerned, in releasing other Americans, especially civilian Americans who are under house arrest or other imprisonment.

I think it should be pointed out that a considerable number of Americans are imprisoned, in one way or another, in China. They are entitled to every possible consideration.

I hope this start will be continued, to the extent that all the others will be released soon.

I should like to call attention to the fact that the Chinese Communists are not doing us a favor by releasing these men. They should never have been imprisoned in the first place. They should have been held as prisoners of war. They were held illegally, contrary to the Geneva convention; and, at the very latest, they should have been released at the time of the Korean truce agreement.

So, Mr. President, I join in voicing the hope that this is only the beginning of the release of all Americans who are held under Communist house arrest or in Chinese jails. I also want the Senate to know that Mrs. Marjorie Llewellyn, wife of Captain Llewellyn, has been most considerate and understanding during the long ordeal. To her I extend a personal salute and my relief that her days of travail are almost at an end.

Mr. CLEMENTS. Mr. President, I thank the Senator from Montana for his remarks. I wish to say to him that I am convinced that the views he has expressed are shared by all Members of this body and by all the American people.

Mr. SMITH of New Jersey. Mr. President, will the Senator from Kentucky yield to me?

Mr. CLEMENTS. I yield.

Mr. SMITH of New Jersey. Mr. President, I am very happy to associate myself with the remarks of the distinguished acting majority leader and the distinguished minority leader, and other Senators, regarding the release of these airmen. I wish to join them in saying that we should see to it that all Americans so held are promptly released.

Mr. President, this is a most important matter, and I am delighted to join in the position these Senators have taken.

Mr. SALTONSTALL. Mr. President, I should like to add my very brief comment of satisfaction to those which already have been made regarding the release of the 11 airmen. Of course, this is only a start. However, as one who has followed the matter closely, as a member of the Armed Services Committee, I am happy about this start. We must keep pressing for the release of all other United States citizens who still are held, as well as for the release of the nationals of all the other free countries. All of them should be released at the earliest possible time.

REPORTS FROM WASHINGTON BY SENATOR THYE

Mr. THYE. Mr. President, I ask unanimous consent to have printed in the body of the RECORD two radio broadcasts made by me over station WCCO and other Minnesota stations. One was for the week of July 30, 1955, and the other was for the week of August 3.

There being no objection, the addresses were ordered to be printed in the RECORD, as follows:

RADIO BROADCAST OF HON. EDWARD J. THYE, OF MINNESOTA, ON WCCO AND OTHER MINNESOTA STATIONS FOR WEEKEND OF JULY 30, 1955

My fellow citizens of Minnesota, I want to take you behind the scenes in Washington, in the first of a series of three radio broadcasts where I will discuss the highlights of current problems and the actions taken in your behalf, as I am your representative in the United States Senate.

I am reminded at this time of the many times I had the honor of reporting to you on the progress of State government while I was Governor of Minnesota.

I always considered that a pleasure and as your United States Senator I am now enjoying the same privilege.

Tonight I want you to consider with me the state of our domestic affairs. In the

second broadcast we shall consider some of the more personal aspects of my activity during the past year.

The final program will cover our foreign policy and our status as a world leader.

During my years of public service, I have measured all my decisions and action by one general standard—what is best for our State of Minnesota and our Nation and the general well-being of mankind.

Each one of you in that way shares in any final decision or action of mine.

In this connection I can state without qualification that every decision we make in Washington in some way affects you and your family. That applies to you as a merchant, a laborer, a farmer, or a professional man.

Before going into specific domestic issues I want to state that at the present time we are enjoying a period of general economic prosperity in which our standard of living is at an all-time high.

Our free enterprise system is functioning successfully without restrictive price, wage, or rent controls.

This fact alone is important because it belies those who only a few years ago told us that we could not enjoy a stable economy in this modern age without Government controls and regimentation.

As ranking Republican member of the Senate Small Business Committee and as chairman of that committee from 1953 to 1955 I have played a key role in developing a program designed to assist small firms which form the backbone of our business economy.

This phase of activity I choose to call Operation Main Street, because it touches all of you who do business on the main streets of Minnesota.

In 1953 I was author of the bill which established the Small Business Administration.

This agency is designed to assist businessmen in three ways.

First, it is authorized to make loans to small businesses.

Second, it assists small plants in the area of Government procurement.

Third, it is set up to give technical advice and assistance to those who need and want it.

We have a regional office of this agency in Minneapolis.

I am happy to report that this new agency has made steady progress and its record of accomplishment is impressive.

This year I introduced a bill to extend its life beyond the expiration date of July 1, 1955.

This action was taken by the Senate, and we expect the House of Representatives to act in the very near future.

I have joined with others through the years in writing into pertinent laws the intent of Congress that small business receive a proportionate and fair share of Government contracts.

To carry out this intent we have cooperated with the Department of Defense in establishing a program to achieve results.

I have always been a vigorous advocate of the efficient enforcement of the antitrust laws.

These laws are designed to maintain an economy of open competition and to prevent the concentration of economic power in the hands of the few at the expense of the many.

President Theodore Roosevelt achieved fame by his enforcement of these laws.

Today we have an administration which is devoted to effective antitrust enforcement.

Judge Stanley Barnes, Assistant Attorney General, Antitrust Division, has become a real trust buster.

I am disturbed about the recent trend of mergers of large corporations.

This is an area of vital concern to small business.

Through my work on the Senate Small Business Committee I am studying the entire problem in an attempt to determine what we must do to preserve the type of competition which will give you the freedom and opportunity you want in the running of your business affairs.

Our large producers today are enjoying a period of intense demand for such things as housing, automobiles, household appliances, and other items which go into the making of a more enjoyable life for all of us.

Labor today is enjoying its most prosperous time in history.

Labor union membership is up, labor's share in profits is rising, strikes are at a minimum, unemployment is recognized as spotty and not serious nationwide.

In fact, Mr. George Meany, president of the AFL recently told a National Press Club audience in Washington that labor had never before enjoyed such prosperity.

On the agriculture front we find our one weak spot in the Nation's economy.

And even here we recognize that in some areas of farm production there is a prosperity which we have never seen before.

Here again, my concern is for the family farm operation which means so much to our country.

I am concerned today that we have fewer farms than we had 10 years ago.

I am concerned with falling prices for operators in Minnesota and other Midwestern States.

So much has been spoken and written about price supports and the relative merits of rigid versus flexible supports that people tend to forget that there are other items to consider.

No system of price supports, whether it be rigid or flexible, is going to cure all of the marketing problems of today's farmer.

That is only one part of the solution.

We have to devise a more successful program of disposing of our surpluses.

The grain shipment to Pakistan, the school lunch program in the United States, the parcels of food sent to East Germany, the President's proposal to distribute surpluses to the underprivileged people of the world, are all parts of the solution we are seeking.

New marketing programs in the dairy industry, research into new uses for farm commodities, and other solutions will have to be developed before we can rest on our accomplishments.

I have differed with the administration on certain phases of the agriculture program and I have supported it in other phases.

This is not a problem which belongs to any one of us.

You and I and everyone else must develop a program free of partisan politics which will assure the farmer the same share of prosperity which labor and business enjoy.

Let me give you a couple of examples of action I have taken in regard to agriculture during the past months.

First, I introduced a bill to amend the Rural Electrification Act which will modify the State allotment formula for distribution of loan funds.

This allows REA to give greater consideration to system improvements and generating and transmission facilities.

This will enable more farms to tie in with the REA program.

Minnesota's Ancher Nelsen, who is the REA Administrator, supported me in this action.

I am happy to say that the bill passed both the Senate and the House and was signed into law by the President.

I have also urged the chairman of the Agriculture Committee to hold public hearings in Minnesota during the coming months so that the committee can get a firsthand picture of conditions in the Midwest Farm Belt.

That request was granted last winter, and the hearings will give us a further opportunity to work up a solution to the present problems.

As a member of the powerful Appropriations Committee of the Senate, I have received firsthand information concerning the status of our national preparedness and security, which you are vitally interested in.

We all recognize that in President Eisenhower we not only have a topnotch administrator and diplomat, but we also have one of the finest military leaders of our lifetime.

This leadership has been reflected in the careful and farsighted planning by our military leaders.

I sat through weeks of hearings where we heard from Secretary of Defense Charles E. Wilson, the Joint Chiefs of Staff, the Secretaries of the Army, Navy, and Air Force, and their advisers.

When you boil all of the testimony down it means that we are getting the most for our dollar and have developed a defense which is adequate and will safeguard our Nation from any possible attack.

There were those who tried to play politics with the proposed reduction in Army manpower during the hearings and Senate floor debate.

Let's keep this in mind: We don't want to play politics with something as important as our national defense.

Just a few years ago a group of people tried to do the same thing when the administration proposed a cut in the Air Force expenditures.

Once again they tried to stir your emotions by playing politics and saying that national security was being threatened.

History has shown that they were wrong.

If we had accepted their arguments at that time we would have on our hands today thousands of aircraft which would be outdated and relegated to the scrap heap.

Remember, when we appropriate funds we are spending your dollars. I think you agree with me that your money should be spent wisely and not according to political desires.

During the past session I have also served as ranking Republican member of the Subcommittee on Appropriations for Health, Eudcation, and Welfare and for Labor.

In this area the administration and the Senate have made great strides in programs for combating such diseases as heart, cancer, mental illness, neurology, blindness and others. Once again if we can improve the health standards of this country we will have given to future generations a better life and a better opportunity to succeed.

We have now discussed some of the highlights on the domestic front.

In summary I remind you of these accomplishments:

1. Our economy is functioning smoothly without being shackled by Government controls of wages, prices, and rents.

2. Business generally is enjoying a healthy prosperity.

3. We have developed a realistic program to assist small business firms on your main street.

4. Labor is receiving a greater share of today's profits.

5. We are all working to solve the problems in agriculture. We will find a suitable solution here just as we have in other areas in the past.

6. We have established a national defense and security program which is adequate and capable of meeting any possible attack, and which has placed the Soviet in a frame of mind to try to agree with other nations, as was evident in the Austrian settlement.

In my next broadcast I will elaborate on some of these subjects and will present a more complete picture of my personal work and the work of other Minnesotans in prominent positions in Washington.

The last program will be devoted to a frank and forthright discussion of our

foreign policy achievements and our successful fight against world communism.

I invite you to join me and urge you to ask your friends and neighbors to take part in the next two broadcasts.

RADIO BROADCAST OF HON. EDWARD J. THYE, OF MINNESOTA, ON WCCO AND OTHER MINNESOTA STATIONS FOR WEEK OF AUGUST 3, 1955

How would you like to dig into a Senator's office files and find out what he does in the course of a year?

During this broadcast we will do just that.

We will also consider some more of the general work that I participate in, and you will hear a word about some of your distinguished neighbors who are now serving in the Nation's Capital.

In going into the files you will have a chance to hear firsthand about some of the case work which I have done since last January.

Due to time limitations, we will have to consider only a few of the many action reports which I could present.

The first case affects labor directly.

Union members and officials brought to my attention that the Army proposed to reschedule job positions at our ordnance plant at New Brighton.

This plan would have meant inequities, dislocation of work, a blow to morale, and loss of wages to many who were devoting their energies to the defense and security of the Nation.

It was an old problem to me.

The same sort of plan was advanced while I was governor.

I stopped it then and I was able to stop it this year by going direct to the Department of the Army.

As a result I have an entire file of telegrams from the many fine employees and labor officials thanking me for this action.

The next file is labeled Northwest Airlines.

This case involved a Minnesota corporation and had many ramifications.

Briefly stated the problem was this:

It was proposed that Northwest Airlines be deprived of its operation from Seattle through Hawaii to the Orient and of its flights from Minneapolis into Alaska through Edmonton, in Alberta, Canada, to the Orient.

Such action would have virtually put Northwest out of business.

This would have been a tremendous loss to Minnesota.

On this one I went to the Civil Aeronautics Board and to the White House. I conferred with President Eisenhower.

The final result—Northwest was granted a license to continue its operations.

In addition Northwest decided to maintain and expand its maintenance and overhaul base at Wold-Chamberlain Field.

This all adds up to more prosperity in Minnesota.

In the next file you will see that the Veterans' Administration regional office was to be moved to Denver.

It was stated that it was an economy move.

This argument did not entirely convince me.

Concerted action here resulted in the retention of the office at Fort Snelling.

The result—more work and a large payroll retained in Minnesota.

Now let's save time by taking two files together.

They pertain to buildings.

One is the post office building in St. Paul and the other is the Federal building in Minneapolis.

The St. Paul post office was badly in need of repair and certain changes to bring about a more efficient operation.

I went to work on that and obtained an authorization, and the funds were granted to take care of this much needed project.

The result, a more efficient operation with a saving in money and the prevention of further deterioration which would have been costly to all of you.

For a long time there has been a need for a new Federal building in Minneapolis to house the Federal courts and Federal agencies.

The present court building is outmoded and the agencies are scattered around the city.

Here we had to work fast.

For a while it didn't look like the Bureau of the Budget, the General Services Administration, and the House and Senate committees would be able to coordinate their work in time to take care of this matter during the present session.

Here again I went to the agencies, held meetings in my office, and pointed out the urgency to the committees.

Result—as this broadcast is being made I am confident that final approval will come before we go home.

The next files show that my bill to extend the time for the starting and completion of the Baudette Bridge over the Rainy River was passed, and that I am pushing for full consideration of the proposal for an atomic power plant at Elk River.

The last file which we shall consider contains a rather dramatic story.

By careful reading of Minnesota's daily papers I learned that a son of Mr. and Mrs. Matt Mattson, of Braham, had been killed in a small town in Germany, while serving there with our Armed Forces.

The people of the German town decided to dedicate a street and a park in honor of the Mattson boy. The parents were invited to attend the ceremonies.

However, all efforts to get passage for Mr. and Mrs. Mattson to Germany had failed and it seemed they would not be able to go.

In a few hours time I was able to cut military redtape and obtain passage for them to Germany, on a military transport.

They made the flight and arrived in time for the ceremony in honor of their son. In this case everyone else had failed to get results.

With that look into the files I would now like to discuss with you two general phases of my work which have a direct bearing on the progress of Minnesota.

As governor of Minnesota I had for years noted the reoccurring floods at Aitkin, Minn.

I had also been concerned about the fertile land around Clearwater, which was being lost because of floods.

When I came to the Senate I was determined to get approval for flood control projects which would eliminate this annual tragedy.

I am happy to say that as a result of my actions, both of these projects have been completed.

To some of you, this may not seem important, but to the many people directly involved it is sometimes a matter almost of life or death.

That brief look into the files gives you an idea of what can be done in cases which affect the lives and welfare of Minnesotans.

Along this line I can report to you, as a member of the Appropriations Committee, that I have had the responsibility of working on bills which authorize expenditures in Minnesota.

As a result, the following sums have been granted: $1,285,000 toward completion of the lower locks in the Mississippi Harbor at Minneapolis; $215,000 was obtained to complete the Duluth-Superior Harbor; and $147,000 was allotted for the Crooked Slough at Winona.

I also initiated the appropriation for $250,000 for the Knife River Harbor.

Other appropriations I passed on will provide funds for the Mustinka River, Sand Hill River, and Rum River projects.

The gradual development of our Minnesota rivers and harbors is an important phase of our commercial growth.

In addition to these projects I also introduced a bill to speed up development and improvement of the so-called connecting channels in the upper Great Lakes.

This is essential if Minnesota is to derive the full economic benefits of the St. Lawrence Seaway project.

I can also tell you that I won my fight for an additional $100,000 to be used to complete a study for the extension of transmission lines from the Garrison Dam on the Missouri River into Minnesota.

When this bill came to the Senate there was a sum of $25,000 slated for an incomplete study.

Here is a project which if handled right will bring an increase in rural electrification into western Minnesota. For some time I have argued for a closed grid loop which would bring the lines from Fargo into Fergus Falls, Benson, and Granite Falls and on into Watertown.

My plan has been to form a partnership arrangement with the rural electric co-ops, the private power companies, and the Bureau of Reclamation joining forces.

There has been politically inspired opposition to this for years.

However, the recent action sustains my thought and the plan is now considered as a model to be used elsewhere in the Nation.

Now let's turn briefly to one other major field of activity—that of Government competition with private business.

This affects every main street merchant in your town.

For years the Federal Government has been expanding its business activity.

Government agencies have set up bakeries, laundries, sawmills, paint manufacturing plants, ropemaking factories, scrap disposal operation, and hundreds of other competing facilities.

During the last 2 years I have led my colleagues in the Senate in a fight to reduce this competition.

The Government Operations Committee in both the House and Senate, the Bureau of the Budget and the Department of Defense have joined in this crusade.

I am happy to report that much progress has already been made.

The Rope Walk in Boston has been closed by the Navy, laundries, bakeries, sawmills, aluminum sweating plants, scrap balers, and other operations have been closed down.

There is much more that must be done and I will continue to take an active and leading part to do what I can to get the Government out of such operations.

There is no excuse for the extent to which this has grown. It means less business for your local businessmen and a loss of revenue to your taxpayers.

In closing I want to remind you of the fine work being done by some of your neighbors in the various agencies of Government.

Governor Harold Stassen has done an outstanding job as Administrator of the Foreign Operations Administration. He is now doing the same kind of job as Director of Disarmament.

Ancher Nelsen as Administrator of REA and Fred Strong, of St. Paul, as his deputy are both contributing to a sound REA program.

Warren E. Burger has won national praise as Assistant Attorney General and now will assume his new role as a judge of the Federal Circuit Court of Appeals in Washington.

Abbott Washburn of Minneapolis is Deputy Director of the United States Information Agency, while another Minneapolis citizen, Bradshaw Mintener, holds the post of Assistant Secretary of Health, Education, and Welfare.

Frank Stone of Waseca was recently appointed General Counsel to the Civil Aeronautics Board.

Stuart Rothman, of St. Paul, is Solicitor for the Department of Labor.

These and many other distinguished Minnesota citizens have contributed much to the success of the present administration.

Our next broadcast will conclude this series of reports on the highlights of the present session of Congress.

In that program I want to discuss with you our foreign policy and the role of the United States in world affairs.

Watch your local newspapers for the time and station and ask your friends and neighbors to join us.

FEDERAL ACQUISITION OF CERTAIN FOREST LAND IN ARIZONA

Mr. GOLDWATER. Mr. President, in the 83d Congress, I introduced a measure which would enable the United States Government to acquire from the Aztec Land & Cattle Co. approximately 98,000 acres which that company owns in the forests of Arizona. These lands are in a checkerboard pattern, and cannot be operated by private interests.

Mr. President, I dislike as much as does anyone in the administration to have the Federal Government acquire further lands, but the administration has agreed that this acquisition is necessary to the orderly and proper operation of the forests.

Last year the bill was passed by the Senate. This year, my senior colleague [Mr. HAYDEN] introduced a similar bill, of which I was a cosponsor; and that bill was passed by the Senate.

Mr. President, the bill has been held up in the House of Representatives, through the lobbying activities of the National Lumber Manufacturers' Association.

I ask unanimous consent to have printed at this point in the body of the RECORD several pieces of correspondence I have had with the National Lumber Manufacturers' Association, a letter from the Phoenix Chamber of Commerce to the national chamber of commerce, a letter to Mr. E. V. O'Malley, president of the O'Malley Lumber Co., in Arizona; and several other letters and telegrams pertaining to the same subject.

There being no objection, the letters and telegrams were ordered to be printed in the RECORD, as follows:

AUGUST 1, 1955.

Mr. LEO V. BODINE,
Executive Vice President, National Lumber Manufacturers Association, Washington, D. C.

DEAR MR. BODINE: In your letter of July 25, with which you enclosed a copy of a letter of June 9 to Congressman ENGLE, you asked for my impressions on the contents of the ENGLE letter. I am glad that you finally have gotten around to asking the views of the original sponsor and present cosponsor of this legislation in the Senate. Had you burdened yourself to that extent earlier, I am sure that you would be a little more enlightened on the subject that your letter to Mr. ENGLE indicates that you are. This, incidentally, would have revealed to you that all of the alternatives that you suggested have been explored to a greater or lesser degree. For instance, for nearly 5 years the State of Arizona has been trying to devise ways that it could purchase these lands, but it is confronted with doubts in its constitution and doubts as to its financial ability. So that you might be made aware of some of the difficulties that private ownership would find, I am attaching to this letter a discussion of this subject by the Department of Agriculture, dated April 29, 1955.

Further in your letter of June 9 to Mr. ENGLE, you put several questions. In these questions you doubt the sincerity of the administration, and you leave me with the impression that you charge the Senate committee with railroading this bill through its committee and the body. A small effort on your part would have shown you that full and complete hearings were held in the 83d Congress and that hearings were held in this Congress, although it was felt that these need not be as extensive as they were before because the record had been made completely and clearly. This action has been approved by the Budget, Interior, and Agriculture and in their approval they clearly state the administration's overall policy but they recognize that this extremely unusual situation demands a deviation from this policy. The peculiar thing about your stand is that you do not seem willing to deviate. This, I feel, comes from either a complete misunderstanding of the problem presented or a bullheaded stand dictated by lumbering interests who are not represented in Arizona, and whose identity we are unable to discover.

I am placing this letter, together with letters and telegrams from Arizona lumber people, in the RECORD, so that you might at your convenience discover the fact that lumbering people in Arizona share your organization's opposition and mine, to the acquisition of additional Federal lands, but that in contrast to you they see the almost impossible situation that would develop if these 98,000 acres of checkerboarded land remain in private hands. This action of yours, that was either prompted by you or by unknown parties in your organization, have done the small lumber mills, and I might say the large lumber mills, also, of northern Arizona a great disservice. You have prevented the passage of this bill, which would merely place the entire matter in the hands of the Reservation Committee for a price determination. You, undoubtedly, derived much satisfaction from this action, but I am sure that those people you have affected in Arizona, who are in the lumbering business, are not at all happy with this type of legislative interference.

Sincerely,

BARRY GOLDWATER.

DEPARTMENT OF AGRICULTURE,

Washington, D. C., April 29, 1955.

Hon. BARRY GOLDWATER,
United States Senate.

DEAR SENATOR GOLDWATER: Reference is made to your request of April 22 that the Forest Service provide you with a statement of some administrative complexities that will be involved in managing the Aztec lands from the private owner's standpoint, and also what, if any, continuing responsibility the Forest Service may have.

Forest Service responsibility ceases completely the day title passes and any contractual relations the Forest Service may have with timber operators, stockmen, or other national forest users become null and void.

Expressed in the simplest terms, the Aztec Land & Cattle Co. will have the same rights and responsibilities on the lands for which they have acquired title as any other private owners of forest and rangelands in Arizona. However, the problems involved in shifting responsibility for management of these lands from a public agency to a private owner will not be simple because of the patterns of public use which have been established and dependencies which have been built up during some 50 years of national forest administration. The problems will be particularly difficult because of the checkerboard ownership pattern.

The extent and nature of the problems that may be encountered will depend in large measure, of course, upon the administrative program the private owner elects to pursue. The following analysis is made upon the presumption that the owner or owners will attempt to utilize the resources of the lands, at least to the extent that they have been used while under national forest administration.

The problems as we visualize them are discussed under appropriate subject headings below:

BOUNDARIES

The problem of establishing accurately the boundaries of each parcel of private land is particularly acute in this case because of their intermingling throughout with national forest lands. The private land owners may need to establish and post the boundary lines around each tract of the private lands in connection with any authorized use that is made of them. For example, before timber is sold on a specific description the limits of the private land area should be established and ownership boundaries appropriately marked.

TIMBER

Preliminary to starting a timber-sale program on the Aztec property, the owners will probably want to divide the property into logical tracts for operation in such a way that the greatest possible return will be received from the units of timber sold. This general operating plan logically should include a timber access road plan to insure that the road construction carried on in connection with the logging operation will be so performed as to economically serve all the timber on the lands in question. For greatest economy of operation, the development and use of roads should be coordinated with the road system which serves the national forest lands.

The owners of the Aztec property may want to give sufficient field study to each unit of timber (or timber and land) prepared for sale to satisfy themselves that their contracts will include adequate safeguards for the protection of the residual land and timber values. A contract form likewise will need to be developed and volume determinations made for the timber being proposed for sale. The volume determinations as a basis for payment can either be made by cruising in advance of sale or by measurement of the timber as it is cut. Timber evaluations will be needed as a guide to negotiations of timber sale contracts. As cutting progresses, administration of the contract will be needed to protect the owners' interest.

The timber stands on the Aztec lands will require constant observation and perhaps some expenditure for protection against insect and disease attacks. In recent years, considerable stumpage losses have occurred in the Aztec zone because of insect activity, particularly on the marginal timber sites. Heavy losses could occur at any time.

ROADS

Certain roads constructed under Forest Service supervision are in place on the Aztec lands and on adjoining national forest sections. We feel that it is desirable from the standpoint of both the Government and the owners of the Aztec properties or their contractors to negotiate equitable cost-sharing agreements to provide for maintenance of the roads which serve both Aztec and national forest lands for timber-hauling purposes.

If purchasers of Aztec timber or other users of Aztec lands desire to construct roads across national forest lands, it would be necessary for them to arrange for right-of-way permits and to comply with the usual

requirements for protection of the national forest lands.

As a basis for planning, timber harvesting, grazing, road construction, and other operations on the lands, accurate maps and perhaps aerial photos would be needed. These are available to the Forest Service and may be sold to the owners of the Aztec properties at cost.

RIGHTS-OF-WAY

There are many established roads on the Aztec lands and there will be a need to enter into appropriate agreements with the owners of the intermingled lands for crossing permits for such roads, and any additional roads or similar facilities that might be required in the administration of the intermingled lands. Handling this type of business will require some time and effort on the part of the Aztec owners.

SPECIAL USES

There are now situated on the Aztec properties numerous facilities developed primarily in connection with the use of the range resources, such as livestock watering tanks, range fences, etc. A cemetery and a schoolhouse are also situated on the Aztec lands. Many of these facilities and improvements were covered by special use permits issued by the Forest Service, but they are no longer in effect. Users of these facilities will doubtlessly desire to continue the use. Aztec will be confronted with the problem of what to do about these various occupancy situations. They may want to cover them with formal leases. This is, in our view, a minor problem, but being of considerable importance to the users will require considerable administrative time and effort.

WILDLIFE

The administration of wildlife resources on the Aztec lands poses no particular problem unless the owners desire to attempt to recover some values from wildlife use, in which event they will be required to comply with Arizona law relative to legal advertising and posting of the boundaries. Having done this, they will be in a position to issue permits for hunting and to make charges therefor.

LIVESTOCK GRAZING

Because of the lack of boundary fences between national forest and Aztec land, the owners of the Aztec properties will be confronted with a special problem in selecting their grazing lessees. In States having open-range laws, as in Arizona, the burden is on the private landowner to keep livestock owned by others off his lands, whereas this is not true with reference to Federal lands. As to Federal lands, the burden is on the livestock owner to keep his livestock from trespassing on Federal lands. Except in limited instances, fencing of the boundaries of the Aztec lands would be entirely impractical because of the cost of the fencing itself and because of a dearth of stock water in the area in question.

Selection of grazing lessees on the private lands would have an important bearing on whether or not harmonious use of the intermingled Aztec and national forest lands could be established. A disregard for the present user, a lack of consideration for soil and forage resource, and failure to achieve coordinated administration would lead to immediate chaotic conditions. A serious trespass situation could arise, unless the permit or lease system is handled properly, causing serious difficulty among the stockmen and all land owners involved. In this case, the Aztec owners can, of course, select their own lessees and prescribe the rates to be charges for the use of their forage. The Forest Service would continue to exercise the right to determine the number of livestock to be permitted on the national forest lands within each allotment. A cooperative agreement providing for the administration by the Forest Service of the joint livestock use within the safe grazing capacity might be worked out on an equitable cost-sharing basis.

FIRE PROTECTION

Transfer of title to the lands from the Federal Government to Aztec releases the Federal Government from its responsibility in the protection of these lands from fire.

Under Arizona law the owners of private lands are not required to protect their lands. However, the owner may be liable for suppression costs and damages to property of others resulting from fires carelessly or negligently caused by the owner's employees or agents. They may also be held responsible for damage to adjacent property resulting from other fires if such fires are allowed to spread from their lands to the property of others through negligence or carelessness.

Because of the timber values involved on the Aztec lands the Company will undoubtedly want to provide protection of the property from forest fires even though not required to do so by law. This could be accomplished through cooperative arrangements with the Forest Service under which the Company would pay the Forest Service for protecting their lands at a rate per acre equivalent to the cost to the Forest Service of protecting lands of similar character.

I trust that the foregoing will provide you with the information you desired. In the event that we can be of further assistance, please feel free to call upon us.

Sincerely yours,

E. L. PETERSON,
Assistant Secretary.

JULY 13, 1955.

Mr. RICHARD W. SMITH,
Manager, Natural Resources Department, Chamber of Commerce of the United States, Washington, D. C.

DEAR MR. SMITH: Please excuse the delay in writing you finally in answer to your letter of June 24 regarding the purchase of certain lands in Arizona owned by the Aztec Land & Cattle Co. I have been out of town considerably since your letter was received which accounts for the delay in reply.

The Aztec lands, which consist of some 98,690 acres, located chiefly in the Sitgreaves National Forest and the Coconino National Forest, were originally part of the grant of public lands to the Atlantic & Pacific Railroad, as an aid to the construction of the railroads. The grant was of odd-numbered sections within specified limits adjoining the road called the "place" lands, with provision for the selection of other odd-numbered sections in further limits called the "indemnity" lands. In 1886, Atlantic & Pacific executed a contract for the sale to the Aztec Land & Cattle Co. of a little more than 1 million acres, comprising all the odd-numbered sections of both place and indemnity lands within certain boundaries for a price of 50 cents per acre.

Among the lands covered by this contract were the 98,000 acres involved in the present bill, which were described by section numbers, even though they were unsurveyed. The following year, a selection of indemnity lands, including these 98,000 acres, was filed but was rejected by the Secretary of the Interior, because the lands had not been surveyed. The further facts leading up to the decision of the circuit holding that 98,000 acres belonged to the Aztec Land & Cattle Co. are not particularly material at this time. The fact remains, however, that Aztec does have title to the lands in question.

On August 17, 1898, the 98,000 acres were withdrawn by executive proclamation as a part of the forest reserve, and they have been so administered for many years, having been included in the Coconino and Sitgreaves National Forests. The lands have, under the Forest Service, been operated under a sustained yield production program, which is extremely important to the economic and social stability in the part of Arizona in which they are located. The continued private ownership of these lands would probably result in cutting of the timber and would seriously threaten the economy of the area. S. 55 was introduced by Senators HAYDEN and GOLDWATER to purchase for the United States these 98,000 acres and restore them to the Forest Reserve. The loss to the watershed in the area in which the lands are located would be immeasurable if the timber on the lands is removed by other than a sustained yield process. S. 55 was introduced Jan. 6, 1955, and was favorably reported by the Senate Interior Committee on May 23, 1955. The original bill provided for a maximum payment of $7,409,263 as the value of such lands, and this part of the bill was amended to read that the payment should be such amount as may be determined by the National Forest Commission to be the fair value of such lands, provided that such amount shall not be in excess of $7,409,263. The amended version of the bill passed the Senate on May 26, 1955. The bill is presently pending before the House Interior Committee and its outcome at the present time is very doubtful.

The reason that S. 55 was introduced by Senators HAYDEN and GOLDWATER, of Arizona, was not to further increase the Federal holdings in Arizona, but it was done merely to protect the economy of the State of Arizona through the retention of the watershed, mineral, timber, and animal life values contained in these 98,000 acres.

The big problem in the Aztec land legislation is the fact that the Forest Service appraisal does not coincide with that of the General Accounting Office, which makes it very difficult for Congress to decide just how much the 98,000 acres are worth. Aztec, as the owner of the property, is actually the one who sets the price and whether or not they will see fit to accept the amount of the congressional appraisal, still remains to be seen.

There appears no doubt but what in this complicated situation that if there should be a continued private ownership of the lands in question, the economy of the area involved and Arizona's economy, too, would be seriously impaired. Therefore, the Phoenix Chamber of Commerce, without any pressure from any group, feels earnestly that S. 55 should be enacted. We have had no pressure put on us by the Forest Service to support this measure.

We quite understand the position of the Chamber of Commerce of the United States in opposing legislation involving continued acquisition of land by the Federal Government. That principle is a sound one in our opinion and, broadly speaking, should be maintained. However, as has been previously stated, we find here a situation which could be very hurtful to the economy of this State. Therefore, we feel that an exception to this broad and desirable policy should be made in this particular case for good and sufficient reasons.

Appreciate your writing us so frankly on this subject, and we would hope the natural resources department of the Chamber of Commerce of the United States would see this proposal our way and not intervene in opposition to S. 55 while the measure is before the House.

Sincerely,

LEWIS E. HASS,
General Manager.

JULY 18, 1955.

Mr. E. V. O'MALLEY,
President, O'Malley Lumber Co., 342 West Madison Street, Phoenix, Ariz.

DEAR TED: I had a matter to discuss with you concerning the National Lumber Manufacturers Association while you were here, but time just didn't present itself.

On June 9, this organization wrote a letter to the House Committee on Interior and Insular Affairs wherein they objected to the passage of the Aztec Land & Cattle Co. bill. This is a bill, as you know, to acquire for the Federal Government those lands now owned by this organization. I think it is rather unusual that an organization of this stature would not sometime during the course of this legislation have called upon the sponsors of this bill in the Senate. The Vice President's letter makes many statements that certainly would not have been made had a little effort been expended to find out what had been done on this measure and what was the philosophy behind it.

I dislike the Federal Government's acquiring more land just as much as any member of this organization, in fact, probably a little bit more, but in this particular case the State of Arizona refused to do it, and because loyal Arizonians cannot raise sufficient money to do it, and because I can easily foresee dozens of difficulties by this land remaining in private hands, I prevailed upon the administration to make an exception to its policy in this instance. Thorough and extensive hearings were held last year, all of which Mr. Bodine could have had for the asking. Then he would have understood that there was no need of repeating this effort this year.

I write you this because I know you are a member of this association, and because I think your association at the Washington level handled this in a peculiar and unusual way. You might tell Mr. Bodine that I am not a New Dealer. I am not possessed of a set of horns and that I dislike public ownership of anything as well as he does, but that I feel in this case an exception was warranted.

With best regards, I am

Sincerely,

BARRY GOLDWATER.

JULY 26, 1955.

E. V. O'MALLEY,
Care of O'Malley Lumber Co.,
Phoenix, Ariz.:

Could you ascertain by telephone today the position of Arizona lumber people on the Aztec Land & Cattle Co. bill which would allow the Federal Government to purchase these lands and place them in the national forest. Reason for this I feel Arizona lumbermen favorably inclined toward this measure which would be at variance with National Lumber Manufacturers Association whose stand on this is not only unfavorable but is taken without due consultation with the State of Arizona.

BARRY GOLDWATER,
United States Senator.

THE O'MALLEY LUMBER CO.,
Phoenix, Ariz., July 25, 1955.

Hon. BARRY GOLDWATER,
United States Senator,
Senate Office Building,
Washington, D. C.

DEAR BARRY: I have your letter of July 18 together with a copy of the National Lumber Manufacturers Association letter addressed to Congressman CLAIR ENGLE relative to the purchase of the Aztec Land & Title Co. land by the United States Forest Service.

First of all, my reactions to this proposed transaction are identical with yours and from the research we have made so far, the concensus of opinion indicates that the industry in this State by and large agree with us. I am, naturally, opposed to the further acquisition by the Federal Government of our country's lands, but I believe this purchase will merely be to firm up what has always been considered a United States forest as it has been managed by them for many years. This is indeed a special circumstance, probably never to be encountered again.

We are not members of the National Lumber Manufacturers Association but are members of an active participant in the National Retail Lumber Dealers Association; James C. "Jay" O'Malley is a member of the executive committee of the national board of directors. None of our manufactured lumber goes on the market through out retail yard outlets since it is used by our planing mill and box-factory operations; because of this, we have always believed we were not qualified for membership in the NLMA.

We have dealt with the United States Forest Service for these many years and are convinced that they are doing a marvelous job. All our sawmill operations, under the name of Southwestern Sash & Door Co., are either cutting on the national forests or on an Indian reservation under United States forestry supervision. We believe their management and knowledge of the forests are essential to the good of all the people and that they in no way hinder the operation of private enterprise, but rather keep it competitive and well regulated. Their splendid fire-control organization and road-building ability, together with thorough grazing regulations (with an eye to the protection of our water sheds), makes them an unbiased, farsighted organization that is a credit to our Government.

Immediately after showing your correspondence to Jay, he started an investigation into the background of the National Lumber Manufacturers Association letter and we will have enlightening facts for you in the very near future.

On Saturday, July 23, Jay talked with the chief representative of the Southwest Lumber Mills (the State's largest lumber producer) and found him to be in accord with our thinking and directly opposed to the resolution of the NLMA as presented by their vice president, Mr. Bodine.

Barry, we want to go on record as favoring—in fact, as directly supporting—your bill. We will endeavor to follow up our support by enlightening the membership of the Arizona Retail Lumber & Builders Supply Association (Gus Michaels, secretary) to the end that they resolve in favor of your efforts. We will also explore the possibility of having our Washington vice president of the retail dealers contact Mr. Bodine (they have a very close personal relationship) to put him straight on our attitude. You will be advised of our progress.

Sorry we have been so late in waking up to this situation but you may depend on us from here on out until the passage of the bill.

Very sincerely yours,

E. V. O'MALLEY,
President.

FLAGSTAFF, ARIZ., *July 26, 1955.*

Hon. BARRY GOLDWATER,
United States Senate,
Washington, D. C.:

We think best for all that the United States Forest Service should manage the Aztec land and timber proposition.

Kinds regards,

ARIZONA LUMBER & TIMBER CO.
J. C. DOLAN, *President.*

FLAGSTAFF, ARIZ., *July 27, 1955.*

Hon. BARRY GOLDWATER,
United States Senate,
Washington, D. C.:

We are in favor of H. R. 2887.

OAK CREEK LUMBER CO.

PHOENIX, ARIZ., *July 26, 1955.*

Senator BARRY GOLDWATER,
Senate Office Building,
Washington, D. C.:

This company has favored and now favors the acquisition of Aztec lands by the United States as proposed by H. R. 2787. We will do any proper thing to accomplish such acquisition.

J. B. EDENS,
President, Southwest Lumber Mills, Inc.

FLAGSTAFF, ARIZ., *July 26, 1955.*

Hon. BARRY GOLDWATER,
United States Senate,
Washington, D. C.:

We think best for all that United States Forest Service should manage the Aztec land and timber proposition.

Kind regards,

ARIZONA LUMBER & TIMBER CO.,
A. C. DOLAN, *President.*

WINSLOW, ARIZ., *July 26, 1955.*

Senator BARRY GOLDWATER,
Senate Office Building,
Washington, D. C.:

We urge you to support the acquisition of the Aztec land by the Forest Service which we consider is best for the total economy of Northern Arizona.

NAGLE LUMBER & TIMBER CO.,
MRS. GEORGE H. NAGLE, *Owner.*

WILLIAMS, ARIZ., *July 26, 1955.*

Hon. BARRY GOLDWATER,
United States Senate,
Washington, D. C.:

We are in favor of H. R. 2787.

HAINING LUMBER CO.

PHOENIX, ARIZ., *July 26, 1955.*

Hon. BARRY GOLDWATER,
United States Senator,
Senate Office Building,
Washington, D. C.:

We are in complete accord with House bill H. R. 2787, allowing the Forest Service to purchase the lands of the Aztec Land & Cattle Co.

SOUTHWESTERN SASH & DOOR CO.,
N. C. PIERCE, *President.*

TUCSON, ARIZ., *July 27, 1955.*

Hon. BARRY GOLDWATER,
Washington, D. C.:

Board of directors Arizona Retail Lumber and Builder Supply Dealers in session Tucson today unanimously endorse your position on legislation calling for purchase by Federal Government of Aztec Land & Cattle Co. holdings.

J. Knox Corbett, President; James C. O'Malley, National Director; Wm. C. Beal, State Director; Frank Harvey, Henry Balbraith, Floyd B. Olsen, Paul L. Oynd, Phoenix; S. A. Douglas, Edgar Petty, Neal Waugh, Chet Brown, Joe Salters, Tucson; W. C. Katchersid, Prescott; Larry Larson, Case Grande; G. R. Michaels, Secretary.

AID TO UNIONS TO RID THEMSELVES OF COMMUNIST DOMINATION

Mr. GOLDWATER. Mr. President, in the 83d Congress, Representative JOHN J. RHODES, of Arizona's First District, introduced in the House of Representatives and I introduced in the Senate proposed legislation to enable the Department of Justice to give to the unions of this country a method for ridding themselves of Communist domination. Of course, in my own State of Arizona we had a good example of that situation, in the case of the International Union of Mine, Mill, and Smelter Workers.

I am happy to report that under this measure, which was passed by the 83d Congress, the Department of Justice has instituted proceedings against that Communist-dominated union. I ask unani-

mous consent to have printed at this point in the RECORD an editorial entitled "On the Red Trail," published in a recent edition of the Arizona Republic.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

ON THE RED TRAIL

United States Attorney General Brownell has formally charged that the International Union of Mine, Mill, and Smelter Workers is Communist-dominated. This will hardly come as a surprise to anyone acquainted with the Mine-Mill record. The union was kicked out of the Congress of Industrial Organizations when it refused to get rid of its Red leadership. Two of its top men are being prosecuted by the Justice Department in connection with their Communist activities.

Mr. Brownell's charges have been brought under the Communist Control Act passed in 1954. The law is intended to prevent Communist-controlled unions and business organizations from using the services of the National Labor Relations Board. The charge against Mine-Mill will be heard by the Subversive Activities Control Board. That undoubtedly will be a lengthy procedure, requiring 3 or 4 months at a minimum. But if Mr. Brownell can make his charges stick, the Mine-Mill Union will find itself deprived of the privileges given most unions. If that happens, the rank-and-file members—including some 4,500 in Arizona—may see fit to get their union out from under Red control.

Of much more immediate interest however, is the month-old strike by Mine-Mill against Arizona copper companies. Phelps Dodge copper mines at Morenci, Douglas, and Bisbee, have been closed since July 1, and contract negotiations are on dead center. The union rejected a P-D package offer amounting to a boost of 15 cents an hour. According to P-D officials, Mine-Mill workers have gone over the heads of union officials and voted to accept smaller increases in other States. Even before the strike, the copper mines paid the highest wage scale of any industry in the State, P-D says its workers, in the 6-month period before the strike, averaged $105 a week.

We don't know whether Phelps Dodge can, or should, increase its offer. But we do know that the workers, the State, and the Nation will be better off when the Mine-Mill Union shakes off its Communist leadership. We hope the Attorney General's charges will lead to that action.

THE SCIENCE OF PRODUCING GOOD SCIENTISTS

Mr. SMITH of New Jersey. Mr. President, in the New York Times of Sunday, July 31, there appeared a very interesting article by Dr. Alan T. Waterman, noted physicist and director of the National Science Foundation entitled "The Science of Producing Good Scientists."

In this article Dr. Waterman notes the tremendous strides being made by the Soviet Union in training scientists and engineers while our training in these fields is lagging seriously.

I ask unanimous consent that this article be printed in the RECORD at the conclusion of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE SCIENCE OF PRODUCING GOOD SCIENTISTS

(By Alan T. Waterman)

WASHINGTON.—However backward Soviet technology may have been in the past, it is increasingly clear that today Russia is developing nuclear weapons, jet aircraft, armored vehicles, and other materiel that compare favorably with our own. Behind this growing Soviet firepower is growing scientific and engineering manpower. What is especially disturbing is the fact that, while the potential for Russian technological development is on the increase, America's is in danger of a decline, as shown in the falling number of young persons being graduated with bachelor's and advanced degrees in science and engineering. We are lagging in this field at the very time we need such graduates most.

This table shows the extent of the deficit within a span of five graduations:

	1950	*1955*
Natural science graduates	59,000	29,000
Engineering Graduates	52,000	22,000

The record total of graduates in these categories in 1950 is largely the result of the GI bill of rights and of the number of students completing higher education that was interrupted by the war years; it shows what we can do. The substantially lower figures for the years that follow represent a serious handicap to the full development of our national strength.

A comparison of the Russian output of engineers for approximately the same period—54,000 currently, as against 28,000 in 1950—indicates that their rate of output has nearly doubled. At this pace they will soon surpass us in the number of technically trained persons. The Russian educational system is so different from ours that exact comparisons in the numbers of scientists is not possible, but there is every reason to believe that they are producing these at an accelerated rate also.

Part of the present drop in the number of United States graduates in science and engineering is the result of the low birth figures for the depression years. The fact is that there are not going to be enough teachers and experienced research investigators to train the oncoming generation of scientists and engineers when the youngsters resulting from the high birth rates of the forties enter college in a few years.

The strength of American manpower in science and technology is preeminently a matter of national interest. Defense needs, centering in military research and development, attract the most attention, but actually our entire economy is dependent upon a relatively small group of about 650,000 engineers and 200,000 scientists. To them we look for progress all along the industrial front, for improvement in our communications and transportation, for answers to the unsolved riddles of disease.

The need for people with these crucial skills is widely recognized; the problem now is how to meet it. An adequate approach to the task calls for a comprehensive program with four main areas: increasing the broad base of our educated population from which scientists and leaders in other fields must come; locating and attracting into the sciences youngsters with special aptitudes in that direction; improving the quality of instruction in the secondary schools; developing an appreciation of pure research as the foundation of our strength in science. Above all, we must strive for a climate of opinion that will be favorable to our intellectual as well as creative activities.

In any discussion of developing scientific talent the basic fact is that we are failing to draw upon the group from which intellectual leadership must come, not only in science but in all fields. We have done a splendid job of educating our boys and girls through the high-school level but we are neglecting to educate adequately the majority of our gifted students.

According to recent studies of the Commission on Human Resources and Advanced Training, only about 152,000 of the 2,200,000 persons reaching the age of 18 each year achieve a score on intelligence tests indicating an ability substantially higher than that of the average college graduate. Although nearly all of this especially talented group finishes high school, only slightly over half enter college. Fewer than half finish college, and under 2 percent receive Ph. D. degrees. The commission devoted 5 years of intensive study to America's resources of specialized talent, and thus is well qualified to point out that "giving a college education to only half of the potentially most promising 7 percent of the Nation's youth constitutes a gross underutilization of some of its highest talent."

In stressing the need for advanced training for those who have high intelligence and special aptitudes, I do not wish to imply that able boys and girls have to go to college to make their mark in the world. The success stories of men and women who have risen to greatness without the benefit of special training and education are a cherished part of our American tradition. Nevertheless, the increasing complexity of modern science and technology demands not only a high level of intellectual ability but a number of years of advanced training of a highly specialized nature.

Because scientific and educational leaders feel strongly that the problem of finding talented youngsters with a bent for science and technology is crucial, the National Science Foundation has asked the College Entrance Examination Board to investigate the aptitudes, the career motivations and lack of motivations of students graduating from high school. The College Board study will assist us in determining what may be done to attract into college boys and girls of high ability who presently have no plans for, or interest in, obtaining training beyond high school.

Other steps are being taken to enable promising students to acquire advanced education. For example, a number of industrial organizations have pioneered in the award of scholarships and fellowships. The Westinghouse science talent search among high school seniors attracts nationwide attention every year. The Union Carbide & Carbon Corp. maintains a large scholarship program, not limited to science. Fellowships in the natural sciences are awarded each year by Merck & Co., Du Pont, Bell Telephone Laboratories, Gulf Oil Corp., Eastman Kodak Co., and others.

The National Science Foundation established by Congress in 1950 primarily for the purpose of supporting and encouraging basic research and education in the sciences, awards approximately 700 fellowships a year to students of science who compete nationally on the basis of ability. This program helps to increase the supply of scientists at the Ph. D. level, and also assists a small number of postdoctoral fellows to advance their training.

The second consideration in enlarging our scientific resources—the quality of instruction—is tied in with the greatly expanded school enrollments that can be foreseen for the next few years. We know now that these enlarged enrollments will severely strain our entire educational system. We must therefore build up the numbers of those who devote themselves to science teaching. As an indication of where we stand now it is enough to say that last year, of the 3,641 people graduated from our colleges who have completed certification requirements to teach high school sciences, fewer than half are actually teaching, and it is not known whether they are teaching science.

Planning for increases in the numbers of teachers in science and mathematics must go hand in hand with improvements in the caliber of teaching. Here the Federal Government can help only in a limited way. But one technique the Foundation has

found valuable is a series of summer institutes for college teachers of science at which noted scientists lecture on current research in their own field—biology, mathematics, chemistry, physics, etc. Similar conferences for high school teachers are being added as funds permit.

Industry can help by inviting teachers to visit research laboratories and by placing local teachers in technical jobs during the summer months. Large universities may be of assistance to the smaller colleges and secondary schools in their areas by inviting science teachers to lectures and symposiums on science, by the loan of books and equipment, and so on.

The quality of the students and the standard of instruction are only two of the factors in the complicated equation of a national policy regarding science. Another is scientific research.

Science advances through two kinds of effort; basic research and applied research. In basic research, we are seeking to discover the fundamental laws of nature that govern the universe. Such studies range all the way from the search for new worlds through giant telescopes to the efforts to understand the nature of the nucleus of the atom.

The second method by which science advances—applied research—is much more closely related to everyday experience. Its fruits are abundantly evident. Americans have more automobiles, television sets, refrigerators, air conditioners, and the like than anybody else. They may possibly feel, with some justification, that American technology is second to none—but they tend to forget sometimes that many of the fruits of modern technology stem from fundamental discoveries made in other countries.

Financial support of research and development in the United States has shown a marked increase. National expenditures went up from about $900 million in 1941 to approximately $4 billion in 1953. There has been a comparable rise in the funds expended by the Federal Government for this purpose. Since the beginning of the fiscal year 1940, the Federal Government's expenditures for research and development have increased twentyfold.

The programs of the Federal Government not only provide support for a number of worthwhile research projects in a wide variety of fields, but they also help young scientists to acquire the techniques of research under the guidance of experienced investigators. (Probably no factor figures so strongly in the development of young scientists as the inspiration that comes from association with a first-rate mind. One finds among Nobel prizewinners in science, for example, case after case where both teacher and pupil became laureates.)

Yet an analysis of the figures will show that an overwhelming proportion of the money—roughly 93 percent—is spent on the applications of science, and only the remaining 7 percent on basic research. Although some 20 of the 56 departments and agencies of the executive branch of the Government allocate funds for scientific research and development, the Department of Defense administers about three-fourths of the total. Only 2 of the 20 agencies—the National Science Foundation and the Smithsonian Institution—use their total research funds for basic research.

We should take immediate steps to compensate for our relative neglect of basic science, to assure maximum progress in this important asset to our national strength and welfare and to expand and strengthen the training grounds for our manpower. We cannot expect to continue harvesting technological achievements without planting and nurturing the seeds from which these spring.

The social and intellectual climate in which our scientists work exerts a strong influence upon the number and the quality of the scientists one may expect to find in a given society. This does not mean that scientists should have special privileges and special treatment; nothing could be further from the thoughts of scientists, for the whole process of science is essentially and necessarily democratic.

But there is a great danger—to which all scientists are alert—in any type of pressure—economic, political, or otherwise—which attempts to channel their thinking or modify their conclusions for any reason whatever. The western scientific world is convinced that this philosophy, so closely related to the democratic principles that underlie our Government and our institutions, constitutes the most important element in scientific progress.

We must recognize that the United States has not achieved the tradition of respect for learning in all fields that is so much a part of the culture of other peoples. The great scientists that the United States has produced have enjoyed nothing like the honor and esteem accorded their European or Asian contemporaries. Two years ago when I was in Japan to attend an international conference on theoretical physics, I was surprised and touched to learn that a part of the administrative expenses of the conference had been met through the subscriptions of schoolchildren.

We should be especially mindful of trends that tend to isolate American science from the rest of the world, for science thrives on the free exchange of ideas. Our present strength in basic research owes a great deal to foreign scientists who came here to enjoy not only the economic and political blessings that this country affords but also the opportunity to work in the atmosphere of intellectual freedom that scientific research requires. We should take care that they are not disillusioned.

The present immigration and naturalization laws have in several instances deprived the United States of the presence and participation of foreign scientists in conferences. As a consequence, there is a tendency, deplored by the entire scientific community, for international and scientific congresses and conferences to avoid the United States as a meeting place because of the obstacles to visits interposed by the immigration and visa requirements.

It is also regretable that, at the very time when the Russian language is rapidly catching up with French and German as a leading language of science, woefully few American scientists are acquiring proficiency in it. For science is never nationalistic in the sense that art or literature can be. In solving a major scientific puzzle one can never be sure by what country or what individual the final missing piece may be supplied.

When all is said, many things can be done to reach the desired goal. We cannot, of course, legislate creative scientists into being—just as we cannot produce a certain number of musicians and poets by decree. But we can act—as individuals and through our representatives on the Federal, State and local levels—to strengthen the educational system from which our scientists and engineers will be drawn. And we can definitely devise and take appropriate measures to attract, encourage and properly train for scientific careers the boys and girls with special aptitudes along those lines. We must never forget that "a man of knowledge increaseth strength."

ORME LEWIS

Mr. SMITH of New Jersey. Mr. President, I noticed in the CONGRESSIONAL RECORD for last Friday a very fine and well-deserved tribute paid by the distinguished Senator from Arizona [Mr. GOLDWATER] to Mr. Orme Lewis. As we all know, Mr. Lewis has been Assistant Secretary of the Interior, and his term of service has come to an end. He is leaving the Government.

I wish to add my word to what the Senator from Arizona said last Friday in warm commendation of Mr. Lewis' record, and all he has done for the Government during the term of his service, and to express my own regret that he felt it necessary to leave the service.

Mr. KUCHEL. Mr. President, I wish to associate myself with the comments which the distinguished and able senior Senator from New Jersey [Mr. SMITH] has just made regarding Orme Lewis, a native-born Arizonian, who has served with great distinction in the Department of the Interior as Assistant Secretary. I have had the privilege of working with Mr. Lewis on many occasions professionally, with respect to problems of the Department of the Interior in connection with the State which I have the honor in part to represent. It is a distinct loss to the Government that Orme Lewis now finds it necessary to leave the Federal service in order to return to the private practice of law in his home State. I wish him well and Godspeed.

Mr. ALLOTT. Mr. President, I should also like to associate myself with the remarks of the Senator from New Jersey and the Senator from California with regard to Mr. Orme Lewis.

It has been my pleasure to know him for many years as a lawyer, and to have worked with him in the Department of the Interior. It is truly regrettable that at this time he should find it necessary to return to his home and resume the private practice of law. I certainly would not want this occasion to pass without paying my respects to him for the wonderful job he has done, and to offer in some small way the thanks of the people of the country for the services he has rendered in the Department of the Interior.

PERMISSION TO PRINT MATTER IN RECORD AFTER ADJOURNMENT—SUMMARY OF SENATOR WILEY'S WORK IN 1ST SESSION, 84TH CONGRESS

Mr. WILEY. Mr. President, after each session of the Congress, I have reported to the people of my State regarding my activities on behalf of the State and the Nation. It is my intention once more to do so in connection with the 1st session of the 84th Congress.

Mr. President, I ask unanimous consent that there be printed in the final edition of the RECORD material which I am preparing, and also a summary by me on the subject of the challenges to Wisconsin and the Nation which lie ahead.

The PRESIDENT pro tempore. Without objection, the request of the Senator from Wisconsin is granted.

THE CAPITAL TRANSIT STRIKE

Mr. ALLOTT. Mr. President, I invite the attention of Senators who are in-

terested in the Capital Transit strike situation to the fact that there has been commenced in the Federal court in the District of Columbia a suit by George R. Tucker, Jr., against the Capital Transit Co., the Amalgamated Union, the Public Utilities Commission, the District of Columbia Commission, and Mr. Wolfson, in an attempt to procure the appointment of receivers in behalf of Mr. Tucker and others of his class.

This action is what is commonly known as a class court proceding. Mr. Tucker has brought this suit for himself and others, as riders and users of the Capital Transit system. I believe this situation will bear watching very closely by all Members of the Senate.

TRANSMISSION LINE FOR PROPOSED HARVEY ALUMINUM PLANT AT THE DALLES, OREG.

Mr. NEUBERGER. Mr. President, I should like to ask the distinguished senior Senator from Arizona [Mr. HAYDEN], chairman of the Appropriations Committee, a question or two.

The PRESIDENT pro tempore. Without objection, the junior Senator from Oregon may proceed.

Mr. NEUBERGER. I invite the attention of the able Senator from Arizona to the fact that there is a great deal of disappointment in the Pacific Northwest generally, and particularly in the State of Oregon, over the fact that the $2,038,000 appropriation for the transmission line to serve the proposed Harvey Aluminum Co. plant at The Dalles, Oreg., was deleted in the conference between the two Houses.

I realize that this was done over the objection of the Senator from Arizona. I should like to ask the distinguished Senator a question. It is my understanding that the Harvey Machine Co., which at present holds a contract with the Government for the sale of power from the Dalles Dam to energize an aluminum smelter, might be willing to install the necessary substation and transmission lines to serve that plant, and to amortize such investment through its power rate with the Bonneville Power Administration.

Mr. HAYDEN. Mr. President, did I correctly understand the Senator to say that the company itself is willing to put up the money to build the substation and the transmission line, and then be reimbursed out of what it would otherwise have to pay for the cost of power?

Mr. NEUBERGER. That is my understanding, through representations which have been made to me.

Mr. HAYDEN. Some question was raised in the conference committee as to whether the company was sincere in its desire to undertake this work. What the Senator has said, I think, is the best proof that could be offered that the company is sincere. If it is willing to put up the money itself, I cannot see how the Congress or the Appropriations Committees could object. It would save appropriating taxpayers' money at this time.

Mr. NEUBERGER. I thank the distinguished Senator. I know that he agrees with my senior colleague and me that it would be desirable not only to have a new industry in the Pacific Northwest, but to have competition in an area of production so vital to the economy of the entire United States as is aluminum.

Mr. HAYDEN. I think that phase of the question is obvious. The more industries we can get to engage in the business of producing aluminum the better off we will be.

Mr. MORSE. Mr. President, I should like to take a moment or two to comment on what the Senator from Arizona has just said.

The PRESIDENT pro tempore. Without objection, the senior Senator may proceed.

Mr. MORSE. I thank the senior Senator from Arizona for his reply to the question of my colleague [Mr. NEUBERGER].

I want the RECORD to show that over the weekend the two Senators from Oregon have received a considerable number of long distance telephone calls from the State, expressing keen disappointment over the fact that funds for the transmission line which would serve the Harvey plant had been dropped from the appropriation bill as a result of the conference between the two Houses.

I have explained that the Senate conferees fought for that item in the conference, but that the objections came from the House side.

I have also referred to the statement of the Senator from Arizona on the floor of the Senate on Saturday that some question was raised in the conference by the House conferees concerning whether or not the Harvey Co. really intends to go forward with a plant at The Dalles. As was stated by the Senator from Arizona, some of the House conferees pointed out that the Harvey Co. had a somewhat similar project in Montana, and that after funds had been appropriated or earmarked for the development of that project, they sold out the project to the Anaconda Co.

I want the RECORD to show I am satisfied that the Harvey Co. is acting in absolutely good faith in its plans to develop the plant in Oregon. I am also satisfied that whatever the company did in Montana was a perfectly proper and honest transaction. It was not designed to take advantage of the Government in any way.

What I should like to stress this morning is that Oregon needs the Harvey aluminum plant in Oregon. Oregon needs it from the standpoint of economy of the State. The aluminum industry needs it from the standpoint of production in the industry. If it can be worked out by way of legislative history that there would be no objection to the Harvey Co.'s going ahead with the building of the substation itself, so as to carry out its contract with the Government, I believe there would be a good chance that the Harvey Co. would do that.

However, I want the RECORD to show that the Harvey Co. has a contract with the Government, and the Government may be confronted with a suit for damages because of its obligation to supply the company with a transmission line which will make it possible for the company to get the power it needs. If the proposed alternative were followed, with the Harvey Co. building the substation and line, and the cost then being amortized out of the power rates, all would be served well, and this very troublesome question would end to the benefit of all.

I appreciate the cooperation which the Senator from Arizona [Mr. HAYDEN] has given to the two Senators from Oregon in connection with this subject. He supported us on the item in the first instance, he fought for the appropriation in conference, and this morning he has made clear the very narrow and limited basis of objection in conference to the item. I understand no one objects to the item if the plant is built and the Harvey Co. actually operates the plant.

Mr. HAYDEN. That was the sole question. We could see no better evidence of good faith than for the company to be willing to put up the cash.

Mr. NEUBERGER. I join my senior colleague in expressing appreciation to the able Senator from Arizona.

THE BUDGET AND THE DEFICIT

Mr. ALLOTT. Mr. President, on Tuesday, July 26, a colloquy took place between the Senator from Arizona [Mr. GOLDWATER] and the Senator from Alabama [Mr. SPARKMAN] on the subject of the deficits of our Government. I ask unanimous consent to have a statement prepared by me on this subject and an analysis appear in the RECORD at this point in my remarks.

There being no objection, the statement and analysis were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR ALLOTT

I was interested in the remarks which were made here in the Senate Chamber on Tuesday by the distinguished junior Senator from Alabama. The Senator quoted from the remarks which he had made earlier this year at the hearings at which Secretary of the Treasury George M. Humphrey appeared. I quote from the remarks of the Senator, addressed to the Secretary, as they appear in the RECORD of July 26, at page 11477.

"During the 7 years the Democrats were in control of the Government, following the end of the war, we had a cash balance budget 5 times, and we had an actual budget balance—an operating budget balance—3 times; and we collected an excess of $17 billion."

Later on, as reported on page 11479, the Senator said: "From the end of the war until the Republicans took over, in 3 of the 7 years the budget was actually balanced and we had a surplus of $17 billion. We had a cash budget balance in 5 of those 7 years."

While it is true that there were 5 surpluses and 2 deficits during the 7 years to which the distinguished Senator referred, amounting to an accumulated surplus of $17,623,000,000, it must be borne in mind that the cash budget is not as realistic as is the budget which takes into account all of the receipts and expenditures of the National Government. If we proceed on the more realistic basis, the fiscal picture painted by the distinguished junior Senator from Alabama becomes considerably splattered with red ink.

As a matter of fact, if we do a little research, Democratic controlled Congresses have only balanced the budget 5 times in the 100 years since the present two-party system

came into existence. During that period of a century, running from fiscal 1856 to fiscal 1955, there have been 53 budget surpluses. Republican Congresses were responsible for 31 of those surpluses and divided Congresses, in which the Republicans controlled one branch and the Democrats the other, were responsible for 17 surpluses. Of the 47 deficits which were incurred during that century, Democratic Congresses were responsible for 25, Republican Congresses for 17, and divided Congresses for 5.

Since fiscal year 1856, the total overall deficit for which Democratic Congresses are responsible is $269,247,000,000. The total overall deficit for which divided Congresses are responsible is $4,409,000,000. By contrast, Mr. President, Republican Congresses are responsible for an accumulated surplus of $5,281,000,000, during those years since 1856. I want to make it clear that for the purposes of this statement, the term "surplus" refers to the situation where the actual receipts of the Federal Government exceed the actual expenditures. Those are Department of Treasury figures, and not figures showing appropriations, but rather expenditures compared with receipts to determine either a surplus or deficit situation in the Treasury.

Surpluses and deficits by Congresses

Fiscal year	Republican		Democratic		Divided	
	Surpluses (31)	Deficits (17)	Surpluses (5)	Deficits (25)	Surpluses (17)	Deficits (5)
1856					$4,485,673	
1857					1,109,605	
1858				$27,529,904		
1859				15,584,512		
1860						$7,065,99
1861						25,036,71
1862		$422,774,363				
1863		602,043,434				
1864		600,695,871				
1865		963,840,619				
1866	$37,223,203					
1867	133,091,335					
1868	28,297,798					
1869	48,078,469					
1870	191,601,916					
1871	91,146,757					
1872	96,588,905					
1873	43,392,960					
1874	2,344,883					
1875	13,376,658					
1876					28,994,780	
1877					40,071,944	
1878					20,799,552	
1879					6,870,301	
1880			$65,883,653			
1881			100,069,405			
1882					145,543,810	
1883					132,879,444	
1884					104,393,626	
1885					63,463,771	
1886					93,956,587	
1887					103,471,096	
1888					111,341,274	
1889					87,761,081	
1890	85,040,273					
1891	26,838,543					
1892					9,914,453	
1893					2,341,676	
1894				61,169,965		
1895				31,465,879		
1896		14,036,999				
1897		18,052,454				
1898		38,047,248				
1899		89,111,558				
1900	46,380,005					
1901	63,068,413					
1902	77,243,984					
1903	44,874,595					
1904		42,572,815				
1905		23,004,229				
1906	24,782,168					
1907	86,731,544					
1908		57,334,413				
1909		89,423,387				
1910		18,105,350				
1911	10,631,399					
1912					2,727,870	
1913						400,73
1914				408,264		
1915				62,675,975		
1916			48,478,346			
1917				853,356,956		
1918				9,032,119,600		
1919				13,362,622,819		
1920	291,221,548					
1921	509,005,271					
1922	736,496,251					
1923	712,507,952					
1924	963,366,737					
1925	717,043,353					
1926	865,143,867					
1927	1,155,364,766					
1928	939,053,301					
1929	734,390,739					
1930	737,672,818					
1931		461,877,080				
1932						2,735,289,78
1933						2,601,652,05
1934				3,629,631,943		
1935				2,791,052,100		
1936				4,424,549,230		
1937				2,777,420,714		
1938				1,176,616,598		
1939				3,862,158,040		
1940				4,918,019,161		
1941				6,159,272,358		
1942				21,490,242,732		
1943				57,420,430,365		
1944				51,423,392,541		
1945				53,940,916,126		
1946				20,676,170,609		

Surpluses and deficits by Congresses—Continued

Fiscal year	Republican		Democratic		Divided	
	Surpluses (31)	Deficits (17)	Surpluses (5)	Deficits (25)	Surpluses (17)	Deficits (5)
1947			$753,787,660			
1948	$8,419,460,844					
1949		$1,811,440,048				
1950				$3,122,102,357		
1951			3,509,782,624			
1952				4,016,640,378		
1953				9,449,213,457		
1954		3,116,966,256				
1955		[1] 4,191,571,951				
Total	17,841,500,255	12,560,898,075	4,478,001,688	273,724,762,589	$960,195,543	$5,369,445,230
	12,560,898,075			4,478,001,688		960,195,543
	5,280,602,180			269,246,760,901		4,409,249,687
				4,409,249,687		
				−5,280,602,180		
				268,375,408,408		

[1] Preliminary.

PROPOSED SUGAR LEGISLATION

Mr. FULBRIGHT. Mr. President, I understand that the House has passed H. R. 7030, proposing new legislation with respect to sugar. I merely wish to state that I shall object to the second reading of the bill today.

The PRESIDENT pro tempore. The Chair is informed that the bill has not yet been received by the Senate.

Mr. FULBRIGHT. I wish the RECORD to show that I shall object, and I wish to make it perfectly clear to the managers of the bill that I wish to be notified, if I happen to be in conference, before the bill is laid before the Senate. I want the RECORD and the managers to be on notice that I shall object and that I expect to be notified before the bill is laid down. It is H. R. 7030, the sugar bill.

Mr. THYE. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. THYE. Does the Senator from Arkansas feel that no legislation should be enacted at this session of Congress relating to sugar acreage quotas for the future, and with respect to quotas for other sugar-producing countries?

Mr. FULBRIGHT. The present act does not lapse until December 1956. I object to bringing before the Senate a bill on the subject at the last minute. The sponsors of the proposed legislation have had 6 months to work out this matter. I object to the bill being taken up at the last minute, without any opportunity for debate.

I am informed that the bill would substantially change all quotas, and would increase the domestic quota. If action is taken on the bill, it will be done without adequate consideration. It was passed only Saturday by the House of Representatives. I do not believe it should be passed by the Senate under such circumstances. The sponsors of the bill have had all of this session to bring it up, if they had wished to do so. It should not be passed now without any discussion.

I shall object to the bill. I objected to the enactment of the present law. One reason for my objection is that it is quite unfair to the other agricultural commodities to pick out this one commodity and confer upon it's benefits which certainly very seriously affect rice, for example. The proposal is to impose a special sales tax for the benefit of sugar alone, primarily for the benefit of the beet-sugar industry, because that is the industry which is uneconomic and needs support more than any other.

I believe the question ought to be considered in connection with the general agricultural program. Many commodities in this country need special protection. Any program for sugar should be a part of an overall agricultural program, not a special program.

I certainly cannot accept the principle that in order to help beet sugar we should sacrifice the ricegrowers, merely because the beet-sugar interests have more political influence. I am not ready to accept that principle. The proponents of the bill undoubtedly have the necessary votes with which to pass it. However, I intend to voice my opposition to any such principle. That is the main reason for my objection. Therefore I shall object to the consideration of the bill at this session.

The PRESIDENT pro tempore. The Chair will state that the Senate is still operating in the morning hour.

Mr. THYE. Mr. President, may I comment briefly?

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the Senator from Minnesota may proceed.

Mr. THYE. I regret the Senator from Arkansas has taken the attitude he has taken. We had chaos in the sugar industry prior to the enactment of the Sugar Act. I believe the act is being administered well. It has maintained stability in the price not only for the consumer of sugar, but also for the producer of both cane and beet sugar in the United States.

Certainly it has stabilized the economy of Cuba, because Cuba's economy is primarily based on sugar production.

We should have legislated on the subject at this session so that the sugar producers, both cane and beet, would be able to plan their programs intelligently.

The Senator from Arkansas, who is from the South, knows that the planning of sugar production is not a matter of 2 or 3 months. It is a matter of more than a year. It takes more than a calendar year to plan intelligently the raising of beet and cane sugar.

I believe we would be derelict in our duties as Members of either the House or the Senate if we failed to enact legislation on cane and beet sugar production in this country, as well as with respect to the amount of sugar which may be imported from other countries. For that reason I regret that the Senator will oppose such legislation. We have studied the subject. We have given much thought to it. I am one who feels that we should have clarified the question for the growers by stating what percentage of the sugar consumed in the United States should come from our own domestic production.

Mr. FULBRIGHT. The Senator knows that our market for rice in Cuba has dwindled by nearly one-third in the last 5 years. The main reason is that the sugar quota is forcing Cuba to start its own uneconomic rice production in order to compensate for the loss of exchange.

I think it is an indefensible imposition upon the rice industry to lower the quotas from Cuba in order to help some domestic beet growers. I do not know how, on any principle, the Senator from Minnesota can justify any such imposition.

Mr. THYE. Mr. President, I would say to the distinguished Senator that Cuba's quota has not been lowered during the period of the existence of the present Sugar Act. Cuba has had a sugar quota over the years. She is today asking that she may increase the quota to the United States. Of course, the population of the United States has grown and the per capital consumption of sugar has grown. Therefore, the United States is entitled to an increased amount of the sugar which is annually consumed.

We have a substantial sugar beet acreage in Minnesota, and all the reclamation areas of the West are, of course, potentially sugar-beet producing areas. Certainly, we of the Northwest have a perfect right to think about our sugar-beet acreage just as the Senator from Arkansas has the right to think about the acreage of rice.

The PRESIDENT pro tempore. The Senate is operating under a limitation

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of time during the morning hour. After morning business has been completed, there will be ample time for debate.

Mr. WATKINS subsequently said: Mr. President, I should like to avail myself of this opportunity to associate myself with the remarks of the Senator from Minnesota in a colloquy which he had with the Senator from Arkansas on the sugar bill. I most emphatically uphold the position taken by the Senator from Minnesota in the matter.

LEGISLATION AGAINST THE CLOCK

Mr. BENDER. Mr. President, one of the strange characteristics of legislative bodies all over the world is their tendency to fix adjournment deadlines for the purpose of speeding up the legislative process. By scheduling an arbitrary date, they somehow accomplish in a few weeks time a tremendous amount of work which might well have been completed weeks earlier on a more orderly routine.

As a Member of the United States Senate, the United States House of Representatives, and the Ohio State Senate earlier, this observer has always believed that we could do a better job of preparation if certain types of bills had established priorities with definite time limits on their consideration. For example, all measures providing for appropriations should be considered and completed by Congress within 4 months of the session. Bills dealing with particular departments of governmental activity, the military, agricultural, Post Office, Labor, and similar important agencies should be timed within an additional 2-month period, so that the log jam which now develops in virtually every session might be avoided.

Legislation against the clock in the last days before an agreed adjournment date frequently results in charges that the legislators have not even seen the latest revised versions of bills being enacted. There ought to be a better way of doing the job.

REQUEST FOR PRESENCE ON THE FLOOR OF CERTAIN COMMITTEE AIDS

Mr. KILGORE. Mr. President, I ask unanimous consent to have available on the floor the chief counsel of the Immigration Subcommittee of the Committee on the Judiciary, and also the chief clerk of the Judiciary Committee. It will save a great deal of time in considering bills reported by that committee, of which there may be 25 or 30.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from West Virginia?

Mr. KNOWLAND. Mr. President, reserving the right to object, what was the Senator's request?

Mr. KILGORE. Mr. President, on Saturday a large number of bills were reported from the Judiciary Committee, and I should like to have present on the floor the chief counsel and the chief clerk of my committee, because I understand the bills will be brought up on motion. That action is not like calling the bills on the calendar. There will be some claim bills in the same category.

Mr. KNOWLAND. Mr. President, I shall not object, provided the majority and minority leaders are furnished with a list of the bills and a brief statement of what they deal with, so that we can have prior opportunity to consult with our calendar committees.

Mr. KILGORE. The bills have been reported to the calendar, but did not get on the printed calendar.

Mr. KNOWLAND. With the understanding that no bills will be called up until the information I have suggested has been furnished, I have no objection.

Mr. CLEMENTS. Mr. President, I join in the statement made by the minority leader. Permit me to state for the benefit of the entire Senate that there will be no measures called up by the acting majority leader which are not on the calendar at this time, so that Senators who are interested will have an opportunity to look over the bills, reports, and memorandums furnished by the distinguished chairman of the Judiciary Committee.

Mr. KILGORE. Mr. President, if I had my way, none of them would be called up at this time, but, fearing that some Member of the Senate should call them up, I wanted to be in position to furnish the information. I shall be glad to furnish a list of the bills reported as soon as I have an opportunity to do so.

Mr. CLEMENTS. Can the Senator from West Virginia advise us as to how many of these bills there are?

Mr. KILGORE. My recollection is that there are 17 immigration bills, and several claims bills.

Mr. CLEMENTS. Are they Senate or House bills?

Mr. KILGORE. They are all House bills.

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent that I may have my assistant on the floor when the Senate considers some bills in regard to retirement.

The PRESIDENT pro tempore. The Chair is of the opinion that when the clerk of any committee is on the floor at the invitation of the chairman of the committee, in the discharge of his duties, he is entitled to be present.

RULE RELATING TO THE PRESENCE ON THE FLOOR OF SENATORS' ASSISTANTS

Mr. MORSE. Mr. President, the Committee on Rules and Administration has brought forward a rule that no Senator may have more than one assistant on the floor of the Senate at any given time during the day.

I think such a rule would result in great detriment to the efficiency of the Senate. Some of us will be engaged in a series of very important conferences today, in connection with which various members of our office staffs must be at our side at all times.

I now serve notice that I shall resort to a series of quorum calls whenever it is necessary for me to have the benefit of assistance from members of my staff.

I think this action on the part of the committee is perfectly silly.

MENACE OF THE RUSSIAN SMILE

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the body of the RECORD as a part of my remarks an article which appeared in the New York Herald Tribune this morning written by the able correspondent Roscoe Drummond, under the title "Menace of the Russian Smile." I believe Mr. Drummond is an accurate and careful reporter. The article which was written at Paris is an after look at the developments growing out of the Geneva Conference and the problems ahead. I think it is worthy of the attention and reading of not only all Members of the Senate, but of as many Americans as may see the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MENACE OF THE RUSSIAN SMILE

(By ROSCOE DRUMMOND)

PARIS.—The more I look back on the Summit Conferences, the less beneficent and, at points, the more ominous it becomes.

I do not belittle the conference in the least. Conceivably there may be some invisible dividends to come. It was useful in that it is always useful to know the worst.

In retrospect, it seems to me that the worst at Geneva becomes increasingly clear—that the Soviet Union is determined to settle nothing, is intent upon holding East Germany in its vise unless it can dictate the foreign policy of all Germany and is using cordial manners as its instrument of nonnegotiation.

I do not reach this conclusion because nothing was settled at Geneva. Geneva is not ominous because nothing was settled; the Big Four did not intend to settle anything there. Geneva is ominous because everything that the Soviets did at Geneva showed that behind the facade of massive cordiality was a massive hostility to any settlement of any issue in any part of the world except on complete acceptance of Soviet terms.

Every critical disagreement imbedded in the cold war before the meeting—over German unification, over European security, over disarmament—was as great if not greater at the end.

For the most part, the Russians talked amiably at Geneva. But they contributed nothing to advance a single solitary compromise at Geneva. They agreed to talk some more in October. There is every evidence that their purpose was not to promote any settlement at any point; their purpose was something else and it doesn't look good to me.

President Eisenhower, even Premier Faure—all the Western leaders—went to Geneva intent upon offering the Soviet a whole series of new far-reaching security guaranties against a rearmed Germany, against NATO, against aggression from any direction, if they would accept free German elections and unification. The Western premise was that if we would solidly allay Russia's fear of a rearmed Germany, the principal barrier to a unified Germany would be removed.

We found nothing but a stone wall at Geneva.

We offered three layers of security to Prime Minister Bulganin if the Kremlin would permit German reunification. We offered:

1. A joint security pact embracing the United States, Britain, France, a united Germany and the U. S. S. R., guaranteeing that each would be defended by all in the event of aggression;

2. A joint arms control and inspection in which the Soviets would be partners in con-

trolling agreed force levels throughout Europe—East and West;

3. A demilitarized area between Eastern and Western Europe;

4. As a practical and immediate step and in earnest of good faith, we offered inspection teams to act permanently on both sides of the line dividing Europe.

The Russians smilingly rejected or amiably disdained to answer every one of these proposals.

These proposed security measures rest upon a strong Western Europe but one whose military strength the Soviet Union would share in controlling and compromising. But still Moscow said "No" to them at Geneva every different way it could devise.

The Kremlin's objective emerges smilingly ominous. Moscow smilingly seeks a security based on a weak, diminished Western Europe. It will not permit a unified Germany free to join NATO. It knows that a unified Germany would vote to join NATO. Hence, the Soviets again and again at Geneva said there could be no German unification until NATO is dissolved.

The Soviet formula came fully and smilingly and dishearteningly into view:

1. Reject all security measures which would rest upon and preserve a strong, united Western Europe.

2. Offer a unified Germany only in return for dismantlement of NATO.

3. Smile, smile, smile.

ONE HUNDRED AND FIFTIETH ANNIVERSARY OF LEWIS AND CLARK EXPEDITION

Mr. NEUBERGER. Mr. President, in this 150th anniversary year of the great Lewis and Clark expedition, efforts are in process to commemorate this marvelous feat. The St. Louis Post-Dispatch is backing the proposal to establish at the confluence of the Missouri and Mississippi Rivers, where the historic expedition started, a national park in tribute to these famous explorers.

I ask unanimous consent that an editorial from the St. Louis Post-Dispatch be printed in the body of the RECORD, along with an editorial from the Journal of Portland, Oreg., of July 28, 1955, which urges support of my bills, S. 2498 and S. 2499, to create national monuments at Fort Clatsop, Oreg., and at Indian Post Office, Idaho, on the Lewis and Clark trail.

The senior Senator from Idaho [Mr. DWORSHAK] and the senior Senator from Oregon [Mr. MORSE] are cosponsors with me of these measures.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the St. Louis Post-Dispatch of July 27, 1955]

TOWARD A CONFLUENCE PARK

Governor Stratton has signed a bill that may prove the legal means through which Illinois will establish a Lewis and Clark memorial State park, in Madison County, opposite the confluence of the Mississippi and Missouri Rivers.

The bill which the Illinois executive has transformed into law authorizes the State to acquire jurisdiction by leases or purchase of United States-owned lands for the purpose of constructing, maintaining, or relocating roadways and parkway areas and to supply facilities for the use of such areas. Land involved in reaching the confluence parksite is now in the hands of the United States Army Engineers and the East Side Levee and Drainage District, both of which have promised full cooperation.

There is a particular appropriateness that this legislation should be enacted in Springfield and signed by Governor Stratton just now. For just a century and a half ago, the great explorers, Lewis and Clark, were on their historic expedition into the unknown Northwest. State Senator Crisenberry, of Murphysboro, and Representative Smith, of Alton, who handled the legislation, and all others who have worked on this project, should be pleased with the prospect. For they have done an excellent piece of work.

In years to come a great parkway of scenic roads will run the length of the Mississippi River. When it does, many thousands of visitors from over the Nation will stop every year to look on the meeting of the rivers. But long before the scenic river highway is completed, a confluence park can be a popular attraction for the entire St. Louis area. After all, the joining of the two great streams has fascinated the minds of men since the days of the Indians.

[From the Oregon Journal of July 28, 1955]

TWO DESERVING NATIONAL MONUMENTS

In connection with observation this year of the sesquicentennial of the Lewis and Clark Expedition, Senator NEUBERGER, Democrat, of Oregon—with Senators MORSE, Democrat, of Oregon, and DWORSHAK, Republican, of Idaho, as cosponsors—has introduced 2 bills designed to set aside 2 famous landmarks of the Corps of Discovery trek to the Pacific Northwest in 1805.

S. 2498 would provide for the creation of a national monument at the original site of old Fort Clatsop, where Lewis and Clark erected the first habitation built by white Americans on the Pacific coast.

This site, near the mouth of the Columbia, now is owned by the Oregon Historical Society which, in cooperation with several civic groups, plans to recreate the old fort as part of this year's 150th anniversary celebration of the Lewis and Clark Expedition.

These organizations warmly support the Neuberger bill.

S. 2499 would establish another national monument at Indian Post Office, which is marked by three stone cairns erected by the Lewis and Clark party in the Lolo National Forest of Idaho.

This site, a meadow containing approximately a section of land, is on the high divide between the Lochsa and Clearwater Rivers. It contains the last surviving relics, in their original condition, left by the explorers on their westward journey.

These 2 bills, which authorize and direct the Secretary of the Interior to investigate the 2 sites, appraise their historic importance, make recommendations of suitable national shrines, and estimate the cost, deserve prompt approval on a bipartisan basis.

The Lewis and Clark Expedition is probably the most memorable exploration in the history of the United States. It involved a perilous trek of 8,000 miles, and helped bring under American sovereignty what became the States of Oregon, Washington, Idaho, Montana, North Dakota, South Dakota, Iowa, Nebraska, and Missouri.

It is entirely fitting, therefore, that two of the most famous stopping places for the Lewis and Clark Expedition should be memorialized as national historic shrines. Theirs is a proud heritage.

The PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

AMENDMENT OF CIVIL SERVICE RETIREMENT ACT OF MAY 29, 1930

Mr. CLEMENTS. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1188, Senate bill 2402.

The PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 2402) to amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Kentucky.

The motion was agreed to; and the Senate proceeded to consider the bill which had been reported from the Committee on Post Office and Civil Service with amendments to strike out all after the enacting clause and insert:

That section 8 of the Civil Service Retirement Act of May 29, 1930, as amended, is amended by adding at the end thereof the following:

"(d) (1) The annuity of any person who now or hereafter is receiving or entitled to receive an annuity from the civil-service retirement and disability fund shall be increased, effective on the first day of the second month following enactment of this amendment or on the commencing date of annuity, whichever is later, in accordance with the following schedule:

"If annuity commences between—	Annuity not in excess of $1,500 shall be increased by—	Annuity in excess of $1,500 shall be increased by—	The total increase in annuity may not exceed—
August 20, 1920, and June 30, 1955	12 per centum	8 per centum	$360.
July 1, 1955, and December 31, 1955	10 per centum	7 per centum	$300.
January 1, 1956, and June 30, 1956	8 per centum	6 per centum	$240.
July 1, 1956, and December 31, 1956	6 per centum	4 per centum	$180.
January 1, 1957, and June 30, 1957	4 per centum	2 per centum	$120.
July 1, 1957, and December 31, 1957	2 per centum	1 per centum	$60.

The monthly installment of each annuity so increased shall be fixed at the nearest dollar.

"(2) The increases provided by this subsection, when added to the annuities of retired employees, shall not operate to increase the annuities of their survivors, except that the annuity of any such survivor who becomes entitled to annuity shall be increased by the percent provided in subsection (d) (1) of this section appropriate to the commencing date of such survivor's annuity."

Mr. CLEMENTS. Mr. President, I understand the Senator from Utah [Mr. WATKINS] wishes to address the Senate for some length of time.

Mr. WATKINS. Approximately 10 minutes, Mr. President.

The PRESIDENT pro tempore. The Senator from Utah is recognized.

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REPAYMENT OF COSTS OF CERTAIN RIVERS AND HARBOR AND FLOOD CONTROL PROJECTS

Mr. WATKINS. Mr. President, I introduce for appropriate reference a bill to provide for repayment to the United States for certain costs of certain river, harbor, and flood control projects. In further explanation, the bill would amend the act entitled "An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes", which was approved September 3, 1954.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2733) to provide for repayment to the United States of certain costs of certain rivers and harbor and flood control projects, introduced by Mr. WATKINS, was received, read twice by its title, and referred to the Committee on Public Works.

Mr. WATKINS. Mr. President, there is absolutely no doubt in my mind that water-resource development in this country is at the crossroads.

For the past half century, the Federal Government has played an extremely influential part in the development of these vital water resources, and the program, which has evolved with State and local participation, has resulted in tremendous contributions to the country's economic and social progress. Let us consider some of these contributions, which were ably summarized by the Hoover Commission report on water resources and power:

> For our Federal expenditure we have 237 improved harbors, 28,400 miles of navigable inland waterways, over 7 million acres of irrigated land, and about 20 million kilowatt capacity of electrical power, either installed or under construction. And we have greatly improved our protection against floods.

These concrete additions to our basic economy have produced wealth many times the cost of the investment, and have spread the tax base and given Government on all levels revenue many times the total cost of the combined Federal-State-local investment; and the waterway improvements, dependable irrigated farmland, hydropower, and additional water for municipal and industrial use have contributed immensely to the economic strength which has carried us through two costly world wars and the rigors of an equally expensive cold war.

In spite of the value of these contributions to the Nation's wealth and stability, water-resource development is under concerted attack today from many sources. The underlying reason for much of this opposition is not clear, but the size and strength of the opposition is plainly apparent to anyone who seeks to promote water-resource development, even on the most economically sound basis both as to planning and wide participation in repayment plans.

Let me assure you, Mr. President, that this is not a theoretical dissertation; I speak from close personal experience with such oppositionist and destructive resistance to water-resource development.

The propaganda-abused project with which I am most familiar is the Colorado River storage project, a comprehensive basinwide water resource development authorized by Congress for investigation more than a quarter century ago in the Boulder Canyon Project Act of 1928. Subsequent Congresses authorized additional appropriations from Hoover Dam revenues which, with contributions from the States affected, resulted in total funds of approximately $10 million being expended for technical and economic investigations of all aspects of this proposed comprehensive water-resource development.

The States on the Colorado River have, by formal interstate compacts, allocated the water in the river among themselves, and the terms of these compacts are incorporated in proposed legislation to assure that the rights of all are given equal protection.

Nonreimbursable elements of the House bill on this proposal have been kept to 1 percent of the total, which means that 99 percent of the total project construction costs will be returned to the Federal Treasury, about two-thirds of this amount with interest. These repayments, furthermore, will be made by water and power users in the area benefited.

In spite of this background of sound and extensive planning, and in spite of the fact that the region involved is a semiarid area that vitally needs water for present and future growth, and one which has a wealth of natural resources and a strategic location that makes its industrial and economic expansion vital to national defense, the Colorado River storage project has met with perhaps the most concerted and unscrupulous opposition that has ever been directed against a water-resource project.

Much of this opposition, it is true, has been generated and promoted by a rich and powerful lobby, financed by southern California interests which are now benefiting in terms of millions of dollars from producing hydropower with water allocated to the upper-basin States, and which would obviously like to take and keep possession of part or all of the water itself, a resource worth many billions.

On Saturday last I placed in the RECORD a complete statement showing the activities of the water lobby, including the total amount of money it has received, the amount distributed, and other information with respect to the statement I have just made.

However, other organizations, individuals, and information media have followed the line of attack used by the southern California water lobby, and there is no doubt in my mind that many of these other persons, for whatever motives they may profess, are out to throttle water resource development in general.

In this early phase of this now-apparent fight against water resource development, reclamation projects, and especially the Colorado River storage project, have taken the brunt of the attack. But I wish, here and now, to remind my associates who are interested in flood control and rivers and harbors development that these nonreclamation aspects of water resource development are next in line for this assault by the same powerful forces of obstruction. Furthermore, I wish to make it very plain that the flood-control and navigation programs are in a far more vulnerable position to such attack than is reclamation. The reason is that reclamation projects provide for contracts between the Federal Government and the project beneficiaries which require repayment to the Treasury of the principal of the construction costs and interest on all features allocated to the production of power and municipal and industrial water supplies. Only money for irrigation features is provided interest free, but the principal is repaid. Flood control and navigation projects, on the other hand, are largely nonreimbursable except for power facilities.

This lack of comparable local participation has received the attention of congressional appropriations committees, and other agencies. It has not gone unrecognized. The House Committee on Appropriations, for example, stated in House Report No. 1345, 83d Congress:

> No final action has been taken by the Bureau of the Budget with respect to the following suggestion made in the report accompanying the civil functions appropriation bill, 1954:
>
> The committee suggests that the Bureau of the Budget take steps to initiate a study of the matter of local contributions in all types of water resources projects. This study should be conducted with a view toward taking immediate remedial action. If the recommendation of legislation is necessary, it should be requested during the second session of the 83d Congress.

No such recommendation, however, has been reflected in legislative action, to my knowledge.

In this respect, the summary of the Hoover Commission Task Force on Water Resources and Power, relative to flood control, also merits study at this time. The report states:

> Many flood-control projects now in use and many more that are being considered for authorization or appropriation are largely, if not altogether, local in their utility.
>
> Present policy has led to the authorization of many projects of questionable economic merit which in all probability would not have been adopted had local promoters been required to back their claims with cash.
>
> Certain Federal responsibilities in water development are basic. Non-Federal agencies, communities, and private business interests that benefit directly from water resource development also have a basic obligation to share in financial responsibility in proportion to the benefits they receive.

Recommendations of this type are just the kind of material that the forces which are out to kill water-resource development will seize upon and distort and magnify to suit their own interests. Make no mistake about it, flood control and navigation projects are destined to come under the same type of scurrilous attack to which sound and well-placed reclamation projects are now being subjected.

Indicative of the type of attack that will be made in an attempt to harass and defeat flood control and navigation projects is the arithmetical trickery used by the opponents of the Colorado River storage project. It is well known to students of water-resource development

that a revolving fund, known as the reclamation fund, was established by Congress a half-century ago and was augmented by income from the sale and lease of public lands in the so-called reclamation States of the West and from revenues from reclamation projects in that same area. This fund now provides 50 percent of the appropriations for reclamation construction, and by the time the Colorado River storage project will be well under way, the percentage of appropriations from this source will be approximately 75 percent. Hence, very little of the funds for construction of the irrigation features of the proposed Colorado River storage project will have to be borrowed or come from Federal tax revenues.

In spite of this fact, a fact which should have been known to the so-called research organizations and information media involved, dishonest cost figures have been disseminated throughout the land, seeking to make it appear that the project has a so-called hidden-interest subsidy, based upon interest for money which will not have to be borrowed, amounting to billions of dollars. This type of scurrilous propaganda is difficult to counter, especially when it is recognized that it is being generated and distributed, in the case of the Colorado River storage project, in tremendous quantity by a southern California water lobby which has reported receipts for lobbying purposes of nearly a million dollars since the project was announced in 1950.

Flood control and rivers-and-harbors projects are particularly susceptible to attack on this score, because while reclamation projects repay the principal and a large amount of interest, many of the flood-control and navigation projects repay virtually none of the principal and no interest.

To give an idea of the kind of picture that will be painted of historical flood control and navigation expenditures, derived from the arithmetic propaganda formula devised by the southern California water lobby, I shall ask unanimous consent to have printed at the conclusion of these remarks some estimates of what the opponents of water-resource development probably will describe as the hidden interest subsidy of these projects.

Using this formula, the table shows, for example, that the flood control and rivers-and-harbors projects constructed between 1938 and 1954, have cost the taxpayers a total of $12,158,400,000, when the interest formula calculation is added to the actual construction cost of $3,336,700,000. Furthermore, this is an extremely conservative estimate, based on deferment of interest for only 50 years, which is the normal repayment period for reclamation projects. Inasmuch as many of these projects do not repay even the principal, the so-called cost to the taxpayers will be astronomical, because these expenditures will be computed at 2½ percent interest, compounded annually, for 100 years, or even longer.

Lest my position be misunderstood, I want to make it clear that I am not opposed to flood control and navigation projects, and I am not one who seeks to discredit all such projects by the blanket label of "pork barrel" legislation. I recognize that most of these projects are essential to the Nation's welfare and that they represent an investment in the social and economic progress of this country. For that reason, I have recognized its basic worth to the country and supported this program.

However, as a supporter of water resource development, I clearly recognize the vulnerability of the flood control and navigation projects, and the bill I am introducing today aims at reducing this vulnerability and making this part of the program less susceptible to the general attack now being waged upon water resource development.

What I am proposing is that the flood control and rivers and harbors program be placed on the same basis of local participation and reimbursability as the reclamation program.

I believe most emphatically that this is a positive, practical approach to the problem, because its basic soundness has been reflected in the reclamation program and has stood the test of 50 years of experience.

My suggestion may appear extreme, at first, to areas that are benefiting from flood control and navigation programs that are now largely nonreimbursable. However, if the people of the sparsely settled Western States can contract for a total of $2,168,282,893 worth of reclamation works by mid-1952, as reported by the Hoover Commission, then it appears that the richer and better developed areas of the country, where Federal land ownership is not extensive, could easily qualify for a most extensive flood control and navigation program on the same terms.

Furthermore, it is in the best interests of flood control and navigation program advocates to consider such action and to support an honest and searching study of this proposal with a view to supporting water resource development in the face of this general and unremitting assault.

The bill which I have introduced attempts to amend that act by placing flood control in practically the same position with reference to the repayment of benefits as is the reclamation program.

Mr. President, I ask unanimous consent that the table to which I have referred in my address be printed in the RECORD at this point, together with addition data which is included.

There being no objection, the table and data were ordered to be printed in the RECORD, as follows:

Cost to Nation's taxpayers of nonreimbursable rivers and harbors and flood control projects

[Millions of dollars]

State	Percent of total [1]	Flood control appropriation, 1938–54			Rivers and harbor, H. R. 9859, 1954			Total cost to taxpayer of rivers and harbors and flood control (5+8)	Accumulated interest, Colorado River storage projects, 50-year payout [3]
		Distribution, first cost	Distribution, accumulated interest [2]	Total cost to taxpayer (3+4)	Distribution by States: First cost	Distribution by States: Accumulated interest [2]	Total cost to taxpayer (6+7)		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Alabama	1.15	31.2	76.1	107.3	9.5	23.1	32.6	139.9	11.5
Arizona	.51	18.5	33.7	52.2	4.2	10.2	14.4	66.6	5.1
Arkansas	.68	13.8	45.0	58.8	5.6	13.6	19.2	78.0	6.8
California	9.32	253.0	616.6	869.6	77.0	187.0	266.0	1,135.6	93.1
Colorado	.91	24.7	60.2	84.9	7.4	18.3	25.7	110.6	9.1
Connecticut	1.74	47.2	115.1	162.4	14.3	34.9	49.2	211.6	17.4
Delaware	.37	10.0	24.5	34.5	3.0	7.4	10.4	44.9	37.0
Florida	1.69	45.9	111.8	157.7	13.9	33.9	47.8	205.5	16.9
Georgia	1.53	41.5	101.2	142.7	12.6	30.7	43.3	186.0	15.3
Idaho	.34	9.2	22.5	31.7	2.8	6.8	9.6	41.3	3.4
Illinois	6.90	187.3	456.5	643.8	56.8	138.4	195.2	839.0	68.9
Indiana	2.56	69.5	169.4	235.3	21.1	51.4	72.5	307.8	25.6
Iowa	1.55	42.1	102.5	144.6	12.7	31.1	43.8	188.4	15.5
Kansas	1.31	35.6	86.7	122.3	10.8	26.3	37.1	159.4	13.1
Kentucky	1.27	34.5	84.0	118.5	10.5	25.5	36.0	154.5	12.7
Louisiana	1.34	36.4	88.7	125.1	11.0	26.9	37.9	163.0	13.4
Maine	.47	12.8	31.1	33.9	3.9	9.4	13.3	47.2	4.7
Maryland	2.56	69.5	169.4	238.9	21.1	51.3	72.4	311.3	25.6
Massachusetts	3.19	86.6	211.1	297.7	26.3	64.0	90.3	388.0	31.9
Michigan	4.91	133.3	324.9	458.2	40.4	98.5	138.9	597.1	49.1
Minnesota	1.74	47.2	115.1	162.3	14.3	34.9	49.2	215.5	17.4
Mississippi	.65	17.6	43.0	60.6	5.3	13.0	18.3	78.9	6.5
Missouri	2.50	67.9	165.4	233.3	20.6	50.2	70.8	304.1	25.0
Montana	.40	10.9	26.5	37.4	3.2	8.0	11.2	48.6	4.0
Nebraska	.85	23.1	56.2	79.3	7.0	17.0	24.0	103.3	8.5

[1] Percentage distribution of the Federal tax burden computed by the Tax Foundation based upon actual data for fiscal year 1953.

[2] Interest calculated at 2½ percent for 50 years.

[3] Interest calculated at 2½ percent for 50 years on the 11 participating projects of the Colorado River storage projects, irrigation investment $409,982,300.

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Cost to Nation's taxpayers of nonreimbursable rivers and harbors and flood control projects—Continued

[Millions of dollars]

State	Percent of total	Flood control appropriation, 1938–54			Rivers and harbor, H. R. 9859, 1954			Total cost to taxpayer of rivers and harbors and flood control (5+8)	Accumulated interest, Colorado River storage projects, 50-year payout
		Distribution, first cost	Distribution, accumulated interest	Total cost to taxpayer (3+4)	Distribution by States: First cost	Distribution by States: Accumulated interest	Total cost to taxpayer (6+7)		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Nevada	.17	4.6	11.2	15.8	1.4	3.4	4.8	20.6	1.7
New Hamphsire	.30	8.1	19.8	27.9	2.5	6.0	8.5	36.4	3.0
New Jersey	3.60	97.7	238.2	335.9	29.6	72.2	101.8	437.7	36.6
New Mexico	.38	10.3	25.1	35.4	3.1	7.6	10.7	46.1	3.8
New York	12.34	335.0	816.4	1,151.4	101.6	247.5	349.1	1,500.5	125.3
North Carolina	1.67	45.3	110.5	155.8	13.7	33.5	47.2	203.0	16.7
North Dakota	.30	8.1	19.8	27.9	2.5	6.0	8.5	36.4	3.0
Ohio	5.90	160.2	390.3	550.5	48.6	118.3	166.9	717.4	59.3
Oklahoma	1.12	30.4	74.1	104.5	9.2	22.5	31.7	136.2	11.2
Oregon	1.10	29.4	72.8	102.7	9.1	22.1	31.2	133.9	11.0
Pennsylvania	6.94	188.4	459.2	647.6	57.1	139.2	196.3	843.9	69.3
Rhode Island	.52	14.1	34.4	48.5	4.3	10.4	14.7	63.2	5.2
South Carolina	.86	23.3	56.9	80.2	7.1	17.2	24.3	104.5	8.6
South Dakota	.33	9.0	21.8	30.8	2.7	6.6	9.3	40.1	3.3
Tennessee	1.39	37.7	92.0	129.7	11.4	27.9	39.3	169.0	13.9
Texas	4.86	132.0	321.5	453.5	40.0	97.5	137.5	590.0	48.6
Utah	.40	10.9	26.5	37.4	3.2	8.0	11.2	48.6	4.0
Vermont	.69	5.2	12.6	17.8	1.6	3.8	5.4	23.2	1.9
Virginia	1.69	45.9	111.8	157.7	13.9	33.9	47.8	205.5	16.9
Washington	1.71	46.4	113.1	159.5	14.0	34.3	48.3	207.8	17.1
West Virginia	.89	24.2	58.9	83.1	7.3	17.9	27.2	110.3	9.0
Wisconsin	2.20	59.7	145.6	205.3	18.1	44.1	62.2	267.5	22.0
Wyoming	.20	5.4	13.2	18.6	1.6	4.0	5.6	24.2	2.0
Territories	.50	13.6	33.1	46.7	4.1	10.0	14.1	60.8	5.0
Total	100.00	2,714.7	6,616.0	9,330.7	822.0	2,005.7	2,827.7	12,158.4	999.9

1. Appropriation for flood control to the Corps of Engineers for the period 1938–54 by States (col. 3).

2. The amount of accumulated interest by States on these appropriations for a 50-year period (col. 4).

3. The cost of flood-control program to the taxpayers by States if interest had been charged (col. 5).

4. The cost by States of pending rivers and harbors legislation, H. R. 9859, providing for a total authorization of $822 million for rivers and harbors, beach-erosion control and flood control (col. 5).

5. The amount of accumulated interest, by States, on $822 million over a 50-year period (col. 7).

6. The total cost to the taxpayers for principal and interest for authorization requested in H. R. 9859 (col. 8).

7. The total cost of rivers and harbors and flood-control projects, as set forth above, to the taxpayers if accumulated interest over a 50-year period is added to the first cost (col. 9).

8. For comparative purposes (col. 10) gives the cost of interest-free money used to build the Colorado River storage project. The principal is repaid in full.

Summarizing: This table shows that the two programs referred to (flood control 1938–54) and (H. R. 9859, rivers and harbors bill) 1954, would cost the taxpayers $12,158.4 million if the interest were accumulated over only 50 years. The true cost if one disregards the public benefits is much worse because no principal or interest is ever to be paid.

PARTICIPATION BY THE UNITED STATES IN THE FOOD AND AGRICULTURE ORGANIZATION AND INTERNATIONAL LABOR ORGANIZATION

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business, Senate Joint Resolution 97.

The Senate resumed the consideration of the joint resolution (S. J. Res. 97) to amend certain laws providing for membership and participation by the United States in the Food and Agriculture Organization and the International Labor Organization and authorizing appropriations therefor.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Louisiana [Mr. ELLENDER].

Mr. JOHNSTON of South Carolina obtained the floor.

Mr. WILLIAMS. Mr. President——

Mr. JOHNSTON of South Carolina. I yield to the Senator from Delaware.

MID-CONTINENT MINING CORP. CONTRACT AND PART PLAYED BY HOWARD I. YOUNG

Mr. WILLIAMS. Mr. President, on Saturday I notified the Senate that today I would speak on the criticism recently expressed on the Comptroller General's report dealing with the Mid-Continent Mining Corp. contract, and the part which Mr. Young played in the development of that contract.

At that time I said I would be glad to yield to any Member of the Senate who had anything to contribute or exceptions to take, because I think it is very important that we try to get the matter straight.

I approach this problem with certain feelings, but with full recognition of the fact that there can be a difference of opinion as to the propriety of the contract.

I shall put in the RECORD a statement of the basis and the reasons why I think the contract was not in the best interests of the Government, and why I feel there was a possible conflict of interest.

I shall approach the discussion in three parts. Questions have been raised as to whether or not there was any zinc sold by the American Zinc, Lead & Smelting Co. to the Government, and if so, whether or not these contracts were signed before or after Mr. Young was connected with the Government. I shall deal with that question in one phase of my remarks. Later I shall deal with the question of the controversy over the $60,000 payment for machinery.

The first subject I shall discuss is that which deals with the contract of the Mid-Continent Mining Corp. That is the part of the report about which there has been the most contention.

The Comptroller General's report which was submitted to the Congress was in three volumes. Parts 1 and 2 dealt with the Mid-Continent Mining Corp. That is the one about which there was a controversy. Part 3 and part 4 were contained in the second and third volumes, respectively. They dealt with the MacArthur Mining Co., Inc. The last one dealt with contracts with W. N. & W. Mining Co., Inc. To my knowledge there has been no contention or exception taken to the report of the Comptroller General as it relates to criticism of those contracts. If I am wrong in that understanding and if there is anyone here who wishes to question in any manner either of those reports, I am fully prepared to answer. Otherwise, it will be assumed that they stand and have been accepted by all parties concerned.

With that understanding I will proceed with the discussion of the Mid-Continent Mining Corp. contract. The difference of opinion which has arisen since the Comptroller General's report has been submitted as follows: The first question which has arisen is, Was Mr. Young correct when he denied having taken any part in negotiations of the Government contract under which Mr. Maynard Clough, of the Mid-Continent Mining Corp., received an advance from the Government in the amount of $325,000 along with a contract to purchase the output of that mine? Or was the Comptroller General correct when he stated that Mr. Young did take an active part in the

negotiations, and that the contract was approved by overriding the recommendations of other key officials, and that the contract did carry with it a proviso that the output of that mine should be sold to the American Zinc Co., with which Mr. Young was affiliated, and to that company only?

Mr. MORSE. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). Does the Senator from Delaware yield to the senior Senator from Oregon?

Mr. WILLIAMS. I yield.

Mr. MORSE. Am I correct in my understanding that, with regard to the particular point which the Senator is now discussing, the Comptroller General still holds to the same point of view he held when he first announced his position?

Mr. WILLIAMS. The Comptroller General has stated that in his opinion there was a possible conflict of interest.

Mr. MORSE. Am I correct in my understanding that the Comptroller General still holds to the point of view that, when he considers these transactions in their entirety and reads them from the four corners, he still thinks Mr. Young violated the spirit and intent of the conflict-of-interest statutes?

Mr. WILLIAMS. That is my understanding. It is my understanding of the Comptroller General's position, and it is also my own position.

Mr. MORSE. Am I also correct in my understanding that, although the Comptroller General has modified the position he originally took in respect to certain specific transactions, he has not modified his position in regard to the total transactions which were engaged in by this particular w. o. c.?

Mr. WILLIAMS. That is correct.

Mr. MORSE. Does the Senator this morning point out that this is another example of the fact that the appointing of dollar-a-year men and placing them in administrative and policymaking positions constitutes a great danger and leads to embarrassments, not only for them, but for the administration who uses them?

Mr. WILLIAMS. As the Senator from Oregon knows, during the recent debate on the floor I supported the amendment recommended by the Comptroller General, as did the Senator from Oregon. There must be a clear understanding of the responsibilities and rights of such officials. I think the overwhelming majority of such officials enter the Government service with the highest of intentions and to the best of their ability try to serve their Government. In approaching their tasks such men have a responsibility to dissociate themselves from any negotiations or contracts which directly or indirectly affect any company with which they are connected or from which they are drawing a salary. That was the condition contained in the Presidential directive under which they had been employed at that time. That is a part of the law. I think the Senator will agree that a Presidential directive has the same force and effect, so far as the law and the rules are concerned, as the provision contained in the Defense Production Act. It operates the same as the authority delegated to the Price Stabilization Agency, namely, the right to issue regulations regarding the prices of commodities. The regulations which were issued by that agency, under the authority of the law, had the effect of law. The same principle applies to all those who come to Washington to serve their Government regardless of whether they are dollar-a-year men or $20,000-a-year men. I think it was stated very well by the President when he said that the question was not so much whether a law was violated, but whether a certain code of ethics was violated, which code must be established for the conduct of all Government officials.

Mr. MORSE. With respect to the statement of the Senator that it makes no difference whether they are dollar-a-year men or $20,000-a-year men, does the Senator from Delaware agree with the Senator from Oregon that there is a matter of public concern involved when men who are brought to Washington to serve the Government continue to be paid by companies while they are serving the Government in the position of a w. o. c.?

Mr. WILLIAMS. I agree with the Senator from Oregon.

Mr. MORSE. Referring to the statement that there should not be any connection, directly or indirectly, between the men who come to Washington to serve the Government and their former economic connections, does the Senator agree with me that we have had presented to us another example that when a person is brought to Washington and works in a division of the Government which exercises jurisdiction over the industry in which he is a leader, it is bound to create feelings of suspicion when contracts affecting that industry are entered into or consummated by the Government?

Mr. WILLIAMS. These men have come to Washington, and they are only human. They cannot help having some fixed opinions, and I respect those opinions. They are brought to Washington more or less for the reason that, because of their association with industry, they have certain knowledge of value to the Government, and it is important that the Government have the benefit of that knowledge on their part.

However, when a company with which such an official is or has been associated is interested in a contract which comes before him, certainly he must disassociate himself from the contract, when his company is involved, either directly or indirectly.

I point out that the present law, as it is written, uses the words "which directly or indirectly affects" a company with which he was associated.

Mr. MORSE. Does the Senator from Delaware agree with me that some facets of this matter take on some of the aspects of the ethics to which the President has referred in connection with the Talbott case, as well?

Mr. WILLIAMS. Yes, there can be no question about that. Again, the point is that such an official must completely dissociate himself from all his business connections, in order that there may be no suspicion on the part of anyone as to whether the contract was negotiated in the best interests of the Government.

I do not think the only question is whether the Government got the best contract as a result; dollars and cents are not all that are involved. The point is they should remove themselves from negotiations and recommendations on contracts in which their company is involved.

For instance, in connection with the practice of law, a lawyer has a right to represent his clients before the Government. But after he becomes a part of the Government, he no longer has a right to represent them in connection with claims against the Government, because once he becomes a Government official, he cannot help have some influence by virtue of his official position.

I think we are dealing with a close line, but we must deal with it, and it is a question which Congress has a responsibility to answer.

Today, however, I will point out other and equally serious factors involved in this Mid-Continent Mining contract—questions involving the advisability not only of approving a $325,000 Government advance to a company which was actually insolvent at the time but also of having approved this contract upon the recommendation of an official who during his preparation of the report had been offered a lucrative position with the applicant.

Mr. MORSE. Mr. President, will the Senator from Delaware yield for a final question?

Mr. WILLIAMS. I yield.

Mr. MORSE. Does the Senator from Delaware agree with me that on the basis of the code of ethics he is discussing—and I agree it is a code of ethics which should be followed by all Government servants, both in and out of the Congress, I may say, by the way—when Mr. Talbott, in his capacity as Secretary of the Air Force, and when using Secretary of the Air Force stationery, wrote a single letter to a business concern in the United States which had Government contracts or was seeking Government contracts, and when in the letter he recommended the employment of the Mulligan partnership firm, of which he was one of the partners, he automatically violated the code of ethics to which the Senator from Delaware has referred?

Mr. WILLIAMS. Yes; and I think he recognizes now that he was wrong. No public official should take part in any Government contract involving his own company or in a contract which indirectly will benefit that company.

Mr. MORSE. I thank the Senator from Delaware.

Mr. CAPEHART. Mr. President, will the Senator from Delaware yield to me?

Mr. WILLIAMS. I yield.

Mr. CAPEHART. Does the Senator from Delaware likewise feel that Senators who make speeches for associations, corporations, and other groups, and are paid for making them, are in any way violating any conflict-of-interest statute? Does the Senator feel, for instance, that if a Senator accepts a $2,500 fee for making a speech to X association,

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he is under any obligation to that association? Does the Senator from Delaware think the association would be paying that Senator $2,500 merely to hear him make a speech?

Mr. WILLIAMS. I may say to the Senator from Indiana that I have never accepted a gratuity or honorarium or payment from anyone. Of course, I may also say that I recognize my own lack of speaking ability so this statement does not represent any great display of virtue.

But I should like to say to the Senator from Indiana that we are here to discuss the Mid-Continent Mining Co. contract. I should like to confine my remarks to the question which is now before us.

Mr. CAPEHART. But does the Senator from Delaware feel that a Senator who accepts a $2,500 fee for making a speech before an association will be under any obligation to that association or group? Does the Senator from Delaware believe such procedure is in the best interests of the Government?

Mr. WILLIAMS. That question has nothing to do with this matter.

Mr. CAPEHART. I think it does have something to do with it.

Mr. WILLIAMS. Let me say that I have accepted nothing of the sort.

Mr. CAPEHART. I did not mean to imply at all that the Senator from Delaware had done so.

Mr. WILLIAMS. I may also say that after hearing the speeches which are made by Members of the Senate, I do not think any of them are worth that much. [Laughter.]

Mr. CAPEHART. Mr. President, the Senator from Delaware is avoiding my question.

Mr. WILLIAMS. No, I am not. I am only trying to get the subject back to the discussion before us, namely, the Mid-Continent Mining Co. contract.

Mr. CAPEHART. But does the Senator from Delaware think it is ethical for a Senator in the course of a year to accept $10,000, $15,000, or $25,000 from associations—receiving, let us say, anywhere from $500 to $1,000 for each speech? Does the Senator from Delaware think that should be stopped by Congress?

Mr. WILLIAMS. I do not think any Senator will be found to be receiving such sums of money, but if you wished you could have introduced legislation to prevent it.

Mr. CAPEHART. But suppose some were; does the Senator from Delaware think that practice should be stopped?

Mr. WILLIAMS. I will join the Senator from Indiana in eliminating any possible conflict of interest.

Mr. CAPEHART. The Senator from Delaware will join me in stopping it; will he?

Mr. WILLIAMS. Yes. But why are you avoiding talking about the contract before us?

Mr. CAPEHART. Does the Senator from Delaware think that is any different from the situation in which a man who serves in any capacity in the Government accepts a fee for doing something?

Mr. WILLIAMS. We are not now speaking of accepting such fees. I am speaking of action taken in connection with the awarding of the Mid-Continent Mining Co. contract and you were invited here to express your opinion thereon.

Mr. CAPEHART. But the Senator from Delaware was talking with the Senator from Oregon about ethics generally.

Mr. WILLIAMS. I was referring to the contract of the Mid-Continent Mining Co. In that connection, there is the question about whether this contract was properly handled and whether or not Mr. Young had any part in its consideration.

Mr. CAPEHART. I may say that I listened to every word of testimony on the matter the able Senator from Delaware is discussing, but he did not listen to any of that testimony.

After listening to all the testimony, I came to the conclusion, as any fair-minded man should—and I think every member of our committee reached the same conclusion—that in this instance, the General Accounting Office had made too many errors and too many mistakes, for the matter to be considered very seriously.

Mr. WILLIAMS. I respect your opinion, and I shall here today tell why I differ. Before the Senator from Indiana entered the chamber, I said I recognized there is room for an honest difference of opinion.

I shall point out reasons why I think the contract was not in the best interests of the Government.

Mr. CAPEHART. Is the Senator from Delaware going to take the General Accounting Office to task for making those two grave errors, which were very unfair and unjustified?

Mr. WILLIAMS. I shall acknowledge errors and try to get the record set straight. Mr. Young has made some errors, too, in his denials.

Mr. CAPEHART. Is the Senator from Delaware going to be critical of the General Accounting Office for stating that Mr. Young's company received $60,000 from Mid-Continent, when there was no iota of truth in that statement? Is the Senator going to be critical of the General Accounting Office because of that statement by it?

Mr. WILLIAMS. Mr. President, before the Senator from Indiana entered the Chamber, I said I would discuss that particular question, and also the sale of 1,167 tons of zinc to the Government as well as the contract itself involving Mid-Continent Mining Co. The Senator from Indiana says he listened to that testimony and says he sees absolutely nothing wrong. I respect his position, and I respect his right to think that; but at the same time I shall point out why I think he is wrong. I hope the Senator from Indiana will at least allow me to express my own opinion and the reasons I arrived at this conclusion. After doing that, I shall be glad to yield to him.

Mr. CAPEHART. Mr. President, I do not wish to prevent the able Senator from Delaware from pointing out those matters. I wish to have him speak as long as he desires, but I desire to suggest that some of us listened for hours and hours to every word of the testimony, and we know the entire case from A to Z, and from Z to A. But the able Senator from Delaware is not among the Members who have that familiarity with the case. He is getting his information second and third hand. He was not a member of the committee. I was a member, as were other Senators. We went into the subject most thoroughly, as thoroughly as any committee could go into anything. Yet, the Senator from Delaware is not satisfied. He wants to continue to rehash something that we have already gone into as thoroughly as we knew how. In at least two instances, the General Accounting Office admitted that it had made mistakes. What more does the Senator want?

Mr. WILLIAMS. If the Senator from Indiana will only be patient I think I can convince even him that I have some knowledge of this transaction. It might just be possible I can tell him some things he has overlooked; at least I have a right to my opinion.

Mr. CAPEHART. Of course.

Mr. WILLIAMS. I respect the Senator's rights also.

Mr. CAPEHART. The Senator has a perfect right to differ with my conclusions, but also I have a right to keep the record straight, if I can.

Mr. WILLIAMS. That is the reason I invited the Senator to be present. I have agreed to yield freely, but I hope the Senator will allow me to place in the RECORD my reasons for the position which I have taken.

The Senator from Indiana has clearly stated that he has examined the details of the contract and has seen nothing whatever wrong with it, and the Senator is completely in disagreement with the conclusions of the Comptroller General's report.

Mr. CAPEHART. I did not pass upon the contract at all. I am talking about Mr. Young's activities in connection with the contract.

Mr. WILLIAMS. But the whole report in question involves this contract and the way it was handled.

Mr. CAPEHART. The committee never passed upon whether it was a good or a bad contract. The committee only passed upon what Mr. Young had to do with it. Mr. Larson, the Administrator under whom Mr. Young was the deputy, testified that he took 100 percent responsibility, and that he passed upon the contract; that he knew the terms of the contract; that he knew exactly what was going on at all times; and that he, Mr. Larson, had a right to turn down the contract or accept it.

Mr. WILLIAMS. That may be, but it still does not necessarily make it right.

Mr. CAPEHART. He took complete responsibility.

Mr. WILLIAMS. That is correct.

Mr. MORSE. Mr. President——

Mr. CAPEHART. What more does the Senator want?

Mr. WILLIAMS. I will tell the Senator what more I want. I should like to outline the major questions of contention which are involved. I started to place them in the RECORD. Following that, I shall be glad to yield. A great many questions are being asked about a subject which thus far here today has not

been discussed. Let us keep the record straight.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. MORSE. It is not my desire to ask a question. I wish to make an announcement of a discussion in which I shall participate later in the day, so as not to interrupt the speech of the Senator from Delaware.

I announce to the Senator from Indiana that on my own time, upon a later occasion, I shall discuss the question he raises with regard to Senators giving lectures.

Mr. SYMINGTON. Mr. President, will the Senator yield for one question?

Mr. WILLIAMS. I yield.

Mr. SYMINGTON. Does not the distinguished senior Senator from Delaware feel that, inasmuch as Mr. Young has been before the proper committee of the Congress and has done his best to clear his name of the charges brought against him by the General Accounting Office, instead of trying him again on the floor of the Senate, it might be well to wait until the committee has had an opportunity to study Mr. Young's claim that he has been unjustly attacked by the General Accounting Office?

Mr. WILLIAMS. The Senator from Missouri was the one who placed the report in the RECORD on Saturday. If I remember correctly, he stated that if the Comptroller General was wrong in certain respects, then he had reached an alltime low. He knows full well that those "ifs" carry suggestions.

I have a responsibility in this connection. I have said some things about this contract, and I am going to tell why I feel that this contract was not in the best interests of the Government, and why I feel that Mr. Young was wrong when he said he had nothing to do with the contract.

Mr. SYMINGTON. Let me say to the distinguished Senator that I am sure he has more information on the subject than I have; but if he is going to make a long speech, if he will allow me to make a very brief insertion at this point, I will not bother him during the remainder of his speech. There are some other things I would like to say.

Mr. WILLIAMS. Are they insertions relating to this particular question?

Mr. SYMINGTON. Yes.

Mr. WILLIAMS. I should like to complete my own remarks and not interrupt them at this point. I will yield later to the Senator to make the insertions he has in mind. I do not want to fill the RECORD with speeches by other Senators before I have an opportunity to complete my remarks. I have had an opportunity to present only one paragraph of what I had prepared to say.

Mr. President, I shall begin again by repeating what I was saying when the Senator from Indiana [Mr. CAPEHART] entered the Chamber.

I shall discuss this report in three phases. One will be in connection with the $60,000 question raised by the Senator from Indiana. Another will be the 1,167-ton contract, about which there has been controversy. The third will be the Mid-Continent Mining Co. contract, with respect to which the major controversy has arisen. This latter being the most important and most controversial, I take it first.

In approaching the Mid-Continent Mining Co. contract, I respect the difference of opinion between the Senator from Indiana and myself. He said that he had fully examined the contract, and that he saw nothing wrong with it.

Mr. CAPEHART. Mr. President, I did not say I saw nothing wrong with the contract.

Mr. WILLIAMS. Mr. President, I do not yield to the Senator from Indiana.

Mr. CAPEHART. We did not even pass upon the contract.

Mr. WILLIAMS. Mr. President——

Mr. CAPEHART. I said I saw nothing wrong with Mr. Young's connection with it. Please keep the record straight. I have not the time to remain here and make sure the Senator keeps the record straight, because I have other things to do. Please keep the record straight. We did not pass upon the contract.

Mr. WILLIAMS. Mr. President, I have the floor.

Does the Senator from Indiana mean to indicate that he has not even read the Comptroller General's report? The remarks of the Senator from Indiana were very clear. He has said that he is completely in disagreement with the Comptroller General's report. On the 19th of July the Senator from Indiana said that he had examined the report and that he found it to be completely erroneous. Your statement was made in connection with the Mid-Continent Co. contract as well as every other feature of the report, and if you have now changed your mind that is important to note. If the Senator from Indiana wishes to reverse his position and say that he does find something wrong with this contract——

Mr. CAPEHART. Mr. President, in all fairness, will the Senator yield? He keeps saying that we found nothing wrong with the contract. We never passed upon the contract, but we did pass upon Mr. Young's connection with the contract, and what he had to do with drawing the contract. We did not pass upon the contract itself.

Mr. WILLIAMS. The record will speak for itself. The contract is what I am discussing. The three contracts mentioned in these reports are what have been repudiated in a blanket indictment by the Senator from Indiana.

Certain important questions are raised in connection with this contract which thus far have not been answered. There have been too many diversionary statements.

The major questions involved in this controversy are as follows:

First. Was Mr. Young correct when he denied having taken any part in the negotiation of the Government contract under which Maynard Clough of the Mid-Continent Mining Corp. received an advance amounting to $325,000? Or was the Comptroller General correct when he stated that Mr. Young did take an active part in these negotiations and that the contract was approved by overriding the recommendations of other key officials?

Second. Was the Comptroller General correct when in his report he stated that just prior to the approval of the Mid-Continent Mining Co.'s application for a Government contract and advance payments this company had entered into contractual agreements with American Zinc, with which Mr. Young was affiliated?

Third. Was the Comptroller General correct when in his report he charged that not only was this $325,000 advance approved for this company at a time when the company was practically insolvent but also that this approval was based upon the report of a Government agent who during the preparation of his report had been offered a salary at substantially higher than his Government rates to become effective upon the approval of the loan?

Fourth. Was the Comptroller General correct when he charged that both Mr. Larson and Mr. Young knew of this irregular offer having been made to the Government agent who was in charge of preparing this report but that they still accepted the report as valid and acted thereon?

I wish the Senator from Indiana would not leave the Chamber.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. CAPEHART. I am a member of three conference committees, and I must attend conference committee meetings on housing, defense production, and small-business administration. To my mind, it is much more important to attend those meetings than to listen to another rehash of a matter a fine and outstanding committee has already looked into, is continuing to look into, and will continue to look into, and on which in due time it will submit a report. Therefore, nothing will be gained, in my personal opinion, by a rehashing of something that already has been hashed.

Mr. WILLIAMS. The Senator from Indiana was properly notified that this discussion was scheduled here today, and I shall be glad to enlighten him as to the true facts. He keeps insisting there is nothing wrong with it. I invite him to stay and defend that position after the complete case has been demonstrated here today. I am confident that there are some angles to this contract which neither he nor any other Member will dare defend.

Continuing, I point out the major questions involved:

Fifth. Was the Comptroller General right in his decision when after the Government had poured $325,000 in this insolvent venture he stopped the payment of further Government funds on the basis that there was no legal authority for further advances?

Sixth. Is there any basis to the contention that the American Zinc, Lead, & Smelting Co., of which Mr. Howard Young is president, and with which he was affiliated at that time, still has a legal responsibility to the creditors of this defunct outfit to live up to their contractual obligation of advancing $75,000 as per their agreement of July 21, 1952?

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Notwithstanding all the furor which is being generated about the minor differences between Mr. Young's company and the General Accounting Office, we must not overlook the fact that in back of all this controversy lies the unanswered question as to the legal responsibility of American Zinc to live up to their contractual obligation by putting up $75,000, which amount would now be divided among the creditors; the Government, being the largest creditor, would naturally receive the largest percentage of this payment if made.

Seventh. Do those Members of Congress who have so vigorously defended the ramifications of this contract approve this principle that a man applying for a Government advance payment can make an offer to the Government official in charge of preparing the report whereby if the loan is made he would be assigned a 5-percent interest in all proceeds plus a substantially higher salary?

Eighth. Was the Comptroller General right when he said that not only was this $325,000 advance payment authorized to this company under these circumstances but also that the payment was authorized to a company in which there had only been $500 cash paid in and which company was actually insolvent to the extent of over $20,000 on the date it was approved?

Those are the points which are dealt with in this report and which I shall answer here today. There have been entirely too many diversionary movements in an effort to distract public attention from the real issue involved.

Mr. President, I begin by reading a part of Executive Order 10182, issued by President Harry S. Truman, under date of November 21, 1950.

I read section 101:

SEC. 101. (a) The head of any department or agency delegated or assigned functions under the act pursuant to Executive Order No. 10161, of September 9, 1950, is hereby delegated the authority provided by subsection 710 (b) of that act to employ persons of outstanding experience and ability without compensation. The authority delegated by this subsection 101 (a) may not be redelegated.

Section 201 reads:

Any person employed under part I of this order is hereby exempted, with respect to such employment, from the operation of sections 281, 283, 284, 434, and 1914 of title 18, United States Code, and section 190 of the Revised Statutes (5 U. S. C. 99), except as specified in the following subsections:

(a) Exemption hereunder shall not extend to the negotiation or execution, by an appointee under this order, of Government contracts with the private employer of such appointee or with any corporation, joint stock company, association, firm, partnership, or other entity in the pecuniary profits or contracts of which the appointee has any direct or indirect interest.

(b) Exemption hereunder shall not extend to making any recommendation or taking any action with respect to individual applications to the Government for relief or assistance, on appeal or otherwise, under the provisions of that act made by the private employer of the appointee or by any corporation, joint stock company, association, firm, partnership, or other entity in the pecuniary profits or contracts of which the appointee has any direct or indirect interest.

That order covers any direct or indirect interest of any kind which an employee may have in a company negotiating the contract.

Upon accepting his position as Deputy Administrator of the Defense Materials Procurement Agency, Mr. Young gave to Mr. Jess Larson, the Administrator, a letter in which he stated:

I will not take part in the consideration of or action on any application filed under the Defense Production Act by any company with which I am connected.

I would like to make it clear that I will make no recommendation about nor participate in the consideration or negotiation of any such application filed by any person or organization, as mentioned above.

Continuing, Mr. Young in explaining his disassociation from his business connections said:

My purpose in thus realining executive responsibilities within my own company was not only to make possible my Government service, but also to insure that other officials of my company than I would handle company matters with the Government. And when they had occasion to do so as to DMPA, I, pursuant to the arrangement with Mr. Larson, would consider myself disqualified.

Mr. Larson, in his reply dated September 13, 1951, told Mr. Young:

I will not embarrass you by asking you to participate or make any decisions in connection with any negotiations that have to do with any of the companies in which you are interested.

There was a clear understanding on the part of Mr. Young and all concerned in that agency that this Executive order was in effect and that every person in that agency was supposed to dissociate himself from any contract in which he had any interest, either directly or indirectly.

Testifying before the Joint Committee on Defense Production on July 14, 1955, as found at page 117 of Mr. Young's testimony, Mr. Young testified:

Mr. Clough came in to see me in January 1952. That was the first time I ever met the gentleman. I saw him at various times from then on. All the negotiations that were handled with him were handled by Mr. Douglas, Mr. Tom Lyon, Mr. Johnson, Mr. Butler, Mr. Ford, and Mr. Sherman. And the legal people who were in those various divisions and the accounting division that was in the various divisions and Mr. Larson and our general counsel.

Thus he denies that he took any part in the negotiations of the contract in question.

In August, 1951, the Honorable Manly Fleischmann, Administrator, Defense Production Administration, had received a letter from Charles E. Wilson, in which Mr. Fleischmann was advised that he should be very careful and examine all risks from a credit standpoint before approving.

I quote the last paragraph of Mr. Wilson's letter:

The directive calls for close coordination of all the financial incentives provided by the Government for facilities expansion. We must ensure the incentives are not duplicated and that the Government does not support poor credit risks in cases where other businesses which are in a sound financial position can undertake the needed expansion at less cost to the Government.

Under date of December 14, 1951, Mr. Clough received a letter from the American Zinc Co. This letter is offered as evidence that Mr. Young's company had entered the picture at an early date in the negotiations.

I ask unanimous consent that it be incorporated in the RECORD at this point as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN ZINC COMPANY OF ILLINOIS,
St. Louis, Mo., December 14, 1951.

Mr. MAYNARD F. CLOUGH,
Care of Mr. James E. Bacon,
1414 F Street NW.,
Washington, D. C.

DEAR MR. CLOUGH: Confirming my telephone conversation with you and Mr. Bacon, I understand you are entering into a contract with DMPA under which you will produce some 30,000 tons of zinc concentrates assaying approximately 60 percent zinc, from which will be recovered approximately 15,000 tons of slab zinc.

This letter will confirm my advice to you that if you execute with the Defense Materials Procurement Agency the floor purchase contract, which gives them the option of taking any part of the slab zinc produced during your contract and provides further that you may, at any time, call upon them to take all of the metal produced from your concentrates at a price of 19.5 cents per pound should the open market price become lower, we will enter into a contract with you to take your entire zinc concentrate production making the metal available to the Government under the terms of your contract.

The mechanics of accomplishing this will be as follows:

We will make a contract to purchase your concentrates based on the "going" market price of zinc, with a minimum settlement price to you of 19.5 cents. We will include in this contract a clause that if the Government calls on you to sell to them metal at the market price, we will sell them the resultant metal from your concentrates. If the open market price goes below 19.5 cents per pound, you would agree to invoke your right to ask the Government to take the resultant metal at 19.5 cents and the Government would purchase such metal from us at this price.

If you are successful in arriving at terms with the Government and can furnish us with a copy of the proposed letter of intent between you and them, we will then give to you a formal contract embodying the foregoing provisions.

Very truly yours,

R. A. YOUNG,
Vice President.

Mr. WILLIAMS. Mr. R. A. Young is a son of Mr. Howard Young, and assumed his father's position when he came to Washington. Unquestionably, his company from the beginning did have an interest in the contract.

I shall now outline how Mr. Howard Young took a part in these negotiations.

Under date of January 22, 1952, Mr. John Ford sent to Mr. Howard I. Young, Deputy Administrator, and to the DMPA a memorandum dealing with Mid-Continent Mining Corp., in which he said:

This case, which was referred to me on January 21, 1952, typifies a condition which is causing us a considerable amount of concern.

While we have not yet completed a financial analysis of the case, it seems probable that a satisfactory floor-price contract to assure the operator of a market for a period long enough to recoup his investment can be

worked out without difficulty. However, the operator is investing little, if any, money in the venture and if for no other reason this would preclude the borrowing of funds from customary sources. The representatives of the company made the categorical statement that it would be impossible for them to borrow money from RFC. Insofar as section 4a, business loans from RFC, is concerned, I agree.

Mr. Ford was the Director of the Contract Negotiation Division of the DMPA.

I next read from a memorandum dated January 31, 1952, sent to Mr. Howard I. Young, Deputy Administrator, by Mr. Maxwell Medley, Comptroller of the DMPA.

This letter refers to the Mid-Continent proposal as "extraordinary." I quote:

Lou Brooks, of my staff, has brought to my attention a proposed contract with the subject corporation covering the production of zinc which contemplates a $400,000 advance for construction of facilities.

An analysis of the balance sheet of this company as of January 25, 1952, indicates current assets of approximately $3,516, and fixed assets of $885,208, for a total of $888,722. Included in the fixed assets of the corporation is an item, Alice Mine Reserves (estimated), $875,000.

This item apparently represents an estimated value of undeveloped reserves under lease, and does not represent tangible fixed-assets value upon which to develop financial evaluation. The liabilities of the corporation amount to about $35,152, of which approximately $32,350 represents loans from corporate officers. The estimate net worth of the corporation is indicated at $853,571. If the Alice Mine Reserves estimated valuation of $875,000 is eliminated from the assets of the corporation, which, in my opinion should be done, the corporation shows a deficit position of some $21,400.

I understand this corporation was formed in April of 1951 for the express purpose of developing this project. It is needless for me to say that the degree of risk in advancing $400,000 to a corporation of this type is extraordinary. I also understand that the zinc situation is such that there is no critical shortage of supply and, in fact, the stockpile objective has been met.

Mr. President, I ask unanimous consent to have incorporated in the RECORD a letter of intent dated January 25, 1952, addressed to Mr. Maynard F. Clough, president of the Mid-Continent Mining Co. The letter is signed by Howard I. Young as Deputy Administrator in which he states that the Government would be interested in advancing $400,000 to the company, provided the company could show its ability to raise $100,000 of its own or other private funds.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JANUARY 25, 1952.

MR. MAYNARD F. CLOUGH,
Washington, D. C.

DEAR MR. CLOUGH: This office has reviewed your application for a floor-price contract for production of zinc concentrate at your mine in West Plains, Mo., and for an advance of $500,000 of Government funds to finance necessary capital and other costs to place your mine in operation. As you were advised by Mr. Sherman yesterday, we will consider a contract guaranteeing you a price of $110 per ton of concentrate, equivalent to 17 cents per pound, for the product of your mine, and advancing to you a substantial sum for capital costs.

Under your proposal, based on your stated operating costs, you will have in 1 year of operation repaid the total advance, and recovered your investment plus a profit. You will also own free and clear without tax obligation a complete operating plant costing upward of $400,000, for treating the large quantity of additional ore which you claim to have available but which has not been proven. At the current price of zinc your profits will be substantially greater. You have stated that you have spent on the project some $25,000 for exploration and other preliminary expenses.

This office is charged with the obligation of promoting the production of additional strategic metals, of which zinc is an important item. We appreciate your offer to assist in this problem. It is our policy to negotiate contracts of the type you request. However, it is not our policy to guarantee a profit of the extent outlined above by contracts wherein the borrower has no reasonable financial participation.

We suggest, therefore, a floor-price contract, and an advance of not to exceed $400,000 for capital expenditures only, to be repaid from income derived from sales from your mine, subject to your furnishing satisfactory evidence of your ability to invest $100,000 of your own or other private funds in the project, $50,000 of which will be used for capital expenditures before drawing on the Government advance, the balance to be retained by you for necessary working capital.

If the above suggestion is acceptable, kindly advise me at your early convenience and a letter contract to that effect will be drafted as soon as practicable.

Very truly yours,

HOWARD I. YOUNG,
Deputy Administrator.

Mr. WILLIAMS. Mr. President, I ask unanimous consent to have incorporated in the RECORD a letter dated February 2, 1952, from the American Zinc Co., addressed to Mr. Maynard Clough, in which they promise to the Mid-Continent Mining Co. that the American Zinc Co. will put up the necessary $100,000. The company used this letter with the Government as evidence of their ability to raise the proposed requirement of $100,000 of private funds.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN ZINC COMPANY OF ILLINOIS,
St. Louis, Mo., February 2, 1952.

MR. MAYNARD CLOUGH,
President, Mid-Continent Mining Corp.,
West Plains, Mo.

DEAR MR. CLOUGH: We have this day entered into a contract with you for the purchase of zinc concentrates from your property near West Plains, Mo. We understand you have entered into a contract with the United States Government whereby the Government is to make available to you up to $400,000 for capital investment in your venture.

This is to inform you that if the $400,000 is not sufficient to provide you with the funds needed for your capital investment in the venture, that we will, upon request by you after you have fully expended the $400,000 received from the Government for capital investment, advance to you up to $100,000 to be used for the same purpose and/or working capital.

This $100,000 will be evidenced by promissory notes which will bear interest at 6 percent per annum and will be payable in full not later than 2 years after date.

When you begin production of concentrates we will deduct from funds due you on each dry ton of concentrates delivered to us under our contract with you, $7 per short dry ton which shall be credited toward any advances made by us to you in line with the terms of this letter.

It is understood that you may, at any time, pay us sums over and above the $7 per ton of concentrates and may pay the loan in full at any time you desire prior to the due date above stipulated.

It is understood that none of the interested parties will withdraw any funds as corporate officers and/or dividends from the operation until such sums are paid in full.

Very truly yours,

AMERICAN ZINC COMPANY OF ILLINOIS,
By R. A. YOUNG.

Accepted:

MID-CONTINENT MINING CORP.,
By MAYNARD F. CLOUGH, *President.*

Mr. WILLIAMS. Mr. President, I have a memorandum dated February 4, 1952, prepared by Mr. Young and sent to Mr. Max Smedley. I ask unanimous consent that it may be printed at this point in the RECORD. It points out that it is recognized that the current assets of the corporation are, in fact, negligible, but still recommends the advancement.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

DEFENSE MATERIALS PROCUREMENT AGENCY,
Washington, D. C., February 4, 1952.

Memorandum to Mr. Max Medley, Comptroller, GSA.

From Mr. Howard Young, Deputy Administrator, DMPA.

Subject: Mid-Continent Mining Corp.

Reference is made to your memorandum of January 31 on the financial status of the above-captioned mining corporation.

It is recognized that the current assets of the corporation are in fact negligible. The corporation was organized for the sole purpose of exploiting the ore body for which the $400,000 advance is intended. It is noted that of the total fixed assets of the company amounting to $888,724 the major portion is the item of "Alice Mine Reserves," totaling $875,000.

It must be recognized that an ore body of the character developed does constitute collateral. A commercial-ore body amenable to extraction through recognized efficient mining and metallurgical methods and practices is in fact security for the advance. The management is, we believe, capable of attaining the extraction of zinc concentrates at a cost indicated in our zinc branch's appraisal and it should be noted that the American Zinc Company of Illinois has agreed to assist Mid-Continent in the arection of its mill and in the working out of efficient metallurgy.

Under all the circumstances and in spite of the low current asset figure attaching to the corporation, we consider the advance of $400,000 fully justified for the reasons outlined above.

HOWARD I. YOUNG,
Deputy Administrator.

Mr. WILLIAMS. Mr. President, under date of February 8, 1952, a letter was written by the general counsel of the General Services Administration, Mr. Maxwell Elliott, addressed to Mr. Young, in which he raises the question of the legality of the Government entering into a contract such as is proposed, wherein advance payments would be made to a corporation of this financial standing. I ask unanimous consent that this letter of warning, addressed to Mr. Young, be incorporated at this point in the RECORD.

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There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEBRUARY 8, 1952.

Mr. HOWARD I. YOUNG,
Deputy Administrator, DMPA.
MAXWELL H. ELLIOTT,
Mid-Continent Mining Corp.:

The Comptroller of GSA has furnished me with copies of the memorandums recently exchanged between you on this subject.

I should like to add my own 2 cents worth. Section 302 of the Defense Production Act of 1950, as amended, provides that loan may be made thereunder only to the extent that financial assistance is not otherwise available on reasonable terms. This imposes a statutory obligation to determine that private financing, with or without a Government guarantee, is not available on reasonable terms before a Government loan can be made. Under the narrow letter of the law an advance payment is technically not a loan. Where, however, an advance payment is made for capital improvements and is repayable in determinable amounts over a stated period, it resembles a loan so closely that only a mother could tell them apart. I think, therefore, that the making of an advance payment of this kind without first determining that private financing is not available on reasonable terms would be violative of the spirit and intent of the act. In this connection your attention is invited to the declaration of policy for the act which states that measures taken thereunder shall be done within the framework, as far as practicable, of the American system of competitive enterprise.

Mr. WILLIAMS. Earlier, I mentioned the fact that there was an unusual situation in connection with this matter, in that the agent who had prepared the report had been offered a position of employment with the company if the Government advance were authorized. The offer obviously was contingent upon a favorable report since the company had no capital of its own. I submit a memorandum which was sent to Mr. Jess Larson, Administrator, under date of February 14, 1952. The memorandum is signed by Baron I. Shacklette, compliance division, General Services Administration. This letter alerts Mr. Larson's attention to the fact that not only the company was insolvent with a deficit position of over $20,000 but also that Mr. Robert Butler, the agent preparing the report, had during its preparation been offered a position with the company at a substantially increased salary and suggested that this could possibly be a violation of the criminal code.

The subject of the memorandum is Maynard F. Clough, president, Mid-Continent Mining Corp., West Plains, Mo. It reads:

While the investigation has not been entirely completed, I feel that it is imperative that you be apprised immediately of certain facts which cast considerable doubt upon the propriety of the contract under consideration.

According to information received from officials of DMPA, the Mid-Continent Mining Corp. has leased a zinc mine situated in Howell and Ozark Counties, Mo., on a royalty basis with a minimum royalty of $10,000 per annum. The president of the camp, Maynard F. Clough, St. Paul, Minn., has advanced approximately $29,000 for expenses incident to the leasing and promoting the property. Three other individuals have advanced a total of about $5,000. It is understood that the promoters of the corporation expect to invest no further sums in this enterprise. Under the terms of the proposed contract, DMPA is to advance $400,000 to purchase machinery and place the minimum operating condition and guarantee and minimum rate for the purchase of the zinc produced from this mine. In addition, under a collateral contract, the American Zinc Co. of Illinois had agreed to smelt the ores produced by Mid-Continent Mining Corp. and to advance this concern up to $100,000 for operating expenses.

Our preliminary investigation has disclosed that Mr. Howard I. Young, Deputy Administrator, DMPA, has taken an active part in the negotiations with Mr. Clough, and that Mr. Young, who was formerly president of American Lead, Zinc Smelting Corp., was instrumental in the consummation of the contract between the American Zinc Co. of Illinois and the Mid-Continent Mining Corp. providing for the advance of $100,000. Mr. Young's son, R. A. Young, is vice president of the American Zinc Co. of Illinois.

There are these notations at the bottom:

1. "Prosecution is extremely unlikely if deal is killed."
2. "Adverse publicity is a very present danger."

This is another warning against the fact that this report was not recommended.

Mr. President, I ask unanimous consent that the entire report as prepared by Mr. Baron I. Shacklette, Compliance Division, General Services Administration, under date of February 14, 1952, as submitted to Mr. Larson, be printed at this point in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

GENERAL SERVICES ADMINISTRATION,
COMPLIANCE DIVISION,
February 14, 1952.

MEMORANDUM

To: Jess Larson, Administrator.
From. Baron I. Shacklette.
Subject: Maynard F. Clough, president, Mid-Continent Mining Corp., West Plains, Mo., special inquiry, background and financial responsibility.

While the investigation has not been entirely completed, I feel that it is imperative that you be apprised immediately of certain facts which cast considerable doubt upon the propriety of the contract under consideration.

According to information received from officials of DMPA, the Mid-Continent Mining Corp. has leased a zinc mine situated in Howell and Ozark Counties Mo., on a royalty basis with a minimum royalty of $10,000 per annum. The president of the camp, Maynard F. Clough, St. Paul, Minn., has advanced approximately $29,000 for expenses incident to the leasing and promoting the property. Three other individuals have advanced a total of about $5,000. It is understood that the promoters of the corporation expect to invest no further sums in this enterprise. Under the terms of the proposed contract, DMPA is to advance $400,000 to purchase machinery and place the minimum operating condition and guarantee and minimum rate for the purchase of the zinc produced from this mine. In addition, under a collateral contract, the American Zinc Co. of Illinois had agreed to smelt the ores produced by Mid-Continent Mining Corp. and to advance this concern up to $100,000 for operating expenses.

Our preliminary investigation has disclosed that Mr. Howard I. Young, Deputy Administrator, DMPA, has taken an active part in the negotiations with Mr. Clough, and that Mr. Young, who was formerly president of American Lead Zinc Smelting Corp., was instrumental in the consummation of the contract between the American Zinc Co. of Illinois and the Mid-Continent Mining Corp. providing for the advance of $100,000. Mr. Young's son, R. A. Young, is vice president of the American Zinc Co. of Illinois.

Our inquiry has disclosed that the fee to the mine is owned by Lee E. Ives and Florence S. Ives of Cleveland, and C. E. Doane and Mary R. Doane of Poplar Bluff, Mo. A mortgage on the mine is held by D. Howard Doane. Our agent was advised by G. E. Doane that he and Ives had last operated the mine during 1944–45, 46, and 47, during which period the operation showed a net loss of $16,178.69 and were therefore discontinued. In 1947 Doane and Ives contracted with the Eagle Picher Co. and the Parte DeWitt Construction Co. of Poplar Bluff, Mo., to mine and wash zinc carbonate from this mine. The contract was rescinded because the ore could not be smelted profitably.

In March 1951 Doane and Ives leased the mine on a royalty basis to J. Brad Ellingson of Minneapolis, Minn., and Harold Livingston, of West Plains, Mo. Mr. Ellingson is reported to be a salesman of hospital equipment while Livingston is said to have dabbled in mining in the vicinity all his life. We have little background information on Ellingson. However, Livingston is regarded as a local drunkard. His reputation as a miner is questionable and he has a poor local credit rating. It is understood that Ellingson interested Clough, who in turn interested Sally Robbins, a St. Paul lawyer, in the property. These four individuals formed the Mid-Continent Mining Corp. and Clough was elected president and treasurer and Livingston vice president and secretary. Livingston and Ellingson then assigned this lease of the mine to the corporation. Background of Clough, Ellingson, and Robbins has not been completed. However, Clough is known to be a real-estate operator and entrepreneur. During World War II he operated a manganese mine in North Carolina and expected to sell the product to the United States Government. However, he was able to produce only $4,000 worth of ore at a cost of $116,000 and he eventually filed a claim against the Government that was eventually disallowed.

During the course of the negotiation with DMPA, the Mid-Continent Mining Corp. submitted a financial statement indicating a net worth of $888,742.05. The major item of assets consist of $875,000 set up to cover the mine reserves. In the opinion of the comptroller this item should not be considered an asset and if eliminated the company would have a deficit position to the extent of $21,400.

POTENTIAL, ETHICAL, AND LEGAL INVOLVEMENT

Among the significant personalities involved in this proposed contract is Robert S. (Bod) Butler, mining engineer, Defense Materials Procurement Agency, who was employed December 13, 1951, at grade GS-14 upon the recommendation of Mr. Howard Young. Mr. Butler prepared a report on the potentialities of this mine, which is based primarily upon information contained in previous reports of the Bureau of Mines and Geological Survey regarding the amounts of indicated and inferred ores. Although Mr. Butler expressed his professional opinion that the mine had great potentialities, representatives of the United States Geological Survey and Bureau of Mines were less optimistic concerning the possible productivity of the property. During the course of our investigation at West Plains, Mo., our special agent in the field was informed by one of the fee owners of the mines that the officials of the mining corporation, who had relatively little experience in this type of operation, intended on the basis of the recommendation

of the American Zinc Co. to employ Mr. Butler as superintendent in charge of all operations, because while American Zinc owned no stock in Mid-Continent it committed itself to advance up to $100,000 and Mid-Continent indicated to the informant that it would accept the advice of American Zinc on policy.

It is significant that Mr. Butler and Mr. Clough have reportedly been well acquainted for several years that Mr. Butler according to informed Government sources intends to leave the Government service. You are, of course, familiar with the provisions of section 202, title 18, United States Code. It is possible[1] the activities of Mr. Butler may bring him within the purview of the intent of this statute.

CONCLUSIONS

Our preliminary investigation discloses that the promoters have a relatively small financial investment in this venture and that the Government is expected to supply the bulk of the necessary funds. The operation of the mine is distinctly marginal in character and the amount of reserves and productivity are questionable. In addition the background of the individuals involved does not reflect any successful experience in this type of operation. It is my understanding that officials of DMPA are expediting this transaction, and I am, therefore, alerting you to the information presently available. A final report will be prepared and furnished to you in the very near future.

(Added in pencil:) Information regarding Clough set forth in Jim Hunt Diary. This means the Hooey committee may have Clough tabbed as a 5 percenter to be watched.

Mr. WILLIAMS. Mr. President, I ask unanimous consent to have printed at this point in the RECORD section 202 of title 18 of the United States Code, to which reference has been made, which prohibits any government official from entering into negotiations of any description such as this during the course of an investigation of the parties concerned.

There being no objection, section 202, title 18, of the United States Code, was ordered to be printed in the RECORD, as follows:

§ 202. Acceptance or solicitation by officer or other person.

Whoever, being an officer or employee of, or person acting for or on behalf of the United States, in any official capacity, under or by virtue of the authority of any department or agency thereof, or an officer or person acting for or on behalf of either House of Congress, or of any Committee of either House, or of both Houses thereof, asks, accepts, or receives any money, or any check, order, contract, promise, undertaking, obligation, gratuity, or security for the payment of money, or for the delivery or conveyance of anything of value, with intent to have his decision or action on any question, matter, cause, or proceeding which may at any time be pending, or which may by law be brought before him in his official capacity, or in his place of trust or profit, influenced thereby, shall be fined not more than three times the amount of such money or value of such thing or imprisoned not more than 3 years, or both; and shall forfeit his office or place and be disqualified from holding any office of honor, trust, or profit under the United States.

Mr. WILLIAMS. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a memorandum dated February 15, 1952, by John E. Hall, Special Agent, addressed to Mr. Felix A. Westwood, Assistant Director of the General Services Administration, in which he likewise raises question as to the propriety of Mr. Butler's considering this offer while he was working on the Mid-Continent application. This was the second warning that the contract was being prepared by a man who had a special interest.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

GENERAL SERVICES ADMINISTRATION,
COMPLIANCE DIVISION.

MEMORANDUM

To: Felix Westwood, Assistant Director.
From: John E. Hill, special agent.
Subject: Mid-Continent Mining Corp., West Plains, Mo.; Maynard F. Clough, special inquiry, background and financial responsibility, file No. 24–20135–W.

Robert S. (Bob) Butler, mining engineer, GS–14, was interviewed on February 15, 1952, by the reporting agent and Special Agent Francis R. Belue.

Mr. Butler stated that he had been employed by Defense Materials Procurement Agency on December 13, 1951, upon the recommendation of Howard Young, Deputy Administrator. His immediate superior is Gunnard Johnson, and his first assignment was the proposed transaction with the Mid-Continent Mining Corp.

Mr. Butler stated that he had known Mr. Clough since 1941 when he was connected with Army Ordnance and Clough had a contract to manufacture base plugs for armor-piercing shot in St. Paul or Minneapolis. For a period of several months Butler saw Clough frequently, but was not required in his official capacity to inspect the items furnished by Clough. Butler did not see Clough again until shortly after his employment by Defense Materials Procurement Agency.

It was Butler's duty to make a thorough review of the proposal of the Mid-Continent Mining Corp. and to submit a report and recommendation. One version of his report was prepared and dated January 17, 1952, and the final revised report was dated January 21, 1952. Immediately subsequent to Butler's employment, he conferred on numerous occasions with Clough, a Mr. Bacon, Clough's engineer, and later with John Graves, described as Clough's man Friday.

Butler stated that his information indicated that the personnel of the Mid-Continent Mining Corp. did not have the experience necessary for this operation and that it was essential that a good mining man be employed. Butler advised Clough that he had many connections in the general vicinity of the mine and, among these, was George Potter, an ex-vice president of the Eagle Picher Co. Butler said that he intended to go to Joplin, Mo., to see Potter, or at least to call him by telephone, for the purpose of having Mr. Potter procure a good mining man. Discussions with Clough relating to the employment of a mining operator began about the middle of December 1951 and continued until about the middle of January 1952. However, Butler did not call Mr. Potter or make any overt move for the employment of a mining operator.

About a week prior to January 21, 1952 (the date of Butler's final report), Clough telephoned Butler at the YMCA and offered him the job of operating the mine. He told Butler that he would double the salary Butler was making with Defense Materials Procurement Agency. Butler was reluctant to commit himself to this proposal because he had only recently returned from Colombia, South America, and he felt sure that his wife would prefer to live in Washington, D. C. Clough saw and telephoned to Butler on numerous occasions in an effort to sell Butler on operating the mine. On about February 2, 1952, Butler telephoned his wife in Dallas and received her approval of his employment by Clough. He then notified Clough of his acceptance and obtained from Clough a tentative promise of a 5-percent stock interest in the corporation.

Butler advised Gunnard Johnson, James Douglas, and Tom Lyon that he was going to work for the Mid-Continent Mining Corp. and he set February 15, 1952, as the date of his resignation, since he felt that the contract between Defense Materials Procurement Agency and the Mid-Continent Mining Corp. would be consummated by that date. Butler said that he had determined not to discuss his plans with Howard Young since, during his employment by Defense Materials Procurement Agency, he wished Young to regard him as a representative of Defense Materials Procurement Agency rather than the Mid-Continent Mining Corp. However, Clough advised Butler that he had discussed Butler's employment by Mid-Continent Mining Corp. with Young on several occasions and that Young was heartily in accord with this plan. In fact, Clough advised Butler that Young had suggested that Butler be sent to the mine immediately to make preparations for the operation.

Butler said that he had no written agreement with Clough pertaining to his future employment and that he had received nothing of value on account of future compensation.

Furthermore, Butler stated that the content of his official report and recommendation of January 21, 1952, was not in any way influenced by his possible future employment by Clough. However, he admitted that he would have no job with the Mid-Continent Mining Corp. if the proposed loan by the Government was not consummated, and he knew that his report would have a bearing on the decision of the Defense Materials Procurement Agency. In conclusion, Butler stated that that part of his report which reads, "applicant is considered to be competent to carry out this project in a satisfactory manner," was based upon his belief that he could procure for the Mid-Continent Mining Corp. a mining man of adequate ability, and that this man turned out to be himself.

Mr. WILLIAMS. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a memorandum dated February 18, 1952, prepared by Mr. Gunnard E. Johnson, acting on behalf of Mr. Tom Lyon, Director of the Domestic Materials Division. It is directed to Mr. Howard I. Young, Deputy Administrator, and again calls Mr. Young's attention also to the fact that Mr. Butler was considering taking the job with the company which he was investigating.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

UNITED STATES GOVERNMENT,
February 18, 1952.

OFFICE MEMORANDUM

To Howard I. Young, Deputy Administrator.
From Gunnard E. Johnson, Chief, Lead-Zinc Branch, acting for Tom Lyon, Director, Domestic Expansion Division.
Subject: Notes re Mid-Continent.

1. Application filed December 10, 1951. James E. Bacon, technical counselor for floor price contract; 30,000 tons zinc.

2. December 14, 1951: Docket to United States Geological Survey.

3. December 18: Maps and technical data to United States Geological Survey.

3a. December 21: United States Geological Survey memo to G. E. Johnson re ore reserves.

[1] 1. Prosecution extremely unlikely (if deal is killed). 2. But adverse publicity a very present danger.

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Includes United States Geological Survey and United States Bureau of Mines information.

4. January 7: Memo to James Douglas from Tom Lyon and Gunnard E. Johnson recommending purchase contract.

5. January 9: Docket returned from office of James Douglas to change to floor price recommendation.

6. January 17: Memo to Mr. John Ford through Tom Lyon, recommending floor price contract for 7,400 tons of zinc metal at floor price to be negotiated.

No official memo from United States Bureau of Mines included in docket, but O. M. Bishop consulted by Bob Butler.

Application included official publication United States Bureau of Mines, Report of Investigations Alice Zinc Mine, Ozark County, Mo., R. I. 4056, May 1, 1947, by A. B. Needham and K. L. Kreamalmyer.

January 15, 1952: Checked possible floor price with Bob Butler at 16.75 cents.

January 17, 1952: Check calculations in report to John Ford.

January 21, 1952: Memo to Bob Butler from E. T. McKnight, United States Geological Survey. Proposed recommendations to Mr. Ford: Calculated risk.

Discussed with T. Lyon possibility of Bob Butler leaving to go with Mid-Continent. Asked his advice on what Government required.

Later—

Tom Lyon advised he had talked with Max Elliott, and was advised that any Government employee could leave service but would be prohibited from representing applicant (Mid-Continent) or any other applicant before the Government for a period of time—possibly 2 years.

Tom Lyon asked me to relay this information to Bob Butler which I did the same day.

Later—

Discussed with Tom Lyon and James Douglas (in Tom Lyon's office) the arrangements for Butler to leave Government service.

They both felt that it was too bad that Butler was leaving and didn't like to have him go to work for an applicant whose application was processed by Butler.

My own feeling is that this case should be completely reviewed by an entirely disinterested qualified consultant.

GUNNARD E. JOHNSON.

Mr. WILLIAMS. Mr. President, I ask unanimous consent to have printed in the RECORD Mr. Young's letter of April 17, 1952, dealing with the contract, and addressed to Mr. Clough, West Plains, Mo., be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

APRIL 17, 1952.

Mr. MAYNARD F. CLOUGH,
President, Mid-Continent Mining Co.,
West Plains, Mo.

DEAR MR. CLOUGH: Your application DMPA-2239 for a floor price contract for zinc is being reviewed by the Defense Materials Procurement Agency. We cannot justify a contract at the requested floor price. The present policy of Defense Materials Procurement Agency limits consideration of floor-price applications to those which will not exceed 17½ cents for zinc and 17 cents for lead.

Therefore, we suggest that you carefully reassess the basis of your proposal, together with its estimated costs, and advise us by telegram whether you are prepared to consider a contract at a lower price, being sure to indicate your lowest possible acceptable price.

Upon receipt of this information, we shall be glad to advise you promptly regarding further consideration.

Sincerely yours,

HOWARD I. YOUNG,
Deputy Administrator.

Mr. WILLIAMS. Mr. President, I ask unanimous consent to have printed in the RECORD another memorandum, dated May 5, 1952, prepared by Mr. Baron I. Shacklette, Director of the Compliance Division of the General Services Administration, addressed to Howard I. Young.

I wish to quote briefly from that memorandum, as follows:

As you know, following our conference on April 30, 1952, Mr. Clough was interviewed concerning all phases of his participation in this transaction, as a follow-up of a previous interview in which he declined to make a statement to a representative of this division.

Assuming, for the purpose of this memorandum, that there are no irregularities in this transaction which would warrant criminal prosecution and that from an engineering point of view the proposal is sound, I, nevertheless, feel that I should emphasize my concern about certain sensitive factors which might be exploited by the press or congressional committees, resulting in extreme embarrassment to this administration. This transaction is identical from a public relations standpoint with two recent cases investigated by the Federal Bureau of Investigation, and which received nationwide publicity as a result of hearings before the Senate Investigations Subcommittee. It is my belief that if this transaction were publicized, the following factors would be headlined.

Continuing:

On the basis of the interview with Clough, information of record was substantiated that he is a promoter without visible means of support. He has admitted liabilities of $200,000 with no tangible assets other than his 70 percent stock interest in the Mid-Continent Mining Corp. Nine judgments, totaling $39,793.24, are of record against him in the District of Columbia, of which two, totaling $16,857.46 are in favor of the United States Government, which, again, would undoubtedly be highlighted as a reason why the United States Government should not participate with him in any transaction of this type.

4. As you know, during the course of the negotiations on this contract, Mr. Clough offered DMPA employee, Robert S. Butler, a position with Mid-Continent at a salary considerably in excess of that which he was then receiving from the Government; at the time this offer was made, Butler was actually working on the Mid-Continent proposal as the DMPA representative, which culminated in a recommendation favorable to Mid-Continent.

The completed interview with Mr. Clough does not alter my previous expressions to you that serious consideration should be given the public relations aspects of the proposed loan to the Mid-Continent Mining Corp.

The letter which I just had permission to have printed in the RECORD, signed by Mr. Baron I. Shacklette and addressed to Mr. Howard Young, warned against the contract on the basis that there was not only a possible conflict of interest involved, but, in addition, it was written to warn that the man who prepared the favorable report against whom recommendations were being made had been offered a job that would possibly be subject to violation of law.

I ask unanimous consent that the memorandums of Mr. Young's of May 8 and May 9, along with the memorandum of June 4, be incorporated in the RECORD at this point.

There being no objection, the memorandums were ordered to be printed in the RECORD, as follows:

UNITED STATES GOVERNMENT,
May 8, 1952.

OFFICE MEMORANDUM

To Mr. Jess Larson, Administrator, DMPA.
From Howard I. Young, Deputy Administrator, DMPA.

Hope it will be possible for you to give me final decision on Mid-Continent today or tomorrow.

From a technical and engineering standpoint this situation looks O. K.

HOWARD I. YOUNG.

UNITED STATES GOVERNMENT,
May 9, 1952.

OFFICE MEMORANDUM

To Mr. Jess Larson, Administrator, DMPA.
From Howard I. Young, Deputy Administrator.
Subject: Mid-Continent Mining Corp.

Re our discussion at lunch, Mr. Clough advises me that the Mid-Continent Mining Corp. officers would be as follows:

Mr. John Lawler, now president of the Torit Manufacturing Co., St. Paul, Minn., would serve as president and treasurer.

Mr. Kay Todd, attorney, First National Bank Building, St. Paul, Minn., would serve as vice president and secretary.

These two gentleman would hold the controlling stock in this corporation.

HOWARD I. YOUNG.

JUNE 4, 1952.

Mr. Jess Larson, Administrator, DMPA.
Howard I. Young, Deputy Administrator, DMPA.

I am getting daily telephone calls from Minneapolis regarding Mid-Continent. Can you give me any idea when final decision will be made so I can advise the interested party.

As my memorandum of May 9 advised you, Mr. John Lawler and Mr. Kay Todd will be the responsible executive officials. I understand both these gentlemen are very responsible business and professional men of Minneapolis.

HOWARD I. YOUNG.

Mr. WILLIAMS. Mr. President, I place these documents in the RECORD to show that Mr. Young's denial of any part in the negotiation of the contract cannot be supported by the record.

In addition, we have the memorandum of June 19, 1952, from Mr. Ford to Mr. Young, dealing with the same contract. I ask unanimous consent to have it printed in the RECORD.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

JUNE 19, 1952.

Howard I. Young, Deputy Administrator.
John G. Ford, Director, Contract Negotiations Division.
Mid-Continent Mining Co.

We have reviewed the memorandum prepared by Mr. Butler on the above subject on June 18, and have discussed the matter with Mr. Butler.

We are in agreement as to the financial analysis of operations under the proposed project, on the basis of 16-cent zinc, as follows:

Value of 14,237 tons concentrates	$1,423,700
Less royalty	142,370
	1,281,330
Cost of production, 290,000 tons at $2.785	807,650

Operating profit	$473,680
Less interest	25,000
Profit after interest	448,680
Residual value of plant	15,000
Available for retiring capital costs	463,680
Cost of 1,200-ton mill and other facilities	460,000
Net profit before income taxes	3,680

JOHN G. FORD.

Mr. WILLIAMS. The contract was entered into under date of July 14, 1952. The letter of intent was signed and sent to Mr. Clough, president of Mid-Continent Mining Co., West Plains, Mo., and it is countersigned by Mr. Larson. I shall read only two provisos from the contract, No. 1 and No. 2:

1. Your corporation shall furnish evidence to the Government satisfactory arrangements for smelting and refining facilities with a smelter of established experience and responsibility sufficient to enable Mid-Continent to meet delivery obligations of the quantity of slab zinc, meeting National Stockpile Specification P–59, latest revision, as of the date hereof.

2. Your corporation shall furnish evidence to the Government the availability of capital or credit in an amount of $75,000, which sum or portion thereof shall be available for additional facilities and improvements in the event that the cost of the facilities exceeds $325,000, and for working capital.

Mr. President, under date of July 18, 1952, after the letter of intent had been mailed, a telegram was sent to Mr. Clough by Mr. Young, the Administrator. In the telegram, Mr. Young warns against the employment of Mr. Butler, the agent who had been offered the position.

I read the telegram to Mr. Clough:

DEFENSE MATERIALS PROCUREMENT AGENCY,
DEPUTY ADMINISTRATOR,
July 18, 1952.

Mr. MAYNARD F. CLOUGH,
Care of Mr. Todd,
National Bank Building,
St. Paul, Minn.:

This is to advise you that under no circumstances will we join in the Mid-Continent project if you employ Bob Butler. It was definitely understood that on account of the situation which developed, which we agree was very unfortunate, Butler would be definitely eliminated from the management. Please consider this as final.

HOWARD I. YOUNG,
Deputy Administrator, Defense Materials Procurement Agency.

Mr. President, throughout the entire negotiations, the approval of the contract was based upon a report prepared by this same Mr. Butler. Mr. Butler who during the processing of the report admitted he had been offered this job with this company. It was not until after the contract was agreed upon that the final stamp of disapproval was placed on the man who was instrumental in obtaining the favorable recommendation.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a letter from Mr. Young to Mr. Clough, under date of July 21, 1952, promising on behalf of the American Zinc Co. to advance the $75,000 private capital which was required.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN ZINC COMPANY OF ILLINOIS,
St. Louis, Mo., July 21, 1952.

Mr. MAYNARD CLOUGH,
President, Mid-Continent Mining Corp., West Plains, Mo.

DEAR MR. CLOUGH: We have this day entered into a contract with you for the purchase of zinc concentrates from your property near West Plains, Mo. We understand you have entered into a contract with the United States Government whereby the Government is to make available to you up to $325,000 for capital investment in your venture.

This is to inform you that if the $325,000 is not sufficient to provide you with the funds needed for your capital investment in the venture, then we will, upon request by you after you have fully expended the $325,000 received from the Government for capital investment, advance to you up to $75,000, as cash or credit, to be used for the same purpose and/or working capital.

This $75,000 will be evidenced by promissory notes which will bear interest at 6 percent per annum and will be payable in full not later than 2 years after date.

When you begin production of concentrates we will deduct from funds due you on each dry ton of concentrates delivered to us under our contract with you, $5 per short dry ton which shall be credited toward any advances made by us to you in line with the terms of this letter.

It is understood that you may, at any time, pay us sums over and above the $5 per ton of concentrates and may pay the loan in full at any time you desire prior to the due date above stipulated.

It is understood that none of the interested parties will withdraw any funds as corporate officers and/or dividends from the operation until such sums are paid in full.

Very truly yours,
AMERICAN ZINC COMPANY OF ILLINOIS,
R. A. YOUNG,
Vice President.

Accepted:
MID-CONTINENT MINING CORP.,
MAYNARD F. CLOUGH.

Mr. WILLIAMS. Mr. President, on the eve of awarding this contract had been made under these peculiar circumstances, Mr. James G. Ford, director of the Contracts Negotiation Division, of the Department in which Mr. Young was working, wrote a memorandum in which he took exception to what was being done. The memorandum reads as follows:

AUGUST 20, 1952.

A. H. Greene, General Counsel, DMPA.
John G. Ford, Director, Contract Negotiations Division.
Mid-Continent Mining Corp.

This office acknowledges receipt of a copy of a contract with the above company for production of slab zinc, submitted to the contractor for signature as of August 18, over the signature of the Deputy Administrator.

The following comments are offered:

(a) The contract was not concurred in by this division.

(b) The contract makes no requirement for a showing of competent management.

(c) The contract violates the basic principles of a floor price contract in that it does not provide for termination of the contract when the contractor has recovered his investment in facilities, as provided in article X (3) of the standard zinc contract prepared by your office, and as included in floor price contracts negotiated by this office.

(d) The contract provides, in article X (b) for reports which "indicate the accumulation of the contractor's cash return as defined in article IX." No such definition is contained in article IX.

(e) The Office of Public Information has not been requested to prepare a release on this contract, as provided in the internal procedure of this office.

JOHN G. FORD.

I ask unanimous consent to have incorporated in the RECORD a memorandum signd by Mr. Young, which was sent to Mr. Albert H. Green. In the memorandum, Mr. Young says that in his opinion the contract is all right, and that they should proceed. Notwithstanding the fact the company had no capital.

There being on objection, the memorandum was ordered to be printed in the RECORD, as follows:

AUGUST 21, 1952.

Mr. Albert H. Greene.
Howard I. Young.
Mid-Continent Mining Corp.

Referring to Mr. Ford's memorandum of August 20, beg to advise that floor price contract was sent to Mid-Continent in St. Paul so that the First National Bank, who are going to make the loan, would have an opportunity to see the contract and it would be executed by the proper official of Mid-Continent and then returned for the Administrator's signature.

This was a standard form contract and on account of this case having been held up so long and the bank being anxious to see it, it was mailed out as soon as completed.

The management of Mid-Continent has been chosen and is well qualified, having worked in various capacities for the National Lead Co. and recently having been superintendent of the National Lead's Southeast Missouri operations prior to employment in mining operations in Africa.

Inasmuch as equity capital, in addition to the guaranteed loan, will no doubt be required in this project, the floor price contract is as originally agreed upon, for a definite period of time and/or a definite tonnage of production of slab zinc as agreed to by the Administrator.

HOWARD I. YOUNG

Mr. WILLIAMS. The contract was entered into under date of August 21, 1952, and was amended on October 2, 1955. I shall read only two provisos of the amended contract, proviso 7 and proviso 11.

Proviso 7 of the amended contract which was negotiated between the Mid-continent Mining Co. and the United States Government, reads as follows:

7. Contractor is authorized to borrow from the American Zinc Company of Illinois, St. Louis, Mo., not in excess of $75,000, as provided in contractor's agreement with said company dated July 21, 1952.

I may say that the $75,000 is that referred to in the previous letter, wherein the vice president of the American Zinc Co. gave assurance that if it could negotiate this arrangement with the Government, it could use their letter as a guaranty of additional private funds which would be put into the company in case the $325,000 was not enough.

Proviso No. 11 of the amended contract reads as follows:

11. Except as otherwise provided in this contract, without the prior consent of the Government, the contractor shall sell its

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zinc ores and concentrates only to American Zinc.

Mr. President, the American Zinc Co. was the company with which Mr. Young was affiliated. Now since questions have been raised that the Comptroller General was the only one adversely reporting on this contract, I call attention to the fact that in September 1954, an audit of the same transaction was prepared, not by the Comptroller General or his office, but by the audit division of the General Services Administration. That report was so damaging that they forwarded it to the General Accounting Office for review.

I should like to read the company's letter:

GENERAL SERVICES ADMINISTRATION,
Washington, D. C., September 1, 1955.

Re report on audit of contract DMP–15, Mid-Continent Mining Corp.

DEAR MR. ELLIS: Enclosed audit report covers period from inception of corporation April 23, 1951, to April 30, 1954. It is very well summarized on pages 1 through 33.

After this has been reviewed, believe you will understand why a little over a month after I took office we closed this operation down.

On page 2, under special comments, item 2, the capital investment was only $500, and the corporation made expenditures and incurred obligations aggregating $587,000. Under item 3, after a Government advance of $325,000, the total cash made available to the corporation was $1,350 in the form of a loan from the president.

Of course, it is easy enough to look back and see what should or should not have been done, but, regardless of what transpired in the beginning, there certainly was no justification for the continuation of an operation as unsound as this. We have been more than fair and cooperative with all those involved in a sorry venture.

Cordially yours,

EDMUND F. MANSURE.

This entire report is available to anyone who is interested. I shall read for the RECORD certain quotations from this report regarding this contract. I read the special comments of the Audit Division of the General Services Administration:

SPECIAL COMMENTS

1. The corporation did not meet its production obligations under the contract, and in other respects violated the terms and conditions of the contract. As a result, the contract is in default and the contractor has lost any rights to deliver zinc to the Government under the terms of the contract.

2. The corporation, with a capital investment of only $500, made expenditures and incurred obligations aggregating $587,000 between January 25, 1952, and April 30, 1954, yet had not commenced production or completed construction of the facilities.

3. Other than the Government advance of $325,000, the total cash made available to the corporation for the contractual undertaking was $1,350 in the form of a loan from the president of the corporation.

4. The corporation, after exhausting the $325,000 of funds advanced by the Government, incurred more than $200,000 of obligations without any visible source of additional financing.

5. In the course of the audit, it was found that the corporation was continuing to incur obligations at the rate of $2,500 to $3,000 per month. On August 19, 1954, the Administrator, GSA, advised the corporation that it "has no authority to incur, either directly or indirectly, any obligations on behalf of the United State Government."

6. The corporation on a number of occasions has made misrepresentations to the Government and to third parties, and has distorted the contractual relationships between the Government and the corporation.

7. The corporation was inefficient in managing its affairs, and imprudent in its expenditure of funds and in incurring obligations.

8. The corporation's books showed unpaid wages and accounts payable at April 30, 1954, of $203,251.44. Satisfactory documentation was found to support only $101,846.03, leaving a balance of $101,405.41, consisting principally of obligations which were overstated or require further documentation.

9. The contract was executed despite serious questions raised by Government officials during negotiations as to the advisability of entering into the contract in light of the financial risk involved on the part of the Government.

10. On November 5, 1952—when the market price of zinc was 12½ cents per pound—the corporation entered into an agreement with the American Zinc Co. of Illinois to acquire zinc to "put" to the Government at 16 cents per pound. If the corporation intended to "put" only its production as authorized by the contract, there is no apparent reason for this agreement. Accordingly, a question is raised as to whether the corporation contemplated the tender of zinc to the Government in violation of contract provisions.

I quote from page 4. Even though this has not been highlighted, it is a major contention between the American Zinc Co. and the General Accounting Office. This question was raised first by the General Services Administration, on September 1, 1954:

3. That the Government determine whether it has cause for action against the American Zinc Company of Illinois because of the latter's failure to provide funds which it agreed to advance to the corporation.

I ask unanimous consent that there be incorporated in the RECORD the letter promising, on the part of the American Zinc Co., to furnish $75,000 to this corporation. This still is recognized as a possible legal obligation.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

AMERICAN ZINC COMPANY OF ILLINOIS,
St. Louis, Mo., July 21, 1952.

MR. MAYNARD CLOUGH,
President, Mid-Continent Mining Corp., West Plains, Mo.

DEAR MR. CLOUGH: We have this day entered into a contract with you for the purchase of zinc concentrates from your property near West Plains, Mo. We understand you have entered into a contract with the United States Government whereby the Government is to make available to you up to $325,000 for capital investment in your venture.

This is to inform you that if the $325,000 is not sufficient to provide you with the funds needed for your capital investment in the venture, that we will, upon request by you after you have fully expended the $325,000 received from the Government for capital investment, advance to you up to $75,000 as cash or credit, to be used for the same purpose and/or working capital.

This $75,000 will be evidenced by promissory notes which will bear interest at 6 percent per annum and will be payable in full not later than 2 years after date.

When you begin production of concentrates we will deduct from funds due you on each dry ton of concentrates delivered to us under our contract with you, $5 per short dry ton which shall be credited toward any advances made by us to you in line with the terms of this letter.

It is understood that you may, at any time, pay us sums over and above the $5 per ton of concentrates and may pay the loan in full at any time you desire prior to the due date above stipulated.

It is understood that none of the interested parties will withdraw any funds as corporate officers and/or dividends from the operation until such sums are paid in full.

Very truly yours,
AMERICAN ZINC COMPANY OF ILLINOIS,
R. A. YOUNG, *Vice President.*

Accepted:
MID-CONTINENT MINING CORP.,
MAYNARD F. CLOUGH.

Mr. WILLIAMS. On page 8 we find the General Services Administration in accord with the General Accounting Office, in the statement that this corporation was not adequately financed at the time the loan went through. I read:

CORPORATE BACKGROUND

INCORPORATION

The certificate of incorporation, dated April 23, 1951, shows that Mid-Continent was incorporated under the laws of the State of Missouri, with an authorized capitalization of 2,500,000 shares valued at 10 cents a share. Five thousand shares of stock were subscribed by the incorporators, M. F. Clough, 3,500 shares, Harold Livingston, 750 shares, and J. Brad Ellingson 750 shares, for which $500, the minimum paid-in capital required under Missouri law, was paid into the corporation by Mr. Clough.

I ask unanimous consent to have printed in the RECORD at this point a breakdown of the obligations incurred by the corporation between January 25, 1952, and April 30, 1954, under the title "B–1" in this report, on page 16.

There being no objection, the breakdown was ordered to be printed in the RECORD, as follows:

B. Obligations incurred by Mid-Continent Mining Co., Jan. 25, 1952 to Apr. 30, 1954

1. SUMMARY OF LIABILITIES SHOWN ON CORPORATION BOOKS AT APR. 30, 1954

Due the Government:	*Amount*
Funds advanced by the Government	$325,000.00
Accrued interest on above	23,017.12
Total due Government	348,017.12
Other unpaid obligations:	
Unpaid wages (schedule 1)	40,322.55
Accured payroll taxes	6,530.17
Accrued Federal excise taxes	331.10
Accrued interest and penalties on Missouri unemployment, OAB, and withholding taxes	368.83
Accrued franchise taxes	173.97
Accounts payable (schedules 2 and 3)	162,928.89
Due M. F. Clough (see p. 19)	28,598.63
Total liabilities per books at Apr. 30, 1954	587,271.26

Mr. WILLIAMS. Mr. President, I call attention to the fact that at the time this audit was made there were still unpaid wages in the amount of $40,322.15; accrued payroll taxes in the amount of $6,530.17; accrued Federal excise taxes in the amount of $331.10; and accrued interest and penalties on Missouri unemployment and withholding tax in the amount of $368.83.

On pages 27 and 28 we find the following statement of this same GSA report:

WASTE AND EXTRAVAGANCE

Evidence of waste and extravagance developed by the audit are as follows:

(a) The president of the corporation incurred travel expenses of about $15,000 during the period under review. This seems exorbitant in view of the corporation's limited financial resources. A review of his travel vouchers disclosed that on 50 separate occasions he charged more than $10 (in one case $50) for dinners. Apparently this included entertainment, the need for which is questioned.

(b) Telephone expense exceeded $11,000 from July 16, 1952, to April 30, 1954, most of which covered long distance calls made by the president of the corporation. The following summary of long-distance calls made by the president is illustrative:

Call placed from Washington, D. C., May 31, 1953, to June 4, 1953; number of calls, 50; amount, $258.69.

Call placed from Washington, D. C. June 9, 1953, to June 11, 1953; number of calls, 28; amount, $142.88.

Call placed from New York City and Washington, D. C., June 12, 1953, to June 21, 1953; number of calls, 76; amount $373.44.

Total, $775.01.

This report was prepared by another agency, not the General Accounting Office, but the General Services Administration, the same agency with which Mr. Young was affiliated prior to his leaving the Government service.

If there are those who wish to defend the contract and denounce the Comptroller General as being completely out of line when he criticized this contract and called it to the attention of the Congress, I point out that prior to this contract's having been signed, the Comptroller of the General Services Administration, the Chief of the Compliance Division of the General Services Administration, and the General Counsel of that agency had likewise recommended that the contract not be approved, on the basis that it had been entered into under questionable circumstances. The contract had been severely criticized by those men largely on the basis that the Government agent who was negotiating and recommending approval of the $325,000 Federal grant was doing so with the thought in mind that he would take a position with the company at a substantial increase in salary, as well as the fact that the company was actually insolvent.

I doubt if there is any Member of the Senate who will defend that principle as being a sound principle, or who will say that we should endorse it. If there is any Senator who entertains that view, I should be glad to yield to him at this point. I am glad to yield to any Senator who wishes to say that he will now defend this contract in the light of the circumstances which have been developed in this report here today.

I compliment the Comptroller General for trying to be objective in his reports to Congress. Not only has the Comptroller General's Office, but also the General Services Administration has likewise criticized the contract. There is still pending the question: Is the Government obligated to pay the outstanding wages, or should the Government call upon the American Zinc Co. to live up to its part of its contractual obligations and put up its $75,000, as it had agreed to do?

Inasmuch as the dispute existed between Mr. Young, and the General Services Administration and the General Accounting Office, the dispute was submitted to an independent authority by Mr. Mansure, Administrator of GSA Judge Chesnut, a Federal judge in Baltimore, was asked to review the entire contract and to pass an opinion. He was asked to decide the question: Was the Comptroller General correct when he said the Government should stop further payments under the contract?

I may say that, notwithstanding the fact that certain Members of Congress disagreed with the Comptroller General's conclusion that the Government has no further legal responsibility in the matter, Judge Chesnut agreed with the Comptroller General. In fact, he went further and said that there was no legal authority for the Government to proceed with further disbursements to this now defunct corporation.

In Judge Chesnut's statement he said that he interviewed Mr. Howard Young. Therefore, Mr. Young has been interviewed on the matter. The Comptroller General has stated that his agency has discussed the matter with him. I know there is a dispute about it. I suppose now the next dispute will be whether Judge Chesnut discussed the matter with Mr. Young.

I ask unanimous consent that Judge Chesnut's opinion on the contract, which opinion I may say upheld the Comptroller General in his position, be incorporated in the RECORD as a part of my remarks at this point.

There being no objection, the opinion was ordered to be printed in the RECORD, as follows:

JUDGE'S CHAMBERS
UNITED STATES DISTRICT COURT,
Baltimore, Md., November 10, 1953.

Re Mid-Continent Mining Corp.

Mr. EDMUND F. MANSURE,
Administrator, General Services Administration, Washington, D. C.

DEAR MR. MANSURE: You have asked me, as a disinterested person, to review the files of your agency relating to the Mid-Continent Mining Corp., and to advise you whether there is any legal, moral, or equitable obligation on your part to make further advances to that corporation.

The occasion for your request arises in this way. Under date of July 16, 1952, the Defense Materials Production Agency (now, I understand, a department of the General Services Administration) entered into a written contract with the Mid-Continent Mining Corp., a Missouri corporation, to purchase a maximum of 7,400 tons of slab zinc at the price of 16 cents a pound. The contract also provided that, to enable the corporation to finance its mining operations, the Government would guarantee a bank loan when obtained by the corporation, in the amount of $325,000. The corporation did not succeed in obtaining the bank loan and on October 2, 1952, the contract was amended to provide that the Government would itself advance $325,000 on the security of an assignment of a lease of the mine and a chattel mortgage on the machinery and mining apparatus. The total funds advanced by the Government have been heretofore expended toward equipping the mine for the production of zinc ore; but the corporation has not been able to start production because the mining apparatus has not been completed. In this situation which existed on May 12, 1953, the corporation applied to your Agency for a further advance of $75,000. After reviewing the Agency's relations with the mining company you, under date of June 3, 1953, refused to make the further advance. Shortly thereafter the corporation, by its president, Maynard F. Clough, of St. Paul, Minn., requested a reconsideration of your refusal to make the further advance, and shortly thereafter made complaint to the Senate Small Business Committee that the mining company has been unfairly treated by the Agency in their mutual relations. Mr. Robert A. Forsythe, chief counsel of the Senate Small Business Committee, has interested himself in the mining company's complaint and has made considerable investigation of the matter with the at least tentative view, as I understand it, that while there is no legal obligation on the Government to make a further advance, a close review of all the circumstances tends to show that from the moral aspect favorable reconsideration might well be given to the mining company's request for further advance. It is in view of this difference between the conclusions of your Agency and the views of the chief counsel for the Senate Small Business Committee that you have asked me to consider the whole matter in all its aspects and to express a disinterested opinion upon the subject.

I have reviewed the quite extensive files of your Agency relating to the matter. In my opinion they certainly indicate no legal obligation at all on the part of the Government to make this further advance. But as it has been emphasized by Mr. Clough as president of the mining company, and by Mr. Forsythe that there is a definite moral or equitable aspect which should be considered, it has been necessary for me to interview Mr. Clough with Mr. Forsythe and also to confer with various members of your Agency who, from time to time, have had important relation to the matter.

In addition to a review of your own files I had a conference of about 2 hours here at my office in Baltimore with Mr. Forsythe and his associate counsel, Mr. Yealy, and Mr. Butler, the engineer who made the original report for the DMPA with regard to the mining operation and who is now or has been consultant for the Mining and Mineral Subcommittee of the House Committee on Interior and Insular Affairs. On Monday, November 2 last, I went to Washington and in one of the hearing rooms in your building, I had a day's conference with many of the parties who had had relation to the subject matter, including Mr. Clough, president of the Mid-Continent Mining Corp., Mr. Forsythe and Mr. Yealy, Mr. Ford and Mr. Sherman in your Contract and Negotiations Division. Mr. Brussolo, the engineer who submitted the last report on the mine for your Agency, Mr. Gunnard E. Johnson, Chief of the Lead and Zinc Branch of the DMPA, Mr. Herbert K. Hyde, trial counsel for your Agency, and Mr. Max Elliott, Chief Counsel for your Agency, and Mr. Albert H. Green, who I understand prepared the original draft contract. A number of other employees of the Agency were available at the time for questioning by Mr. Clough and Mr. Forsythe. On the following Wednesday, Mr. Forsythe arranged for me to have a conference with Mr. Howard I. Young who was Deputy Administrator of the DMPA at the origin of the relations with the mining company. Mr. Hyde, Mr. Johnson, Mr. Brussolo, and Mr. Clough also attended this last conference here at my office. At the conclusion of this last conference I inquired from Mr. Forsythe if there was any further data that it was desired to bring to my attention and understood that there was none. I have also reviewed Mr. Forsythe's file in the matter.

Although it is not asserted by the mining company that there is any legal obligation on the part of the Government to make this further advance, the contention that

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there is a moral or equitable basis for the claim perhaps justifies a reasonably brief and condensed recital of the principal events occurring in the whole matter.

The mine in question is known as the Alice Mine, situated in the Ozark Mountains in Missouri. It had been operated off and on over a period of many years prior to 1946 for the production of zinc ores but with diminishing productive returns. In 1946 operations ceased. In 1951 zinc was said to be in scarce supply in the United States. The market price was 19½ cents a pound. The owners of the mine made a lease on the basis of certain royalties to Messrs. Ellingson and Livingston, and they in turn assigned their lease to the Mid-Continent Mining Corp., which had been formed for the purpose of continuing mining operations. Mr. Maynard F. Clough of St. Paul became the promoter for this enterprise. In April of 1951 the mining company had issued 500,000 shares of its stock of which 250,000 shares were held by Tracy C. Clough, the wife of Maynard F. Clough. Melba Ellingson, the wife of J. Brad Ellingson, held 50,000 shares, and Harold Livingston, 62,500 shares. The remaining shares were held by others in some way connected with the company but having no apparent relation to the present subject matter. The officers of the company were Mr. Clough, president and general manager, Harold Livingston, first vice president and engineer, Alfred J. Lethert, treasurer, and Kay Todd, secretary. The board of three directors was composed of Messrs. Clough, Livingston, and Todd. The principal asset of the mining company was its interest as lessee of the mine which they estimated as $875,000 in value of ore reserves. Other than this the mining company seems to have had no surplus as the liabilities were in excess of the assets.

On December 15, 1951, the mining company made an application in writing to the DMPA for an advance of $600,000 against a 19½-cent floor price for zinc to be mined and smelted. It appears that Mr. Clough conferred personally with Mr. Howard I. Young, who was then Deputy Administrator, regarding the subject. Mr. Butler was engaged by the Agency to make an examination of the mine with regard to its potential ore capacity and the probable cost of getting it into production. I have not found Mr. Butler's report in your file but he has told me that his report in substance was that the mine could reasonably be put into operation at a cost of $500,000 and that there was sufficient ore in the mine, if properly mined and smelted, to repay an advance of $500,000, with a reasonable profit to the mining company. Mr. Butler's final report was submitted on January 21, 1952. On January 25, 1952, Mr. Young wrote a letter to Mr. Clough, portions of which read as follows:

"As you were advised by Mr. Sherman yesterday, we will consider a contract guaranteeing you a price of $110 per ton of concentrate, equivalent to 17 cents per pound, for the product of your mine, and advancing you a substantial sum for capital costs. * * *

"We suggest, therefore, a floor-price contract, and an advance of not to exceed $400,000 for capital expenditures only, to be repaid from income derived from sales from your mine, subject to your furnishing satisfactory evidence of your ability to invest $100,000 of your own or other private funds in the project, $50,000 of which will be used for capital expenditures before drawing on the Government advance, the balance to be retained by you for necessary working capital.

"If the above suggestion is acceptable, kindly advise me at your early convenience and a letter contract to that effect will be drafted as soon as practicable."

It does not appear from your file, or otherwise brought to my attention, that Mr. Clough made any reply in writing to Mr. Young's letter but I understand that he personally conferred with Mr. Young several days later and exhibited a letter dated February 2, 1952, from the American Zinc Company of Illinois, signed by R. A. Young, pertinent portions of which read as follows:

"We have this day entered into a contract with you for the purchase of zinc concentrates from your property near West Plains, Mo. We understand you have entered into a contract with the United States Government whereby the Government is to make available to you up to $400,000 for capital investment in your venture.

"This is to inform you that if the $400,000 is not sufficient to provide you with the funds needed for your capital investment in the venture, that we will, upon request by you after you have fully expended the $400,000 received from the Government for capital investment, advance to you up to $100,000 to be used for the same purpose and/or working capital."

It may be noted that the American Zinc Company of Illinois is a wholly owned subsidiary of the American Zinc, Lead & Smelting Co. of which Mr. Howard I. Young, the Deputy Administrator of the DMPA, was president, and who had obtained a leave of absence from his company for service with the Government as a dollar-a-year man. Mr. R. A. Young, of the American Zinc Company of Illinois, is a son of Mr. Howard I. Young. It will also be noted that the letter to Mr. Clough from the American Zinc Company of Illinois (accepted by him for the Mid-Continent Mining Corp.) did not quite conform to the terms of the agreement which Mr. Young had suggested in his letter of January 25 to Mr. Clough.

I understand that Mr. Young as Deputy Administrator did not personally have the final authority to make the contract and that in due course of agency procedure the matter was referred to the Contract and Negotiations Division and to the Compliance Division. Investigation by the latter resulted in reports that were not favorable as to the financial condition of the company or the capability of management of mining operations by the personnel of the corporation. A letter from the Comptroller, Mr. Medley, to Mr. Young pointed out the doubtful advisability of the proposed loan of $400,000 to the corporation and suggested the advisability of at least substituting therefor the guaranty of a bank loan to be obtained by the mining company. Mr. Young, however, replied that he felt satisfied that the report of ore reserves of the mine were sufficient to justify the direct loan.

One result of the investigation by the Compliance Division related to the relations between Mr. Clough and Mr. Butler, the mining engineer who had made the original favorable report concerning the mine. It appeared therefrom that before Mr. Butler's report to the DMPA had been finally submitted Mr. Clough offered him the position of manager of the mine when the Government loan was made at a substantially larger salary than that Mr. Butler was receiving from the DMPA. Mr. Butler was reluctant for personal reasons to accept but he tells me that he reported the matter to Mr. Young who felt that Mr. Butler was well qualified and would be an excellent manager for the mine and therefore personally approved the appointment of Mr. Butler as mine engineer.

Mr. Shacklette, Director of Compliance Division, also later pointed out that the matter should be considered as a matter of public relations of the Agency in view of sections 201 and 202 of title 18, United States Code. Mr. Butler states that Mr. Clough's offer to him in no way influenced his decision about the mine. And Mr. Young states that at the time he regarded the matter only in the light of a good business transaction and did not have in mind possible criticism from the public relations standpoint. However, I understand that Mr. Larson, Director of the Agency, decided that it would be inappropriate to have Mr. Butler accept the proposal and Mr. Butler did not accept it.

As a result of further interoffice communications and consideration of the subject matter, it appears that Mr. Larson tentatively decided that the basis of further negotiations with Mr. Clough should be a contract for a floor price of 16 cents per pound and guaranteed loan of $300,000. On July 3, 1952, Mr. Butler advised Mr. Gunnard E. Johnson, Chief of the Lead and Zinc Branch of the Agency, that after further conference with Mr. Clough the latter had revised the plans for the mining operations on the basis of $300,000 and that he, Mr. Butler, in view of the revised plans, was of the opinion that that amount would be sufficient. Subsequently, it appeared from the letter of Mr. Lyon (Director of the Domestic Expansion Division) dated July 10, 1952, that it had been decided to increase the amount of the guaranteed loan to $325,000.

In consequence thereof Mr. Larson, the Administrator, wrote a "letter of intent" dated July 14, 1952, to Mr. Clough, president of the mining company, stating that on the latter's acceptance the Government would make a contract for the purchase of the specified quantity of zinc slab at 16 cents a pound, and would guarantee a bank loan to be obtained by the mining company for $325,000. The letter contained various technical provisions regarding the quantity of zinc to be purchased by the Government and the method of securing the Government's guaranty, which are not material here, but it should be particularly noted that the letter stated that Mr. Clough had represented that the Alice Mine contained an estimated 300,000 short tons of zinc bearing ore with an average zinc content of 3.2 percent; and the agreement was more particularly based on the condition precedent that—

"Your corporation shall evidence to the Government the availability of capital or credit in an amount of $75,000, which sum or portion thereof shall be available for additional facilities and improvements in the event that the cost of the facilities exceeds $325,000 and for working capital:

"Your corporation can obtain a loan not to exceed $325,000 from a commercial bank or other financial institution necessary to construct and equip a concentration mill of not less than 400 short tons per day rated capacity and such auxiliary facilities as may be necessary to provide the production of 60 percent zinc concentrates in said mill and facilities."

A further condition was that the mining facilities must be completed not later than 1 year from the date thereof. This letter was accepted in writing by Mr. Clough as president, in July 16, 1952.

Apparently Mr. Clough furnished evidence satisfactory to the Agency with regard to the conditions precedent mentioned in the letter of July 14, 1952; and accordingly the formal Government contract was executed on August 21, 1952, effective July 16, 1952.

In order to obtain the bank loan of $325,000 Mr. Clough, at the suggestion of Mr. Young, first applied to a St. Louis bank for the loan but this not being obtained he subsequently applied to the First National Bank of St. Paul, Minn., which also declined to make the loan. Mr. Clough has complained there was unfair interference by some person or persons in the agency which prevented his success in obtaining the loan from each of these banks. At the various conferences heretofore referred to I made particular inquiry from Mr. Clough and other persons in the agency who were available, and also from Mr. Young, but I did not find any satisfactory evidence that there had been such unfair interference. However, when it was found that Mr. Clough could not or had not obtained the necessary bank loan

an amendment to the contract was made under date of October 21, 1952 by which the Government agreed to itself advance $325,000, taking as security therefor an assignment of the mining lease and chattel mortgages on the mining facilities to be constructed. Pursuant thereto the whole amount was in fact soon thereafter advanced to the Mid-Continent Mining Corp. and it commenced work in construction of the facilities and continued the same for about 9 months when the whole $325,000 was practically exhausted and the facilities for mining had not been completed and the mining company had incurred current and substantial outstanding unpaid indebtedness. Mr. Clough states that during the progress of the work various unanticipated difficulties developed which very largely increased the cost of the work, particular reference being made to the inability to procure satisfactory arrangement for electric power which it is thought would require an expenditure of $100,000 more than was originally anticipated.

This being the situation on May 12, 1953 the mining company applied to your agency for a further loan or advance of $75,000. In the course of giving due consideration to this further application the matter was again reviewed by your agency and it was decided to have a further examination of the mine and its probable ore content made by another mining engineer. Mr. Brussolo, a qualified mining engineer, was selected for this purpose. As a result of his re-survey of the mine he reported under date of June 1, 1953 in very considerable detail with regard to the extent of zinc ore reserves in the mine and the percentage of zinc content to be produced by smelting. It will be remembered that in the letter of intent dated July 14, 1952, which furnished the basis for the later formal contract, Mr. Larson had stated that Mr. Clough had represented that the mine contained an estimated 300,000 short tons of zinc-bearing ore, with an average zinc content of 3.2 percent. Mr. Brussolo's report was to the effect that in his opinion the ore content was approximately 190,000 short tons and that the percentage of zinc content would be 2.5 percent. The report also submitted data with regard to the cost of completing the facilities which was put at $240,000 more than had been expended. Mr. Brussolo also estimated that as a further advance of $75,000 would not be even nearly sufficient to complete the mining facilities and to put the mine in operation, the further advance of $75,000 by the Government would probably entail a final loss of about $319,000 including accrued interest but subtracting the salvage value; while if the matter were now closed the probable loss to the Government would be about $235,000, also including accrued interest and deducting salvage.

Mr. Clough challenges the accuracy of Mr. Brussolo's opinion and refers to various other engineering reports regarding the Alice Mine which, it is said, were on a much more favorable basis. Mr. Brussolo agrees that the matter is largely one of expert opinion and that there is, of course, the possibility of an honest difference of opinion between mining engineers as the subject matter of the mine and productivity of the ore reserves is what may be considered marginal. However, this report from Mr. Brussolo is the latest which has been made to your agency and certainly affords very substantial basis for consideration by your agency. I understand that your determination to refuse the additional $75,000 was subsequent to consideration of Mr. Brussolo's report.

The present practical situation, as developed in the recent conferences, is this. It would be idle to advance only $75,000 more as it will require a much greater sum than this to complete the facilities. At my recent conferences with Mr. Butler and Mr. Clough they agreed that $275,000 more would be required for that purpose. I have not understood from Mr. Clough that he has any present prospect of obtaining further capital assistance from outside sources. His stated position is that in view of the history of the matter the Government should and ought to make him a further advance of $275,000 which he and Mr. Butler think would be sufficient to complete the facilities and to start mining operations with good productive results; and to amend the contract price for zinc from 16 cents to 17 cents per pound. I do not understand that Mr. Clough has made any formal application for an additional advance other than the $75,000 referred to.

In view of Mr. Clough's presently stated position it appears that there is very ample support both from the financial and practical standpoint in the prior decision of your agency not to advance the further sum of $75,000, especially as there is no pending proposition submitted by Mr. Clough for obtaining an additional $200,000 of capital from other sources.

The practical financial situation, therefore, seems to be that if no further advance is made by the Government, and Mr. Clough is unable to obtain further working capital the Government, in a reasonable time, will have to utilize the security which it has for the $325,000 already advanced with the probable result of a loss of over $200,000. If there is a reasonable prospect that Mr. Clough can secure additional working capital from outside sources it will be worthy of consideration as to the time when the Government should exercise its rights. The original agreement was that the mining facilities should be completed in 1 year from July 16, 1952. This has been extended by your Agency until October 16, 1952. But possibly if there is a prospect of Mr. Clough obtaining further capital, consideration may be given to a further extension of time. That is a matter of business judgment. It is also a matter of business judgment for your agency to determine whether the Government could possibly lessen probable loss by a further large advance and satisfactory assurance or provision for undoubtedly capable management. Mr. Brussolo's opinion is apparently quite to the contrary. In this connection I have noted from statements made both by Mr. Clough and Mr. Young that if sufficient additional capital can be obtained the American Zinc Company of Illinois will be willing to advance $75,000 which, you will recall, was one of the conditions precedent to the contract. And both Mr. Clough and Mr. Young emphatically assert that a very capable management will be installed. But it is Mr. Young's present position that the American Zinc Company of Illinois, a subsidiary of the company of which he is now the active president (having months ago retired from Government service) will not advance the $75,000, unless sufficient further capital is obtained by the mining company.

There is another aspect of the whole subject matter that should be noted. It relates to the market price for zinc. When the application was first made for an advance of $600,000, zinc was said to be in scarce supply in the United States, although I note Mr. Medley, your comptroller, said in his letter of January 31, 1952 that it was not then in scarce supply. It appears that about May 1952, 2 months before the contract was made for 16 cents a pound, the market had begun to decline and was possibly as low as 15 cents a pound when the contract was made. It has since declined to the present market, I am told, of about 10 or 11 cents a pound. Mr. Young stated to me that it was largely due to the efforts of the DMPA that other sources of supply by import or otherwise had been largely effective in decreasing the market price under the ordinary operation of supply and demand. Of course it would seem readily apparent that if the Government is now disposed to waive the failure of performance of important provisions of the contract and make further large advances for the completion of the mining facilities, the result would be very much increased actual loss if the stipulated maximum amount of zinc provided for in the contract is to be hereafter purchased at the contract price of 16 cents a pound, or 17 cents a pound as now requested by Mr. Clough. In this connection possibly reference should be made to section 303 (b) of the Defense Production Act of 1950 (under which your Agency is operating in this matter), which provides that, subject to certain limitations not here involved, purchases or commitments to purchase involving higher than currently prevailing market prices or anticipated loss on resale should not be made unless it is determined that supplies of materials could not be effectively increased at lower prices or on terms more favorable to the Government, or that such purchases are necessary to assure the availability to the United States of overseas supplies.

The ultimate question on which you have asked my opinion is whether there is any legal, moral, or equitable basis for a reconsideration by your agency of the application made by the Mid-Continent Mining Corp. for a further advance of $75,000. As a result of the review of your agency's files and after very full conferences with the parties in interest as above stated, my very clear conclusion is that there is no such basis for reconsideration by your agency.

Nor do I find from anything that has been brought to my attention that there has been unfair treatment of the Mid-Continent Mining Corp. or its president, Mr. Clough, by your agency. It is quite clear that the original application for $600,000 was very thoroughly considered by various branches or divisions of your agency apparently acting in the ordinary course of duty. The result of your consideration was a formal contract with the Government at a stated price for a maximum stated quantity of zinc on certain conditions. These conditions have not been met by the contractor. It is urged on behalf of Mr. Clough that as the original application was for $600,000 and the original mine survey by Mr. Butler estimated $500,000, the Government should have known that at least that amount would be required and that the contractor should not have been allowed to accept an advance of only $325,000. The answer to this would clearly seem to be that as a result of careful consideration by your agency it was determined to enter into the contract only in the event that the mining company could secure sufficient additional working capital from private sources. This has not been obtained. While it may not have been the wisest judgment on the part of your agency to advance only $325,000, the fair inferences from all that I have heard is that the lower amount resulted from careful investigations by your agency and its determination that additional amounts required should be secured by the mining company from outside sources. Mr. Clough argues that he accepted the reduced amount only by virtue of economic pressure as he had already committed himself to a certain amount of expenditures and he apparently inferred from conversations with Mr. Young that further assistance if necessary might reasonably be anticipated from the Government. However, I find no basis for the view that the contractor's acceptance of the terms as finally agreed upon was other than voluntary on his part. It is elementary that the Government can be bound only by its contracts made by authorized officers. In this case, as I have pointed out, the final decision was not within the authority of Mr. Young but in that of the then Administrator, Mr. Larson, who made the decision for your agency. I have not had the opportunity to confer with Mr. Larson as I understand that for some months he has not been

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in Government service, but I have understood that his statements about the matter would not alter the situation. It is also, of course, elementary that the administrative agency of the Government in making contracts to bind the Government is expected to exercise prudence and care and reasonable good judgment in expenditures of public funds. That duty is, of course, a public trust.

Yours very truly,

W. CALVIN CHESNUT.

Mr. WILLIAMS. Mr. President, I ask that there be incorporated in the RECORD at this point, as a part of my remarks, the complete newspaper articles of which parts have already been incorporated in the RECORD by other Members of Congress. They appeared in the New York Times of July 30, 1955, in the New York Herald Tribune of July 30, 1955, and in the Washington Evening Star under date of July 30, 1955.

There being no objection, the newspaper articles were ordered to be printed in the RECORD, as follows:

[From the New York Times of July 30, 1955]

ZINC CASE CHARGES REAFFIRMED BY UNITED STATES

WASHINGTON, July 29.—The General Accounting Office said today it had not withdrawn its charge that the American Zinc, Lead & Smelting Co. had sold zinc to the Government at a premium price while its president was an official in the buying agency.

Charles E. Eckert, legislative counsel, said the Accounting Office Board revised the language of its allegations against Howard I. Young, the St. Louis concern's president, but that the allegations "still stand."

Mr. Young was a top aide under Jess Larson, from 1951 to 1953, in the Defense Materials Procurement Agency, which administered the Government's stockpiling program. He drew $1 a year salary from the Government, and his regular pay from his company.

Comptroller General Joseph Campbell asserted July 7 that there had been apparently a "conflict of interest" in Mr. Young's handling of some zinc contracts. These allegations have been under scrutiny by the Senate-House Defense Production Committee in closed-door hearings.

Mr. Eckert said the accounting office advised the committee Wednesday that "we were wrong" in contending that American Zinc or a subsidiary had sold machinery to the Mid-Continent Mining Co. after the procurement agency had loaned money to Mid-Continent.

But he said the charge that American Zinc had sold 1,167 tons of zinc to the stockpile in 1952 at a price 1½ cents above the market price "still stands."

[From New York Herald Tribune of July 30, 1955]

ZINC COMPANY AND OFFICIAL STILL FACE UNITED STATES ALLEGATION

WASHINGTON, July 29.—The General Accounting Office said today it has not withdrawn its charge that the American Zinc, Lead & Smelting Co. sold zinc to the Government at a premium price while its president was an official in the buying agency.

Charles E. Eckert, GAO legislative counsel, said the GAO has revised the language of its allegations against Howard I. Young, the St. Louis concern's president, but that the allegations "still stand."

UNDER CONGRESS PROBE

Mr. Young was the No. 2 man under Jess Larson from 1951 to 1953 in the Defense Materials Procurement Agency which administered the Government's stockpiling program. He drew a dollar-a-year salary from the Government, and his regular pay from his company.

Comptroller General Joseph Campbell said on July 7 that there was apparently a "conflict of interest" in Mr. Young's handling of some zinc contracts. These allegations have been under scrutiny by the Senate-House Defense Production Committee in closed-door hearings.

Mr. Eckert told a reporter the GAO did advise the committee Wednesday that "we were wrong" in contending that American Zinc or a subsidiary had sold machinery to the Mid-Continent Mining Co. after the DMPA had lent money to Mid-Continent. But he said the charge that American Zinc sold 1,167 tons of zinc to the stockpile in 1952 at a price 1½ cents above the market price "still stands."

[From the Washington Evening Star of July 30, 1955]

UNITED STATES IS NOT WITHDRAWING CHARGES AGAINST YOUNG

The office of Comptroller General Joseph Campbell says it has not dropped "conflict of interest" charges it made against Howard I. Young, a Government dollar-a-year man in 1951 and 1952.

Earlier this week in testimony before the House-Senate Committee on Defense Production, Mr. Campbell and his aides modified some statements they had made about Mr. Young, who is president of American Zinc, Lead & Smelting Co. Mr. Young retained his presidency of the company while he was deputy administrator of the Defense Materials Procurement Agency.

But Mr. Campbell told the committee that information turned up in an investigation of Mr. Young's activities still raises "the question whether or not sound principles of public administration were exercised."

Mr. Campbell and his aides said two of the charges they had made against Mr. Young contained wrong information. One dealt with the sale of $60,000 worth of machinery to the Mid-Continent Mining Co. after Mr. Young helped promote a DMPA loan to the company, and the other concerned the sale of 1,167 tons of zinc to the Federal stockpile by Mr. Young's company at a price reportedly above the market.

While conceding that they had been wrong in asserting that Mr. Young's firm sold the machinery to Mid-Continent, Mr. Campbell's office insisted that the transaction was in the interests of his company since it stood to profit from a patent on the process used by the machinery involved.

A Campbell spokesman also conceded at the hearing that there were technical inaccuracies in the account of the 1,167-ton zinc sale. But this official told the Star that the basic charge was not withdrawn.

Mr. Campbell told the joint committee:

"I personally have no reason to think that Mr. Young did not believe he was acting in good faith and well serving his country. On the other hand, the investigative report under discussion does raise the question whether or not sound principles of public administration were exercised."

In a statement issued in connection with his testimony before the committee, Mr. Campbell said that the report on the Young case "establishes for the consideration of the Congress the serious problems inherent in the employment by the Government of representatives of industry in an administrative capacity in a program involving their fields of commercial interest."

Mr. Young has said in sworn testimony before the committee that he never made any money for himself or his firm from Government contracts which he handled.

Mr. WILLIAMS. Mr. President, this contract was not in the best interest of the Government. We cannot escape the fact that the Government, through the officials of this agency, advanced $325,000 to a company which it is now admitted—no one contradicts the fact—was actually insolvent on the day the loan was advanced. All the money is gone. In addition to that, the company with which Mr. Young is affiliated has not lived up to the obligation to put up $75,000. Therefore I believe there is reason to question the contract, at least from the standpoint of the American taxpayer. There is no question in my mind that it must be agreed from the record that Mr. Young did take an active part in the negotiations, as the exhibits in the record now show. This is contrary to what he told the committee when he said he would take no part in the recommendations.

Mr. President, there are two additional phases which I desire to discuss. However, before proceeding if any Senator wishes to take exception to what I have said I would be glad to yield at any time. I would be glad to yield now to any Senator who wishes to discuss this matter and defend the contract.

If not, I shall discuss the sale of 1,167 tons of zinc by the American Zinc Co. to the Government. Under date of July 19 a statement of Mr. Young's was incorporated in the CONGRESSIONAL RECORD by the Senator from Indiana [Mr. CAPEHART]. In that statement Mr. Young referred to a statement made by the Comptroller General. I quote from Mr. Young's statement.

I. The Comptroller General states (CONGRESSIONAL RECORD, p. 10186):

"In August 1952, when the zinc market was 14 cents a pound, the General Services Administration purchased from the American Zinc, Lead & Smelting Co., 1,167 tons at 15½ cents a pound, or 1½ cents above the market price. This was at a time when Mr. Young held his official position as Deputy Administrator to Mr. Larson. At the same time other purchases were made from domestic surplus and foreign producers."

Mr. Young, in reply, stated:

The facts are:

A. American Zinc, Lead & Smelting Co. sold no zinc to the General Services Administration during August 1952.

B. When any sale is made of special high grade zinc the price is 1½ cents over the quoted market price of prime western metal.

C. Mr. Young was Deputy Administrator for DMPA and had no authority from or responsibility to GSA.

Mr. Young emphatically denies that his company sold zinc at that time. That was the basis of the controversy.

Continuing, I quote Mr. Young, testifying on this same question before the joint Committee on Defense Production, said, at pages 219 and 220 of the testimony:

Senator CAPEHART. Mr. Young, you made the statement that American Zinc, Lead & Smelting Co. did not sell 1,167 tons; is that correct, in August 1952, or at any other time?

Mr. YOUNG. That is right. We sold metal to the Government and we had some DMPA contracts, but they were at a fixed price. We sold nothing at this price, and we made no sales at all in August.

Representative GAMBLE. Did you make a contract that you didn't carry out or was canceled?

Mr. YOUNG. No; we did not. We made a contract in 1951, in June 1951, that was com-

pleted in June 1952, according to the records that they telephoned me yesterday.

Senator CAPEHART. Well, this is classified information, and, of course, it does state on this sheet what I just read. Did you deny that any such deliveries were made? The records of American Lead and Zinc show that no such delivery was made at that time?

Mr. YOUNG. No such sale. I wonder if they got that confused with deliveries made under a DMP contract that the American Zinc Co., of Tennessee, or the American Zinc, Lead & Smelting Co., which was made in 1950, or the early part of 1951.

Senator CAPEHART. Are they subsidiaries of your company?

Mr. YOUNG. They are. One is the parent company, and the other is a subsidiary that was made long before I came down here, and metal delivered on that was not all completed until last year. It was a contract that provided—one of them——

Senator CAPEHART. But the contract was consummated before you came down here to start working for the Government?

Mr. Young. Yes; long before I came down.

I repeat the last two sentences:

Senator CAPEHART. But the contract was consummated before you came down to start working for the Government?

Mr. YOUNG. Yes; long before I came down.

In the CONGRESSIONAL RECORD of July 19, 1955, at page 10902, there appears this colloquy:

Mr. MORSE. Did they admit—

He was speaking about the Comptroller General's Office—

Mr. MORSE. Did they admit that they were mistaken on all the allegations against Mr. Young's company?

The Senator from Indiana stated that he did not know whether they admitted it. He said he believed the committee pretty well came to the conclusion that they were mistaken. He said further that the story was spread all over the newspapers and it was published in the CONGRESSIONAL RECORD. Then he said Mr. Campbell had to admit that there was no truth to it.

On Saturday the Senator from Missouri [Mr. SYMINGTON] placed this statement in the RECORD:

There is also one accusation GAO reiterated in the paper this morning as true, which I have investigated and now declare to be false in implication.

The article in question, from the New York Times, read in part, as follows:

"Mr. Eckert (Charles E. Eckert, Legislative Counsel, General Accounting Office) said the Accounting Office advised the committee Wednesday that 'we were wrong' in contending that American Zinc or a subsidiary had sold machinery to the Mid-Continent Mining Co. after the procurement agency had loaned money to Mid-Continent.

"But he said the charge that American Zinc had sold 1,167 tons of zinc to the stockpile in 1952 at a price of 1½ cents above the market price 'still stands.'"

That was the statement regarding the sale by the American Zinc Co. of 1,167 tons.

What these gentlemen apparently did not know is that Mr. Young has since admitted he was in error and that his company did sell to the Government and that at least two of the contracts were actually signed after he took office.

Mr. President, I should now like to deal with a contract numbered GS-OOP(D)-12187.

I ask unanimous consent to incorporate only the first and last pages of the contract, which will show the date it was signed. It was dated December 21, 1951, and was accepted by the American Zinc Co. on December 29, 1951.

There being no objection, the first and last pages of the contract were ordered to be printed in the RECORD, as follows:

DEFENSE MATERIALS PROCUREMENT AGENCY,
Washington, D. C., December 21, 1951.

AMERICAN ZINC, LEAD & SMELTING CO.,
St. Louis, Mo.

GENTLEMEN: 1. The United States of America (hereinafter referred to as the Government), acting through the Defense Materials Procurement Administrator, proposes to enter into a formal contract with you providing for the production of zinc bearing ore (hereinafter referred to as "ore") and the disposition of a quantity of slab zinc equal to 76.5 percent of the zinc metal contained in such ore. The ore will be derived from facilities which you will provide for that purpose. You shall begin the mining of ore as soon as practicable, and commencing not later than 1 year from the date of your acceptance of this order such mining shall be and continue at the approximate rate of 1,700 short tons of ore per day.

2. The ore to be mined hereunder shall be produced from your mining property known as the Quick Seven Zinc-Lead Mine, jointly owned by American Zinc, Lead & Smelting Co. and Brown & Root, Inc., in Jasper County, Mo., which you represent to contain an estimated 1,400,000 short tons of zinc-bearing ore and which you estimate will yield a total of 33,000 short tons of 60-percent zinc concentrates or approximately 16,500 short tons of slab zinc. Upon your acceptance of this order you will proceed without delay with the development, equipment, and preparation of your said property, including but not restricted to the construction of a concentrating mill of 1,000 tons per day rated capacity, for the mining and concentrating of ore at the rate required to meet your obligations hereunder. You will make such contracts and commitments for supplies and services as are necessary therefor.

3. The ore produced hereunder shall be disposed of as follows:

(a) The Government may require you to sell to it, in the form of slab zinc, any amount not exceeding 50 percent of the ore produced during each calendar month by notifying you not less than 10 days prior to the commencement of such month. You shall notify the Government not less than 20 days before the month in which production of ore will begin, giving your estimate of the quantity to be produced during such

* * * * *

14. This contract is entered into pursuant to the Defense Production Act of 1950, as amended (Public Law 774, 81st Cong.; Public Laws 69 and 96, 82d Cong.).

UNITED STATES OF AMERICA,
By JESS LARSON,
Defense Materials Procurement Administrator.

Accepted: December 29, 1951.

AMERICAN ZINC, LEAD & SMELTING CO.,
By R. A. YOUNG, *Vice President.*

Mr. WILLIAMS. Mr. President, reference was made to a second contract, contract No. 12114. Again, I ask unanimous consent to incorporate in the RECORD only the first and last pages of the contract, which will show the date of the contract and the fact that it was signed and entered into, notwithstanding the denials which have been made since that time.

There being no objection, the first and last pages of the contract were ordered to be printed in the RECORD, as follows:

CONTRACT NO. GS-OOP(D)-12114 BETWEEN UNITED STATES OF AMERICA AND AMERICAN ZINC COMPANY OF TENNESSEE

This contract, entered into this 18th day of September, 1952, effective as of November 5, 1951, between the United States of America, acting by and through the Defense Materials Procurement Agency, its successors, assigns and duly authorized representatives, hereinafter referred to as the "Government" (pursuant to the authority contained in the Defense Production Act of 1950, as amended, and Executive Order No. 10161, as amended and supplemented) and the American Zinc Company of Tennessee, a corporation organized and existing under the laws of Maine, hereinafter referred to as the "contractor."

Witnesseth:

Whereas the General Services Administration (pursuant to delegation No. 1 of the Defense Materials Procurement Agency, issued on September 14, 1951), acting for the United States of America, and the American Zinc Company of Tennessee have hereto entered into letter contract GS-OOP(D)-12114, accepted on November 5, 1951; and

Whereas it is the intention to replace such letter contract with a formal contract between Defense Materials Procurement Agency and the contractor.

Now, therefore, in consideration of the mutual promises herein contained, the parties hereto agree as follows:

ARTICLE I. PRODUCTION

As of the effective date of this contract, the contractor shall proceed as expeditiously as possible with the developing, equipping, and preparation, including any necessary construction of its mining property at Jefferson County, Tenn., known as the North Friends Station, which the contractor represents to contain an estimated 500,000 short tons (2,000 pounds avoirdupois each) of zinc bearing ore having an estimated average assay of 3.21 percent zinc. Such developing, equipping, and preparation will be known as the "facilities" and shall be sufficient to enable the contractor to meet its obligations under this contract; and the contractor at its expense will make such contracts and commitments as are necessary therefor.

* * * * *

ARTICLE XXII. MODIFICATIONS

No oral statement of any person shall modify or otherwise affect the terms, conditions, or specifications of this contract.

ARTICLE XXIII. CANCELLATION

Notwithstanding any other provision hereof, this contract shall automatically terminate without penalty as to any portion of the contract remaining uncompleted after 4 years from date hereof: *Provided, however,* That the contractor's obligation with respect to storage, sales, and shipment of the slab zinc shall survive the termination of this contract.

ARTICLE XXIV. REPLACEMENT OF LETTER CONTRACT

This contract supersedes and replaces, for all intents and purposes, the letter contract accepted on November 5, 1951, heretofore referred to.

In witness whereof, the parties hereto have caused this document to be duly executed on the day and year first above written.

UNITED STATES OF AMERICA,
Acting by and through
DEFENSE MATERIALS PROCUREMENT AGENCY,
JESS LARSON, *Administrator.*

AMERICAN ZINC COMPANY OF TENNESSEE,
By Mr. W. J. MATTHEWS, Jr.
Secretary and Treasurer.

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Mr. WILLIAMS. Mr. President, I ask unanimous consent to have incorporated in the RECORD a letter dated July 15, 1955, from Mr. Joseph Campbell, to which is attached a part of his report confirming these contracts. Mr. Young has agreed with Mr. Campbell as to the accuracy of this statement and that his company did make the sales as mentioned. Thus, these denials referred to above were in error.

I am sure it was a pure misunderstanding on the part of those who were defending this particular transaction. There is now complete agreement between the Comptroller General and Mr. Young as to the fact that the contracts were entered into and signed after he went into office. I again point out that fact, because so much has been made of the denial.

There being no objection, the letter and attachment were ordered to be printed in the RECORD, as follows:

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, July 15, 1955.

Hon. JOHN J. WILLIAMS,
United States Senate.

DEAR SENATOR WILLIAMS: Reference is made to your request of July 8, 1955, for a copy of our report on the program for development and expansion of strategic and critical materials in the interest of national defense.

It would be appreciated if the attached were substituted for page 7, part I, of the report which has been rewritten to clarify the information contained in the second paragraph.

Sincerely yours,

JOSEPH CAMPBELL,
Comptroller General of the United States.

In view of the steady improvement in the zinc situation, the completion date for the stockpile objective was amended in August 1952 to extend from June 1953 to June 1954. This had the effect of cutting by 50 percent the required delivery by producers to stockpile for that year, thereby freeing additional zinc for industry.

In August 1952 when the market was 14 cents, GSA contracted with DMPA for stockpile 1,167 tons at 15.5 cents per pound. This delivery under the GSA-DMPA contract was made by American Zinc at 19.57 cents per pound in accordance with a contract (GS OOP(D)-12114), between DMPA and American Zinc entered into September 1, 1952, effective as of November 5, 1951, following a letter of commitment dated October 25, 1951, accepted November 5, 1951, giving American Zinc the right to "put" to the Government at a floor price of 17.5 cents per pound plus escalation.

In analyzing the July 18, 1952, DMPA expansion program, DPA found that it was predicated on facts and conditions existing in January 1952 and that current supplies and requirements were adequate and further expansion unnecessary. Based on this analysis, DPA advised DMPA on October 13, 1952, when the market price was 13.25 cents, that the expansion program of July 1, 1952, was unrealistic and a study of the current zinc situation indicated that further certification of borrowing authority was not required. Because the defense program was well under control and military requirements had decreased, the existing expansion goal of 1,320,000 tons was reduced by 85,000 tons on that date.

Before the middle of 1952 the easing of the zinc situation had become a matter of public knowledge. NPA allocation had been relaxed and revoked, OIT export quotas had been eliminated, and trading in zinc futures had been restored on the New York Commodity Exchange. The action of DPA in reducing the expansion goal was analyzed by the Wall Street Journal on November 15, 1952, in an article entitled "DPA Lowers 'Unrealistic' Expansion Target for 1955 by 85,000 Tons."

In December 1952, after the price of zinc had fallen to 12.5 cents, DMPA made another proposal to DPA to expand zinc production to ease the hardships of industry. Floor-price assistance of 14.5 cents per pound, or 2 cents a pound over market price, was recommended to expand zinc production. DMPA stated that consumer inventories were at a dangerously low level, whereas in fact these inventories were almost double those of 1951, and stocks of slab zinc at producers' plants were almost 300 percent more than 1951 and nearly ten times those of 1950. By the end of 1952 consumers' stocks of slab zinc were 92,000 tons, an increase of 83 percent from the beginning of the year.

On December 12, 1952, DPA refused to approve a DMPA proposal to purchase 1,400 tons of foreign zinc at 17 cents when the market price was 12.5 cents. DMPA had justified the project on the basis of a moral obligation resulting from an informal agreement in December 1951. DPA cut zinc expansion notwithstanding representations by DMPA that zinc consumption had reached an alltime high and would go higher.

The Munitions Board advised DMPA on December 30, 1952, that completion of the stockpile was deferred for 1 year at its request to provide for zinc produced under the expansion program.

Mr. WILLIAMS. Mr. President, I ask unanimous consent that Mr. Campbell's statement, as appearing in the CONGRESSIONAL RECORD, also be printed in the RECORD along with the previous statements which I had incorporated.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

MR. CAMPBELL'S TESTIMONY BEFORE THE JOINT COMMITTEE ON DEFENSE PRODUCTION, JULY 27, 1955

Mr. Young's testimony as to the direct contracts between American Zinc, or its parent company, and the Defense Materials Procurement Agency is very clearly and unequivocally to the effect that no such binding arrangements were entered into during his tenure as Deputy Administrator. This, of course, was erroneous, as he has now agreed, since two such contracts for the sale of zinc were entered into during this period (p. 321).

Mr. WILLIAMS. Mr. President, if there is any further controversy in reference to this sale of zinc, I should be glad to yield to clear it up, because this is the particular question as to which there has been so much controversy, although I understand there is now complete agreement. Mr. Young admits he was in error at the time he made his denial.

Mr. President, there is just one other phase which I wish to discuss, about which there were so many contradictions. It is true in this instance that the General Accounting report stated that $60,000 had been paid to Mr. Young's company. In that connection, the General Accounting Office made an error which it has admitted, and a correction of the record has been made. I think it might be well, however, to incorporate in the RECORD the letter upon which the report was based. It was based upon a statement by the president of the company as it was given to the General Services Administration in Kansas City, Mo. I ask unanimous consent that Mr. Clough's letter be incorporated in the RECORD at this point.

There being no objection, the letter was ordered printed, as follows:

MID-CONTINENT MINING CORP.,
St. Paul, Minn., July 18, 1953.

Mr. LOUIS E. TIMMONS,
Regional Comptroller, General Services Administration,
Kansas City, Mo.

DEAR SIR: You requested on July 8 analysis of disbursement of funds so far advanced by DMPA on our contract DMP 15 in relation to the original estimates furnished by ourselves at the time the contract was under negotiation. Central Accounting Bureau, in conformity with that request, has prepared such an analysis and same has gone forward to you from them under separate cover.

I have before me a copy of that analysis. The following comments thereon are submitted. Our original application and proposed contract, as evidenced by letter of intent written on January 25, 1952, and signed by Mr. Howard I. Young, Deputy Administrator of DMPA, included a $400,000 advance from DMPA and $100,000 from outside sources (this $100,000 was covered by a contract executed by American Zinc with Mid-Continent Mining Corp., providing for their advancing said $100,000), copies of which were filed with the Washington office. This contract was never formalized, and after some 9 months the writer was asked if he could and would attempt to execute the contract with $325,000 advance against 16 cents instead of 17 cents covered in the letter of intent of January 25, 1952, which we agreed to, and went into the construction period and have spent the $325,000 above referred to in the manner set forth in the analysis as supplied you by Central Accounting Bureau, hereinbefore referred to.

We wish to point out that in agreeing to attempt this job with said $325,000, that we did so on the basis of a 400-ton daily capacity plant with jaw crushers for primary and secondary and roll crushers for fine crushing preparatory for the ball mills. Because of the metallurgical work done by American Zinc on our ores, and on their advice, we procured first a heavy Medica separation plant which they had available and recommended that we purchase. This plant is presently installed at the Alice Mine, and in conjunction therewith, on their recommendation, we purchased Simons crushers for secondary and fine grinding replacing the secondary jaw and roll crushers with a 1,200-ton resultant daily capacity as against the original 400-ton daily capacity. This change in our flowsheet increased the cost of our equipment and plant by approximately $60,000, of which we have paid out of the $325,000 advance approximately $41,500, including allocable construction, installation, repairs, reconditioning, and material.

We wish to point out that the June 1952 estimate accepted by us was on the basis of power being furnished by REA, with a possible deposit of not to exceed $25,000 covering said power supply and/or diesel standby. When REA refused to install power unless we advanced $165,000 cash, we were forced to purchase a diesel generating plant which will, when completely installed, cost approximately $120,000, and which has been appraised when installed at replacement value of $276,000. We have spent from the $325,000 approximately $38,500 on this power plant to date.

From the above, please note that on the advice of American Zinc and because of the attitude adopted by REA (Sho-Me Power Co.), we have expended approximately

$80,000 of the $325,000 so far advanced in a manner not envisioned in the June 1952 estimates, which we agreed to, and as a result have increased the estimated $350,000 requirement to go into production by approximately $180,000, while increasing the daily capacity of the plant from the originally planned 400 tons a day to 1,200 tons a day.

We wish also to point out that, while we agreed to this reduced advance from DMPA in June 1952, we did not receive the initial check covered by the above $325,000 until October 1952. This delay occurring as it did in the dry season thus threw us into the rainy season for a substantial portion of the actual construction period, which increased our cost materially. The company's overhead for this period from June to October was accruing. The delay in receiving these funds occasioned the company carrying dead overhead of payrolls of 3 months during the best construction period of the year, and of course, continued through the rainy season above referred to.

We also wish to point out that in June 1952, when we agreed to this $325,000 advance from DMPA, we also entered into a simultaneous agreement with American Zinc whereby they were to advance $75,000, thus giving us $400,000 with which to work. To date, American Zinc has refused to advance any money so that the only funds the corporation has had to work with on this program as outlined above were the $325,000 which DMPA has advanced to date.

With further reference to the analysis submitted by Central Accounting Bureau, the following comments are made:

On sheet 1 of that statement Central Accounting Bureau sets up under heading "Estimated Capital Expenditures—$25,000," and also under the heading of "Administration and Overhead Expenses." There was no classification in the original "Estimate of Overhead Expenses." As mentioned heretofore, we anticipated receiving $75,000 from American Zinc. Therefore, when the figure of $60,208.95 in the above mentioned analysis is entered against "Administrative and Overhead Expenses" as compared with $25,000 purportedly estimated for those items, it is inaccurate and misleading.

A classification of items in the analysis above mentioned under the above heading is also faulty in that there have been included in that group of figures $16,000 plus which was not properly classified as either general administrative or overhead expense, leaving approximately $44,000. All of the said $60,000 plus items were properly incurred and necessarily paid out of this fund. The payment of many of these items has been made from the Government funds because American Zinc Co. has declined to advance its funds.

Please call on us for any additional data that you require.

Very truly yours,

MID-CONTINENT MINING CORP.,
MAYNARD F. CLOUGH,
President.

Mr. WILLIAMS. I ask unanimous consent that Mr. Campbell's explanation as it was submitted to the congressional committee and agreed upon by Mr. Young be incorporated at this point in the RECORD. I think it clearly demonstrates the fact that this company did have a secondary interest in this particular machine.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

STATEMENT OF JOSEPH CAMPBELL, COMPTROLLER GENERAL OF THE UNITED STATES, BEFORE THE JOINT COMMITTEE ON DEFENSE PRODUCTION

1. Sale of equipment: In the case of Mid-Continent, we stated that the proceeds of the Government's loan to the contractor were in part dissipated for the acquisition of certain mining equipment, which was not included in the plans at the time the loan of $325,000 was negotiated and which accordingly was not included in the contractor's budget. It was pointed out that the particular equipment was obtained upon the recommendation of representatives of Mr. Young's firm. American Zinc, Lead & Smelting Co. The next statement was to the effect that this equipment was bought from American Zinc.

While these statements were predicated on a letter from the president of Mid-Continent to General Services Administration, corroborated by other information we had, it now appears that the equipment was purchased from Western Machinery Co., but the fact remains that use of this equipment was in the interest of American Zinc, Lead & Smelting Co., since it held an interest in the process patent for the process used by the machine, rather than the title to the machine itself. Since the mine did not get into production, the royalty was not collected and the only figures that can be furnished as to the amount involved are those derived from the usual rates collected by American Zinc, Lead & Smelting Co. for the use of the process. This is understood from Mr. Young to approximate 5 cents per ton. Based on the total claimed ore body, the eventual royalty would have approximated $15,000. The company has advised us that this collection is subject to certain division with 1 or 2 other coholders of the patent and that its share might not greatly exceed $3,000.

Mr. WILLIAMS. I think this is not a question of trying to condemn Mr. Young. There has been no question raised, as I understand, on the part of the Comptroller General or others that Mr. Young has violated any laws or that he has done anything illegal. There has, however, been a question raised as to whether he should have participated in the negotiation of a contract involving his own company.

Did the Presidential directive mean what it said, namely, that the man must disassociate himself from negotiations of a contract in which his company has an interest? I do not believe a question will be raised by anyone who reads the record that the American Zinc Co., with which Mr. Young was associated and from which he was drawing a salary of $80,000, did have an interest in this contract.

I do not think there can be a question in the mind of anyone who will read the record that Mr. Young did take an active part in recommending approval of the contract over the objection of the Comptroller, the general counsel, and other officials of the Agency. The point is, should or should he not have disassociated himself from the contract at the time? Is it the standard of good ethics in the Government that any public official shall have a right to enter into direct negotiations with a company in which he has an interest?

Mr. Young, when he came to the Government, said he recognized the principle and that he would disassociate himself immediately from any such consideration or recommendation. In testifying before the committee, he indicated that he had so disassociated himself. I am certain his statement could be attributed to a lapse of memory. But I think that if he will refresh his memory by a reading of the various memoranda, he will no doubt agree that he took part in the negotiations.

I think he will also agree that this conflict of interest was called to his attention early enough so that he could have asked to have a new report prepared by another Government official. Likewise, I think there was a serious mistake made when he accepted at face value the favorable report on this company's financial position when he had been warned that the official had been offered and was planning to accept a lucrative position with the applicant. Those warnings should have been heeded, and perhaps the Government would have saved this loss.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. CARLSON. I am not personally familiar with Howard Young. I have heard some of the discussion on the floor of the Senate.

In this connection, I have received a letter from Mr. C. Y. Thomas, vice president of the Spencer Chemical Co., of Kansas City, Mo. I should like to read one paragraph from the letter, and ask the Senator from Delaware to comment on it. Speaking of the company in which Howard Young is interested, Mr. Spencer said:

His company, the American Zinc, and its affiliates and associates, have operated in the Joplin district for years and they also operate a big smelter in the Texas Panhandle north of Amarillo and right next door to Dumas where we operated the Texas Ordnance Works for the Government for a while after World War II. As a civic worker at St. Louis, as the distinguished president of the American Mining Congress and as a leader generally in the mining industry, it is perfectly shocking when those of us who know him read in the papers that he is being crucified because of some allegations concerning metal production and stockpiling while he has had something to do with the defense production activities in Washington.

I bring this up because the letter comes from a very responsible, outstanding citizen of Kansas, who I think knows the value of the man. I myself am not personally acquainted with Mr. Young, and I do not know anything about the situation.

Mr. WILLIAMS. I think the situation arises from a misunderstanding about what the Comptroller General was really criticizing. The American Zinc Co.'s sales are not the basis of the problem at all.

There has been no question raised about the improper sale of zinc by American Zinc Co. The criticism by the Comptroller General referred to the three contracts involving the MacArthur Mining Co., the W. M. & W. Mining Co., and the Mid-Continent Mining Co. His criticism has apparently been accepted on two of these contracts. I have just discussed the third here today. It was as to the contract of the Mid-Continent Mining Co. and the peculiar circumstances in which that company received $325,000 of Government funds. Prior to the approval of that contract, the comptroller of the agency involved and many other officials had put up a

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red flag stating that the company was actually insolvent at that time and was a bad risk.

On the other hand, his attention was called to the fact that the Government agent who had prepared the report had been offered a lucrative position by the company which would take effect after the company had gotten the loan.

Those circumstances raised the question. It was not the impropriety of the sale by Mr. Young's company.

I reemphasize the point that, so far as I know, no question or no indication has ever been raised that Mr. Young took any part in the recommendations to purchase on those contracts involving his own company directly. He took a part in the Mid-Continent Mining case; and the Mid-Continent Mining Co., in turn, had a contract with American Zinc. The Government contract which was issued contained a proviso, among others, that it would get $325,000—and I shall quote the paragraph in substance—if it would provide evidence of having negotiated a contract with the American Zinc Co. whereby it would sell its entire output only to American Zinc Co.

That might well have been a favorable contract from the standpoint of the Government; but the position of the Comptroller General was—and frankly I agree with it—that from the moment Mr. Young's company became a participant in the contract, Mr. Young should have disassociated himself from the decision. Certainly after it had been called to his attention that there were certain peculiar circumstances involving the proposed offer of a lucrative position to a Government agent, and a serious question as to the company's financial position, he should have reexamined the case.

That is the basic contention, as I see it; it is not a question as to Mr. Young's character. I have never heard anything except that he is a man of very high caliber. On the other hand, we have heard much recently about another public official. I have never heard anyone question the ability of the other official, or say that he was dishonest. The point is, does a man disassociate himself from private business when he comes to Washington to take a Government position? That is the point under debate. Should a man holding a position in the Government take an active part in negotiating a contract involving a company with which he is affiliated? That question deals solely with this particular contract, not with the sales of American Zinc Co.

Mr. CARLSON. Mr. President, I did not want the RECORD to be closed without at least having it contain the paragraph I read, which was written by someone who knows Mr. Young personally, who has worked with him, and knows his background.

As I stated earlier, I have noticed recently a tendency to—I do not like to use the word "smear"—to pick on outstanding businessmen of the Nation and try to find some fault with service they try patriotically to render to the Government. I think it is time someone began to look into this question, and started to back up those who have responded to a call for service and who have rendered excellent service to the Nation in time of emergency, for we may need them again in the future.

Mr. WILLIAMS. I have said before that a large percentage of these persons have made a great contribution to the operation of the Government. But does the Senator from Kansas not agree with me that Mr. Young should have disassociated himself after it had been shown that his own company had an interest in the contract involving Mid-Continent?

Mr. CARLSON. I am not familiar with the details of that contract. I simply mentioned the fact because of the comment which had been made in the letter I referred to.

Mr. WILLIAMS. I appreciate that, and I outlined the entire background. But I wonder if the Senator was familiar with the transaction as it has been outlined.

Mr. CARLSON. I am not defending the transaction, because I am not familiar with it. Therefore I would not wish to take a stand on it under any circumstances.

Mr. WILLIAMS. I feel there is a principle involved which should be very clear in the record. The question is whether we should defend actions such as these, or should we oppose them. I do not think we should go off onto a nonrelated question. I am in complete agreement with what the Senator from Kansas has said. But since the question has been raised, it should be clearly settled so that all officials will know just where they stand.

The law specifically says they should not have this conflict of interest. If we think these requirements are too restrictive, then we should amend the law.

The Comptroller General has raised serious objection to the contract and said he was stopping the payment of any further Government funds. I also point out that the matter has been submitted to Judge Chesnut for an unbiased report. It is well known that we all hold Judge Chesnut in high esteem. His opinion was put in the RECORD, wherein he supported the Comptroller General's opinion that no further disbursements under the contract should be made, and that there was no legal authority, as the Comptroller General had said, for those disbursements.

It has been suggested by Mr. YOUNG that the Comptroller General should be repudiated in this case. If that were done, it would automatically repudiate his decision that the Government put up no more money, and in effect we would be saying that we want the Government to put another $75,000 to $100,000 in this now bankrupt corporation, a corporation in which there has been no management from the very beginning, as has been obvious throughout.

Mr. BENDER. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. BENDER. I wonder if the distinguished Senator from Delaware has any comment to make regarding the situation with which we are confronted as a result of the Government of the United States being the biggest business in the world, and one which requires men and women of integrity and experience? Men and women of integrity are required, but there is also a need for men and women who have experience in business and commerce. I am sure the Senator would not wish to see a moron or a peanut politician placed in a position which requires someone who has perspective, ability, and training in practical business.

Since this issue has developed, and since a question has been raised regarding the connections of the Secretary of the Air Force, we have had the matter affecting the Secretary of the Air Force before a subcommittee of a regular committee. As a member of that committee, I have listened to all the testimony. The evidence before our subcommittee revealed that the Armed Forces Committee had full knowledge of his business associations when Secretary Talbott's confirmation was before that committee, and agreed to such connection, at least by remaining silent, or by reporting favorably the nomination of Mr. Talbott.

A question has been raised regarding a certain transaction the Secretary had. The fact of the matter is that the connection was brought to the attention of the United States Senate and its Committee on Armed Services. It is a further fact that the nomination as Secretary of the Air Force was confirmed by the United States Senate.

Even though I am an Ohioan, I never knew Mr. Talbott, who is a substantial businessman from my State. I never had contact with him, except in a matter which was wholly irrelevant. It affected a doctor in the Air Force. At that time 4,000 citizens of my home State petitioned me because they were without a doctor, and wanted a certain doctor released from the Air Force. The doctor himself did not want to be released, but the community required a medical doctor. When I called the Secretary on the phone regarding the situation and heard his response, from that time on I felt I would never call him up again. So I never had any further contact with him. I do not know him personally. I never had any occasion to meet him.

However, the fact of the matter is that the Committee on Armed Services had a full disclosure of his association with a certain company, and, after he had divested himself of all his other interests, recommended, by an almost unanimous vote, that this nomination be confirmed by the United States Senate. I think there was only one vote opposing his confirmation. All the Members of the Senate knew full well of Mr. Talbott's connection with that particular company.

Under the circumstances, if we attract to the public service men of character, ability, and integrity, I think it is important that we know just what they must divest themselves of, and I think the law should be changed in some way, or some correction should be made in the law, so that we shall understand exactly what a man can do and what he cannot do. The law seems rather vague, and I think it should be clarified.

I happen to be a member of the subcommittee of the committee of which the distinguished chairman is the Senator from Arkansas [Mr. McCLELLAN], who is an honorable, a fine, and good chairman, and who is a fair man. I wish to say that we have done everything which could be done in this matter to bring out the facts. The principal fact which was disclosed was that the Secretary for Air was confirmed by the United States Senate after all the facts were brought out and after all his connections were known to every Member of the United States Senate, and every member of the committee considered it was all right for him to continue in his partnership.

I am sure the distinguished Senator from Delaware will pardon me if I make these comments in his time, but since the distinguished Senator from Delaware has raised the point regarding Mr. Young, I should like to ask him if he does not believe that it is about time that Congress should do something about changing the law, or studying the matter between now and the beginning of the new session in January, so that we may know exactly what we are doing and how far we can succeed in attracting capable and competent persons for important positions, whose responsibility will be not only to direct hundreds of thousands of persons under them, but to wisely expend billions of dollars of the taxpayers' money.

Mr. WILLIAMS. Mr. President, I might say to the Senator from Ohio that the criticism of the contract is not based on the fact that Mr. Young, as an individual, was involved. It could have been Mr. X, or Mr. Y, or Mr. Z. The contract would be under criticism regardless of who might have engineered the contract. The Comptroller General and the audit division of the agency involved said the company was actually insolvent at the time the Government advance was approved. All of the red flags were up. They all recommended against it. In this particular instance they said there was a conflict of interest in that the company getting the loan had a side contract for selling the entire output to Mr. Young's company.

There was a third element, and a very important one, and one about which there is not too much being said. Nevertheless, the fact is that the application for the Government advance had been turned down. Every report was unfavorable. There was an agent checking the matter. During the process of checking it, the agent was made an attractive offer by an official of the company. That is a fact which is undisputed. The contract went through despite this warning and the Government lost all its money. Certainly someone should check why.

Under those circumstances, a contract certainly should be criticized on the floor of the Senate. If it is not to be criticized, if we have reached the point where we approve the right of a man negotiating a Government loan to make attractive offers to an official of the Government agency investigating him, what protection of Government interests will there be? I do not think anyone on the floor will defend such action. At least, if there is, I would like to hear it.

Do not overlook the fact that you are not just defending one individual, you are writing a policy that will stand for all others in a similar capacity.

Personally, I feel that the Mid-Continent Mining contract was not in the best interests of the Government, and it should not have been signed. I feel that this is subject to criticism, and I think the Comptroller General was correct.

Mr. President, if there is nothing further in connection with this matter, let me say that I have concluded my remarks, and I yield the floor.

During the delivery of Mr. WILLIAMS' speech,

Mr. SYMINGTON. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS. I yield with the understanding that his remarks will appear in the RECORD at the conclusion of my speech.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SYMINGTON. Mr. President, as I stated on Saturday, I do not know the merits or demerits of the case with respect to Mr. Howard I. Young.

But I say to my able friend from Delaware that I am sorry Mr. Young is now being tried on the floor of the Senate at the same time the proper committees of the Congress are examining the report of the General Accounting Office.

I ask unanimous consent to have printed in the RECORD at this point an editorial entitled "In Fairness to Howard Young," published in the St. Louis Post-Dispatch yesterday Sunday, July 31.

The PRESIDING OFFICER (Mr. SCOTT in the chair). Is there objection?

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

IN FAIRNESS TO HOWARD YOUNG

Members of the Senate House Committee on Defense Production say they cannot now make an evaluation of the record of Howard I. Young, of St. Louis, as a dollar-a-year man in Washington.

Their indecision threatens to leave the case in limbo until Congress meets next year. Such procrastination would be unfair to Mr. Young and unworthy of the committee.

Mr. Young is president of American Zinc, Lead, & Smelting Co. and during the Korean war was Deputy Administrator of the Defense Materials Procurement Agency. Recently Comptroller General Joseph Campbell reported to Congress that an apparent conflict of interest was involved. A General Accounting Office report strongly implied that Young in his official capacity had served his company as well as his country.

The case was splashed on national attention when Senator WILLIAMS, of Delaware, placed the GAO report in the CONGRESSIONAL RECORD before the joint committee had a chance to hear Young's side of the story. When heard, Young denied every charge.

Since then the GAO has backed down on two of its major complaints: (1) that Young's own firm sold $60,000 worth of machinery to a company for which Young had promoted a Federal loan, and (2) that his firm sold 1,167 tons of zinc to the Government at a contract price above the market price at time of delivery. The GAO says the latter charge has only been reworded, not withdrawn, but does not make clear what offense is alleged.

Comptroller General Campbell also has told the committee that he would not accuse Young of acting in bad faith, but questioned whether sound principles of public administration were exercised. This is a thorough retreat from implications of impropriety.

If the GAO is now so uncertain of some of its facts and its phraseology, why did it issue the report against Young in the first place? The public can only conclude that the report was a sloppy and reckless piece of work.

Nevertheless, the charges against Mr. Young have left their mark. And when a citizen's reputation is at stake, a congressional committee has no business allowing months to pass before justice catches up with the accusations. There has been too much carelessness of this sort for the rights and reputations of individuals.

If Mr. Young was wrong—and the GAO certainly has not proved it—the investigating committee should say so. But if Mr. Young was not wrong, then the GAO was totally wrong in bringing accusations which it could not support against a citizen who served his Nation without compensation.

Truth should not be permitted to trail far behind the charges. The congressional committee has heard both sides and should reach a prompt and fair conclusion.

Mr. SYMINGTON. Mr. President, I should like to read a part of that editorial at this point:

Comptroller General Campbell also has told the committee that he would not accuse Young of acting in bad faith, but questioned whether "sound principles of public administration were exercised." This is a thorough retreat from implications of impropriety.

If the GAO is now so uncertain of some of its facts and its phraseology, why did it issue the report against Young in the first place? The public can only conclude that the report was a sloppy and reckless piece of work.

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If Mr. Young was wrong—and the GAO certainly has not proved it—the investigating committee should say so. But if Mr. Young was not wrong, then the GAO was totally wrong in bringing accusations which it could not support against a citizen who served his Nation without compensation.

Truth should not be permitted to trail far behind the charges. The congressional committee has heard both sides and should reach a prompt and fair conclusion.

Mr. President, I have in my hand the RECORD of Saturday, July 30. In that RECORD appears a statement of Joseph Campbell, Comptroller General of the United States, before the Joint Committee on Defense Production. I read three sentences from that statement:

Mr. Young's testimony is quite firm and repeated to the effect that we did not interview him at any time on the subject of this report. The committee, it will be recalled, took occasion to question us at some length as to our procedure in that regard. In fact, it is our definite statement that Mr. Young and other officials of his company were interviewed on January 25, 1954.

At this point also, Mr. President, I ask unanimous consent to have printed in

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the RECORD four affidavits. The first is from John R. Griffiths, who was counsel and assistant director of labor relations for the American Zinc, Lead, & Smelting Co., of which Mr. Young was the president.

The second is sworn to by Charles A. Dobbel, chief mining engineer of American Zinc.

Mr. President, I shall not take the time of the Senate at this late time to read these two affidavits in full. Nor will I read an affidavit from Leona S. Jones, who was the secretary of Mr. Howard Young, which is being placed in the RECORD at this time.

But the last affidavit, signed by Howard I. Young himself, outstanding citizen of Missouri, speaks for itself, and I read it at this time:

DISTRICT OF COLUMBIA, *ss:*

I, Howard I. Young, having first been duly sworn, depose and say:

At no time prior to receiving a call from a newspaper reporter late on July 7 did I have knowledge of the alleged charges that have been made against me by the General Accounting Office.

Prior to release of its report, the General Accounting Office had not given me any opportunity to be heard regarding these unfounded charges.

HOWARD I. YOUNG.

Subscribed and sworn to before me this 1st day of August 1955.

[SEAL] YOLANDO J. DE MARCO,
Notary Public, District of Columbia.

My commission expires February 1, 1956.

The PRESIDING OFFICER. Is there objection to the unanimous consent request to have the affidavits printed in the RECORD?

There being no objection, the affidavits were ordered to be printed in the RECORD, as follows:

STATE OF MISSOURI,
City of St. Louis, ss:

I, John R. Griffiths, after first being duly sworn upon oath say that I am and was at the times herein mentioned, counsel and assistant director of labor relations for American Zinc, Lead & Smelting Co., of which Mr. Howard I. Young is president;

That, on Jan. 25, 1954, at the company offices at St. Louis, Mo., I sat in a meeting with one or more representatives of the General Accounting Office of the Comptroller General's office, and with Mr. C. A. Dobbel, Chief Mining Engineer of the company;

That, at no time during the meeting were any questions asked or references of any kind made by Government representatives or company representatives to sales of slab zinc to the Government, sales of equipment to Mid-Continent Mining Co., or to any other matters which indicated to me, in any way, that there was any investigation of any kind of American Zinc, Lead & Smelting Co. or Mr. Howard I. Young;

That, a copy of a memorandum describing copies of documents handed to the Government representatives, which I made on Jan. 25, 1954 for company files, is attached to this affidavit; that it was made under my regular procedure of many years standing which I follow when copies of corporate documents are delivered to third persons.

JOHN R. GRIFFITHS.

Subscribed and sworn to before me, a notary public in and for the city and State above mentioned, on this 31st day of July 1955.

LEONA S. JONES.

My commission expires March 18, 1957.

MEMORANDUM FOR CLOUGH FILE

This morning I handed to Mr. L. F. Woodside of the Kansas City office, and Mr. Carroll E. Huls of the St. Louis office, of the General Accounting Office of the Government, typewritten copies of the following:

Subordination agreement of November 5, 1952.

Our letter of agreement with Mr. Clough of July 21, 1952.

Our smelting agreement as well as the amendment to it of November 5, 1952.

R. A. Young's letter of November 7, 1952, to Mr. Greene, General Counsel, DMPA.

Assay of holes Nos. 2 to 9.

STATE OF MISSOURI,
City of St. Louis, ss:

I, Charles A. Dobbel, after first being duly sworn upon oath say that I am and was at the times mentioned herein chief mining engineer of American Zinc, Lead & Smelting Co., of which Mr. Howard I. Young is president;

That Mr. L. F. Woodside, of the General Accounting Office, and another representative of that Office met with me in the office of American Zinc in the Paul Brown Building in St. Louis, Mo., on January 25, 1954;

That John R. Griffiths, counsel for the company, was present when we met, as the representatives of the General Accounting Office had requested copies of some legal documents;

That, at this meeting, the representatives of the Government requested copies of agreements between American Zinc and Mid-Continent Mining Co. and records of a check drilling program of American Zinc at the Mid-Continent property, which were given to them;

That I had informed Mr. H. I. Young of their request and he told me to give them anything they asked for and to have Mr. Griffiths present because it involved legal documents;

That one of the representatives of the General Accounting Office inquired of me concerning grades of zinc ore which could be economically mined and I stated to him that it depended entirely on the mine, whether open pit or underground and many other factors; that American Zinc mined ore of less than 3 percent at Mascot, Tenn., and that I had made no official estimate of the ore reserves at the Mid-Continent property;

That no questions were asked by the General Accounting Office representatives concerning sales of slab zinc to the Government, sales of equipment to Mid-Continent, or which would indicate in any way either directly or by inference that American Zinc, Lead & Smelting Co. or Mr. Howard I. Young were being investigated or reported on.

CHAS. A. DOBBEL.

Subscribed and sworn to before me, a notary public, on this 31st day of July 1955.

LEONA S. JONES.

My commission expires March 18, 1957.

STATE OF MISSOURI,
City of St. Louis, ss:

I, Leona S. Jones, after first being duly sworn upon oath say that I am and was at the times herein mentioned secretary to Mr. Howard I. Young;

That, my calendar pad on which I record all appointments made, kept, and canceled through me by Mr. Young does not show any appointment with representatives of the General Accounting Offices on January 25, 1954, or any other date in January or February of that year.

LEONA S. JONES.

Subscribed and sworn to before me, a notary public in and for the city and State above mentioned, on this 31st day of July 1955.

H. A. PAULTER.

My commission expires March 31, 1957.

DISTRICT OF COLUMBIA, *ss:*

I, Howard I. Young, having first been duly sworn, depose and say:

At no time prior to receiving a call from a newspaper reporter late on July 7 did I have knowledge of the alleged charges that have been made against me by the General Accounting Office.

Prior to release of its report, the General Accounting Office had not given me any opportunity to be heard regarding these unfounded charges.

HOWARD I. YOUNG.

Subscribed and sworn to before me this 1st day of August 1955.

YOLANDA J. DE MARCO,
Notary Public, D. C.

My commission expires February 1, 1958.

Mr. SYMINGTON. Mr. President, I deeply regret that the case of Howard I. Young has been tried on the floor of the Senate and in the press, prior to his ever having been given a chance even to speak with the proper people of the General Accounting Office in defense of the charges brought against him by that agency.

I ask that when the Senate reconvenes it look into such activities of the General Accounting Office. I am preparing a statement on this matter of Howard Young which I shall submit to the chairman of the Committee on Government Operations, the senior Senator from Arkansas [Mr. MCCLELLAN].

During the delivery of Mr. WILLIAMS' speech,

Mr. GREEN. Mr. President, I ask unanimous consent to take up a privileged matter.

Mr. WILLIAMS. Mr. President, I have the floor.

Mr. GREEN. The matter is a conference report.

Mr. WILLIAMS. How long will it take?

Mr. GREEN. Approximately a minute.

Mr. MORSE. Mr. President, I should like to have present an assistant from my staff. Under the rule of the Senate, I cannot have him with me without permission, and I would suggest the absence of a quorum.

The PRESIDING OFFICER. The Chair is advised by the Parliamentarian that the Senator from Delaware is entitled to the floor.

Mr. GREEN. Mr. President, I simply wished to move that the report be agreed to.

Mr. WILLIAMS. I understood the Senator from Oregon [Mr. MORSE] wished to suggest the absence of a quorum. I do not yield for that purpose at this time.

Mr. President, I ask that these interruptions follow my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT AND EXTENSION OF SUGAR ACT OF 1948, AS AMENDED

Mr. FULBRIGHT. Mr. President, I understand that the sugar bill, H. R. 7030, is at the desk. I wish to object to the second reading of that bill.

The PRESIDING OFFICER. The Chair lays before the Senate the bill in question, which will be stated by title.

The LEGISLATIVE CLERK. A bill (H. R. 7030) to amend and extend the Sugar Act of 1948, as amended, and for other purposes.

The PRESIDING OFFICER. Is there objection to the second reading of the bill?

Mr. FULBRIGHT. Mr. President, I object to its second reading.

The PRESIDING OFFICER. The bill will go over for a day.

AMENDMENT OF CIVIL SERVICE RETIREMENT ACT, RELATING TO ACCREDITED SERVICE IN CERTAIN CASES

Mr. JOHNSTON of South Carolina. Mr. President, there is at the desk a message from the House of Representatives, transmitting to the Senate the amendments made by the House to Senate bill 1041. I ask that the message be laid before the Senate.

The PRESIDING OFFICER (Mr. BARKLEY in the chair) laid before the Senate the amendments of the House of Representatives to the bill (S. 1041) to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide for the inclusion in the computation of accredited service of certain periods of service rendered States or instrumentalities of States, and for other purposes, which were on page 1, line 9, after "employee" insert "of the United States Government or the municipal government of the District of Columbia"; on page 2, lines 1 and 2, strike out "(other than a position described in this paragraph)", and on page 4, strike out all after line 15 over to and including line 4 on page 5.

Mr. JOHNSTON of South Carolina. Mr. President, I move that the Senate disagree to the amendments of the House, request a conference thereon with the House of Representatives, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. JOHNSTON of South Carolina, Mr. NEELY, and Mr. CARLSON, conferees on the part of the Senate.

HAROLD E. TALBOTT, SECRETARY OF THE AIR FORCE

Mr. CHAVEZ. Mr. President, I ask unanimous consent that at this time I may proceed for 4 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, the Senator from New Mexico is recognized for 4 minutes.

Mr. CHAVEZ. Mr. President, in recent days a great deal has been said and written, both here and elsewhere, about the propriety of certain actions of the Secretary of the Air Force, the Honorable Harold E. Talbott. It is not my purpose today to discuss the charges made as to the correctness of his behavior, and nothing I say at this time should be interpreted as indicative of my attitude on the matter.

However, in view of the publicity given to certain actions of the Secretary, I thought that in all fairness to Mr. Talbott, I should rise to describe him as I have known him during the past several years since he has been Secretary of the Air Force and, more particularly, during the past session, when, as chairman of the Department of Defense Subcommittee of the Senate Appropriations Committee, I have come to know him quite well.

Mr. President, during this period I have found in Secretary Talbott the qualities of leadership and ability which are requisite to the highly responsible position which he holds. In my personal association with Mr. Talbott, I have found him to be a most able and conscientious public official, having ever utmost in mind the national welfare in the interest of the United States Air Force. Furthermore, in his dealings with the Senate Appropriations Committee, I have found Harold Talbott to be both direct and forthright. He has always been willing, even eager, to reveal to us the problems which have beset the Air Force in its attempt to provide the greatest possible defense, despite continuing changes in design and production which necessitated frequent realinement of plans. In direct testimony, in private conversation, and in action itself, he has revealed himself as a man of courage and decision. Mr. Talbott has put forth almost superhuman organizational effort in bringing our Air Force to the 137-wing level, to give us the strongest national defense possible within our economic means. The 137-wing program is far ahead of schedule, and I understand that mainly due to his efforts.

In my travels about the country and abroad, I have heard only praise for Mr. Talbott and his direction of the great United States Air Force. The enlisted men especially are most eloquent in their praise of the Secretary. Mr. Talbott has constantly appealed for measures to help the personal lot of our airmen: for instance, such measures as those for better housing, stabilized tours of duty, and concurrent travel for the families of enlisted men serving overseas. In short, Mr. President, he has taken a great interest in the morale of our airmen; in fact I must say that, not only has he taken such an interest, but he has done something about it.

I suspect there have been few men in Government service who have devoted more hours and given more of themselves to their jobs than has the Secretary during his term of office. Much of this has been done with great personal sacrifice of time, energy, and comfort, and to a degree at least, of personal safety. He has traveled more miles inspecting installations than can be accurately counted. On frequent occasions he has sacrificed his personal wishes, occasions in order to bring cheer to, and raise the morale of, the enlisted personnel in the far-flung reaches of our Nation's air outposts.

Mr. President, I must reiterate what I said at the beginning of my remarks, namely, that I am not addressing myself to the present difficulty of Mr. Talbott.

Mr. MORSE. Mr. President, will the Senator from New Mexico yield to me at this point?

Mr. CHAVEZ. I yield.

Mr. MORSE. Does the Senator from New Mexico think it was ethical of Mr. Talbott, while Secretary of the Air Force, and while a member of the Mulligan firm, to write letters, on Air Force stationery, to companies which had or hoped to have contracts with the Air Force, urging them to employ the Mulligan firm for an efficiency engineering service?

Mr. CHAVEZ. Mr. President, at the beginning of my remarks I said that I am referring only to the official service of Mr. Talbott as Secretary of the Air Force.

Mr. MORSE. I understand that, and I am asking what the Senator from New Mexico thinks of the conduct of Mr. Talbott regarding the course of action which he admitted in the committee he had taken.

Mr. CHAVEZ. I think he was most indiscreet.

Mr. MORSE. Does the Senator from New Mexico think that one who was so indiscreet as was Mr. Talbott on that occasion would instill in the American people confidence in the ethics of the office of Secretary of the Air Force?

Mr. CHAVEZ. I have known people who have been indiscreet and whom I would trust after they got over their indiscretions.

Mr. MORSE. Does the Senator from New Mexico think the American people ought to put Mr. Talbott on probation because of his past indiscretions, which go back a long time, and give him another chance?

Mr. CHAVEZ. Because a boy or a girl, or the Secretary of the Air Force, commits an indiscretion, I do not think we should kick him around.

Mr. MORSE. Is the Senator arguing for probation for a delinquent Government official?

Mr. CHAVEZ. No. I am trying to be fair with a man who has done a fine job for the Air Force.

Mr. MORSE. I am sure I do not have to tell the Senator from New Mexico the danger of his statement so far as public interpretation is concerned. That is why I want him to clarify it. Am I to understand that the Senator is sustaining Mr. Talbott——

Mr. CHAVEZ. If the Senator will let me read the next sentence, I think he will understand my feeling.

Mr. President, I must reiterate what I said at the beginning. I am not addressing myself to the present difficulty of Mr. Talbott.

Mr. MORSE. But the American people are greatly concerned about the present difficulty of Mr. Talbott.

Mr. CHAVEZ. I am for the American people. Whatever they want to do is good enough for me.

Mr. MORSE. I want to know what the Senator from New Mexico thinks we ought to do about Mr. Talbott's indiscretions. Should he be left in the office of Secretary of the Air Force or not?

Mr. CHAVEZ. I am willing to trust the President of the United States.

Mr. MORSE. I happen to disagree on that score. It is the business of every Senator. The Senator has the record. What is the Senator's judgment as to what should be done?

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Mr. CHAVEZ. My judgment is that he has been a fine Secretary of the Air Force.

Mr. MORSE. And on the basis of his record as Secretary of the Air Force, although the Senator admits his indiscretions, the Senator thinks he ought to be left in office as Secretary of the Air Force?

Mr. CHAVEZ. I am not going to be the judge of things for which the executive department has the responsibility.

Mr. MORSE. I think we have a responsibility, too.

Mr. CHAVEZ. Mr. President, I must reiterate what I said at the beginning. I am not addressing myself to the present difficulty of Mr. Talbott, but I think we must give credit where credit is due. I am trying to give credit for his actions as the Secretary of the Air Force. In my opinion the Secretary of the Air Force, Mr. Talbott, has—and I quote another—"done an almost brilliant job." I will go one step further and compliment Mr. Talbott and his efforts as Secretary by saying that he has done a brilliant job as Secretary of the Air Force.

Mr. MORSE. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Oregon?

Mr. MORSE. Mr. President, I desire the floor in my own right.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

Mr. MORSE. Mr. President, I should like to comment on what the Senator from New Mexico has said.

Even on the basis of Mr. Talbott's record as Secretary of the Air Force, he ought to be dismissed, irrespective of his indiscretions.

Let us not forget that it was under this man that the appropriations for the Air Force were so cut back that there is now great concern as to whether or not Russia is so far ahead of us with respect to certain airpower that we would hate to think what would happen if we got into a Pearl Harbor with Russia in the air tomorrow.

I do not share the view of the Senator from New Mexico, even as to the record of Mr. Talbott in carrying out the duties of Secretary of the Air Force. I have sat in this Chamber and listened on a number of occasions to the speeches of the distinguished Senator from Missouri [Mr. SYMINGTON].

I have said on the floor of the Senate, and I repeat today, that I do not think there is a man in America who is better versed on the airpower needs of this country than is the Senator from Missouri, a former Secretary of the Air Force. If one reads the Symington speeches, he cannot square those speeches with the course of action which Mr. Talbott has followed as Secretary of the Air Force.

Therefore, my reply to the Senator from New Mexico is that I completely disagree with his evaluation of Mr. Talbott as Secretary of the Air Force. I happen to know something about the low state of morale which exists in the Air Force today as a result of the indiscretions of Mr. Talbott.

I intend, before the Senate adjourns today, to speak at greater length and to refer to some new information with regard to this man's financial practices. However, as of this moment, let me say that the Senator from New Mexico does not make a case for Mr. Talbott as Secretary of the Air Force. The Senator from New Mexico is very careful not to try to make a case for him with respect to his indiscretions. As to his indiscretions, he suspends judgment.

I wish to register my judgment, on the basis both of his indiscretions and his mistakes. I think on either basis Mr. Talbott ought to be kicked out of office.

Mr. CHAVEZ. Mr. President, in reply to my good friend, the distinguished Senator from Oregon, let me say that, of course, I understand what he has in mind when it comes to the question of trying to provide for the Air Force. Mr. Talbott appeared before the defense subcommittee of the Committee on Appropriations. The Senator from Missouri [Mr. SYMINTON] appeared before the full committee, and the full committee gave all the cooperation possible with respect to both the suggestions of the Secretary of the Air Force and the suggestions of the Senator from Missouri.

So far as the chairman of the defense subcommittee of the Committee on Appropriations is concerned, so far as the full committee itself is concerned, and so far as what Congress does is concerned, I do not believe my good friend from Missouri has any complaint whatsoever.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. MORSE. The speeches of the Senator from Missouri speak for themselves. They are full of complaints.

Mr. CHAVEZ. I shall let the Senator from Missouri speak for himself, rather than have the Senator from Oregon speak for him.

LEAVES OF ABSENCE—TRIBUTES TO SENATOR GEORGE

Mr. GEORGE. Mr. President, I wish to submit a unanimous-consent request. I am very loath to make the request, and yet I feel that I must. I am desirous of seeing a few items on the calendar disposed of; but my associates on the Foreign Relations Committee know very well my position. I now ask unanimous consent—because I believe I should do so—to be excused from further attendance upon sessions of the Senate during the remainder of the present session.

The PRESIDING OFFICER. Without objection, leave is granted.

Mr. CHAVEZ. Mr. President, I should like to make a similar request. I ask unanimous consent to be excused from attendance upon sessions of the Senate until the next session of Congress.

The PRESIDING OFFICER. Without objection, leave is granted.

Mr. MORSE. Mr. President, as the Senator from Georgia leaves the Chamber, let me say that I am sure I speak the viewpoint of the other 95 Members of the Senate when I say that he goes with our best wishes for a very pleasant period of rest and relaxation between now and the next session of Congress. He goes with our wishes for every possible success. He goes with our deep gratitude to him for the statesmanship and leadership he has afforded the Senate during the many years he has served in this body. We owe him a great debt.

Mr. KNOWLAND. Mr. President, I should like to join in paying tribute to the distinguished senior Senator from Georgia, who is the respected chairman of our Foreign Relations Committee, and who has so ably handled the affairs of that committee during this session of the Congress.

He has cooperated most fully with the President and the Secretary of State in helping to expedite action on various important measures through the Committee on Foreign Relations and through the Senate. He has done so not as a partisan, but as a great American. He has our best wishes, and our hope for many more years of the same brilliant service in the Senate as he has performed during his long and distinguished career.

Mr. MANSFIELD. Mr. President, I wish to join my distinguished colleagues in their expressions of regard and appreciation for the chairman of the Committee on Foreign Relations, the senior Senator from Georgia. We know that in the preceding months he has made a magnificent contribution not only to the welfare of this country, but to the welfare of countries throughout the free world, and, in fact, to the entire world. In the field of foreign policy he has been the icebreaker in plowing through the cold fields. It is to him that this country and the free world is indebted for the easing of tensions which, at least on the surface, now seems to be taking place.

I certainly wish to voice the sincere hope and devout prayer that this great American will come back again next January stronger than ever, that his health will be abundantly restored by a sojourn in his native State and that he will continue to serve in the United States Senate for many years to come. Our affection and admiration for the distinguished senior Senator from Georgia is boundless because we see in him, the traits and characteristics which we would like to see in ourselves.

Mr. SMATHERS. Mr. President, I wish to join my colleagues in their expressions of respect, affection, and admiration for the senior Senator from Georgia. It was my great privilege to serve on the Committee on Finance when he was chairman of that committee.

He conducted the affairs of the committee fairly and impartially, and without regard to any partisan consideration. To the contrary, his actions were always motivated by what he believed to be for the best interests of the country.

I believe the Nation owes the senior Senator from Georgia an everlasting debt of gratitude. Earlier this year, when there was considerable indecision with respect to what the course of our foreign policy should be, it was the senior Senator from Georgia who had the courage and the vision to stand up and say that we should be big enough, strong enough, and confident enough to meet with the Communists to discuss peace. It was his idea, his courage, and his great weight which led to the meeting at the summit.

I hope, as I am sure every one of his colleagues hopes, that he will return to the Senate in January in full health and vigor to continue the invaluable service he has rendered during his long and illustrious career in the Senate of the United States. One of the great privileges of my life has been to know, and serve with, this truly great man. His example had made it possible for me to be a better Senator; his leadership has made this Nation a stronger and more dynamic nation; his courage and remarkable vision has made this world a more peaceful, happier place in which to live. We all wish for WALTER GEORGE, a good rest, continued good health, and Godspeed.

Mr. BUSH. Mr. President, I wish to join with Senators who have just spoken words of admiration for the distinguished senior Senator from Georgia.

I believe his performance during this session of the Senate has been an inspiration to every Senator. His boldness and his courage in connection with matters of utmost importance affecting the foreign policy of the United States have led us to do what without his leadership I am not sure would have been done.

Every Senator and every citizen owes him a debt of gratitude forever.

I join particularly with my good friend from Florida in wishing the senior Senator from Georgia a return in January stronger in health and body and spirit. It is his spirit which has done more at this session to support the development of our strong foreign policy than any other single thing I can think of.

Mr. CLEMENTS. Mr. President, I regret that I was not in the Chamber when the distinguished senior Senator from Georgia made his request of the Senate to be permitted to be absent during the remainder of the session. Although such a request would be granted to any Member of the Senate as a matter of course, I know it would be granted with no more alacrity and understanding than to our distinguished friend from Georgia.

The senior Senator from Georgia is not only an outstanding Member of the Senate he is outstanding throughout the United States. He is outstanding among the leaders of international affairs throughout the world.

I do not wish to be repetitious. Statements have been made by many Members of the Senate who have served with the senior Senator from Georgia on committees and have served with him in the Senate for a much longer time that it has been my privilege to serve with him. But with great statesmen like the senior Senator from Georgia, it does not take long to appreciate his unparalleled qualities. Even Senators with considerably less service here than I have had, have quickly observed and fully recognized the brilliance of mind, strength of character, and warm friendliness of Georgia's senior Senator.

And so I wish to join with the other Members of the Senate in expressing to him the very sincere wish that he will return in January in good health so that he may continue to give the United States the benefit of his wise counsel and guidance for many years to come.

I know of no other person living in this country who has made a deeper imprint on our foreign policy than has the distinguished senior Senator from Georgia. No one has served the cause of world peace with greater devotion.

Along with his other friends, I wish him Godspeed and an early return to further useful service in the Senate.

Mr. CARLSON. Mr. President, I do not wish this opportunity to pass without expressing my appreciation for the services performed by the senior Senator from Georgia.

I have not had the opportunity of serving with him on the Committee on Foreign Relation, but, of course, I am aware of his fine work on that committee, of which there are almost countless examples.

I wish to mention my association with him on the Committee on Finance, over which he presided with notable ability for a long time.

Several years ago I was a member of the House Ways and Means Committee, which dealt with some very difficult problems affecting foreign matters, which were always very complicated and difficult to handle. Whenever I went with those problems to the distinguished senior Senator from Georgia, I always obtained fine explanations and valuable suggestions. He was fair and honorable in his approach.

As a majority Member of the Senate during one session, and as a minority Member in the previous session, I have always regarded his work as being not only exceptionally able but of a very patriotic nature. The senior Senator from Georgia has rendered a real patriotic service to the Nation.

I wish him Godspeed and good rest. I sincerely hope that he will be with us for many years to come.

Mr. SMITH of New Jersey. I have just been advised of the fact that the senior Senator from Georgia has obtained permission to be absent from the Senate for the remainder of the session. Therefore I came into the Chamber immediately to express my personal appreciation of all that WALTER GEORGE has meant to me during 9 of the 11 years I have been a member of the Committee on Foreign Relations.

There is no one whose judgment I value more highly.

I never saw WALTER GEORGE consider any question relating to our foreign affairs in terms of political partisanship. He has been the outstanding symbol of Americanism, always working for the interests of America, not for any special interest or party.

I wish him Godspeed. My wife joins me in wishing him and his wife Godspeed and a good rest. We hope he will return to the session next year with renewed health and vigor. I certainly look forward to his being with us.

Mr. MUNDT. Mr. President, I wish to join my colleagues in extending felicitations to WALTER GEORGE and in wishing him a good rest and many more years of continued public service. For many years I served in the House of Representatives, and during that time I served on the Committee on Foreign Affairs with some of my distinguished colleagues who are now Members of the Senate.

Frequently, I sat in conference committees on foreign policy with the senior Senator from Georgia, and had an opportunity to observe, even though briefly, his great capacity for leadership, his tempered judgment, and his perseverance in plugging for a good cause.

It has been my privilege on 8 or 10 occasions to visit the State of Georgia and to speak to audiences in that State.

I have never failed to tell them, as I have said elsewhere, that I know of no State in the Union which has sent a stronger team to the Senate, and has kept them here for a long time, so that they were able to attain the seniority required to render maximum service, than the State of Georgia in sending Senators WALTER GEORGE and DICK RUSSELL. In my book they are tops from the standpoint of an experienced and able senatorial team with seniority sufficient to have great and continued influence in the United States Senate.

As long as the State of Georgia is going to do what I assume the State of Georgia is going to do for some years to come, that is, send Democrats to the United States Senate, I hope the State continues to send Democrats WALTER GEORGE and DICK RUSSELL or men of similar political convictions. I have that opinion even though a former Democratic President of the United States expressed the opposite view one time during an attempted purge.

I believe the State of Georgia is coming around politically and overcoming its chains of prejudice. I believe that some day it will vote Republican for President, but I do not believe it will vote Republican for Senator for quite a while.

We are fortunate to have two distinguished elder statesmen from the State of Georgia whose love of country and patriotism is greater than their devotion to the Democratic Party or to any partisan concept. WALTER GEORGE, as the elder of the two elder statesmen, is a sort of model to all of us who have come to the Senate lately. He certainly deserves to have a chance to go down to the sunny environment of his beautiful State and get thoroughly rested and to get his dynamos recharged, so that he may come back in January to serve for many more years.

Mr. WILEY. Mr. President, I wish to join in the fine expressions relating to the character, statesmanship, and ability of the senior Senator from Georgia. "GEORGE of Georgia" has been a phrase we have heard for many years—a phrase of respect and affection. It has been 16½ years since I first became acquainted with this distinguished American. I had the privilege of serving with him on the Foreign Relations Committee under the leadership of Senator Vandenberg and of Senator Connally, and I had the privilege, when I was chairman of the committee, of literally sitting at his feet for guidance and direction. While he is chairman of the committee I have had the privilege of "playing ball" with him all along the line.

It is a wonderful thing to meet men whose minds are poised, whose minds are clear with respect to every issue they

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undertake to consider, who are dedicated to love of country and its institutions, who can see beyond tomorrow and sense the changing world in which we live, and meet head on the new issues and challenges. Such a man is WALTER GEORGE—a patriot in the fullest sense of the word.

Through the years, Mr. President, I have noted how the Members of the Senate, on the floor and in committee, listen when he speaks. It is all because he manifests commonsense, or, as someone has called it, wisdom. I think the two terms are synonymous. Yes, Mr. President, he sees beyond the present in his decisions.

I think that when any man turns the corner to life eternal the real measurement of his ability and character will be whether he has lived among his fellows as a thinker and friend and as one who has maintained a balanced and poised mind. Such a man is this friend of ours. We all call him friend.

We all join in wishing WALTER GEORGE a happy journey home and a pleasant vacation period. We hope he will regain his strength and health, and that he will come back to us rejuvenated and with the young spirit which he has always manifested.

Of course, Mr. President, I, too, join with those who feel that there should be no question as to what Georgia should do in 1956. A man with the background of WALTER GEORGE, with his years of service, and with more years ahead with opportunity for great service, should be returned to the Senate. This is the only time I can recall I have ever jumped over the fence and tried to tell the electorate of another State what I think they should do.

So I wish for the Senator a happy voyage home and a happy return.

Mr. CASE of South Dakota. Mr. President, I should like to be associated with those who have expressed their tributes to the distinguished senior Senator from Georgia.

It was my privilege this year to sit in joint hearings conducted by the Senate Committee on Foreign Relations and the Senate Committee on Armed Services when the so-called Formosa resolution was considered. The distinguished senior Senator from Georgia presided during those hearings, and I had an opportunity to see at close range a man whom I had admired for many, many years without having had the privilege of serving on a committee with him or being close to him in committee action.

Mr. President, the senior Senator from Georgia has distinguished himself as a great leader of this country in matters most important to the security of the entire world. I think the common people of the United States feel that in Senator GEORGE they have a man who senses their heartbeats and gives expression to some of their most desired aims and purposes at this period in the world's history. We all owe him a great debt, and we all wish him many more years of fruitful service.

Mr. JOHNSTON of South Carolina. Mr. President, I wish to join with my colleagues in their tributes to the senior Senator from Georgia. The people of my State greatly admire Senator GEORGE. Well do I remember almost 30 years ago when his name was mentioned in the legislative halls of South Carolina as one capable of being President of the United States. So the people of South Carolina saw, even that long ago, what was in the man.

Being from South Carolina, just across the line from Georgia, I can convey to the Senate the fact that there are thousands and thousands of persons in my State who admire the senior Senator from Georgia. They admire him because they know him. They know his character, his ability, his integrity, and they know that at all times he does what he believes to be for the best interests not only of his State but of the entire United States. I do not have to tell the Members of the Senate that he is now the dean of the Senate. As dean of the Senate, we listen to him when he makes an utterance as if he were our father. We all love the senior Senator from Georgia.

May God grant him many more useful years on this earth and in the Senate.

Mr. ANDERSON. Mr. President, when it was my good fortune to come to the United States Senate I was assigned an office next to that of the dean of the Senate, the senior Senator from Georgia. Many fine things have been said about him today, to all of which I subscribe. The sentiments expressed have been more than justified. He has been a very able Member of the Senate. When I was a freshman Senator there was never a time when the Senator from Georgia could not find time to say some personal words to me and to the members of my staff.

The knowledge that he has been friendly and kindly to me through the years is one of my prized possessions, and I join other Senators in wishing for him long life and success in whatever he may undertake, and that he will for many years represent the great State of Georgia in the United States Senate.

Mr. BARKLEY. Mr. President, I do not wish to contribute to a situation whereby the Senate might adjourn before the Senator from Georgia can get away. But I would not want the occasion to pass without saying just a word upon his departure. I have always looked upon the State of Georgia as my second State, because when I was a young man I attended Emory College, which is now Emory University, one of the great universities of the South, and, in fact, of the Nation. Because of that boyhood relationship, I have journeyed back to Georgia many times, and I have felt a peculiar affinity for the Senators from the State of Georgia, especially the senior Senator from Georgia [Mr. GEORGE], and his colleague, the junior Senator from Georgia [Mr. RUSSELL]. I suppose, therefore, that I have more sentimental attachment to Georgia than anyone not a Georgian would have.

Senator GEORGE came to the United States Senate, I believe, from the supreme bench of Georgia in 1922. I came to the Senate from the House in 1927. During those years I have served with and under him on the Committee on Finance, during a part of the time when he was chairman, on the Committee on Foreign Relations, during a part of the time when he was chairman; and there was a brief period some years ago when he was chairman of both committees, because he had a choice between the two, and he acted as chairman of both for quite a while.

Senator GEORGE has peculiar talents for public service. He has judgment; he has poise; he has a peculiar sense of timing; he has moral courage; he has intellectual integrity; he has political honesty. All of these attributes go to make up what we call character. Character in a man is not merely his perception of morals, his ability to decide between what is right and what is wrong, or what is good and what is evil. But character is made up of all the attributes to which I have referred, and many more, and they make the well-rounded man. Senator GEORGE possesses all the attributes and ingredients which are necessary to make character. That is why he is respected by his colleagues; it is why he is respected in the other body of Congress; it is why he is respected by the whole country.

It is not only because of his ability and his undoubted devotion to public duty, his impeccable honesty and integrity; but also because of his character as a man and as a public servant that he has wielded influence in Congress and in the country.

I join with all his other colleagues in wishing him a very pleasant trip home. I am quite certain that after he and the others of us have rested our bodies and our minds during the adjournment period, he and we will come back invigorated in mind and body, to render whatever service may be required in the next session and in the years to come.

I hope Senator GEORGE will be with us in the next session and for many sessions to come.

Mr. McCLELLAN. Mr. President, I just walked into the Chamber and heard some remarks concerning our distinguished colleague, the senior Senator from Georgia. I was somewhat perturbed at first; I thought perhaps the Senator had made some announcement which might have carried greater signification than the remarks I had heard.

I wish to associate myself with the sentiments which have been expressed by the distinguished junior Senator from Kentucky [Mr. BARKLEY].

I have frequently had occasion to say in public addresses in my State, and on other occasions privately, that no State in the Union is more ably represented in the Senate than is the State of Georgia. I take occasion to say that again on the floor of the Senate this afternoon.

Never is a question of vital importance to this Nation being discussed that I do not listen intently to the words of wisdom and counsel which are uttered by the distinguished Senator from Georgia. Often I am persuaded to defer, possibly, my hasty judgment to his well-considered opinions and the counsel which he gives us.

I join with other Members of the Senate in wishing him a happy and pleasant

vacation. I trust he will return to the next session of Congress, early next year, with full vigor and in the spirit which he has manifested in the past, to carry on and continue to make great contributions to the security of our Nation and to the destiny of our public welfare.

Mr. THURMOND. Mr. President, the people of South Carolina are neighbors of the people of Georgia. The people of South Carolina look upon the distinguished senior Senator from Georgia with respect and esteem. They greatly admire him for having provided the American people with outstanding leadership. It is my wish that Senator GEORGE will improve in health and will have a speedy recovery by next year.

Mr. NEUBERGER. Mr. President, I wish to join in the tributes to Senator GEORGE. I should like to add a short personal comment.

One of the things I discovered when I came to the Senate was that I had much to learn. I particularly had a great deal to learn in the field of foreign policy. Whenever I have gone to Senator GEORGE and asked for information or enlightenment in the field of foreign policy, I have found him to be more than courteous, more than patient, and more than kind in answering some of my questions, which occasionally must have seemed very primitive and elemental to him. I am grateful to him for his wise counsel to a freshman Senator. I hope he may return to us in the best of health.

A great President once said "It is not a question whether a man is old in years; it is whether he is young in heart." I think Senator GEORGE lives up to that description.

Mr. CASE of New Jersey. Mr. President, as a very junior Senator, it is my honor to pay respect and tribute to the distinguished senior Senator from Georgia. He has given to this body a great distinction and prestige. As a new Member of the Senate, I am honored to be one of his colleagues. He has meant much to our country.

All of us, under the leadership of our great President, hope that we have at last turned the corner, so far as the foreign situation is concerned. The contribution which has been made by the senior Senator from Georgia to the administration and to the country in turning that corner is of incalculable value.

We earnestly hope that the Senator from Georgia will return to the Senate next year, restored in vigor and able to render again, during the next session of Congress, the same kind of service to the country and to us as individual Members of the Senate that he has rendered in the past.

Mr. KUCHEL. Mr. President, the President of the United States has correctly stated that the basic goal of the Government of this Nation is the security of the American people in a just and honorable peace. The senior Senator from Georgia [Mr. GEORGE] has contributed magnificiently to the strides which have been taken toward the achievement of that goal.

I have been a Member of the Senate for 2½ years, and I have listened during that time to the debates with respect to foreign policy. It has been thrilling to me as an American citizen to see a majority of the Members of the Senate, on both sides of the aisle, unite as Americans on questions of foreign policy, and on a basis of what is best for the American people, and not on a basis of partisan concern. I have sat here and listened to the distinguished senior Senator from Georgia speak upon occasion and change the minds of Members of the Senate by his logic and his patriotism and his powers of persuasion, too.

On a personal basis, I wish to mention the great pride I have in being able to refer to the senior Senator from Georgia as a friend who has on occasion given me the benefit of his counsel, and who has, together with his wife, been so very generous to my wife and to me.

So let me, too, join with all my seniors who have preceded me on this occasion, to wish for the Senator from Georgia and for the Nation many more years of additional honorable and highly patriotic service by him in the United States Senate, where his has been the great force of leadership in a field in which I am sure most of the American people—the overwhelming majority—see eye to eye.

Mr. HILL. Mr. President, I wish to join in the tributes which have been paid to the Senator from Georgia as a great American and a great statesman, and for his magnificient service to our country and to the peoples of the free world.

As his neighbor, living in the adjoining State of Alabama. I particularly wish to mention the invaluable service he has rendered to his own people, the people of Georgia. As I know so well, year in and year out the senior Senator from Georgia has labored, toiled, and worked for his people, ably and effectively, has been in his service to them through the years.

Whether it has been the cause of vocational education, whether it has been the cause of the large or small farmer, whether it has been the cause of the businessman or laboring man, the white collar worker, or the big industrialist, the Senator from Georgia has always worked and fought to promote the interest and the welfare and the advancement of the people of the State of Georgia.

Surely no people could feel a greater sense of pride than rightfully should be that of the people of Georgia in the fact that through the years they have had in the Senate one who has served them, not only with great distinction in connection with the foreign affairs of the United States, but who has served them with such great devotion and such indefatigable effort at all times, and, most of all, with such tremendous effect.

Mr. HUMPHREY. Mr. President, the request of the distinguished Senator from Georgia for leave of absence from the Senate before adjournment has given many of us the chance to speak, who have looked for this opportunity to say a few words from our hearts concerning this great American.

The Senator from Georgia is to the United States Senate a bulwark of strength. He has represented the finest traditions of this great deliberative body, and he has always been an effective force in building up our own domestic economy and the strength of the free world.

The Senator from Georgia has occupied many important roles in the Senate, but none has been more important to mankind than has his chairmanship of the Committee on Foreign Relations. It has been my privilege, as one of the junior members of the committee, to serve with him for almost 3 years. This is a service that is not only one of participation, but one of education.

The Senator from Georgia is more than a chairman of a great committee. He is a profound and effective statesman. This great statesman has done something for our country in recent months that American citizens throughout the land have longed for. The truce in Korea brought an end to the shooting war. The proposal of the Senator from Georgia for a Big Four Conference has brought an end to a shouting war. And when leaders of nations cease shouting at one another, they have an opportunity to think together and to plan for a society in which men and women can live in peace and tranquillity and justice.

I wish to say to my good friend—and he is just that—that he has stood as a symbol of military strength at a time when military strength was needed. He has led the fight in the Senate for economic strength at home and abroad, many times taking the very difficult task of piloting through this Chamber programs which involved billions and billions of dollars for the assistance of the national security of ourselves and others.

The Senator from Georgia is a man of peace, a man of peace with honor, a peace that does not in any way abrogate our principles of freedom and justice as we know those principles to be.

I think it is fair to say that in recent months we have been off dead center in the field of diplomacy because of the courage and leadership of the Senator from Georgia. When some of us felt too timid to speak up, this brave man spoke up. When there were those who thought something might be done, this man not only thought about it but he acted.

The conferences which have occurred in recent months are directly attributable to the leadership of the Senator from Georgia, a leadership that broke through the prejudices, passions, and emotions of the hour.

Mr. President, as a citizen of the United States and an associate of the Senator from Georgia in the United States Senate, I wish to pay him tribute and honor for leading us at least into the hallway which gives a flickering light taking us out of the shadows of darkness to at least the possible dawn of a new day.

I know the Senator from Georgia has not expected his colleagues to rise and pour forth their heartfelt sentiments concerning him; but I wish to say that if the distinguished Senator from Georgia were not in this body, the Senate would not be the place it is and the place it should be. Even a short absence from the Senate by the Senator from Georgia leaves a great vacuum and void in our midst.

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I wish for him the very best of all that is in life, Mr. President. I assure him that, so far as I am concerned, I have considered it a high honor and a great privilege to share in his friendship, to participate with him in the deliberations of this body, and to serve with him on the committee of which he is chairman. I know of no greater honor one could have.

Mr. SMATHERS. Mr. President, when our very great majority leader, the distinguished Senator from Texas [Mr. JOHNSON]—who now lies ill in the Naval Hospital at Bethesda, Md., as all of us know—heard that the Senator from Georgia had asked permission to leave the Senate one day early, and that his colleagues were paying much deserved tribute to this great American, the Senator from Texas immediately dictated to his loyal and charming wife a statement praising the Senator from Georgia. The Senator from Texas asked that unanimous consent be requested to have the statement in the RECORD so that he might make known his personal affection and great admiration for the Senator from Georgia. Therefore, Mr. President, I ask unanimous consent that this statement of our majority leader be printed in the RECORD at this point.

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). Without objection, it is so ordered.

The statement is as follows:

STATEMENT BY SENATOR JOHNSON OF TEXAS

It would be difficult to find adequate language in which I could fully express my feelings of esteem and affection for the President pro tempore of the Senate, WALTER F. GEORGE, of Georgia.

For the past three sessions of Congress, it has been my privilege to occupy the desk adjoining that of this great leader. I have consulted him frequently—in fact, almost daily; and I have been the beneficiary of his wise and generous counsel.

There is in Senator GEORGE the authentic greatness that characterizes the statesmen whose names live through the ages. He is a prime mover in the great events that are changing the face of the world, and his stamp is indelibly impressed upon our times.

In a very real sense, he has shaped the foreign policies of our country as much as has any other man. A whole nation has felt a reassuring sense of relief because of the fact that his voice is heard with respect in the highest councils of State.

But my own emotions go far beyond the admiration which every American feels for this honored, senior statesman. They are also based upon a deep feeling of affection for a beloved friend who has guided my footsteps over many difficult and dangerous paths.

To me, he has been a mentor and friend; to his State, an able and effective advocate; to his Nation, a wise and farseeing counselor. And when the final chapter on these troubled times is written, the name of WALTER F. GEORGE will be on every page as the man of vision who did as much as any other to point the way to peace and prosperity for ourselves and our posterity.

AMENDMENT OF FEDERAL EMPLOYEES' GROUP LIFE INSURANCE ACT

Mr. JOHNSTON of South Carolina. Mr. President, there is at the desk a highly privileged matter. S. 1792 has come back from the House with a few corrections of errors in the bill. I ask that the amendments of the House be laid before the Senate.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill from the Senate (S. 1792) to amend the Federal Employees' Group Life Insurance Act of 1954 which were, on page 2, after line 21, insert:

SEC. 2. (a) Section 6 of said act is amended to read as follows:

"SEC. 6. Each policy purchased under this act shall contain a provision, in terms approved by the Commission, to the effect that any insurance thereunder on any employee shall cease upon his separation from the service or 12 months after discontinuance of his salary payments, whichever first occurs, subject to a provision which shall be contained in the policy for temporary extension of coverage and for conversion to an individual policy of life insurance under conditions approved by the Commission, except that if upon such date as the insurance would otherwise cease the employee retires on an immediate annuity and (a) his retirement is for disability or (b) he has completed 15 years of creditable service, as determined by the Commission, his life insurance only may, under conditions determined by the Commission, be continued without cost to him in the amounts for which he would have been insured from time to time had his salary payments continued at the same rate as on the date of cessation. Periods of honorable active service in the Army, Navy, Air Force, Marine Corps, or Coast Guard of the United States shall be credited toward the required 15 years provided the employee has completed at least 5 years of civilian service."

(b) The amendments made by subsection (a) shall be effective as of August 17, 1954.

On page 2, line 22, strike out "2" and insert "3", and page 4, line 5, strike out "3" and insert "4."

Mr. JOHNSTON of South Carolina. I move that the Senate concur in the House amendments. They are of a technical nature.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from South Carolina.

The motion was agreed to.

ADJUSTMENT OF CERTAIN OBLIGATIONS OF SETTLERS

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 1621) to authorize adjustment by the Secretary of Agriculture of certain obligations of settlers on projects developed or subject to the act of August 11, 1939, as amended, and for other purposes, which were, on page 1, line 6, strike out "projects" and insert "the Angostura project in South Dakota," and on page 1, line 8, strike out all after "590y–z)" over through and including "obligations" in line 12, page 2.

Mr. ELLENDER. Mr. President, I move that the Senate concur in the amendments of the House.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Louisiana [Mr. ELLENDER].

The motion was agreed to.

Mr. MUNDT. Mr. President, I wish to congratulate the chairman of the Committee on Agriculture and Forestry, the Senator from Louisiana [Mr. ELLENDER], for the expeditious manner in which the bill has been approved in conference. The bill corrects an injustice in connection with irrigation farming in the State of South Dakota on the Angostura project, which is primarily of importance to war veterans. Our entire South Dakota congressional delegation has been working hard to have this bill approved before adjournment and I am grateful to the Senator from Louisiana for his help in bringing the legislation to fruition. I spoke to him again only a few minutes ago about its urgency and he has acted with his usual dispatch by bringing it to the floor immediately.

GRANTING OF CERTAIN APPOINTMENTS TO INDEFINITE EMPLOYEES IN CIVIL SERVICE

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 1849) to provide for the grant of career-conditional and career appointments in the competitive civil service to indefinite employees who previously qualified for competitive appointment, which were, to strike out all after enacting clause and insert:

That the appointment of each employee of the Federal Government or the municipal government of the District of Columbia who—

(1) on the effective date of this act is serving under an indefinite or temporary appointment in a position in the competitive civil service other than a position for which the salary is fixed by the Postal Field Service Compensation Act of 1955 (Public Law 68, 84th Cong.);

(2) on January 23, 1955, was serving in a position in the competitive civil service;

(3) from January 23, 1955, to the effective date of this act, served in a position or positions in the competitive civil service without break in service;

(4) (A) during the period beginning June 3, 1950, and ending January 23, 1955, passed a qualifying examination for a position in the competitive civil service in which he served during such period, or (B) within 1 year after the effective date of this act meets such noncompetitive examination standards as the United States Civil Service Commission shall prescribe with respect to the position which he holds at the time he makes the application prescribed by this section; and

(5) has completed, prior to making such application, a total of continuous or intermittent satisfactory service aggregating not less than 3 years on the rolls in a position or positions in the competitive civil service;

shall, upon application by such employee made within 1 year after the effective date of this act to the appropriate department, agency, or establishment concerned, and upon recommendation by such department, agency, or establishment, be converted to a career-conditional appointment or a career appointment determined by the appropriate United States Civil Service Commission regulations governing conversions to career-conditional or career appointments in accordance with Executive Order No. 10577, dated November 22, 1954.

SEC. 2. The appointment in the competitive civil service of each employee who—

(1) (A) was appointed on or after December 20, 1941, to a position in the workhouse at Occoquan in the State of Virginia, the reformatory at Lorton in the State of Virginia, or the Washington asylum and jail,

(B) was appointed to a position in the Department of Corrections of the District of Columbia (as constituted on and after June 27, 1946) with a war service indefinite appointment, or (C) was appointed on or after June 27, 1946, and prior to January 1, 1955, to a position in such Department of Corrections, without regard to the civil-service laws, rules, and regulations;

(2) is in a position in the Department of Corrections of the District of Columbia on the effective date of this act;

(3) has completed, prior to making the application prescribed by this section, a total of continuous or intermittent satisfactory service aggregating not less than 3 years in a position or positions in the municipal government of the District of Columbia; and

(4) within 1 year after the effective date of this act meets such noncompetitive examination standards as the United States Civil Service Commission shall prescribe with respect to the position which he holds at the time he makes the application prescribed by this section;

shall, upon application by such employee made within 1 year after the effective date of this act to the appropriate department, agency, or establishment concerned, and upon recommendation by such department, agency, or establishment, be converted to a career-conditional appointment or a career appointment determined by the appropriate United States Civil Service Commission regulations governing conversions to career-conditional or career appointments in accordance with Executive Order No. 10577, dated November 22, 1954.

SEC. 3. Each individual who—

(1) was serving in a position in the competitive civil service under an indefinite appointment on January 23, 1955;

(2) between January 23, 1955, and the effective date of this act, was involuntarily separated from the competitive civil service for any reason other than for cause;

(3) (A) during the period beginning June 3, 1950, and ending January 23, 1955, passed a qualifying examination for a position in which he served during such period, or (B) within 1 year after the effective date of this act, meets such noncompetitive examination standards as the United States Civil Service Commission shall prescribe; and

(4) has completed, prior to reappointment under this section, a total of continuous or intermittent satisfactory service aggregating not less than 3 years on the rolls in a position or positions in the competitive civil service;

may, during the period ending 2 years after the effective date of this act, be reappointed without competitive examination to a position in the competitive civil service for which he is qualified and such reappointment (except reappointment to a position involving temporary job employment) shall be a career-conditional appointment or a career appointment determined by the appropriate United States Civil Service Commission regulations governing conversions to career-conditional or career appointments in accordance with Executive Order No. 10577, dated November 22, 1954.

SEC. 4. The United States Civil Service Commission is hereby authorized and directed to promulgate such rules and regulations as it determines to be necessary to carry out the provisions of this act.

SEC. 5. Nothing in this act shall affect, or be construed to affect, the application of section 1310 of the Supplemental Appropriation Act, 1952 (Public Law 253, 82d Cong.), as amended.

SEC. 6. This act shall take effect on the 90th day following the date of its enactment.

And to amend the title so as to read: 'An act to provide for the granting of career-conditional and career appointments to certain qualified employees."

Mr. JOHNSTON of South Carolina. Mr. President, I move that the Senate agree to the amendments of the House of Representatives, which will make it possible for a somewhat larger number of Federal employees to obtain career status than would have been possible under the bill as passed by the Senate. This extension of coverage is justified, and will remove the possibility of certain inequities which might have occurred under the Senate version of the bill.

Senators will remember that this question was discussed in the Senate during the debate on the bill. I have talked with the Senator from Kansas [Mr. CARLSON], and he agrees with this proposal, which I have also discussed with the majority and the minority, who also agree.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from South Carolina that the Senate concur in the amendments of the House.

The motion was agreed to.

AMENDMENT OF PUBLIC LAW 83, 83D CONGRESS

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 2098) to amend Public Law 83, 83d Congress, which was, to strike out all after the enacting clause and insert:

That the Smith-Lever Act, as amended (7 U. S. C. 341 and the following, supp. 1), is further amended as follows:

(a) By adding a new section, following section 7, to read as follows:

"SEC. 8. (a) The Congress finds that there exist special circumstances in certain agricultural areas which cause such areas to be at a disadvantage insofar as agricultural development is concerned, which circumstances include the following: (1) There is concentration of farm families on farms either too small or too unproductive, or both; (2) such farm operators because of limited productivity are unable to make adjustments and investments required to establish profitable operations; (3) the productive capacity of the existing farm unit does not permit profitable employment of available labor; (4) because of limited resources, many of these farm families are not able to make full use of current extension programs designed for families operating economic units nor are extension facilities adequate to provide the assistance needed to produce desirable results.

"(b) In order to further the purposes of section 2 in such areas and to encourage complementary development essential to the welfare of such areas, there are hereby authorized to be appropriated such sums as the Congress from time to time shall determine to be necessary for payments to the States, Alaska, Hawaii, and Puerto Rico on the basis of special needs in such areas as determined by the Secretary of Agriculture.

"(c) In determining that the area has such special need, the Secretary shall find that it has a substantial number of disadvantaged farms or farm families for one or more of the reasons heretofore enumerated. The Secretary shall make provisions for the assistance to be extended to include one or more of the following: (1) Intensive on-the-farm educational assistance to the farm family in appraising and resolving its problems; (2) assistance and counseling to local groups in appraising resources for capability of improvement in agriculture or introduction of industry designed to supplement farm income; (3) cooperation with other agencies and groups in furnishing all possible information as to existing employment opportunities, particularly to farm families having underemployed workers; and (4) in cases where the farm family, after analysis of its opportunities and existing resources, finds it advisable to seek a new farming venture, the providing of information, advice, and counsel in connection with making such change.

"(d) No more than 10 percent of the sum available under this section shall be allotted to any one State. The Secretary shall use project proposals and plans of work submitted by the State extension directors as a basis for determining the allocation of funds appropriated pursuant to this section.

"(e) Sums appropriated pursuant to this section shall be in addition to, and not in substitution for, appropriations otherwise available under this act. The amounts authorized to be appropriated pursuant to this section shall not exceed a sum in any year equal to 10 percent of sums otherwise appropriated pursuant to this act."

(b) By renumbering section 8 to read section 9.

Mr. ELLENDER. Mr. President, I move that the Senate concur in the amendment of the House.

The PRESIDING OFFICER. The question is on the motion of the Senator from Louisiana.

The motion was agreed to.

Mr. ELLENDER. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a brief explanation.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

HOUSE AMENDMENT TO S. 2098

The House amendment is a complete substitute for the Senate bill and was drafted and approved by the Department of Agriculture. The amendment outlines in substantial detail the purposes for which additional funds for the Extension Service are to be used for the aid of low-income farmers in special areas. The amendment limits the total amount of such additional funds to 10 percent of the funds otherwise appropriated for the Extension Service under the Smith-Lever Act, and also limits the amount going to any one State to 10 percent of the total amount of additional funds.

AMENDMENT OF AGRICULTURAL MARKETING ACT OF 1946

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1757) to amend the act known as the Agricultural Marketing Act of 1946, approved August 14, 1946, which was, on page 1, line 6, strike out all after "sentence:" over through line 14 on page 2, and insert: "Whoever knowingly shall falsely make, issue, alter, forge, or counterfeit any official certificate, memorandum, mark, or other identification, or device for making such mark or identification, with respect to inspection, class, grade, quality, size, quantity, or condition, issued or authorized under this section or knowingly cause or procure, or aid, assist in, or be a party to, such false making, issuing, altering, forging, or counterfeiting, or whoever knowingly

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shall possess, without promptly notifying the Secretary of Agriculture or his representative, utter, publish, or use as true, or cause to be uttered, published, or used as true, any such falsely made, altered, forged or counterfeited official certificate, memorandum, mark, identification, or device, or whoever knowingly represents that an agricultural product has been officially inspected or graded (by an authorized inspector or grader) under the authority of this section when such commodity has in fact not been so graded or inspected shall be fined not more than $1,000 or imprisoned not more than 1 year, or both."

Mr. ELLENDER. Mr. President, I move that the Senate concur in the House amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Louisiana.

The motion was agreed to.

Mr. ELLENDER. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a short statement with reference to the House amendment.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

HOUSE AMENDMENT TO S. 1757

The House amendment would narrow the effect of several provisions of the bill to which the trade objected on the grounds that they were too broad. The purpose of the bill is to strengthen the law providing penalties for the forgery of inspection certificates and certain other matters in connection with the inspection of agricultural commodities under the Agricultural Marketing Act of 1946. The House amendments would—

1. Strike the provision of the bill imposing penalties for violations of regulations of the Secretary, on the ground that the other provisions of the bill adequately protect the integrity of the inspection system and furnish a more definite guide to the trade,

2. Limit the provisions of the bill relating to false or deceptive representations to representations that a commodity has been officially graded, when it has not,

3. Provide that acts shall be violations only if done "knowingly," and

4. Limit to "official" certificates memoranda, marks, and other identification the type of material which will be the subject matter of violations.

The Department of Agriculture has no objection to the House amendment.

FUNDS FOR SUPPORT OF AGRICULTURAL EXPERIMENT STATIONS

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 1759) to consolidate the Hatch Act of 1887 and laws supplementary thereto relating to the appropriation of Federal funds for the support of agricultural experiment stations in the States, Alaska, Hawaii, and Puerto Rico, which were, on page 5, after line 21, insert:

4. Not less than 20 percent of any sums appropriated pursuant to this subsection for distribution to States shall be used by State agricultural experiment stations for conducting marketing research projects approved by the Department of Agriculture.

And on page 5, line 22, strike out "4" and insert "5."

Mr. ELLENDER. Mr. President, I move that the Senate concur in the House amendments.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Louisiana.

The motion was agreed to.

Mr. ELLENDER. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a brief explanation of the principal House amendment.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

HOUSE AMENDMENT TO S. 1759

The only amendment made to the bill by the House is the insertion of a requirement that experiment stations continue to use 20 percent of their available appropriations for marketing research. Under the bill as it passed the Senate, the present requirement of law that 20 percent of each State's allotment be used for marketing research would have applied only up to the level of appropriations for the fiscal year 1955. Appropriations beyond that level would not have been subject to this requirement under the bill as it passed the Senate.

The amendment is satisfactory to the Department of Agriculture and the Association of Land-Grant Colleges and Universities does not object to it.

ACTIVITIES OF THE FOREIGN RELATIONS COMMITTEE

Mr. GEORGE. Mr. President, first of all, I wish to place in the RECORD a statement regarding the activities of the Foreign Relations Committee of the United States Senate, for the 1st session of the 84th Congress.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WALTER F. GEORGE, CHAIRMAN, COMMITTEE ON FOREIGN RELATIONS

As the first session of this 84th Congress draws to a close, I want briefly to comment on the work of the Foreign Relations Committee in the field of United States foreign policy.

During this session we have had one of the heaviest foreign policy schedules that I have ever experienced. It has been a heavy schedule not only from the point of view of the number of items we have considered, but from the point of view of their importance to the security of this Nation.

Within 7 months the Senate has dealt with such matters in the Far East as the Southeast Asian Collective Defense Treaty, the Mutual Defense Treaty with the Republic of China, the Formosan Resolution, and the Mutual Security Act which was largely devoted to strengthening the defenses and the economies of that area.

In connection with strengthening Western Europe, during the same period of time we have approved the protocol restoring sovereignty to the Federal Republic of Germany, approved the protocol inviting the Federal Republic to join NATO, approved the Austrian State Treaty, and helped by the Mutual Security Act to encourage the development of the joint defense of Western Europe.

The United States Senate may well be proud of its role in foreign policy during this period. We have without exception acted on these matters of vital national interest without partisanship. We have, I believe, carried on the tradition that was established during the late war, namely, that there is no room for partisanship in the development and conduct of the foreign policy of our country. If we maintain this course in the years ahead, and I believe we will, we need have no fear for the future of freemen.

I want to pay high tribute to the members of the Committee on Foreign Relations. It is a great committee. Its members have been devoted in their attention to duty, they have unfailingly met their responsibilities to the Senate and to the Nation, and they have sustained the tradition of their great predecessors on that committee. I will not take the time of the Senate to comment individually on the work of each member of the committee. I want to record now, however, my deep appreciation to Senator ALEXANDER WILEY, of Wisconsin, and Senator ALEXANDER SMITH, of New Jersey, the two ranking Republicans on the committee.

I also wish to express my appreciation to the ranking Democratic member, Senator THEODORE FRANCIS GREEN, of Rhode Island, and to all the other members of the committee for the splendid cooperation they have given me throughout the session. We have conducted many hearings. We have held many meetings. Our schedule has called for many weeks of hard work, and I am grateful for the fine contribution which the committee and its staff have made.

In order that there may be readily available a summary of the work of the Committee on Foreign Relations and of the Senate during this session, I should like to insert in the RECORD at this point a brief review of the foreign-policy matters considered since we began our work in January.

TREATIES APPROVED

1. Southeast Asia Collective Defense Treaty (Ex. K, 83–2; Ex. Rept. 1, 84–1): This treaty brings together eight nations with interests in Southeast Asia in a mutual pledge to regard aggression in the area as a matter of common danger to be met in accordance with their constitutional processes. Approved, February 1, 1955, by a vote of 82–1.

2. Termination of the Occupation Regime in Germany (Ex. L, 83–2; Ex. Rept. 6, 84–1): This agreement restores sovereignty to Germany and terminates the occupation regime. Approved, April 1, 1955, by a vote of 76–2.

3. NATO Protocol on the Admission of Germany (Ex. M. 82–2, Ex. Rept. 6, 84–1): This protocol invites Germany to become a member of the North Atlantic Treaty. Approved, April 1, 1955, by a vote of 76–2.

4. Mutual Defense Treaty With the Republic of China (Ex. A, 84–1; Ex. Rept. 2, 84–1): This treaty is one between the United States and the Republic of China by which they agree to regard an attack on Formosa and the Pescadores, and such related positions as may be subsequently mutually agreed on, and on United States Territories in the Western Pacific, as a threat to their security and to take such measures to meet it as are in accordance with their constitutional processes. Approved, February 9, 1955, by a vote of 64–6.

5. Austrian State Treaty (Ex. G, 84–1; Ex. Rept. 8, 84–1): This treaty restores full sovereignty and independence to Austria. Approved, June 17, 1955, by a vote of 63–3.

6. Geneva Convention on the Wounded and Sick in Armed Forces in the Field (Ex. D, 82–1; Ex. Rept. 9, 84–1): This convention prescribes the treatment to be accorded to wounded and sick of the Armed Forces in the field. Approved, July 6, 1955, by a vote of 77–0.

7. Geneva Convention on the Wounded and Sick and Shipwrecked Members of Armed

Forces at Sea (Ex. E, 82–1; Ex. Rept. 9, 84–1): Similar rules are set forth for the wounded, sick, and shipwrecked members of Armed Forces at sea. Approved, July 6, 1955, by a vote of 77–0.

8. Geneva Convention on Prisoners of War (Ex. F, 82–1; Ex. Rept. 9, 84–1): Provisions affecting the treatment of prisoners of war are revised and strengthened in this convention. Approved, July 6, 1955 by a vote of 77–0.

9. Geneva Convention on Civilian Persons (Ex. G, 82–1; Ex. Rept. 9, 84–1): The rights of civilian persons in territories under military occupation are set forth in this convention. Approved, July 6, 1955 by a vote of 77–0.

10. Panama Treaty (Ex. F, 84–1; Ex. Rept. 10, 84–1): Earlier treaties are revised and certain changes made with respect to United States rights and duties in the Canal Zone. Approved, July 29, 1955 by a vote of 72–14.

11. Double Taxation Convention on Incomes with Japan (Ex. D, 83–2; Ex. Rept. 3, 84–1): The convention eliminates on a reciprocal basis double taxation on incomes. Approved, February 25, 1955 by a vote of 72–0.

12. Double Taxation Convention on Estates and Gifts with Japan (Ex. E, 83–2; Ex. Rept. 3, 84–1): The convention eliminates on a reciprocal basis double taxation on gifts and estates. Approved, February 25, 1955 by a vote of 71–0.

13. Double Taxation Convention on Estates with Belgium (Ex. G, 83–2; Ex. Rept. 3, 84–1): This convention eliminates on a reciprocal basis double taxation on estates. Approved, February 25, 1955 by a vote of 74–0.

14. Double Taxation Convention with the Netherlands (Ex. I, 83–2; Ex. Rept. 12, 84–1): The provisions of this treaty are hereby extended to the Netherlands Antilles. Approved, July 29, 1955 by a vote of 86–0.

15. Double Taxation Convention with the Netherlands (Ex. I, 84–1; Ex. Rept. 12, 84–1): A modification in the convention listed immediately above is made by this protocol. Approved, July 29, 1955 by a vote of 86–0.

16. Double Taxation Convention on Incomes with Italy (Ex. C, 84–1; Ex. Rept. 12, 84–1): This is a standard income tax convention. Approved, July 29, 1955 by a vote of 86–0.

17. Double Taxation Convention on Estates with Italy (Ex. D, 84–1; Ex. Rept. 12, 84–1): This convention is patterned after previous such conventions to eliminate double taxation on estates and inheritances. Approved, July 29, 1955 by a vote of 86–0.

18. Friendship, Commerce, and Navigation Treaty with Germany (Ex. E, 84–1; Ex. Rept. 11, 84–1): This is one in a regular series of friendship, commerce, and navigation treaties with nations of the world. Approved, July 27, 1955 by a vote of 83–0.

19. International Telecommunications Convention (Ex. R, 83–1; Ex. Rept. 5, 84–1): This convention revises and brings up to date the International Telecommunications Conventions adopted at Atlantic City in 1947. Approved, April 1, 1955 by a vote of 74–1.

20. Great Lakes Fisheries Convention (Ex. B, 84–1; Ex. Rept. 7, 84–1): The United States and Canada agree on the regulations and control of fishing practices in the Great Lakes. Approved, June 1, 1955 by a vote of 79–0.

BILLS AND JOINT RESOLUTIONS

1. Mutual Security Act of 1955 (S. Rept. 912, passed Senate June 2, 1955, by a vote of 59–18; approved July 8, 1955, Public Law 138): This act extended the mutual security program for another year and authorized $3,280,800,000 for various types of foreign aid.

2. The Formosa resolution (S. Rept. 13, passed Senate January 28, 1955, by a vote of 85–3; approved January 29, 1955, Public Law 4): By virtue of this joint resolution, the President was authorized to employ the Armed Forces of the United States for protecting the security of Formosa, the Pescadores, and related positions and territories of that area.

3. The International Claims Settlement Act (S. Rept. 1050, passed Senate July 25, 1955; conference report not approved as of August 1): This legislation provided for the settlement of certain claims of nationals of the United States against Bulgaria, Hungary, Rumania, the Soviet Union, and Italy.

4. Foreign Service Act amendments (S. Rept. 127, passed Senate March 30, 1955; approved March 31, 1955, Public Law 21): The integration of Foreign Service and Department of State personnel was authorized by this act.

5. Strengthening the Department of State (S. Rept. 546, passed Senate June 17, 1955; not approved by the President before adjournment): Three Deputy Under Secretaries of State, in addition to 10 Assistant Secretaries of State, were provided for the Department of State under this legislation.

6. Fee stamp requirement (S. Rept. 550, passed Senate June 17, 1955; approved June 28, 1955, Public Law 101): By virtue of this act, the requirement that fee stamps be affixed to certain consular documents was repealed.

7. Service charge (S. Rept. 551, passed Senate June 17, 1955; approved June 28, 1955, Public Law 102): This act repealed a provision of law relating to authenticating copies of records in the Department of State.

8. Firearms (S. Rept. 552, passed Senate June 17, 1955; approved June 28, 1955, Public Law 104): Certain security officers of the Department of State and the Foreign Service were authorized under this act to carry firearms for the protection of United States officials at international conferences and distinguished foreign visitors to the United States.

9. Olympic games at Detroit (S. Rept. 27, passed Senate February 8, 1955; approved February 15, 1955, Public Law 6): Official endorsement was given to an invitation of the United States Olympic Committee to hold the 1960 games at Detroit.

10. Olympic games at Squaw Valley (S. Rept. 275, passed Senate May 13, 1955; approved June 13, 1955, Public Law 69): A similar endorsement was given to a proposed invitation to hold the Olympic winter games at Squaw Valley, Calif.

11. Los Ebanos Bridge (S. Rept. 514, passed Senate June 17, 1955; approved June 28, 1955, Public Law 98): The construction of a bridge across the Rio Grande was authorized.

12. Rio Grande city bridge (S. Rept. 515, passed Senate June 17, 1955; approved June 28, 1955, Public Law 100): The act authorized the construction of a bridge across the Rio Grande at or near Rio Grande City.

BILLS AND JOINT RESOLUTIONS PASSED BY SENATE BUT NOT BY HOUSE

1. Passamaquoddy (S. J. Res. 14, S. Rept. 506; passed Senate June 14, 1955): The purpose of the joint resolution was to provide for a survey to determine the economic feasibility of tidal power projects in Passamaquoddy Bay in Maine and New Brunswick at a cost not to exceed $3 million.

2. Basic authority for State Department (S. 2569, S. Rept. 1175, passed Senate July 28, 1955): By this bill the Department of State would be given basic authority for certain activities, which heretofore have been contained in annual appropriation bills.

3. Alaska International Rail and Highway Commission (S. 985, S. Rept. 867, passed Senate July 18, 1955): The Commission authorized by this bill would explore with Canada the possibilities of further rail and highway connections between the United States and Alaska through Canadian territory.

SENATE AND HOUSE CONCURRENT RESOLUTIONS

1. Study of Disarmament (S. Res. 93; S. Rept. 547; passed Senate July 25, 1955): This resolution authorized a special subcommittee of the Committee on Foreign Relations to make a complete study of the disarmament problem and proposals relating thereto and report its recommendations to the Senate.

2. Peace (H. Con. Res. 157, S. Rept. 565; passed Senate June 17, 1955): Congress hereby expressed the fundamental desire and hopes of the American people for peace and calls upon other nations to renew efforts to strengthen the peace.

3. Reduction of armaments (S. Res. 71, S. Rept. 1173; passed Senate, July 28, 1955): This resolution suggested consideration of a proposal related to exploration of the possibilities of limiting the proportion of every nation's resources devoted to military purposes, both direct and indirect, so as to increase steadily the proportion devoted to improving the living levels of the people.

4. Colonialism (H. Con. Res. 149; S. Rept. 855; passed Senate by a vote of 88–0, July 14, 1955): The Congress expressed the sense that the United States in its international relations should maintain its traditional policy in opposition to colonialism and Communist imperialism.

5. Self-determination (S. Res. 127, S. Rept. 854; passed Senate by a vote of 89–0, July 14, 1955): The purpose of this resolution was to reaffirm Senate support of one of the fundamental principles of the Atlantic Charter—"the right of all peoples to choose the form of government under which they will live."

6. Sir Winston Churchill (S. Res. 139, S. Rept. 1174; passed Senate July 28, 1955): The Senate by this action paid a tribute to Sir Winston Churchill's leadership and statesmanship on the occasion of his retirement from the position of Prime Minister of the United Kingdom.

7. Atom Bombs (S. Res. 134, S. Rept. 868; passed Senate July 18, 1955); The Senate, herewith, endorsed efforts of our chief delegate to the United Nations to take appropriate steps to work to establish within the United Nations procedures to receive, assemble, and report on radiological information collected by the various States with particular emphasis on radiation effects on human health and safety.

8. NATO Parliamentary Conference (H. Con. Res. 109, S. Rept. 693; passed Senate July 1, 1955): This resolution authorized a 14-member bipartisan congressional delegation, drawn in equal numbers from the Senate and the House, to attend a gathering of parliamentarians from NATO countries in Paris for the discussion of common NATO problems.

9. Study of United Nations and Technical Assistance Programs (S. Res. 36, S. Repts. 23 and 12; passed January 31, 1955; S. Res. 133, S. Rept. 1021; passed July 29, 1955): These resolutions extended the life of two special subcommittees established by previous Congresses and authorized funds for their activities.

10. Subcommittee membership (S. Res. 83, passed March 22, 1955): The membership of the special subcommittee on the United Nations Charter was authorized to be increased by two members from the Foreign Relations Committee.

11. Clerical assistance (S. Res. 29, passed January 18, 1955): This resolution extended for 1 year the authority of the Foreign Relations Committee to employ two additional clerical assistants.

12. Funds (S. Res. 128, passed Senate July 22, 1955): Additional funds of $10,000 were provided for the Committee on Foreign Relations under this resolution.

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Rollcall votes on foreign policy measures

Southeast Asia Collective Defense Treaty	82
Termination of Occupation Regime in Germany	76–2
NATO Protocol on Admission of Germany	76–2
Mutual Defense Treaty with China	64–6
Geneva Conventions (Red Cross)	77–0
Austrian State Treaty	63–3
Double Taxation with Japan (income)	72–0
Double Taxation with Japan (estates)	71–0
Double Taxation with Belgium	74–0
Double Taxation with the Netherlands and Italy	86–0
Panama Treaty	72–14
German Commercial Treaty	83–0
International Telecommunications Convention	74–1
Great Lakes Fisheries Convention	79–0
Mutual Security Act of 1955	59–18
Formosa Resolution	85–3
Resolution against colonialism	88–0
Resolution on self-determination of people	89–0
Total	1,370–50

Legislative record

Treaties:	
Held over from previous Cong	31
Submitted during 84th Cong., 1st sess	9
Total pending during 84th Cong., 1st sess	40
Advice and consent given	20
Withdrawn	1
Pending at end of 1st sess. of 84th Cong	19
Bills and joint resolutions:	
Referred to the committee	43
Passed Senate	16
Discharged and rereferred	1
Provisions otherwise included	5
Considered but not finally acted on	2
Senate and concurrent resolutions:	
Referred to the committee	40
Passed Senate	13
Provisions otherwise included	8
Considered but not finally adopted	3
Rejected	1
Meetings:	
Full committee:	
Executive	31
Public	24
Executive made public	8
Total	63
Subcommittees:	
Executive	4
Public	20
Total	24
Conference	3
Total meetings	90
Nominations confirmed:	
Ambassadors and ministers	21
Department of State	3
NATO	2
International Cooperation Administration	1
United Nations	15
Advisory Commissions	3
Foreign Service	657
Total	702

Mr. GEORGE. Mr. President, in the statement there is not a word of partisanship or a word of criticism of anyone. If I have uttered any criticism of anyone, throughout my career in the Senate, it has not been personal or intentional, because I do not wish to have that memory follow me.

Mr. President, I appreciate the very generous statements which have been made by my neighbors in the Southeast and by my friends in the Senate, from far-distant States. I appreciate them very, very much.

In the statement I have said for the RECORD how much I have appreciated the cooperation of the distinguished Republican Senator who preceded me as chairman of the committee [Mr. WILEY], the ranking Republican member, the distinguished Senator from New Jersey [Mr. SMITH], the ranking Democratic member, the distinguished Senator from Rhode Island [Mr. GREEN], and all the other members of that great committee.

Mr. President, I must say there have been times when I have not fully agreed with all the views of some of my friends. But there have been no times when I have questioned their integrity or patriotism or sincerity.

I wish to make this statement not only about the distinguished majority leader, who from his room in the hospital has seen fit to send me a brief statement—which I did not expect would be sent, because he did not know that I was going to ask for leave of absence—but also about the acting majority leader, my distinguished friend, the Senator from Kentucky [Mr. CLEMENTS]; and also about the distinguished minority leader, the senior Senator from California [Mr. KNOWLAND], and all my other friends who have spoken here today.

I wish to say that I have not always agreed with the distinguished senior Senator from California about some questions of policy, but I have never disagreed with him on any point of patriotism or honor or integrity. He is deserving of much of the credit that has come to us in the Foreign Relations Committee for what I hope has been a true bipartisan administration of the activities of our Government in international affairs. Shades of difference, of course, exist. All of us want peace, but we want peace with honor and we want peace with justice. More than that, no man can ask; and short of that, no great American will ever go.

Mr. President, I hope I shall return. Whether I do or not, the one great, profound regret of my life is that I have been able to do so little good for mankind. [Applause, Senators rising.]

ASSISTANCE TO STATES IN PROVIDING VACCINATION AGAINST POLIOMYELITIS

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 2501) to amend the Public Health Service Act to authorize grants to States for the purpose of assisting States to provide children and expectant mothers an opportunity for vaccination against poliomyelitis, which were to strike out all after the enacting clause and insert:

That this act may be cited as the "Poliomyelitis Vaccination Assistance Act of 1955."

AUTHORIZATION OF APPROPRIATIONS

SEC. 2. There is hereby authorized to be appropriated, to remain available until December 31, 1957, such sums as may be necessary for making payments to States which have submitted, and had approved by the Secretary of Health, Education, and Welfare, applications for grants under this act.

ALLOTMENTS TO STATES

SEC. 3. (a) From the sums appropriated pursuant to section 2, the Secretary shall allot to each State which has an application approved pursuant to section 4—

(1) an amount equal to 25 percent of the number of unvaccinated eligible persons in such State multiplied by the product of (A) the cost of the poliomyelitis vaccine per eligible person, and (B) the State's allotment percentage; and

(2) an additional amount equal to 20 percent of allotments available to the State under paragraph (1) of this subsection, such additional amount to be available for expenditure only in accordance with the provisions of section 6 (b) of this act.

(b) A State's allotment percentage shall be equal to the per capita income of the United States divided by the per capita income of the State. Such percentage shall be determined by the Secretary on the basis of information furnished by the Department of Commerce; except that the allotment percentage for Hawaii shall be 100 percent and for Alaska, Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Canal Zone shall be equal to the allotment percentage determined above for the 1 of the 48 States which has the lowest per capita income.

STATE APPLICATIONS FOR FUNDS

SEC. 4. The Secretary shall approve the application of any State for payments under this act of such application—

(a) provides that all poliomyelitis vaccine purchased with funds paid to the State under this act shall be used for the vaccination of eligible persons pursuant to a plan which sets forth the method or methods by which vaccinations will be made available throughout the State (through public agencies, approved nonprofit organizations, private physicians, or otherwise) and which provides reasonable assurances that all eligible persons in the State (or, if the State determines that vaccinations shall be confined to a certain group or groups of eligible persons throughout the State, all eligible persons in such group or groups) will have an opportunity to be vaccinated against poliomyelitis: *Provided*, That if the plan of the State is limited to such group or groups, the amount paid to such State from that part of its allotment computed in accordance with section 3 (a) (1) of this act may not exceed the allotment percentage of such State multiplied by the cost of poliomyelitis vaccine for 25 percent of the unvaccinated eligible persons in such group or groups;

(b) provides that in poliomyelitis vaccination programs conducted by public agencies in the State no means test or other discrimination based on financial ability of individuals will be imposed to limit the eligibility of persons to receive vaccination against poliomyelitis;

(c) provides for administration or supervision of administration of the plan included in the application by a single State agency;

(d) provides that the State agency will make such reports, in such form and containing such information, as the Secretary may from time to time reasonably require to carry out his functions under this act, and comply with such provisions as he may from time to time find necessary to assure the correctness and verification of such reports; and

(e) provides such accounting, budgeting, and other fiscal methods and procedures as are necessary for the proper and efficient administration of the plan.

PAYMENTS TO STATES

SEC. 5. The Secretary shall from time to time estimate the amount to be paid to

each State under the provisions of this act for any period, and shall pay such amount to such State, from the allotment available therefor, reduced or increased, as the case may be, by any sum (not previously adjusted under this section by which he finds that his estimate of the amount to be paid to the State for any prior period under this act was greater or less than the amount which should have been paid to the State for such prior period under this act. Such payments shall be made in such installments as the Secretary may determine.

USE OF FUNDS PAID TO STATES

SEC. 6. (a) Funds paid to a State from that part of its allotment computed in accordance with section 3 (a) (1) of this act may be used solely for the purchase, prior to December 31, 1957, of the poliomyelitis vaccine for use in carrying out the plan set forth in the application of such State approved pursuant to section 4.

(b) Funds paid to a State from that part of its allotment computed in accordance with section 3 (a) (2) of this act may be used prior to December 31, 1957, only for planning poliomyelitis vaccination programs throughout the State and for conducting such programs through public agencies in the State in accordance with the plan set forth in the application of such State approved pursuant to section 4.

(c) Nothing in this act shall limit funds granted to a State under other provisions of Federal legislation from being available to purchase poliomyelitis vaccine or to plan and conduct poliomyelitis vaccination programs in accordance with approved State plans applicable to such grants.

FURNISHING OF VACCINE BY SECRETARY

SEC. 7. At the request of any State the Secretary may use all or any portion of the allotment of such State under this act for the purchase, in accordance with State specifications, of the poliomyelitis vaccine, to be furnished to the State in lieu of such State's allotment (or such portion thereof). Vaccine so furnished shall be subject to the same requirements as to use as vaccine purchased from payments to States pursuant to this act.

DIVERSION OF FEDERAL FUNDS

SEC. 8. Whenever the Secretary, after reasonable notice and opportunity for hearing to the State agency administering or supervising the administration of the plan included in the application of such State approved under section 4, finds that—

(a) such State agency is not complying substantially with the provisions of this Act or the terms and conditions of its approved application; or

(b) any funds paid to such State or supplies of vaccine furnished to it under this act have been diverted from the purposes for which paid or furnished;

the Secretary shall notify such State agency that no further payments will be made (or no further supplies of vaccine will be furnished) to the State under this act until he is satisfied that there is no longer any failure to comply or the diversion has been corrected or, if compliance or correction is impossible, until such State agency repays or arranges for the repayment of Federal funds which have been diverted or improperly expended (or for repayment of the cost of the vaccine which has been diverted).

DEFINITIONS

SEC. 9. For purposes of this act—

(a) The term "Secretary" means the Secretary of Health, Education, and Welfare.

(b) (1) The term "eligible person" means any individual who has not attained the age of 20 years and any expectant mother.

(2) The number of eligible persons shall be determined by the Secretary, as of June 30, 1955, on the basis of estimates developed after consideration of the latest information furnished by the Department of Commerce or any other department or agency of the United States.

(3) The number of unvaccinated eligible persons means the number of eligible persons, reduced by (A) the number who were vaccinated against poliomyelitis during 1954, and (B) two-thirds of the number who the Secretary estimates will receive vaccination under the current program of the National Foundation for Infantile Paralysis.

(c) The term "State" includes Alaska, Hawaii, Puerto Rico, the Virgin Islands, Guam, American Samoa, the Canal Zone, and the District of Columbia.

(d) The cost of the poliomyelitis vaccine shall be determined by the Secretary on the basis of information available to him; and such cost may be determined from time to time or as of a specified date and may be determined to be a single figure for all States or varied in accordance with actual cost.

(e) The term "approved nonprofit organization" means, in the case of any State, a nonprofit organization approved by the State agency responsible for administration or supervision of administration of the State plan.

Amend the title so as to read: "An act to provide grants to assist States to meet the cost of poliomyelitis vaccinations programs, and for other purposes."

Mr. HILL. Mr. President, I move that the Senate disagree to the amendments of the House, insist on the Senate amendments, agree to a conference with the House, and that the Chair appoint conferees on the part of the Senate.

The motion was agreed to; and the Chair appointed Mr. HILL, Mr. LEHMAN, Mr. MCNAMARA, Mr. SMITH of New Jersey, and Mr. IVES conferees on the part of the Senate.

PRESENCE OF SENATORIAL ASSISTANTS ON THE FLOOR

Mr. MORSE. Mr. President, I ask unanimous consent that I may be allowed to have two members of my staff within the precincts of the Senate, with the understanding that only one will be on the floor at a given time, but that the other may be available to me, immediately outside the door of the Senate, in the cloakroom. The two men in rotation are in charge of a series of matters which will come up this afternoon. Otherwise, Mr. President, I must leave the floor and go to the reception room and talk with my assistant, who is not on the floor. That would interfere with my work today. If I could keep one man on the floor to be immediately available, it would be of great assistance to me.

Mr. KNOWLAND. Mr. President, reserving the right to object, as I understand the procedure under the rules which have been adopted and which were necessary to be adopted because the large number of assistants and staff members who were on the floor of the Senate made it difficult for Senators to hear the proceedings, each Senator has been issued a card which will entitle him to have one member of his staff present on the floor. Therefore, it seems to me that the Senator's request is not necessary. I merely point that out, because when the subject matter changes the Senator would be entirely within the rules. The card is not made out to any individual. An assistant who has the blue card can go into the cloakrooms outside the Senate itself and hand the card to the clerk whom the Senator wishes to assist him, and that clerk can come to the Senate floor.

I am a little concerned about breaking down this procedure, even for a day. I agree with the Senator. He is entitled to make his choice of individuals. I wish to cooperate with him in every reasonable way, but if he will try that procedure a while, if it does work he will find the minority leader is as cooperative as he has been in the past.

Mr. MORSE. I certainly want to obey the rules. In fact, the Senator from Montana [Mr. MANSFIELD] and I have had an informal conversation about it, and I quite agree that a bad practice is developing in the Senate in that many persons are on the floor of the Senate who are not needed at the time. I think that practice should be stopped. On the other hand, I think we should have the assistants we need. I have tried this strict-enforcement policy for some 4 hours, and I have turned my two assistants into a relay team. It has really become ludicrous. One has to remain in the reception room, while the other is on the floor of the Senate, and I say to my assistant that the other man handled the particular matter, and I would like to know what he has to say about it. Then my assistant has to leave the room and go to the other assistant who is cooling his heels out there. Then he comes in with a statement about it. I think it is a bit ludicruous. These men are needed to keep me advised on a whole series of matters in which I am very much interested. I shall do whatever the majority leader and the minority leader want me to do. The procedure may require quorum calls, which will slow up the business of the Senate.

Mr. KNOWLAND. Mr. President, I have no objection to the request being granted for today only, provided it will not establish any future precedent, and that there will be only one assistant on the floor at a time, and the other will remain in the outer room. On that basis, I make no objection to the request.

The PRESIDING OFFICER. Without objection, the request is granted.

RESULTS OF THE BIG FOUR CONFERENCE AT GENEVA

Mr. McCARTHY. Mr. President, on June 16, and again on July 11, I discussed at some length the prospects for the Big Four conference. I took the position that the decision to attend a summit meeting was ill-advised—that it meant, inevitably, a Free World defeat. For reasons that are on the record, and thus need not be recounted here, I argued that no matter what form it took—territorial concessions or propaganda gains—the Communists would have the victory. I must now confess that the views expressed in those addresses were overly optimistic. I predicted a free world set-back, but I did not foresee a rout. I foresaw serious breaches in the anti-Communist front, but I did not and I could not anticipate its total disintegration.

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My critical mistake was to assume that after Geneva had failed our Government would recognize and acknowledge that it had failed. I assumed that after Soviet leaders had dashed the world's hopes that communism had mellowed and had abandoned its goal of world conquest, we would recover our balance, and embark once again on a course of dedicated opposition to our mortal enemy. I thought that it would take some time to pick up the pieces, and to repair the Free World's position; but I did not reckon seriously with the possibility that the myth of Communist reformation would not only be alive and flourishing after Geneva, but that its foremost exponent would be the Government of the United States.

True, the West made no specific territorial concessions at Geneva—so far as we know. But the Communists had set their sights on far more ambitious goals than the surrender of this Western outpost, or the neutralization of that one. The Communists set out to crack the West's will to resist, and in this—for the moment, at least—they have been utterly successful.

Far better that we had lost only territory. The outlook would be brighter had the Big Four meeting been a replica of last year's Geneva conference, where we made concessions—specifically half of Indochina; but where afterwards we felt the sting of defeat and thus were bestirred to make new resolves to turn back the forces of evil. Better that the West lose some land, as it did then, than to lose its soul, as the West is perilously close to doing today.

To grasp the magnitude of the Geneva disaster, we need only to state the argument of those who claim Geneva was a success—namely, that "we have made friends with the Soviet Government." For this is another way of saying that we have made friends with the apostles of hell.

We have, indeed, made friends with the Soviet leaders—who denounce God; who despise freedom; who deny individual rights; who exalt treachery; who counsel deceit; who practice terror, intimidation and torture as part of each day's work; who have, where possible, exterminated every human being and every human institution that has opposed them; and who have acknowledged, as their supreme mission, the destruction of this country and the last vestiges of our way of life. Such men are now our very good friends.

So far as I know—and over the past week I have made a point of canvassing the subject—not a single speech, news column, editorial, or magazine article that has hailed Geneva as a success has failed to make the judgment, expressly or implicitly, that friendship with Communists is a good thing. Over the past years, in dealing with the subject of communism, I have found that a great number of things had to be said, or explained, that seemed to be elementary; but I never once felt that it had to be seriously argued that friendship with Communists is wrong. Now, in the wake of Geneva, this not only has to be said, but it can be said only at the price of being considered a reactionary, spoil-fun eccentric.

Yet, Mr. President, is it not still self-evident that hostility to the Soviet Union—overt, articulate, unyielding hostility—is both necessary and desirable? We must be hostile to the Soviet Government for the same reason that truth is hostile to falsity, that freedom is hostile to tyranny, love to hate, and kindness to brutality—for the same reason that good is hostile to evil. Good cannot clasp the hand of evil without becoming evil, and without inviting destruction by evil. We cannot offer friendship to tyrants and murderers, as has the President of the United States, without advancing the cause of tyranny and murder.

It is the measure of the West's moral degeneracy that the friendship cemented at Geneva has been heralded—not as a harbinger of evil days ahead, but as proof that things are getting better. Only by thinking long and hard about this verdict, is it possible to appreciate the depths to which we have fallen.

President Eisenhower's announcement that our Government has made friends with the Kremlin leaders would have a precedent if the mayor of Chicago had publicly proclaimed in the early thirties that his administration had made friends with the Capone mob.

The moral implications of Geneva are shocking enough; but its practical consequences are just as grave. The Geneva friendship pact has already caused complacency and a false sense of security here at home. It is only natural that we relax our vigilance when we are told that our enemies are not such bad folk after all. Today the disintegration of the anti-Communist front is of the spirit. Before long it will affect armament and mobilization. Why foot huge tax bills, the American people may begin to ask, when the Communists have abandoned their plans for world conquest?

Whether the majority of the American people have accepted the verdict on Geneva certified by the administration and the press, I cannot say. But if it has and if it continues to accept that verdict, then the Geneva Big Four meeting will have written a permanent black page in the history book of the human race. The Geneva Conference will begin the last chapter on western civilization—as the event that ushered in its era of delusion and decline.

It is not enough to say that administration leaders and the press, when they interpret Geneva as a success, are ill-advised. In my judgment, they are guilty of something far more serious than having made a mistake. They have perpetrated a fraud on the American people. Their judgment is, no doubt, bad; but it is not that bad. As I see it, the primary concern of the administration and the majority of the press has been to vindicate their original judgment that Geneva was a good idea, and their secondary concern has been to disclose what they think is the truth about Geneva. The fraud is the more serious because, in a very real sense, the American people are at the mercy of the administration and the press.

The ordinary citizen is in a very poor position to form independent judgments on this subject. For one thing, he is dependent for information—almost exclusively—upon his national leaders who participated in the conference, and upon the press which reported it. If they mislead him, where can he turn? For another, the ordinary citizen usually does not concern himself with the details of such matters. because of the demands of his private affairs and problems, his knowledge of international affairs is often confined to general impressions. When the decision was made to attend the Big Four meeting, the public's general impression was that the purpose of the meeting was to discover whether there was sufficient evidence that communism had changed its mind about conquering the world, to justify a new American foreign policy—including the relaxation of our pressures on the Communists, abandonment of a hostile attitude, disarmament, negotiations, concessions, and the like. After the conference, the general impression conveyed to the public was that a favorable answer had been given to that question—that there was enough evidence that communism had changed to justify a new policy of reconciliation and friendship.

The only way the public could avoid getting that impression was for the administration and the press to tell the truth about Geneva.

The truth about Geneva is that it did not produce one scrap of evidence that the Communists had budged from their objective of world conquest. Every proposal made by the West, the Communists either rejected or ignored. Every proposal made by the Communists had been made, in substance, a hundred times before—and a hundred times had been unacceptable to the West.

Let us go down the list.

On Germany: We insisted on German unification, and on Germany's right to remain in the western defense alliance if she so chose; the Communists refused to agree to unification, and demanded that Germany withdraw from NATO.

On European security: We said we would not join the Russians in an overall European security pact until Germany had been unified; the Communists demanded such a pact immediately and refused to proceed with German unification.

On disarmament: The West once again asked for a reliable system of inspection; the Communists refused to agree to such guaranties, and insisted that both sides disarm, each side trusting the other to play fair.

On East-West contacts: The West requested, in effect, that the Soviets haul down the Iron Curtain; the Iron Curtain is still there and shows every sign of being permanent.

On freedom for the satellite countries: The President said he would like to discuss the question; the Communists refused, denying even the existence of a problem.

On international communism: The President brought up the subject; the Communists scoffed at the idea, called it an internal matter and, therefore, an inappropriate subject for discussion.

On the Far East: While the American people were led to believe the subject did

not come up at Geneva, we now know it was discussed in secret meetings, where—let us hope—the United States argued that Communist aggression should cease; the Communists, we may be sure, renewed their demands for Red China's admission to the United Nations and for the surrender of Quemoy, the Matsus, and Formosa to the Communists. And on this subject, it is beginning to look as though the Communists not only stood firm, but that we gave ground.

So where is the evidence that Communist intentions have changed? The Communists said, as they have said, for Western consumption, ever since the Russian revolution, that they wanted peace. On the basis of words, and of words alone, the President led the American people to believe that there is sufficient evidence of Communist sincerity to go ahead with a new policy of reconciliation and friendship.

In handing down that verdict on the conference, the President betrayed the trust that so many Americans place in him.

I repeat:

> In handing down that verdict on the conference, the President betrayed the trust that so many Americans place in him.

The vast majority of the Nation's newspapers also gave that verdict. Thus, the press, too, betrayed any confidence the American people may still repose in it. We still have a free press in this country, but its reporting of Geneva confirms the fact that, for the most part, we have an irresponsible press.

Thank God this does not include all the press. A small segment of the press has accurately reported the Geneva Conference.

Let us now turn from the question of whether Geneva was accurately reported and examine more closely the question of who won at Geneva. The best way to answer that question is to recall the aims, first of the Communists, and then of the United States.

Russia's aim was as simple as it was ambitious; and from the day the Communists began agitating for a summit meeting, it was understandable by all who wanted to understand it. The Communists' objective was nothing less than to destroy the West's will to resist. They would, of course, appreciate any concessions we offered them. But for the moment, in Communist eyes, this was not important. If the West's spirit could be broken, the territories would fall in good time.

The Communists appreciated that while pursuing an aggressive policy during the preceding 15 years they had won tremendous victories. But Western defenses were now firming up, and thus future progress promised to be slower and perhaps costly. This prospect could be changed if only the West could be persuaded to hate communism a little less, fear communism a little less, and be less suspicious of Communist objectives.

So the Kremlin leaders decided to turn back the clock 20 years, and try the approach they had used successfully during the popular-front era of the thirties. That policy had not yielded territories; but it had softened up the West, and paved the way for the conquests of the forties. The Western powers, the Communists reasoned, fell for the ruse once before; they, therefore, might fall for it again.

The Communist aim, then, was to establish an atmosphere of mutual trust and confidence—an atmosphere in which the popular front would flourish once again, an atmosphere that would cause the West to drop its guard and to relax its vigilance. In this, the Communists were utterly and completely successful.

The way is now open for the reemergence of coalition governments in France and Italy, for neutralizing Japan and Germany, for the development of "voluminous" East-West trade—to use President Eisenhower's word—which will bolster Russia's economy and strengthen her military machine. And, finally, the climate is right for persuading the United States to abandon its fighting allies, the Chinese Nationalists, the South Koreans, and the South Vietnamese.

So much for Communist aims and achievements. Now what did the United States hope to accomplish at the Big Four meeting? The doubletalk that emanated daily from the State Department and the White House in the weeks before the Conference made this question difficult to answer; but it could be boiled down to this: We had two objectives—one which we might call the objective of "clarifying Ike's mind"; the other, the objective of forcing Soviet concessions from "positions of strength." These two objectives implied very different approaches to the Conference for the reason, I think, that the President and Secretary Dulles had, at that time, very different ideas to the real character of the Soviet peace offensive.

Let us, first, examine the Big Four's achievements in the light of the President's objective. Mr. Eisenhower set forth his views at a press conference on May 11. When asked why he had changed his mind about the desirability of a summit conference, he said:

> I would hope that my own mind would be clarified a little bit.

The President, in other words, was not quite sure what the Communists were after, and proposed to have a conference with the Kremlin leaders in order to clear up his doubts. I commented at the time that the President had no business attending a conference with Communists if he did not understand Communist objectives, and that, in any event, it was just a little naive to expect that the Communists, in their talks with him, would come clean as to their real aims.

What was learned at Geneva about Soviet intentions? The world learned—or, better, that part of the world that paid attention to the concrete positions taken by the Soviet delegation—that Communist intentions were the same as ever: destruction of Western civilization and Communist domination of the world. But what did the President learn? The President discovered that the Soviet leaders sincerely wanted peace. And how did the President arrive at that conclusion? Why, Bulganin told him so, Khrushchev told him so, and—just in case any doubts lingered—his old chum Zhukov told him so. It mattered not to the President that the specific Soviet proposals, in every instance, refuted these assurances. For he had it on the solemn word of three Communist gangsters—whose present positions of power are attributable, among other things, to never having deviated from the Communist teaching that one must always tell lies when the interests of communism are served by telling lies—that communism sincerely wanted peace with the West.

To my mind, Mr. Eisenhower's profession of faith in the Communists' sincerity was the most astonishing statement ever uttered in public by a President of the United States. One would have expected the American press, had it still a sense of responsibility, to have heaped ridicule upon the President's head. Instead, the reporters and the columnists relayed the statement to the American people with the strongest implications that it was a carefully weighed, level-headed judgment, thoroughly warranted by the facts. The only thing to be regretted about the statement, the press observed, was that it might get the President into trouble with unimaginative politicians back home.

It is surely a sad commentary on the times, Mr. President, that it must be left to unimaginative politicians to point out the flagrant absurdity of taking on their face Communist assurances about their good intentions. Why did the press, itself, not make the point? One would have thought that the men and women, who once conceived it their solemn duty to remind the American people every day of the week that the Nazis could not be trusted, would have seen fit to advise the American people that Communists can be trusted no more than Nazis—that Bulganin's guaranty at Geneva was every bit as reliable at Hitler's at Munich.

And where were the Members of this body, Mr. President, and of the House, when that outlandish statement was made? Why were they silent? The Democrats may be excused, for the habit of apologizing for visionaries and appeasers of their own party has probably desensitized them to such things. But why did not Republicans—every one of them—speak out? When Franklin Roosevelt and Harry Truman offered similar appraisals of Soviet intentions, in the heyday of our alliance with Russia, the Republican Party denounced such foolishness in rounder terms than I am using today. Since Democrats have a President who thinks the way they do, and Republicans a President who, they feel, is indispensable for keeping their party in power, the number of protests can be counted on the fingers of one hand.

So as to this first American objective, that of enlightening the President about Communist objectives, it must be said that the conference not only failed to enlighten him, but cemented his delusions and spread them to others.

Nor did our second objective—that of bowling over the Russians from positions of strength—fare any better. We heard a great deal of talk before the conference began to the effect that Russia

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was weak, that her economy had collapsed, that her empire was falling apart, that she was thus prepared to make concessions to the West in order to keep going. Secretary Dulles suggested we would be able to drive a hard bargain at Geneva, and could wrench some concessions from the Communists.

The first day of the Big Four meeting demonstrated how pathetically wrong Mr. Dulles had been. The President made a stab at starting up a discussion of issues regarding which the Communists might make concessions—those of the satellite countries and international communism. In practical effect, the Communists simply laughed in his face; our delegation then dropped the subject like a hot potato. Neither were the Communists impressed with our strong positions when the subject of Germany came up. And so on down the line.

Mr. Dulles' highly touted policy of negotiating from strength never got off the ground at Geneva. Today, it is utterly bankrupt. Not even State Department propagandists have dared suggest that in the coming negotiations with the Chinese Communists we are dealing from a position of strength.

Now, of course, these facts make it difficult for the administration and its apologists to claim that we won a victory at Geneva. Nonetheless, the claim is made, and it is made more confidently and more vigorously than had we forced the Soviets to disgorge half their empire. America won a great victory, we are told, because President Eisenhower emerged from the Geneva Conference the most popular man in Europe.

The attempt to equate America's political fortunes with Dwight Eisenhower's ranking on a worldwide popularity roster began the day the conference opened; today it is revealed truth that American diplomacy triumphed because Mr. Eisenhower won the popularity contest. A more flagrant non sequitur can hardly be imagined. The argument assumes what I insist is demonstrably false—namely, that the views that made Mr. Eisenhower popular served the interests of the United States and the cause of anticommunism.

Of course, Mr. Eisenhower was popular with the European neutralists. Of, course, they loved him. He said precisely what they wanted to hear, and did precisely what they wanted him to do. He announced that Communists sincerely wanted peace. He sealed a friendship pact with the Soviet leaders. He changed America's policy from one of militant opposition to communism to one that comes very close to wanting peace at any price. His lines at Geneva would not have read much differently had the European neutralists dictated every word he spoke.

Mr. President, let me cite a typical account of European reaction. This one is from yesterday's—July 31—Washington Post and Times Herald, under the banner headline "Ike's Geneva Triumph Has Britain Cheering."

Here is the story:

LONDON.—Britain is in a mood of double cheering about the United States. For in British eyes, America has come around to a sensible approach toward Russia and has begun to give ground from its obstinate stand against the Chinese Communists. Most Britons probably would agree that both changes amount to American acceptance of the British approach toward the Communist world.

Then, the article goes on to say:

Unquestionably, the summit conference was President Eisenhower's triumph. To Britons and Western Europeans in general, the President's approach to the Russians represented a revival of the kind of American leadership in the grand manner to which they had been so accustomed in the day of Franklin Roosevelt.

A revival, Mr. President, in Franklin Roosevelt's grand manner.

I continue the quotation:

In a way the President's performance wrote formal finis to the dreary period of McCarthyism which caused such revulsion among America's friends in Western Europe.

Mr. Eisenhower's performance was, indeed, a return to the grand manner of Franklin Roosevelt—the grand manner of Teheran and Yalta. And it was, indeed, a repudiation of McCarthyism, which, in the eyes of our so-called European friends, is the symbol for hard anticommunism.

But before we rejoice any further over the fact that Mr. Eisenhower made a hit in Europe, let us think long and hard about how Jawaharlal Nehru would have been received, had he come to Europe as America's President, preaching his sell-out program. Or how the neutralists would have greeted Adlai Stevenson, with his very concrete plan for appeasement. The applause, if possible, would have been even more deafening.

Two years ago Mr. Eisenhower was not so popular with Europeans, for his administration had adopted a policy of unleashing the forces of free China. By 1955 all that had changed. Mr. Eisenhower had become a hero, even before he arrived in Europe. For had he not said on March 2 that the United States would never support an attempt by China to recapture the mainland, because that would be aggressive war? And had not the Eisenhower administration already adopted, in practical effect, the policies that Secretary Dulles formally announced to the American people last week—and I call this to the attention of every American who is interested in the enslaved peoples of the world—namely, that the United States would oppose any attempt by South Korea to release North Korea from chains, because that would be an aggressive war; that the United States would oppose any attempt by South Vietnam to release North Vietnam from chains, because that would be an aggressive war; and that the United States would continue to oppose the return of Chiang Kai-shek for the same reason. Our former liberation policy, which the Europeans despise, was almost dead when Mr. Eisenhower left the United States. He came to Europe to bury it where the neutralists could cheer at the funeral.

It is little wonder that Mr. Eisenhower won the popularity crown—not only from the Europeans but from the Communists themselves. At one point during the conference, the President turned to the Communist leaders and said:

I can assure the people in this conference room that the United States will not be a party to an aggressive war and that under no circumstances would we approve of an aggressive war.

Europe cheered, and the Communists cheered. Since the President had adopted the Communists' definition—not our definition, of aggressive war—namely, a war by dispossessed peoples designed to recapture territories stolen by the Communists, his statement was, to Communist ears, the sweetest music ever heard. No wonder, the day the conference was over, Premier Bulganin joined the Eisenhower-for-President boom.

I ask the Senate: Would Senator Taft or General MacArthur, if one of them were our President at this time, have received the accolades of Europe? Most certainly not, and for the very good reason that neither Taft nor MacArthur would have been seduced by the blandishments of Communist propaganda. They would have denounced the Soviet peace offensive for the fraud it is.

There are some people, however, for whom Dwight Eisenhower is not a great hero. These people are in such circumstances that their voices cannot be heard. They are people who are now enslaved by the Communists, and could hardly be expected to cheer a pleasant social gathering between their oppressors and those upon whom their hopes for freedom rest. The enslaved peoples saw those pictures of the smiling President, apparently exchanging pleasantries with the smiling Communist butchers. We may be sure that the Soviet Government has had those pictures distributed in every city and hamlet behind the Iron Curtain—along with Mr. Eisenhower's statement that he believes the Soviets have good intentions. I cannot imagine a more lethal blow to the morale of the captive peoples than the reports they are sure to get of Mr. Eisenhower's friendly meeting with their oppressors.

While I am on this subject, I think it is finally time to say a word about the relationship between the President and Marshal Zhukov. If Dwight Eisenhower were a private citizen, his friendship with a Communist might be nobody's business but his own. But he is not. He is the President of the United States; and, as such, ought to have a decent regard for the feelings of his countrymen. Marshal Zhukov may have been Mr. Eisenhower's wartime "buddy," a comrade in arms, and all that; but it remains that he is a leading member of a ruthless cabal that holds one-third of the world's peoples in chains, and that, to "boot," is determined to destroy the United States. It goes without saying that Marshal Zhukov would not be where he is today, did he not support communism wholeheartedly and did he not possess the measure of deceit, treachery, and brutality that qualifies for membership in the Communist high command. The argument that, through Zhukov, we have a pipeline to the Kremlin, is sheer nonsense: Zhukov is not going to tell the President anything the Communist leadership does not want him to know.

Moreover, the sort of thing that Zhukov is likely to tell the President is the sort of thing the President should hear less of, not more.

Before I am berated for making an issue of the Eisenhower-Zhukov relationship, let me ask those who would berate me what they would have said and written had Franklin Roosevelt concluded a pact of mutual trust and friendship with, say, Hermann Goering or Joseph Goebbels.

So far, I have spoken of the Geneva Conference largely in terms of the Communists' success in demoralizing the West. But it would be very wrong to suppose that the atmosphere of appeasement generated at Geneva damaged only our spirit, our will to resist. There is every reason to believe that concrete measures of appeasement were agreed upon at Geneva which have not been revealed to the American people.

Last Monday, the President assured us that there were no secret agreements—either written or otherwise—at Geneva. We were also led to believe that the Far Eastern situation was not discussed. But on Wednesday, Prime Minister Eden told the House of Commons that the Far Eastern crisis had been discussed in the secret Big Four meetings. What was decided in those secret meetings, we do not know. But in the light of the State Department announcement—coming, as it did, right after Geneva—of talks with the Chinese Communists on the question of a cease-fire in the Formosa Straits, it is highly probable that the President agreed with the Communists to negotiate about Quemoy and the Matsus.

Moreover, in view of today's news that the Chinese Communists have released 11 of the remaining 477 American prisoners of war, it is possible that this week's ambassadorial talks will simply ratify a deal made at the Big Four meeting to surrender the offshore islands to the Communists, for it has long been apparent that we would bargain for the return of our prisoners of war by making territorial concessions to Red China.

Whatever agreement about the Far East was reached in Geneva, it is clear that the campaign to sell out free China is under a full head of steam. The administration has already gone back on its solemn promise to Chiang Kai-shek not to negotiate on questions dealing with the rights and territories of the Republic of China without the participation of the free Chinese. The administration does not want Chiang's representatives at those talks, for the understandable reason that they would oppose the administration's plans. Once Quemoy and the Matsus are lost, the Republic of China will be effectively neutralized and there will no longer be any realistic hope of having Chiang return to the mainland—a fact the administration knows only too well.

Our policy toward free China is more than a betrayal of a devoted and fighting ally; it is a blatant repudiation of the Republican Party's solemn pledges to the American people. Once again, let me recall to the Senate what we Republicans told the American people in 1952, when we asked them to elect us to office:

> We shall again make liberty into a beacon light of hope that will penetrate the dark places. That program will give the Voice of America a real function. It will mark the end of the negative, futile, and immoral policy of "containment" which abandons countless human beings to a despotism and godless terrorism, which in turn enables the rulers to forge the captives into a weapon for our destruction.

Mr. President, the way we have lived up to that promise does not make me proud of my party. There are three areas in the world where we might have implemented a policy of liberation, but have refused to do so. We might have implemented it in Eastern Europe, along the lines I suggested several weeks ago, by withdrawing diplomatic recognition from the satellite regimes, and by establishing governments-in-exile. But the administration is satisfied with expressing a humanitarian concern for the satellite peoples. We might have implemented it in Korea, by giving the armies of South Korea the equipment and support they need to liberate their northern brethren. But the administration has termed such a liberation attempt "an aggressive war," and we are now withholding the supplies which the South Koreans need in order to go it alone.

Finally, we might have kept Chiang Kai-shek's forces unleashed. But the Truman-Acheson policy has been revived, and we are proceeding with the neutralization of Formosa.

The coming sell-out in Asia is different from most sell-outs in the past, in that this time we can clearly see it coming. There is thus the opportunity to prevent it—if only there were the will. On the level of the National Government, that will does not exist, for the once powerful opposition to appeasement, encompassing nearly every Republican legislator, has all but faded away. There is only the remnant. The Eisenhower administration has adopted every important plank of the Democratic Party's foreign policy. And since the President does precisely what the Democrats want him to do, there is no chance of opposition there. Most Republicans, I think, are, in their hearts, opposed to the President's policies. But they have accepted the theory that they cannot return to office in 1956 without having Mr. Eisenhower at the head of the party ticket; and they are, I am afraid, prepared to subordinate considerations of sound policy to those of political survival. As a result, the Republican Party platform is just a scrap of paper.

It is not a pretty picture—the Geneva demoralization and the China sell-out. And it most certainly is not a hopeful one.

Five years ago I saw a picture that was only slightly less bleak and slightly less hopeful than this one. It depicted a situation that affected the survival of this Nation every bit as seriously as does the situation today. As I saw it then, there was only one recourse—to take the issue to the American people. That is the only solution I see today. I shall go to the people.

If I, and the others who will join me in this fight, are successful it will be because the American people have the innate good sense to make sound and courageous decisions when they are given the facts. I propose to give them the facts. It may be too late, but insofar as my abilities and endurance permit, I shall see to it that this country does not die without the people of the country being given a chance to save it.

Mr. KNOWLAND. Mr. President, I hope we can get on with our legislative business. However, I feel that one or two remarks should be made at this time. I make them on my responsibility as the minority leader of the Senate, who has been in contact with the highest sources of the Government, including the President of the United States and the Secretary of State.

I am assured by such sources, in a categorical manner, that no deal has been made regarding the offshore islands, in exchange for the 11 prisoners of war. I believe the categorical statements which have been made to me.

I deny, on behalf of the administration, that we are selling out or trading out our Asian allies and those with whom we have mutual defense pacts, or that we will negotiate their sovereignty, their independence, or their people in any such nefarious deal as has been indicated.

I wish to say, on my responsibility as a Senator of the United States, and as the minority leader of this body, that in my judgment such action, if taken, would be an act of national dishonor and a betrayal of our national pledged word. In my judgment such action would ultimately and overwhelmingly be repudiated by the vast majority of the American people.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. KNOWLAND. I do not care to enter into any further discussion. I have made my statement. The Senator has made his.

Mr. MUNDT. Mr. President, I should like to say a word or two on the subject which is being discussed. I do not intend to discuss it in detail. This being the next to the last day, or perhaps the last day of the session, we have a great deal of business to take care of. But I should like to associate myself with the remarks which have just been made by the minority leader, because in my opinion he reflects more accurately the world situation as it exists today than it was reflected in the speech addressed to us by the Senator from Wisconsin.

Mr. McCARTHY. Mr. President, will the Senator yield for a question?

Mr. MUNDT. I wish to say a word or two at this time.

The reason I make that statement is that I think the dangers envisioned by the Senator from Wisconsin stem from a false assumption on his part to the effect that the President of the United States has suddenly adopted the premise that the word of the Communist international conspiracy can be trusted and taken for granted. If that assumption

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were correct, I could follow the remainder of the Senator's logic to its conclusion. However, I see nothing in the record; I see nothing in the character of the individuals involved; I see nothing in any of the implications at Geneva which could lead one to the conclusion that the President of the United States has suddenly decided that the word of international communism, unsupported by act and unsupported by performance, can be trusted.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. MUNDT. Not at the moment.

On the other hand, I see a great deal of evidence to the contrary. I think it would be unfortunate if, on this last day, or in the closing days of the session, word were to go out to the country that Senators, in the main, felt that the Geneva Conference had been the kind of failure which the Senator from Wisconsin believes it to have been.

I consider it a success. If for no other reason, I would consider it a success on the basis of a telegram which I received from a western rancher friend of mine when the so-called summit conferences had been concluded. He telegraphed to me, "Hurray. Ike came home with his shirt."

If nothing else had happened, that would have made the conference a success, because for the first time in history we had met the Communists in conference and had given nothing away. There were no concessions to communism. There were no surrenders. There were no appeasements.

On the other hand, I think whatever achievement was made in the direction of a meeting of minds was an achievement in the direction of strengthening the free world and weakening the Communist part of the world. This is the first international conference held with Communists in which the Western World has held the initiative from the beginning to the very end. For that, President Eisenhower merits tremendous credit.

I do not think anyone can deny that the publicity stemming from this conference was publicity which, from the standpoint of the unknowing people in various parts of the world, or from the standpoint of neutralists around the world, clearly indicates that the United States is not a warmonger. It clearly indicates that the United States is not a provocateur. It clearly indicates that the United States is a leader in the direction of trying to bring peace to the world.

If the Communist propaganda could be successfully utilized, it would picture us as a sort of secondary Mars, or god of war. I think the publicity stemming from that conference is valuable to the cause of peace, and of immense value to the free side of the world. It does great credit to the noblest peace traditions of the United States of America.

Mr. McCARTHY. Mr. President, will the Senator yield to me?

Mr. MUNDT. Not at the moment.

Mr. McCARTHY. Will the Senator yield for a brief question?

Mr. MUNDT. I yield for one question.

Mr. McCARTHY. It has to do with something the Senator has said.

Mr. MUNDT. I yield for one question.

Mr. McCARTHY. Does the Senator agree with the President when he says—and I think I quote him—"I believe the Soviet leaders sincerely want peace"? Or does the Senator agree with me, that the Soviet intentions and designs are to conquer the world? That is the overriding question. Either the Senator agrees with the President when he says the Soviets are seeking world peace, and have abandoned their aim of world conquest, or—as I think he does—he agrees with me when I say there is nothing to indicate that the Communists have changed.

Mr. MUNDT. I am happy to answer the Senator's question. He narrows the issues down to altogether too small a corridor for the realistic type of world in which we are living. I do not believe that we are faced with a choice between agreeing with the suggestion that the Soviets have suddenly declared themselves as searching for peace on a sincere basis, and, on the other hand, that the Soviets continue to seek some sort of military world conquest in order to establish their supremacy. I believe, as I have always believed, that the Communist conspiracy remains the same as it has always been. It is dedicated to the utilization of intrigue, subversion, and perversion to accomplish its unholy ends. Whether or not it is dedicated to a warlike effort is, in my opinion, highly doubtful, because I think the Soviets are realistic enough to know that if they were to engage us in world conflict, while they could make a shambles of civilization, that would never make for a victory by the Soviets.

Mr. POTTER. Mr. President, will the Senator yield?

Mr. MUNDT. I yield for one question.

Mr. POTTER. Does the Senator agree with me that when a person or a nation is strong, he or it is not afraid to sit down and negotiate any question?

In other words, it is only when a person or a nation is weak that such a person or nation is inclined to shy away from talking or negotiating with a so-called opponent. Is that not correct?

Mr. MUNDT. I believe there may be something to that thought. However, primarily, it is a matter of motivation. The question is whether we go there to explore the other fellow's thinking and to defend our own point of view, or whether we go there to concede to the other fellow's point of view. I see nothing anywhere indicating that the United States and the free world made any concessions to communism at Geneva. What concessions were made, at the moment are not substantial but they were all made in our direction.

All of us are speaking as prophets, not as historians, when we talk about the Conference at the summit here today.

The acid test will come in October. The acid test of the degree of validity or invalidity of the remarks made by the junior Senator from Wisconsin and by the rest of us will stem from the outcome and the ramifications of what occurs when the foreign ministers meet in October.

If at that time there is no constructive good achieved, if at that time concessions injurious to the free world are made, then certainly the junior Senator from Wisconsin will have made some pertinent points.

However, if, as I suspect and hope, we will maintain at the October meeting our same position of strength and our same relentless reluctance to make concessions or to appease communism, I am sure that even the Senator from Wisconsin will have to reevaluate his interpretation of the outcome of the Conference at the summit.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. MUNDT. I yield for one more question. Then I shall desist, not because the discussion is not one of great merit and importance, but because I do not wish—and I am sure the Senator from Wisconsin does not wish either—to interfere with the orderly business of the Senate as it seeks adjournment.

Mr. McCARTHY. I have one all-important question to ask of the Senator from South Dakota. Does he not think that rather than to have reported to the world—including that part of the world enslaved by the Russians—that everything at Geneva was peaceful, and that Communist intentions were peaceful—President Eisenhower should have emphasized the fact that the Russians did not give in an inch at Geneva; that when he talked about international communism they laughed in his face; that when he asked for discussion of the satellites the Russians said, "No"; that when he called for unification of Germany the Russians again said, "No"?

Should he not have admitted to the American people that we discussed the Far East, and Russia has not given in 1 inch? Should he not have made it crystal clear that there is no indication that the Soviets have abandoned their ambition of world conquest? Would not that have been the correct emphasis for the President's report?

Mr. MUNDT. I am not sure to which radio broadcast about the President's speech the Senator is referring. If it is the short report on television and radio made from the White House by the President in person on his return, I am afraid that I do not remember every phrase and every syllable and every statement made by the President. However, I do not remember that the President said in that statement that the United States felt the Russians had changed. I believe he expressed the hope that there was a realistic change. I believe he said there was hope that at the forthcoming Foreign Ministers Conference there would be justification for the conviction that a change had taken place.

I do not believe the President indicated that the peace intent and hope and prayer of the Western World would of certainty be fulfilled. In fact, he was very cautious and conservative in his report. But he did indicate that some progress in the right direction had been made.

I insist again that the test should be applied in October. Then we will be able to say whether at Geneva we set in motion a movement toward peace through-

out the world, or whether we set in motion a movement which will bring about some of the fearful things the Senator from Wisconsin envisions. I hope and believe the Senator is wrong in his pessimism.

I yield the floor.

Mr. BENDER. Whether we look at the recent Geneva conference optimistically or pessimistically as does the junior Senator from Wisconsin, it has given the world a clear picture of its leaders. We have watched all of them under fire and we have seen how they behave. By any standard, our President emerged from Geneva as the number one figure on the international scene. What is more important, he demonstrated the basic strength of our free Republic. The Soviet delegation did not report to the people whom they represented. They did not consult with congressional leaders. They were not concerned with the opinions of the men and women back home. President Eisenhower was. He consulted Congress before Geneva. He reported to us during the Conference, and we know what was done. Whatever he did, whatever he said at Geneva was done and said with deep concern for its effect upon the people of our country.

I do not believe that we made any historic strides towards ending the conflict between East and West over the conference table at Geneva.

What we must do in this generation is to prevent the Communists from imposing their way of life upon those who do not want it. As of this moment, no country has ever adopted Communism by a vote of its people. They never will.

Our policy is simple. This is our approach. When the Russians understand that we are determined to prevent aggression and subversion wherever we find them, they will stop the cold war.

As of this moment, I believe that this policy has proven its validity. There is one great achievement which did come out of the Geneva conference. We ended the name-calling game started by the Soviet Union and resumed the use of civil terms in public affairs.

For once, we went to an international conference leading from strength. After the second World War, we allowed our military forces to disintegrate. We scrapped our guns and rushed back to normal living, while the Soviet Union kept its army intact and its powder dry. As a result, we found ourselves on the defensive in Korea. The Russians took advantage of our public statements to try for a knockout in Asia. We could not save free China, but we have served notice that we are going to save everything else that is threatened from Moscow.

At Geneva, President Eisenhower was in command of the situation. Bulganin and Company know that, for once, the men across the table were just as strong—and probably lots stronger—than they. If we have ever learned a lesson the hard way, this should be it. From now on, we must never permit ourselves the luxury of unpreparedness. We must be ready, willing and able to meet the challenges of history, whenever, wherever, and however they may arise.

Mr. FLANDERS. Mr. President, I have been tremendously interested in this discussion, in which I only now participate. I ask, with more than usual pertinence that I be allowed to ask unanimous consent for inclusion in the RECORD of an editorial published in the London Economist of July 30, 1955, which has just come to my attention. It is a very keen analysis, and poses very important warnings to the American people with reference to the results of the Geneva conference.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

ON TOP OF THE WORLD?

"God," exclaimed the sober Journal de Genève last week, "needed only 6 days to create the world, but He had the advantage of working alone." The four heads of government enjoyed no such solitude during their 6 days' labor. Trailing platoons of advisers, trailed by whole battalions of reporters and cameramen, they presented the reverse of the picture that Sir Winston Churchill once sketched, a conversation piece in which the great men, relaxed and insulated, rambled intimately through the cigar smoke in an attempt to understand, and to make understood, the working of one another's minds. But fortunately no task of creation faced the Four last week. They reached no decisions, they came no closer together on any of the great issues that divided them, and their "directive" to the foreign ministers and the disarmament subcommittee gave no clear direction. Yet, despite all these things, the Geneva Conference cannot be regarded as a failure or even as a complete waste of time. The ascent to the "summit" was never intended to be a climax, and should never have been treated as such. It was a first stage in a much longer journey. As M. Faure put it—aptly enough in a week during which more Frenchmen were thinking of the Tour de France than of Geneva—"We are engaged in a cycle race, not trying to break through the sound barrier."

Judgment on Geneva must therefore take the form of a weighing up of the extent to which further progress toward a secure peace has been made possible by the conference. And into the scales must be put not only the four delegations' formal utterances and their final compromise text, but the whole content of the meeting and its impact on the world. It is good that the great men should have met and parted on cordial terms. It is good that their meeting should have lessened, in however small a degree, unfounded suspicions and fears that might have led the world into an unnecessary and disastrous war; and even if this diminution of fear arises largely from a common horror of the hydrogen bomb, that does not make it less valuable. It is good that the education of the cribbled leaders of the Kremlin is to be continued next spring by a visit of Marshal Bulganin and Mr. Khrushchev to London, when they will have further opportunities of learning that a western "capitalist" country is not in the least what Marx and Lenin said it was. It is to be hoped that they will go to Washington—and perhaps also to 1 or 2 of the quiet little towns of the Middle West, where the material and spiritual benefits of prosperity, combined with freedom, can best be observed.

But these obvious gains at Geneva ought not to distract attention from others that may prove more measurable and more lasting. Not only did the statesmen enjoy the opportunity of looking into each other's faces. A great part of the world was also given an unusually vivid glimpse of the purposes of the powers. It is hard to tell to what extent the peoples of the Soviet world will be allowed to learn what their masters learned at Geneva, that the strongest of the free nations are led by men who sincerely want peace; but it is fairly certain that Mr. Eisenhower's simple and powerful words will echo instructively in many non-Communist countries where suspicion of American intentions has been widespread.

Only the more thoughtful, unfortunately, are likely to grasp the less simple revelations of the conference. For Geneva revealed with remarkable precision the contrasting aims and methods of the Western and the Russian leaders. It was notable, to begin with, that all the new initiatives and suggestions came from the Western side: Mr. Eisenhower's offer to exchange military maps and air survey facilities with Russia, Sir Anthony Eden's suggestions of a five-power pact and of reciprocal inspection of armaments in Central Europe, M. Faure's project for diverting defense expenditure into world development, and the joint Western appeal for a lowering of barriers to free human contact and movement. Marshal Bulganin, for his part, sat tight, and if anything tighter. The Russians showed little interest in the various Western attempts to reassure them—although, after openly spurning Sir Anthony's first proposal for an exchange of international guaranties, they showed more curiosity about his later modifications of it. They held to their familiar demands for the liquidation of the Atlantic Alliance and the removal of American forces from Europe; and they made it more clear than ever before that they mean to grant Germany reunion only after the whole of Western Europe has been stripped of protection so that it can be remodeled into the shape that Moscow prefers.

It ought to count as one of the most useful results of the Geneva meeting that these uncompromising Soviet terms were there exposed for all to see, and the Russians' unchanged ambition of winning Germany made plain. By far the greatest danger that lurks in the path of further progress towards a secure peace is precisely the tendency to ignore what Marshal Bulganin set out so clearly at Geneva. It is to be feared that in the weeks and months to come there will be a great deal of talk, in the West as well as in Pravada, about the need to preserve the Geneva atmosphere as if it were in a bottle, and the shrillest charges of spoling this atmosphere will be made against those who point to what was actually said and done at Geneva.

It needs to be realized that directive to the foreign ministers which was so painfully put together at the conference could only be agreed upon at all thanks to the now familiar technique of doubletalk. The words in it that give an appearance of common purpose are precisely those which are interpreted in quite different ways by Communists and by free peoples: free elections for Germans, control and inspection of armaments free contacts and exchanges between peoples. And security itself must now be added to the vocabulary of doubletalk, for it is sadly plain that the collective security system to which the Russians propose for Europe would not merely provide no security but has as its real objective the liquidation, to use Marshal Bulgannin's own words, of the security that the western democracies have built for themselves in NATO and Western Union.

There is also a more particularly painful facet of the Geneva Conference which the West dare not ignore. The fact that the Russians maintained their opposition to any early reunion of Germany sharpened German doubts about the rightness of Dr. Adenauer's course, and the apparent willingness of the western governments (particularly the British) to contemplate provisional arrangements with the Russians on the basis of a divided Germany (however realistic and honestly intended they may have been

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in fact) inevitably fosters the fears of the Germans that a deal will be done at their expense. It was in this sector that the Soviet tactics at Geneva were most shrewd. If they succeed in so weakening the Chancellor's position that his fellow-countrymen, in spite of all warnings, opt for reunion on Moscow's terms, then a devastating blow will have been struck at western unity and security.

It can hardly be recalled too often that it is that same western unity, of which NATO is the embodiment, that has brought us to the point where a meeting like that of last week is possible, that has led the Soviet rulers to talk, and listen, politely to men for whom they formely had nothing but abuse, that has brought about their professed readiness to go again into questions such as balanced and controlled disarmament and to discuss for the first time the raising of the Iron Curtain that blocks free human contact between their subjects and the free peoples. Is this the time to begin weakening the very instrument that has been so successfully used to bring about the new atmosphere of hope? History is littered with the wrecks of great enterprises that failed simply because of their initial success—because, as things get easier, free peoples habitually slacken off the tautness and vigilance that saw them through the earlier, darker hours. The Soivet technique at Geneva was to see to what extent outward bonhomie could save them from having to make real alterations in course. If the free nations hold fast to their essential purposes, which are entirely peaceful and protective, they now have real hope of seeing the Russians translate their smiles into something more solid; only if the democracies give way now is that hope likely to be dashed. Mr. Eisenhower rightly told the American people this week that the "acid test" would begin only when the foreign ministers meet in October; it may be questioned whether he was equally right in postulating "some giving on each side"—what, in fact, can the West surrender without abandoning its vital needs?

The fruits of Geneva may indeed begin to be garnered before the year's end—if the free nations hold their line. But if they accept sham for substance, and lose their grip on essentials, the friuts may never be gathered.

Mr. BENDER. I appreciate the contribution of the Senator from Vermont. I have read the editorial, and I agree with most of it.

I now yield to the Senator from Arizona.

Mr. GOLDWATER. Mr. President, I regret that the junior Senator from Wisconsin found it necessary to leave the floor. I asked him to remain, because I told him I had to disagree with him in this particular instance.

I am an unusual United States Senator, in that I do not pose to be an expert in foreign relations. However, I believe the remarks which have been made by the junior Senator from Wisconsin are not wise and not timely. I believe the American people should have confidence, not only in the President of the United States, but also in what was accomplished at Geneva.

I have the utmost confidence in the assurances uttered by the minority leader, which were given him by the leaders of the administration, concerning the actions going on today in relation to China and Asia.

I desire to say to the distinguished junior Senator from Wisconsin that we must have faith and patience in times like these, and that we must let time develop mistakes or victory.

Certainly any display of lack of confidence in the President at this time and in the policies which he set forth at Geneva is untimely and uncalled for.

Mr. McCARTHY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The Senator from Ohio [Mr. BENDER] has the floor.

Mr. BENDER. I yield now to the Senator from South Dakota.

Mr. MUNDT. I thank the Senator. I appreciate the constructive nature of the remarks being made by the Senator from Ohio. He has called the attention of the Senate to some very pertinent points.

I ask unanimous consent of the Senate to have incorporated in the RECORD as a part of my remarks an extract from my latest weekly report to the people of South Dakota in the form of a news letter which I sent out for publication on August 3, 1955, in which I comment on the conference at Geneva, the title of which news letter indicates the dimensions of my disagreement with the Senator from Wisconsin [Mr. McCARTHY] on this point, because the title of it is "Success at the Summit."

There being no objection, the excerpt from the newsletter was ordered to be printed in the RECORD, as follows:

SUCCESS AT THE SUMMIT

With virtual unanimity, experienced Washington observers and authorities on foreign policy, without regard to political party, are agreed that the conference at the summit "came off better than expected" and that on balance it was a success.

WHAD DID AMERICA GAIN?

The United States of America and the rest of the free world scored several points at the conference. (1) It was the first conference since the start of World War II, in which the United States of America held the initiative from the start to the finish. President Eisenhower's great world prestige and vast knowledge of world affairs was largely responsible for this. Ike was the man at the conference. (2) Publicity at and after the conference gives the great propaganda advantage to the free world. Neutral and wavering nations and peace-lovers everywhere could not help but know that it was not communism that was seeking peaceful solutions and offering peace-producing programs but it was the United States of America and its associates who were in the vanguard in advocating ways and means of averting a hot war and alleviating the cold war. (3) New contacts between East and West were established and will be elaborated upon in the months ahead.

WHAT DID AMERICA LOSE?

I think the answer to that is well summarized in a wire I received from a Western rancher friend of mine the day the conference ended. It said, "Hurrah. Ike came back with his shirt on." There were no secret commitments and no appeasing concessions. We sacrificed no principles and we yielded none of anybody else's real estate.

WHAT WILL THE WORLD GAIN?

The acid test comes in October when the Prime Ministers of the Big Four meet to implement or to intern the positive proposals considered at Geneva and included on the October agenda. Out of what happens in October will come the clear signal as to whether this so-called "new look" in Russia is something significant or merely something synthetic. All the non-Communist world hopes it is something real.

Mr. BENDER. Mr. President, if we have learned a lesson the hard way, then we have it. From now on we should never permit ourselves the luxury of unpreparedness. We must be willing and able to meet the challenge of history wherever it may arise.

I wish to say, in conclusion, Mr. President, that our great President, being aware of the world situation, has not attempted to commit us to any secret agreement. No secret agreements were made. Whatever was done, was done in the open. The Geneva Conference should be of great benefit to the free world in that we were ready to meet with our adversaries in the open. Certainly, the President smiled at his friends as well as at his adversaries. We are aware of the motives and the intentions of some of our adversaries. But we also know that this country was never before in so strong a position from a military standpoint as it is today.

Our country and the world know the quality and the caliber of Dwight D. Eisenhower. They know he is dedicated to great principles.

So, Mr. President, I personally do not wish to remain silent when an intemperate attack is made on a beloved friend for whom I have great respect. The attack is made on a man whom we all consider to be the greatest man of our time, a man who represents the finest characteristics of Christian citizenship in our country and in the world.

Mr. McCARTHY. Mr. President, will the Senator from Ohio yield?

Mr. BENDER. I yield.

Mr. McCARTHY. As the Senator knows, the Communists have been trying, for many years now, to convince the world that they are peace-loving people. Their propaganda has had that twist, for Western consumption, ever since the Russian revolution. Does the Senator think that Mr. Eisenhower was performing a service or a disservice when he stated—on the high authority of the President of the United States—that he was convinced that the Communists desired peace? Was he not unwittingly helping out the Communist propagandists? And if so, should he not be reproached for his blunder?

Mr. BENDER. When we take one sentence out of its context and emphasize it and say that was what was in the President's mind, I think it is most unfortunate. We must take the whole statement. The Senator from Wisconsin will recall what President Eisenhower said on May 4, 1954—"Communism—the great threat imposed upon us by aggressive communism—that is the struggle of the ages." The President was at the conference for the purpose of sitting down with our adversaries. We know they have not been peace loving. We know they talk peace, but, obviously, they have been anything but peaceful. We know they are jamming the free world radio service that goes to the satellite countries. We know their motives. We know what has happened. We know how they have taken over. We know how our previous leaders have yielded vast areas to them. But, now, as the result of a condition with which the President found himself faced, he is en-

deavoring to preserve peace. As a result of his leadership we have peace. We do not have war.

If we can handle our world affairs in a peaceful fashion, does not the Senator from Wisconsin believe that is a better way than to sacrifice millions of lives on foreign battlefields?

Certainly the Senator will agree that the President's approach is not warlike. The Senator will agree that the President is endeavoring to apply peaceful means to settle the strife in the world. He is not conceding anything to our adversaries in any way, shape, or form. If the Senator knows of anything the President has conceded to them, I should like to have him say what is in his mind.

Mr. McCARTHY. Let us wait till our negotiations with Red China have ended. I predict the Senator will find he has conceded Quemoy and the Matsus—as earlier this year he conceded the Tachens. As to Geneva, I think the Senator and I agree that the President and our delegation obtained nothing. But beyond this, he "conceded," if you will, the principal argument in the Communist propaganda arsenal—namely, that the Communists want peace. He did that while he was at Geneva. I am sure the Senator does not agree with the President that the Communists are now peace-loving people. Twenty years ago, during the popular front era, they put on a peaceful "act." They did not gain any lands immediately, but ultimately they gained huge territories, and 700 million people—because they persuaded the free world to let down its guard. Today the Communists are doing the same thing, following the same pattern. They are again saying, "We want peace. Disarm, and be friends with us."

The President goes to Geneva, and sees a familiar concrete performance with respect to Communist policies. But he announces that Soviet intentions are different than before, and thus he gives an "assist" to Communist propaganda. I am sure he was not doing it purposely. I think he was badly fooled when they smiled with him and applauded his "sincerity," and slapped him on the back.

But a great disservice is done to the American people and to the people of the free world when our official propaganda creates the impression that Soviet objectives have changed, and thus encourages the free world to let down its guard. Some day we are going to regret that—tremendously. I, for one, am not deluded. I intend to bring the subject to the American people—day after day. I hope I can awaken them to the danger brought about by our Government adopting the Communist line with respect to the Soviet's alleged desire for peace.

Mr. BENDER. I am not familiar with anything such as the Senator refers to regarding the Government adopting any Communist line. I deny that that has been done. I believe Congress voted large defense funds for every branch of our service, because it understood the threat of communism. We are aware of the motives of world conquest on the part of the Communists. But we are determined to prevent aggression and subversion. The Communists know what we are doing all over the world. We are preventing aggression and subversion on the part of the Communist Party throughout the world. The Senator from Wisconsin knows that to be so.

He also knows that we are implementing our friends wherever that is possible, in order to fight communism.

A meeting was held at the summit. The great chairman of the Committee on Foreign Relations, the senior Senator from Georgia [Mr. GEORGE] who was so highly honored this afternoon, suggested that more meetings of that type be held, not because we are giving up any of our principles, not because we are yielding principles in any respect, but because we want the world to know how we feel.

I think the greatest thing which ever happened to the United States was that the world was able to have a good look at President Eisenhower and Secretary of State Dulles. They could understand what our motives are. We had an opportunity to get our message across throughout the world in a manner such as has never been possible before, and under circumstances which I say were good.

I think great good has come as a result of the Geneva Conference.

Personally, I feel very strongly that the Senator from Wisconsin will amend his ways and that he will change his mind regarding his approach in this matter, and that he will join the rest of us in our fight against communism. [Laughter.]

I think the greatest leader in America against communism is Dwight D. Eisenhower. I think he has done more to combat communism than has any other man whom I know. Second to President Eisenhower, I would place J. Edgar Hoover.

Speeches made on the floor of the Senate do not particularly affect the Communist trend.

At Yalta the peace was lost by ignoring justice and the facts of life. President Eisenhower was not there.

This is an old story in American diplomatic history.

We lost the peace after World War I for the same reasons.

But we should have learned something from the League of Nations by the time we reached Yalta.

We should have learned that there can be no world organization without world respect for the rights of small nations. At Yalta, our President was interested in emphasizing the powers of the Big Three. Sometimes, in fact, he sounded as if there were only two really great powers in the world today, our own country and the Soviet Union. The Yalta conference set up a United Nations plan which makes it possible for the major powers to ignore the views of the majority. A veto which cannot be reversed by even an overwhelming vote is a roadblock to collective security.

In passing upon every other question, I cannot find a single major decision at Yalta which has proven wise or just. We sacrificed Poland. We sacrificed China. We split Germany into East and West, an action which will surely sow the seeds for a militant new nationalist reunion movement at some time in the future. We made Berlin into an indefensible, unapproachable island. In 1 week's time, we changed the map of the world—and the new world we established was worse than the old.

People all over the country, from every group of our population, have called my attention to the existence of strong revolutionary groups behind the Iron Curtain. A few days ago, I attended a remarkable meeting in Washington which underscored this truth. The desire for liberty is still strong among all people. In every country dominated by the Communists, there are determined men and women who are trying to liberate themselves. Their friends in the free world never stop helping them.

This is one of the most impressive factors in the background of the Geneva conference. We are often puzzled over the amazing things the Soviet Union sometimes does. They should not be too difficult to understand. Here is the answer. The Communists have not succeeded in winning the basic support of the people whose countries they have seized. They meet resistance everywhere. The Soviets know that they would be overturned by the people if they had the means. As a result, President Eisenhower spoke at Geneva with the knowledge that the people of America sustained his position. On the other hand, the Soviet Union spoke with the knowledge that its strength is based upon force. Only its ability to crush potential rebellion keeps its people in line. I do not say that this rebellion is imminent. It is latent but it is there—and they know it.

I prayed with all Americans that the work of the major powers at Geneva would result in a lessening of world tensions. In any event, America must remain alert and prepared for any emergency. We must never forget that on the eve of Pear Harbor we were negotiating with the representatives of Japan. This memory must never fade.

At the same time as this International Conference, about 4 miles away in Geneva, a regular down-to-earth, all-out atomic sales show will be going on. A whole series of American companies will be showing atomic reactors available for marketing purposes. The British will be there too with their order books in hand, and there should be plenty of customers.

This is the beginning of what may well be another industrial revolution. No man can clearly foresee its development, but we must keep it in the back of our minds in all our planning.

In Washington and back at home, there is a growing feeling that we are on the brink of major world developments. We hope that they are omens of peace. The second half of the 19th Century in Europe witnessed a series of wars. They were never permitted to become worldwide in scope, thanks largely to hard working diplomacy. We hope that the world may have a respite from the shattering struggles of the first half of the 20th century. Our own efforts may well point the way toward this goal.

One additional word should be spoken on the most spectacular invention of our

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times, the use of atomic energy for human well being. Within a few weeks after the Geneva Conference, the first International Conference on Peaceful Uses of Atomic Energy will take place in the same city. At least five nations will place atomic exhibits on display from August 8 to August 20. Our country, Great Britain, Canada, France, and the Soviet Union are expected to show some of our products. The largest space will be occupied by British exhibitors. We shall be next in line with Russia third on the list. Some of our scientists say that the British are probably ahead of us in their extraction of electricity from atomic energy. Nothing will be on sale at this conference.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. BENDER. I yield.

Mr. McCARTHY. The Senator asks us to emphasize the good, and forget the evil—in the interest of unity. I do not believe in unity, when unity is a shield for evil. If it is necessary to divide our forces in order to bring truth to light, then let them be divided. So far as I am concerned, I intend to keep bringing the facts before the American people, regardless of whether it means a unified Republican Party or a divided one.

I know that many of my Republican colleagues feel they must blindly follow "Ike" in order to be elected in 1956. They shout against divisions when there is criticism of wrongdoing in our own party.

The public trough is not so important that we should subordinate our conscience to it.

I, for one, will not desist from criticizing error and wrongdoing, merely for the sake of victory in 1956. The Democrats, for 20 years, followed that policy. Especially will I not do so, when the Nation's survival is at stake. From coast to coast, I campaigned against the Democrats, because, as I have said, they placed party above country; they placed victory for their party above benefits to their country.

We Republicans should be shorn of power the day we put unity, and thus political power, above principle.

Mr. BENDER. I disagree with the statement made by the junior Senator from Wisconsin about agreeing to everything in the name of unity. I do not believe principle is being sacrificed by supporting the President's program and policy. All of us, whether we are Christians or not, understand what Jesus meant when He said, "Ye shall know the truth, and the truth shall make you free." That is what we are trying to accomplish. We are trying to make the truth known throughout the United States and the world. We have been misrepresented by the Communists throughout the world. President Eisenhower has carried the torch for liberty, freedom, justice, and right, and he has held it high.

With reference to the Senator's observation regarding politics, I was not an Eisenhower man originally. Back in 1940, 1948, 1952, I supported for President, the candidacy of Robert A. Taft with all the vigor at my command. I believed in Robert A. Taft. I believe in him today. I believe he was a great force. However, I have learned to respect, love, and admire Dwight Eisenhower, not because of any political consideration.

So far as my own particular fight in Ohio was concerned, I had to fight my campaign almost alone, without much money and without outside help. I won despite great and well-financed opposition.

So I am not supporting President Eisenhower because it is politically advantageous to do so. I was for Eisenhower long before I knew his name, because I supported the principles for which Eisenhower stands long before I ever knew that there was such a man as Dwight D. Eisenhower.

I was a follower of Theodore Roosevelt. I fought in the "Battle of Armageddon" back in 1912 as a young boy. I have been in all these fights, because I believe in the things which President Eisenhower stands for. Eisenhower happens to be my kind of Republican. I support him. I hope he will be our candidate for President in 1956.

Mr. THYE. Mr. President, will the Senator from Ohio yield?

Mr. BENDER. I yield to my sincere and able friend from Minnesota.

Mr. THYE. I was for Eisenhower at the national convention. I supported him then. President Eisenhower and Secretary Dulles has risen far above the hopes and expectations which I had for any man who might be President of the United States or Secretary of State in these trying times. President Eisenhower went far above any hopes, expectations, and prayers in what he accomplished at Geneva, at the conference at the summit. President Eisenhower, by his frankness, forthrightness, and courage, has given not only to the United States, but also to the world, new leadership and greater hope, hope which may flourish and blossom into the full peace which all of us work and pray for.

I am indeed pleased and happy that so many have stood on the floor this afternoon and voiced their confidence in President Eisenhower and Secretary of State Dulles. I think those two men have done a superb job in the international field of instilling confidence into the minds, hearts, and hopes of men everywhere, in order that the world may get its feet on the path of peace, rather than to be dragged into the dark depths of the attempt to build up and prepare for an atomic war.

I, for one, backed President Eisenhower at the national convention in Chicago, and he has held true to all that I had hoped for. He has far exceeded any expectations which I held for any man.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed the bill (S. 2501) to amend the Public Health Service Act to authorize grants to States for the purpose of assisting States to provide children and expectant mothers an opportunity for vaccination against poliomyelitis, with amendments, in which it requested the concurrence of the Senate; that the House insisted upon its amendments to the bill, asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and Mr. PRIEST, Mr. CARLYLE, Mr. ROBERTS, Mr. WOLVERTON, and Mr. HESELTON were appointed managers on the part of the House at the conference.

The message also announced that the House had passed the bill (S. 2391) to amend the Defense Production Act of 1950, as amended, and for other purposes, in which it requested the concurrence of the Senate, and that the House insisted upon its amendment, asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. SPENCE, Mr. BROWN of GEORGIA, Mr. PATMAN, Mr. RAINS, Mr. WOLCOTT, Mr. GAMBLE, and Mr. TALLE were appointed managers on the part of the House at the conference.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolutions, and they were signed by the President pro tempore:

H. R. 1599. An act to provide for adjustments in the lands or interests therein acquired for the Jim Woodruff Reservoir, Florida and Georgia, by the reconveyance of certain lands or interests therein to the former owners thereof;

H. R. 2112. An act to amend the act of February 21, 1946 (60 Stat. 26), to permit the retirement of temporary officers of the naval service after completion of more than 20 years of active service;

H. R. 2559. An act to authorize male nurses and medical specialists to be appointed as Reserve officers;

H. R. 2753. An act for the relief of Geraldine Gean Hunt and Linda Marie Hunt;

H. R. 3235. An act to provide for adjustments in the lands or interests therein acquired for the Demopolis lock and dam, Alabama, by the reconveyance of certain lands or interests therein to the former owners thereof;

H. R. 3507. An act for the relief of Luise Pempfer (now Mrs. William L. Adams);

H. R. 3628. An act for the relief of Luise Isabella Chu, also known as Luise Schneider;

H. R. 4468. An act for the relief of Margarethe Bock and her son, Robert Harald Bock;

H. R. 4672. An act to increase the annuities of certain retired civilian members of the teaching staffs of the United States Naval Academy and the United States Naval Postgraduate School;

H. R. 5546. An act for the relief of Francisca Alemany;

H. R. 5647. An act to repeal the manufacturers' excise tax on motorcycles;

H. R. 6417. An act to revive and reenact the act authorizing the Arkansas-Mississippi Bridge Commission, its public successors or public assigns, to construct, maintain, and operate a bridge across the Mississippi River at or near Friar Point, Miss., and Helena, Ark., approved May 17, 1939;

H. R. 6585. An act to amend the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, and for other purposes;

H. R. 6590. An act to prohibit the employment by the Government of the United States of persons who are disloyal or who participate in or assert the right to strike against the Government of the United States, and for other purposes;

H. R. 6600. An act to amend section 303 of the Career Compensation Act of 1949, to authorize travel and transportation allow-

ances, and transportation of dependents and of baggage and household effects to the homes of their selection for certain members of the uniformed services, and for other purposes;

H. R. 6727. An act to authorize the Administrator of Veterans' Affairs to convey certain land to the city of Milwaukee, Wis.;

H. R. 7095. An act to provide that the tax on admissions shall not apply to certain athletic events held for the benefit of the United States Olympic Association;

H. R. 7628. An act to authorize the appointment in a civilian position in the White House office of Maj. Gen. John Stewart Bragdon, United States Army, retired, and for other purposes;

H. R. 7684. An act to authorize the Atomic Energy Commission to pay the salary of a Commissioner during the recess of the Senate, and for other purposes;

H. J. Res. 276. Joint resolution to authorize the Texas Hill Country Development Foundation to convey certain land to Kerr County, Tex.; and

H. J. Res. 278. Joint resolution to provide that a gold medal be coined and presented to Dr. Jonas E. Salk in honor of his achievements in the field of medicine.

SALE OF WAR HOUSING PROJECTS TO HOUSING AUTHORITY OF BEAVER COUNTY, PA.

Mr. SPARKMAN. Mr. President, at the desk are two bills, H. R. 6198 and H. R. 6199. The bills have been cleared with the senior Senator from Indiana [Mr. CAPEHART], the ranking minority member of the Committee on Banking and Currency, and also with the acting majority leader and the minority leader. The bills relate to housing.

I ask unanimous consent that the Senate proceed to the immediate consideration of H. R. 6198.

Mr. KNOWLAND. Mr. President, as I understand, the bills have been cleared with the majority and the minority leadership.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 6198) to provide for the sale of certain housing projects to the Housing Authority of Beaver County, Pa., for use in providing rental housing for persons of limited income.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Banking and Currency with amendments. On page 1, line 8, after the word "him", to insert "on the basis of an appraisal by an independent real-estate experts,", and on page 4, line 14, after the word "made", to insert a comma and "*Provided*, That the amount obtained for such project shall be reported to the Banking and Currency Committees of the Senate and House of Representatives."

The amendments were agreed to.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Alabama for immediate consideration of H. R. 6198?

There being no objection the bill (H. R. 6198) was considered, ordered to a third reading, read the third time, and passed.

Mr. SPARKMAN. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a brief explanation of the bill and also the text of the House report.

There being no objection, the explanation and the House report (No. 1338) were ordered to be printed in the RECORD, as follows:

H. R. 6198

The bill directs the Housing and Home Finance Agency to sell to the Housing Authority of the County of Beaver, Borough Township, Pa., seven war housing projects to be used in providing rental housing for persons of limited income. The sale would not be authorized until the projects have been previously offered for sale to mutual ownership or cooperative groups as presently provided in the law.

Sale of these projects would be on such terms as the Administrator of the HHFA may determine. Full payment would be required within a period of not more than 30 years at not to exceed 5 percent interest per annum.

At the present time these projects have been offered to cooperative groups. Such groups are actively preparing to meet the conditions of sale in all except two of these projects. Therefore, this bill would permit the sale to the local community of such projects as are not requested by cooperative groups and such projects which cooperative groups are unable to buy.

In line with established policy of the Senate Banking and Currency Committee, two amendments are suggested—first, that the fair market value be determined by the Administrator of the HHFA on the basis of an appraisal by an independent real estate expert, and, secondly, that the amount of the sale, consummated under this act, be reported to the Banking and Currency Committees of the House of Representatives and Senate.

The Committee on Banking and Currency, to whom was referred the bill (H. R. 6198), to provide for the sale of certain war housing projects to the Housing Authority of Beaver County, Pa., for use in providing rental housing for persons of limited income, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

The bill was reported unanimously by your committee. There follows herewith a report from the Administrator of the Housing and Home Finance Agency, dated July 7, 1955, to the chairman of your committee on the subject bill, which is self-explanatory:

HOUSING AND HOME FINANCE AGENCY,
OFFICE OF THE ADMINISTRATOR,
Washington 25, D. C., July 7, 1955.

Re H. R. 6198, 84th Congress.

Hon. BRENT SPENCE,
Chairman, Committee on Banking and Currency,
House of Representatives,
Washington 25, D. C.

DEAR CONGRESSMAN SPENCE: This is in further reply to your letter of May 19 requesting the views of this Agency with respect to H. R. 6198, a bill to provide for the sale of certain war housing projects to the Housing Authority of Beaver County, Pa., for use in providing rental housing for persons of limited income.

Under the terms of this bill, the Housing and Home Finance Administrator would be directed to sell and convey to the Housing Authority of the County of Beaver, Borough Township, Pa., at fair market value as determined by him, for use in providing rental housing for persons of limited income, seven war housing projects located in Beaver County. The authorization for the sale would not become effective until the projects had been offered for sale to a duly organized mutual ownership or cooperative organization under the provisions of section 607 of the Lanham Act and such offer with respect to each particular project has not been accepted. Any sale to the housing authority would be on such terms and conditions as the Administrator may determine. Full payment to the United States would be required, however, within a period of not to exceed 30 years with interest on the unpaid balance at not to exceed 5 percent per annum. The bill would further provide that the Administrator could not sell any war housing project listed in the bill until he has received an opinion from the attorney general of the Commonwealth of Pennsylvania to the effect that the housing authority of Beaver County has legal authority to acquire, pay for, and operate the project for rental to persons of limited income. A deadline date of December 1, 1955, or the first day of the sixth month following the date of enactment of the bill, whichever is later, would be set for the purchase of any project under the terms of the bill by the local housing authority, after which date the authorization for sale to the housing authority would terminate.

All seven of the projects were built during World War II to house workers engaged in industries essential to the national-defense effort. In January and February of this year these projects were offered to veteran and tenant groups organized on a mutual ownership or cooperative basis, with such groups required to meet certain conditions of sale within a minimum period of 120 days. For all of the projects, except Pulaski Homes (PA–36055) and Stephen Phillips Homes (PA–36059), cooperative groups are actively preparing to meet the conditions of sale and have been granted extensions of time to do so. Under the present law, if no cooperative organization complies with the conditions of sale, the project would be offered to any other purchaser, with the exception of any public or private agency organized for slum clearance or to provide subsidized housing for persons of low income. The prohibition on sale to such agency without special authorization by Congress is found in section 4 of the Lanham Act. The proposed legislation would grant the required congressional authorization and require sale of these projects to such an agency if a sale is not consummated to a preferred purchaser.

Specific authorization was granted by Congress with respect to the transfer of one of these projects (PA–36058) to the Housing Authority of Beaver County for use in providing housing for families of low income. This authorization is contained in section 606 of the Lanham Act as amended by the Housing Act of 1950. In a letter dated May 19, 1950, addressed to the PHA from the borough secretary of the Borough of Aliquippa, Beaver County, Pa., we were informed that the borough council, at its meeting on May 15, 1950, unanimously went on record opposing the transfer of the 50 units in project PA–36058 to the local housing authority for low-rent use. The borough secretary indicated that, at some future date, the tenants of the project might attempt the formation of a cooperative association for eventual acquisition of the housing project.

Under the provisions of section 2 of the bill, there is a limitation of a period of 120 days for acceptance of the offer of sale by a mutual ownership or cooperative association. Section 607 (c) of the Lanham Act requires that preference be given to such preferred purchasers for a period of not less than 90 days nor more than 6 months from the date of the initial offering. Our practice has been to examine the qualifications of the prospective purchaser approximately 60 days after the initial offering. After it has been determined that the association might qualify for purchase, another 60-day period is allowed for it to meet the qualifications, and, in some cases, further extensions of time are granted. It seems in view of this practice, that the time limitation in section 2 of the pending measure may be too stringent. It is suggested, therefore, that the parenthetical clause at the end of the section either be stricken, or that the number "one hundred and twenty" be changed to "one hundred and eighty."

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This Agency, subject to the above amendment, has no objection to the bill.

Because the end of this session of Congress is near, this report is being sent to you prior to clearance with the Bureau of the Budget. As soon as the Bureau's views are obtained, we will send you a supplemental report.

Sincerely yours,

ALBERT M. COLE,
Administrator.

AUTHORIZATION OF SALE OF PERSONAL PROPERTY HELD IN CONNECTION WITH HOUSING UNDER ACT OF OCTOBER 14, 1940

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H. R. 6199.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 6199) to amend the act of October 14, 1940, to authorize the sale of personal property held in connection with housing under such act.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Alabama?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

Mr. SPARKMAN. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a statement and the text of the House report pertaining to the bill just passed.

There being no objection, the statement and House report (No. 1339) were ordered to be printed in the RECORD, as follows:

H. R. 6199

The bill authorizes the Housing and Home Finance Administrator to sell to "any agency organized for slum clearance or to provide subsidized housing for persons of low income," at fair market value, as determined by him, personal property attached to any war housing project which is not sold with the project. Sales would be on a cash basis.

The enactment of this bill would permit a local housing authority to purchase equipment which has been used in the operation of war housing and low-rent housing projects. Where a housing authority has been using such equipment or where the project is sold or transferred to a housing authority, the sale of the equipment to someone other than the housing authority would require expensive replacement of these items. The Housing and Home Finance Agency takes the view that this bill would permit a savings of benefit both to the local and Federal Government and favors the enactment of the bill.

The Committee on Banking and Currency, to whom was referred the bill (H. R. 6199) to amend the act of October 14, 1940, to authorize the sale of personal property held in connection with housing under such act, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

The bill was reported unanimously by your committee. There follows herewith a report from the Administrator of the Housing and Home Finance Agency, dated July 14, 1955, to the chairman of your committee on the subject bill, which is self-explanatory:

HOUSING AND HOME FINANCE AGENCY,
OFFICE OF THE ADMINISTRATOR,
Washington, D. C., July 14, 1955.

Re H. R. 6199, 84th Congress.

Hon. BRENT SPENCE,
Chairman, Committee on Banking and Currency, House of Representatives, Washington, D. C.

DEAR CONGRESSMAN SPENCE: This is in further reply to your letter of May 19 requesting the views of this Agency with respect to H. R. 6199, a bill to amend the act of October 14, 1940, to authorize the sale of personal property held in connection with housing under such act.

The bill would amend the Lanham Act by authorizing the Housing and Home Finance Administrator to sell to "any agency organized for slum clearance or to provide subsidized housing for persons of low income," at fair value as determined by him, personal property attached to any war-housing project which is not sold with the project. Any sale would be made on a cash basis payable at the time of settlement.

Sales of Lanham Act property (real or personal) to any agency organized for slum clearance or to provide subsidized housing for persons of low income without specific authorization by Congress is prohibited under the terms of section 4 of the Lanham Act. The legislation proposed in H. R. 6199 would, therefore, be necessary in order to remove the sale of personal property to such an agency from this prohibition. All sales of personal property to preference purchasers and others is presently being made on a cash basis and, under the terms of the bill, a similar procedure would have to be followed in the sale of this type of property to a housing authority or other local public agency.

The enactment of the pending measure would enable a local housing authority to purchase equipment which it has been using in any combined operation of war housing and low-rent housing projects. Where a housing authority has been using equipment in such a combined operation, the sale of the equipment to someone other than the housing authority would require the housing authority to purchase at considerably greater expense new equipment to replace any items sold to others. Since the cost of replacement of these items by the housing authority would be borne to some extent by the Federal subsidy to the housing authority for its low-rent housing operations, there would be a corresponding reduction in Federal annual contributions if the housing authority were allowed to purchase the items of personal property attached to war housing projects which it has been using to service all its projects.

In view of the possible savings to the Federal Government, we would favor the enactment of H. R. 6199.

I have been advised by the Bureau of the Budget that there would be no objection to the submission of this report.

Sincerely yours,

ALBERT M. COLE,
Administrator.

CHANGES IN EXISTING LAW

In compliance with paragraph 2a of rule XIII of the Rules of the House, changes in existing law made by the bill, as introduced, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

SO-CALLED LANHAM ACT, AS AMENDED
(Act of October 14, 1940)

* * * * *

SEC. 608 (*a*) Notwithstanding any other provision of law, any land acquired under this or any other act in connection with war or veterans' housing, but upon which no dwellings are located at the time of sale, may be sold at fair value, as determined by the Administrator, to any agency organized for slum clearance or to provide subsidized housing for persons of low income.

(*b*) *Notwithstanding any other provision of law, any personal property held under this act, and not sold with a project or building, may be sold at fair value, as determined by the Administrator, to any agency organized for slum clearance or to provide subsidized housing for persons of low income. Any sale of personal property under this subsection shall be made on a cash basis, payable at the time of settlement.*

* * * * *

FARES FOR TRANSPORTATION OF SCHOOLCHILDREN IN THE DISTRICT OF COLUMBIA—REPORT OF A COMMITTEE

Mr. MORSE. Mr. President, on behalf of the Senator from Maryland [Mr. BEALL], from the Committee on the District of Columbia, I report favorably, without amendment, the bill (H. R. 3908) to provide for the regulation of fares for the transportation of schoolchildren in the District of Columbia, and I submit a report (No. 1282) thereon. I ask unanimous consent for the present consideration of the bill.

I speak in behalf of a unanimous Committee on the District of Columbia with reference to H. R. 3908, which has passed the House.

The provisions of H. R. 3908 were passed by the Senate as a part of an omnibus bill. The bill relates to the school bus fare in the District of Columbia and authorizes the Public Utilities Commission to increase the present 3-cent fare by providing that a more adequate fare may be charged the schoolchildren in the District of Columbia.

I can assure the Senate that the Commissioners of the District of Columbia very much desire to have the bill passed, and it would be very helpful in the efforts to settle the present transit strike.

In view of the fact that a similar bill has passed the Senate in another form, but as a part of an omnibus bill, I ask unanimous consent for the immediate consideration of the House bill. I have cleared it with the leadership, and I assure the Senate that all members of the Committee on the District of Columbia, both Republicans and Democrats alike, are unanimously in favor of its passage.

Mr. KNOWLAND. Mr. President, reserving the right to object, and I shall not object, if it had not been for the very complete explanation made by the Senator from Oregon, and his statement that the bill had passed the Senate before, the Senate thus having had an opportunity to discuss its provisions, I would object. But in view of the fact that an explanation has been made, the Senate has previously acted, and the fact that the bill has been cleared with the leadership in advance, I have no objection.

Mr. MORSE. I do not wish any misunderstanding to arise between us. The bill has passed the Senate as a section of an omnibus bill; it has not passed the Senate in single form.

Mr. KNOWLAND. I understand.

Mr. CLEMENTS. I wish to associate myself with the remarks made by the Senator from California. I shall go further and say that except for the conditions under which it has been reported to the Senate, and the fact that the Senate has taken previous action on the substance of the House bill, I, as the acting majority leader, would oppose it, since it has come ahead of considerable other proposed legislation, which has been pending and has been under consideration for some time.

Mr. MORSE. I thank the Senator from Kentucky for his courtesy in making it possible for the Committee on the District of Columbia to perform their functions as city aldermen.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Oregon for immediate consideration of H. R. 3908?

There being no objection, the bill (H. R. 3908) was considered, ordered to a third reading, read the third time, and passed.

SETTLEMENT OF CLAIMS CAUSED BY TEXAS CITY DISASTER—CHANGE OF CONFEREE

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent that the Senator from Idaho [Mr. WELKER] be excused from further service as a conferee on the bill (S. 1077) to provide for settlement of claims for damages resulting from the disaster which occurred at Texas City, Tex., on April 16 and 17, 1947, and that the Senator from Utah [Mr. WATKINS] be appointed to serve in his place.

The PRESIDING OFFICER. Is there objection to the request of the Senator from South Carolina? The Chair hears none, and it is so ordered.

ASSISTANCE TO FEDERAL PERSONNEL IN EXERCISING THEIR VOTING FRANCHISE — CONFERENCE REPORT

Mr. GREEN. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 4048) making recommendations to the States for the enactment of legislation to permit and assist Federal personnel, including members of the Armed Forces, and their families, to exercise their voting franchise, and for other purposes.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(The conference report will appear in the House proceedings tomorrow.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. GREEN. Mr. President, the bill as passed by the Senate contained a single amendment. In conference, it was decided it would be better to pass the bill as it was, without the amendment.

It was unanimously agreed that the bill should be passed by both Houses as it had originally passed the House, and that the Senate recede from its amendment and pass the bill as originally introduced.

Mr. CLEMENTS. Mr. President, will the Senator yield?

Mr. GREEN. I yield.

Mr. CLEMENTS. I should like to ask the Senator to withhold the motion he has just made until a certain Member of the Senate, who has left a note at my desk that he be notified before the conference report is acted upon, can be contacted. I shall endeavor to have him contacted. If he does not get to the Senate floor soon, the Senate will proceed with the motion the Senator from Rhode Island has made.

Mr. GREEN. Very well; I withhold my motion.

The PRESIDING OFFICER. The report will be laid aside.

CONFERENCE ON LEGISLATIVE APPROPRIATION BILL

Mr. CLEMENTS. Mr. President, I should like to have the attention of the minority leader.

A great deal of misinformation is being circulated about the difficulties which the conferees of the House and the Senate have had in reaching an agreement on the legislative appropriation bill. I have in my hand press releases, which I should like to read. One of them reads:

House leaders today said they might just put through a resolution to finance Congress on a temporary basis until January, which would block raises for anybody.

However, CLEMENTS told newsmen he wanted it made clear that the conferees on the bill agreed last week on all items which were in dispute in the differing versions as passed by the two bodies.

The only things they could not agree on, he said, was a matter that had not been passed by either branch when the bill was first acted on.

This was an obvious reference to the pay hikes for House employees, which were not in the bill as it originally went through that branch. The Senate put in pay increases for most of its workers when it acted on the bill.

CANNON said the Senators "took everything that was loose for themselves and don't want to give us anything."

The Senate voted increased postage and stationery allowances for its Members, as well as including an unprecedented provision for expense-paid trips home for two employees of each Senator during adjournment.

Another press release reads:

The House Appropriations Committee today unanimously endorsed a sit-tight position taken by House conferees in a controversy with the Senate over congressional appropriations.

The controversy involves refusal of the Senate to permit the House to add pay raises for House employees and extra benefits for House Members to the 1956 appropriation bill for Congress. Similar, and in some cases more substantial, benefits were added to the bill by the Senate after the House had passed it.

House conferees want to include the House benefits in a compromise measure but the Senate's conferees are opposing this action.

The position of House leaders and House conferees is to refuse to approve any compromise not providing for the House raises. Otherwise, the House is in a mood to knock out all raises, including those for the Senate, by passing a resolution appropriating for the Senate and the House the same amounts they had this year, not including new raises.

House leaders take the position that the Senate has no right to interfere with "housekeeping" affecting the House of Representatives.

Chairman CANNON, Democrat, of Missouri, of the Appropriations Committee called the Senate's position "outrageous" and a breach of precedent.

Mr. President, my understanding is that the legislative appropriation bill has taken the same course this year which all legislative appropriation bills in the past have taken. That is, it was initiated in the House, the House placed in the bill the provisions it wanted for the House, and when the bill came to the Senate, the Senate likewise took care of its housekeeping needs.

When the conferees met on last Friday, the conferees agreed on all matters which had been before either body. Every single, solitary difference between the bill as it passed the House and the bill as it passed the Senate was reconciled. It was only after that time that the request was made, or the amendment was offered, that additional material be placed in the bill.

Mr. President, the Senate conferees took the position that, on the basis of comity between the two Houses, whatever one House thought was needed for the conduct of its business should be agreed to by the other House. It was my understanding, as a member of the Senate conferees, that that was the policy which has been followed down through the years.

When the request was made of the Senate conferees that a matter which had not been before either body be considered, the Senate conferees took the position it was not in conference, and that since it was not in conference, no action could be taken.

Mr. President, I should like to read from rule 27, which I think very clearly points up what the responsibility of the Senate conferees is. It makes abundantly clear what the conferees can do and what they cannot do, if they follow the rule laid down for the Senate. That rule reads:

Conferees shall not insert in their report matters not committed to them by either House, nor shall they strike from the bill matter agreed to by both Houses.

Mr. President, I repeat, the conferees merely followed the rule of the Senate which I have just read, and they followed the tradition which I understand has guided conferees throughout the history of the Senate.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. CLEMENTS. I yield.

Mr. KNOWLAND. My understanding is that the position which has just been stated by the acting majority leader has the approval of all the Senate conferees, including the ranking Republican member of the Committee on Appropriations, the distinguished former chairman of that committee, the Senator from New Hampshire [Mr. BRIDGES].

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The position the acting majority leader has just stated has the full and complete confidence and approval of the minority leader of the Senate, and, from such consultation as I have had on both sides of the aisle, I think it has the approval of at least all the Senators with whom I have been in contact.

I think the position which the Senate conferees have taken not only is in complete conformity with the rules of the Senate, but I say further that I believe that it would be contrary to good public policy and detrimental to good legislation for conferees to insert in a bill language which had not been passed upon by either House of the Congress, and to do that in camera.

The distinguished Senator has taken a sound position when he says that the Senate will respect and approve, as a matter of comity, whatever action may be taken by the House of Representatives, with regard to their own housekeeping needs. But I think if anyone is to determine what their housekeeping needs are, the House, as a House, is the body to determine that question, just as the Senate took the responsibility, in open session of the Senate, of determining what it felt was necessary for the housekeeping needs of the Senate.

If it is necessary for the conference to break down on that basis, I say let it break down. If it is necessary to waive all of our housekeeping needs because of the position taken by the House, I say, let them be waived; but it will be the first time either House has violated the principle of comity and turned down action taken in open session by the other House of the Congress. This is a basic matter of principle and a basic matter of public policy upon which I do not believe the Senate conferees should or would recede.

Mr. CLEMENTS. Mr. President, while the Senator from California is on his feet, let me ask whether he will agree with me that some of the news stories, or at least some of the statements we have seen on the news tickers, would indicate that the Senate was denying to the House rights belonging to the House, and was denying to the House action taken by the House, whereas, in fact, if an impasse develops, will he not agree with me that it is the House which would be denying to the Senate what the Senate had acted on on the floor of the Senate, whereas what the House conferees are asking to be inserted is matter neither House has acted upon?

Mr. KNOWLAND. The Senator from Kentucky is precisely correct.

In fact, as I understand the position of the Senate conferees, it is that if the House conferees had inserted the item in the conference report it would have been subject to challenge. Furthermore, I think all items which have been agreed to by either one House or the other have been agreed to in the conference. I think it is agreed that if the House should pass an authorization bill indicating that it wanted certain changes the conferees on the part of the Senate would feel that the matter was subject to consideration in the conference, although they would feel that it was not proper to consider, de novo, in the conference matters not acted on by the House and not directed by the House with respect to that particular housekeeping item for the House of Representatives.

Mr. CLEMENTS. I am glad my friend the Senator from California has mentioned the fact that he understood it was agreeable to the Senate conferees to incorporate in the bill anything the House had taken action upon in any form. He is absolutely correct.

Mr. President, a statement was made to the House conferees that if they wished to take up the bill, which they had asked to have incorporated in the conference report, even though it had not been in the legislative appropriation bill before, and if the House took affirmative action upon such a bill now, the conferees then would recognize that that was an expression of the will of the House, and they would honor that action of the House, in connection with the handling of the conference report.

Mr. KNOWLAND. The Senator from Kentucky is correct; and he has my full support and approval of the position which he and the other conferees have taken.

Mr. CLEMENTS. I thank the Senator.

Mr. BARKLEY. Mr. President, will my colleague yield to me?

The PRESIDING OFFICER (Mr. ALLOTT in the chair). Does the senior Senator from Kentucky yield to his junior colleague?

Mr. CLEMENTS. I am happy to yield.

Mr. BARKLEY. Does my colleague know why the House originally, when it passed the bill, did not include these items as a part of its housekeeping program?

Mr. CLEMENTS. It is my understanding that when this matter was taken up, the House Subcommittee on Legislative Appropriations referred the matter to the Committee on House Administration for action.

Mr. BARKLEY. And does my colleague understand that no action was taken at that time?

Mr. CLEMENTS. Action was taken by the committee, and the bill is now pending in the House. The Rules Committee issued a rule on it, and the bill is now on the House Calendar.

Mr. BARKLEY. When the bill came to the Senate, did the House or did anyone representing the House ask the Senate Appropriations Committee to include these items in the bill as it was passed by the Senate?

Mr. CLEMENTS. I can only speak for one member, namely, the chairman of the subcommittee on the legislative appropriations bill; and I can say that it was not presented to me, and I take it that it was not presented to any other member of the committee.

Mr. BARKLEY. So the present situation is that, inasmuch as the House has failed to include in its version of the bill provision for these housekeeping items, and inasmuch as the House has failed to request the Senate to include them, the House now desires to have the conferees include them. Is that correct?

Mr. CLEMENTS. That is correct.

Mr. BARKLEY. I think I have had some experience with appropriations over a period of years, and I do not recall that a similar situation has ever before arisen. As a matter of fact, if the conferees submitted a report including those items, the report would be subject to a point of order here, and could be sent back to the conferees because of that situation.

Mr. CLEMENTS. I agree, and I am glad to have that comment, which I take as an expression of approval of the action of the Senate conferees.

Mr. BARKLEY. My colleague is correct in that respect. I do not see how the Senate conferees could have acted otherwise without knowingly having created such a situation that the conference report could have been sent back on a point of order.

Mr. CLEMENTS. Does my colleague, who has had long years of experience in both the House and the Senate, agree with me when I say that if the conferees had brought back to the Senate a conference report including matters which had not been before either body, the membership of the Senate would lose all faith in conference reports which came to it?

Mr. BARKLEY. That would be very likely; and it would also be likely that some Senator—this has happened frequently in years gone by—would rise to a point of order that the conferees had exceeded their authority; and, under the rule, the Chair would be compelled to rule the point of order well taken, and send the conference report back to the conferees.

Mr. CLEMENTS. Yes; and may I say again that my only reason for bringing this matter before the Senate is that there was spread a considerable amount of misinformation in reference to the Senate conferees' position.

I repeat, also, that it has been, and still is, the position of the Senate conferees that whenever the House took action on its own needs, the conferees on the part of the Senate would respect that position and would so show it by the report the conference committee made.

Mr. MUNDT. Mr. President, will the Senator from Kentucky yield to me?

Mr. CLEMENTS. I am glad to yield.

Mr. MUNDT. I merely wish to say, as one who had the responsibility of serving as chairman of the Senate Legislative Subcommittee a year ago, that what the acting majority leader has done is certainly in strict conformity with precedent and is certainly in strict conformity with the way we have always operated. I congratulate him on the firm, sound, and logical position he has taken.

Mr. CLEMENTS. I thank my friend, the Senator from South Dakota. Particularly do I thank him in view of the experience I know he has had in this field.

Mr. SALTONSTALL subsequently said: Mr. President, I should like to invite the attention of the acting majority leader and the minority leader to the fact that, as one of the minority members of the conference on the legislative appropriation bill, I was present during the entire conference. I heard all the

discussion that evening. I discussed the subject the following morning with the acting majority leader and the minority leader, as well as with the senior minority member of the conference and of the Appropriations Committee.

I am in hearty accord with the position of the acting majority leader so far as I can understand it. It involves a question of principle, for which he has stood up, namely, the principle of having either House of the Congress take action, and not leaving it to a few Members to determine what the conferees shall do.

I am in hearty accord with the position taken by the acting majority leader, and I hope he will maintain that position.

Mr. CLEMENTS. Mr. President, will the Senator yield for a brief comment?

Mr. SALTONSTALL. I yield.

Mr. CLEMENTS. I wish to say to the Senator from Massachusetts that I appreciate very much the expression of confidence. Let me say to him that no person ever presided over a subcommittee on which the members, aside from the chairman, had greater experience in the Senate and in the Appropriations Committee than was the case in this instance. The present chairman of the Appropriations Committee [Mr. HAYDEN] was a member. A former chairman of the Appropriations Committee, the Senator from New Hampshire [Mr. BRIDGES] was a member. The Senator from New Mexico [Mr. CHAVEZ], who is at present the chairman of another Appropriations subcommittee of which he has been chairman through a good many Congresses and who has been a member of the Appropriations Committee for a long time, was a member. The Senator from Massachusetts [Mr. SALTONSTALL] was another member. He has also been the chairman of committees of the Senate. He is the second ranking minority member of the Appropriations Committee today.

It is fair to say that all the members of the Senate conferees share the same view, namely, that it is our duty and responsibility to carry out the rules and traditions of the Senate, which we have endeavored to do.

Mr. SALTONSTALL. I am in hearty accord. I believe that is what we were trying to do. That is the principle which we are maintaining today.

Mr. HAYDEN. Mr. President, I was a member of the conference committee on the legislative appropriation bill. I can speak for myself, as well as for the Senator from New Mexico [Mr. CHAVEZ], in saying that we entirely concur in the action taken by the Senate conferees.

I have tried to think back over many years. Only in a few minor instances have I known of any material being included in a conference report which was not previously adopted by one House or the other. Even in those cases, that which was included was of such a minor character that no one could raise any serious objection, although technically the conference report would have been subject to a point of order. It is clearly set forth in the rules and in the law—and obviously it must be so—that in a conference only legislation which has been passed by one House or the other can be considered. If such action has not been taken, the conferees are without authority to add anything new.

PER CAPITA PAYMENTS TO SHOSHONE AND ARAPAHOE TRIBES

Mr. O'MAHONEY. Mr. President, I ask that the Chair lay before the Senate the message from the House in regard to Senate bill 2087, as that bill has been passed by the House of Representatives.

The PRESIDING OFFICER (Mr. ALLOTT in the chair) laid before the Senate the amendment of the House of Representatives to the bill (S. 2087) to amend the act of May 19, 1947 (ch. 80, 61 Stat. 102), as amended, so as to permit per capita payments to the individual members of the Shoshone Tribe and the Arapahoe Tribe of the Wind River Reservation in Wyoming, to be made quarterly, which was, to strike out all after the enacting clause and insert:

That section 3 of the act entitled "An act to authorize the segregation and expenditure of trust funds held in joint ownership by the Shoshone and Arapahoe Tribes of the Wind River Reservation," approved May 19, 1947 (ch. 80, 61 Stat. 102), as amended, is hereby amended by striking the words "and the first day of March" wherever it appears therein, and inserting in lieu thereof "the first day of December, the first day of March, and the first day of June."

Mr. O'MAHONEY. Mr. President, on behalf of the Committee on Interior and Insular Affairs, I move that the Senate concur in the amendment of the House.

The motion was agreed to.

ASSISTANCE TO FEDERAL PERSONNEL IN EXERCISING THEIR VOTING FRANCHISE—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 4048) making recommendations to the States for the enactment of legislation to permit and assist Federal personnel, including members of the Armed Forces, and their families, to exercise their voting franchise, and for other purposes.

Mr. CLEMENTS. Mr. President, earlier, I interrupted, to ask the Senator from Rhode Island [Mr. GREEN] whether he would delay calling up a motion he had at the desk.

Since the Senator from Oregon is now in the Chamber, I would not ask my friend, the Senator from Rhode Island, to delay any longer in proceeding with his motion.

The PRESIDING OFFICER. The question is on agreeing to the report.

Mr. MORSE. Mr. President, I should like to ask the Senator from Rhode Island a few questions about the conference report, which I have not had an opportunity to study in detail.

Am I correct in understanding from the information which has been given to me that the report has the effect of repealing the law heretofore existing, namely, that soldiers from States which have poll taxes will no longer be exempted from payment of the poll tax; but if they vote in absentia, they will be bound by the poll tax of their States?

Mr. GREEN. In the first place, this bill is not legislation for any particular part of the country or State. It is simply giving advice to the States, and recommending that they enact certain legislation. All existing legislation upon the subject would be repealed by this one comprehensive bill. It was thought that the elimination of one section was no different from the elimination of other sections, and that the subject was fully covered in the bill. The bill itself is simply a recommendation to the States that they enact legislation of this sort, so that men and women in the service may vote at elections.

Mr. MORSE. Let me restate my question in a little different way. Is one of the effects of the conference report the repeal of existing legislation?

Mr. GREEN. That is correct.

Mr. MORSE. The existing legislation applicable in time of war is that soldiers from poll tax States do not need to pay a poll tax in order to vote. Is the effect of the conference report the repeal of that exemption in time of war?

Mr. GREEN. The bill would repeal all existing laws on the subject.

Mr. MORSE. Including the exemption from the poll tax?

Mr. GREEN. That is correct.

Mr. MORSE. Is it not true that the Senate amendment was to preserve the title of the law which exempted soldiers in time of war from the poll tax requirement?

Mr. GREEN. Yes; but the argument that was used is that this is simply advisory, as to what should be done. There is nothing to prevent a State from acting in that way if it sees fit.

AMENDMENT OF CIVIL SERVICE RETIREMENT ACT OF 1930, AS AMENDED

Mr. CLEMENTS. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 118, Senate bill 2402.

The PRESIDING OFFICER. The bill will be stated by title for information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 2402) to amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kentucky?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Post Office and Civil Service, with an amendment.

ASSISTANCE TO FEDERAL PERSONNEL IN EXERCISING THEIR VOTING FRANCHISE—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 4048) making

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recommendations to the States for the enactment of legislation to permit and assist Federal personnel, including members of the Armed Forces, and their families, to exercise their voting franchise, and for other purposes.

Mr. MORSE. Mr. President, many of us had hoped that in this session of Congress we could take a step forward in the field of civil-rights legislation. It happens to be my personal opinion that this conference report represents, in fact, a step backward in the field of civil rights.

It is true that there are sincere and honest differences of opinion among Members of the Senate in respect to civil-rights legislation. But I thought, from conversations I had held during the year with my colleagues in the Senate representing all points of view on civil-rights legislation, that we had just about reached a general agreement that, if and when we took up civil-rights legislation, it might be in respect to poll-tax legislation.

As the Senators know, for some years past, from time to time poll-tax legislation has been introduced in the Senate. When attempts have been made to obtain action upon it, we have been confronted with prolonged debate in the Senate, with the result that no action has been taken.

Some feel that in this conference report we are confronted with this situation: During the war legislation was passed providing for absentee voting by men in uniform; and under that legislation men in uniform were not required to pay a poll tax. That legislation is still on the books.

The effect of the conference report, I respectfully submit, is to repeal that legislation and leave us in a situation in which the report amounts, in effect, to simply giving advice to the several States.

I think it was an accomplishment in the field of civil rights to pass wartime legislation which exempted servicemen from payment of a poll tax. Those of us who have taken an active part in trying to advance the cause of civil-rights legislation in the Senate are now in this embarrassing position, I respectfully submit: If we vote for the conference report, there will be a great number of groups in the country who will interpret our position as taking a step backward in the field of civil-rights legislation. I see no reason at all why legislation with respect to the exemption from poll taxes on the part of servicemen who vote in absentia should be repealed. None of us knows how soon we may get into a war. However, I look upon that legislation on the statute books as a protection for the full citizenship rights of the men in service irrespective of race, color, or creed.

I also look upon it as a progressive piece of legislation which we passed for application during wartime.

I shall not debate the question at length.

If the outline I have given is an accurate outline of the effect of the legislation, I believe all who support progress in the field of civil-rights legislation in the Senate should vote to send the conference report back to conference. I shall move that it be sent back to conference, because in my judgment the provision for the repeal of the wartime legislation with respect to poll taxes should not be adopted. I therefore make the parliamentary inquiry as to whether or not a motion is now in order that the conference report be returned to conference.

The PRESIDING OFFICER (Mr. PASTORE in the chair). Will the Senator restate his parliamentary inquiry?

Mr. MORSE. First let me say that in the Senate discussion of the subject there was no question about what the position of the Senate was. It was to preserve the wartime legislation in respect of absentee voting rights of persons in uniform in time of war.

I wish to stress the fact that I believe we ought to stand by the position the Senate took. The conference committee, in receding from that position, has created a very difficult situation for those of us who have been trying to work out a very cooperative program in the field of civil-rights legislation. There have been many times in this session of Congress when an issue could have been made of the subject of civil rights. Some of us have been criticized because we have not made more of an issue of civil rights during the present session of Congress. However, I have felt a spirit of cooperation in the Senate on both sides of the aisle among Senators who hold differing points of view with regard to civil-rights legislation.

I believe it is a great mistake, in the dying hours of this session, to ask those of us who have fought over the years for progress in the field of civil-rights legislation, to take what I interpret to be a backward step.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. LEHMAN. I wonder whether——

Mr. GREEN. Mr. President, who has the floor?

Mr. MORSE. I believe I have the floor.

Mr. GREEN. I believe I have the floor.

Mr. MORSE. The Senator from Rhode Island yielded the floor when a new item of business was laid down.

Mr. GREEN. I was on the point of making some remarks when the Senator from Oregon broke in.

Mr. MORSE. I wish to extend every courtesy to the Senator from Rhode Island. If he believes he has the floor, I shall be glad to yield to his belief.

The PRESIDING OFFICER. The Senator from Oregon has the floor.

Mr. MORSE. The Chair rules that I have the floor. However, if the Senator from Rhode Island has a different understanding about it, I shall be glad to yield to his understanding, and sit down.

Mr. GREEN. The Senator from Oregon has made reference to several States. I am informed that there is only one State affected by the poll tax.

Mr. MORSE. That does not make any difference to me.

Mr. GREEN. I am told that the poll tax applies in only one State, and that is Texas.

Mr. MORSE. Then I will correct my statement to apply it to one State.

Mr. GREEN. I understand from some Texas friends that that situation will be changed soon.

Mr. MORSE. Until it is changed, I shall continue to maintain my position.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. LEHMAN. I do not have before me the record of the debate on the floor of the Senate at the time the legislation was proposed some weeks ago. However, it is my distinct recollection—and I wonder whether the Senator from Oregon will not agree with me—that at that time the explanation given for the provision in the Senate bill repealing that section was that the Senate committee had overlooked it and that the committee was not fully aware of the import of the provision in question.

Mr. MORSE. That is my understanding of the representations that were made which led to the Senate adopting the amendment which sought to preserve this wartime protection for men in uniform, so that they would be exempt from the poll tax.

Mr. LEHMAN. I know when I was at the head of my State, I did all in my power to insure in every way the preservation of the right of men in uniform to exercise their constitutional right of franchise. We would not have thought of establishing or tolerating any sanctions or penalties or additional burdens, such as poll taxes, on any men in uniform, handicapping them in the performance of their duty as citizens in casting their votes.

I mention that fact because it comes as a great shock to me that this question should now be raised anew as to whether a man serving his country in the military forces—in most cases not by choice, but because he has been drafted—should bear the burden of a poll tax. It is wrong. It is intolerable. I am astounded that this provision is still contained in the conference report.

The PRESIDING OFFICER. (Mr. BARKLEY in the chair). The Senate will be in order.

Mr. LEHMAN. I believe this would be a serious backward step, and I fully support what the Senator from Oregon has said.

If the Chair rules it is proper to move to return the conference report to committee, with instructions to strike out that portion, I shall be very happy to support such a motion.

Mr. MORSE. I move that the conference report be recommitted to the conference committee with instructions to the Senate conferees that they insist upon the Senate amendment with respect to retaining the right of persons in uniform, in time of war, to vote without the payment of a poll tax.

The PRESIDING OFFICER. The question is on the motion of the Senator from Oregon who moves that the report be recommitted to the conference committee with instruction to retain the Senate amendment on the subject involved.

Mr. GREEN. Mr. President, I plead with the Senate to reject the motion. I

am afraid we will have no legislation if that happens. I cannot be accused of being opposed to this sort of legislation, as I was the author of the original bill, on which this is an improvement, in my opinion. I hope the action will not be taken, because I see no prospect of success on any bill if the report is returned to the conference committee.

SEVERAL SENATORS. Vote! Vote! Vote!

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. MORSE. I will yield to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Oregon cannot hold the floor after making a motion, unless he is recognized.

Mr. MORSE. Am I recognized now?

The PRESIDING OFFICER. The Chair recognizes the Senator from Oregon.

Mr. MORSE. Mr. President, I wish to say, most respectfully, to the Senator from Rhode Island, that no one in the Senate appreciates his record in the field of civil rights legislation more than does the Senator from Oregon. I only regret that in this particular instance he is willing to yield on a matter which some of the rest of us think is pretty vital to the protection of civil rights legislation.

Mr. HUMPHREY. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield to the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I thank the Senator from Oregon.

I listened attentively to the colloquy between the Senator from Oregon and the Senator from Rhode Island. I was rather surprised to hear that the section had been dropped from the Senate bill in the conference report.

Of course, Mr. President, every Senator knows that the distinguished senior Senator from Rhode Island has been a strong advocate of the elimination of poll taxes, and that he yields to no one in his dedication to civil rights and civil liberties. There is no personal reflection in my comment, nor has there been in the comment of the Senator from Oregon, I am sure. But I feel that we are not proposing something new; we are actually retreating. I thought the elimination of the poll tax for servicemen was no longer a controversial subject. It is as if we were retreating to another decade or to another generation.

To be sure, it is only in terms of a recommendation. But when the Congress of the United States makes a recommendation it conveys, at least, an expression of official public policy and attitude. By the very fact that this proviso with reference to the elimination of the poll tax was in the former legislation and now is absent and no longer in the present conference report, it is indicated that we have changed our policy and are showing a lack of concern or interest in the whole matter of the voting rights of persons from areas where the poll tax is required.

I think the record should be crystal clear, as the able Senator from Rhode Island has made it, that this applies only in the instance of one State. I gather that all the other States have made, through appropriate legislative enactment by their State legislatures, exemptions for servicemen. But, as the Senator from Oregon has pointed out, whether it be 1 State, or 25 States, the fact is that if Congress is going to legislate, it should do so in terms of what has been done in prior years. It should go forward and not go backward.

I should like to join with the Senator from Oregon. I feel that his proposal is a good one and is in the tradition of this body for the past 10 or 12 years. We have been most considerate in this session in the area of civil rights legislation. We recognize that it is an explosive and, at times, a highly controversial subject. We had hoped that we would make progress through the mediums of education and conference toward a better understanding, and progress has been made. But to have come before us now a bill which eliminates the provision which has been a part of the public law of the land, is a step backward, and I shall not associate myself with it. I join in the motion of the Senator from Oregon.

Mr. LEHMAN and Mr. LONG addressed the Chair.

Mr. MORSE. Mr. President, I yield, first, to the Senator from New York for a question, and then I shall yield to the Senator from Louisiana.

Mr. LEHMAN. I should like to ask the Senator from Oregon the date on which the original law eliminating the poll-tax provision was passed.

Mr. MORSE. It was very early in the war.

Mr. LEHMAN. My recollection is it was in 1942.

SEVERAL SENATORS. Vote! Vote!

Mr. MORSE. Mr. President, I wish to yield to the Senator from Louisiana [Mr. LONG], and then I shall ask for the floor for myself.

Mr. LONG. Is it not a fact that all this does is to recommend to the States that they enact legislation to permit servicemen and their families overseas to exercise the voting franchise? It is only a recommendation to let the servicemen vote.

Mr. MORSE. Let me read the law to the Senator from Louisiana.

Mr. LONG. I am speaking of the bill.

Mr. MORSE. The thing which is controlling is the law which is on the books. Here is a piece of proposed legislation which could have the effect of changing the law which is on the books.

I read:

SECTION 1. In time of war, notwithstanding any provision of State law relating to the registration of qualified voters, every individual absent from the place of his residence and serving in the land or naval forces of the United States, including the members of the Army Nurse Corps, the Navy Nurse Corps, the Women's Navy Reserve, and the Women's Army Auxiliary Corps, who is or was eligible to register for and is qualified to vote at any election under the law of the State of his residence, shall be entitled, as provided in this act, to vote for electors of President and Vice President of the United States, United States Senators, and Representatives in Congress.

SEC. 2. No person in military service in time of war shall be required, as a condition of voting in any election for President, Vice President, electors for President or Vice President, or for Senator or Member of the House of Representatives, to pay any poll tax or other tax or make any other payment to any State or political subdivision thereof.

We sent to the conference an amendment which sought to extend the act of 1942. The conferees bring back a conference report which adopts the House bill and which has the effect of repealing the law of 1942. There are those of us in the Senate who think that is an inexcusable step backward and that the report should go back to the conference committee. That is the parliamentary situation which confronts us. I think it is a matter as to which we should go on record today. I am going to suggest the absence of a quorum so that we can get a yea-and-nay vote on the question.

Mr. LONG. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield.

Mr. LONG. Let me ask the Senator a question. Here is a provision which recommends that States pass laws in reference to the question, and there is stricken a provision which is not applicable because there is no war going on.

Mr. MORSE. Suppose we get into a war tomorrow?

Mr. LONG. In the event a war occurs, the overseas veterans still could not vote until the State conferred the right to vote. There is one State that has a poll tax. That State refuses to yield the poll tax. The Senator from Oregon is urging that we retain the provision that the one State that has a poll tax cannot permit veterans to vote unless the poll tax is waived.

Mr. MORSE. If we do not repeal it, if we should get into a war tomorrow, the law of 1942 would stand. Under that law a poll tax is not required. That is my position.

Mr. LONG. Under the law of 1942, servicemen overseas could not vote if their States required the payment of a poll tax.

Mr. MORSE. They could vote, and they would not have to pay a poll tax. The 1942 law gave permission to veterans from poll-tax States to vote in Presidential elections and Congressional elections, so-called national elections, without paying a poll tax. I do not wish to see it repealed.

Mr. HUMPHREY. Mr. President, will the Senator from Minnesota yield?

Mr. MORSE. I yield.

Mr. HUMPHREY. I merely wish to state that the point is well raised that we are not in a state of war. The legislation of 1942 applied to a period when we were in a state of war. Yet we still have thousands and hundreds of thousands of men overseas, away from their places of residence. They are there as much in the defense of their country as if we were in a state of war.

I think the important point is that for 13 years the subject has not been a topic of discussion. It has been as much accepted as has the 3-cent postage stamp. It is a part of the basic law of the country. For some reason, after the Senate had taken appropriate action, and, as the Senator from New York said at the time of the discussion of the Senate bill on this subject, it was declared

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to be an inadvertence that the continuation of the law of 1942 was left out.

Mr. MORSE. The Senator from Missouri [Mr. HENNINGS] gave the Senate assurance, as the record will show. The conference report comes before us without that provision, and there is only one conclusion that can be drawn, namely, that we are changing the policy of the country. This is no time to make that change.

Mr. KEFAUVER. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield.

Mr. KEFAUVER. I remember quite clearly the debate in the House of Representatives at the time the 1942 bill was passed. There was extended discussion. The main point was—and Senators who were Representatives at that time will also recall this vividly—that since so many boys were overseas, it would be extremely difficult for them to comply with all the poll-tax requirements and also certain registration requirements, and that conditions should be made as easy as possible for them to vote without the payment of a poll tax and without certain registration requirements. Mere the fact that they were in the service was sufficient.

I submit that the reasons which were advanced at that time still prevail as strongly as they did then. I agree with the Senator from Oregon that if the provision of exemption is not continued, many boys who are seving overseas will be, for all practical purposes denied their right to vote for Federal officials. So I, too, think that provision should be eliminated.

Mr. MORSE. I completely agree with the Senator from Tennessee.

Mr. President, I suggest the absence of a quorum.

Mr. O'MAHONEY. Mr. President, will the Senator from Oregon withhold his request for a quorum call?

Mr. MORSE. For what purpose?

Mr. O'MAHONEY. I wish to call up a noncontroversial matter, which the Senator from West Virginia [Mr. NEELY] has been seeking to bring up all day.

Mr. MORSE. If no Senator objects, I shall be glad to withhold my suggestion of the absence of a quorum.

RELIEF OF RAYMOND D. BECKNER

Mr. O'MAHONEY. Mr. President, on July 19, on the call of the calendar, I moved to reconsider the vote whereby Senate bill 1584 had been passed in my absence on the calendar the previous day.

The purpose of my motion was to make a legislative record with respect to the bill. The Senator from West Virginia [Mr. NEELY] indicates to me that he desires to make a recommendation. Therefore, I ask unanimous consent that the Senate may proceed to the consideration of the bill.

Mr. KNOWLAND. Mr. President, with all deference to the Senator from Wyoming and the Senator from West Virginia, objections have been made on this side of the aisle, which I shall attempt to discuss with both Senators during the quorum call. But at this time, in the present situation, I feel I shall have to object.

The PRESIDING OFFICER. Objection is heard.

ASSISTANCE TO FEDERAL PERSONNEL IN EXERCISING THEIR VOTING FRANCHISE—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 4048) making recommendations to the States for the enactment of legislation to permit and assist Federal personnel, including members of the Armed Forces, and their families, to exercise their voting franchise, and for other purposes.

Mr. MORSE. Mr. President, I ask for the yeas and nays on my motion.

The yeas and nays were not ordered.

Mr. MORSE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hayden	Millikin
Allott	Hennings	Monroney
Anderson	Hickenlooper	Morse
Barkley	Hill	Mundt
Beall	Holland	Murray
Bender	Hruska	Neely
Bennett	Humphrey	Neuberger
Bible	Ives	Pastore
Bush	Jackson	Payne
Capehart	Jenner	Potter
Carlson	Kefauver	Robertson
Case, N. J.	Kerr	Russell
Case, S. Dak.	Kilgore	Saltonstall
Clements	Knowland	Scott
Cotton	Kuchel	Smathers
Curtis	Langer	Smith, Maine
Dirksen	Lehman	Smith, N. J.
Douglas	Long	Sparkman
Duff	Magnuson	Stennis
Dworshak	Malone	Symington
Ellender	Mansfield	Thurmond
Ervin	Martin, Iowa	Thye
Flanders	Martin, Pa.	Watkins
Fulbright	McCarthy	Wiley
Goldwater	McClellan	Williams
Green	McNamara	Young

Mr. CLEMENTS. The Senator from Virginia [Mr. BYRD], the Senator from Texas [Mr. DANIEL], the Senator from Mississippi [Mr. EASTLAND], the Senator from Delaware [Mr. FREAR], the Senator from Tennessee [Mr. GORE], the Senator from Massachusetts [Mr. KENNEDY], and the Senator from Wyoming [Mr. O'MAHONEY] are absent on official business.

The Senator from New Mexico [Mr. CHAVEZ] is absent by leave of the Senate.

The Senator from Georgia [Mr. GEORGE] is absent by leave of the Senate.

The Senator from Texas [Mr. JOHNSON] is absent by leave of the Senate because of illness.

Mr. SALTONSTALL. I announce that the Senator from Wyoming [Mr. BARRETT] is absent because of illness in his family.

The Senator from New Hampshire [Mr. BRIDGES] is absent to attend the funeral of a friend in his State.

The Senator from Maryland [Mr. BUTLER] and the Senator from Connecticut [Mr. PURTELL] are absent on official business.

The Senator from Indiana [Mr. JENNER], the Senator from Kansas [Mr. SCHOEPPEL], and the Senator from Idaho [Mr. WELKER] are necessarily absent.

The Senator from Ohio [Mr. BRICKER] is detained on official business.

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the motion of the Senator from Oregon to recommit the conference report to the committee on conference, with instructions.

Mr. MORSE. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. A vote is in progress. It cannot be interrupted.

The legislative clerk resumed the call of the roll.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry. I had always thought a parliamentary inquiry could be made during a call of the roll.

The PRESIDING OFFICER. The Chair recognizes the Senator for that purpose.

Mr. DOUGLAS. What is the question before the Senate?

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Oregon to recommit the conference report to the conferees, with instructions.

Mr. DOUGLAS. I thank the Chair.

The rollcall was concluded.

Mr. CLEMENTS. The Senator from Virginia [Mr. BYRD], the Senator from Texas [Mr. DANIEL], the Senator from Mississippi [Mr. EASTLAND], the Senator from Delaware [Mr. FREAR], the Senator from Tennessee [Mr. GORE], the Senator from Massachusetts [Mr. KENNEDY], and the Senator from Wyoming [Mr. O'MAHONEY] are absent on official business.

The Senator from New Mexico [Mr. CHAVEZ] is absent by leave of the Senate.

The Senator from Georgia [Mr. GEORGE] is absent by leave of the Senate.

The Senator from Texas [Mr. JOHNSON] is absent by leave of the Senate, because of illness.

I further announce that, if present and voting, the Senator from Virginia [Mr. BYRD], the Senator from Texas [Mr. DANIEL], the Senator from Mississippi [Mr. EASTLAND], the Senator from Georgia [Mr. GEORGE], and the Senator from Texas [Mr. JOHNSON] would each vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Wyoming [Mr. BARRETT] is absent because of illness in his family.

The Senator from New Hampshire [Mr. BRIDGES] is absent to attend the funeral of a friend in his State.

The Senator from Maryland [Mr. BUTLER] and the Senator from Connecticut [Mr. PURTELL] are absent on official business.

The Senator from Indiana [Mr. JENNER], the Senator from Kansas [Mr. SCHOEPPEL] and the Senator from Idaho [Mr. WELKER] are necessarily absent.

The Senator from Ohio [Mr. BRICKER] is detained on official business.

The result was announced—yeas 22, nays 56, as follows:

YEAS—22

Barkley	Jackson	Morse
Beall	Kefauver	Murray
Bender	Kilgore	Neely
Case, N. J.	Kuchel	Neuberger
Douglas	Langer	Potter
Hennings	Lehman	Symington
Humphrey	Magnuson	
Ives	McNamara	

NAYS—56

Aiken	Goldwater	Mundt
Allott	Green	Pastore
Anderson	Hayden	Payne
Bennett	Hickenlooper	Robertson
Bible	Hill	Russell
Bush	Holland	Saltonstall
Capehart	Hruska	Scott
Carlson	Johnston, S. C.	Smathers
Case, S. Dak.	Kerr	Smith, Maine
Clements	Knowland	Smith, N. J.
Cotton	Long	Sparkman
Curtis	Malone	Stennis
Dirksen	Mansfield	Thurmond
Duff	Martin, Iowa	Thye
Dworshak	Martin, Pa.	Watkins
Ellender	McCarthy	Wiley
Ervin	McClellan	Williams
Flanders	Millikin	Young
Fulbright	Monroney	

NOT VOTING—18

Barrett	Daniel	Johnson, Tex.
Bricker	Eastland	Kennedy
Bridges	Frear	O'Mahoney
Butler	George	Purtell
Byrd	Gore	Schoeppel
Chavez	Jenner	Welker

So the motion was rejected.

The PRESIDING OFFICER (Mr. BARKLEY in the chair). The question recurs on agreeing to the conference report.

The report was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had passed, without amendment, the following bills of the Senate:

S. 125. An act for the relief of the State of Illinois;

S. 204. An act for the relief of Fred P. Hines;

S. 393. An act or the relief of Chieko Suzuki;

S. 730. An act granting the consent of Congress to the States of Kansas and Oklahoma to negotiate and enter into a compact relating to their interests in, and the apportionment of the waters of the Arkansas River and its tributaries as they affect such States;

S. 732. An act to promote public cooperation in the rehabilitation and preservation of the Nation's important historic properties in the New York City area, and for other purposes;

S. 987. An act to authorize the Secretary of Commerce, acting through the Coast and Geodetic Survey, to assist the States of Maryland and Delaware to reestablish their common boundary;

S. 1415. An act for the relief of Anna Mertikas;

S. 1681. An act for the relief of Cecile Doriac and her minor child;

S. 1899. An act to authorize the improvement of the Amite River and its tributaries;

S. 1906. An act to authorize the Pueblos of San Lorenzo and Pojoque in New Mexico to sell certain lands to the Navaho Tribe, and for other purposes;

S. 1917. An act to authorize the construction within Grand Teton National Park of an alternate route to United States Highway 89, also numbered U. S. 187 and U. S. 26, and the conveyance thereof to the State of Wyoming, and for other purposes;

S. 2049. An act to provide recognition of the 50th anniversary of the Devils Tower National Monument, Wyo., the first national monument, established by the President of the United States pursuant to the Antiquities Act of 1906; to authorize the addition of certain lands to the monument, to permit land exchanges, and for other purposes;

S. 2088. An act for the relief of Ladislav Mencl;

S. 2295. An act to amend section 313 of the Agricultural Adjustment Act of 1938, with respect to tobacco allotments;

S. 2339 An act to authorize the Secretary of the Interior to include capacity to serve the town of Glendo, Wyo., in a sewerage system to be installed in connection with the construction of Glendo Dam and Reservoir, and for other purposes; and

S. 2514. An act to declare the portion of the waterway at West Haven and New Haven, Conn., known as the West River, northerly of a line running north 85 degrees 54 minutes 43.5 seconds east from a point whose coordinates in the Corps of Engineers harbor line system are north 4,616.76 and west 9,450.80, a nonnavigable stream.

The message also announced that the House had passed the following bills of the Senate, severally with an amendment, in which it requested the concurrence of the Senate:

S. 1287. An act to make certain increases in the annuities of annuitants under the Foreign Service retirement and disability system; and

S. 2237. An act to amend the act of May 26, 1949, to strengthen and improve the organization of the Department of State, and for other purposes.

The message also announced that the House insisted upon its amendments to the bill (S. 1041) to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide for the inclusion in the computation of accredited service of certain periods of service rendered States or instrumentalities of States, and for other purposes, agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MURRAY of Tennessee, Mr. DAVIS of Georgia, and Mr. REES were appointed managers on the part of the House at the conference.

The message further announced that the House had severally agreed to the amendment of the Senate to the following bills of the House:

H. R. 1393. An act for the relief of the E. J. Albrecht Co.;

H. R. 3024. An act for the relief of Margaret Mary Hammond;

H. R. 4763. An act for the relief of Elzie C. Brown; and

H. R. 5168. An act to provide for retirement of the Government capital in certain institutions operating under the supervision of the Farm Credit Administration; to increase borrower participation in the management and control of the Federal farm credit system; and for other purposes.

The message also announced that the House had severally agreed to the amendments of the Senate to the following bills of the House:

H. R. 257. An act to amend section 112 (n) (8) of the Internal Revenue Code of 1939 to provide that in certain cases of a sale or exchange of a taxpayer's residence certain periods of limitation shall not run against the taxpayer while he is on extended active duty in the Armed Forces;

H. R. 6198. An act to provide for the sale of certain war housing projects to the Housing Authority of Beaver County, Pa., for use in providing rental housing for persons of limited income;

H. R. 6263. An act to amend section 1233 of the Internal Revenue Code of 1954;

H. R. 6887. An act to extend for 1 year the application of section 108 (b) of the Internal Revenue Code of 1954 (relating to income of a railroad corporation from discharge of indebtedness); and

H. R. 7289. An act to authorize the States to organize and maintain State defense forces, and for other purposes.

The message further announced that the House had passed a joint resolution (H. J. Res. 434) to provide appropriations for the legislative branch for the fiscal year ending June 30, 1956, in which it requested the concurrence of the Senate.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolutions, and they were signed by the Vice President:

S. 38. An act for the relief of Joseph Jerry Earl Sirois (also known as Jeremie Earl Sirois);

S. 56. An act authorizing construction of certain public works on the Mississippi River for the protection of St. Louis, Mo.;

S. 71. An act for the relief of Ursula Else Boysen;

S. 85. An act for the relief of Rosetta Ittner;

S. 86. An act for the relief of Wilhelmine Schelter;

S. 92. An act for the relief of Irene C. (Karl) Behrman;

S. 100. An act for the relief of Hermine Lorenz;

S. 119. An act for the relief of David Wei-Dao Lea and Julia An-Fong Wang Lea;

S. 141. An act for the relief of Pauline Ellen Redmond;

S. 167. An act for the relief of Ernesto DeLeon;

S. 176. An act for the relief of Gerda Irmgard Kurella;

S. 181. An act for the relief of Manhay Wong;

S. 191. An act for the relief of Liselotte Warmbrand;

S. 214. An act for the relief of Ahmst Suat Maykut;

S. 223. An act for the relief of Mary Freida Poeltl Smith;

S. 235. An act for the relief of Melanie Schaffner Baker;

S. 238. An act for the relief of Andreas Georges Vlastos (Andreas Georges Vlasto);

S. 239. An act for the relief of Apostolos Vasili Percas;

S. 240. An act for the relief of Mrs. Helena Planinsek;

S. 254. An act for the relief of Giussepina Cervi;

S. 293. An act for the relief of Miss Cecile Patricia Chapman;

S. 326. An act for the relief of Leopoldine Maria Lofblad;

S. 346. An act for the relief of Klara Anna Maria Fleischer;

S. 352. An act for the relief of Isaac Glickman, Reghina Glickman, Alfred Cismaru, and Anna Cismaru;

S. 388. An act for the relief of Petre and Liubitza Ionescu;

S. 394. An act for the relief of Ali Hassan Waffa;

S. 397. An act for the relief of Maria Bertagnolli Pancheri;

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S. 430. An act for the relief of Hedwig Marie Zaunmiller;

S. 464. An act to authorize the Secretary of the Interior to issue patents for certain lands in Florida bordering upon Indian River;

S. 466. An act for the relief of Capt. George Gafos, Eugenia Gafos, and Adamantios George Gafos;

S. 470. An act for the relief of Edith Winifred Loch;

S. 474. An act for the relief of Maria Elena Venegas and Sarah Lucia Venegas;

S. 476. An act for the relief of Harold Swarthout and L. R. Swarthout;

S. 503. An act for the relief of Cirino Lanzafame;

S. 518. An act for the relief of Elsa Alwine Larsen;

S. 535. An act to provide for the conveyance to the State of North Dakota, for use as a State historic site, of the land where Chief Sitting Bull was originally buried;

S. 541. An act for the relief of Martin Aloysius Madden;

S. 606. An act for the relief of Gisela Hofmeier;

S. 707. An act for the relief of Christos Paul Zolotas;

S. 843. An act for the relief of Gerda Graupner;

S. 884. An act for the relief of Gabor Lanyi;

S. 1035. An act for the relief of Ambrose Anthony Fox;

S. 1044. An act for the relief of Edward Naarits;

S. 1051. An act to amend section 8a (4) of the Commodity Exchange Act, as amended;

S. 1105. An act for the relief of Mrs. Lieselotte Emilie Dailey;

S. 1126. An act for the relief of Dimitrios Antoniou Kostalas;

S. 1155. An act for the relief of Iva Druzianich (Iva Druzianic);

S. 1167. An act to amend the Soil Conservation and Domestic Allotment Act;

S. 1187. An act to amend section 5221 of the Revised Statutes, relating to voluntary liquidation of national banks;

S. 1210. An act to amend the Public Buildings Act of 1949 to provide a 5-year limitation on the period of leases of space for Federal agencies in the District of Columbia;

S. 1266. An act for the relief of Helene Margareta Jobst;

S. 1337. An act for the relief of Joseph Vyskocil;

S. 1340. An act to authorize the conveyance by quitclaim deed of certain land to the Brownsville Navigation District of Cameron County, Tex.;

S. 1353. An act for the relief of Mrs. Jeannette S. Hamilton;

S. 1367. An act for the relief of Antonio Jacoe;

S. 1391. An act granting the consent of Congress to the States of California and Nevada to negotiate and enter into a compact with respect to the distribution and use of the waters of the Truckee, Carson, and Walker Rivers, Lake Tahoe, and the tributaries of such rivers and lake in such States;

S. 1395. An act to amend the joint resolution entitled "Joint resolution to establish a commission for the celebration of the 200th anniversary of the birth of Alexander Hamilton," approved August 20, 1954;

S. 1397. An act providing for the conveyance of certain lands to St. Louis Church of Dunseith, Dunseith, N. Dak.;

S. 1496. An act for the relief of Rurike Hara;

S. 1512. An act to amend section 107 of title 28 of the United States Code so as to eliminate separate divisions and reduce the number of places holding regular terms of the United States District Court for the District of Columbia;

S. 1521. An act for the relief of Garabed Papazian;

S. 1522. An act for the relief of Lieselotte Probzinski Gettman;

S. 1541. An act for the relief of Ernst Fraenkel and his wife, Hanna Fraenkel;

S. 1581. An act for the relief of Constantinos Pantermalis;

S. 1706. An act for the relief of Spyriden Saintoufis and his wife, Efrossini Santoufis;

S. 1974. An act for the relief of Rosa Birger;

S. 2081. An act to amend the Veterans' Readjustment Assistance Act of 1952 to provide that education and training allowances paid to veterans pursuing institutional on-farm training shall not be reduced for 12 months after they have begun their training;

S. 2168. An act to amend the Fair Labor Standards Act of 1938 in order to increase the national minimum wage, and for other purposes;

S. 2197. An act to authorize the Secretary of the Interior to distribute equally to members of the Kaw Tribe of Indians certain moneys to the credit of the tribe in the United States Treasury;

S. 2253. An act to reemphasize trade development as the primary purpose of title I of the Agricultural Trade Development and Assistance Act of 1954;

S. 2260. An act granting the consent of Congress to the States of Arkansas, Louisiana, Oklahoma, and Texas to negotiate and enter into a compact providing for the apportionment of the waters of the Red River and its tributaries;

S. 2269. An act for the relief of Mualla S. Holloway;

S. 2270. An Act for the relief of Nadia Noland and Samia Ouafa Noland;

S. 2277. An act authorizing the Administrator of General Services to convey certain land to the city of Sioux Falls, S. Dak., for park and recreational purposes, for an amount equal to the cost to the United States of acquiring such lands from the city;

S. 2297. An act to further amend the Agricultural Adjustment Act of 1938, and for other purposes;

S. 2312. An act for the relief of certain Korean war orphans;

S. 2351. An act to authorize the conveyance of certain war housing projects in the city of Norfolk, Va.;

S. 2566. An act to amend title 14, United States Code, so as to provide for compensatory absence of Coast Guard military personnel serving at isolated aids to navigation, and for other purposes;

S. 2573. An act to amend the rice marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended;

S. 2575. An act for the relief of Mrs. Gertrud Hildegard Nichols;

S. J. Res. 82. Joint resolution to authorize the Secretary of the Interior to execute a certain contract with the Toston Irrigation District, Montana; and

S. J. Res. 92. Joint resolution to authorize the Secretary of Commerce to sell the steamship *Monterey*.

HOUSING AMENDMENTS OF 1955—CONFERENCE REPORT

Mr. FULBRIGHT. I submit a report of the committee of conference on the amendment of the House to the bill (S. 2126) to extend and clarify laws relating to the provision and improvement of housing, the elimination and prevention of slums, the conservation and development of urban communities, the financing of vitally needed public works, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report. (The conference report will appear in the House proceedings tomorrow.)

The PRESIDING OFFICER. Is there objection to the request for the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. KNOWLAND. Mr. President, may we have a brief explanation of the report?

Mr. FULBRIGHT. Mr. President, the question which was primarily in controversy, as all of us know, was that of public housing.

After two long and rather lively conferences, the conferees finally reached agreement on the public housing item of 45,000 units between the date of enactment of the bill and July 31, 1956, with no requirement that these units be restricted to families displaced from slum areas being cleared or rehabilitated under the urban renewal program, and also with removal of the work requirements. I may say that is the item which held up the conference.

As to the other items, agreement was arrived at in a relatively easy and amicable manner.

FHA's title I home-improvement program has been extended for 14 months to September 30, 1956. There was no change in the amount of the loans permissible under this program.

The bill authorizes a new program of FHA insurance on trailer parks, and limits this program to $1,000 per trailer space or $300,000 per mortgage.

A new mortgage ceiling is permitted under the FHA program. In this area we have increased to $12½ million the mortgages on rental properties, which previously were limited to $5 million.

For both the cooperative housing program and the urban renewal program, we have amended the act, so as to change the basis on which a mortgage may be insured from "estimated value" to "estimated replacement cost"; and, in addition, we have provided a special assistant to the FHA Commissioner, in order to place more emphasis upon a true cooperative program. The Federal National Mortgage Association is authorized to issue advance commitments to purchase cooperative housing mortgages up to a total of $50 million—or $5 million for any one State.

We have approved an increase in the FHA's general mortgage insurance authorization, by adding $4 billion to the amount outstanding on July 1, 1955. It is estimated that there is an unused authorization of about $600 million which will be included in this $4 billion.

The bill also terminates title IV, which provided for defense housing.

For the slum clearance and urban renewal programs, an increase of $400 million over the years 1956 and 1957, and an additional $100 million at the discretion of the President, are authorized.

PUBLIC HEARING

I have already referred to public housing.

The bill as agreed to by the conferees authorizes the PHA to enter into annual contributions contracts for 45,000 public housing units between the date of enactment of the bill and July 30, 1956. No provision for any carryover of units authorized under prior legislation is permitted. The restrictions imposed by the 1954 act upon the construction of these units are repealed. The conferees could not agree upon, including the Senate language providing for, public housing units for elderly people.

Mr. SALTONSTALL. Mr. President, will the Senator yield at that point?

Mr. FULBRIGHT. I yield.

Mr. SALTONSTALL. Am I to understand that with respect to public housing provision is made for 45,000 units for 1 year, on the old basis, without any new restrictions instead of the 70,000 which the President requested for 2 years?

Mr. FULBRIGHT. Yes. That was for 2 years. This is for 1 year, or, to be more accurate, from the date of enactment until July 31, 1956. There is no requirement that these units be restricted to families displaced from slum areas being cleared or being rehabilitated under the urban renewal program. Also the "workable program" requirement is removed.

Mr. SALTONSTALL. So the provisions with relation to public housing are as they operated under the old law, and there are no further or new restrictions as to what can be a public housing development.

Mr. FULBRIGHT. That is correct.

Mr. SALTONSTALL. And 45,000 units are authorized for 1 year.

Mr. FULBRIGHT. That is correct, or until July 31, 1956.

Mr. McNAMARA. Mr. President, will the Senator yield for a question?

Mr. FULBRIGHT. First, let me say to the Senator from Massachusetts that last year's law contained some restrictions.

I now yield to the Senator from Michigan.

Mr. McNAMARA. There was in the bill specific provision for some housing for the aged. Was that provision removed in the conference?

Mr. FULBRIGHT. That was removed. The House refused to consider that provision in any amount. We tried our best to retain that provision. We also tried to retain a lesser number, but the conferees on the part of the House were unanimous, I believe. Certainly the great majority of the conferees insisted that the House would not accept any amount under that provision. They virtually even refused to consider taking it to the House for action.

HOME LOAN BANK BOARD AMENDMENTS

Although there were several amendments accepted by the conferees with respect to the Home Loan Bank Board legislation, the more important of these was to authorize the independence of the Home Loan Bank Board and requires the Board to report to the Congress instead of the Housing and Home Finance Administrator as formerly.

That was a Senate provision.

PLANNING FUNDS

As recommended by the administration, the conferees agreed to make available a total of $48 million as a revolving fund for planning advances to local public agencies for community facilities, the funds made available as follows: $10 million now available, $12 million on July 1, 1956, $12 million on July 1, 1957, and $14 million on July 1, 1958. Not more than 10 percent of these funds might be advanced to any one State and there is no obligation to appropriate for any projects planned under this program.

PUBLIC UTILITY LOANS

The conferees authorized a vitally needed program of loans to political subdivisions for the construction of public projects such as water, sewer, and gas systems. The whole emphasis of this program was that small communities have encountered great difficulty in obtaining relatively small loans for needed public works. This need would be filled by this program which contains a priority for communities of 10,000 population or less. The maturity on such loans is 40 years and the total dollar limit on the program is $100 million.

Here again the provisions are the Senate provision, by and large. They were not in the House bill.

COLLEGE HOUSING

A revision and extension of the present program of loans to educational institutions for needed housing facilities for students is authorized by the bill. This program would permit the HHFA to make loans for such related facilities as dining halls, cafeterias, and other educational facilities closely related to dwelling facilities. The rate of interest on these loans would be at 2¾ percent, or one-fourth of 1 percent above the rate which HHFA pays to the treasurer, whichever is higher. The loan fund would be limited to $500 million with $100 million of that amount available for other educational facilities. Language was accepted by the conferees to make junior colleges eligible for loans. Loans may also be made to nonprofit corporations specifically established by eligible institutions to provide housing or other educational facilities for students and faculty.

Again, this was a Senate provision, by and large.

MILITARY HOUSING

The bill as agreed to by the conferees provides for a new military housing program with an expiration date of September 30, 1956. The purpose of this new program is to provide housing, the needs for which are certified by the military while at the same time using the administrative facilities provided by the FHA. Under the plan, builders would submit competitive bids which could be insured up to 100 percent by FHA if within the average of $13,500 per family unit. Cost certification does not apply inasmuch as the builder would have an interest only on a contract basis and the military would be the owner of the project to all intents and purposes once construction was complete. A new authorization for military housing, not to exceed $1,363,500,000 is set up to cover all the military services. The bill provides maximum interest rate of 4 percent and a period of amortization of not more than 25 years. FNMA is authorized to make advance commitments to purchase military mortgages in an amount not to exceed $200 million.

Under this plan the military would control, maintain, and operate this housing and assign military personnel thereto. Rental allowances of military personnel would be withheld for the purpose of meeting mortgage payments. The Department of Defense is authorized to acquire, with the approval of FHA at a fair market value, by donation or condemnation, any unimproved land or existing housing insured by the law under the title VIII program.

The present title VIII Wherry Act program would continue only for those projects certified by the Secretary of Defense on or before June 30, 1955, and for which a commitment to insure is issued by FHA on June 30, 1956. In addition mortgages under the Wherry Act program may be insured for projects certified as necessary by the Atomic Energy Commission on or before June 30, 1956.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. MAGNUSON. That means that in the future the Wherry Act will be dead, except insofar as concerns commitments which have been made up to June 30.

Mr. FULBRIGHT. That is correct. The old Wherry Act will be dead.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. STENNIS. Under the new title for military housing, what is the amount authorized by the bill? What is the ceiling?

Mr. FULBRIGHT. It authorizes advance commitments of $200 million.

Mr. STENNIS. I thought the Senator gave the grand total for military housing.

Mr. FULBRIGHT. The grand total is $1,363,500,000.

Mr. STENNIS. That amount is authorized in the bill for all the military services?

Mr. FULBRIGHT. That is correct.

Mr. STENNIS. Does the bill give the Secretary of Defense control over the authorization for such housing? Does it have to be handled through the Secretary of Defense?

Mr. FULBRIGHT. That is correct.

Mr. SALTONSTALL. It must be authorized by the Secretary of Defense?

Mr. FULBRIGHT. That is correct. He has the initiative. We estimate that this amount will provide for 100,000 houses.

Mr. STENNIS. The Senator says the Secretary of Defense has the initiative. Must he initiate the project before it can be constructed?

Mr. FULBRIGHT. That is correct.

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Mr. STENNIS. In that way he is given an opportunity to coordinate whatever program he approves with the regular military-construction program.

Mr. FULBRIGHT. That is correct.

Mr. STENNIS. I commend the Senator for retaining that provision in the bill. I think it will lead to a better situation.

Mr. FULBRIGHT. We certainly hope so. On this item the conferees were generally in agreement.

Mr. STENNIS. If the program does not proceed satisfactorily, I think it will mean that we shall have to put all military housing strictly under one unit, in one program, because that is the only way it can be controlled.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. JOHNSTON of South Carolina. I should like to ask the Senator if there is any provision in the bill which would require the Secretary of Defense, in letting contracts, to let them on the basis of competitive bidding. Will he have the right to let them without competitive bidding?

Mr. FULBRIGHT. It must be done on competitive bids, and by contract. What I said was left out was the provision as to cost certification.

Mr. JOHNSTON of South Carolina. I am glad the Senator was able to retain that provision in the bill.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. CAPEHART. I was a member of the conference committee, and, eliminating myself, I wish to congratulate the conferees of both the Senate and the House. They did a splendid job on the housing conference report. I believe we came out of the conference with an excellent report. The Senator from Arkansas has ably explained it. I see nothing wrong with it whatever. I believe the Senators on this side of the aisle are, generally speaking, satisfied with it, although I know that some Members are 100 percent opposed to any public housing. However, I believe everyone is fairly happy with the bill as it comes from conference. It is a good bill, and I recommend it to the Senate.

Mr. FULBRIGHT. In reply to the Senator from Indiana, I should like to say that he made a valuable contribution in conference in helping us to work out our differences. It was a very difficult bill to work out.

Mr. CAPEHART. The public housing end of it, the Senator means, I am sure.

Mr. FULBRIGHT. That was very controversial, as everyone knows. I must say that the Senator from Indiana was very helpful to the conferees in helping them reach the agreement which was reached.

Mr. CAPEHART. I believe we got all we could possibly get out of the House. The House members of the conference committee who signed the report are not even certain that they can get the House to approve 45,000 units.

Mr. LEHMAN. Mr. President, will the Senator yield for an observation?

Mr. FULBRIGHT. I will in a moment. I wished to say to the Senator from South Carolina [Mr. JOHNSTON], in case there may be some misunderstanding, that the provision about bids relates to the proposed new act. Under the old act that was not a requirement. I say that in case he has in mind a case that is now pending.

Mr. JOHNSTON of South Carolina. That provision has been written into the proposed new act. Is that correct?

Mr. FULBRIGHT. That is correct.

Mr. LEHMAN. I was a member of the conference committee on the bill. I am very unhappy over the conference report. There are many good features in it, but I am very much disturbed by the manner in which the public housing provision was handled. When the bill was in conference I strongly urged that provision be made for 135,000 units——

Mr. FULBRIGHT. Mr. President, I wonder whether the Senator from New York would permit me to complete my statement.

Mr. LEHMAN. I thought the Senator had completed his statement.

The PRESIDING OFFICER. The Senators will suspend until the Senate is in order. Senators will please cease conversation or leave the Chamber. All others on the floor and in the galleries will observe the same rule. We are in the closing days, we hope, of this session of Congress, and naturally there is some confusion. However, in order that we may have orderly procedure in the Senate, the Chair will insist that order be maintained.

Mr. FULBRIGHT. Mr. President, I would like to say to the Senator from New York that there are only two more sentences in my statement to read. Then I shall be glad to reply to questions or yield the floor. I understand the Senator wishes to explain his position.

Mr. LEHMAN. That is satisfactory to me. I thought the Senator from Arkansas had concluded his statement.

Mr. FULBRIGHT. I have two more sentences to read. Then I shall yield for a question or I shall be glad to yield the floor.

FARM HOUSING

The present farm-housing program is continued through the fiscal year 1956. In addition, $112 million is made available for direct loans, to prevent defaults in payments on loans for potentially adequate farms, and for the improvement and repair of farms.

Mr. President, now I shall be glad to yield for questions.

Mr. HUMPHREY. Mr. President, will the Senator yield for a question?

Mr. FULBRIGHT. I am glad to yield.

Mr. HUMPHREY. Am I correct in my recollection that in the Senate bill there was a section or title which related to housing facilities for elderly citizens?

Mr. FULBRIGHT. That is correct. It provided for 10,000 units a year for 5 years.

Mr. HUMPHREY. It contained a 5-year authorization. Is that correct?

Mr. FULBRIGHT. That is correct.

Mr. HUMPHREY. Am I correctly informed that the conference committee dropped that provision?

Mr. FULBRIGHT. There is no provision in the conference report for that. I do not know whether the Senator was in the Chamber earlier. I said the conferees on the part of the House made it very clear that they would not accept 10,000 or 5,000 or 1,000, or, in fact, any provision designated specifically for elderly citizens. That question was argued very late at night on Saturday and again today.

Mr. HUMPHREY. I recognize the limitations of a conference committee. What the conference committee accomplished in terms of general provisions is satisfactory, but it does seem to me that the time is long overdue for proper consideration of the housing needs of elderly people. This has become one of the most serious burdens upon local communities in terms of cost. It has also become a tremendous burden upon the individuals involved, because of the inadequate housing facilities which have been provided for our senior citizens.

I hope we will not take this defeat lying down, so to speak, and that we will be able to take remedial action. The action taken by the Senate was forward-looking action. It was a kind of pioneering in the area of housing which has been long overdue.

The action of the conference committee in this connection is a real blow—I say most respectfully—to a comprehensive housing program. There is no Senator in the Chamber who does not know that in the communities of his own State one of the shocking shames of our contemporary civilization is the manner in which our elderly citizens are housed. It is disgraceful and despicable.

I hope the Government of the United States in due time will show as much concern for the elderly people of the United States as it has shown with respect to people all over the world, in building facilities costing hundreds of millions of dollars. It really disturbs me no end. I think this kind of housing is quite as important as, if not more important than, public housing, because this part of the program was dedicated to a group of people who are elderly and whose only help can come from the Government of the United States through the kind of program we had authorized.

Mr. FULBRIGHT. The Senator from Minnesota has made a very good statement. I can assure him that the conferees on the part of the Senate did everything they could do to persuade the Members from the House to retain the provision.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. CAPEHART. I may say to the Senator from Minnesota that the House did not have any such section in the bill it had passed. We adopted such a section in the Senate.

Mr. HUMPHREY. I am aware of that.

Mr. CAPEHART. The House had nothing at all in its bill on this subject. The House bill completely ignored it. In fact, it turned down such a provision on the floor. Therefore, the House con-

ferees would not consider such a provision in conference.

Mr. FULBRIGHT. If I recall correctly, the House committee did report such a provision to the House, but it was stricken out on the floor.

Mr. CAPEHART. That is correct. It was not in the House bill in conference.

Mr. FULBRIGHT. The House merely passed a skeleton bill extending the FHA program. Practically the whole conference report is what the Senate put in the bill, except for the change in respect to public housing.

Mr. CAPEHART. Ninety percent of the bill now is the Senate bill.

Mr. FULBRIGHT. Ninety percent of the conference report is the Senate bill.

Mr. HUMPHREY. Mr. President, will the Senator yield further?

Mr. FULBRIGHT. I yield.

Mr. HUMPHREY. One of the bright spots of the current session of Congress was the action of the Senate Committee on Banking and Currency and the subsequent action of the Senate on the housing bill. I regret that there had to be some receding in conference. I realize, of course, that in a conference it is necessary to make some compromises, and that it is a matter of give and take.

I merely leave this thought as my own expression: There are three areas of the social pattern which give me grave concern. One is the continued deterioration of our cities. I say to the leaders of the respective political parties that if something is not done to stop the erosion and degredation of the metropolitan areas of the country, we will be in grave trouble in the years to come. I say, furthermore, Mr. President, that the political party which has the good sense to take action to check this movement will have a future.

The second area I point to is the area of children and school facilities. The inadequacy of school plants is shocking. I happen to be one who believes that we have a responsibility for three groups, namely, children, the underprivileged, and the aged. Persons of my age should be able to take care of themselves. I regret to say that we are doing very little for any of them. We have done a great deal more for those who can take care of themselves.

Mr. FULBRIGHT. I agree with the Senator.

Mr. LONG. Mr. President, will the Senator from Arkansas yield?

Mr. FULBRIGHT. I yield.

Mr. LONG. Will the Senator tell us what action was taken with regard to title II of the Senate bill which would make available loans to small communities?

Mr. FULBRIGHT. It was retained as passed by the Senate. There was no attack upon it.

Mr. LONG. I thank the Senator.

Mr. HUMPHREY. Did not that title embody the bill which was introduced by the Senator from Louisiana [Mr. LONG]?

Mr. FULBRIGHT. Yes.

Mr. HUMPHREY. So the provisions of that bill have been incorporated in the report?

Mr. FULBRIGHT. Yes.

Mr. MONRONEY. Mr. President, will the Senator from Arkansas yield?

Mr. FULBRIGHT. I yield.

Mr. MONRONEY. Am I correct in the assumption that title IX, which relates to emergency defense housing in defense areas, such as camps and airbases, was stricken from the bill in conference?

Mr. FULBRIGHT. The Senator is correct. The House would not accept it.

Mr. MONRONEY. And nothing was agreed to with reference to allowing 6 months to meet the ever-pressing need of private rental housing, on the special terms which the FHA has furnished under title 9 in the past?

Mr. FULBRIGHT. That provision was eliminated.

Mr. MONRONEY. Does the committee plan at the next session of Congress to take another look at this very vitally needed program? I wondered if the distinguished chairman of the committee anticipated seeing whether something could be done about this program when Congress meets in January?

Mr. FULBRIGHT. I am certainly willing to consider it. It was only on a standby basis in the Senate bill. It has been that way for several years.

Mr. MONRONEY. That is true, but it has served a very great emergency need, and I regret that this important feature has been eliminated in the conference report.

Mr. FULBRIGHT. I can assure the Senator that if there is need for it, the committee will endeavor to take care of it.

Mr. SPARKMAN. Mr. President, will the Senator from Arkansas yield?

Mr. FULBRIGHT. I yield.

Mr. SPARKMAN. I should like particularly to invite the attention of the Senator from Louisiana to this, because he was the author of the bill relating to community facilities, and there are several programs carried in the bill which require appropriations for the purpose of putting them into force, if nothing more than for administrative expenses, as in the case of community facilities.

Unfortunately, the last supplemental appropriation bill has passed, and here we are legislating new programs without any provision whatsoever carried in the supplemental appropriation bill for them. That is true of the program in which the Senator from Louisiana is greatly interested. It is true with reference to the farm-housing section. I regret that the chairman of the Appropriations Committee is not on the floor at the present time, because I should like to ask him about it. The Senate voted a provision to take care of farm housing, $25 million for loans and $850,000 for administrative expense. But in conference that provision was stricken out, as was, I understand, every amendment which related to programs which had not yet been fully enacted into law.

The distinguished minority leader was a member of the Subcommittee on Appropriations which dealt with that question. Perhaps he can throw some light on it; or possibly my colleague from Alabama [Mr. HILL], who was also a member of the subcommittee.

The question I wish to pose to the Senate is this: How are the programs which we are now enacting into law going to be carried out when there is no opportunity to get an appropriation for the purpose of carrying them out? I wish some Senator would answer that question. I would invite some member of the Subcommittee on Supplemental Appropriations to let us know what is going to happen to those programs on which we are now completing action.

We provided in the bill for certain housing programs.

Amendments numbered 65 to 74 were stricken out, and in that connection this statement is made:

> The managers on the part of the House and Senate do not believe the additional appropriations and increased authorizations included in said amendments for the Housing and Home Finance Agency and its constituent agencies are necessary at this time. However, should housing amendments for certain new and expanded programs be enacted in the present session of the Congress, or should the need for additional funds become acute because of unanticipated increases in programs, the Director of the Bureau of the Budget may accelerate the apportionment of funds presently available for making loans pending the submission of supplemental estimates to the next session of the Congress.

Some of these programs are new. They are not related to existing programs for which apportionments are already made.

That is true of the program relating to loans for community facilities. It is true with reference to housing under section 213, and it is true with reference to some of the other provisions which we are writing into law.

Mr. President, I am at a loss to understand, first of all, why a final supplemental bill, which is supposed to be a kind of a clean-up of appropriations which are needed, has items stricken out because legislation on those particular items has not been completed. The amount allowed on farm housing was stricken out entirely. The item of administrative expense was stricken out entirely.

If someone could answer that question, I should like to know what the answer is and what I can expect, when Congress passes a piece of legislation, as to whether the intent of Congress will be carried out by having estimates and appropriations made. In some of these instances I admit that the Budget Bureau itself did not send any estimates. Yet, the committee wrote in these provisions in anticipation of the legislation passing.

Mr. MAGNUSON. Do I understand correctly that the necessity to extend the FNMA certificates, provision for which was contained in the bill, is not necessary now under the new housing bill?

Mr. FULBRIGHT. That was in a separate bill.

Mr. MAGNUSON. That was not included in the conference report at all?

Mr. FULBRIGHT. That is still in the House committee.

Mr. LEHMAN. Mr. President, when housing legislation was originally taken under consideration by the Committee

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on Banking and Currency earlier this year, I strongly urged, in committee, that the bill include provision for at least 135,000 low-rent public housing units plus 10,000 units for elderly persons, a total of 145,000 units—each year for a period of 4 years. That proposal was adopted by the committee.

Even these figures were in my opinion, too low. I believe we need more than these numbers.

So far as the 10,000 units for elderly persons is concerned, I supported that provision with great satisfaction, because I believe it was a tremendous step forward in the recognition of our social obligations to the older generation of this country.

The housing bill as reported out by the Banking and Currency Committee was approved by the Senate by a substantial vote, and went to the House unchanged, so far as the public housing units were concerned—135,000 general low-rent public housing units and 10,000 units for elderly persons, each year for a period of 4 years.

When the bill was considered in the House, the House committee approved most aspects of the Senate bill, except for the provisions relating to the public housing program. When the bill was actually passed by the House, it was stripped down to a mere skeleton, containing no public housing units at all.

When the bill came to the conference committee, of which I was a member, I strongly urged that we agree on a very substantially greater number of housing units than the 35,000 units recommended by the President. And the President recommended crippling limitations on even that inadequate program of the majority.

My colleagues, notably the senior Senator from Illinois [Mr. DOUGLAS], joined with me in urging that we settle on a public housing program of at least 75,000 units, for a minimum of 2 years, in addition to the 10,000 units for elderly persons.

As I said, some of my colleagues on the conference committee strongly supported the position that a public housing program substantially greater than that recommended by the President—should be adopted. But we were met with the strong assertion on the part of the House Members of the conference committee, men just as sincere as were any Members from the Senate, that they could not get such a bill through the House.

I consider the bill in its present form to be completely inadequate. Forty-five thousand public housing units for one year, without any provision whatsoever for elderly people, is, in my opinion, not much more than sop. It is not a satisfactory public housing program. It is only a pointer in the direction of a program—although a considerable improvement over what President Eisenhower urged.

I am deeply disappointed at the failure of Congress to provide legislation which would, at least in some degree, take care of the needs of the poor people. What progress we made, we made in the face of the combined forces of the administration and the real estate lobby. Oh, yes, the FHA program, which was approved without objection, finances great apartment houses, such as the Woodner in Washington, and many others throughout the country. In many cases there have been very great windfalls which have accrued to the builders. But I am not interested in the fellow who can afford to pay $3,000, $4,000, $5,000, or even $10,000 a year for his apartment.

I am interested in the little fellow who has no place to go and who finds it impossible to get shelter at prices he can afford to pay. If we are to proceed successfully with our urban redevelopment program, than which I think nothing is more important, and if we are to make satisfactory progress on that urban redevelopment program then we should change the policy under which we buy tenements, raze them, and build new structures, not all of which are for residential purposes, and yet provide absolutely no housing whatsoever with which to provide shelter for the people who have been evicted from the tenements which have been destroyed.

I wish to make it very clear that when the final conference agreement was submitted, I declined to sign it. I would not give my name to a program which I think is completely inadequate, and which will not provide the kind of relief which is necessary. When I say relief, I mean the relief for the poor and the moderate-income classes. So I refused to approve that report.

I am not urging any of my colleagues to vote in any particular way on the report. The House has claimed that it will be either this bill or no bill whatsoever, which will be passed, and I do think passage of a housing bill is necessary before Congress adjourns. However, so far as I am concerned, I am very saddened by the destruction of the moderate public-housing program provided in the Senate bill. It would not have been fully adequate, even if the number which the Senate originally voted had been accepted, but this is now a completely inadequate program. It is not a balanced program. It favors the wealthy and the semiwealthy people, and does precious little for the poor.

My recollection of the genesis of the housing program is that it was intended to help those who needed the help the most, the really poor people.

We in New York City alone need more than the number of public housing units which has been provided in the bill. Just think of Chicago, Philadelphia, San Francisco, Los Angeles, and the smaller communities——

Mr. DOUGLAS. Do not forget Chicago.

Mr. LEHMAN. I do not think I omitted Chicago. If I did, I did not mean to, because the people in Chicago need housing just as much as the people of New York City do.

I think Congress has not fulfilled its duty. I am certainly going to continue the fight for an adequate number of public housing units and for an adequate and balanced housing program next year.

I wish to emphasize that I am not critical of my colleagues for supporting this compromise, because, as I have said before, I suppose it will be either this bill or nothing at all. The Senate conferees could not have budged the House conferees in their determination not to agree to the provisions of the Senate bill.

So far as I am concerned, I am glad that I did not sign the conference report. I refrained, because I do not think it takes adequate care of the needs of the people.

Still it was a kind of victory over the determined opposition of the administration and of those of the minority party opposed to any public housing at all. It was a small victory. Next year, I hope, will tell a different story.

Mr. BUSH. Mr. President, I am somewhat disappointed in the public housing aspects of the conference report, inasmuch as I very strongly supported the provision for 135,000 units which was adopted by the Senate.

I have known for some time, indeed, I knew before I came to the Senate, that the lack of low-rent housing was so serious, and the inability of private enterprise to deal with that situation, particularly in our industrial centers, was so plainly evident that the Government of the United States could not close its eyes to the pressing need until the largest part of the deficit was eliminated.

Having been an observer at the conference as an alternate, and knowing the very difficult situation which the conferees faced, I feel that the Senate conferees obtained the best that could be secured when they came to the Senate with a provision for 45,000 units.

The House, for some reason which I have never fully comprehended, has an adamant attitude with respect to this important matter. So I have no criticism of the Senate conferees; indeed, in view of the adamant attitude of the House, I believe the Senate conferees have done the best that could have been expected.

For that reason, and not because I like to settle for 45,000 units, but knowing we are not going to get any greater number than that—in fact, I am prone to express the hope that the House will approve the conference report and will not reject it—I expect to vote for the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

Mr. DOUGLAS. Mr. President, I have refrained from making any comment on the bill until after the conference report was agreed to, but in view of the fact that I was a member of the conference committee, I think I should make my position clear.

In my opinion, the public housing provisions of the bill are grossly inadequate. The truth of the matter is that, as the Senator from Minnesota [Mr. HUMPHREY] has stated, our larger cities are rotting away from the centers, the regions fanning out from the centers of our cities have become slums, and this cancer is eating into the bodies of our cities as a whole. There are still millions of people who live in these slum areas, with the result that a multitude of children and families are not growing up under the circumstances in which we

desire our American boys and girls to develop. Slums breed bad health and a high death rate.

They breed juvenile delinquency and a high crime rate. They are destructive of the happier features of family life, and I think they constitute 1 of 2 major blots upon American society—our treatment of the Negro being the other.

In the Housing Act of 1949, we authorized the construction of 810,000 housing units, to be distributed over a period of 6 years, or at an average rate of 135,000 units a year. Those 6 years expired this spring; but, instead of constructing 810,000 units, during the intervening years we have constructed only approximately 250,000 units. Therefore, in order to complete the program of 1949, we need to construct 560,000 units more. That was the purpose of the Senate bill, namely, to build 135,000 units a year, for 4 years and, in addition, to take care of the needs of the aged, and particularly the single men and women over age 65, who at present, because they are not married, cannot be admitted to public-housing projects.

As the Senator from New York stated, I think that was a minimum program. It would merely have carried out in 10 years what it was the intent of Congress in 1949 to have carried out in 6 years. The Senate members of the conference committed insofar as the majority were concerned, struggled in conference to get the House conferees to agree to that measure. We were unsuccessful.

Then we proposed 75,000 units a year, for 2 years, plus 10,000 units for the aged. We were unsuccessful in that effort.

We then proposed 50,000 units a year, for 2 years, plus 10,000 units for the aged. We were unsuccessful in that effort.

Next, we proposed 50,000 units for 1 year, but without any provision for the aged. We were unsuccessful in that effort.

I do not wish to question in the slightest degree the patriotism or the good intentions of the House conferees, and I wish to say that it was a personal pleasure to associate with them in working on this matter. They were courteous, generous, and friendly in manner.

However, it is true that the real-estate interests of the country have for the last 6 years carried on powerful propaganda to prevent the Housing Act of 1949 from going into effect. They have tried to stymie it by shutting off national appropriations, and by imposing impossible restrictions. They have also gone into the cities, to prevent the localities from taking advantage of the public-housing features. They have had a very large share in the determination of public policy, and their activities at the present time are very powerful. Therefore, we had against us the propaganda which the real-estate lobby had spread over a period of years. That is their right, as American citizens; and if they believe this method is wrong, I have no criticism of their opposition to public housing.

However, it seems extraordinary, to me, that the same group of persons are great advocates of FHA. As a matter of fact, if we consider both FHA and the Veterans' Administration, we find that approximately one-half of all housing units now being constructed are erected under governmental guaranties, on the basis of either very small downpayments or, in some cases, with no downpayments.

I favored that program, which is what is building up the suburbs in the outer residential sections of some of our smaller cities.

However, Mr. President, it is extraordinary, to me, that the persons who not only expect, but demand, governmental aid for FHA—and in this measure we provide more of it for them—are so bitterly opposed to the slightest amount of Government aid for public housing. This is a great and glaring inconsistency. In addition, I find it difficult to understand how, in good conscience, they can support FHA, which is housing for upper middle income groups who need Government aid least of all, and oppose public housing for the poor and lower income groups who need housing and Government aid most of all.

It is also true that, in the main, we faced the opposition of the administration. The administration favored 35,000 units a year; but it was made clear to us—at least it was by the spokesmen who represented the administration—that they did not want any units in addition to the 35,000; and in addition the very distinguished and able leader of the minority group in the Banking and Currency Committee read a memorandum, which he said came from the White House—which, however, I believe, was not signed—which stated that the President was opposed to removing the restrictions on the housing bill, which for many months during the last year stymied all granting of contracts.

So we not only had these powerful forces generated in the country, but we also had the tacit pressure of the Administration working against a liberal housing bill.

Under the circumstances, I think we did well to get 45,000 units a year—which is 10,000 more than we could have obtained if the Administration's program had been carried out.

Moreover, I wish to make clear that the restrictions imposed in the Housing Act of 1954, which virtually prevented the erection of public housing and which the administration approved, have been removed.

So I hope and believe that the 45,000 authorized units may be translated into 45,000 units for which actual contracts will be let.

I think the chairman of our committee, the distinguished Senator from Arkansas [Mr. FULBRIGHT], did a fine job in steering the bill through the committee. Like the Senator from New York, I am bitterly disappointed in the conference report, but I think it was the best we could get under the circumstances. I remember, however, a statement that old Andy Furuseth, the seamen's leader, who defended the interests of the seamen through the years when they had no friends and no organization—always used to place at the masthead of his paper, namely, "Tomorrow is Also a Day."

Mr. President, tomorrow is also a day in the battle for decent housing. We can and will carry this issue to the people, next year, in the deliberations in Congress; and later, on the hustings and on the stump. We will try to make a decent housing program one of the "musts" for a forward looking America. Since our cause is just, I have every confidence that in the long run it will prevail.

RESIGNATION OF HAROLD E. TALBOTT AS SECRETARY OF THE AIR FORCE

Mr. KNOWLAND. Mr. President, I have two letters which I should like to read for the information of the Senate. The first is from the Honorable Harold E. Talbott, Secretary of the Air Force, to the President.

DEAR MR. PRESIDENT: Because I would not in any circumstances wish to be a source of embarrassment to you, or to your splendid administration, I herewith tender you my resignation as Secretary of the Air Force, to take effect at your pleasure.

I consider that the position I have held in your administration has been one of great honor. My service to you, to our country, and to our Air Force, has given me more satisfaction than anything in my life.

When I came to Washington in January 1953, I disposed of my private interests in a manner which I was assured was completely acceptable to the Senate. I divested myself of investments which represented a long career in business. I did this gladly, as many other men have done, for it was an inspiration to me to be found worthy of assuming the office I have held.

The recent unfortunate and, I believe, distorted publicity given to my continued association with a management-engineering firm has been a matter of deep concern to me. Before the Senate confirmed me, it agreed to my retention of this interest. I am clear in my mind and conscience that my actions have been within the bounds of ethics. This connection has never influenced me, or interfered in the slightest with the discharge of my responsibilities as Secretary of the Air Force, and I have never used that office to further its business. I have done my utmost to observe the high standards you have set for your official family. For the past 2½ years I have devoted my untiring efforts and energies to the task of building up the greatest air force in the world. I hope and believe that my efforts have met with some measure of success.

It has been my privilege to serve under the greatest President of my lifetime. Permit me to express my deep admiration for you personally, and my thanks for all the kindness and consideration you have shown me throughout the time I have held office.

Sincerely,

H. E. TALBOTT.

The President's reply is as follows:

DEAR HAROLD: The Secretary of Defense brought to me, this morning, your letter of resignation.

I know full well and appreciate deeply the tireless energy and effort you have given to the Air Force. Under your leadership, it has become ever stronger in the defense of our Nation. Your diligence in the administration of your Department has been unexcelled. On behalf of our people and their Government, I commend you for your fine accomplishments as Secretary.

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As a result of public inquiry into your personal business activities, I realize that you have been subjecting yourself and your position to a most severe and searching scrutiny. I, like all others who know you, have been sure that your ultimate decision would ignore any personal desire or inclination and would demonstrate your devotion to the Air Force and your concern for the security of our country.

Your decision to resign, of course, has been a difficult one for you because there has been no intimation that your official duties have not been effectively and loyally performed. Nevertheless, I feel that, under the circumstances, your decision was the right one, and I accept your resignation.

I am informed by the Secretary of Defense that your Department is currently engaged in a number of critical programing activities in which your personal knowledge is of particular importance. He is convinced that in the interest of orderly turnover and for the welfare of the Air Force, these activities should, if possible, continue for about 2 weeks more under your direction. I agree with him. Therefore, I hope you will find it feasible to remain at your post through the week ending August 13.

As you return to civil life, my warm wishes for success go with you and your family. The contributions you have made to the strength and security of our country will remain in your memory, I hope, as a source of great personal satisfaction.

Sincerely,

DWIGHT D. EISENHOWER.

AMENDMENT OF THE CIVIL SERVICE RETIREMENT ACT OF 1930, AS AMENDED

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business, Senate bill 2402.

The Senate resumed the consideration of the bill (S. 2402) to amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Committee on Post Office and Civil Service.

AMENDMENT OF DOMESTIC MINERALS PROGRAM EXTENSION ACT—CONFERENCE REPORT

Mr. MURRAY. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6373) to amend the Domestic Minerals Program Extension Act of 1953 in order to extend the programs to encourage the discovery, development, and production of certain domestic minerals. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). The report will be read for the information of the Senate.

The legislative clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6373) to amend the Domestic Minerals Program Extension Act of 1953 in order to extend the programs to encourage the discovery, development, and production of certain domestic minerals, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments and agree to the same.

JAMES E. MURRAY,
W. KERR SCOTT,
By JAMES E. MURRAY.
JOSEPH C. O'MAHONEY,
GEORGE W. MALONE,
Managers on the Part of the Senate.

CLAIR ENGLE,
WAYNE N. ASPINALL,
WALTER ROGERS,
JOHN P. SAYLOR,
CLIFTON YOUNG,
Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the request for the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

The PRESIDING OFFICER. The question is on agreeing to the report.

Mr. HUMPHREY. Mr. President, I should like to ask the distinguished chairman of the Committee on Interior and Insular Affairs several questions regarding the report.

Mr. MURRAY. Mr. President, after the report is agreed to, I intend to bring up the matter to which I think the Senator from Minnesota has reference, and to state that we shall take it up at the next session of Congress, and that we feel that it is a very worthy proposal.

Mr. HUMPHREY. Then I shall withhold any comment or questioning until the Senator from Montana has had an opportunity to make his statement.

Mr. MURRAY. Mr. President, I move the adoption of the report.

The report was agreed to.

Mr. MURRAY. Mr. President, I should like to say that it is the intention of the committee at the beginning of the next session to take up the proposals made in the amendment of the Senator from Minnesota [Mr. HUMPHREY], and also in the amendment of the Senator from Idaho [Mr. DWORSHAK]. We feel that they are both very worthy proposals, and we intend to take them under consideration actively at the beginning of the next session.

Mr. HUMPHREY. Mr. President, will the Senator yield to me?

Mr. MURRAY. I yield.

Mr. HUMPHREY. I wish to express my thanks to the Senator from Montana for the statement he has just made. I know that the Senator from Montana realizes that I was very much disturbed by the action of the conference committee in deleting from the bill as passed by the Senate the two amendments which the junior Senator from Minnesota offered to that bill, and which were agreed to by the Senate.

Those two amendments were germane. One of them would have established an additional depot for the stockpiling of manganese up in the Cuyuna Range in the northern part of the State of Minnesota. In that area there happen to be rather extensive deposits of manganese ores which would be available for processing, and would add significantly to our stockpile.

The second amendment was one which related to directing the Secretary of the Interior to establish a mining and metallurgical research center in the State of Minnesota. I was particularly concerned about this amendment, as the conferees know. I wish to say again for the record that the plant and its facilities are already available at Fort Snelling, Minn., for this experiment station. The only thing that keeps the experiment station from operating is a directive from the Secretary of the Interior.

I say most respectfully that there are great quantities of known deposits of valuable minerals in the northern part of the State of Minnesota, including cobalt, manganese, nickel, and other metals. To have a situation in which the entire North Central States area has no mining or metallurgical research center is incredible.

The proposal of the junior Senator from Minnesota in this amendment was not new. It was not as though it were pulled out of thin air. It has been approved by the Bureau of the Budget on two occasions, and I placed in the CONGRESSIONAL RECORD a memorandum from the Bureau of Mines supporting the very proposal which was made an amendment to this bill.

I know that the conferees realize this. I have a sense of letdown because we did not get this project. I consider the action taken a false economy and a delay in what needs to be done.

I wish to thank the chairman of the committee and the committee members on both sides of the aisle for their friendly consideration. I understand what happened in conference. If I am not mistaken, it was frankly stated in the conference that if any more amendments were added to the bill it would be subject to at least a recommendation from the Department of the Interior for a veto. I would not wish to burden the legislative proposal which came from the Senate. I think what came from the Senate, despite all the talk in this body, was important and necessary.

Needless to say, the conferees had to take into consideration all the factors. I hope that next year we can get the project underway, and that the proposals of the Senator from Idaho and the junior Senator from Minnesota will be acted upon favorably.

Mr. JOHNSTON of South Carolina obtained the floor.

Mr. GOLDWATER. I suggest the absence of a quorum.

The PRESIDING OFFICER. Does the Senator from South Carolina yield for that purpose?

Mr. JOHNSTON of South Carolina. Mr. President, I merely wish to submit a conference report.

Mr. GOLDWATER. Mr. President, this is a matter of such importance that I feel a quorum should be established.

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the acting minority leader for the purpose of suggesting the absence of a quorum?

Mr. JOHNSTON of South Carolina. I yield for that purpose.

Mr. GOLDWATER. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GOLDWATER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. (Mr. McNAMARA in the chair). Without objection, it is so ordered.

CREDITING FOR RETIREMENT PURPOSES OF CERTAIN SERVICE FOR STATES OR INSTRUMENTALITIES THEREOF

Mr. JOHNSTON of South Carolina. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1041) to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide for the inclusion in the computation of accredited service of certain periods of service rendered States or instrumentalities of States, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1041) entitled "An act to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide for the inclusion in the computation of accredited service of certain periods of service rendered States or instrumentalities of States, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House numbered 1 and 2, and agree to the same.

OLIN D. JOHNSTON,
MATTHEW M. NEELY,
FRANK CARLSON,
Managers on the Part of the Senate.

TOM MURRAY,
JAMES C. DAVIS,
EDWARD H. REES,
Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

SETTLEMENT OF CLAIMS FOR DAMAGES ARISING FROM TEXAS CITY DISASTER—CONFERENCE REPORT

Mr. JOHNSTON of South Carolina. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1077) to provide for settlement of claims for damages resulting from the disaster which occurred at Texas City, Tex., on April 16 and 17, 1947. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

(The conference report will appear in the House proceedings tomorrow.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

ELECTION OF DELEGATES REPRESENTING THE DISTRICT OF COLUMBIA AT NATIONAL POLITICAL CONVENTIONS—CONFERENCE REPORT

Mr. MORSE. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 191) to regulate the election of delegates representing the District of Columbia to national political conventions, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(The conference report will appear in the House proceedings tomorrow.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. KNOWLAND. Mr. President, is this the conference report about which we had a discussion earlier?

Mr. MORSE. That is correct. It is on proposed legislation providing for the election in the District of Columbia of delegates to conventions.

In addition to the agreement by the conferees on this bill, I should like to make the following clarifying statement in regard to clause 4, section 1:

There was a great deal of discussion by the conferees as to whether or not a vote should be permitted for a full slate of candidates. It is not the intention that this clause should in anywise be construed to permit voting for a full slate. As a matter of fact, the original proposal for full-slate voting was rejected by the committee.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

PROPOSED LEGISLATION — UNANIMOUS CONSENT TO SUBMIT COMMITTEE REPORT

Mr. LONG. Mr. President, I ask unanimous consent, out of order, to submit a report from the Committee on Finance on the bill (S. 1635) to amend and extend the Sugar Act of 1948, as amended, and for other purposes.

Mr. DOUGLAS. Mr. President, may I ask the Senator from Louisiana what the report pertains to?

Mr. LONG. It is the committee report on the sugar bill.

Mr. DOUGLAS. Does it carry with it the introduction of the bill itself?

Mr. LONG. This does not relate to the introduction of the bill. The bill has been ordered reported by the committee.

Mr. DOUGLAS. Is it the so-called Ellender bill?

Mr. LONG. That is correct.

Mr. DOUGLAS. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator from Illinois will state it.

Mr. DOUGLAS. Is the Senate now transacting morning business?

The PRESIDING OFFICER. The Senate is not now in the morning hour.

Mr. DOUGLAS. Can the proposed action be taken outside the morning hour, except by unanimous consent?

The PRESIDING OFFICER. It cannot, except by unanimous consent. Is there objection?

Mr. DOUGLAS. I object.

The PRESIDING OFFICER. Objection is heard.

INCREASED ANNUITIES FOR ANNUITANTS UNDER THE FOREIGN SERVICE RETIREMENT AND DISABILITY SYSTEM

Mr. SPARKMAN. Mr. President, there is at the desk a message from the House of Representatives on the bill (S. 1287) to make certain increases in the annuities of annuitants under the Foreign Service retirement and disability system. I ask that the amendment of the House be laid before the Senate.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1287) to make certain increases in the annuities of annuitants under the Foreign Service retirement and disability system, which was, to strike out all after the enacting clause, and insert:

That the annuity of an annuitant under the Foreign Service retirement and disability system pursuant to the act of May 24, 1924 (43 Stat. 140), as amended, or the Foreign Service Act of 1946 (60 Stat. 999), as amended, shall be increased the first day of the second month following enactment of this act in accordance with the following rules:

If the annuitant was formerly a participant in the system, the annuity to which he is entitled shall be increased $324, provided he retired before July 1, 1949.

SEC. 2. In the case of an officer who elected a reduced annuity at time of retirement and who availed himself of the restoration clause in section 821 (b) of the Foreign Service Act of 1946, as amended, such officer shall be entitled to receive the increase provided by section 1 of this act.

SEC. 3. If the annuitant receives an annuity as the survivor of a former participant in the system, the annuity shall be increased in the amount of $324.

SEC. 4. If a wife of a Foreign Service officer who retired prior to July 1, 1949, becomes an annuitant subsequent to the effective date of this act, as a result of the election made by the officer at time of retirement, such widow shall be entitled to the same increase as though she was an annuitant on the effective date of this act.

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SEC. 5. In any case where a widow survivor annuitant of a Foreign Service officer who retired before July 1, 1949, is receiving an annuity of less than $1,200 the Secretary of State is authorized and directed to make grants or loans to supplement such annuity by whatever sum is necessary to increase the annuity to a maximum of $1,200 for such period, and on such terms as he shall prescribe, out of such funds as may be appropriated for the purpose if he finds that such widow (whether remarried or not) is in actual need and without other adequate means of support.

SEC. 6. In any case where a participant under the Foreign Service retirement and disability system died before August 29, 1954, leaving a widow who is not entitled to receive an annuity under the system, the Secretary of State is authorized and directed to make grants or loans not exceeding $100 per month to such widow, for such period and on such terms as he shall prescribe, out of such funds as may be appropriated for the purpose, if he finds that such widow (whether remarried or not) is in actual need and without other adequate means of support.

SEC. 7. In no case shall an annuity increased under this act exceed the maximum annuity payable under section 821 (a) or (b) of the Foreign Service Act of 1946, as amended.

SEC. 8. No annuity currently payable to any annuitant under the Foreign Service retirement and disability system shall be reduced as a result of the provisions of this act.

Mr. SPARKMAN. I move that the Senate concur in the amendment of the House.

Mr. KNOWLAND. Mr. President, may we have an explanation?

Mr. SPARKMAN. The bill came from the Committee on Foreign Relations. It relates to benefits for a small number of retired Foreign Service officers. The Senate passed the bill some time ago. It went to the House, and the House made two rather minor changes which do not adversely affect the bill. I believe it is much better to agree to the amendment than to take the time for a conference.

Mr. KNOWLAND. May we know what the amendments are? This matter has not been cleared with the leadership on either side.

Mr. SPARKMAN. There are two amendments. The first fixes a flat increase of $314 in a limited number of annuities, in connection with which the Senate followed a graduated scale of increases, depending on the date of retirement. The second amendment authorizes the Secretary of State to make loans to widows of retired Foreign Service officers who are in straitened circumstances.

The PRESIDING OFFICER. The question is on the motion of the Senator from Alabama.

Mr. CLEMENTS. Mr. President, I certainly do not wish to object, but during the closing days of the session, we could have a more orderly procedure and save a great deal of time if Members who are sponsoring legislation or who are responsible for legislation which has been acted upon by both Houses would clear the matter with the majority leader and give the majority leader an opportunity to consult with all parties in interest.

Mr. SPARKMAN. Mr. President, I appreciate the statement of the acting majority leader. Had I known that it had not been cleared with both the acting majority leader and minority leader, I would not have called it up. I have been in conference all day long. This memorandum was handed to me, and I assumed, as has been the case with other measures which have been called up, that clearance had been had. I am glad to withdraw my request.

Mr. KNOWLAND. Mr. President, I ask that it go over temporarily.

The PRESIDING OFFICER. Without objection, the House amendment and the motion will be temporarily laid aside.

AMENDMENT OF THE ACT OF MAY 26, 1949, TO STRENGTHEN AND IMPROVE THE ORGANIZATION OF THE DEPARTMENT OF STATE

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 2237) to amend the act of May 26, 1949, to strengthen and improve the organization of the Department of State, and for other purposes, which was to strike out all after the enacting clause and insert:

That section 1 of the act of May 26, 1949 (63 Stat. 111; 5 U. S. C. 151 (a)), is hereby amended to read as follows:

"There shall be in the Department of State in addition to the Secretary of State an Under Secretary of State, three Deputy Under Secretaries of State, and 10 Assistant Secretaries of State."

SEC. 2. Section 2 of said act is hereby amended to read as follows:

"The Secretary of State and the officers referred to in section 1 of this act, as amended, shall be appointed by the President, by and with the advice and consent of the Senate. The counselor of the Department of State and the legal adviser who are required to be appointed by the President, by and with the advice and consent of the Senate, shall rank equally with and shall receive the same salary as the Assistant Secretaries of State. Any such officer holding office at the time the provisions of this act, as amended, become effective shall not be required to be reappointed by reason of the enactment of this act, as amended. Unless otherwise provided for by law, the rate of basic compensation of the Deputy Under Secretaries of State shall be the same as that of Assistant Secretaries of State."

SEC. 3. The President may initially fill two of the Deputy Under Secretary positions established in section 1 of this act by appointing, without further advice and consent of the Senate, the two Deputy Under Secretaries of State who, on the date of the enactment of this act, held that designation pursuant to authority contained in section 2 of the act of May 26, 1949 (63 Stat. 111).

SEC. 4. Section 412 of the Foreign Service Act of 1946 (60 Stat. 999), as amended (hereinafter referred to as "such act"), is amended by striking the first sentence of said section and by inserting in lieu thereof the following: "There shall be eight classes of Foreign Service officers, including the classes of career ambassador and of career minister. The per annum salary of a career ambassador shall be the same as that for an Assistant Secretary of State."

SEC. 5. Section 501 (a) of such act is amended by adding the phrase "career ambassadors and" immediately following the word "including."

SEC. 6. Section 502 (a) of such act is amended by inserting the phrase "class of career ambassador and" immediately following the phrase "qualified for appointment to the", and by adding the following sentence at the end of said subsection: "No person shall be appointed into the class of career ambassador who has not (1) served for at least 15 years in a position of responsibility in a Government agency, or agencies, including at least 3 years as a career minister; (2) rendered exceptionally distinguished service to the Government; and (3) met such other requirements as the Secretary shall prescribe."

SEC. 7. Section 518 of such act is amended by inserting the words "career ambassador or" immediately following the phrase "to the class of."

SEC. 8. Section 631 of such act is amended by inserting the words "a career ambassador or" immediately after the words "who is."

SEC. 9. Section 632 of such act is amended by inserting the words "a career ambassador or" immediately following the words "who is not."

SEC. 10. (a) Section 811 (a) of such act is amended by striking out "811. (a)" and inserting "811." in lieu thereof and by striking out the phrase "of all participants" and inserting in lieu thereof the words "received by such participant."

(b) Section 811 (b) of such act is hereby repealed.

SEC. 11. Section 821 (a) of such act is amended by striking the phrase ", not exceeding $13,500 per annum," and "5 years next preceding the date of his retirement" and inserting the phrase "highest 5 consecutive years of service, for which full contributions have been made to the fund," immediately preceding the phrase "multiplied by."

Attest:

Clerk.

Mr. MANSFIELD. Mr. President, the bill would eliminate reference to salary raises for top-level State Department officers, create the class of career ambassador with salary equivalent to that of an Assistant Secretary, and make minor changes relative to the base rate for figuring annuities.

I move that the Senate concur in the House amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to.

DEFENSE PRODUCTION ACT AMENDMENTS OF 1955—CONFERENCE REPORT

Mr. SPARKMAN. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2391) to amend the Defense Production Act of 1950, as amended, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2391) to amend the Defense Production Act of 1950, as amended, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and

agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following: That this Act may be cited as the "Defense Production Act Amendments of 1955".

SEC. 2. Section 2 of the Defense Production Act of 1950, as amended, is amended to read as follows:

"DECLARATION OF POLICY

"SEC. 2. In view of the present international situation and in order to provide for the national defense and national security, our mobilization effort continues to require some diversion of certain materials and facilities from civilian use to military and related purposes. It also requires the development of preparedness programs and the expansion of productive capacity and supply beyond the levels needed to meet the civilian demand, in order to reduce the time required for full mobilization in the event of an attack on the United States."

SEC. 3. Section 303 of the Defense Production Act of 1950, as amended, is amended by adding at the end thereof a new subsection as follows:

"(g) When in his judgment it will aid the national defense, and upon a certification by the Secretary of Agriculture or the Secretary of the Interior that a particular strategic and critical material is likely to be in short supply in time of war or other national emergency, the President may make provision for the development of substitutes for such strategic and critical materials."

SEC. 4. Subsection (c) of section 701 of the Defense Production Act of 1950, as amended, is amended to read as follows:

"(c) Whenever the President invokes the powers given him in this Act to allocate any material in the civilian market, he shall do so in such a manner as to make available, so far as practicable, for business and various segments thereof in the normal channel of distribution of such material, a fair share of the available civilian supply based, so far as practicable, on the share received by such business under normal conditions during a representative period preceding any future allocation of materials: *Provided*, That the President shall, in the allocation of materials in the civilian market, give due consideration to the needs of new concerns and newly acquired operations, undue hardships of individual businesses, and the needs of smaller concerns in an industry."

SEC. 5. Section 701 of the Defense Production Act of 1950, as amended, is amended by adding after subsection (c) a new subsection as follows:

"(d) In order to further the objectives and purposes of this section, the Office of Defense Mobilization is directed to investigate the distribution of defense contracts with particular reference to the share of such contracts which has gone and is now going to small business, either directly or by subcontract; to review the policies, procedures, and administrative arrangements now being followed in order to increase participation by small business in the mobilization program; to explore all practical ways, whether by amendments to laws, policies, regulations, or administrative arrangements, or otherwise, to increase the share of defense procurement going to small business; to get from the departments and agencies engaged in procurement, and from other appropriate agencies including the Small Business Administration, their views and recommendations on ways to increase the share of procurement going to small business; and to make a report to the President and the Congress, not later than six months after the enactment of the Defense Production Act Amendments of 1955, which report shall contain the following: (i) a full statement of the steps taken by the Office of Defense Mobilization in making investigations required by this subsection; (ii) the findings of the Office of Defense Mobilization with respect to the share of procurement which has gone and is now going to small business; (iii) a full and complete statement of the actions taken by the Office of Defense Mobilization and other agencies to increase such small-business share; (iv) a full and complete statement of the recommendations made by the procurement agencies and other agencies consulted by the Office of Defense Mobilization; and (v) specific recommendations by the Office of Defense Mobilization for further action to increase the share of procurement going to small business."

SEC. 6. Section 708 of the Defense Production Act of 1950, as amended, is amended—

(1) by inserting before the period at the end of the first sentence of subsection (b) a colon and the following: *"Provided, however*, That after the enactment of the Defense Production Act Amendments of 1955, the exemption from the prohibitions of the antitrust laws and the Federal Trade Commission Act of the United States shall apply only (1) to acts and omissions to act requested by the President or his duly authorized delegate pursuant to duly approved voluntary agreements or programs relating solely to the exchange between actual or prospective contractors of technical or other information, production techniques, and patents or patent rights, relating to equipment used primarily by or for the military which is being procured by the Department of Defense or any department thereof, and the exchange of materials, equipment, and personnel to be used in the production of such equipment; and (2) to acts and omissions to act requested by the President or his duly authorized delegate pursuant to voluntary agreements or programs which were duly approved under this section before the enactment of the Defense Production Act Amendments of 1955. The Attorney General shall review each of the voluntary agreements and programs covered by this section, and the activities being carried on thereunder, and, if he finds, after such review and after consultation with the Director of the Office of Defense Mobilization and other interested agencies, that the adverse effects of any such agreement or program on the competitive free enterprise system outweigh the benefits of the agreement or program to the national defense, he shall withdraw his approval in accordance with subsection (d) of this section. This review and determination shall be made within ninety days after the enactment of the Defense Production Act Amendments of 1955.";

(2) by inserting in subsection (d) thereof after the word "hereunder" the following: ", or upon withdrawal by the Attorney General of his approval of the voluntary agreement or program on which the request or finding is based,";

(3) by inserting after the first sentence of subsection (e) thereof the following new sentence: "Such surveys, and the reports hereafter required, shall include studies of the voluntary agreements and programs authorized by this section.";

(4) by striking out from the last sentence of subsection (e) thereof the words "at such times thereafter as he deems desirable" and inserting in lieu thereof the words "at least once every three months".

SEC. 7. Section 710 (b) of the Defense Production Act of 1950, as amended, is amended to read as follows:

"(b) (1) The President is further authorized, to the extent he deems it necessary and appropriate in order to carry out the provisions of this Act, and subject to such regulations as he may issue, to employ persons of outstanding experience and ability without compensation;

"(2) The President shall be guided in the exercise of the authority provided in this subsection by the following policies:

"(i) So far as possible, operations under the Act shall be carried on by full-time, salaried employees of the Government, and appointments under this authority shall be to advisory or consultative positions only.

"(ii) Appointments to positions other than advisory or consultative may be made under this authority only when the requirements of the position are such that the incumbent must personally possess outstanding experience and ability not obtainable on a full-time, salaried basis.

"(iii) In the appointment of personnel and in assignment of their duties, the head of the department or agency involved shall take steps to avoid, to as great an extent as possible, any conflict between the governmental duties and the private interests of such personnel.

"(3) Each person appointed under the authority of this subsection shall file under oath with the head of the employing agency at the time of employment a full and complete statement of the amount and sources of all income and gifts in excess of $100 received by him during the preceding year and a full and complete statement of all assets held by him or by him and his spouse jointly; and the amount of each liability owed by him or by him and his spouse jointly; and every 3 months thereafter while serving under this subsection a full and complete statement with respect to the preceding 3 months of the amount and sources of all income and gifts in excess of $100 received by him and all changes in the assets held by him or by him and his spouse jointly, including all dealings in securities or commodities by him or by any person acting on his behalf or under his direction. All such statements shall be filed with the Joint Committee on Defense Production.

"(4) Appointees under this subsection (b) shall, when policy matters are involved, be limited to advising appropriate full-time salaried Government officials who are responsible for making policy decisions.

"(5) Any person employed under this subsection (b) is hereby exempted, with respect to such employment, from the operation of sections 281, 283, 284, 434, and 1914 of title 18, United States Code, and section 190 of the Revised Statutes (5 U. S. C. 99), except that—

"(i) exemption hereunder shall not extend to the negotiation or execution, by such appointee, of Government contracts with the private employer of such appointee or with any corporation, joint stock company, association, firm, partnership, or other entity in the pecuniary profits or contracts of which the appointee has any direct or indirect interest;

"(ii) exemption hereunder shall not extend to making any recommendation or taking any action with respect to individual applications to the Government for relief or assistance, on appeal or otherwise, made by the private employer of the appointee or by any corporation, joint stock company, association, firm, partnership, or other entity in the pecuniary profits or contracts of which the appointee has any direct or indirect interest;

"(iii) exemption hereunder shall not extend to the prosecution by the appointee, or participation by the appointee in any fashion in the prosecution, of any claims against the Government involving any matter concerning which the appointee had any responsibility during his employment under this subsection, during the period of such employment and the further period of two years after the termination of such employment; and

"(iv) exemption hereunder shall not extend to the receipt or payment of salary in

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connection with the appointee's Government service hereunder from any source other than the private employer of the appointee at the time of his appointment hereunder.

"(6) Appointments under this subsection (b) shall be supported by written certification by the head of the employing department or agency—

"(i) that the appointment is necessary and appropriate in order to carry out the provisions of the Act;

"(ii) that the duties of the position to which the appointment is being made require outstanding experience and ability;

"(iii) that the appointee has the outstanding experience and ability required by the position; and

"(iv) that the department or agency head has been unable to obtain a person with the qualifications necessary for the position on a full-time, salaried basis.

"(7) The heads of the departments or agencies making appointments under this subsection (b) shall file with the Division of the Federal Register for publication in the Federal Register a statement including the name of the appointee, the employing department or agency, the title of his position, and the name of his private employer, and the appointee shall file with such Division for publication in the Federal Register a statement listing the names of any corporations of which he is an officer or director or within 60 days preceding his appointment has been an officer or director, or in which he owns, or within 60 days preceding his appointment has owned, any stocks, bonds, or other financial interests, and the names of any partnerships in which he is, or was within 60 days preceding his appointment, a partner, and the names of any other businesses in which he owns, or within such 60-day period has owned, any similar interest. At the end of each succeeding six-month period, the appointee shall file with such Division for publication in the Federal Register a statement showing any changes in such interests during such period.

"(8) At least once every three months the Chairman of the United States Civil Service Commission shall survey appointments made under this subsection and shall report his findings to the President and the Joint Committee on Defense Production and make such recommendations as he may deem proper.

"(9) Persons appointed under the authority of this subsection may be allowed transportation and not to exceed $15 per diem in lieu of subsistence while away from their homes or regular places of business pursuant to such appointment."

SEC. 8. Section 710 of the Defense Production Act of 1950, as amended, is further amended by redesignating subsections "(e)" and "(f)" as subsections "(f)" and "(g)", respectively, and by inserting after subsection "(d)" a new subsection as follows:

"(e) The President is further authorized to provide for the establishment and training of a nucleus executive reserve for employment in executive positions in Government during periods of emergency. Members of this executive reserve who are not full-time Government employees may be allowed transportation and not to exceed $15 per diem in lieu of subsistence while away from their homes or regular places of business for the purpose of participating in the executive reserve training program. The President is authorized to provide by regulation for the exemption of such persons who are not full-time Government employees from the operation of sections 281, 283, 284, 434, and 1914 of title 18 of the United States Code and section 190 of the Revised Statutes (5 U. S. C. 99)."

SEC. 9. Section 712 of the Defense Production Act of 1950, as amended, is amended—

(1) by striking out "25" from the second sentence of subsection (c) thereof and inserting in lieu thereof "40"; and

(2) by striking out "$50,000" in the first sentence of subsection (e) thereof and inserting in lieu thereof "$65,000".

SEC. 10. Section 717 of the Defense Production Act of 1950, as amended, is amended by striking out "July 31, 1955" from the first sentence of subsection (a) thereof and inserting in lieu thereof "June 30, 1956".

SEC. 11. The provisions of this Act shall take effect as of the close of July 31, 1955.

And the House agree to the same.

JOHN SPARKMAN,
PAUL H. DOUGLAS,
WAYNE MORSE,
Managers on the Part of the Senate.

BRENT SPENCE,
PAUL BROWN,
WRIGHT PATMAN,
ALBERT RAINS,
JESSE P. WOLCOTT,
RALPH A. GAMBLE,
HENRY O. TALLE,
Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. SPARKMAN. Mr. President, I suppose the Senator from California is about to make the same objection he made previously. The Senator from Indiana [Mr. CAPEHART] and the Senator from New York [Mr. IVES] are temporarily out of the Chamber, and I assured them that when the matter came up I would suggest the absence of a quorum. Therefore, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPARKMAN. Mr. President, the conferees met and agreed on the conference report. The principal point involved was with reference to men who are brought into the Government service without compensation, the so-called w. o. c. men.

The principal point of difference between the conferees related to the reporting requirement pertaining to the w. o. c. The major part of the amendment of the House relating to the w. o. c. was followed; but with reference to the reporting, it was the feeling of the Senate conferees that the language of the House provision went too far. Therefore, the Senate conferees proposed amended language which I should like to read to the Senate. If any Senator wishes to have a copy for himself, I have several copies with me and shall be glad to supply one to any Senator who may desire it. I read:

W. O. C. REPORTING REQUIREMENT

(3) Each person appointed under the authority of this subsection shall file under oath with the head of the employing agency at the time of employment a full and complete statement of the amount and sources of all income and gifts in excess of $100 received by him during the preceding year and a full and complete statement of all assets held by him or by him and his spouse jointly; and the amount of each liability owed by him or by him and his spouse jointly; and every 3 months thereafter while serving under this subsection a full and complete statement with respect to the preceding 3 months of the amount and sources of all income and gifts in excess of $100 received by him and all changes in the assets held by him or by him and his spouse jointly, including all dealings in securities or commodities by him or by any person acting on his behalf or under his direction. All such statements shall be filed with the Joint Committee on Defense Production.

That is the language that constituted the principal point of argument between the managers on the part of the respective Houses.

There was one other change. The Senate had extended the act for a period of 2 years. The House had extended it for 1 year. The Senate receded from its position and accepted the House provision.

I believe those are the principal differences in which the Senate would be interested. Without further ado, I shall yield the floor, for the purpose of any comment which any other conferee may wish to make.

Mr. CAPEHART. Mr. President, I should like to have the pages distribute to each Senator a copy of the amendment on which I am about to speak. When Senators have received their copies, I should like to tell them how to amend the report, because it should be amended.

Mr. DOUGLAS. Mr. President, will the Senator yield for a parliamentary inquiry?

Mr. CAPEHART. I yield.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOUGLAS. May I ask whether it is possible to offer an amendment to a conference report? Must not the report be either accepted or rejected?

The PRESIDING OFFICER. The Chair will advise the Senator that the conference report cannot be amended.

Mr. DOUGLAS. It cannot?

The PRESIDING OFFICER. That is correct.

Mr. CAPEHART. As soon as the amendment has been distributed to each Senator, I want to state how the amendment ought to be changed. I want to be fair in my statement. There is a change in it, and I do not desire to have any misinterpretation.

The conferees on the defense production bill were in agreement on every matter with the exception of the one about which I shall speak. I never thought I would live to see the day when the United States Senate or House of Representatives would be considering the passage of such legislation, or such an amendment, as I am about to read:

(3) Each person appointed under the authority of this subsection shall file under oath with the head of the employing agency at the time of employment a full and complete statement of the amount and sources of all income and gifts in excess of $100 received by him during the preceding year and a full and complete statement of all assets held by him or by him and his spouse jointly and the amount of each liability owed by him or by him and his spouse jointly; and every 3 months thereafter while serving under this subsection a full and com-

plete statement with respect to the preceding 3 months of the amount and sources of all income and gifts in excess of $100 received by him and all changes in the assets held by him or by him and his spouse jointly, including all dealings in securities or commodities by him or by any person acting on his behalf or under his direction. All such statements shall be filed with the Joint Committee on Defense Production.

Can Senators find anything more ridiculous, more un-American, more suggestive of the police state, than picking out a few people in the United States who are willing to volunteer their services, to come to Washington, and to work for the Government, and then be required to file statements of their assets and liabilities, and of the gifts over $100 in value, they may have received during the preceding 12 months, and then require them to file such statements with the Joint Committee on Defense Production? The Joint Committee on Defense Production will not have the right to give the information to the press; the committee is going to sit on the information. In addition to that, the w. o. c.'s will be required to file such statements with the agency which intends to hire them. What are we thinking about?

One of the great virtues of the Eisenhower administration has been that not once has he pitted class against class. Not once have I heard the President condemn the rich or the poor. Not once have I heard him compare the colored with the noncolored. This has been a great relief to me, as I know it must have been to the American people as a whole.

Yet Congress is about to adopt an amendment to the Defense Production Act, agreed to by the conference, which will require that a man who has come to work for the Government for 3 months or 6 months shall first file with the employing agency, and then with the Joint Committee on Defense Production, a statement of not only his assets but also his liabilities. Furthermore, every 3 months he must file with the Joint Committee on Defense Production such a statement, and the committee is denied the right to publish it; it must hold the report in secret. What is the purpose of that?

I offered an amendment, which I pleaded with the conferees to accept, to have such statements filed and then published in the Federal Register, so that the world would know for whom the persons are working, the salaries they are receiving, the companies in which they own stock, or the partnerships in which they have interests.

But no. The conferees wanted to know everything about the lives of the w. o. c.; and they propose to have statements filed, which would be kept secret. They wanted to keep the information away from the press. Whom do they want to have see the information?

I should think the purpose of obtaining such information would be to throw light upon the w. o. c., so that everybody would know who their previous employers were, or in what companies they held stock.

But no. It is proposed, just as in a police state, to file the information and to say that it cannot be made public.

I am amazed—I am downright amazed—that men who are over 21 years of age and in their right minds should think of proposing such a thing.

If Members of Congress do not like businessmen, let them say so. I am a businessman and have been a businessman. At one time I was a hired hand on a farm. At one time I worked in a factory. For many years I was a salesman. At the time I came to the Senate I was a businessman.

If Senators who are promoting the amendments do not like businessmen, if they think businessmen are crooks or bums, why do they not simply eliminate entirely any opportunity for such men to work for the Government, or even to seeking employment with the Government.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. JOHNSTON of South Carolina. I am seeking information. Was this provision placed in the bill in the House or in conference?

Mr. CAPEHART. This was an amendment, if you please, by the conferees. It was adopted by neither the House nor the Senate; it was an amendment included by the conferees.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. SPARKMAN. It is true, is it not, that the House had a provision in the bill which went further than the Senate version, and that the present language really represents a compromise between the bill as passed by the Senate and the bill as passed by the House?

Mr. CAPEHART. There is no question the House had legislation on the subject in the bill, as did the Senate, but this particular amendment was worked out by the conferees. Why do we not be perfectly frank and honest? The first attribute a Senator should possess is frankness and honesty. If Senators do not like businessmen, if what they want working for the Government is men who have gone bankrupt, who are failures, and are without experience, then why do they not say so?

Mr. IVES. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. IVES. It occurs to me at this point in the debate that it might be well to read the subdivision or paragraph which was deleted and for which the paragraph which has just been quoted by the Senator from Indiana was substituted. I now read that language:

(3) Any person appointed under the authority of this subsection shall file, under oath, with the head of the employing agency at the time of employment a full and complete report of his outside connections, listing all personal and financial relationships which he has or had within 12 months prior to his appointment with any person, firm, corporation, or other entity, or any trade organization, labor union, or similar organization, and he shall file monthly thereafter, under oath, so long as his appointment shall be in effect, any changes in such outside connections.

If the Senator from Indiana will let me comment for a moment——

Mr. CAPEHART. I yield, provided I do not lose the floor.

Mr. IVES. It seems to me the substitute which was offered, and which was adopted by the conferees, is even worse than the provision in the House bill which I just read. Personally, it is so distasteful to me that I did not sign the conference report, and I intend to vote against the conference report. The language would, in effect, do exactly what the Senator from Indiana said it would do. It would keep out every last person qualified to do this kind of work for the Government. No man with any self-respect, with any independence, would want to come to Washington and work for the Government under those conditions.

Mr. SPARKMAN. Mr. President, will the Senator yield for a comment?

Mr. CAPEHART. I yield for a question.

Mr. SPARKMAN. The distinguished Senator from New York indicated, if he did not say outright, that the provision which the conferees reported was more strict than was the House language. Let me call his attention and the attention of other Senators to some of the House language.

Remember, under the language of the House, every single one of the persons employed had to give a full and complete report. Now listen to the things they had to report:

His outside connections, listing all personal and financial relationships which he has or had within 12 months prior to his appointment with any person, firm, or corporation.

I say that any person who will take the two provisions, and compare them side by side, will see that we did modify and moderate the House provision.

Mr. CAPEHART. I was against the language in the House bill, and I am equally against the language of the conference report, because the language in both provisions is wrong.

Mr. IVES. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. IVES. I should like to observe, in that connection, that two wrongs do not make a right. I was also opposed to the language in the House bill.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. IVES. I yield.

Mr. AIKEN. I should like to say that the requirement that a person make a complete statement of all the assets held by him, or by him and his spouse jointly, would compel him to report the fact that he sold his car and bought another one. I have never seen such a disgraceful requirement as this proposal made by our friends across the aisle. It is simply an attempt to hamstring the present administration to the greatest extent possible. If a person bought a dog, he would have to report that fact, under this provision. That would be a change of assets. If he bought a barn, he would have to report it. What self-respecting person would take a position with the Government, no matter how badly he was needed, if he had to report all changes in assets held by him, or by him and his spouse jointly?

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I say that because, even though I have never thought too much of dollar-a-year men, and I think they should be watched closely, when anything so vicious as this provision is proposed, I think the Senate should demonstrate its resentment.

Mr. IVES. I thank the able Senator from Vermont, and I agree. For example, if a person were to deposit a dollar, he would have to report it, if he were to follow the language technically.

Let me point out another thing the provision contains. In the first part of the amendment it is provided that the person must file with the head of the employing agency at the time of employment a full and complete statement. Then down below it is provided that all such statements shall be filed with the Joint Committee on Defense Production.

Mr. THYE. Mr. President, will the Senator yield?

Mr. IVES. I yield, if I have the floor.

Mr. THYE. I am surprised to think that any conferee representing the United States Senate would, in the manner in which this amendment to the Defense Production Act has been drafted, write into a bill language of this kind, because it is certain that no self-respecting man, or man worthy of hire, would enter into a contract with his government if he had to comply with such a ridiculous provision. This is just an attempt to embarrass the administration, so that the administration will not be able to get men who are worthy of their hire to serve the Government.

Mr. GOLDWATER. Mr. President, I should like to ask the distinguished Senator from Indiana if the provision in the amendment which states that a person shall make a full and complete statement of all income and gifts in excess of $100 would mean that if he received a wristwatch from his wife for Christmas, which was worth in excess of $100, he would have to report it.

Mr. CAPEHART. Yes, he would.

Mr. GOLDWATER. If he received a birthday present from his father which was worth in excess of $100, would he have to report it?

Mr. CAPEHART. Yes.

Mr. GOLDWATER. How stupid can we get?

Mr. CAPEHART. I have asked that question a couple of times. I do not know. I honestly believe the conferees did not think the matter through. That is why, before I sit down, I am going to make a motion that the Senate recommit the bill to the conferees.

Let me say that for many years, for 20 years, at least, our opponents were using businessmen in Government. I have a list, which I may put into the RECORD a little later, of more than 100 multimillionaires who were used over a period of many, many years by Presidents Roosevelt and Truman.

I have no objection to that record at all, but I merely wish to point out that evidently it was all right so long as the Democrats were running the Government, but now that President Eisenhower is in charge of the executive branch of the Government, that sort of thing is all wrong.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. DOUGLAS. The Senator from Indiana tries to be fair. Is it not true that the provisions of the conflict-of-interest statutes were waived in time of war, and permission was granted to hire men without compensation? Were they not waived by President Roosevelt in World War II, and were waived by President Truman at the time of the Korean war. Is it not also true that this is the first time in peacetime, when we are not engaged in war, and when no war exists anywhere, that the criminal statutes on conflict of interest are being waived? That is really the point at issue.

Mr. CAPEHART. Mr. President, this is also the first time in the history of the Nation that the Congress—the Senate as well as the House—has passed a Defense Production Act in which Congress has mandated and directed the executive branch to prepare for an emergency and to work out ways and means and policies in order to know exactly what to do the day an emergency breaks out.

In doing that, it is necessary that we use these men of experience, just as they are used at the beginning of an emergency. My position is, why wait until an emergency strikes, before knowing what we shall do?

To show the ridiculousness of this provision, let us recall that the bill provides that if a war begins, these persons can be employed without regard to the conflict-of-interest statutes and yet in preparing for war, in deciding what we shall do, in working out the rules and regulations and policies, the appointment of such men must be governed by an amendment such as the one I have read.

Mr. IVES. Mr. President, will the Senator from Indiana yield to me?

Mr. CAPEHART. I yield.

Mr. IVES. I merely wish to point out the declaration of policy in connection with the bill, as the act was proposed to be continued. I should like to read it. It was deleted by the House from the House version of the bill, but later was restored. So in the conference report it still appears.

I now read it:

DECLARATION OF POLICY

SEC. 2. In view of the present international situation and in order to provide for the national defense and national security, our mobilization effort continues to require some diversion of certain materials and facilities from civilian use to military and related purposes. It also requires the development of preparedness programs and the expansion of productive capacity and supply beyond the levels needed to meet the civilian demand, in order to reduce the time required for full mobilization in the event of an attack on the United States.

That clearly shows that we are not exactly in a condition of peace, and that the conditions which pertain in a period of peace do not pertain in these circumstances.

Mr. DOUGLAS. Mr. President, will the Senator from Indiana yield to me?

Mr. CAPEHART. I yield.

Mr. DOUGLAS. Is it not true that in time of war we can waive many of the requirements which properly apply in time of peace—in other words, that war requires speed and furthermore, that in time of war there is an intense patriotic feeling which is stronger than that existing in time of peace.

But should we waive, for the first time in the history of the United States, the conflict-of-interest statutes, without even requiring disclosure? That is the point.

I think it is in the sixth chapter of Matthew that we find the words—

No man can serve two masters.

And the Bible also says—

For where your treasure is, there will your heart be also.

Mr. CAPEHART. Mr. President, the bill amply provides that such persons cannot make policy, and that anything having to do with policies, contracts, or decisions must be taken up with salaried Government employees. The old bill covered that. The Executive order written by President Truman, under which the whole program is being operated, covered that.

Now these additional requirements are proposed. To be frank, this proposal is only a slap at the businessmen of America.

The reason why we won World War I and World War II—and it is the reason why we will win the next war—was the productive capacity of the United States. The reason why we are the greatest nation in the world is that we have our private-enterprise system; it is our great asset which has been built up by large-business men and small-business men, by homeowners and farm owners. The man in business creates jobs. At this time to come forward with an amendment such as this one, is nothing but an attempt to slap the businessmen of the Nation in the face.

I think possibly the Eisenhower administration can get along without the services of these persons. But I am appalled at the very idea that the United States Congress would even attempt to amend the law in such a way as to say to such persons, "You must list your liabilities and your assets every 3 months." Mr. President, the philosophy of any such proposal is bad. We ought not begin such a procedure.

If such a provision is enacted into law, we shall regret it, because the next step will be to enact such a law with respect to those working full time for the Government, and the next step will be to enact such a law to be applied to all the Members of Congress, both in the House of Representatives and in the Senate.

Why do not those who recommend this measure introduce proposed legislation that every Member of Congress and his wife must list all their liabilities and all their assets every 3 months? I should like to see a Member of Congress try to get Congress to enact such a law. Why not deny Members of Congress the right to make speeches for pay, without reporting the amounts paid to them and the names of the organizations they address?

So, Mr. President, what is being attempted in this case?

Mr. LANGER. Mr. President, will the Senator from Indiana yield to me?

Mr. CAPEHART. I yield.

Mr. LANGER. I wish to say to my distinguished friend that such proposed legislation has been introduced time and time and time again; but in the 15 years I have served here such a bill has never been reported from committee. I do not see why any honest man should not be willing to make such a statement.

Mr. CAPEHART. But why should those who are working for the people of the country be required to file such statements of assets and liabilities every 3 months? Why should that be required, when it is not required of others?

Mr. DOUGLAS. Mr. President, will the Senator from Indiana yield to me?

Mr. CAPEHART. I yield.

Mr. DOUGLAS. What we propose is the waiving of the criminal statutes and criminal punishments against conflicts of interest. We would merely require disclosure, as a substitute.

Mr. CAPEHART. I am in favor of doing that, and I am in favor of denying such persons the right to make policies; and we have written into the act that such persons cannot make policies, and that they are to serve only in advisory capacities. That is as far as we can go. To go further—as would be done in this measure—would be, I repeat, to slap every businessman in the United States in the face. I think a businessman is just as patriotic as a Senator.

Again I say I care not who is involved, or whence he comes. In any case, we dare not enact a measure requiring such a person and his wife to list their assets and their liabilities and their gifts, and to file a new list every three months.

Mr. SPARKMAN. Mr. President, will the Senator from Indiana yield to me?

Mr. CAPEHART. I yield.

Mr. SPARKMAN. I am somewhat surprised that the Senator from Indiana would become so worked up over this matter.

Mr. CAPEHART. The Senator from Alabama will remember that I was worked up about it in the committee.

Mr. SPARKMAN. Let us remember that these persons are not regular, paid, Government employees; instead, these are persons whose allegiance is primarily to private concerns, on whose payrolls they are; and, as the Senator from Illinois has pointed out, to a great degree they enjoy immunity from the conflict-of-interest statutes.

But the Senator from Indiana will recall that he proposed a plan calling for the listing of all the stock holdings of each of these persons, to be published in the Federal Register, for all the world to see.

In this case we provide for a financial statement to be filed in the confidential files of a congressional committee. I do not see the objection to that proposal.

As a matter of fact, I may say to the Senator from Indiana, there it a big question, to my mind, as to whether we should use any of these persons in the Government service in peacetime.

Mr. CAPEHART. Why do we not be honest and say that we do not want any of them, rather than adopt this kind of amendment?

Mr. SPARKMAN. I think the Senator knows that there is no intent on the part of anyone to embarrass any administration, or the President, or anyone else. Before the beginning of World War II committee after committee reported against the use of dollar-a-year men. When we got into the war, the situation was different.

I believe it is safe to say that every congressional committee which has ever studied this question in time of peace has recommended against the use of dollar-a-year men when that proposal is made in time of peace. Let the Government use them, but we are saying that we ought to know something about their financial condition and their financial dealings, not for the purpose of spreading the information on the pages of the Federal Register for all the world to read, but to keep in the confidential files of the committee.

Mr. CAPEHART. Under my counter-proposal or substitute we would be absolutely frank and honest. My proposal was that we print the information in the Federal Register, so that every newspaperman, or anyone else in the world, would know for whom these men were working and who was paying their salaries, and they would be compelled to list their stockholdings or interest in any partnership, so the world could see the information.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. CAPEHART. In a moment.

Yet Senators come along with an amendment requiring a statement of liabilities, assets, and gifts. They propose to hide the information in some committee, and deny the press access to it. What is the reason for filing the information, then?

Would it not be better for the world to know who the employer is? To me there is nothing wrong with that. I would have no objection to that. I would have no objection to listing the fact that I own stock in 5 or 6 companies, if I were 1 of these employees. But I certainly object—and I think it is all wrong—to bringing my wife into the picture and being compelled to list in detail all my assets.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. SPARKMAN. Of course, the wife is brought into the picture only in connection with joint holdings.

Mr. CAPEHART. I must list all my assets, all my gifts above $100, and all my liabilities. Every 3 months, as they change, I must file new reports.

I am a farmer. I suppose that when I harvest my corn and put X bushels in the crib, I must report that I have 10,000 bushels of corn, or whatever the number is, or that I have so many bushels of oats, or that my sow has just had so many pigs. I suppose I must list all that information. Also, I must list the fact that during that past 90 days I have sold so many pigs, and have so many pigs left.

That is what is required. Would it not be much more simple, and much fairer to let the world know who the man's employer is? Let the world know the companies in which he owns stock. Then the press can watch him, if we want him watched. The world can watch him, if we want him watched. But if all this silly information is filed with the committee, and the committee is required to keep it secret, what good does it do?

Mr. BUSH. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. BUSH. Does not the Senator agree—and I say this apropos of what my friends the Senator from Illinois and the Senator from Alabama have said about peace—that we are talking about amending an act called the Defense Production Act? We are talking about it at a time when two-thirds of every dollar we spend in the Federal budget goes for purposes of national security, including the foreign-aid program. That does not suggest that we are in a very peaceful pasture, or that we expect to be within the next year or so.

It is thought by this administration and by others that in order to attract to the Government, and especially to the administration of the Defense Production Act, people who know about the producing facilities and industries of the United States, we must do certain things at this time, in this uneasy period, which perhaps we would not do if we were genuinely at peace. So I beg my friends to consider this not as a peacetime measure, but as a defense measure.

The President has said many times that we live in an age of peril. We know that we do. What were we talking about in Geneva? We were trying to develop such a situation that we could begin to reach for peace. Perhaps we are moving in that direction, but no one is proposing that we cut the military budget substantially at this stage of the game.

So I beg Senators not to force upon us a situation which would literally prevent businessmen with any self-respect from coming here and subjecting themselves to this kind of discipline. It is wholly unnecessary, and it would have a very deleterious effect upon our ability to persuade helpful people to come to Washington to assist in administering the Defense Production Act.

Mr. CAPEHART. The bill permits them to come here and work for the Government without this amendment applied if there is a war. I ask this question: If war should strike tomorrow, we would need them. The bill says so. Would it not be better to permit them to come in advance and help us formulate the policies we intend to use, so that we would know exactly what we were to do if and when a war emergency should strike. Is not that preferable to losing precious days, weeks, and months in deciding what we are to do?

What more can we do? If we deny them the right to make policy, and say, "You must publish in the Federal Register the name of your employer and the names of the companies in which you

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own securities, or the companies in which you are a partner, if they are not corporations," why should we go any further than that? Why do we want to go further than that? Are we not establishing dangerous precedents when we go further?

We ask a man and his wife to list their liabilities and their assets, when they are jointly owned. We ask them to report every 90 days. I do not believe they could do so honestly. I presume a man could keep up with the changes but he would have to have a bookkeeper to do so.

The kind of men we want are men of experience. Otherwise they are of no use to us. What good is a man who has had no experience? We want men with experience. We shall not get men of experience under this kind of amendment.

Why do we try to make it easy for men who have been failures to serve the Government, and then make it difficult or impossible, or embarrassing, for people who have been successful? My observation is that those who have made this Nation great, successful, and prosperous, have been the successful people, not the failures.

No self-respecting man would subject himself to this kind of discipline. He would be fearful that he might violate the provisions of this amendment. I do not know how he could possibly keep from violating them.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. HUMPHREY. I must say that the Senator makes a very strong case against this amendment.

I think there was a desire in the Senate to write some protective language into the Defense Production Act pertaining to the so-called w. o. c.'s. I was not a member of the Committee on Banking and Currency or a member of the conference committee. I make only a passing remark.

I sense that the Senator from Indiana has righteous indignation over this language. He is a very powerful opponent. I wish he had had as much righteous indignation over deleting from the housing bill 10,000 housing units for old people. It is an amazing thing that whenever any of the sacred cows of our society are touched, there is a great hullabaloo.

Mr. CAPEHART. Mr. President, I did not yield to the Senator for the purpose of making a speech.

Mr. HUMPHREY. Does the Senator feel the same pangs of conscience with respect to the provision for housing for the aged, which was knocked out, as he feels with respect to this amendment?

Mr. CAPEHART. The able Senator from Minnesota was not a member of the conference. Therefore he does not know what the Senator from Indiana said or did not say. At no time did the Senator from Indiana ever talk in favor of deleting the provision for housing for the aged. In fact, I was for keeping it in. I offered an amendment to provide, not for 45,000 housing units, but 50,000.

The able Senator is trying to change the subject entirely. Let us stick to this subject and not take up another. I ask the Senator to give me one good reason why a man and his wife should be required to file a list of their assets and liabilities in order that the husband may come to Washington to serve the Government and help the Government at the Government's invitation.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield for a question.

Mr. HUMPHREY. The Senator has almost persuaded me on this issue, and will persuade me if he does not become too exuberant about his position. I said I thought the Senator was making a fairly good case. I was wondering, however, whether the Senator felt the same sort of spiritual indignation against what Congress does to other people. I should like to hear the Senator say whether he feels the same sense of indignation when poor, humble employees are required to file information about their grandfather, grandmother, uncle, aunts, and nieces for three generations under a security program of the Government. I wonder whether he feels the same sense of moral indignation in such cases. On this issue he is showing the wrath of the Old Testament. However, I wonder whether he would show the same kind of righteous indignation and Old Testament wrath about other things, and whether he would become so excited when some poor humble servant of the Government is falsely accused under a security program of the Government, and whether he would become so excited about the Ladejinsky case, for example.

Mr. CAPEHART. Mr. President, I did not yield to the Senator from Minnesota to make a speech. I stand on my own record on those subjects, because the Senator knows I have stood on the floor of the Senate defending a man I thought had been falsely accused. He is a man by the name of Young.

I have done so before, and I shall continue to do so in the future. The Senator from Minnesota is up to his usual tactics. He would like to divert attention from the main subject. He is very good at that. I congratulate him on being able to divert attention from the subject under discussion to other subjects.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. HUMPHREY. The Senator from Indiana was in such splendid form tonight that he got to the point where he almost persuaded me. I was buying everything he said. I just wondered whether he wanted to take his moral indignation into other areas. If so, we could clean up a number of proposals this evening. He proposes that we recommit the conference report to the conferees because of the amendment under discussion. Yet we have been told time after time we cannot send anything back to conference, because if we do we will lose the whole bill.

Mr. CAPEHART. I did not yield the floor for the purpose of having the Senator make a speech.

Mr. HUMPHREY. I am glad to have had the opportunity to say what I did.

Mr. CAPEHART. This is one conference report which ought to be sent back to conference, and I shall make my motion to send it back in a minute.

In closing, I must say that I am still amazed that Members of the Congress would propose such an amendment as this. I simply cannot understand it. I can understand trying to tighten up the rules and regulations under which these gentlemen are to operate, and we had such a provision in the bill. Another provision we had in the bill was President Truman's Executive order, which he wrote back in 1950 or 1951, governing employment or service of this sort. We made that order a part of the proposed legislation. We made it a part of the bill.

We are talking about this provision of the bill, not about another matter.

Mr. President, I move that the conference report be recommitted, with instructions to the Senate conferees to strike the language on page 8, starting on line 11 and going through line 20.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOUGLAS. The Senator from Illinois would like to inquire whether it is in order to move to reject a conference report stating the specific points upon which the report is to be rejected.

The PRESIDING OFFICER. A motion to recommit takes precedence over the question of agreeing to the conference report.

Mr. DOUGLAS. I raise the point of order, therefore, that the motion of the Senator from Indiana is out of order.

The PRESIDING OFFICER. The question must be put in the affirmative, rather than the negative form.

Mr. DOUGLAS. I make the point of order that the motion of the Senator from Indiana is out of order.

The PRESIDING OFFICER. The Chair is advised that, since the House has not agreed to the report, the motion is in order.

SEVERAL SENATORS. Vote! Vote!

Mr. ALLOTT. Mr. President, I should like to suggest the absence of a quorum.

Mr. SPARKMAN. Mr. President, will the Senator withhold his suggestion for a moment so that I may propound a parliamentary inquiry?

Mr. ALLOTT. I withhold my suggestion of the absence of a quorum.

Mr. SPARKMAN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Alabama will state it.

Mr. SPARKMAN. As I understood the motion of the Senator from Indiana, it was to recommit and to instruct. Are both parts of the motion in order at this time?

The PRESIDING OFFICER. A motion to recommit with instructions is in order. The question is on agreeing to the motion of the Senator from Indiana.

Mr. MORSE. Is the motion subject to debate?

The PRESIDING OFFICER. The motion is debatable.

Mr. MORSE. Mr. President, I shall be very brief. I believe we need to review a little history on the w. o. c. controversy in Congress this year. When the matter came before the Committee on Banking and Currency originally, 2 or 3 months ago, we held prolonged hearings on the matter, and a considerable amount of discussion in committee.

Very briefly, the result of the hearings in the committee was the adoption in committee of the Morse amendment on the w. o. c. issue. In essence, the amendment provided that the w. o. c.'s could be called to Washington for advisory work and consultative work, but that they should not be put in administrative and policymaking positions.

The Morse amendment was adopted in committee. It was in the bill when it came to the floor of the Senate. We are familiar with the debate that took place on the floor of the Senate. By a vote of 46 to 45 the Capehart amendment was adopted. In effect, the adoption of the Capehart amendment knocked out the Morse amendment. It was a vote which was decided on a straight party line. That is the sort of vote I always regret in the Senate on a controversial issue. In my 10 years in the Senate I have seldom found my colleagues in disagreement on the merits of an issue on the basis of their membership in a party. Irrespective of which side of the aisle we sit on, we do not generally disagree on an issue on the basis of our party membership. Yet on this issue it was very obvious that the vote was cast on the basis of a strict party-line mandate.

We went into conference. The House had language in its bill which I preferred to the Capehart amendment adopted by the Senate. There is some dispute among us whether the House language is more exacting than the language which was finally adopted in committee. As I sat in conference and listened to the House conferees particularly the able arguments made by the distinguished Representative from Texas [Mr. PATMAN], I decided the House language was preferable to the Senate language, and I believe the RECORD will show that I made the first motion that the Senate recede.

There was then a roll call in the House, and the conference had to recess. We were to come back an hour later. During the interim, agreement was reached on the language which was finally adopted, although several alternatives had been proposed. My friend the Senator from New York [Mr. IVES] had offered a substitute, and I believe the Senator from Illinois [Mr. DOUGLAS] had also offered an alternative. I believe the clerk of the committee, not by way of recommendation, but by way of draftsmanship—came out with the final form in which the amendment was adopted.

The argument which persuades me over all others was made by the Senator from Illinois, that we are, for the first time in our history, short of war, asked to waive criminal statutes in regard to conflicts of interest.

No one objects to these dollar-a-year men working for the Government. If they want to work for the Government and not have any restrictions imposed upon them as to the filing of information which we are entitled to have in order to pass judgment upon their course of action in policymaking positions, they can resign from their positions in business and come in as Government career employees, as have other Government career employees. But the danger which concerns many about this matter is the fact that these people, purportedly working for the Government, receive their pay from the corporations in which they are officers or from labor unions in which they are officers.

There has been much talk about it from the standpoint of business. This is a universal matter. There are involved w. o. c.'s from labor, agriculture, and many other economic groups.

My position is simply that I do not think the criminal statutes, in reference to conflicts of interest, should be waived when a man comes into Government service and occupies a position in which it is possible for him to render judgment and make policies, when at the same time he receives pay from a corporation, a labor union, or a farm organization. We think that in peacetime we ought to scrutinize very carefully the decisions such a person makes, and we ought to have a full disclosure as to his sources of income.

The Senator from Indiana has commented upon the fact that we do not require it of ourselves. We should. Year after year, since 1946, I have offered a proposal to have every Member of Congress file with the Secretary of each House each year the sources and the amount of his income. I see no reason why that should not be a matter of public disclosure. I am willing to vote for that tonight, if it should be taken up.

Mr. SPARKMAN. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield.

Mr. SPARKMAN. I think the Senator makes a very fine point, with which I am certainly in agreement. But may I remind the Senator that we are not immune from the conflict-of-interest statute.

Mr. MORSE. I was coming to that. We are not immune from the conflict-of-interest statute; and I think, Mr. President, that we should not be asked to waive the criminal statute in peacetime. I think it has proved itself to be a sound historic policy. It is quite a different thing in time of war, when men are motivated by patriotic impulses in doing everything they can for the successful prosecution of the war.

We have come out of conference with this proposal. The total bill, in my judgment, is of much concern to defense mobilization. I think the conflict we have had over w. o. c. should go over until January. We can accept this bill as it came out of conference, and if the Senator from Indiana wants to propose an amendment next January we can thrash it out then. But I do not think, in these dying hours of Congress, we should get into this so-called hassle.

I say, goodnaturedly, Mr. President, that I think a mistake was made some weeks ago when issue was made of the matter when the Senate had before it a bill which did not, in my judgment, protect the public interest so far as the criminal statute is concerned.

Mr. ROBERTSON. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield.

Mr. ROBERTSON. What else is in the bill beside the w. o. c. question?

Mr. MORSE. There is a great deal in the bill besides that, so far as defense mobilization is concerned.

Mr. ROBERTSON. Is there any necessity to adopt the conference report, or is it an inconsequential matter as to whether or not we defeat the proposed legislation?

Mr. MORSE. I am sure the administration would think it is consequential, because the administration, through Dr. Flemming and through the Secretary of Commerce, has made strong presentations for this bill. If we take the testimony of Dr. Flemming, which was given at some length, and that of Secretary Weeks, which was given at some length, they think it is a good bill. It does not affect the so-called reserve program for businessmen. Businessmen in the so-called reserve are not affected at all by this amendment.

Mr. ROBERTSON. Is it not legislation which the President urged us to pass as being very necessary?

Mr. MORSE. That is correct.

Mr. ROBERTSON. Has not the original legislation already expired? Whatever was in the Defense Production Act is now dead.

Mr. MORSE. I think the corpse is sufficiently warm so that if we can pass the bill tonight we can resuscitate it.

Mr. ROBERTSON. It expired on Sunday, and this is to keep it alive; is that correct?

Mr. MORSE. The Senator knows that by passing this bill we will bring it back to life. Therefore, I think we should not get into a heated controversy about it tonight. I think we should agree to the conference report and then, in January, adopt amendments, if they seem wise.

The PRESIDING OFFICER. The question is on the motion of the Senator from Indiana to recommit the conference report, with instructions.

Mr. CAPEHART. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

PROPOSED SUGAR LEGISLATION—NOTICE OF MOTION TO SUSPEND PARAGRAPH 3 OF RULE XIV AND PARAGRAPH (A) OF PARAGRAPH NO. 1 OF RULE XXV OF THE STANDING RULES OF THE SENATE

Mr. LONG. Mr. President, in accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention hereafter to move to suspend paragraph 3 of rule XIV and paragraph (h) of paragraph numbered 1 of rule XXV of the Standing Rules of the Senate, to the end

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that it may be in order to move that the Senate proceed to the consideration of the bill (H. R. 7030) to amend and extend the Sugar Act of 1948, as amended, and for other purposes, without a reference of the bill to the Senate Committee on Finance.

Mr. President, I am giving this notice in order that it may be possible for the Senate to consider the Sugar Act before Congress adjourns. I know there is an emergency insofar as the sugar industry of the South is concerned, particularly in the State of Louisiana. I believe there is some distress in the sugar industry in some of the western areas. It is necessary to enact legislation for the benefit of many thousands of individuals engaged in the production of sugarcane in Louisiana, and perhaps for the relief of farmers in some of the Western States which produce sugar beets. It is necessary to suspend the rules because of the delaying tactics on the floor of the Senate which prevent the measure from being considered in the usual manner.

I realize that some of our friends think we should let foreigners produce all the sugar, but that is not the judgment of the majority of the membership of this body, and it is not the judgment of any substantial minority. When a hardship exists in some areas of the country, I think it is vital that it be relieved at this session of the Congress.

Mr. DOUGLAS. Mr. President, will the Senator from Louisiana yield?

Mr. LONG. I yield.

Mr. DOUGLAS. The Senator is aware that I have the highest personal opinion of him, which I have expressed countless times in his home State.

May I ask my good friend if he will state what is the practical effect of his motion? I am not so skilled a parliamentarian as is the Senator from Louisiana, and I should like to know whether it is the Senator's intention to ask for a suspension of the rules tonight or tomorrow?

Mr. LONG. The rules require that notice of a motion to suspend the rules be given at least 1 day in advance. Therefore, I am giving notice that tomorrow or thereafter, before Congress adjourns, I intend to move to suspend the rules.

I should like to say to my good friend from Illinois, for whom I have the highest admiration, that a situation exists in the sugarcane industry which requires some relief. The Federal Government does not buy sugar as it buys wheat or corn in the State represented by the able Senator from Illinois. It happens that the weather has been rather favorable to the production of sugar, and private financing is required to carry large amounts of sugar over from year to year. In order to obtain the private financing required to carry over the sugar and prevent it from going to waste, it is necessary to amend the Sugar Act to provide some relief for the domestic industry.

Mr. DOUGLAS. I wonder if the Senator from Louisiana would inform me whether the present Sugar Act expires this year or continues until 1956.

Mr. LONG. The act does not expire this year, but an amendment is necessary because of the large surplus of sugar, even though the sugar producers are subject to acreage limitations. When there is such a limitation with regard to other products, the Federal Government moves in and finances the carrying of the surpluses.

Mr. DOUGLAS. The Senator from Illinois admires the Senator from Louisiana for his qualities; and one of his qualities is the frankness with which he always speaks. The Senator from Louisiana does not deal under the table.

I wonder if the Senator from Louisiana would inform the Senate whether the hearings held in the House on this matter were printed.

Mr. LONG. I am not familiar with the situation that existed in the House. I know the proposed legislation was delayed interminably. It has been held up almost this entire session.

This is the type of legislation which must originate in the House. The Senate, which has a similar Senate bill having 49 sponsors, had to wait until the closing days of the session before the bill came from the House. As a matter of fact, the House bill is presently at the desk not yet referred to the committee.

Mr. DOUGLAS. The Senator from Illinois read the CONGRESSIONAL RECORD on Sunday, when he was somewhat fatigued following the long conferences which we have been having. Representative COOLEY, of North Carolina, stated that the hearings had not been printed. The House had, in fact, been called upon to vote, almost in the dying hours of the session, on a bill on which hearings had not been printed. In checking up on my statement, I find I am correct and that Congressman COOLEY made the statement I have ascribed to him on page 12434 of the CONGRESSIONAL RECORD of July 30, 1955.

May I ask the Senator from Louisiana whether the Senate Committee on Finance has held any public hearings on the bill?

Mr. LONG. No; public hearings have not been held on the bill, although I believe the Senator will find that if the House agrees to have the House hearings printed, they will be readily available. The hearings were conducted some time ago. I see no reason why they should not have been printed.

Mr. DOUGLAS. I have now checked, and I find that this morning my office made inquiry as to whether or not the printed House hearings could be obtained. We were told by the Committee staff that the hearings had not been printed. Being unable to obtain them, and with this statement from the staff of the House Agriculture Committee, we believe that Representative COOLEY, chairman of the House Committee on Agriculture, was correct in his statement that the hearings were not printed.

This is a bill on which the House had to act with its eyes closed, because the Members did not have the facts contained in the hearings. It is a bill which the Senate Committee on Finance has reported almost at the very last minute, without hearings.

So I believe I was justified in raising the point of order and insisting that the bill should not be acted on today. I am very glad the Senator from Louisiana has postponed the consideration of his motion until tomorrow. I suppose that means that the bill cannot be considered tomorrow except by unanimous consent, which, in my present mood, I am disposed to agree to.

Mr. LONG. No; I am now giving notice that by agreement of two-thirds of the Senate, the bill may be considered tomorrow.

Mr. DOUGLAS. Am I to understand that the Senator from Louisiana will, tomorrow, move to suspend the rules so that without delay the Senate can proceed to the consideration of the bill, instead of doing so after the normal waiting period of 1 day?

Mr. LONG. That is correct. I should like the Senator from Illinois to know that this is a subject which has been considered by the Committee on Finance. It is proposed legislation which should have been considered at an earlier date. It is a bill which is supported by the sugar industry and the sugar producers of the United States. The bill is also supported, I understand, by the sugar processors of the United States. There is no objection to the bill by the domestic producers or by any important segment of the sugar industry of the United States.

I believe the Cubans may not like the bill very well. There may be some persons in other foreign countries who might feel that they were entitled to somewhat larger quotas. But the bill has been carefully considered; and I feel certain that when the Senators understand the provisions of the bill, it will be passed by a large majority.

Mr. DOUGLAS. Has the Senator from Louisiana consulted the consuming interests, to determine whether they favor the bill?

Mr. LONG. The Senator can assume that it is possible to purchase sugar cheaper if we do not consider the needs of the domestic sugar industry. The same principle could be applied to many industries in Illinois and other places.

But it has been congressional policy that we should have a certain amount of sugar production in the United States, so that it will be available to the Nation in time of war or other national emergency.

If one considers the real income of the American people, sugar is available more cheaply in this Nation than it is in probably any other nation in the world.

Mr. DOUGLAS. Can the Senator from Louisiana inform me on a further point? Since there may not be much time tomorrow to consider the measure, will the Senator inform the Senate whether there are price support provisions in the bill?

Mr. LONG. No; there are no price supports in the bill which will be submitted. It is the intention of the members of the Committee on Finance to submit, as a substitute for the House bill, the Senate bill, which was studied by the Committee on Finance. We had no opportunity to consider the House bill directly, but we considered the language of the House bill. The bill is not a price support bill.

Mr. DOUGLAS. What percentage of parity is the Secretary of Agriculture supposed to take into consideration in fixing the acreage of domestic sugar to be planted?

Mr. LONG. That is not involved in the recommendation which will be made by the members of the Finance Committee. Parity provisions were contained in the House bill.

Mr. DOUGLAS. Is it not true that the parity provisions for sugar in the House bill, which was endorsed by the Secretary of Agriculture, was 90 percent?

Mr. BENNETT. Mr. President, will the Senator yield?

Mr. CAPEHART. The Senator from Louisiana does not have the floor. I have the floor. I should like to make inquiry of the Senator how much longer he will take.

Mr. LONG. I have given my notice.

Mr. CAPEHART. Mr. President, I believe I have the floor.

The PRESIDING OFFICER. The Senator from Indiana has the floor, and has control of his own time. He need not yield if he does not wish to.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KNOWLAND. As I understand, the question pending before the Senate is the motion of the Senator from Indiana to recommit the conference report with instructions to delete.

The PRESIDING OFFICER. That is correct.

Mr. KNOWLAND. And the yeas and nays have been ordered.

The PRESIDING OFFICER. That is correct.

Mr. MUNDT. Mr. President, will the Senator from Indiana yield?

Mr. CAPEHART. I yield.

Mr. MUNDT. I think the junior Senator from Louisiana, with his understandable affection for the deep South, has given the implication that the sugar bill is of interest only to the producers of cane sugar.

Since it is the intention to have a vote tomorrow on the motion to suspend the rule, I should like to amplify the record by saying that the bill is of great importance to those who are engaged in the beet-sugar industry in the West. I sincerely hope that the Members who are interested in the beet-sugar industry will be on hand tomorrow and that they will vote to suspend the rule, so that the Senate can consider the bill and make whatever salutary, necessary amendments may seem to be desirable, and to have the bill approved before the adjournment of Congress.

The reason for the existence of this situation is that some dilatory tactics have been engaged in by certain Members of this body, the echoes of the voices of some of whom are reverberating in the Chamber. Thus it is necessary to utilize whatever parliamentary tactics are available to have this important measure passed before Congress adjourns.

DEFENSE PRODUCTION ACT—CONFERENCE REPORT

The Senate resumed the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2391) relating to the Defense Production Act.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Indiana [Mr. CAPEHART] to recommit the conference report with instructions. On this question the yeas and nays having been ordered, the clerk will call the roll.

Mr. SPARKMAN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hayden	Millikin
Allott	Hennings	Monroney
Barkley	Hill	Morse
Beall	Holland	Mundt
Bender	Hruska	Murray
Bennett	Humphrey	Neuberger
Bush	Ives	Payne
Capehart	Jackson	Potter
Carlson	Johnston, S. C.	Robertson
Case, N. J.	Kefauver	Saltonstall
Case, S. Dak.	Kerr	Scott
Clements	Knowland	Smathers
Cotton	Kuchel	Smith, Maine
Curtis	Langer	Smith, N. J.
Dirksen	Lehman	Sparkman
Douglas	Long	Stennis
Duff	Magnuson	Symington
Dworshak	Malone	Thurmond
Ellender	Mansfield	Thye
Ervin	Martin, Iowa	Watkins
Flanders	Martin, Pa.	Wiley
Fulbright	McCarthy	Young
Goldwater	McClellan	
Green	McNamara	

The PRESIDING OFFICER. A quorum is present.

Mr. SPARKMAN. I shall not delay the Senate long, Mr. President, but I wish to point out a very few matters before a vote is taken. First of all, I wish to say the report which has been submitted to the Senate represents, in my opinion, and I believe in the opinion of a majority of the conferees, the best we were able to get. Remember, this is not a matter which is wholly within the hands of the Senate conferees to decide. We certainly obtained a modified version of what the House passed. The motion is to recommit the conference report, with instructions. Remember what those instructions are—to delete this language—period. What are we going to do when we delete the language?

Mr. CLEMENTS. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. CLEMENTS. At this late hour of the first session of the 84th Congress, are we not in the position of having before the Senate an important piece of legislation which has been passed by both the House and the Senate, as to which there has been a little difference in version? That difference has been resolved by a majority of the conferees. If the conference report is not adopted, is there not a real chance that the bill will not be enacted at this session?

Mr. SPARKMAN. I think the acting majority leader is absolutely right, and I intend to discuss that a little later.

Mr. CLEMENTS. Will the Senator yield for another question?

Mr. SPARKMAN. I yield.

Mr. CLEMENTS. Is it not reasonable to suggest that if there is something in the conference report to which Senators may have slight objection, the proper procedure to follow is to adopt the conference report, since there will be ample opportunity next January to make such revisions as a majority of the Members of the two bodies may wish to make?

Mr. SPARKMAN. That is certainly correct.

Mr. CLEMENTS. That being true, it seems to me it would be good judgment and good business upon the part of the Senate to uphold the position taken by the majority of the committee of conference.

Mr. SPARKMAN. I think there can be no argument with the position taken by the distinguished Senator from Kentucky.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. SPARKMAN. I have a few points I should like to make, but I yield to the distinguished minority leader.

Mr. KNOWLAND. I wish to say to the distinguished Senator from Alabama, in reference to the statement made by the acting majority leader, that it seems to me what we are seeking is sound legislation. My recollection is that in every conference report which has come before the Senate during this session, or in most of the cases—I would say in probably 95 percent of the cases—reports have been signed by all the conferees of both Houses. There have been a few minor exceptions in which perhaps one member of the minority or one member of the majority has not seen fit to sign the report. This is the first conference report which has come before this session of Congress which, to the best of my recollection, has not been signed by even one minority member.

Under the circumstances, it seems to me that, in view of the extreme language which has been included in the amendment, we have the clear duty of rejecting the conference report, and returning it for a further conference, with instructions. While they are at the further conference, the conferees can get together on a straight continuing joint resolution, and the passage of that joint resolution can be pressed for.

But under the circumstances, I do not think we should be required to legislate with a gun pressed at our temples.

Mr. SPARKMAN. Mr. President, I should like to say a word.

Of course, I, for one, would never request a Senator to legislate while having a gun pressed at his temple. I do not think any Member of the Senate would make such a request.

It is true that it is unusual that not one minority member signed the conference report. I did not know that until it was about time for the report to come up. As a matter of fact, when the conference broke up, I thought most of the minority members would sign the report. No indication that they would not do so was given.

I think the present situation emphasizes a mistake which was made when

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the bill came up on the floor of the Senate, and was pointed out by Senators on this side of the aisle, namely, that the minority had made the question a partisan one. It should not have been a partisan one.

Furthermore, Mr. President, the time we are spending on this small item would indicate that it is the heart of the bill, whereas actually it is the smallest part of the bill.

Let me refer to the subject of the bill: It has to do with the production in the United States of greater supplies of minerals, metals, and scarce materials. So it is a production measure.

Just today, as I recall, we completed action on House bill 6373, which relates to domestic minerals. I noticed that the conferees on that measure were the Senator from Montana [Mr. MURRAY], the Senator from North Carolina [Mr. SCOTT], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Nevada [Mr. MALONE], and the Senator from Idaho [Mr. DWORSHAK]. But that act is worthless unless the measure now before us is enacted into law. The pending measure makes it possible to put into effect the provisions of that act. That shows how important the pending measure is.

Mr. President, this measure would be capable of producing results even if not a single w. o. c. were connected with the program. Yet all the quarrel is over just one little feature of the bill, namely, the one relating to the extent to which w. o. c.'s, drawn from industry, shall work in the Government service without compensation and, if that is allowed, the extent to which they shall report their holdings, while enjoying immunity from the conflict-of-interest statutes, in time of peace. That is the question involved there.

Let me say very frankly that it was not an easy job in the conference to get what we have here. I say in all earnestness that I believe that if the pending motion is agreed to, and if the conference report is rejected, and recommitted, with instructions to delete this language, there will be no Defense Production Act. Are we going to kill the Defense Production Act simply because of disagreement over one little phase of the bill—and not at all the central part of it?

The central part of the act has to do with things which those who live in the mining areas, where the minerals and metals are produced, are concerned with; it does not relate to anything produced in my State. The bill does not interest me personally, except as it relates to the national security and the effort to make the United States more self-sustaining on the basis of its own resources.

Personally, I should like to see the w. o. c.'s leave the Government service. I would have them used in case of war; and in this measure we provide that in case of all-out mobilization, they shall be used, and shall then enjoy immunity from the conflict-of-interest statutes.

But in time of peace it is not necessary for us to use their services in order to obtain the production we want. After all, what we are attempting to obtain in this case is the enactment of legislation which will make it possible for the United States to obtain the production of the scarce materials, minerals, and metals that we wish to have produced in the United States, and that we need so badly. We need them now. But we would need them much more if full mobilization were to occur.

We are asked to reject the report on the basis of only one provision, namely, the requirement that the persons who are brought into the Government service, to work without pay, shall not have immunity from the conflict-of-interest statutes in time of peace.

Mr. DOUGLAS. Mr. President, will the Senator from Alabama yield to me?

The PRESIDING OFFICER (Mr. BARKLEY in the chair). Does the Senator from Alabama yield to the Senator from Illinois?

Mr. SPARKMAN. I yield.

Mr. DOUGLAS. I was interested in the Senator's statement that if the pending motion is agreed to, there will be no Defense Production Act at all.

Is it not true that the bill passed by the House was much more severe, in that it dealt with the personal relationships of the w. o. c.'s, not only with their financial interests?

Mr. SPARKMAN. The Senator from Illinois is correct.

Mr. President, I do not know just what the pending motion means. Does it mean that under no circumstances shall the Senate conferees agree to the language voted by the House, but that the Senate conferees shall, in any event, agree only to the provisions contained in the Senate version of the bill? If so, there is no need to have a further conference. The Senator from Illinois was a member of the conference committee, and he knows that to be the case.

Mr. DOUGLAS. Mr. President, will the Senator from Alabama yield further to me?

Mr. SPARKMAN. I yield.

Mr. DOUGLAS. Is it not true that a majority of the House conferees made it perfectly clear that they would insist on the retention of either the language voted by the House or the Senate substitute?

Mr. SPARKMAN. I think that is true.

Mr. CAPEHART. Mr. President, will the Senator from Alabama yield to me?

Mr. SPARKMAN. I yield.

Mr. CAPEHART. In order to keep the record straight—and I know all Senators wish to have that done—it should be stated that in the conference, the conferees had hardly sat down, this afternoon, for the consideration of this matter, when the able Senator from Oregon [Mr. MORSE] moved that the Senate conferees agree to recede from the position taken by the Senate. That motion in itself was very unusual, because ordinarily the Senate conferees fight for what the Senate has voted for.

Actually, in the conference we did not spend 10 minutes on the whole matter. So the idea that the conferees on the part of the Senate fought with the conferees on the part of the House, and that the latter were very adamant, is not according to the record, in my opinion, because in the conference we did not take more than 5 minutes on this matter.

Mr. SPARKMAN. Of course, Mr. President, the Senator from Indiana is now reducing his estimate of the amount of time spent on this matter; every time he makes another estimate of the time involved, he reduces his estimate. Actually we were there a good deal longer than he has stated.

Mr. MORSE. Mr. President, will the Senator from Alabama yield to me?

Mr. SPARKMAN. I yield.

Mr. MORSE. I am sure the Senator from Indiana means no misstatement of fact, but I cannot let him make the statement he has made and not contradict it.

I am satisfied that in the conference we discussed this matter for a minimum of 30 minutes. We discussed it considerably before the House conferees returned to the House, for the record vote there; and after they returned to the conference, we discussed the matter further.

This issue was discussed, in my opinion, more than any other issue before the conference; and I wish to say I completely disagree with the statement the Senator from Indiana just made regarding the discussion of this matter in the conference. He said it was discussed only 5 minutes in the conference, whereas in my judgment that statement by him will not square with the actual fact as regards the time spent in the conference on this issue.

Mr. SPARKMAN. Mr. President, I do not care to say anything further, except that if the Senate rejects the conference report, in my opinion the Defense Production Act will be dead. It expired at midnight, last night; and I am certain that we shall not be able to bring back another conference report on it.

The PRESIDING OFFICER (Mr. BARKLEY in the chair). The question is on agreeing to the motion of the Senator from Indiana [Mr. CAPEHART] to recommit the conference report, with instructions to the Senate conferees to strike out the language on page 8, beginning in line 11, and continuing through line 20.

On this motion the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. CLEMENTS. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Nevada [Mr. BIBLE], the Senator from Virginia [Mr. BYRD], the Senator from Texas [Mr. DANIEL], the Senator from Mississippi [Mr. EASTLAND], the Senator from Delaware [Mr. FREAR], the Senator from Tennessee [Mr. GORE], the Senator from Massachusetts [Mr. KENNEDY], the Senators from West Virginia [Mr. KILGORE and Mr. NEELY], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Rhode Island [Mr. PASTORE], and the Senator from Georgia [Mr. RUSSELL] are absent on official business.

The Senator from New Mexico [Mr. CHAVEZ] and the Senator from Georgia [Mr. GEORGE] are absent by leave of the Senate.

The Senator from Texas [Mr. JOHNSON] is absent by leave of the Senate because of illness.

I further announce that the Senator from Texas [Mr. JOHNSON], the Senators from West Virginia [Mr. KILGORE and Mr. NEELY], and the Senator from Rhode Island [Mr. PASTORE], if present and voting, would each vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Wyoming [Mr. BARRETT] is absent because of illness in his family.

The Senator from New Hampshire [Mr. BRIDGES] is absent to attend the funeral of a friend in his State.

The Senator from Maryland [Mr. BUTLER] and the Senator from Connecticut [Mr. PURTELL] are absent on official business.

The Senator from Indiana [Mr. JENNER], the Senator from Kansas [Mr. SCHOEPPEL] and the Senator from Idaho [Mr. WELKER] are necessarily absent.

The Senator from Ohio [Mr. BRICKER] is absent by leave of the Senate, and the Senator from Iowa [Mr. HICKENLOOPER] is absent on official business, both Senators being absent on behalf of the Joint Committee on Atomic Energy.

The Senator from Delaware [Mr. WILLIAMS] is detained on official business.

The result was announced—yeas 36, nays 34, as follows:

YEAS—36

Aiken	Dirksen	McCarthy
Allott	Duff	Millikin
Beall	Dworshak	Mundt
Bender	Flanders	Payne
Bennett	Goldwater	Potter
Bush	Hruska	Saltonstall
Capehart	Ives	Smith, Maine
Carlson	Knowland	Smith, N. J.
Case, N. J.	Kuchel	Thye
Case, S. Dak.	Malone	Watkins
Cotton	Martin, Iowa	Wiley
Curtis	Martin, Pa.	Young

NAYS—34

Barkley	Jackson	Morse
Clements	Johnston, S. C.	Murray
Douglas	Kefauver	Neuberger
Ellender	Kerr	Robertson
Ervin	Langer	Scott
Fulbright	Lehman	Smathers
Green	Long	Sparkman
Hayden	Magnuson	Stennis
Hennings	Mansfield	Symington
Hill	McClellan	Thurmond
Holland	McNamara	
Humphrey	Monroney	

NOT VOTING—26

Anderson	Eastland	Neely
Barrett	Frear	O'Mahoney
Bible	George	Pastore
Bricker	Gore	Purtell
Bridges	Hickenlooper	Russell
Butler	Jenner	Schoeppel
Byrd	Johnson, Tex.	Welker
Chavez	Kennedy	Williams
Daniel	Kilgore	

So Mr. CAPEHART's motion was agreed to.

Mr. AIKEN. I should like to point out that the managers on the part of the Senate were not appointed according to the Senate Manual and Rules, which govern the operation of the Senate. I call attention to page 118 of the Rules and Manual of the United States Senate:

> In the selection of the managers the two large political parties are usually represented, and, also, care is taken that there shall be a representation of the two opinions which almost always exist on subjects of importance. Of course the majority party and the prevailing opinion have the majority of the managers.

As I understand, the majority of the managers on the part of the Senate not only did not represent the views of the majority of the Senate on this question, but they very readily and with almost precipitant haste agreed with the opposition. Therefore, I would say that we should have new managers appointed to represent the majority view of the Senate.

Mr. MORSE. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Vermont yield to the Senator from Oregon?

Mr. AIKEN. For what purpose?

Mr. MORSE. I should like to ask a question.

Mr. AIKEN. The Senator may ask a question. I yield for that purpose.

Mr. MORSE. I should like to know on what the Senator from Vermont bases his conclusion that the managers for the majority precipitantly moved to recede.

Mr. AIKEN. I am sorry. I cannot hear what the Senator is saying.

Mr. MORSE. On what does the Senator from Vermont base his statement that the managers for the majority precipitantly moved to recede.

Mr. AIKEN. I got that impression from the discussion that took place on the floor tonight.

Mr. MORSE. I am sorry.

Mr. AIKEN. As I understand, the Senator from Alabama and the Senator from Oregon and the Senator from Illinois acquiesced with the House, and the two managers representing the majority opinion of the Senate did not acquiesce in the proposal which we have just voted down again tonight by a majority vote of the Senate.

Mr. MORSE. If the Senator will permit me—although this is not a question—to explain what this member of the majority did, I shall be glad to make a statement of fact.

Mr. AIKEN. That is hardly a question. I am sure, if the Senator from Oregon takes exception to what I said, he will be able to discuss the matter on his own time. However, I say I got the impression from listening to the debate tonight that the majority of the managers on the part of the Senate did not hold out for the majority opinion of the Senate.

Mr. MORSE. I know the Senator from Vermont so well that I am sure he would not want to retain a false impression if he had an opportunity to get the right one. That is why I made my offer.

Mr. AIKEN. I am reading from the Rules and Manual of the Senate.

The PRESIDING OFFICER. The Senator from Vermont is reading from Jefferson's Manual.

Mr. AIKEN. I am reading from the Senate Manual.

The PRESIDING OFFICER. Jefferson's Manual has never been adopted as the rules of the Senate.

Mr. AIKEN. Nevertheless, it is a pretty good rule to follow. Thomas Jefferson was a great President. He was a great Democrat. Any similarity between him and his opinions and the opinion of some who would like to take control of the Democratic Party is purely coincidental, in my opinion.

I am not pushing the question. I am simply raising the question in order to call the attention of the Senate to the fact that the majority views were not represented.

Mr. SPARKMAN. I should like to ask the Senator from Vermont a question.

Mr. AIKEN. I am not asking for a decision.

The PRESIDING OFFICER. The Chair has already rendered a decision.

Mr. SPARKMAN. I believe a statement ought to be made, even though the Senator from Vermont is not pushing for a decision. If anyone wishes to take my place on the conference committee, I shall be glad to resign. As a matter of fact, there is no pleasure in serving on a conference committee. During the last 3 days I have served on the housing conference committee and on this conference committee. It has been no easy task. I do not know how the Senator from Vermont got the idea that the conferees did not represent the majority opinion of the Senate.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. SPARKMAN. May I continue a little further? I take it he got it from one statement made in the heat of debate by the Senator from Indiana. We were there for a considerable period of time discussing the subject, when a rollcall came in the House. We broke up the conference for 45 minutes. Then we continued it. We sat there. It is true that we were working under pressure, because we had to vacate the committee room by 5 o'clock.

However, the language was added by the House. We had to consider it. We did not take the language as the House had presented it. We took a middle-of-the-road course.

I thought that is what conferences are for, namely, that they may have a free and open discussion and to have a meeting of the minds, not that they are to remain forever adamant with reference to the position taken by the Senate or by the House.

If I cared to do so—and I shall not push the point—in the conference committee meeting on the housing bill the able Senator from Indiana had hardly taken his seat when he moved to recede from the Senate action and accept 35,000 units, although the majority opinion in the Senate had voted for 135,000 units a year, plus 10,000.

I do not bring that up for the purpose of comparison. I believe he was completely within his right to do so, and I do not question it as all.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. AIKEN. The Senator from Alabama raised the question as to how the Senator from Vermont got the impression that the majority conferees were against the majority opinion of the Senate.

The Senator from Vermont got that impression because the record shows the views of a majority of the Senate when

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the bill was originally before the Senate, and the majority of the conferees voted against the majority of the Senate. Was that not a logical impression for the Senator from Vermont to get?

Mr. SPARKMAN. If that is the rule that is to be laid down, how could the Senate, in naming conferees, have named a majority of the conferees on the Democratic side which represented what the Senator from Vermont refers to as the majority opinion of the Senate? There were not that many Senators on this side of the aisle who voted with the majority.

Mr. AIKEN. At the time the vote was taken, the party on the other side of the aisle was not the majority of the Senate.

Mr. FULBRIGHT. Mr. President, will the Senator yield for a question?

Mr. SPARKMAN. I yield.

Mr. FULBRIGHT. I do not see how the Senator from Vermont can split a majority of one vote. The vote in the Senate was 45 to 46.

Mr. AIKEN. In that case, the majority view should have been represented by 3 conferees, not 2.

Mr. FULBRIGHT. Why does not the Senator from Vermont move to discharge the conferees if he does not believe they represented the Senate?

Mr. SPARKMAN. I should like to point out again that this is one of the smallest parts of the bill. There were many other items in the bill which were in conflict. We came back to the Senate with the major portion of the Senate language.

There was no abject surrender, regardless of what our individual views were.

But I do not care to say anything further, Mr. President.

FOREIGN CLAIMS SETTLEMENT COMMISSION—CONFERENCE REPORT

Mr. SPARKMAN. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6382) to amend the International Claims Settlement Act of 1949, as amended, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of July 29, 1955, pp. 12090–12091, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

AMENDMENT OF CIVIL SERVICE RETIREMENT ACT OF MAY 29, 1930

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent for the immediate consideration of Calendar No. 1188, Senate bill 2402.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill S. 2402) to amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Post Office and Civil Service, with an amendment to strike out all after the enacting clause and insert:

That section 8 of the Civil Service Retirement Act of May 29, 1930, as amended, is amended by adding at the end thereof the following:

"(d) (1) The annuity of any person who now or hereafter is receiving or entitled to receive an annuity from the civil-service retirement and disability fund shall be increased, effective on the first day of the second month following enactment of this amendment or on the commencing date of annuity, whichever is later, in accordance with the following schedule:

"If annuity commences between—	Annuity not in excess of $1,500 shall be increased by—	Annuity in excess of $1,500 shall be increased by—	The total increase in annuity may not exceed—
August 20, 1920, and June 30, 1955	12 per centum	8 per centum	$360.
July 1, 1955, and December 31, 1955	10 per centum	7 per centum	$300.
January 1, 1956, and June 30, 1956	8 per centum	6 per centum	$240.
July 1, 1956, and December 31, 1956	6 per centum	4 per centum	$180.
January 1, 1957, and June 30, 1957	4 per centum	2 per centum	$120.
July 1, 1957 and December 31, 1957	2 per centum	1 per centum	$60.

The monthly installment of each annuity so increased shall be fixed at the nearest dollar.

"(2) The increases provided by this subsection, when added to the annuities of retired employees, shall not operate to increase the annuities of their survivors, except that the annuity of any such survivor who becomes entitled to annuity shall be increased by the percent provided in subsection (d) (1) of this section appropriate to the commencing date of such survivor's annuity."

Mr. JOHNSTON of South Carolina. Mr. President, the committee amendment strikes out all of the bill after the enacting clause and substitutes therefor a new bill which appears in the reported bill in italic type. The bill, as amended, is designed to give persons who now or in the immediate future are receiving or become entitled to receive an annuity from the civil-service retirement and disability fund an increase equated to the increase in pay accorded Federal employees in all branches of the service. The increase in annuities made by this measure does not extend to employees who become entitled to annuity benefits after December 31, 1957, because such persons will automatically receive larger annuities by reason of their larger base pay during the interim period.

S. 2402, as introduced, would have increased annuities by $54 for each full 6-month period elapsed between the commencing date of the annuity and October 1, 1955. However, it was provided that no increase could exceed the lesser of $360 or one-third of the present annuity.

The Civil Service Commission, Senator GEORGE A. SMATHERS, representatives of employees' organizations, and numerous former and present Federal employees testified in favor of an increase in annuities at this time. The Civil Service Commission opposed S. 2402 in its original form but favored enactment of legislation along the lines of S. 2402, as amended. There was general agreement among those who testified on legislation similar to that embodied in S. 2402, as reported.

The Civil Service Commission estimates that the first year's cost of S. 2402, as reported, would be slightly under $45 million.

Mr. President, what the bill actually does is to increase annuities on the first $1,500 12 percent. Then, all above that, 8 percent, until it reaches the ceiling of the $360 which I mentioned a few moments ago.

I should like to say that the House has already passed a similar bill and it is on the desk at the present time. I intend later to move to substitute the House bill for the Senate bill.

Mr. CARLSON. Mr. President, will the Senator from South Carolina yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. CARLSON. Mr. President, I concur in the statement made by the chairman of the committee regarding this proposed legislation.

I think it is important that we adopt the provisions of the House bill, because on that basis we shall certainly take care of the annuitants who, I think, are entitled to consideration at this session of the Congress. I am fearful that if we adopt the provisions of the Senate bill and send the bill to conference, thousands of Federal workers might lose its benefits.

In considering this important bill I think we should keep in mind that at the last session of Congress a report was submitted which was of great importance. I would urge the chairman of the committee during the adjournment of Congress to hold some hearings and come up with better legislation for the Government employees. I feel that the annuitants themselves can benefit from a study of the report to which I have referred. It is a very complete report.

So, Mr. President, I wish to commend the chairman of the committee for bringing the bill up at this time. I sincerely hope the Senate will adopt the House provisions, so that this bill increasing the retirement benefits may become a law.

In considering this most important piece of legislation that will supplement the income of our annuitants, based on

the length of their retirement period, I think that I should point out in the Senate again that, under Public Law 555 of the 82d Congress, a committee was set up to make a comparative study of all retirement systems for all Federal personnel. As a result of this study, Senate Document No. 89 of the 83d Congress, 2d session, in 5 parts, was submitted in finality on June 29, 1954.

The result of the committee's study has been to present to the Congress many recommendations for changes, and the extreme need for complete revision of our overall Federal personnel retirement system. Perhaps no other law on our Federal books has been "piece-meal" amended as much as our retirement laws.

The reports which are before the Congress are informative and serve as a guide for formulating legislative policies with respect to our overall retirement system.

It is generally recognized, as it was when Public Law 555 was passed, that there is grave need for adjustments and clarification in the policy of our retirement system for Federal personnel. Many of the abuses and lack of equity now existent have been presented before this Chamber on many previous occasions. When the Congress amends the Federal retirement system it is altering the course of fundamental vested rights.

Two important recommendations are pointed out by the committee, which we here today are not recognizing in passage of this bill, and, those are that when Congress is enacting, legislation to adjust annuities, consideration should be given to the fact that the staff requirement systems are designed primarily to provide benefits for career employees, and that when adjustments in annuities are made, the original relationship of the basic annuity to the salary and the length of service of the annuitant should be maintained and recognized. Also, that when Congress is enacting provisions for adjustments of annuitants that is, those who are already retired, they should concurrently make appropriations to finance such adjustments—this in keeping with the vested interests and in protection of the fund for future years.

The Civil Service Commission has concurred generally in the views of the committee on retirement policy for Federal personnel.

I do not desire to leave the impression that the bill we are now considering is without prior consideration and applicability to the present retirement system. One civil service committee has adopted a committee amendment—the recommendation of the Civil Service Commission—which keeps the original relationship of the annuity to salary and length of service.

Mr. President, in favoring this legislation which will greatly benefit and enhance the benefits of our lower-paid annuitants, I did want to remind the Senate that this Congress has before them a guide for a much-needed retirement policy revision of our overall retirement system.

The PRESIDING OFFICER. The committee amendment is open to amendment.

Mr. CLEMENTS. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Kentucky will be stated.

The LEGISLATIVE CLERK. It is proposed, at the end of the bill, to add a new section, as follows:

SEC. 2. (a) Paragraph (5) of section 3A of the Civil Service Retirement Act of May 29, 1930, as amended, is amended to read as follows:

"(5) Subject to the provisions of section 9 and of subsections (b) and (c) of section 4, the annuity of a Member of Congress shall be an amount equal to—

"(A) 2½ percent of the average annual basic salary, pay, or compensation received by him subsequent to the date of enactment of the Legislative Reorganization Act of 1946, as amended, for civilian service used in the computation of an annuity under this paragraph, multiplied by the sum of his years of service as a Member of Congress and his years of active service performed as a member of the Armed Forces of the United States prior to his separation from service as Member of Congress;

"(B) 2½ percent of such average annual basic salary, pay, or compensation multiplied by the sum of the years, not exceeding 15, of his service performed as an employee described in section 4 (g) prior to his separation from service as a Member of Congress, other than any such service which he may elect to exclude; and

"(C) 1½ percent of such average annual basic salary, pay, or compensation multiplied by the years of his allowable service, other than service used in computing annuity under clauses (A) and (B), performed prior to his separation from service as a Member of Congress, and other than any such service which he may elect to exclude. In no case shall an annuity computed under this paragraph exceed an amount equal to three-fourths of the basic salary, pay, or compensation that he is receiving at the time of his separation from service as a Member of Congress."

(b) Paragraph (8) of such section is amended by striking out "service as a Member of Congress shall not be credited" and inserting in lieu thereof "service used in the computation of an annuity under this section shall not be credited."

(c) The amendments made by this section shall be effective only in the case of a person separated from service as a Member of Congress on or after July 1, 1955.

SEC. 3. Notwithstanding any provision of law, service heretofore or hereafter performed as an employee of the Republican Senatorial Campaign Committee or the Democratic Senatorial Campaign Committee shall be considered for the purpose of the Civil Service Retirement Act of May 29, 1930, as amended, to be service as an employee in the legislative branch of the Government within the classes of officers and employees made eligible for the benefits of such act by the act of July 13, 1937.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kentucky to the committee amendment.

Mr. CLEMENTS. This amendment changes existing law to allow Members of Congress to include in the computation of their retirement annuities all Federal service, including service in either the executive or legislative branch of the Government, performed prior to the Member's separation from Congress.

The amendment simply provides that in computing the annuity entitlement of Members of Congress, all allowable civilian Federal service shall be included if the Member so elects. The effect of this change in the law will be to remove existing inequities under which some Members fail to receive any credit for years of civilian Federal service performed outside of Congress.

Section 3 extends retirement coverage to employees of the senatorial campaign committees. It is proper that they be brought under the Retirement Act.

The Senate has acted on such a proposal in a favorable way on about three occasions, to my knowledge.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. CLEMENTS. I yield.

Mr. JOHNSTON of South Carolina. Most of what is contained in the amendment which was read is a restatement of the present law. The only change made concerning the Members of the Senate and the House is to take care of Senators and Representatives who have had Government service outside of their service with Congress. I believe it will be found that at most only 12 or 15 Members have worked in the Government outside of their period of service in Congress, and they are being penalized because other Members receive such benefits if they have worked in the Federal Government for more than 5 years.

Mr. CLEMENTS. The Senator from South Carolina is absolutely correct. The only difference is that presently those Members who have had 5 years or more of other Federal service, outside of the service in Congress, receive the benefits of the act. Those having less than 5 years of service, but who have had exactly the same type of employment, are not covered to the extent of their years of service.

Mr. JOHNSTON of South Carolina. That is true. I said there were 12 or 15 Members. I do not know of more than 4 or 5 whose names I could state now. Regardless of whether they be few or many, an inequity is present.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. CLEMENTS. I yield.

Mr. CARLSON. I think the acting majority leader has explained the amendment so that it is sufficiently understood by all. Those who have had Federal service of less than 5 years have been unable under existing law to take advantage of such Federal service as a part of their congressional retirement. I think the amendment is fair and should be agreed to.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. CLEMENTS. I yield.

Mr. LANGER. Does the amendment apply only to Federal service?

Mr. CLEMENTS. It applies only to Federal service.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kentucky to the committee amendment.

The amendment to the amendment was agreed to.

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The PRESIDING OFFICER. The question is on agreeing to the committee amendment, as amended.

The amendment, as amended, was agreed to.

The PRESIDING OFFICER. The Chair lays before the Senate H. R. 7618, which will be stated by title.

The bill (H. R. 7618) to amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended, was read twice by its title.

The PRESIDING OFFICER. Is there objection to the present consideration of the House bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. JOHNSTON of South Carolina. Mr. President, I move to strike out all after the enacting clause of the House bill and to insert in lieu thereof the text of Senate bill 2402, as amended.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from South Carolina.

The motion was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 7618) was read the third time and passed.

The title was amended so as to read: "An act to amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended, and for other purposes."

The PRESIDING OFFICER. Without objection, Senate bill 2402 is indefinitely postponed.

AUTHORIZATION FOR COMMITTEE TO FILE REPORT DURING THE ADJOURNMENT OF CONGRESS

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent that the Committee on Post Office and Civil Service be permitted during the adjournment of Congress to file a report summarizing its activities during the 1st session of the 84th Congress. It has been customary for the committee to file such a report.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECONVEYANCE OF CERTAIN LANDS ACQUIRED FOR RESERVOIR PROJECTS IN THE STATE OF TEXAS

Mr. CLEMENTS. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1286, H. R. 7195.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 7195) to provide for adjustments in the lands or interests therein acquired for reservoir projects in Texas, by the reconveyance of certain lands or interests therein to the former owners thereof.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Kentucky.

The motion was agreed to; and the Senate proceeded to consider the bill.

PROGRAM FOR TONIGHT AND TOMORROW

Mr. CLEMENTS. Mr. President, H. R. 7195 was not made the unfinished business for the purpose of having it considered at this time. There are several matters which I think justify the acting majority leader in discussing the program for tomorrow as well as for tonight.

My own opinion is that there will be time enough tomorrow to consider the proposed legislation and also the Executive Calendar, as well.

There is a desire on the part of a considerable number of Members of the Senate to have the Executive Calendar called. My personal opinion is that there will be considerable discussion of one of the nominations on the Executive Calendar.

I wish to be very frank and to state my plans. When I move that the Senate proceed to the consideration of executive business, I shall move that the Senate consider the Executive Calendar beginning with new reports. My reason for saying this is that the hour is now 10 o'clock. The Senate has been in session a good many nights. There is no nomination on the Executive Calendar to which I desire to speak; but I understand a number of Senators wish to speak on certain nominations.

I think it would be in the best interest of all Members, if there is to be extended discussion of the qualifications of one of the nominees, that it be done in daylight, and not in the dark—or at least—not in the light we have in the Senate Chamber.

Mr. CAPEHART. Will the Senator explain himself?

Mr. CLEMENTS. I hope that is a fair explanation.

Mr. THYE. Mr. President, will the Senator yield?

Mr. CLEMENTS. I yield.

Mr. THYE. There seems to be ample light for me to understand any question the acting majority leader may have concerning any nomination.

Mr. CLEMENTS. There is no nomination on the Executive Calendar to which I personally have any objection. So I can say that there is plenty of light for me to see, even in a dark room.

I desire to have the membership know that after the action has been completed on the nominations, beginning with the new reports, if there is insistence on the part of the membership that there be a discussion of all the contested nominations, and certainly if the Senate proceeds beyond 11:30 p. m., I think it important that an adjournment motion be made, and I propose to make it.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. CLEMENTS. I yield.

Mr. KNOWLAND. The acting majority leader, as well as his predecessor, and I have had very pleasant relationships, which we shall continue to have.

I must say, in frankness, that I have felt since yesterday that we had an understanding that when the Senate concluded the consideration of the bill which has just been passed, the Senate would proceed to the consideration of nominations submitted by the President.

We are now in what may be the last 2 days of the session. The Senate had under consideration today a relatively minor bill. With all the extraneous discussion—and I make no criticism of that, because it was not an unimportant discussion which took place during the day—it took the Senate all day, and until this hour of the night, to conclude action on that bill and to proceed to the consideration of the Executive Calendar. It is true that the Senate has acted on a number of conference reports and on a number of House amendments to Senate bills.

Unless an effort is to be made to block the nominations sent to the Senate by the President of the United States—and I know of no valid reason why that should be done—it seems to me the Senate should proceed to the consideration of executive business.

I have no objection at all to the distinguished acting majority leader, when the Senate goes into executive session, taking up new reports first, but I believe that when the new reports are disposed of the Senate should then proceed to the consideration of the nomination of Mr. Harold C. Patterson, of Virginia, to be a member of the Securities and Exchange Commission, and that the Senate should follow action on that nomination with consideration of the nomination of Mr. Newell Brown, of New Hampshire, to be Administrator of the Wage and Hour Division of the Department of Labor.

Speaking with complete candor and frankness, as I have tried to do always in dealing with the acting majority leader and his predecessor, I must say I hope the Senate will continue on those nominations even though they may take some little time. We are prepared to spend some little time, if necessary, on the nominations. If for any reason it should become sufficiently late so that there would be general agreement that the Senate should go over until tomorrow, that could be done. I hope that will not happen, because certainly the arguments for and against the nominees should be completed and the Senate should come to a decision within a couple of hours' time, considering the fact that there was no major adverse vote in either committee against the nominations.

In complete frankness, I must say, however, that if the Senate is not able to complete its business in executive session, I shall have to resist a motion to go back into legislative session until the Senate has completed its consideration of the nominations, whether it may take 1 day or 2 days or 3 days. I think the Senate should remain in executive session, and not consider any further legislative business, until action is taken on the nominations. I feel the President of the United States is entitled to that courtesy. I feel there has been an understanding that the Senate should dispose of the Executive Calendar. I hope the Senate will cooperate to that end, whether individual Senators are going to vote for or against the nominations, so that the Senate may dispose of the nominations.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. MORSE. The Senator from California has not said a single thing with which I disagree. With regard to the matter of eventually coming to a vote on the nominations, I want the Senator to know that there is no one any more opposed than I am to preventing a vote on the nominations.

I wish to make this plain to the minority leader and acting majority leader. It is now 10 o'clock. I want to congratulate the House, I may say jocularly, for following better judgment than the Senate has, in that the House adjourned at an early hour, and is going to convene tomorrow at an early hour. I think the Senate ought to do the same.

I think we ought to look at the practical situation now existing in the Senate, and I think the country ought to know it. A considerable number of older Senators on this side of the aisle went home some time ago for needed rest. They have a right to be represented in the Senate on a vote on the nominations at an early hour tomorrow morning. I think it is a mistake for the Senate to stay in session until 1, 2, or 3 o'clock this coming morning to consider the nominations, when the Senate could convene its session tomorrow morning at 10 o'clock and continue the consideration of the Executive Calendar.

I agree with the Senator from California that, once having taken up the Executive Calendar, the Senate should continue its consideration. I would support him in a plan to complete action on the Executive Calendar.

On the other hand, I may say that at this hour, when certain Senators have sincere opinions with respect to one or more of the nominees, I think the right is due them to express their opinions on the nominations at a decent hour of a session of the Senate, when Senators are more willing to listen to the merits of a Senator's argument, rather than to proceed, after an already very long session, for several hours more.

If the Senate should proceed in this manner, we on this side can count, and we know the votes are on the Republican side. The Republicans can pass anything they wish to, and the country ought to know it, because they have the votes at this time.

Mr. KNOWLAND. I thank the Senator for his compliment, but I wish to remind him that there was a very close vote on the last issue.

Mr. MORSE. I think the Republicans demonstrated that any time they could hold together and have a straight partisan vote, they could pass anything they desired. That situation forces us on this side of the aisle back on our parliamentary conveniences, which we will use, if we have to use them, to see that there is not a vote tonight on the nominations to which reference has been made. However, in the morning, I will be shoulder to shoulder with the minority leader in seeing to it that the Senate proceeds to dispose of the Executive Calendar. I have no desire to prevent a vote on the Patterson or Brown nominations.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. CLEMENTS. Mr. President, I thought I had the floor. I shall be delighted to yield to the Senator from California so that he may ask the Senator from Oregon any question he wishes.

Mr. KNOWLAND. I should like to inquire of the Senator from Oregon, and also of the acting majority leader, whether, if a motion were made by the acting majority leader that the Senate go into executive session and the motion were agreed to after acting on the new reports, could not the Senate enter into a unanimous-consent agreement for a fair division of time on the disputed nominations. Certainly no one wants to foreclose a discussion with regard to the disputed nominations.

I am certainly not unmindful of the long hours the Senate has been keeping, although I might say normally in the closing days of sessions, in both the United States Congress and in State legislatures, it is not unusual to have sessions late into the night or early in the morning. However, I know how hard Members on both sides of the aisle have been working.

I should like to hear a comment from the Senator with regard to whether there could be a reasonable limitation of time on both sides of the aisle on the nominations. Perhaps a unanimous agreement could be obtained on the so-called contested nominations. I am sure an adjustment could be worked out. I have tried to cooperate with the acting majority leader. I intend to continue to do so, but I feel I have an obligation, in view of the fact that the President has sent certain nominations to the Senate, and in view of the fact that there has been no adverse report on the nomination of either of these two gentlemen. As a matter of fact, it is my understanding that, with respect to one of the nominations, no negative votes were cast in the committee. Under those circumstances I think we are entitled to a vote after a reasonable period of discussion.

Mr. MORSE. Mr. President, in reply to the distinguished majority leader, let me say that I shall follow whatever the acting majority leader's recommendation is. However, speaking on another phase, I wish to have the Senator keep in mind that there have been long sessions of the Senate. There was a long session into Saturday night. There was a long session into Friday night. I think it is about time that the staff members of the Senate were given a rest, and that the Senate adjourn tonight and come back early tomorrow morning.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. CLEMENTS. I shall be glad to yield, but first I should like to make a statement concerning what the Senator from Oregon has said. I have no remarks to make on either of the nominations in question. No individual Member on this side of the aisle, or on the other side of the aisle, for that matter, has expressed to me his desire to make a lengthy speech. There are certain Members on this side of the aisle who have expressed to me their desire to make remarks with reference to one of the nominations. The number of Senators who have expressed themselves as desiring to get their views in the RECORD leads me to believe there is no chance that this matter can be disposed of in a reasonable short period of time tonight. It was for that reason that I said earlier that I was going to move that the Senate proceed to the consideration of nominations, beginning at new reports, and then go back to the nomination of Mr. Patterson. I thought it certainly was a very reasonable suggestion that at least by 11:30 p. m. the acting majority leader would move that the Senate adjourn.

I simply cannot believe that it is the part of good judgment to keep the Senate in session any later than that. In fact, I am not certain that at the completion of consideration of the new report on the Executive Calendar, it will not be time for us to adjourn for the day.

But as the distinguished minority leader has said, there has been an understanding that at the completion of our action on the retirement bill—which has just been acted on by the Senate—we would move to the consideration of the Executive Calendar—which is exactly what I propose to do.

If it were now the middle of the afternoon, I would not be thinking of suggesting that we should adjourn for the day, before completing consideration of all the nominations on the Executive Calendar.

Mr. KNOWLAND. Mr. President, will the acting majority leader yield to me?

Mr. CLEMENTS. I am glad to yield.

Mr. KNOWLAND. When the acting majority leader states that we are prepared to adjourn, let me inquire whether it is assumed that the adjournment would be while the Senate was in executive session, so that when the Senate convened tomorrow, at 11 o'clock, or whatever other time might be set, the Senate would continue to be in executive session?

Mr. CLEMENTS. There was never any thought of having any other arrangement until action on the Executive Calendar is completed.

Mr. KNOWLAND. On that basis, I would agree to the suggestion.

In view of the fact that various Members have expressed interest in sundry House bills and Senate bills, and in view of the fact that there will be conference reports which will have to be acted on by the Senate, in view of the discussion which will occur on those measures and also on the nominations on the Executive Calendar, I wonder whether we can reach an agreement as to a limitation of time for the consideration of the Executive Calendar. In that way, time for debate of the nominations will be provided, and it will not be necessary to hold up our action on a great many bills and other measures, which otherwise would have to wait for a considerable length of time, until the conclusion of our action on the Executive Calendar.

Mr. CLEMENTS. I believe the Senator from California will bear witness to the fact that the acting majority leader has been endeavoring to the utmost of his ability to have the Senate transact

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all its business at the earliest possible date. I think the Senator from California knows very well that earlier I said that if the Senate ever passed "the sonic barrier of July 30," we might have very little control over the date of the final adjournment.

Mr. KNOWLAND. Mr. President, I think the distinguished acting majority leader and the minority leader see eye to eye the dangers of our "passing the sonic barrier of July 30."

Mr. CLEMENTS. Mr. President, let me ask my friend, the Senator from California, about the situation. I cannot speak for all Members on this side of the aisle, but my opinion is that it is not likely that it would be possible to obtain unanimous-consent agreement limiting the time for the consideration of the Patterson nomination. I am hopeful that Senators who oppose confirmation of the nomination will express themselves in the shortest possible time it will take to get their views on record. But, of course, I have no control over the amount of time they may take.

In my opinion, it would be the part of good judgment for the Senate to consider the new reports on the Executive Calendar and, at the conclusion of their consideration, to adjourn, in executive session, until tomorrow, and to convene on tomorrow at 10 a. m. I had thought of having the Senate convene tomorrow at 11 a. m., but if there is a desire on the part of the membership to convene earlier than 11, it will be satisfactory to me to have the Senate convene tomorrow at 10 a. m. The nominations remaining on the Executive Calendar would then be under consideration, and the consideration of the controversial nominations would then occur entirely on tomorrow, instead of having perhaps 1 hour of debate on them tonight and then a resumption of that debate in the morning.

Mr. KNOWLAND. Mr. President, even though at this session my head has been bloodied, nevertheless it is not entirely bowed; I have not lost all my optimism.

Perhaps it will be possible to make informal inquiries, to ascertain whether it may be possible to obtain a unanimous-consent agreement under which 2 hours of debate, to be equally divided, would be allowed on the nominations.

Mr. CLEMENTS. Why does the Senator from California not propose such a unanimous-consent agreement? If he does, and if there is no objection, that will be fine.

Mr. KNOWLAND. Mr. President, there is nothing like trying it. [Laughter.]

So I would propose that, during the consideration of the nomination of Mr. Patterson, to be a member of the Securities and Exchange Commission, 2 hours of general debate be allowed, to be equally divided; and that during consideration of the nomination of Mr. Newel Brown, of New Hampshire, to be Administrator of the Wage and Hour Division, Department of Labor, there be 2 hours of debate, to be equally divided between the proponents and the opponents of the nomination, it being understood that if all the time were not used, it could be yielded back.

That would provide for 4 hours of general debate on the 2 nominations. If we convened at 10 a. m.—and I would be glad to cooperate with the distinguished Senator from Kentucky in having the Senate convene at 10 a. m. tomorrow—and if we used all of the 4 hours, that would mean that the Senate would consider the Executive Calendar until 2 p. m. tomorrow, at which time it could resume the consideration of legislative business, in order to take up House bills and conference reports which then would be ready for our consideration.

Certainly I am open to reason as regards the situation. Obviously, an arrangement of the sort I have suggested could not be made without general agreement on the part of the Senate.

If the time suggested is not sufficient, I shall be glad to modify the proposed unanimous-consent agreement.

Mr. MORSE. Mr. President, will the Senator from California yield to me?

Mr. KNOWLAND. I yield.

Mr. MORSE. I wish to say that I completely agree with the objectives of the acting majority leader and the minority leader.

I desire to raise only one question about the proposed order of debate. I think we certainly should have a unanimous-consent agreement about debate on the nominations on the Executive Calendar.

So far as I am concerned, I think 2 hours probably would be adequate for debate on each of the nominations. It may be that more time would be needed on the Patterson nomination, and less time on the Brown nomination.

However, I wish to call attention to the situation existing insofar as the House of Representatives is concerned, for I believe that the House is entitled to comity from the Senate. Certainly the House is entitled to every courteous consideration that the upper Chamber can extend.

The House will meet tomorrow morning. Some conference reports are awaiting attention, or will be by 11 a. m. tomorrow. So I ask whether it would be the height of parliamentary courtesy for the Senate to proceed during the first part of the session tomorrow to consider the Executive Calendar, and thus hold up the House, in case of action on conference reports, the action on some of which must originate in the Senate. I wonder whether we could have an understanding that when such conference reports are ready for action, our consideration of the Executive Calendar would be suspended long enough to make it possible for us to act on the conference reports and get them on their way to the House of Representatives.

I make that suggestion because I think we would be subject to just criticism if we were to take the position that we would spend the first 4 hours of our session tomorrow on the consideration of executive matters, over which the House has no control, and then at 2 o'clock proceed to act on matters with which the House of Representatives must deal. Such an arrangement would, in my opinion, be unfair to the House.

Mr. KNOWLAND. Of course, Mr. President, I wish to extend every possible consideration to the other body. I may point out that last weekend and on several other weekends, the Senate was in session, even though the House in its judgment was not then in session.

However, in dealing with executive nominations, the Senate is performing one of its highest constitutional duties, and one which the House of Representatives does not share.

We have waited all day, until almost 10:30 p. m., to reach the Executive Calendar. A somewhat similar situation could very well develop tomorrow, in view of the possibility that matters having priority might be brought up during the day.

I must say to the distinguished Senator from Oregon—and I say it with no disrespect to the House of Representatives—that when the Senate proceeds to consider the Executive Calendar, the Senate should continue with its consideration of the Executive Calendar for so long a time as the Senate believes is required, and it should continue to do so until its action on the executive business is completed. We will expedite the conduct of business in legislative session. I think we have shown that today. We have cleared many items. Many items need only to be taken up to be passed. But I believe that once we go into executive session for the consideration of nominations on the Executive Calendar, we should conclude consideration of all the nominations. I think we owe that respect to the President of the United States.

Mr. MORSE. Mr. President, will the Senator yield for one further suggestion?

Mr. KNOWLAND. I yield.

Mr. MORSE. I am very desirous of reaching an understanding. As the Senator from California knows, I expect to make one of the speeches on the Patterson nomination, and I shall raise some questions with the proponents of the Brown nomination. That is my present intention.

I still think there is a point involving cooperation with the House. I wonder whether the Senator would consider a unanimous consent agreement with respect to one of these nominations, which would provide that, following consideration of that nomination, we would take up whatever legislative business awaited our attention by way of pending conference reports, and, following disposition of the pending legislative business, take up next the question of a unanimous consent agreement on the other nomination.

My estimate is that if we figure according to our watches, that would mean that we would be through with the Patterson nomination, say, at 12:30, subject to a quorum call in the morning. We would be through with the conference reports at 2:30 or 3 in the afternoon, and we could then take up the Brown nomination about 3 o'clock, conclude the consideration of that nomination by 5, and then take up any pending legislation remaining. That would give the House a break in time, so that after we conclude consideration of the first nomination, and before we take up for con-

sideration the second nomination, the House could transact its business.

I think that would be a rather fair arrangement of the time. It would certainly prove the good faith of those who wish to raise questions on these nominations, and their desire not to prevent a vote. I am against any attempt to prevent a vote on these nominations. I only insist that reasonable time be given us to bring up the points which we think should be brought up.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. LEHMAN. Mr. President, I certainly do not wish to do anything which would prevent a vote on these nominations. I would be as much opposed to that as is the distinguished Senator from California.

I should like to accommodate myself to the wishes of the distinguished minority leader, but I do not feel that I can give my consent to the proposed limitation of time. I do not know how long I shall speak. I know that a number of my colleagues on this side of the aisle, and possibly some on the other side of the aisle, will wish to be heard in connection with the nominations. I would not be willing to give unanimous consent to the proposed limitation.

I wish to correct one misapprehension of the Senator from California. He made a statement that there was no serious opposition to these nominations in the committee. I happen to be a member of the two committees which considered these nominations. I think the Senator from California has forgotten the fact that in the case of Mr. Patterson, who has been nominated to be a member of the Securities and Exchange Commission, there were 6 adverse votes in the committee, and those votes were publicly announced and made a part of the CONGRESSIONAL RECORD 2 or 3 days ago.

In the case of the nomination of Mr. Brown, no record vote was taken, but there was opposition to his nomination. I do not believe the consideration of the Brown nomination would require much time. I believe that the Patterson nomination would require a considerable length of time.

Mr. KNOWLAND. My friend from New York is, of course, entirely within his rights as a Member of the Senate. I shall not press the request for a unanimous-consent agreement further at this time.

I anticipate that the distinguished acting majority leader is about to move that the Senate proceed to the consideration of executive business, for the consideration of new reports. That is entirely satisfactory so far as I am concerned. I understand that the Senate will then adjourn in executive session, and that the acting majority leader can take up with the Senate tomorrow the other matters which were discussed by the Senator from Oregon, and perhaps reach an agreement.

CONSERVATION OF RESOURCES

Mr. CLEMENTS. Mr. President, I ask unanimous consent that a statement on conservation of resources, prepared by the distinguished senior Senator from Georgia [Mr. GEORGE], be printed in the body of the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

CONSERVATION OF RESOURCES

(Statement by Senator GEORGE)

Quite often my colleagues make noteworthy comments away from the Senate floor just as they do on national issues coming before us here. One of these occasions came a few weeks ago when my distinguished colleague, the Honorable WARREN G. MAGNUSON, appeared in Hoquiam, Wash., to dedicate a recreation area which had been set aside by the Rayonier Corp. for those who work actively in utilizing forest products. In addressing this occasion—which attracted more than 5,000 people—Senator MAGNUSON said several significant things in my opinion. He called for true utilization of our forest resources, whether those resources are in the hands of private companies, the United States Forest Service, or our great Park Service.

I was especially interested and intrigued by his remarks because the firm that invited him to speak in Washington also has operated long and well in my own State of Georgia. In addition to operations at Jesup, Ga., Rayonier has 500,000 acres in southeast Georgia and northeast Florida. Giving additional weight to Senator MAGNUSON'S remarks at Hoquiam is the example in conservation that the Rayonier Corp. is giving daily through its forest practices.

Senator MAGNUSON'S remarks follow:

"PROFIT COMES IN CONSERVATION

"(By Hon. WARREN G. MAGNUSON, United States Senator from Washington, delivered at dedication of Promised Land recreation area, Hoquiam, Wash.)

"Here in Washington, where the lands slope toward the Pacific, the soils are so fertile and the climate so moist and mild, as to have produced the greatest forest in the world; and of all our wonderful trees, none exceeds the Douglas fir in dignity and natural majesty. Neither are these trees exceeded in height or diameter or density of growth or in the usefulness of their products. Douglas fir, western hemlock, and the other trees that grow in their company constitute a priceless heritage. As recipients of that heritage, we are duty bound to use it, develop it, and pass it on as nearly unimpaired as possible to our descendants.

"To these forests are now being applied the energies, the initiative, and the resourcefulness of many men and women. The result is an array of forest industries that demonstrate in a gigantic way the old story of the better mousetrap. Paths are being beaten to our doors that the world may use our forest products.

"Great changes have taken place since the first windjammer navigated around the Horn and entered Grays Harbor to make fast against a rude wharf somewhere on these shores. Rough lumber, hewed timbers, and logs were the first cargoes. Those timbers helped build communities in the Eastern States as they did in Europe and Asia. The shiploads were the product of relatively little local labor. Most of the work of finishing and refining the wood and fabricating it for final use was done somewhere else. For years under those conditions, Washington, as a Territory and later as a State, was little more than an economic colony for the Eastern States.

"This situation has changed. While the annual production of some three and one-half billion board feet may be less than of the midtwenties, the contributions to our local economy are far greater than ever before. The 74,000 people employed by the forest products industries of this State in 1954 were paid wages totaling more than $318 million and the value of their products was in excess of $814 million.

"The changes that have occurred in the past 125 years leave lumber itself in a position where it is no longer king. Its power and influence are rapidly being taken over by wood pulp and paper, by plywood and by other products yet to be developed for the trade. More than that much lumber is now edged and planed before it is shipped and increasing amounts go out as fabricated products.

"Not the least, however, among the revolutionary transformations which have taken place is the development of the paper industry and such fascinating materials as cellulose from wood. In this great venture, Rayonier has taken a remarkable part as evidenced by the operations of its plants here in Hoquiam, at Port Angeles, and at Shelton. A pioneer in some of these ventures is Dr. Russell M. Pickens, whose work in Rayonier's research laboratories in Shelton proved western hemlock to be a valuable source of dissolving pulp.

"Plywood is another of the amazing forest products now so generally available from these west coast forests. Like lumber and paper, much is shipped in bulk. But in company with other materials made from wood, increasing amounts are fabricated by skilled workers into articles for immediate use. An outstanding example is the door factory in nearby McCleary.

"All this is wonderful, but is it going to last? Are we living in a fool's paradise that will lead to a quick and shocking end? Do we really have enough land with growing trees, and are those lands growing wood fast enough to permit this business to continue year after year?

"I am not a forester and neither am I an engineer, but based on what I have seen and on statements made by competent men, I am strong in the belief that the forest industries of this State—and of our neighbors to the south and east are on firm ground. This is due in no small degree, to the leadership provided by such forest industries as Rayonier Corp.

"I grew up in the Northwest. When I was a boy I heard much about the time when our trees would be gone. Men like you of the forest industries were described in terms that were far from complimentary. Perhaps some of the statements were true.

"But I like to remember what I once heard a famous forester say in connection with the appearance of a recently cutover area. He compared the situation to what happens in a kitchen of anybody's home and remarked, 'you can't make scrambled eggs without having some unsightly eggshells.' The greatest loss which accompanied those early lumbering operations was due to the lack of adequate means for protecting the slash-bearing areas from fire.

"I was still a young man when I detected a change in the general attitude toward the forest industries. Later, as time gave me a sense of perspective, I recognized that I had been witnessing a public awakening of far-reaching consequences. Industry leaders, some of whom may be in this audience, were realizing that trees are alive and that they grow. More than that, they saw that the business in which they had invested their lives as well as their fortunes depends upon continuing supplies of trees and continuing flows of wood products harvested from growing forests. They saw, as never before, that with protection and reasonable care the forests which clothe these hills can be sources of continuous crops of wood.

"Fortunately, one of the first actions the industry leaders took was to get behind the State forester and support his efforts toward securing enforcement of laws to provide protection against forest fires. This

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was the beginning of the keep-green program, which industry leadership has transplanted to nearly every forest and State in the Nation.

"As industry thought more and more of growing trees on their lands, and on the lands of their neighbors, they looked with new interest upon the national forests. Were not these tracts of public forests intended to produce forest crops in perpetuity? Were they not designed to help provide stability to local communities? An example of how this has since been fulfilled is in the neighboring Olympic National Forest.

"Here, under provisions of the Cooperative Sustained Yield Act of 1944, the Simpson Logging Co. is operating its land in connection with a portion of the Federal lands in accordance with forest-service regulations. This sustained-yield program is unique among all forest operations of this country. The extent to which it may eventually be duplicated in other parts of the United States depends greatly upon the manner in which the details continue to be worked out here. Meanwhile, no one questions that it carries the seeds of permanent prosperity for the community which it serves.

"During the years since the Simpson unit for cooperative sustained yield was started the value of the timber on the Olympic National Forest has risen from $2.50 per thousand board feet to better than $10. The industries have so improved their woods operations and mill processes as to make possible the harvesting of trees smaller than those which previously seemed merchantable and to hew the trees down to smaller diameters.

"As a result, the allowable annual cut of this national forest has been increased by authority of the Forest Service from 182 million board-feet a year to 271 million board-feet a year. I am told that this is now being temporarily exceeded because of a big fire which occurred in the Forks branch back in 1951. The half a billion board-feet of standing timber which was killed by this fire would probably have been a total loss had there been no mills such as this company provides to use the material quickly. As it was, the ashes of the forest fire were scarcely cool when the Forest Service reports that it had men on the ground estimating the damage and figuring how the dead trees could be salvaged. As a result of this action and the application of modern protective methods and good woods practices, I am told that a future forest is promised which will rival the one that was burned.

"About 40 percent of the forest in this State is in private ownership, and much of that in relatively small holdings. Regardless of the size of the holdings, owners in increasing numbers are protecting their property as a tree farm. The Rayonier Corp. is a tree farmer. How many times it is a tree farmer, I am at a loss to know, but its interest in the Rayonier Grays Harbor tree farm over toward Shelton is well known. Here more than 111,000 acres of timber is being grown and tended for annual harvests. This is truly an encouraging example of how private industry is working with the State to maintain, develop, and eventually improve our forest heritage.

"I hope Senators realize the pride I have had in reviewing these accomplishments of some of the citizens of our State. It is something in which every Washingtonian and every citizen of our Nation can share. This kind of pride is not, however, the kind that goes before a fall. There is no threat of stumbling, for in these accomplishments are the foundations for prosperity such as will continue longer than the lifetime of any who are here. By recognizing and studying the laws of nature and by applying them to the forest programs now underway, these foundations will be strengthened and the prosperity of this part of our Nation will be assured—as long as men use wood to build with and paper to write upon.

"The cooperative program which we see about us is evidence of the concern now being given our forest heritage. I believe as never before in the history of this country, private interests are working with their State and Federal Governments to provide the supplies of raw wood necessary for the continuous operation of their plans. Surely this is evidence that a capitalist society such as ours can profit by the enlightened self-interest of its members. So long as this continues in its application to such natural resources as those we hold in our forests, the prosperity of our Nation is assured.

"While the word 'conservation' means many things to many groups, depending upon the circumstances, I like what it has meant to Rayonier.

"It means utilization of every log—to the ultimate degree. You find hydraulic barking and whole log chippers at work which increase wood yields by 20 percent over older methods. Conservation means removing all of the usable wood from the land—even using salvage logging when necessary.

"And the soil analysis laboratory which Rayonier has in operation is interesting. That gives the scientific—long range planning so necessary in land management. Through this laboratory, the company knows if a timber crop will mature in 50 or 100 years on a particular piece of land.

"Then, to Rayonier, conservation means employment of foresters—foresters whose jobs it is to plant large acreages every year where the seed sources have been removed by repeated fires.

"I like the elaborate fire fighting organization that Rayonier has standing by using radio control to direct the modern fire trucks which are located strategically to cover fires wherever they may occur in the Rayonier timber stands.

"Not content with these measures, company officials tell me a new procedure has been added—it's called photogrammetry. All Rayonier lands have been photographed from the air and from these photographs information is quickly available to permit intelligent management decisions.

"When we conserve timber resources, we're conserving another important item as well—payrolls. Not only do we conserve them, we expand them. Rayonier's three plants in the Northwest had 500 employees to start with; now have 2,900. If we could get the same rate of growth in our timber, we wouldn't have much to worry about, would we?

"There's another point about Rayonier I should mention. It is another case of a firm operating in the Pacific Northwest which takes our Northwest products and fans them out widely over the entire Nation. That kind of publicity we can use. We can talk about our section all we wish, but in the final analysis, our importance depends upon what we furnish to the rest of the Nation—what we will furnish in years to come. I'm convinced that through firms like Rayonier we are going to be spreading Pacific Northwest fame not only throughout the Nation, but throughout the world in years to come.

"I wish I could repeat the same story was true at the Federal and State levels as it is with Rayonier, but it isn't. It's a pretty sad chapter when you consider the 5-year fight I made for $75 million program so that the Federal Government could handle its holdings in timber at least half as intelligently as this company has done. Actually, I think it will make sense, especially to you people here. What I have attempted to do is have the Federal Government put in access roads so that it could market its timber when it should be marketed. It is as simple as this; we wanted a network of access roads that would allow selective logging in the presently inaccessible areas as well as those fringe areas which are being hit so hard. That $75 million would have been repaid through the timber sold through selective logging—timber that cannot be reached and cannot be harvested in its prime condition.

"There is another example I would like to call to your attention. The President's budget contained $1,110,000 for forest and range management of lands under the jurisdiction of the Bureau of Indian Affairs. Of this amount, approximately $690,000 would be used for forest management and timber sales. I am convinced that at least $100,000 should be added for the purpose of increasing the ability of the Bureau to cruise and place timber on the market.

"Several reservations in the State of Washington would be affected—the Colville and Yakima.

"In calendar year 1953, sales of timber from reservations totaled about $9 million. The direct costs of timber-sales administration were about $690,000. The actual returns to the Treasury from its percentage on timber sold was $663,000. In other words, the program was almost self-sustaining.

"I am told there have been repeated recommendations to the legislative and executive branches of Government that money be provided to inventory State-owned timber. Even though appropriations have been made, there have been vetoes, and we are still waiting for this inventory to be made.

"I don't take pride in the fact that this has happened to the timber you and I as citizens of the Nation and the State of Washington own. I only wish that we collectively as timber owners at the Federal and State level should act with the same intelligent foresight that you have shown in the Rayonier Corp. in planning for the future.

"We may now be approaching something at the Federal level after all these years of hard work. The Department of Agriculture tells me that the $100 million will be needed now to construct the roads which could have been built for $75 million at the time I first recommended it.

"The Department figures we need 5,500 miles of access road to get the national forest cut up to full sustained yield capacity. In the 1956 budget as passed by the House are $24 million for forest development roads. Of this, $14 million would be for timber access road construction.

"I was a member of the House of Representatives first in Olympia and then in the National Congress when the soil conservation program was placed in effect. We heard cries of socialism—that people were being paid for not producing. I notice that the dust storms became more quiet as the cry of socialism became louder. Finally, the dust stopped. Why? Because we managed through sound soil conservation practices to get a part of the cover back on the land that nature intended to be there.

"It was during World War II and again our need to provide food for the world when our plows started through that cover which only had a good start on those marginal lands protected in the 1930's that we began to sow the crop of dust that is beginning to harvest now. It may well be that we will have to dive into intensive soil conservation practice again—follow the pattern that worked so well in the midthirties.

"There's another conservation item which is even more important than the matter of timber or soil.

"All too often we forget it. I suppose it is natural for us to look about and see the trees, the land and the water resources and all too often fail to think of the individual who is doing the viewing.

"The most important single item is the conservation of human resources. In this respect, true conservation is true utilization. In our land especially, we have been taught from childhood of the equality of opportunity, the importance of every individual be-

coming trained in the line of endeavor he likes best—and then putting that knowledge to work for the best interests of his fellow man.

"No one knows better than I do the opportunity given to the individual.

"Agriculture research also comes in for Federal money, and rightly so. We spend some $100 million each year to fight hoof-and-mouth disease, fruitfly, and so forth.

"What I am getting at is this.

"We spend twice as much for researching for agriculture as we do for human beings.

"Our Atomic Energy Commission annually gets some $260 million to test weapons. What are we spending in the United States Government for cancer research? About $14 million.

"What has happened to our standard of values? What price a human life today?

"Of course, these aren't new questions. A Frenchman, Louis Pasteur by name, who did such things as discover a cure for rabies and a process for milk purification said in 1888—

" 'Two opposing laws seem to me now in contest. The one, a law of blood and death, opening out each day new modes of destruction, forcing nations to be always ready for battle.

" 'The other, a law of peace, work, and health, whose only aim is to deliver man from the calamities which beset him.

" 'The one seeks violent conquest; the other, relief of mankind.

" 'Which of these two laws will prevail? God only knows.' "

SETTLEMENT OF INTERNATIONAL CLAIMS

Mr. HUMPHREY. Mr. President, about 45 minutes ago the Senate accepted a conference report on House bill 6382, the Settlement of International Claims Act. The junior Senator from Minnesota was present at the very last moment on Saturday evening to participate in the discussion of that conference report. He was present in the Chamber when the bell rang this morning, to participate in the discussion of the conference report.

About 9 o'clock this evening, in view of the fact that my daughter and some of my friends had come to the Capitol for dinner, I decided that I would go to the Senate Restaurant and get a bite to eat. I left a note with one of the members of the staff of the Senate that when the conference report came up I should like to be notified.

I regret to say that when the conference report came up it moved through the Senate so fast that the fastest runner on the staff of the Senate could not reach the dining room in time to inform the Senator from Minnesota, who can move pretty fast himself, so as to enable him to reach the floor of the Senate in time to discuss the conference report. I regret very much that I was not informed about the consideration of the conference report.

I happen to feel that the conference report which was adopted was, in substance, a denial of justice to the Senate. I had prepared a statement on it. I shall not deliver that statement orally. At the appropriate time I shall ask for its inclusion in the RECORD.

I wish Members of the Senate to know that the Treasury Department somewhat misinformed the conferees. I do not say that it was intentional, but whether it was intentional or unintentional, representatives of the Department of the Treasury of the United States Government misinformed the conferees with respect to the Settlement of International Claims bill, House bill 6382. That misinformation, plus a letter from the Acting Secretary of the Treasury, brought the conferees to a decision on a tax matter of vital importance, by which we dropped an amendment originally adopted by the Senate, and gave in to the House, thereby bringing about a great injustice in the tax laws as they relate to the recoupment of losses under war claims.

I hold in my hand a tabulation showing the sort of gross inequity which results from the misinformation given by the Treasury Department to the conference committee.

I was not intending to fight the conference report, because we were literally caught in a hopeless situation. It is important to get this claims bill on the books, so that war claims can be processed. However, my recommendation is that in the next session—and I ask the attention of the acting majority leader—in the light of the unintentional but misleading information from the Treasury Department, this situation be corrected by law. We can accomplish this purpose, because it is unlikely that any payment of these claims will be made for a few years. However, the tax law ought to be changed, in the light of the facts. I have checked and double-checked the facts, and I can honestly say that for 4 days the junior Senator from Minnesota has besieged the Treasury Department and the tax experts in this city to get the facts clear.

I think every one of the conferees now recognizes that we were misled and misdirected. We followed the advice of those whom we considered experts in the Treasury Department, who injected difficulties into this subject at the last minute. When we asked them for early advice, they would not give it to us. They fought every attempt that was made in the committee to try to bring into the bill an equitable tax provision. They tried to say it would not work. They said it was administratively difficult. Then, at the last minute they misinformed us. As a result the conferees did not obtain an accurate and clear picture of the effect of the Senate amendment in the light of present tax laws.

Mr. CLEMENTS. Mr. President, before the Senator from Minnesota takes his seat I wish to state to him that it was my understanding earlier in the day that the Senator had a statement which he wished to make and perhaps an objection he desired to raise, but which he was not going to press too hard on the conference committee report on the international claims bill.

It was my understanding that he and the distinguished chairman of the conference committee, the Senator from Alabama [Mr. SPARKMAN] had an understanding about the matter. That being my understanding, there was no objection raised from this chair at the time the conference report was taken up. I thought in all fairness to the staff members I should make that statement.

Mr. SPARKMAN. I wish to say that the understanding of the acting majority leader is correct. We had discussed the matter on different occasions. I knew that the Senator from Minnesota desired to get his statement in the RECORD. I will say that when I called up the conference report I immediately turned to one of my assistants and asked him to summon the Senator from Minnesota. The conference report was agreed to and before I realized what had happened, the Senator from South Carolina [Mr. JOHNSTON] was already on his feet presenting another conference report.

Knowing, however, that the desire of the Senator from Minnesota was to get his statement in the RECORD, I told him, as soon as he came to the Chamber, that the conference report had been agreed to. He agreed that we would make this record.

Mr. HUMPHREY. I ask unanimous consent that my statement on the conference report be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD as follows:

STATEMENT BY SENATOR HUMPHREY

There are a few words that I feel I must say for the record in connection with the conference report on H. R. 6382. The Senate unanimously adopted an amendment to this bill originally proposed unanimously by the Senate Foreign Relations Committee providing that any payments made under the bill would be prorated and would be arrived at "less the amount of any reduction in Federal or State income taxes resulting from the allowance in prior years of any deduction on account of the destruction or seizure of property for which the award hereunder has been made."

On July 26 the Treasury Department sent a letter to the conference in opposition to this amendment. The letter was in my judgment a most unpersuasive one, somewhat misleading and at points not clear. These are strong comments that I make, Mr. President, but they also arise out of strong feelings on my part. The Treasury Department has not fulfilled its responsibilities in connection with this bill. The Department has had numerous opportunities to explain its position to the House and to the Senate over a long period of time and did not do so. In fact, the Department was specifically asked for assistance on a number of occasions and that assistance was never wholeheartedly given. The last-minute effort of the Treasury Department to inject itself into the bill with a most unpersuasive letter was not to my liking at all.

In the course of the conference certain direct questions were asked of the staff of the Department to defend their opposition to the amendment. These staff members were in an understandably embarrassing position because they were apparently not policymakers.

The question was raised during the course of the conference with regard to one provision of the Treasury Department letter to the effect that the Internal Revenue Code "makes provision for recoupment of any reduction in Federal taxes which resulted from the allowance in prior years of a deduction on account of the destruction or seizure of property for which an award is made." The question was asked at what rate this recoupment takes place and whether in fact it was not true that the recoupment would probably take place as of current tax rates rather

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than as of the time the writeoff was originally made. A specific and direct answer was twice made to the conference to the effect that the tax rate did apply to the recoupment as of the time the loss for tax purposes was originally claimed.

The information was inaccurate. The conference committee, therefore, made its decision in the light of the inaccurate information and I have felt that the conference committee, therefore, ought to reopen its decision with regard to the Senate amendment.

The real fact with regard to the Internal Revenue Code is that section 1335 of the Code provides that the taxpayer may elect between recomputing and paying at the old tax rate or treating the amount he receives under the claim as current income and paying at the rate in effect when he receives the amount.

Why is this important, and why was the amendment first adopted?

First let us recognize that there is an insufficiency of funds to pay all the claims under our bill. Second, let us recognize that under the bill as now written most of the money will go to a few corporate claimants because there is a small number of very substantial corporate claims. This is demonstrated by the following figures, based on information submitted by the Foreign Claims Settlement Commission to the Senate Foreign Relations Committee:

Estimate of claims against Hungary

Socony Vacuum Oil Co	$14,727,698
European Gas & Electric Co	11,475,732
International Telegraph & Telephone Corp	10,910,341
Ford Motor Co	5,119,032
International General Electric Co	3,962,960
	46,195,563
All other claims	11,304,437
Total	57,500,000

[Amount available to satisfy claims, about $3,000,000.]

Estimate of claims against Rumania

Standard Oil Company of New Jersey	$29,053,830
Van Buren Securities Corp	7,973,226
New Jersey Industries, Inc	5,946,624
Socony Vacuum Oil Co	2,021,743
	44,995,423
All other claims	43,504,577
Total	88,500,000

[Amount available to satisfy claims, about $22,000,000.]

The disproportion between large corporate claims and smaller claims may ultimately prove even larger as the corporate claims are more nearly accurate than the smaller claims.

With this background, the Senate committee was made aware of the fact that undoubtedly a great many of the corporations who will receive the bulk of the amount made available under the act have already written off their losses in previous tax returns. We were, therefore, concerned about two factors. First, the desirability of taking the previous tax writeoff into account so as to increase the amount of money available to the smaller claimants and those who were not in a position to write off their previous tax loss. Second was the recognition that unless we made such a provision some of the larger corporations which have written off their previous losses, will in fact gain more than they ever lost. Let me explain this latter point.

Most of these losses took place in the 1939–42 period. These years and the war years that followed were periods of high tax rate and excess-profit taxes. A large corporation in the excess-profit bracket in writing off its loss could have thereby a recoupment gain benefit up to 91 percent. It is true that as the bill is now written, claimants who took those writeoffs would pay the tax now for any money disbursed to them under the bill, but they would have the choice of paying a tax at current comparatively low-tax rates rather than at the high-tax rates of the war period.

It is, therefore, clear on its face that a claimant who took a writeoff will be substantially better off under the bill than the claimant without tax benefits. It is to correct this inequity that the Senate included this amendment.

I attach a table demonstrating this point assuming a 20-percent distribution out of 1 of the funds and assuming further 3 claimants who were in 3 separate tax benefits or tax-rate categories. It reads as follows:

Result of bill as now written

	Claimant A	Claimant B	Claimant C
	Percent	*Percent*	*Percent*
(1) Tax benefit	91.0	25	0
(2) Distribution	20.0	20	20
(3) Less current tax	[1] 10.4	[2] 5	0
(4) Net benefit from distribution	9.6	15	20
(5) Total benefits (1) plus (4)	100.6	40	20

[1] At 52-percent rate.
[2] At 25-percent rate.

As can be seen claimant A ends up with a windfall in excess of his loss.

The effect of the Senate tax amendment would be that no payment be made to anyone who had a tax benefit until claimants who did not have that benefit are brought up to the same level. Thus a person with a 25 percent tax benefit would not receive payment until all other claimants have been brought up to the 25 percent level. The same would hold true at the 30 percent, 50 percent, or 90 percent level. In that manner payments under the bill would be geared to tax benefits so as to provide for equality between claimants who have varying tax benefits and those who did not have them.

The Treasury contends that because of litigation in connection with tax write-offs, the tax amendment would delay distribution of the fund for a long time and thus work to the detriment of the small claimants. Actually there would be no detriment to the small claimants for the following reason:

After all awards are made these claimants can be paid immediately what they would get under the law if the tax amendment were not in it. Similarly, quick settlements can be made with claimants whose tax benefits are clear. The only money about which there would be a dispute would be money which the smaller claimants would not get at all if the tax amendment is not added. With the tax amendment in the bill, the smaller claimants would receive subsequent additional payment.

The Treasury further argues that the administration of the tax amendment would be a cumbersome burden on it. Actually, the computations required by the amendment are basically those that are required by sections 1331–1337 of the Internal Revenue Code. The tax amendment is, therefore, no more complicated than the existing tax law. The Internal Revenue Service has, of course, a staff of persons who are experts in handling this kind of problem. For purposes of this law less than a dozen cases will be of real significance.

The Treasury points to the difficulty created by the fact that the tax returns of some claimants might have been destroyed.

The answer to this contention is that the really important cases will not be affected at all as corporate returns are not destroyed.

Individual returns might have been destroyed but the problem created thereby is again exactly the same problem which would be created by sections 1331–1337 of the code and which would have to be faced under this bill irrespective of whether the tax amendment is in it. This is true as the Treasury will want to determine in each case to what extent, if any, the recipient of any payment is taxable.

The Treasury is said to have stated that under existing law a person who took a writeoff and subsequently received some compensation must recompute his tax and pay at the rate in effect when he took the writeoff. This is not true. Under section 1335 of the Internal Revenue Code the taxpayer may elect between recomputing and paying at the old rate, or treating the amount as current income and paying at the rate in effect when he receives the amount. He thus has the benefit of a further gain in case the tax rate went down without having had the risk of a loss if the tax rate had gone up.

The Treasury has argued that the tax amendment would hit the large claimant twice, with a deduction and a tax, and thus discriminate against him. Actually the tax amendment can be written to provide for nontaxable net payments and thus provide complete equality.

It has been argued that the Treasury stands to lose under the proposed tax amendment. Actually the loss has occurred under the writeoff provisions of the existing tax laws. The effect of the tax amendment would be to pay certain sums to the smaller claimants, who did not cause these losses and thus don't owe the Treasury any taxes for any compensation now received, rather than to the large claimants, who, having caused the losses, are now liable for some tax payment.

This would be a question of policy. The total fund available is about $25 million. It surely is not the purpose of Congress to give additional benefits to the large corporate claimants merely to be in a position to recoup some of this money.

FACTS ON TAXATION OF WAR LOSS RECOVERIES

Sections 1331–1337 of the Internal Revenue Code provide for the taxation of war loss recoveries. They give the taxpayer a right to choose between (1) treating the recovery as current income and paying the tax at the current rate or (2) computing his tax benefit in the year in which the deduction was made and paying the tax at the old rate. The first method is described in section 1332, the second in section 1333.

The effect of these provisions is that if the tax rate has gone down, the taxpayer can end up with a windfall gain in excess of his loss by electing to treat the recovery as current income. There is no corresponding risk of loss in case the rate goes up, for in that case the taxpayer would choose to pay at the old rate and thus break even.

For these reasons I would far prefer to have this bill sent back to conference where the conferees can act on the basis of full and accurate information. In view of the lateness of the year, however, and the rush toward adjournment, the Senate conferees have talked this matter over and have come to the conclusion that to do so might jeopardize the enactment of the whole bill. We therefore propose to accept the conference committee report in spite of the misinformation given to us. It will then be our intent to introduce legislation early next year to correct the inequity of the bill as it

will now pass. It is our intent to draft a bill which will carry out the unanimous wish of the Senate which will be similar to the amendment we have already adopted which will meet some of the objections of the Treasury Department and which we hope can quickly become law next year before any payments take place to the bill.

ILLUSTRATIONS IN SUPPORT OF HUMPHREY AMENDMENT TO CLAIMS BILL

Assume a $1 million loss and a 40-percent pro rata recovery.

Taxpayer A claimed writeoff.

Taxpayer B did not or could not claim writeoff.

Example 1: Assume a 90-percent excess-profits tax rate at time of writeoff, and a 50-percent tax rate when pro rata recovery is made:

A

Benefit from writeoff	$900,000
From recovery after taxes	200,000
Total (or 110 percent)	1,100,000

B

Receives $400,000 or 40 percent.

Example 2: Assume a 60-percent tax at time of writeoff, and a 50-percent tax when pro rata recovery is made:

A

Benefit from writeoff	$600,000
Recovery after taxes	200,000
Total (or 80 percent)	800,000

B

Receives $400,000 or 40 percent.

Example 3: Assume a 60-percent tax rate at time of writeoff, and a taxpayer election requiring the same 60-percent tax on amount recovered:

A

Benefit from tax writeoff	$600,000
Recovery after taxes	160,000
Total (or 76 percent)	760,000

B

Receives $400,000 or 40 percent.

Example 4: Assume a 90-percent excess profits tax rate at time of writeoff and a previous election requiring the same 90 percent tax on amount recovered.

A

Benefit from tax writeoff	$900,000
Recovery after taxes	40,000
Total (or 94 percent)	940,000

B

Receives $400,000 or 40 percent.

Mr. SPARKMAN. I do not agree with my friend, the distinguished Senator from Minnesota, that we were misled. I will say that we were greatly confused by the different letters and statements we received. I believe it would be well to place those statements in the RECORD. I therefore ask unanimous consent to have printed in the RECORD, as a part of my remarks at this point, a statement which I had prepared, a memorandum prepared by the War Claims Commission, a letter from the Treasury Department dated July 26, and another letter from the Treasury Department dated July 29.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR SPARKMAN

When the conferees of the House and the Senate met to consider the amendments which the Senate had added to the bill H. R. 6382 as it passed the House, we examined this matter of a possible windfall to some of the claimants in considerable detail. We were all determined that a claimant who had obtained a tax benefit by a previous writeoff of his war losses should not have an additional benefit now by an award from the Commission.

But when the conference was held, we were informed by the Treasury Department that this amendment to section 310 of the bill was unnecessary to prevent a double recovery. We were assured that the Internal Revenue Code already provides for recoupment of reductions in Federal taxes based upon losses for which awards are made. Moreover—and this is more important—the Acting Secretary of the Treasury, Mr. Kendall, advised us that the language which the Senate had added to the bill would result in years of delays in making payments to claimants, because it would be impossible to know what funds were available for distribution until the liabilities of the various claimants affected by the amendment were resolved. Because the events to which the tax adjustment relates took place many years ago, records would have been lost or destroyed, litigation would result, and the settlement of claims indefinitely deferred.

I am wholly and enthusiastically in favor of the purposes of the amendment which the conferees eliminated. But after listening to representatives of the Bureau of Internal Revenue, I am convinced that what we tried to accomplish by that amendment is impractical, unworkable, and would result in further injustice to the impoverished claimants whose interests we are really trying to serve in this bill. In the desire to avoid an inequity on one side, we would be working a greater injustice to these smaller claimants. And if such an amendment is approved, one thing is certain: There will be no bill at all this session, and there may not be a bill next session, either. The Senate obtained very substantial concessions from the House with respect to items we eliminated from the House bill. That bill contained provisions which the Senate conferees—reflecting the considered judgment of the Committee on Foreign Relations—believed would contribute to the destruction of accepted principles of international law in this field, with dangerous consequences for our Government. The House conferees receded from their position on these matters, and the conference report was accepted by the House. It does seem to me, Mr. President, that it would be most improper, at this stage, when the other House has accepted the bill on the basis of the elimination of the tax provision which they violently objected to, if we were to attempt to restore a provision which was the key to ironing out all the differences of the conferees on this bill.

I do not think we were misled. I do not believe that any of us has the right to assume, when two letters to the Senate from the Secretary of the Treasury state what the law is on the taxation of these awards, that the Treasury is trying to mislead us, or that the law is any other than what the Treasury says it is.

The real question, Mr. President, is not with the taxing aspects of this bill. It is something altogether different. Existing law prevents a windfall. There will be no double recovery. But what existing law does not do, is to take the amount which otherwise goes into the United States Treasury, and turn it over to the smaller claimants for a larger slice of the claims pie. That is what the advocates of the amendment really want. They are primarily concerned with reducing the amount of an award to a larger claimant who obtained a tax benefit, so that there will be more funds to be divided up among the smaller claimants. Now, I like this idea, too; but this is precisely what the Treasury has assured us will immeasurably complicate the administration of this bill, and indefinitely delay the payment of any awards. I am convinced that in the effort to achieve the purpose of the amendment, we will be perpetrating a greater injustice to claimants who have already waited many long years for redress.

I have only one more point which I wish to make. I do not believe that this bill is the proper place to enact an amendment to our Internal Revenue Code, which is what it does. The treatment of later recoveries of damage or compensation for war losses which may have been written off, is not one which affects merely this small group of claimants involved in the bill. It affects everybody who may have had some kind of war or other loss which is deductible, and for which compensation is received, either by restitution, or from insurance or any other procedure. It is a general problem, and should be dealt with by general provisions applicable to everybody, instead of singling out this class of claimants, and discriminating against them. If an amendment to the Internal Revenue Code is needed—which we are assured is not the case—then let the code be so amended. But not in the fashion suggested for this bill. Those who continue to desire the amendment we strick from the bill, will not be satisfied with that, because it will not enlarge the pot for prospective claimants. I submit, Mr. President, that this is an insufficient reason to destroy the bill.

For these reasons, I urge the Members of the Senate to approve the conference report. The bill is a sound bill. It will afford relief that is long overdue to needy claimants. Let us not continue the injustice they have sustained, by delaying indefinitely the settlement of their claims. Let us approve this bill.

MEMORANDUM IN SUPPORT OF CONFERENCE REPORT ON H. R. 6382

It is understood that there is a possibility that some adverse action may be proposed with respect to Senate consideration of the Conference Committee Report on H. R. 6382.

You will recall that the conference committee agreed to the deletion of that portion of the language of section 310 (a) (4) which would have provided that with respect to awards made by the Foreign Claims Settlement Commission payments would be reduced by the amount of Federal or State income-tax benefits received by the claimant on account of the same loss.

Should controversy concerning the matter prevail and result in the defeat of the bill or its recommittal to conference committee the net effect insofar as it concerns the Commission would be that it would require the separation of more than one-half of the staff of experienced claims personnel of the Commission and thus inordinately delay the processing of claims when provision is ultimately made for compensation. The Commission would then be required to train new personnel and establish new procedures.

The complexities of the problems arising out of the overall tax question place discussion of them beyond the scope of the Commission's advice. However, as the conference report stands it would appear that claimants, who in the past have received benefits from the tax writeoffs, would be required under the law to proportionately reimburse the Government for the benefit received.

On the other hand, the language proposed by the Foreign Relations Committee, which was deleted in conference, would have resulted in the enhancement of the specific claims fund and in the ultimate have resulted in the utilization of taxpayers' dollars to pay claims. This was not the philosophy of the claims-payment proposals.

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It is suggested that as the bill presently stands, there can be no payments made under section 310 (a) (4) prior to the convening of the next session of the Congress at which time any corrective amendatory legislation could be introduced. Accordingly, it is suggested that the bill be permitted to stand in its present form and that appropriate instructions issue requiring further study and report to the Congress upon the convening of its next session.

FACTS ON TAXATION OF WAR-LOSS RECOVERIES

Sections 1331–1337 of the Internal Revenue Code provide for the taxation of war-loss recoveries. They give the taxpayer a right to choose between (1) treating the recovery as current income and paying the tax at the current rate, or (2) computing his tax benefit in the year in which the deduction was made and paying the tax at the old rate. The first method is described in section 1332, the second in section 1333.

The effect of these provisions is that if the tax rate has gone down, the taxpayer can end up with a windfall gain in excess of his loss by electing to treat the recovery as current income. There is no corresponding risk of loss in case the rate goes up, for in that case the taxpayer would choose to pay at the old rate and thus break even.

PROPOSED TAX AMENDMENT TO H. R. 6382

Objective of satellite claims provisions of bill

Under the 1947 Peace Treaties, Hungary, Rumania, and Bulgaria surrendered to the United States all their public and private assets in this country for the purpose of satisfying claims which Americans might have against them. H. R. 6382 is designed to implement the treaties by (1) by providing a procedure for adjudicating American claims against the satellite countries and (2) arranging for payments on any awards out of the governmental and corporate assets surrendered under the treaties.

The insufficiency of funds

The total amount of claims against Bulgaria is small enough (about $3 million) to make it possible for claims to be satisfied substantially or even fully out of available assets.

On the other hand, claims against Hungary and Rumania by far exceed the amounts available for distribution, as the following figures show:

Claims against Hungary about $57,500,000.
Size of Hungarian fund about $3,000,000.
Claims against Rumania about $88,500,000.
Size of Rumanian fund about $22,000,000.

Large corporate claims exhaust funds

Analysis of individual claims shows that the great disproportion between available funds and total claims is due to a small number of very substantial corporate claims. Under the bill as now written most of the money would go to a few corporate claimants. This is demonstrated by the following figures, based on information submitted by the Foreign Claims Settlement Commission to the Senate Foreign Relations Committee:

Estimate of claims against Hungary:[1]	
Socony Vacuum Oil Co	$14,727,698
European Gas & Electric Co	11,475,732
International Telegraph & Telephone Corp	10,910,341
Ford Motor Co	5,119,032
International General Electric Co	3,962,960
	46,195,563
All other claims	11,304,437
Total	57,500,000

Amount available to satisfy claims, about $3 million.

[1] Based on data submitted to the Senate Foreign Relations Committee by the Foreign Claims Settlement Commission.

Estimate of claims against Rumania:[1]	
Standard Oil Company of New Jersey	$29,053,830
Van Buren Securities Corp	7,973,226
New Jersey Industries, Inc	5,946,624
Socony Vacuum Oil Co	2,021,743
	44,995,423
All other claims	43,504,577
Total	88,500,000

Amount available to satisfy claims, about $22 million.

[1] Based on data submitted to the Senate Foreign Relations Committee by the Foreign Claims Settlement Commission.

The disproportion between large corporate claims and smaller claims may ultimately prove even larger as the corporate claims are more nearly accurate than the smaller claims.

Reason for tax amendment

The bill as now written will result in mere token payments to claimants against the Hungarian fund and in relatively small compensation to claimants against the Rumanian fund. To increase the amount available to the smaller claimants an amendment was proposed to take into account the tax benefits which have accrued to claimants in the past. These tax benefits could have worked as follows: (a) a large corporation in the excess-profits bracket could have had a benefit up to 91 percent, (b) a smaller claimant could have had a benefit of 20–30 percent, (c) a claimant with a very small current income had no benefit at all. As now written, the bill is blind to these differences. Claimants who took write-offs, to be sure, would pay a tax now, but they will have the choice of paying the rate in effect when they wrote off the loss or at the rate in effect when payment is made. (See secs. 1331–1337 of the Internal Revenue Code.) The latter rate will generally be lower. Either way they would still be substantially better off than the claimant without tax benefits, as the following table shows, assuming a 20 percent distribution out of one of the funds, and assuming three claimants who had tax benefits of 91 percent, 25 percent, and 0 respectively:

Result of bill as now written

	Claimant A	Claimant B	Claimant C
(1) Tax benefit	*Percent* 91.0	*Percent* 25	*Percent* 0
(2) Distribution	20.0	20	20
(3) Less current tax	[1]—10.4	[2]—5	0
(4) Net benefit from distribution	9.6	15	20
(5) Total benefits (1) plus (4)	100.6	40	20

[1] At 52-percent rate.
[2] At 25-percent rate.

As can be seen claimant A ends up with a windfall in excess of his loss.

The effect of the tax amendment would be that no payment be made to anyone who had a tax benefit until claimants who did not have that benefit are brought up to the same level. Thus a person with a 25 percent tax benefit would not receive payment until all other claimants have been brought up to the 25 percent level. The same would hold true at the 30 percent, 50 percent or 90 percent level. In that manner payments under the bill would be geared to tax benefits so as to provide for equality between claimants who had varying tax benefits and those who did not have them.

Treasury objections to tax proposal

(a) Delay in distribution: The Treasury contends that because of litigation in connection with tax write-offs, the tax amendment would delay distribution of the fund for a long time and thus work to the detriment of the small claimants. Actually there would be no detriment to the small claimants for the following reason:

After all awards are made these claimants can be paid immediately what they would get under the law if the tax amendment were not in it. Similarly, quick settlements can be made with claimants whose tax benefits are clear. The only money about which there would be a dispute would be money which the smaller claimants would not get at all if the tax amendment is not added. With the tax amendment in the bill, the smaller claimants would receive subsequent additional payment.

(b) Administrative difficulty: The Treasury further argues that the administration of the tax amendment would be a cumbersome burden on it. Actually, the computations required by the amendment are basically those that are required by sections 1331–1337 of the Internal Revenue Code. The tax amendment is, therefore, no more complicated than the existing tax law. The Internal Revenue Service has, of course, a staff of persons who are experts in handling this kind of problem. For purposes of this law less than a dozen cases will be of real significance.

(c) Destruction of tax returns: The Treasury points to the difficulty created by the fact that the tax returns of some claimants might have been destroyed.

The answer to this contention is that the really important cases will not be affected at all as corporate returns are not destroyed.

Individual returns might have been destroyed but the problem created thereby is again exactly the same poblem which would be created by sections 1331–1337 of the Code and which would have to be faced under this bill irrespective of whether the tax amendment is in it. This is true as the Treasury will want to determine in each case to what extent, if any, the recipient of any payment is taxable.

(d) Computation of tax: The Treasury is said to have stated that under existing law a person who took a writeoff and subsequently received some compensation must recompute his tax and pay it at the rate in effect when he took the writeoff. This is not true. Under section 1335 of the Internal Revenue Code the taxpayer may elect between recomputing and paying at the old rate, or treating the amount as current income and paying at the rate in effect when he receives the amount. He thus has the benefit of a further gain in case the tax rate went down without having had the risk of a loss if the tax rate had gone up.

(e) Alleged inequality: The Treasury has argued that the tax amendment would hit the large claimant twice, with a deduction and a tax, and thus discriminate against him. Actually the tax amendment can be written to provide for nontaxable net payments and thus provide complete equality, with the following result in case of a 60-percent distribution:

Claimant with no tax benefits receives net of 60 percent.

Claimant with 20 percent tax benefits receives net of 40 percent.

Claimant with 40 percent tax benefits receives net of 20 percent.

Claimant with 60 percent tax benefits receives net of 0 percent.

Claimant with 80 percent tax benefits receives net of 0 percent.

The last class of claimant would, of course, still be better off than the others, even though it receives nothing under the bill.

(f) Loss to the Treasury: It has been argued that the Treasury stands to lose under

the proposed tax amendment. Actually the loss has occurred under the write-off provisions of the existing tax laws. The effect of the tax amendment would be to pay certain sums to the smaller claimants, who did not cause these losses and thus don't owe the Treasury any taxes for any compensation now received, rather than to the large claimants, who, having caused the losses, are now liable for some tax payment.

This would be a question of policy. The total fund available is about $25 million. It surely is not the purpose of Congress to give additional benefits to the large corporate claimants merely to be in a position to recoup some of this money.

TREASURY DEPARTMENT,
Washington, July 26, 1955.

Hon. WALTER F. GEORGE,
Chairman, Committee on Foreign Relations, United States Senate, Washington, D. C.

MY DEAR MR. CHAIRMAN: As you know, the Senate, on Monday, passed H. R. 6382, to amend the International Claims Settlement Act of 1949, as amended, and for other purposes. Paragraph (4) of section 310 (a) of the bill, as passed by both the House and the Senate, provides for pro rata payments after payments of up to $1,000 have been made. The Senate added language to paragraph (4), however, which would provide that these pro rata payments would be "less the amount of any reduction in Federal or State income taxes resulting from the allowance in prior years of any deduction on account of the destruction or seizure of property for which the award hereunder has been made."

The Treasury Department is concerned that the language added by the Senate may cause years of delay in making payments under paragraph (4).

The Internal Revenue Code makes provision for recoupment of any reduction in Federal taxes which resulted from the allowance in prior years of a deduction on account of the destruction or seizure of property for which an award is made. The payment of an award to a taxpayer who has taken a deduction in prior years does not, therefore, constitute a windfall.

Since the Internal Revenue Service must determine the amount of reduction for this purpose, it would be able to supply the information for the purpose of the computation required under the language added by the Senate. However, the obtaining of the information will be difficult and time consuming in the majority of cases involving war damage claims (which generally involve the years 1939 through 1942) and claims against Russia (which relate to years prior to 1933). In the majority of cases involving individual taxpayers, the Federal income tax returns will have been destroyed and the Service will be dependent largely on the taxpayer's records for such determinations. In some instances, the taxpayers will have died and their records lost or destroyed. If the amount involved is substantial and the taxpayer's records inadequate for a positive determination, the tax benefits, if any, derived by the taxpayer in prior years may be the subject of litigation. Thus, considerable time would be required in many cases to obtain the required information. This would result in delay in settling not only the claims of those awardholders but the claims of the other awardholders as well.

It should also be pointed out that the Treasury Department would have no way of obtaining information concerning reductions in State income taxes except through a taxpayer's own statements, which would, of course, be self-serving.

As indicated above, the Internal Revenue Code already provides for recoupment of reductions in Federal taxes based on losses for which awards are made. It should be observed that enactment of the language inserted by the Senate will result in a considerable discrimination against the taxpayer who took a deduction in a prior year on account of destruction or seizure of property. He will have his award reduced under the proposed language and, in addition, the Internal Revenue Code will require him to pay back, up to the amount of payments under the award, the benfit received in the prior year. Thus his award will be reduced twice to compensate for the one benefit gained in the prior year. This inequity will, of course, militate against amicable settlements with taxpayers, especially where returns have been destroyed and the taxpayer's records are inadequate, and may generate a great deal of litigation that might otherwise be avoided. It may also be observed that most taxpayers who did not take in prior years a deduction on account of the loss did not do so because it was to their advantage. For example, it is believed that some large corporations with properties in several foreign countries did not take deductions because they would have reduced foreign tax credits which the taxpayers considered more valuable.

The Treasury Department believes that the language added by the Senate will almost certainly make for delays in the payment of awards. Since the language is not needed to prevent tax windfalls, and in fact would affect what amounts to a second recoupment, the desirability of eliminating it is strongly suggested.

Very truly yours,

DAVID W. KENDALL,
Acting Secretary of the Treasury.

TREASURY DEPARTMENT,
Washington, July 29, 1955.

Hon. WALTER F. GEORGE,
Chairman, Committee on Foreign Relations, United States Senate.

MY DEAR MR. CHAIRMAN: With respect to the matter which came up on the floor of the Senate yesterday in connection with H. R. 6382, an act to amend the International Claims Settlement Act of 1949, as amended, and for other purposes, Mr. Alwyn V. Freeman, consultant for the Foreign Relations Committee, requested certain information concerning the treatment of war loss recoveries under the Internal Revenue Code of 1954.

Two methods are provided for the tax treatment of war loss recoveries under the Internal Code of 1954. For simplicity, these methods are referred to herein as the "general rule" (section 1332) and the "prior tax benefits rule" (section 1333). These sections of the 1954 code correspond to sections 127 (c) (1) and 127 (c) (3), respectively, of the Internal Revenue Code of 1939. The prior tax benefits rule affords the greatest tax relief or benefit to the majority of taxpayers and is the one most commonly used. On July 27, 1955, representatives of the Treasury briefly explained to the Committee of Conference the prior tax benefits rule for the imposition of taxes in the case of war loss recoveries. The differences between the general rule and the prior tax benefits rule are briefly explained below:

General rule: A taxpayer, who has not elected to have the prior tax benefits rule apply to any taxable year in which he has war loss recoveries, is not required to include in his gross income any amount until he has recovered an amount equal to his allowable deductions in prior taxable years on account of such war losses which did not result in a reduction of tax. He must include in his gross income for the taxable year of the recovery the amount of his recoveries to the extent that the deduction for such war losses resulted in a reduction of income taxes for a prior taxable year or years. Thus, if a taxpayer had allowable deductions of $5,000 in a prior taxable year on account of war losses, of which $1,000 did not result in a reduction of tax in such prior year, only the portion of his recoveries which exceeded $1,000 is includible in his gross income for the taxable year of the recovery.

Prior tax benefits rule: If the taxpayer elects to have the provisions of section 1333 of the 1954 code apply to any taxable year in which he has recoveries of war loss (in lieu of, including such recoveries in his gross income for the taxable year of recovery) there shall be added to, and assessed and collected as part of his tax for the taxable year of recovery, an amount equal to the tax benefit he derived from the allowance of deductions of such war losses in the prior taxable year or years. This amount is the increase in the tax for such prior year or years which would result from decreasing the allowable deduction for the prior year or years by the amount of recovery excluded from income.

If the taxpayer elects to have the provisions of section 1333 (or elected to have the provisions of sec. 127 (c) (3) of the 1939 code) apply to any taxable year, such election is applicable not only to war loss recoveries in past taxable years but is also applicable to any recoveries which may be made in the future. The election once made is irrevocable. Thus, a taxpayer may not treat his war loss recoveries under the general rule in one taxable year and under the elective method for another taxable year.

If a taxpayer recovers money or property in any taxable year in respect of war loss property and such recovery is in excess of the allowable deduction for such war loss in the year of loss, then the excess is includible in the gross income of the taxpayer for taxable years of the recovery as gain on the involuntary conversion of property as a result of its destruction or seizure and the gain is recognized or not recognized as provided in section 1033 of the 1954 code (sec. 112 (f) of the 1939 code).

The prior tax benefits rule was added to section 127 (c) of the 1939 code by section 341 of the Revenue Act of 1951 (Public Law 183, approved October 20, 1951). The amendment was made applicable to any war loss recoveries made in taxable years beginning after December 31, 1941.

Very truly yours,

M. B. FOLSOM,
Acting Secretary of the Treasury.

Mr. HUMPHREY. I should like to clarify one point. In the interest of accuracy of the record I ask the Senator from Alabama this simple question. Did the representatives of the Treasury Department inform the Senate conferees and the House conferees that the award by the Claims Commissions would be taxed at the rate at which the losses were charged off?

Mr. SPARKMAN. That is correct.

Mr. HUMPHREY. Was that not true on two occasions?

Mr. SPARKMAN. Yes; we called them back.

Mr. HUMPHREY. We called them back. Is that correct?

Mr. SPARKMAN. Yes.

Mr. HUMPHREY. Later on, did it not develop that that statement of the official of the Treasury Department was not accurate?

Mr. SPARKMAN. I believe——

Mr. HUMPHREY. I said it was unintentional, of course.

Mr. SPARKMAN. I believe there was a difference. However, frankly, I am rather of the opinion it was a technical difference, which the Treasury representatives have since satisfactorily explained. I may be wrong. However, we have established the record. Let those

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who read it make their own decision. I will admit I was somewhat confused, because the application of the taxing provisions in question is extremely technical and complicated.

Mr. HUMPHREY. If Members of the Senate will read the two letters from the Treasury Department, we will give the $64,000 prize to the Senator who can figure out what they mean without reading into those letters additional knowledge which most of us do not have.

Mr. LEHMAN. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a statement prepared by me on the conference report on H. R. 6382.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR LEHMAN

I have followed the history of this Foreign Claims legislation, H. R. 6382, with some concern. I have many constituents in my State who suffered both war and post-war losses, the former because of the confiscations and persecutions of the Nazi regimes and the latter from the nationalizations and expropriations of Communist governments. Many of these Bulgarian, Rumanian, and Hungarian citizens who are now American citizens looked to this legislation for some relief from their heavy losses at the hands of Nazi and Communist governments.

For this reason I have interested myself in this legislation and have taken occasion to communicate my concern for the welfare of our refugee citizens affected by this act to the distinguished chairman of the Foreign Relations Committee, the Senator from Georgia [Mr. GEORGE].

It has been my position that this kind of legislation should deal equitably with all our citizens, both native born and naturalized. Due to the shortage of the funds available under this act for the satisfaction of claims far in excess of such funds it has not been possible here to include citizens who sustained losses prior to their becoming American citizens. I recognize that shortage of funds made necessary a curtailment on eligible claimants. It is my hope that further legislation will give relief to these refugee-citizens for their war and postwar losses.

I am also concerned that the bill as reported from the conference does not contain the provisions of the Senate bill preventing tax windfalls to large corporations. The Senate Committee report stated that the provision would avoid having certain larger claimants dilute the existing funds with claims which in effect would allow a second recovery for losses already recovered in the form of income tax reductions.

It is my understanding that without this provision some claimants might actually make a net profit on their losses by first making a tax saving and then obtaining an award based on the same claim. Furthermore, I am informed that these claimants will not have to pay taxes on their awards at the high wartime rate at which they wrote off their losses in their income-tax returns but may elect to pay the lower tax rate in effect at the time they receive their awards. Finally, I am informed that these large claimants will be getting double benefits while those without large wartime incomes against which to write off their losses will get only one benefit, and that one much diminished by these large claimants.

I am, for these reasons, not entirely happy about this bill, but I will vote for the conference version in the hope that some reform may be achieved in the next session.

THE SILVER PURCHASE PROGRAM

Mr. GREEN. Mr. President, I ask unanimous consent to have printed in the body of the RECORD at this point an editorial and three articles printed in recent issues of the New York Times. I believe they may be of interest to the Senate.

There being no objection, the editorial and articles were ordered to be printed in the RECORD, as follows:

[From the New York Times of July 31, 1955]

SILVER'S "VICTORY"

In 1934 the silver bloc in Congress scored what its members and their supporters hailed as the greatest of all their victories. This was the Silver Purchase Act. That act directed the Secretary of the Treasury to buy silver when it was obtainable until (1) the price of the metal had been bid up to $1.29 an ounce (roughly three times the market price in 1933), or (2) the point had been reached when the Government's holdings of silver were one-third as large as its gold reserves.

If the silver bloc was interested in restoring silver to its once proud place in the monetary systems of the world the victory of 1934 was to prove a hollow one. For its major effect was to force China, the last surviving silver-standard country in the world, to demonetize that metal.

But if the silver people learned anything from that experience they have given no evidence of the fact. For a coup they engineered in 1945 is now about to pay off a second dividend of precisely the same character. In 1945 many of our allies, in desperate need of silver, turned to this country. We lent them 410 million ounces from our own totally unnecessary surplus as part of the lend-lease program. When the time came for settling lend-lease accounts this country usually accepted a purely nominal figure.

But there was one exception to the application of that principle. For the silver bloc, business was business; a pound of flesh was a pound of flesh. It was in the bond that this silver be restored by April 1957 to the hole in the ground at West Point from which it was taken. Getting that much silver together presented the borrowing countries—particularly India, Pakistan, and the United Kingdom, who account for roughly three-fourths of the take—with a problem that at first appeared to be insoluble. But ultimately a way out was found. The borrowing countries are obtaining the necessary silver in the only way left to them—by calling in their silver coinage and replacing the silver content with baser metals, such as nickel and cupro-nickel.

One more such victory for the silver bloc should, with reasonably good luck, complete the extinction of silver as an element in the monetary systems of the world outside the United States. Indeed, it ought even convince the American public that a reassessment of our own silver policy is at least 20 years overdue.

[From the New York Times of July 25, 1955]

SILVER: MONUMENT TO INERTIA (I)

(By Edward H. Collins)

Legislation is again being processed in Congress (the Green bill) having as its objective repeal of the silver purchase program, initiated in 1933–34 and embroidered and embellished in subsequent measures over the following two decades.

The man for whom this bill is named, Senator THEODORE F. GREEN, Democrat, of Rhode Island, has sponsored several measures of this kind without success over the last few years. Senator GREEN is not entirely disinterested in silver politically, and has never pretended to be.

In this and earlier legislation of the kind he has been acting frankly with the interest of the industrial users of silver primarily in mind. This fact is not set down as a criticism of Senator GREEN. It is set down merely to anticipate a nonsequitur that frequently crops up in discussion of such subjects, namely, that since both those Members of Congress who support the silver purchase program and those who oppose it are politically interested parties the merits of the two sides of the case must balance very closely—so closely as to make the issue hardly worth debating. That, of course, is sheer nonsense. One may say, if one chooses to, that Mr. GREEN is not motivated by the same pure considerations that would be overriding in the case of an intelligent and disinterested economist.

ON HIS SIDE

But it will invariably be found that the intelligent and disinterested economists are overwhelmingly arrayed on the same side of the issue as he is. In fact, any economist who could accept this abomination we know as the Silver Purchase Act and continue to live at peace with himself would, in the judgment of this writer at least, leave himself open to the suspicion that either he wasn't much of an economist or he wasn't quite disinterested.

It is no accident, therefore, to find that Senator PAUL DOUGLAS, far and away the ablest economist in Congress, is among the sponsors of the Green bill; neither is it any accident that Prof. Lester V. Chandler, of Princeton, a student of monetary economics, whose vision of the forest is not often obscured by the trees, appeared before the Senate subcommittee in charge of the bill last week to testify unequivocally in its favor.

It is a widely recognized, if regrettable, fact that however unjustified, and even economically ludicrous, a given subsidy is, if it can be kept alive long enough it all too frequently survives the public's comparatively short-lived capacity for indignation. And one must confess that in the case of this legislation, slipped over on the American people more than 20 years ago by one of the sharpest, yet crudest, political maneuvers of our time, the evidence suggests that it may follow that pattern—that it may become a permanent fixture in American monetary policy, as the late E. A. Goldenweiser was wont to put it, "by sheer force of public inertia."

LEECH, PARASITE

Professor Chandler's critique of the program was closely reasoned, unanswerable and dignified; and this could be the kind of argument that might yet enable us to shake off that old man of the sea, the silver purchase program. But it might also conceivably have a quite different connotation.

Economists haven't always found it possible to retain their dignity and their politeness when the subject under discussion was the silver bloc or the silver subsidy. Neil Carothers of Lehigh, one the earliest and best debunkers of the silver issue, recognized no protocol where the silver boys were concerned. To Mr. Carothers the silver-mining industry was "a sort of economic leech, a parasite feeding on the public." He saw it as "a little tinpot industry employing a handful of people who had been gorging its stockholders with money obtained by legislative tricks engineered by a little band of men in the Congress of the United States." But to this writer the most nearly imperishable paragraph he wrote on this subject was one he saved for the close of a particularly angry and frustrated piece he wrote back in 1934 for the American Bankers Association Journal (since rechristened "Banking").

Wrote the Lehigh economist:

"I have a solution for the silver problem. I recommend that the Government call a conference of the silver interests and offer complete surrender. Ask them what sum in cash they will take to withdraw from

politics, and give it to them. Whatever they ask, the bargain will be cheap at the price."

But let no one think that the crusading Carothers was the only economist who, however articulate he might be on other occasions, frequently found it difficult to express himself in polite language when it came to this subject. In 1949, for example, an earlier version of the Green bill was up for consideration, and a Senate-House committee submitted a questionnaire to a number of nationally known economists. According to the Associated Press, one member of the faculty of a West Coast university had this to say on the Government's silver policy:

"Repeal all silver legislation since 1932. Our silver legislation is inexcusable. It stinks."

What is it in the history, politics or economics of the silver purchase legislation that can produce such violent reactions in otherwise normally intelligent and temperate persons? The simplest and most effective way of answering that, it seems to this writer, is to recall the facts concerning the basic legislation of those years 1933–34, with particular reference to the world monetary status of silver at the time and to the political stagecraft employed to achieve its enactment. In consideration of the fact that many readers of the financial page weren't old enough to be actively interested in that controversy and the further fact that many who were interested have become hazy about the facts the next two pieces to appear in this space will be in the nature of a refresher course on that historic episode.

[From the New York Times of August 1, 1955]

SILVER: MONUMENT TO INERTIA (II)

(By Edward H. Collins)

Last week's article here discussed the most recent effort to repeal the silver purchase program, through S. 1427, the newest version of the so-called Green bill. This measure is jointly sponsored by an imposing list of legislators besides the Senator from Rhode Island, including Senators DOUGLAS, BUSH, KENNEDY, PASTORE, PURTELL, and SALTONSTALL.

The case against continuance of this strongly entrenched, but thoroughly indefensible subsidy program has been argued before the Senate subcommittee so effectively and even devastatingly by such economists as Lester V. Chandler and Dickson H. Leaver that any further contribution to that aspect of the matter here would be in the nature of a redundancy.

However, while 20 years ago it could be taken for granted that a majority of informed persons were fairly familiar with the antecedents of this legislation, the key measures of which were introduced in 1933 and 1934, there is evidence that this is no longer the case today. It is the purpose of this and the following article to recall the circumstances surrounding that fantastic episode in which one of the greatest and most unjustified subsidies ever bestowed on any industry was palmed off on the American public behind the solemn ritual of a bogus "international agreement."

THE POTENT 16

Three factors must be kept in mind if one is to understand how it was possible for supporters of the Silver Purchase Act to flimflam the Nation into accepting this extraordinary legislation. The first of these is the power that the silver bloc has for many years been able to generate in Congress. This minority bloc has consisted of from 14 to 16 Senators from 7 or 8 States (with a combined population in 1933 of 3,600,000). It is a group, however, which, as one authority has put it, "has assimilated the art of politics to the mathematics of combination. Stated more specifically, if 8 mining States wanted to sell their silver at a good price and 20 agricultural States wanted more and cheaper money, the combination of 28 States would command a majority of the Senate."

The second of the three factors referred to above is the role that silver has played in monetary history, a role that the silver bloc may always be depended upon to exploit to the full.

In the closing years of the 19th century it will be recalled, the silver bloc got enormous political mileage out of what it referred to as the Crime of 1873. The implication of this slogan was that friends of the gold standard had surreptitiously taken the country off the bimetallic standard in that year while the silver adherents in Congress were looking the other way.

Alexander Hamilton did set up a bimetallic currency system in 1792, for the simple reason that in 1792 bimetallism was in its heyday. But as early as 1798 Britain had abandoned the free coinage of silver and 20 years later had adopted the unequivocal gold standard.

END OF BIMETALLISM

A number of events in the 19th century conspired to hasten the passing of bimetallism, including conspicuously the great gold discoveries in California in the 1860's and 1870's, the Klondike discoveries in the 1890's, and the opening up of the great Rand mines in South Africa in the early 1900's.

What probably did more than any other event to seal the doom of silver as a currency circulating on the basis of its metallic value (in contrast to the token money that it is in this country and others today) was the Franco-Prussian War. Germany demanded a large share of her war indemnity from France in the form of gold, and on the basis of this acquisition promptly joined Britain on the gold standard. In the process of liquidating her now unneeded silver Germany forced France and the whole Latin Union off bimetallism. The net result of these and other developments was that in 1933 only one country, China, still recognized silver as a basis for its currency.

NEVER BASIC MONEY

In this country silver was never used as basic money in any real sense. When Congress in 1834 and 1837 changed the ratio between gold and silver to 16 to 1 it was no longer practical to coin silver dollars. In 1853 Congress completed the transition to the gold standard by debasing the small silver coins. Since then they have been purely token coins, like the copper cent.

In 1873, after 3 years of open discussion, Congress adopted a general coinage law. The slogan "The Crime of 1873," stems from the fact that this revision of the law eliminated the silver dollar, which was already nonexistent.

Thus, at the time the silver bloc put over its coups in 1933 and 1934, silver had passed almost as completely out of the picture as a monetary metal as, let us say, had the wampum of precolonial days on this continent, or tobacco, used by some of the early settlers.

Nevertheless, so long as silver is still used in our token coinage, there will probably always be people who will find it hard to understand that this is the case. It is easy to persuade such people that silver is more than just another commodity like lead, or zinc, or soybeans, and that what is done for it is bound to have important repercussions on the economy. Needless to say, the silver bloc was fully aware of this psychological asset it possessed when, in the early days of the depression, it created a new synthetic issue, the plight of silver.

The plight of silver was, of course, essentially no different from the plight of any and all commodities in, say, the year 1932, except that it was less important than most of those. In fact, while the price of the white metal had declined 60 percent by 1932, a group of 9 representative world commodities (including wheat, rubber, cotton, copper, and sugar) had fallen by 75 percent.

FINALLY, NEW DEAL

But even the political know-how of the silver bloc and the cultivated confusion concerning the status and importance of silver would not have made possible the so-called silver agreement that Senator Pitman brought home from the London Conference in 1933, or the Silver Purchase Act of the following year, had it not been for a third factor, which was in the nature of an accident of history. This was the turn of fate that brought to office that year an administration that had been fascinated with the notion that the key to reflation and recovery was to be found in what might be described as monetary levitation.

By raising the price of gold, the New Deal's monetary braintrusters were convinced, it would be possible to restore prices to any predetermined level.

Obviously, it was not difficult for persons with such a zest for oversimplification to persuade themselves that doing something for silver might produce at least minor miracles of the kind, such as restoring the purchasing power of the silver-using people of the Orient.

In short, what actually happened in the case of the silver legislation of 1933 and 1934 was that, though Senator Pitman called the signals, it was the administration that carried the ball. Both of these were officially administration measures.

SILVER: MONUMENT TO INERTIA (III)

(By Edward H. Collins)

Last week, in the second of 3 refresher pieces on the silver-purchase program of 1933–34 which the Green bill, now pending in Congress, proposes to repeal, the writer noted 3 factors that conspired to make possible the enactment of this iniquitous legislation. These were:

1. The power of that single-minded and narrowly self-interested Senate group, the silver bloc.

2. The widespread cultivated public confusion concerning the nature and importance of the white metal. A century and a half earlier it had been used to help stretch out the limited supply of gold in the monetary systems of the Western World, but in 1933, its only relation to the monetary systems, except for the single case of China, was the role it shared with copper and nickel in the fractional or token currency, whose circulation has nothing to do with the value of the metals it contains.

3. The fortuitous circumstance that the administration which came to office in 1933, whether from gullibility or desperation, had become fascinated by the Warren-Pearson theory, the essential principle of which was the naive thesis that by marking up the price of gold it would be possible to reflate the Nation's drastically deflated price level.

FANCIFUL ARGUMENT

Obviously, given an administration in office that was prepared to accept the Warren-Pearson gold-buying scheme, the task of selling it on the favorite of mythical arguments then in vogue of doing something for silver shouldn't have been difficult. This was the fanciful argument so painfully disproved later, that by raising the price of silver it would be possible to bring about recovery among the silver-using nations of the Orient.

By raising the purchase power of these people we would be reviving their demand for the goods of other nations (including not least of all those of the United States) and, for all anyone could prove to the contrary, getting the engine of world trade off dead center.

Whether this was the argument used by Senator Pittman, leader of the silver bloc, to win the support of the President for a silver-subsidy bill he had recently introduced in

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Congress, no one perhaps can say. Neither is it particularly important at this point of time.

As a matter of fact, paradoxical though it may sound, the fact that a silver subsidy did emerge before the end of that year is not the most important thing about this episode. Subsidies to organized minority interests are not exactly a novelty in American history. What made this one particularly reprehensible is that it was presented to the American people in the guise of an international agreement.

One can only speculate today as to whether the support accorded it by the administration would have assured enactment of the pending Pittman bill. At any rate, whoever had the decision to make on this question rejected the forthright course for one that was not only more spectacular, but thoroughly devious.

Instead of trying to push his measure through Congress Senator Pittman took it with him when he went to the London Conference that year as head of the American delegation. But it had now become, not the Pittman bill, but the administration's proposals for a silver agreement.

When it was announced on July 22 that 8 countries had entered into an agreement based on these proposals, it appeared that the silver question had taken on new dignity and a new importance. But disillusion was to follow quickly. Examination of its details revealed that the so-called agreement was really only an ingenious hoax—that beneath its dignified exterior lay the same old scheme for a new subsidy to the American silver mining industry.

The signatories to this amazing document were of two categories—countries known to hold sizable stocks of silver, and silver-producing countries.

The three countries that made up the first of these categories—India, China, and Spain—agreed not to sell silver during the life of the agreement, or at least not to sell more than certain stipulated amounts each year.

The countries in the producing group, for their part, made this same commitment, and also a second one. These countries—Mexico, the United States, Australia, Canada, and Peru—agreed to take off the market, among them, 35 million ounces of silver a year for the 4-year period.

But if one looked carefully at this agreement he soon discerned that, except for the United States, all that the signatories had committed themselves to do was something that either they could not possibly have done in any case or had not any logical reason for doing. To take a single typical example, consider India.

INDIA IN TRANSITION

India was in a state of transition from the silver standard to the gold exchange standard, and had been disposing of its stock of silver gradually since 1927. India was not asked to suspend these sales—she was asked merely to hold them to an average of 35 million ounces a year for the following 4 years and not to sell more than 50 million in any single year.

The hollowness of this concession by India becomes clear when we note that her sales had never reached the 35 million figure, even in 1929, when silver prices were 10 cents an ounce above the 44 cents then prevailing. Her average had been roughly 25 million ounces.

More interesting was the shadowy agreement under which the five producers committed themselves to taking 35 million ounces of silver off the market, but said nothing about the allocation of such purchases. Had allocations been based, as one might reasonably expect, on comparative production, Mexico would have been called on to underwrite roughly 19 million ounces, or some 54 percent of the whole, the United States 6,700,000 ounces, or 19 percent.

But this strange omission began to be filled in a week later when word was permitted to get out that the United States would charge herself with at least 24,400,000 ounces, or about 70 percent. One can only assume that the purpose of that report was to pave the way for what was to come later. At any rate, in a proclamation issued in December the President announced that the various United States mints were prepared to buy any silver that had been mined in the United States since July 22.

American output of silver in 1933 had been only 22 million ounces, so even with the Government pledged to take up the entire production this would still leave 13 million ounces to be bought up by the 4 other countries. Such a conclusion is a vast underestimate of the authors of this carefully planned maneuver. That contingency had been clearly foreseen. The missing piece is to be found in the price offered for the new silver, which was 64½ cents, or some 20 cents above the market price.

With that 50 percent bonus as a stimulus, production jumped immediately and rapidly. Indeed, by 1936 any newly mined silver was to come to 60 million ounces, and there have been times since when output has hit 70 million ounces, or well over 3 times the 22 million of 1933.

The writer has stressed the silver agreement here, rather than the Silver Purchase Act of the following year, despite the fact that the latter was a far more ambitious accomplishment. It directed the Treasury to buy silver, not only at home, but abroad, until our silver holdings reached a value equal to one-third our gold stocks. This agreement has been stressed because it is a particularly striking example of the degree to which the silver bloc is prepared to go in the tactics of deception, and because it is a perfect illustration of the fact that the more a subsidy-minded group gets the more it wants.

1955, YEAR OF ECONOMIC EXPANSION

Mr. WATKINS. Mr. President, I ask unanimous consent to have printed in the body of the RECORD at this point a statement prepared by me entitled "1955, Year of Economic Expansion."

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

1955, YEAR OF ECONOMIC EXPANSION

We have now completed the second quarter of 1955, and although the statistical data, by which we chart the economy's economic growth, for that quarter is not yet complete, preliminary estimates are available. I believe it is appropriate, therefore, Mr. President, to evaluate the available data in light of the objectives of the Employment Act of 1946 and the forecast for achieving the same contained in President Eisenhower's 1955 economic report.

In his economic report, the President observed that "today, after a small and brief overall decline, though one that affected individual industries and localities unevenly, production and employment are again increasing on a broad front" (p. 11). It appears quite evident, based upon the economic indicators used to measure economic activity that not only has all the lost ground been regained as a result of the recession of last year, but also, as the President forecast, that:

"With economic activity continuing to expand, it is reasonable to expect that the Nation's output within the coming year will approximate the goals of 'maximum employment, production, and purchasing power' envisaged by the Employment Act" (p. 24).

Current estimates of total output, income, and expenditures for the first and second quarters of 1955 reflect the continued rise in overall activity which lends credence to this viewpoint.

What are these specific economic indicators and their current significance which substantiate the President's projection? Namely these:

1. Gross national product is a measure of the total market value that has been created by the productive activity of the economy over a given period of time, which was running at an annual rate of $375 billion during the first quarter of 1955. This is $6 billion over the previous quarter record of $369 billion for the second quarter of 1953. Preliminary estimates for the second quarter indicate that GNP was running at an annual rate of $383 billion. This during the first 6 months of 1955 GNP is running nearly $16 billion over that of the fourth quarter of 1954.

It has been estimated by the professional staff of the Joint Committee on the Economic Report that a gross national product of $375 billion will be required in 1955 if the goals of maximum employment, production, and purchasing power envisaged by the Employment Act of 1946 are to be achieved. The professional staff also believes that in order for this to be achieved the rate must be near $385 billion by the end of 1955, since the year began with the gross national product at an annual rate of about $365 billion. Thus the economy is here early in the third quarter of 1955 running at close to the year-end rate, as measured by the market value of goods and services created, which the committee staff says is sufficient to meet the goals of maximum employment, production, and purchasing power envisaged by the Employment Act.

In fact, the first quarter's rate at which the economy turned out goods and services was so good that the economists who prepare the article, Business Roundup, for Fortune magazine concluded in the July 1955 issue that—

"There is no longer any question that 1955 will be the best business year on record. Gross national output (GNP) this year will approximate $378 billion, a 5-percent rise over 1954. * * * The news now is that 1956 will probably be a still better year than 1955."

So if their prediction holds true, the economy will create goods and services at a value of $3 billion in excess of that level—$375 billion—which the professional staff of the Joint Committee on the Economic Report believes necessary to achieve the goals of maximum employment, production, and purchasing power envisaged by the Employment Act of 1946. The preliminary GNP estimate of $383 billion for the second quarter is very likely to make this projection seem conservative.

2. National income, which is a measure of the income paid to the factors of production—land, labor, and capital—rose on a seasonally adjusted annual rate basis by $16.6 billion during the first and second quarters of 1955 to $319.8 billion from that of $303.2 billion during the fourth quarter of 1954. This $16.6-billion increase on a seasonally adjusted basis was shared by the payments to the owners of the factors of production approximately as follows:

(a) Employees: Payments increased some $9.2 billion during the first 6 months of 1955.

(b) Farmers: Incomes increased a half billion dollars during the first 6 months of 1955.

(c) Business owners and professional people: Incomes increased by $800 million during the first 6 months of 1955.

(d) Net interest payments: Increased $600 million over the fourth quarter of 1955 during the first two quarters of 1955.

(e) Corporate profits: Before taxes increased by $6.5 billion during the first 6 months of 1955.

3. Disposable income, which is a measure of the money or personal income, after taxes, which an individual has to spend or save, increased $9.2 billion during the first 6 months of 1955. Per capita disposable income as a result rose from $1,576 during the fourth quarter of 1954 to $1,619 during the second quarter of 1955. In terms of constant prices, per capita disposable income reached another record in the second quarter of this year.

This optimistic income picture during the first and second quarters of 1955 primarily stems, of course, from an increase in the effective demand for goods and services which is clearly revealed by the following components of produce and income flow:

(a) Personal consumption expenditures amounted to $249.5 billion on a seasonally adjusted basis during the first quarter of 1955. This spending was at a rate of $8.5 billion above the fourth quarter of 1954 and some $14.4 billion above the corresponding period in 1954.

New automobile purchases were instrumental in accounting for this record rate of spending. The present facts seem to be these, according to industry spokesmen:

(1) During the first 5 months of 1955 the rate of production, seasonally adjusted, was 7.3 million cars per year.

(2) Sales on a seasonally adjusted basis for the first 5 months of 1955 are running at between 6.5 and 7 million per year.

(3) Stocks on hand are high, but nothing to be alarmed about, since dealers normally keep a 30-day supply on hand.

(4) We can expect a seasonal decline in production and sales during the third quarter, because of changeover to 1956 model production. Earlier autumn introduction of new-model cars again this year, however, will bolster 1955 demand, with perhaps some loss of sales next spring.

(b) Gross private domestic investment increased on a seasonally adjusted basis, by almost $8.3 billion in the first 6 months of 1955.

(1) New plant and equipment. According to the Survey of Current Business for June 1955, which expresses an opinion contrary to the views expressed by the Democratic members of the Joint Committee on the Economic Report in their Supplemental Views on the President's 1955 Economic Report, it appears that businessmen are planning to spend as much on plant and equipment as they did in the record third quarter of 1953.

The publication Plant and Equipment Expenditures of U. S. Business, 1955, issued by the Securities and Exchange Commission on June 8, 1955, indicates that:

"Businessmen have programed substantial increases in plant and equipment expenditures in the second and third quarters of this year from the first-quarter rate. * * * Reports received in late April and May in the joint survey indicate that business firms have scheduled capital outlays at seasonally adjusted annual rates of $27.9 billion and $28.8 billion in the second and third quarters as compared with a first-quarter rate of $25.6 billion. * * *

"The current survey finds all major industries scheduling sizable increases in their rates of capital investment between the first and third quarters of this year. After seasonal allowances, capital outlays projected by manufacturing, nonrail transportation, and commercial companies are about 10 percent higher than actual expenditures in the first 3 months; even larger relative increases are expected by railroad, public utility, and mining companies."

(2) Total new construction: The total volume of new construction for the first 2 quarters of 1955 was 14 percent over the corresponding period in 1954. The greatest advances were shown by store building (42 percent), housing (34 percent), churches (33 percent), and public schools (19 percent).

Seasonally adjusted expenditures for total new construction during the first 6 months of 1955 were at a record annual rate of $42 billion—nearly 11 percent above the $37.6 billion worth of expenditures in 1954. During June, new construction expenditures amounted to $3.8 billion, the highest monthly figure on record.

During the first 6 months of 1955 also the total dollar volume of new construction reached for the first half of the year an all-time high of $19.1 billion. Private residential building remained fairly steady at a high level, while private nonresidential building increased very sharply. Construction contracts awarded for the first 6 months of this year were about 29 percent higher than for the same period of 1954.

The Bureau of Labor Statistics reported on June 21, 1955, that:

"Prospects are that both private and public construction will reach an alltime high in 1955, with private expenditures probably increasing (by 14 percent) to $12.3 billion. These revised estimates reflect the unprecedented volume of construction activity so far this year, at levels above earlier expectations, and indications are that there will be virtually no abatement in the present rate during the remainder of 1955."

Whereas the supplemental views of the Democratic members of the Joint Committee on the Economic Report indicated, with respect to residential construction, that it would not be surprising if "housing activity should drop below levels now being counted upon (by the administration) to support the rising economic activity later in 1955," indications are that businessmen are not thinking in those terms. The Bureau of Labor Statistics recently reported that:

"It now appears that about 1,300,000 new private nonfarm dwelling units will be started this year, a figure exceeded only by the 1,350,000 private units begun in 1950. On a seasonally adjusted basis private starts were at an average annual rate of about 1,400,000 during the first quarter of 1955, and declined to about 1,300,000 in April and May. The projected $14.6 billion of expenditures on privately owned new dwelling unit construction in 1955 is about a fifth higher than in the previous peak year 1954."

(3) Total manufacturing and trade inventories: It is evident that the accumulation of inventories is proving to be more than the "one-shot stimulus, the effects of which are soon spent," which the Democratic members of the Joint Committee on the Economic Report said it would be in their supplemental views on the President's economic report. As reported in the article "Business Roundup" in the July 1955 issue of Fortune magazine, the "rebuilding of stocks has given considerable impetus to the business upturn."

Inventories increased at an annual rate of 1.5 billion dollars during the first quarter of 1955, and it is estimated that they approximated $4 billion during the second quarter.

4. Employment: Perhaps the major indicator of economic activity of greatest public concern is the employment picture during the first 6 months of 1955.

Between January and May 1955, total employment increased 2,553,000 and unemployment declined by 668,000. In May alone unemployment fell a half million, one of the largest seasonal declines ever recorded. As a result, the seasonally adjusted index of unemployment was down to 107. In May 1954, when unemployment was 800,000 larger, the index stood at 142. In a few words, unemployment declined by 25 percent during the period May 1954 to June 1955. Total employment at the end of May 1955 stood at 62,703,000 persons out of a total labor force of 65,192,000.

The month of June 1955 saw total employment reach 64,016,000 people—the greatest number of individuals ever employed in the civilian labor force. The total number of civilian jobholders as of June 30, 1955, has now risen by approximately 4 million from the midwinter low. This is nearly twice the increase that might be expected from seasonal developments alone.

At the end of May 1955 the significant observation to be made was that unemployment in relationship to the total civilian labor force was less than that generally prevailing in a year not marked by war or severe recession. At the end of May 1955 only 3.8 percent of the total civilian labor force was unemployed. This was 0.2 percent less than the 4 percent which economists, including the professional staff of the Joint Committee on the Economic Report, indicate is a normal level for frictional or technological unemployment.

June 1955 did experience a rise in unemployment of 200,000 but this was somewhat less than the normal rate of increase in unemployment that occurs between May and June. This seasonal trend is due generally to the increase in the civilian labor force of young job seekers either out of school for the summer or who have graduated from high school or college. A continued drop in unemployment among adult workers was thus responsible in large degree for offsetting the net addition of some 400,000 of these young jobseekers. As a result, the seasonally adjusted index of unemployment was down to 99—a drop of 8 between May and June 1955.

Recent improvement during May and June 1955 in the employment situation by type of employment and its economic significance is as follows:

(a) Total civilian employment increased by a million during May as it did during April. The June 1955 increase, however, was 1,313,000. With total civilian employment at approximately 62.7 million during May, a record was made for that month. June employment, as I have already noted, reached the 64 million mark for the first time in history. This represented for May an increase in employment of approximately 1.5 million above that number prevailing in May 1954, and 700,000 over the previous May peak reached in 1953. For June it represents an increase of 1.9 million over the same month in 1954. The most encouraging aspect of the continued rise in employment during May and June is that it is being made primarily in the nonagricultural industries.

(b) Nonagricultural employment: In May 1955, the total number of people in nonfarm employment stood at 55.7 million—an increase of over 1 million since midwinter. This is substantially more than the normal seasonal change in employment. This same above-normal seasonal trend continued in June with nonfarm employment at 56.3 million—a record for the month of June. The present level of nonagricultural employment is approximately 1.8 million above that of June 1954.

(c) Manufacturing employment increased by 60,000 people in May to 16,321,000—the first May increase since 1950. It also was a half million over that prevailing in May 1954. Of special significance was the fact that employment in these industries usually declines in May. During June manufacturing employment continued its sharp upswing by 148,000 to a level of 16,469,000.

(d) Construction employment rose by 141,000 to 2.5 million persons during May; trade employment also stood during May at 10.5 million, which was approximately 120,000 above the previous peak for May reached in 1953. During June hiring continued at a high level.

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(e) Non-durable-goods employment also showed seasonal improvement, with smaller than normal declines in apparel, leather, and chemicals and rising employment in rubber and paper factories during May. For June the employment gains were made in primary metals and lumber industries and continued gains in the paper industry.

(f) Agricultural employment expanded by an additional 750,000 between April and May. June saw agricultural employment rise some 700,000 additional workers—reaching a peak for the year of 7.7 million.

The decline in unemployment, however, has not been the only bright spot in the employment situation during May and June. Gains in hours worked kept pace with the increase in employment during May in particular. For example, the number of people with workweeks of 35 hours or more (full-time workweek) has increased by approximately 2 million over May 1954. During June, this picture did not change due primarily to the fact that the addition of new full-time workers was offset by the start of large-scale vacation absences. Encouraging, too, was the fact that during May about one-third of this is due to a lengthening of hours among those who were employed on a part-time basis last year. The size of this latter group during May declined by 600,000 over last year.

Likewise, it is a distant satisfaction to note that the increase in economic activity and employment has resulted in a decline in the number of major areas listed in the surplus labor categories by the Department of Labor. Whereas the number of such areas in March 1955 was 44, the May 1955 survey resulted in 9 being declassified. But as the Department of Labor's Area Classification Summary pointed out:

"Unemployment has declined in more than 90 percent of the major areas since early spring. Unemployment insurance records indicate that the March-to-May drop in joblessness may have exceeded 30 percent in almost one-half of the unsurveyed areas. Among these were such important centers as Buffalo, Cleveland, Denver, New Orleans, Seattle, San Francisco, Oakland, and Washington, D. C. In another one-third of the areas, insured unemployment was down from 10 to 30 percent between March and May. * * *

"The May area classification ratings indicate that the number of major areas with labor surplus problems has declined to a considerable extent over the past 2 months and is now at the lowest point since early in 1954."

This significantly from an economic standpoint has resulted in a decline, for the second month in a row, in the number of persons jobless for relatively long periods of time. For example, whereas in April 1,100,000 people and in May 900,000 people had been seeking work unsuccessfully for 15 weeks or more, only 650,000 people were in this situation during June, 1955.

In the light of this analysis of the economy's progress, it is evident that President Eisenhower's recommendations contained in the 1955 Economic Report were far from being inadequate, disappointingly minor, and hesitant, as they were generally depicted by the Democratic members of the Joint Committee on the Economic Report in their Supplemental Views to the Committee Report. It seems quite evident that the faith businessmen have had in the present administration's determination to get Government out of business and to generate an atmosphere of confidence has had a great deal to do with their decisions to expand their productive plants, to increase their output of durable and nondurable consumer goods, and thereby to provide the highest level of employment to date. This atmosphere of confidence which the Eisenhower administration has created has also resulted in a $15 billion increase in consumer expenditures in the past year and a half, with nearly half the increase coming in the last 6 months. This, in and of itself, is an expression of the average citizen's faith in the present administration's ability to keep the economy functioning at a high and progressive level of expansion. People who fear contraction just simply do not spend at the present rate.

We definitely know that the expectations of producers are very significant in determining the amount and rate of investment capital. Whenever anything alters the expectations of producers, the level of interest may change in a direction adverse to the general needs of the economy.

What are the expectations of businessmen? A survey by Dun & Bradstreet, Inc., of businessmen's expectations for the fourth quarter of 1955 compared with the fourth quarter of 1954 reveals very definitely that businessmen have confidence in the ability of the economy to continue its expansionary trend. For example, of the businessmen interviewed:

1. Seventy-seven percent expect an increase in net sales, while only 4 percent expect a decrease in sales.

2. Sixty-one percent expect an increase in net profits, while only 6 percent expect a decrease in profits.

3. Sixty-nine percent expect no change in selling prices, while only 26 percent expect an increase in prices.

As President Eisenhower phrased it in his 1955 Economic Report, "the confidence of the people in their own and this country's economic future * * * accounts for our recent success in curbing economic contraction" (p. 22). It also accounts for the record-breaking level at which the economy is running here in July 1955. The President and his Cabinet officials have played a major role in creating this confidence by using the powers of the Federal Government in a manner consistent with the growth of the free-enterprise system.

SETTING THE RECORD STRAIGHT

Mr. WATKINS. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a statement prepared by me entitled "Setting the Record Straight."

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

SETTING THE RECORD STRAIGHT

On several occasions during the past 2 or 3 weeks, some of my Democratic colleagues have made extensive remarks with respect to the operation of the economy. By and large these remarks have been cast in a pessimistic vein, with a view toward minimizing the steady upward growth which the economy has made since early last fall.

For example, reference was made to the fact that business failures were on the increase in 1955 compared to 1954, the inference being, of course, that in some way the Eisenhower administration's economic policies were to blame. Although the exact figures quoted were prepared by Dun & Bradstreet, my Democratic colleague neglected to tell you that these failures also resulted, according to Dun & Bradstreet, not because general economic conditions are not conducive to success, but rather to factors peculiar to the individuals concerned.

During the first quarter of 1955, there were some 2,854 business failures. The apparent causes of these failures as listed by Dun & Bradstreet in their July 1955 issue of Dun's Review of Modern Industry are:

Cause	Number	Percent of total number
1. Neglect	148	4.6
2. Fraud	63	2.2
3. Inexperience	2,589	90.7
4. Disaster	49	1.7
5. Reason unknown	17	.6
Total	2,854	100.0

It is obvious, Mr. President, that the great number of failures were due to inexperience. Dun & Bradstreet listed competitive weakness, excessive fixed assets, inventory difficulties, heavy operating expenses, and poor location, as being major items which resulted in failure among inexperienced business. These are common difficulties which all inexperienced businessmen face. They have to do with the quality of judgment exercised by proprietors, not with general economic conditions brought about by Federal economic policies.

It may interest my Democratic colleagues to know that historically speaking, four out of five new business enterprises fail nearly every year. These failures seem to have little to do with the state of the economy.

Reference has also been made to consumer debt. Specifically, it has been stated by my Democratic colleagues that consumer debt is high compared to income. Now what are the facts? The Board of Governors reported in the June 1955 issue of the Federal Reserve Bulletin that:

1. More than half of the spending units owed some short-term consumer debt in early 1955, the same proportion as a year earlier.

2. The amounts owed were also similar to those in early 1954, with three-fifths of the debtors owing less than $500.

3. Most of the debt outstanding on various purchases as well as most of the personal debt owed to banks and loan companies is on an installment basis.

Now the important question of course is this: Is installment buying a weak or dangerous aspect of the economy's composition? Dr. Arthur Burns, Chairman of the Council of Economic Advisers, answered this question in printed form in the May 5 issue of U. S. News & World Report, as follows:

"I doubt it. One thing that we have been very slow in learning is that, speaking broadly, the American consumer is the best credit risk in the world. We learned this gradually. A small number of enterprising businessmen led the way. Later the bankers learned that consumer credit could be every bit as sound as commercial credit. Many of us still approach the question of consumer debt with moral preconceptions, rather than with objective economic yardsticks."

The most recent statistical data seem to substantiate Dr. Burns' observations with which I am in agreement. Total personal income increased $2 billion on a seasonally adjusted basis in May 1955 and exceeded the $300 billion level for the first time in history. At the same time, disposable personal income—that income which people actually have to spend or save after paying their taxes—rose by $6 billion during the second quarter of 1955. Consumer expenditures rose less than disposable income while personal savings increased during the same period by $2.2 billion. These figures, Mr. President, I believe are ample evidence that we need not fear the fact that consumer debt comprises, as a result of installment buying, a sizable amount of consumer expenditures.

My Democratic colleagues have also accused the Department of Agriculture of pursuing a farm policy which will drive the

family-sized farm out of existence. Now let us examine the facts as they really are:

1. The exodus from farming to nonfarm employment has been going on for over 100 years. This is evident if we examine the historical data which shows by decades the percentage of the total civilian labor force which has been engaged in agriculture. United States Census Bureau statistics show that in 1850, 63.7 percent of the total civilian labor force was engaged in agriculture. This had declined to 37.5 percent by 1900 and to 11.6 percent in 1950.

2. Although a great number of these people left the farm for large metropolitan areas, it is also evident that a substantial number have found nonfarm employment in rural areas. This is also borne out by other Census Bureau figures which indicate that whereas in 1850, 84.7 percent of our population lived in rural areas, by 1950 the number had declined to only 41 percent of the total population.

Why has this exodus from agriculture as a vocation taken place? Obviously not because of any deliberate policy pursued during the past 2½ years under the auspices of the Eisenhower administration. Agricultural economists list these factors:

1. The spectacular technological advancements made in farming equipment and husbandry, resulting in greater productivity per worker, have made it possible for a great number of people to be released from the production of food and fiber for more economic and profitable employment in nonagricultural occupations.

2. Agriculture has become a technical industry, requiring larger farming units to take advantage of technological advancements which result in lower per unit costs and higher net returns. Capital requirements, therefore, are much greater today for a farmer than they were 50 or even 15 years ago.

3. This means that farmers with smaller economic units have found the going much more difficult, with the result that thousands have left agriculture over the past 50 years and many more will continue to do so in the future. If nonfarm employment offers people better income and other opportunities, then natural self-interest will dictate their migration from the farm.

4. In this process, the trend in farm size has been toward larger units, so that productive efficiencies can be increased. Obviously every small farmer in agriculture cannot obtain additional land adjacent to his present acreage without someone being displaced. There just isn't enough cropland in the United States to provide all farmers with the optimum-sized farm.

Judging the future by the past, it seems logical to assume that we shall see the number of farmers required to feed our population continue to decline for some time to come. Those who leave agriculture via the route of failure to meet competitive conditions will be the inefficient, poorly trained farmers, working farms that simply are too small to yield a satisfactory return and for which there is no hope of enlargement. We have his counterpart, as I have already indicated, in the business world, and we also have his counterpart in the labor movement. Life does not guarantee success. Neither is it Government's role to insure individual success.

There is, however, a great deal that Government can do to help many small farmers who have great potential. There are those whose farms are too small and who need additional capital on a longer term basis than private lenders can make to purchase land so that many smaller farms can be increased in size so as to become an economic unit. There are others who need help in the form of special extension service assistance. Still others need help on technical land-use and soil-conservation problems. But whatever their individual problems may be, all agricultural experts who have studied this problem seem to be in agreement that the low-income farm problem constitutes a long-range problem the solution to which will not come in a matter of a few months or years. Any program directed toward its solution must necessarily be a long-range one. It must necessarily also be one involving much more than the mere outlay of vast amounts of public funds. When all is said and done, local people through the application of local resources must find the bulk of economic answers and they admittedly are as numerous as the number of counties in which the low-income farm problem is a critical one.

President Eisenhower's low-income farm problem which was presented to the Congress several months ago is, in my opinion, a sensible approach to the problem. Basically its provisions are as follows:

1. Calls for pilot or "experience gaining" programs in 50 of the 1,000 low-income counties during the 1956 fiscal year. Results will be used to expand the program along lines with greater promise than a hit-and-miss approach offers.

2. Calls for the expansion and adaptation of agricultural extension and home economics work to meet the basic needs of low-income and part-time farm families. Part of the increased funds for extension service work included in the 1956 budget are to be used for this purpose.

3. Provides for additional credit to low-income farmers, unable to obtain credit through private channels. Farmers' Home Administration is the instrumentality. A $30 million increase in funds for this purpose has been requested.

4. Increases technical conservation service provided by USDA agencies including the Soil Conservation Service.

5. Facilities of the Department of Health, Education, and Welfare are to be used to encourage the States concerned to expand vocational training in low-income rural areas. Twelve pilot operations beginning this fall are to be started to gain experience upon which a more extensive program can be based.

6. Facilities of the Departments of Labor and Commerce and the Office of Defense Mobilization are to be used to induce the expansion of industry in low-income areas and to strengthen present employment services.

No responsible person in the light of these facts can honestly say that the Eisenhower administration has "fiddled while Rome has burned, so far as the small farmers are concerned."

In spite of these attempts to picture the economy as being in a sad state of affairs, Mr. President, the facts indicate that the people of this country, under a Republican administration, are enjoying the greatest prosperity of all time.

1. The gross national product, which is a measure of the goods and services created by the economy over a given period of time, reached an alltime high of $375 billion during the first quarter of 1955. Preliminary estimates of the Council of Economic Advisers indicate that GNP increased an additional $8 billion on a seasonally adjusted annual rate basis, in the second quarter of 1955. GNP is now running at a rate of $383 billion a year.

2. Personal income, that money which people actually receive, increased some $2 billion in May 1955, on a seasonably adjusted rate basis. It exceeded the $300 billion level for the first time in this country's history.

3. Employment, that is, civilian employment, rose between early May and June to an alltime high of 64 million. This was an increase of over 1,313,000 people during the period involved. Unemployment did increase by some 190,000 people but, and this is the significant thing, it rose by less than is usual at that time of the year. So the net gain in employment was about 1,223,000 individuals.

It does appear to follow, as President Eisenhower predicted in his 1955 Economic Report last winter, that the Nation's output during 1955 "will approximate the goals of 'maximum unemployment, production, and purchasing power' envisaged by the Employment Act" (p. 24).

Mr. MORSE. Mr. President, I wish to make a very brief statement which I have been trying to make ever since the discussion of the conference report on the defense production bill. I do not want the record to stand overnight with impressions in it which I am sure the Senator from Indiana and the Senator from Vermont did not intend to leave in the record. It will take me only a minute or two to make that statement.

Mr. CLEMENTS. There are several matters to be taken up tonight by the Senate. Will the Senator advise me whether he will be brief in his remarks?

Mr. MORSE. I am perfectly willing to wait until the Senate has transacted its other business.

Mr. CLEMENTS. I yield to the Senator from Oregon for his brief statement.

Mr. MORSE. I am willing to let the Senate transact its other business. Then I shall make my brief statement before the Senate adjourns.

EXECUTIVE SESSION

Mr. CLEMENTS. Mr. President, I move that the Senate proceed to the consideration of executive business, for action on nominations under the heading "New Reports."

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGE REFERRED

The PRESIDING OFFICER (Mr. BARKLEY in the chair) laid before the Senate messages from the President of the United States submitting nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORT OF A COMMITTEE

The following report of a nomination was submitted:

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service:

Margaret E. Smith, to be postmaster at Montreat, N. C.; reported adversely.

The PRESIDING OFFICER. If there be no further reports of committees, the Secretary will state the nominations under "New Reports."

UNITED NATIONS

The legislative clerk read the nomination of Harold E. Stassen to be deputy representative of the United States of

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America on the United Nations Disarmament Commission.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

INTERNATIONAL DEVELOPMENT ADVISORY BOARD

The legislative clerk read the nomination of Eric A. Johnston to be Chairman of the International Development Advisory Board.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

DEPARTMENT OF THE AIR FORCE

The legislative clerk read the nomination of Dudley C. Sharp to be an Assistant Secretary of the Air Force.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

DIPLOMATIC AND FOREIGN SERVICE OF THE UNITED STATES OF AMERICA

The legislative clerk proceeded to read sundry nominations in the Diplomatic and Foreign Service of the United States of America.

Mr. CLEMENTS. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered. Without objection, the nominations are confirmed en bloc.

UNITED STATES ATTORNEY

The legislative clerk read the nomination of Paul W. Williams to be United States attorney for the southern district of New York.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

IN THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army.

Mr. CLEMENTS. Mr. President, I ask unanimous consent that the nominations in the Army be considered and agreed to en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. CLEMENTS. I ask unanimous consent that the nominations of postmasters be considered and agreed to en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters are confirmed en bloc.

Mr. CLEMENTS. Mr. President, I ask that the President be notified of all nominations confirmed today.

The PRESIDING OFFICER. Without objection, the President will be notified of the nominations confirmed today.

SECURITIES AND EXCHANGE COMMISSION

Mr. CLEMENTS. Mr. President, I move that the Senate proceed to the consideration of the nomination of Harold C. Patterson to be a member of the Securities and Exchange Commission.

The motion was agreed to; and the Senate proceeded to consider the nomination.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to this nomination?

THE DEFENSE PRODUCTION ACT CONFERENCE

Mr. MORSE. Mr. President, now, on my own time, I wish to make a brief statement on the discussion which was held on the other side of the aisle earlier this evening, to which I did not get an opportunity to reply. The discussion concerns what transpired in the conference committee today on the Defense Production Act. I refuse to believe that the Senator from Vermont [Mr. AIKEN] wished to leave in the record the impression which is there now as to the conduct in the conference of the majority of the conferees; nor do I think the Senator from Indiana [Mr. CAPEHART] would want to leave in the record the impression which is now there unless the statement I now make is put in by way of rebuttal.

The conference on the Defense Production Act proceeded immediately following the conference on the Housing Act, and in the same conference room. Some of the conferees were the same in both instances.

The staffs of the two committees had prepared a mimeographed sheet setting out the points of agreement and the points of disagreement between the Senate bill and the House bill. That mimeographed sheet showed, for example, the sections of the bill which were not in conference for the simple reason that the language in the two bills with respect to those sections was identical. The mimeographed sheet, on the other hand, showed the sections of the Senate bill which are different from corresponding sections of the House bill, and, in some instances where no such sections at all existed in one or the other of the bills.

Mr. President, that is standard procedure for conferences. There is not a man in this body who has sat in conferences who has not experienced the start of a conference on the basis of that type of comparative analysis.

Mr. President, the particular item with which we are delaying and which has caused all this discussion tonight was an item which was contained on the mimeographed sheet. We started out with the items, and the first motion was made by Representative RAINS that the House recede on item No. 1, which item represented a difference between the Senate and the House. The House conferees had, as always happens in conferences, a consultation among themselves on the House side of the conference table.

When we get to the point of receding in a conference, the motion to recede has to be made by the side that is going to do the receding. The other side does not make a motion to recede. That would be an affront. That is not the way conferences are conducted. The record of that first session will show that the first 2 or 3 recessions were moved by the House conferees. The House did the receding. Then there came a couple of items on which the Senate receded. When did we recede? We receded after we had had a consultation among ourselves. The public is likely to get an entirely false notion from the record made by the Senator from Vermont and the Senator from Indiana on this matter. I think it is due my fellow conferees that the record be corrected in regard to that impression.

In these conference discussions the question we have on one side of the table is whether we are going to recede, or, as we say, "hang tough" on this one. The discussion is carried on in either whispered conversation or out loud, but not with a great amount of volume, among the conferees.

I remember distinctly with reference to the first two decisions on the Senate side, one of the motions was made by the Senator from Alabama [Mr. SPARKMAN], and the other was made by the Senator from Illinois [Mr. DOUGLAS]. But our Republican colleagues in the conference certainly agreed. There was no disagreement on that. That is the standard practice of recession in conference meetings.

Mr. LANGER. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield.

Mr. LANGER. During the 15 years I have been a Member of the Senate, Mr. President, that is the standard procedure, just as it has been described by the distinguished Senator from Oregon.

Mr. MORSE. I thank the Senator from North Dakota.

Mr. President, I am only making this statement because I do not want to leave the record stand as it stands tonight.

After those Senate recessions, there was another House recession. Then we got into the difference between the two bills with reference to the w. o. c.'s. We listened to some of the House Members. I wish to say that Representative RAINS and Representative PATMAN, at the early part of the discussion, carried the burden of the discussion. They left no room for doubt in my mind—the other conferees can speak for themselves—that they just did not intend to recede on that question.

Then there was a quorum call on the House side, which would take them back to the House, and we discussed how long we should take a recess. We were told it would take at least 45 minutes for the quorum call, and there was general agreement that we would recess for 45 minutes. At that point—and I leave it to the present occupant of the chair to check my memory, because I think the Senate would permit the Presiding Officer to make any comment he wishes to make from the chair, even though he is presiding over the Senate at this time—it was at that point that I expressed for the first time my preference for the House language over that of the Senate.

The PRESIDING OFFICER (Mr. DOUGLAS in the chair). The Chair would say that the Senator from Oregon is correct.

Mr. MORSE. But we did not take any action at that time. We said that during the recess we should give it further consideration and act upon it after the recess.

After the recess, the House Members made it perfectly clear, again, that they intended to insist upon the language of the House bill.

Do my colleagues on the Republican side think we should have sat there indefinitely in connection with that matter?

It was at that point that I made the motion that the Senate recede, but it was at that point that the Senator from New York [Mr. IVES] proposed some substitute language. Then there was a prolonged discussion over a series of substitutes. There was the Ives draft; there was the Douglas draft; there was a committee staff member's draft, and I think there were 1 or 2 others before we got through with it.

We sat there in the company of our Republican colleagues and worked out a final draft with which the House would go along. I remember that on two different occasions, I said, "I still prefer the House language, but I will go along with this substitute."

We had then before us the Ives amendment and it was voted on. Then we had a motion on the part of the Senate conferees on what became of the Douglas draft modified. It was modified, as I recall, by the inclusion of some of the Ives language, language of the Senator from Alabama [Mr. HILL], and language of the professional members of our staff, who have the job of advising us in regard to the effect of language which is proposed.

I have said this, Mr. President, because in my 10 years in the Senate I have participated in a great many conferences, and I do not know of any conference in which I ever participated in which a matter in dispute received more careful consideration than did this particular matter.

But what were we confronted with? There was discussion on the Republican side of the aisle that because of the 46 to 45 vote the other day in the Senate, the 3 Democrats on the conference really did not represent the majority viewpoint in the Senate. But the Senator from Vermont [Mr. AIKEN] did not go on to say that he believes, therefore, under the rules of the Senate, that 3 Republicans and 2 Democrats should have been appointed to the conference committee. He knows very well why that suggestion was not made. It is because under the rules of the Senate there would not have been appointed, under the circumstances, 3 Republicans and 2 Democrats.

I am glad to notice that the Senator from Vermont has arrived on the floor, because all I have been trying to do up to this point in my remarks has been to give the chronology of what happened in the conference this afternoon, and to show that the Senator from Vermont was misinformed in regard to the discussion which took place in the conference.

I had just made the point that, in my 10 years as a Member of the Senate—and I have sat as a member of a good many conference committees—I do not know of any single issue, under the circumstances of our conference this afternoon, which received more careful and objective consideration than did this particular matter.

I was making this point as the Senator from Vermont entered the Chamber: It is true that the 46 to 45 vote the other night was practically a straight-line, partisan vote. It was a partisan vote on the Republican side of the aisle, in that all Republicans, save one, voted for the Capehart amendment; and on the Democratic side all Democratic Senators save 2 voted against the Capehart amendment.

It so happened that in the floor discussion the senior Senator from Indiana [Mr. CAPEHART] had insisted upon the Capehart amendment which struck out of the bill the recommendation of the Senate Committee on Banking and Currency. The Senator from Indiana was a member of the committee of conference, and I think rightly so. I think he should have been a member of the committee of conference. But the Senator from Indiana went to the conference with a point of view, as did his Republican colleague, who voted for the same amendment, while the three Democrats held the opposite point of view.

But that is common practice in the Senate. A Senator has an obligation, no matter how he voted in the Senate on a matter. He has an obligation as a conferee to go into the conference and try to have the Senate view prevail, until he becomes convinced that he cannot succeed.

Again I say, with the senior Senator from Illinois [Mr. DOUGLAS] in the chair, he having attended the conference throughout its sessions, that when we became convinced that we could not have the Senate report prevail, we came out of the conference with a provision on this particular point which was less drastic than was the House provision. I think it is due us that this explanation be made. I do not like the record to be left tonight with the impression created that the Senator from Illinois, the Senator from Alabama [Mr. SPARKMAN], and I went to the conference and entered into some kind of collusion with the House conferees on this particular point.

After we finished with this point, we continued with the mimeographed sheet comparison, as we had on every other point.

The Senate receded on 1 or 2 more items, I think, and the House receded on 2 or 3 other items. That is the record of what happened in conference.

It is true that the two Republicans were so dissatisfied with the disposition of the w. o. c. matter that they refused to sign the report which came to the floor of the Senate tonight. What happened in the Senate tonight is now parliamentary history.

I think it is important that we have a Defense Production Act. It is important because the body of that act is so much more important than is this relatively minor w. o. c. issue that I think it would be a shame tomorrow if we did not get some bill out of the conference.

I think it is only fair to say to the Republican leadership that with the adamancy that we found among the House members of the committee of conference, I do not expect to return to the conference with very much hope that the House conferees will recede from the House language of the bill.

I appreciate a representation which was made to me by a Republican member of the Committee on Banking and Currency after the vote tonight. He came to me and said that he thought this matter had been left in a rather messy situation. He thought it was unfortunate that we had this little hassle, to use his words, and he hoped the situation would be cleared up tomorrow. He said that under all the circumstances he thought what we should try to do in conference tomorrow should be to retreat to the recommendations of the Committee on Banking and Currency as they came from the committee. I do not know whether there will be any chance of having that proposal agreed to in conference. But speaking for myself, when I go into the conference tomorrow I will do my level best to have the original recommendation of the Senate Committee on Banking and Currency agreed to, because I am satisfied that we simply cannot get the so-called Capehart amendment agreed to by the House conferees.

That is the situation in which I find myself. I have spread my position on the record tonight. I serve notice on the Senate that I will go back to the conference tomorrow; and if I see any chance at all to get something less than the House language I will try to get something less than the House language. But I tell the Senate tonight that I think the course of action which has been followed has not increased our chances of getting anything less than the House language. Nevertheless, I think it would be a shame if this session were to end with the defense production bill not having been passed.

I say to my friends from the Western States that it is of vital importance to the Western States, particularly from the standpoint of the mining features of the bill, that a defense production bill be passed.

I shall return to the committee of conference tomorrow, and, I may say good naturedly, do what I can to help overcome what I respectfully say is the mistaken set of votes which Senators from the mining States cast tonight by turning down a bill and running the risk that there will be no bill at all. So much for that.

I shall forego until tomorrow a speech I plan to make at some length on one of the most vital issues which we are leaving unattended as we adjourn this session of Congress, namely, the welfare of the schoolchildren of America. I propose to deliver a major speech on this issue before the Senate adjourns. I hope it will not be at too late an hour tomorrow night or Wednesday morning, but the speech will be made in due course of

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time, because I think a record must be made. It will be a great mistake for Congress to adjourn without having passed some Federal aid to education legislation. I think Congress should pass some school-construction legislation. I think it should pass some teacher-aid legislation. I say that because, although it is difficult to say that one piece of major legislation is more important than another piece of major legislation, I am frank to say that I do not know of any legislation which is more important to the future well-being of the United States than is aid-to-education legislation.

Unless we get busy as a Congress and stop dilly-dallying and stalling on aid to education, we will cost this country the development of some brains which will be of vital importance not only to our economic welfare in the decades immediately ahead, but to our defense welfare.

I do not intend to let this session of Congress adjourn without making my record on this point; namely, that I think with the failure of this session of Congress to pass education legislation, road legislation, and social-security legislation, to name only three major pieces of legislation on which we are walking out, there is justification for the calling of a special session of Congress on October 1, and I hope President Eisenhower will call it, because, in my judgment, the President owes it to the people of the United States to call a special session of Congress on October 1 or October 15, for the purpose of the transaction of business on which Congress is walking out by failing to pass it at this session.

I feel very deeply about the debt we owe to the school children of the country and the support we should be giving to the teachers of the Nation. There, Mr. President, is a precious treasure which we should be protecting with some education legislation. I propose to discuss this matter at some length before adjournment, and I care not at what hour.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. LANGER. Does not the Senator believe that Congress should stay here all during August, if necessary, to pass legislation which is badly needed?

Mr. MORSE. In view of the serious mistakes this Congress has made in connection with some of its major legislation during the past 10 days, I think an adjournment cannot be justified tomorrow night, the next night, or any other night, until necessary legislation is enacted.

Take road legislation. Merely because the Republican administration wanted the American people during the next 30 years to pay out 55 percent in interest for a 45 percent investment in roads, we have gotten in a situation where the Gore bill has been defeated. I think Congress ought to come back on October 1 or October 15 and stay in session long enough to pass the Gore bill.

Just think of it. Every road expert who appeared before the Senate committee and testified on the road situation said that not much progress could be made in reducing 36,000 or 38,000 fatalities a year on the highways without adequate highway legislation. Mass murder—that is what it is—and nothing can be done about it until roads are built which will handle the automobile and truck traffic. That is the problem. What do we do? We go back to the hustings. We ought to stay in session and give the people of the country the roads which are needed. We ought to do it without a form of sales tax.

I happen to be one who believes that roads ought to be paid for out of the general funds of the Treasury, as other Federal Government operations are paid for. I am not going to go along with the argument that if we do not yield to the sales-tax proposal, there will not be any road bill at all.

I believe in fighting for the issue. I believe in standing up and holding the feet of some persons to the fire until we get the legislation that ought to be enacted. I do not believe in quitting. I am not a quitter. And I want to say I think Congress is quitting on its responsibilities in reference to major pieces of legislation. I name them again: schools, roads, and social security. That list can be added to, but those are three measures which ought to keep Congress in session until Christmas time, if it did the job of statesmanship called for.

Mr. President, I am not going to leave here until I make the record for my people in regard to what I believe ought to be done concerning certain legislation.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. LANGER. Does not the Senator also believe there should be an agriculture bill passed, dealing with 90 percent of parity, which was passed by the House, but left high in the air?

Mr. MORSE. I think so. I said there were other pieces of legislation which should be enacted by Congress.

Mr. President, I sat here tonight and studied with the Senator from Missouri [Mr. SYMINGTON] a dramatic chart. I hope he will put it in the RECORD, and I do not want to steal his thunder. I only wish to say, and I think he would permit me to say this—that statistical chart will show what has happened in the past 2 years to the farmer and what has happened to the person who lives off dividends. The farmer's income has gone down, and the fellow who sits in a soft chair, cuts coupons, and collects dividends has seen his income go up. It is called Republican prosperity. They can have it. The people do not want it. That is not the kind of prosperity the people want. What the people want is a prosperity that is based on a broad and deep foundation of purchasing power for the consumers of America, and that means the workers and the farmers, as well as the boys with the cushion fronts.

Mr. LANGER. May I say to my distinguished friend that he did not emphasize the fact that the farmers' income has gone down, down, and down, while dividends have gone up, up, and up. If anybody thinks the farmers of this country are fooled, he is sadly mistaken.

Mr. MORSE. I think the Senator from North Dakota is quite right. The Senator has made a point which demonstrates a further reason why Congress should reconvene on October 1.

Mr. LANGER. I may say it demonstrates a reason for Congress to stay in session.

Mr. MORSE. I am willing to stay, but the Senator and I are realists. We know this steamroller could not be stopped now. It could not be stopped with a hundred barricades. The Members of Congress are bound to leave. But we ought to make the record, and make it clear to the American people that Congress ought to meet again about October 1.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. HUMPHREY. I surely wish to concur with the Senator's observation about the importance of the legislative program that has yet to be enacted. Does not the Senator from Oregon believe that the time is at hand when the duration of the sessions of this Congress, or of any Congress, should be based upon a year-round schedule of legislative activity? By that I mean, since the fiscal year ends on June 30, the requirements naturally are to get the appropriations through by then and on the President's desk.

Mr. MORSE. I may say Members of Congress are paid to do a year's work. We ought to stay here and do it.

Mr. HUMPHREY. I would suggest that following enactment of appropriation bills and whatever other legislation can be enacted up to the last day, the end of July, it might be well for the Members of Congress to take off 1 month, or 45 days, and go back to their constituencies, because that, too, is a part of the representative government process. I sometimes feel that when a Member of Congress does not get home to his contituency, he hears the wrong voices. He hears the voices of the tabloids, he hears the voices of the editorial columns, and he hears the voices of the headlines, rather than the voices of the people.

Mr. MORSE. And the voices of the W. O. C.'s.

Mr. HUMPHREY. I accept that amendment to my general suggestion.

Then Congress could come back in session on, let us say, a date such as the 15th of September, and continue on with the legislative process through the end of the year.

I mention this, and say this in all sincerity, because it is becoming more and more important for the Congress to be in session for the purpose of participating in the foreign policy decisions of the Government. All too often we hear people in the Government say, "Well, as soon as Congress gets out of Washington, we can do this and that."

Mr. MORSE. May I interrupt to say there are forces who want to get Congress out of Washington.

Mr. HUMPHREY. There are those who do not want us to arrive in the first place.

Mr. MORSE. We "watchdog" too much.

Mr. HUMPHREY. I should like to say most respectfully that the former Senator from Ohio, Senator Taft, spoke, both privately and publicly, on this very matter of programing the work of the Congress. I should like to see Congress get to the point where it would meet in January, stay in session until July 30, recess through August until the 15th of September, and come back in session. If that were done, we would have the kind of congressional procedure, in terms of the time required for legislation, that a body such as this ought to have.

Mr. MORSE. The Senator from Minnesota is absolutely right. I am training a colt that has that much horsesense. It is commonsense. I hope Congress will adopt that kind of program in the future. I am all for it. I thank the Senator for giving support to the general position of mine that Congress ought to complete legislation before adjourning.

Mr. CLEMENTS. Mr. President, will the Senator yield?

Mr. MORSE. Mr. President, I always like to yield to the acting majority leader, but if he will permit me to continue a little while, I shall yield the floor.

Mr. CLEMENTS. Certainly.

DISCLOSURE OF SOURCES OF INCOME BY MEMBERS OF CONGRESS AND CERTAIN GOVERNMENT OFFICIALS

Mr. MORSE. Mr. President, on behalf of myself, the Senator from Illinois [Mr. DOUGLAS], the Senator from Minnesota [Mr. HUMPHREY], and my colleague, the junior Senator from Oregon [Mr. NEUBERGER], I introduce for appropriate reference a bill, which was cleared a long time ago, to require Members of Congress and certain other officers and employees of the United States and certain officials of political parties to file statements disclosing the amount and sources of their income, the value of their assets, and their dealings in securities and commodities.

I have introduced the same bill each year since 1946. I referred to it on the floor of the Senate, and a staff member came over to me later and said, "We forgot to drop it in the hopper." I said, "If that is true, get it right over here." Here it is. The names of the sponsors are on it. I introduce it tonight, and I ask unanimous consent that the statement which was put in the RECORD last year in support of the bill be printed in the RECORD at this point.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the statement will be printed in the RECORD.

The bill (S. 2747) to require Members of Congress, certain other officers and employees of the United States, and certain officials of political parties to file statements disclosing the amount and sources of their incomes, the value of their assets, and their dealings in securities and commodities, introduced by Mr. MORSE (for himself, Mr. DOUGLAS, Mr. HUMPHREY, and Mr. NEUBERGER), was received, read twice by its title, and referred to the Committee on Rules and Administration.

The statement presented by Mr. MORSE is as follows:

DISCLOSURE OF SOURCES OF INCOME BY MEMBERS OF CONGRESS AND CERTAIN GOVERNMENT OFFICIALS

On behalf of myself, the Senator from Illinois [Mr. DOUGLAS], and the Senator from Minnesota [Mr. HUMPHREY], I introduce for appropriate reference a bill which would require Members of Congress and other top Government officials to file reports disclosing their sources of income, receipt of gifts, assets held individually or with another person, transactions in securities and commodities, and all funds, in whatever form, subject to their use.

I believe that the American people would feel very much more assured that there was not corruption in Government if high Government officials, including Members of Congress, were required to make public the sources and amounts of their incomes. I believe further that no man should run for public office unless he is willing to disclose to the American people the source of his income.

Since 1947 I have introduced measures to accomplish this purpose. Congress has taken no action on any of them. But the time has come for decisive action to be taken. The American people demand and deserve it.

This bill is an amplification of S. 2284 which I introduced for myself, and Senators DOUGLAS and HUMPHREY in October 1951. This new bill extends the proposed reporting requirements to gifts, all jointly held property, and funds available for the use of officials whether or not such funds constitute income for tax purposes. In addition, it is provided that the Comptroller General, who would be the custodian of such reports, issue regulations to insure that the reports would be available for public consumption, but not for private use.

The bill (S. 334) to require Members of Congress, certain other officers and employees of the United States and certain officials of political parties to file statements disclosing the amount and sources of their incomes, the value of their assets, and their dealings in securities and commodities, introduced by Mr. MORSE (for himself, Mr. DOUGLAS, and Mr. HUMPHREY), was received, read twice by its title, and referred to the Committee on Rules and Administration.

BENEFITS OF RECENTLY AMENDED CIVIL SERVICE RETIREMENT ACT

Mr. MORSE. Mr. President, my last request, and I shall then bid you a fond goodnight, is a unanimous consent request that there may be printed in the RECORD a letter which I received from the associate editor of the Postal News.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AN OPEN LETTER OF THANKS TO SENATORS WAYNE MORSE, OF OREGON; JOHNSTON, OF SOUTH CAROLINA; NEELY, OF WEST VIRGINIA; PASTORE, OF RHODE ISLAND; MONRONEY, OF OKLAHOMA; HENNINGS, OF MISSOURI; SCOTT, OF NORTH CAROLINA; NEUBERGER, OF OREGON; LANGER, OF NORTH DAKOTA

UNITED NATIONAL ASSOCIATION OF POST OFFICE CLERKS,
New York, N. Y., July 21, 1955.

SIRS: On behalf of the female employees of the Post Office Department of New York City, permit us to go on record with a vote of thanks to all of you honorable gentlemen, who have given consideration to an inequality of the civil service retirement act, which has been a source of worry, fear, and anxiety to the mothers in this service, who through necessity have been either the main breadwinners or contributed a greater part toward the support of their families.

With the passage of this legislation we will be assured that our children will receive the same benefits as surviving children of our male coworkers and with one more major fear eliminated from our minds will be able to give even greater support to the needs of the Service.

Respectfully yours,

CECILIA R. COHAN,
Associate Editor, UNAPOCS Postal News.

LEAVES OF ABSENCE

On request of Mr. CLEMENTS, and by unanimous consent, Mr. ANDERSON, Mr. PASTORE, and Mr. HICKENLOOPER were excused from attendance on the sessions of the Senate during the remainder of the present session.

ORDER FOR ADJOURNMENT TO 10 A. M. TOMORROW

Mr. CLEMENTS. Mr. President, the acting majority leader is about to move that when the Senate completes its labors tonight, it stand in adjournment until 10 o'clock in the morning.

I should like to have the advice of the Presiding Officer on one point: On tomorrow, when the Senate convenes in executive session, will there be any preliminaries? In short, will there be a morning hour, following completion of the Senate's action on the Executive Calendar? I have in mind ascertaining whether any other matters are to come up during the executive session, except the executive business pending before the Senate when the session tonight ends.

The PRESIDING OFFICER (Mr. DOUGLAS in the chair). The Chair is advised that during the executive session, reports on nominations from the President can be considered; but, otherwise, during the executive session on tomorrow the Senate will consider the nominations now lying before this body; and upon the conclusion of the executive session, the Senate will then go into legislative session.

Mr. CLEMENTS. I take it, then, that only executive reports will then be in order, but not reports in legislative session.

The PRESIDING OFFICER. That is correct, so long as the Senate remains in executive session.

Mr. CLEMENTS. Then, Mr. President, I ask unanimous consent that when the Senate completes its labors tonight, it stand adjourned until tomorrow, at 10 o'clock a. m.

The PRESIDING OFFICER. And in executive session?

Mr. CLEMENTS. In executive session.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

REA ATOMIC ENERGY PROGRAMS

Mr. HUMPHREY. Mr. President, I hold in my hand an article written by the noted columnist, Thomas L. Stokes, and published several days ago in the Washington Evening Star. The title of the article is "Sale of A-Power Bears Watching."

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The subhead is "Law Assuring Nonprofit Groups of Priority Is Bypassed by AEC."

I read two paragraphs of the article:

Among the protective clauses was a guarantee of preference for nonprofit groups—the municipalities and other public agencies, as well as rural electric cooperatives—in the sale of atomic energy from publicly owned projects, such as is already required by law in the case of electric power from public hydroelectric projects.

We thought that was all fixed and settled. But not necessarily, evidently.

Mr. President, the article refers to decisions currently being made by the Atomic Energy Commission in regard to the utilization of nuclear power for the purpose of the development of electric energy.

I am particularly concerned with these decisions, because in the last month the first program for the devolpment of electric power from atomic energy by a rural electrification plant was presented to the Atomic Energy Commission by the Rural Electric Cooperative Power Association of Elk River, Minn. The program for a nuclear reactor for purposes of the generation of electric energy was developed by one of the largest engineering firms in the United States, one which for years has had a research contract with the Atomic Energy Commission.

It was the privilege of the Minnesota congressional delegation about 1 week ago to meet with the directors and staff members of the Atomic Energy Commission, to discuss the project. During the discussion the counsel of the Commission, in answer to questions by Members of the congressional delegation, indicated that in his opinion the law was not very clear as to whether the Commission could provide a pilot plant for an REA, and whether there could be a cooperative arrangement between the REA and the Atomic Energy Commission.

Certainly, Mr. President, I shall not burden the RECORD by reading at this time considerable portions of the documents I have before me. However, I point out that the documents have not been on my desk all day just so I could lean on them.

In order to help the fine legal staff of the Atomic Energy Commission, I shall just give references, because if there is one thing which I understand in connection with congressional deliberations in the last few years, it is what happened during Senate consideration of the Atomic Energy Act of 1954. On that occasion I stood at this desk—as the distinguished acting majority leader, then the minority leader, will remember—and talked during at least 5 days and nights. The newspapers referred to that procedure as a "slowdown" or a filibuster or whatnot; but the fact is that by that process we rewrote the conference report which had been brought to us; and after once rejecting the conference report, on the second round we reached agreement.

I call to the attention of the staff of the Atomic Energy Commission the so-called Johnson amendment, submitted here by our distinguished and esteemed former colleague, Senator Ed Johnson, of Colorado, now the distinguished Governor of that State. I point out that the meaning of the amendment he submitted was clear and precise, and was explained over and over again.

The copies of the CONGRESSIONAL RECORD which are on my desk, and to which I wish to refer, contain the proceedings of the 83d Congress, 2d session, from July 19 to July 31; and in addition, I have available other RECORDS which I shall mention, which indicate exactly what that section of the law means.

Of course, it so happens that when a lawyer wishes to find a reason for not doing something, he seems to be able to find one; and, similarly, when a lawyer wishes to find a reason for doing something, he seems to be able to find one.

I wish to help the attorneys of the Atomic Energy Commission come to a decision which will be just and fair and within the spirit and intent of the law which was passed by Congress.

Therefore, first I shall refer to the conference report.

Mr. MORSE. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. MORSE. I should like to ask only one question, because I know both of us wish to have the session tonight end rather soon.

The Senator from Minnesota has raised a point of great importance for the RECORD. Last year, when the prolonged debate on the atomic energy bill was occurring in the Senate—and let me say that so far as I am concerned, we then engaged in a filibuster, but for a good purpose, namely, that of adding to the bill, amendments which in my judgment never would have been added to the bill except for the filibuster—does the Senator from Minnesota recall that when we got into consideration of the Dixon-Yates matter, we had considerable debate on the importance of permitting the Atomic Energy Commission to enter into just the kind of an exercise of authority that I understand now, from the Senator from Minnesota, the lawyers in the Commission think it does not have authority to enter into?

Mr. HUMPHREY. That is correct; and let me say there were 9 days of debate on this very item.

Mr. MORSE. The Senator from Minnesota will recall, will he not, that he was one of the leaders in that discussion, and particularly on this specific point?

Let me say that I remember very clearly—and, although I have not checked the RECORD, yet I am perfectly willing to have my power of recollection tested as regards what I now say—how the Senator from Minnesota pointed out the importance of having us protect future generations of Americans, in respect to their atomic-energy rights, so as to see to it that atomic energy was not taken over by a selected, selfish few in the United States, but, instead, that the Government retain a considerable amount of control over it. Is not that the position the Senator took?

Mr. HUMPHREY. That is correct.

Mr. MORSE. I should like to end my questions on a somewhat less serious note: Does the Senator from Minnesota agree with me that there are quite a few Republican Members of the Senate who would like to have that debate on Dixon-Yates occur all over again, so that—if they had that chance—at this time they might vote somewhat differently from the way they voted then? [Laughter.]

Mr. HUMPHREY. I will say to the Senator that if this period of the political history of the Senate could be relived, there would be many happy souls which tonight are troubled. They would have a chance for redemption—politically, I mean—and an opportunity to sleep with a little more comfort and ease.

The Senator from Minnesota was reciting what he thought were the pertinent references.

I invite the attention of the Members of the Senate to the debate on July 21, 1954, CONGRESSIONAL RECORD, volume 100, part 8, page 11221. The amendment of Senator Johnson of Colorado is there reported. That amendment is section 45 of the Atomic Energy Act of 1954. It reads:

SEC. 45. Electric power production:

(a) The Commission is empowered to produce or provide for the production of electric power and other useful forms of energy derived from nuclear fission in its own facilities or in the facilities of other Federal agencies. In the case of energy other than electric power produced by the Commission, such energy may be used by the Commission, or transferred to other Government agencies, or sold to other users at reasonable and nondiscriminatory prices. Electric power not used in the Commission's own operations shall be delivered to the Secretary of the Interior, who shall transmit and dispose of such power in accord with the provisions of section 5 of the Flood Control Act of 1944.

It goes on to point out, under subsection (b):

b. The Commission may undertake any or all of the functions provided in subsection 45 a., through other Federal agencies authorized by law to engage in the production, marketing, or distribution of electric energy for use by the public, and such agencies are hereby empowered to undertake the design, construction, and operation of nuclear power facilities and the disposition of electric energy produced in such facilities when funds therefor have been appropriated by Congress. Nothing in this act shall preclude any Federal agency now or hereafter authorized by law to engage in the production, marketing, or distribution of electric energy from obtaining a license under section 103 of this act for the construction and operation of facilities for the production and utilization of special nuclear material or atomic energy for the primary purpose of producing electric energy for disposition for ultimate public consumption.

That is plain language—namely, that the rural electrification projects are not denied, under this law, the right to produce. Furthermore, in subsequent amendments to the Atomic Energy Act, the Atomic Energy Commission is authorized to engage in pilot plant operations and demonstrations. I refer, for purposes of the record relating to this very matter, to CONGRESSIONAL RECORD, volume 100, part 9, pages 11385 to 11387, 11566, and 11782 and 11783.

With respect to the Gillette amendment, which applied to the disposition or utilization of electrical energy, giving preference to the public bodies and REA's, I refer the Atomic Energy Commission's legal staff to page 11388 of the

debates on July 22, in the same CONGRESSIONAL RECORD, on the question of the interpretation of the Senator from Minnesota as to what was developing in the debates. My recollection is that I was the author, or the cosponsor of 7 of the 13 amendments. I refer to pages 11892 and 11893 of the RECORD of July 24, 1954. I shall not go into detail. I merely give the references.

Furthermore, I should like to refer to the conference report, as it was finally approved, with respect to section 44, dealing with the disposition of energy, CONGRESSIONAL RECORD, volume 100, part 11, page 14855.

I make these references because I wish to serve warning upon the Atomic Energy Commission, in a most friendly and respectful manner, that it is not the intention of the junior Senator from Minnesota to permit this law, which was carefully, meticulously debated, at length and in detail, to be misinterpreted by some legal trickery—and that is the best terminology I can think of—so as to deny public bodies and rural electrification associations the opportunity to participate in the benefits of nuclear energy.

The question which seems to be before the Atomic Energy Commission now is this: Is the Atomic Energy Commission empowered, under the act of 1954, to build, pay for, erect, and place in operation a pilot plant for purposes of generating electrical energy?

There is not one scintilla of doubt as to the answer. The Atomic Energy Commission is so empowered. It is specifically empowered by public statute. It is empowered by legislative intent. The only subject that is in doubt today is the will of the Atomic Energy Commission to do so.

I note again for the RECORD the article by Mr. Stokes. He points out that in the private field of electrical energy, the Atomic Energy Commission goes ahead with great research projects, great pilot plant efforts, but when it comes to municipalities and rural electrification establishments, the Atomic Energy Commission seems to be finding many reasons why it cannot do what the law specifically says it can do.

I quote again from Mr. Stokes' column:

Under the law they—

Speaking now of municipalities and public bodies—

are entitled to preference. They didn't get it. Niagara-Mohawk is getting the power at 3 mills a kilowatt-hour. The reactor, which is a model of one installed in the United States submarine *Seawolf*, produces enough power to supply a city of 20,000 people.

The cities and the co-ops would need some way to get the power to them. Rather than build transmission lines to West Milton—

Speaking of a particular city in New York—

they had decided upon the alternative of having it "wheeled" to them over lines of Niagara-Mohawk.

They offered a reasonable fee to the private utility for this service.

The "they" refers to the governing body of West Milton.

But they were turned down—and it's easy to see why, with the company getting the power for itself so cheaply.

In a resolution it drafted, approved, and sent to Chairman Strauss here in Washington, the Cooperative League's board of directors said that, under the law, the AEC itself should have hired Niagara Mohawk to wheel the power to the nonprofit groups which had applied for it under the preference guaranty. The co-ops and the cities then would have been charged for the service when they were billed by the AEC for the power.

The board—

Meaning the cooperative board—

bluntly accused the AEC of violating the law.

I agree with the cooperative board in this instance. The AEC has violated the law. So far as the reading of the law is concerned, I know of no law that is more explicit as to the uses of atomic energy than the one which was written in 1954, as it was amended. I know of no law in which the legislative intent was more clearly spelled out. I know of no public law which more clearly defined the sense of direction of the pioneering, experimental stages of the Atomic Energy Commission in the field of creation of electrical energy.

But the AEC drags its feet. Its legal counsel placed one stumbling block after another in the way of legitimate projects and programs presented to it by rural electrification cooperatives.

I hope this RECORD may be read by the legal staff of the Atomic Energy Commission, by the Commissioners, and by their experts. I respectfully ask of them, in a spirit of what I believe to be the public good, that this very long and detailed record be scrupulously and meticulously studied. If that is done, they will find in it the intent and the will of Congress for experimentation and for pilot-plant operation.

Congress specifically spelled out that this pilot-plant operation should be with REA's, as well as with private industry.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MORSE. I simply wish to say that as one who participated throughout that debate last year with the Senator from Minnesota, I wish to associate myself with every comment he has made on this issue.

Mr. HUMPHREY. I thank the Senator.

Mr. President, I ask unanimous consent to have the entire article by Mr. Stokes, to which I referred earlier, printed in the RECORD at this point as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SALE OF A-POWER BEARS WATCHING—LAW ASSURING NONPROFIT GROUPS OF PRIORITY IS BYPASSED BY AEC

(By Thomas L. Stokes)

About this time a year ago, when Congress was rushing pellmell to adjourn and go home as it is now, a significant battle was fought in the Senate of which we now are having an echo.

A band of Senators resorted finally then to a filibuster against the administration bill for private development of atomic energy until they were able to write into it certain provisions to protect the public and consumer interest. In the case of this new source of energy they were determined to prevent the exploitation that was revealed by Government investigations a quarter of a century ago in the case of electric energy.

Among the protective clauses was a guaranty of preference for nonprofit groups—municipalities and other public agencies as well as rural electric cooperatives—in the sale of atomic energy from publicly owned projects, such as is already required by law in the case of electric power from public hydroelectric projects.

We thought that was all fixed and settled. But not necessarily, evidently.

Now for the echo. For that we take you to the town of West Milton, N. Y. You probably saw photographs in your newspapers of an event there. Chairman Lewis L. Strauss of the Atomic Energy Commission throwing a switch which started the flow of 12,500 kilowatts of electricity from an AEC installation into a private utility system, the Niagara Mohawk Power Corp.

This was an epochal event. For it was the first peacetime use of electrical energy from an atomic installation. To give a human touch that the usually stern-visaged Chairman Strauss is not sure of providing, there was an added stunt for the news photographers. This was a shot of a housewife at nearby Ballston Spa, a Niagara Mohawk customer, cooking a hamburger on her electric stove with the atomic power.

What was wrong with these pictures was spotted immediately by a group several hundred miles away in Chicago—the board of directors of the Cooperative League which happened to be meeting there. And lucky it is for us that such groups are on guard.

Members of the board are thoroughly familiar with the law passed a year ago by Congress and they knew also that two cities which have municipal electric plants, Ilion, N. Y., and Holyoke, Mass., as well as the Delaware County Rural Electric Cooperative at Delhi, N. Y., had applied for power from this first AEC reactor months ago, way back in January.

Under the law they are entitled to preference. They didn't get it. Niagara Mohawk is getting the power at 3 mills a kilowatt hour. The reactor, which is a model of one installed in the United States submarine *Seawolf*, produces enough power to supply a city of 20,000 people.

The cities and the co-op would need some way to get the power to them. Rather than build transmission lines to West Milton, they had decided upon the alternative of having it "wheeled" to them over lines of Niagara Mohawk. They offered a reasonable fee to the private utility for this service. But they were turned down—and it's easy to see why, with the company getting the power for itself so cheaply.

In a resolution it drafted, approved, and sent to Chairman Strauss here in Washington, the Cooperative League's board of directors said that, under the law, the AEC itself should have hired Niagara Mohawk to wheel the power to the nonprofit groups which had applied for it under the preference guaranty. The co-ops and the cities then would have been charged for the service when they were billed by the AEC for the power. The board bluntly accused the AEC of violating the law.

What the Cooperative League is chiefly concerned about is the danger of a precedent being established which, it said in its resolution, "far outweighs the economic importance of the electric energy involved."

This might seem to be an exaggerated concern unless you know the eagerness of powerful private utilities to get their hands on this new source of energy, and how great now is their influence here in Washington.

You may recall that the AEC under Chairman Strauss' direction, was the broker in the Dixon-Yates deal involving TVA, which

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finally exploded in the face of the administration with the contract being canceled, when it was shown to be the first step in a planned campaign to liquidate the great public multipurpose water-resources program.

Because of AEC authority over atomic energy, that Agency will bear constant watching to protect the public interest in private development of this new energy source.

ADDITIONAL MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Additional messages in writing from the President of the United States were communicated to the Senate, by Mr. Tribbe, one of his secretaries, and he announced that the President had approved and signed the following acts:

On August 1, 1955:

S. 614. An act to amend the Federal Property and Administrative Services Act of 1949, as amended, to authorize the Administrator of General Services to donate certain property to the American National Red Cross; and

S. 824. An act to authorize and direct the Secretary of the Interior to convey certain lands erroneously conveyed to the United States.

ADDITIONAL REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BYRD, from the Committee on Finance, without amendment:

H. R. 7746. A bill to provide tax relief to a charitable foundation and the contributors thereto; (Rept. No. 1283).

By Mr. McCARTHY, from the Committee on Government Operations:

H. R. 6857. A bill to authorize the Administrator of the General Services Administration to convey certain land to the city of Milwaukee, Wis.; without amendment (Rept. No. 1285).

By Mr. CHAVEZ, from the Committee on Public Works:

H. R. 4734. A bill to amend the provisions of the River and Harbor Act of 1954 which authorize the Secretary of the Army to reimburse local interests for work done on a dredging project at Los Angeles and Long Beach Harbors, Calif., during a period ending on July 1, 1953, by extending that period to November 7, 1953; without amendment (Rept. No. 1284).

By Mr. KILGORE, from the Committee on the Judiciary, without amendment:

H. R. 929. A bill for the relief of Mrs. Maria Del Mul (Rept. No. 1286);

H. R. 1235. A bill for the relief of Vera Gregovich Kenter (Rept. No. 1287);

H. R. 1319. A bill for the relief of Vasilios Liakopoulos (Rept. No. 1288);

H. R. 1641. A bill for the relief of Mary Mancuso (Rept. No. 1289);

H. R. 1909. A bill for the relief of Rodolfo Pugeda de la Cerna (Rept. No. 1290);

H. R. 2079. A bill for the relief of Ingrid Liselotte Poch (Rept. No. 1291);

H. R. 2235. A bill for the relief of Mrs. Margarete Gick Scordas (Rept. No. 1292);

H. R. 2339. A bill for the relief of Monika Schefbanker (Rept. No. 1293);

H. R. 2704. A bill for the relief of Kazuko Iwata Rausch (Rept. No. 1294);

H. R. 2897. A bill for the relief of Chung Poik Cha and her child, Myra Poik Cha (Rept. No. 1295);

H. R. 2916. A bill for the relief of Mrs. Elfrieda Schoeppe (Rept. No. 1296);

H. R. 3195. A bill for the relief of Rolf Hugo Neuman (Rept. No. 1297);

H. R. 4544. A bill for the relief of Andrew Carrigan (Rept. No. 1298);

H. R. 4643. A bill for the relief of Mrs. Lee Shee Yee (also known as Lee Lai Koon) (Rept. No. 1299);

H. R. 5074. A bill for the relief of Miss Blanca Lina Rionegro (Rept. No. 1300);

H. R. 5082. A bill for the relief of Mrs. Koto Nakagawa (Rept. No. 1301);

H. R. 5908. A bill for the relief of Mrs. Johanna Eckles (Rept. No. 1302);

H. R. 5913. A bill for the relief of Mock Jung Shee (Mock Jung Liu) (Rept. No. 1303); and

H. R. 6741. A bill for the relief of Elfriede Rosa (Kup) Kraft (Rept. No. 1304).

ADDITIONAL BILLS INTRODUCED

Additional bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LEHMAN:

S. 2743. A bill for the relief of Demetrios James Tzinis;

S. 2744. A bill for the relief of Harold Manly Stewart; and

S. 2745. A bill for the relief of Ella Hoffmann; to the Committee on the Judiciary.

By Mr. MORSE:

S. 2746. A bill for the relief of Cpl. Tigi M. Tapusoa; to the Committee on the Judiciary.

By Mr. MORSE (for himself, Mr. DOUGLAS, Mr. HUMPHREY, and Mr. NEUBERGER):

S. 2747. A bill to require Members of Congress, certain other officers and employees of the United States, and certain officials of political parties to file statements disclosing the amount and sources of their income, the value of their assets, and their dealings in securities and commodities; to the Committee on Rules and Administration.

(See the remarks of Mr. MORSE when he introduced the above bill, which appear under a separate heading.)

EXTENSION OF SUGAR ACT OF 1948—AMENDMENT

Mr. LONG submitted an amendment, intended to be proposed by him, to the bill (H. R. 7030) to amend and extend the Sugar Act of 1948, as amended, and for other purposes, which was ordered to lie on the table and to be printed.

PRINTING OF STUDY ON TREATIES BROKEN BY THE U. S. S. R.

Mr. HENNINGS. Mr. President, the Senate Subcommittee on Internal Security of the Committee on the Judiciary, recently had printed, as a committee document, a staff study on treaties broken by the U. S. S. R. The demand for this publication is very great, and the supply soon will be exhausted. Because of the widespread interest in this study, I ask unanimous consent that it may be printed as a Senate document with an extra 25,000 copies for the use of the Judiciary Committee.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Missouri? The Chair hears none, and it is so ordered.

RESOLUTIONS AND STATEMENTS OF NORTH DAKOTA ASSOCIATION OF RURAL ELECTRIC COOPERATIVES

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD resolutions and statements adopted by the North Dakota Association of Rural Electric Cooperatives, of Bismarck, N. Dak., relating to rural electric development, and so forth.

There being no objection, the resolutions and statements were ordered to be printed in the RECORD, as follows:

NO. 1. RESOLUTION

Whereas the Congress of the United States has continually since 1935 appropriated loan funds for rural electric development; and

Whereas over 90 percent of rural America now has electric service; and

Whereas the predominance of leadership has always faithfully carried this program forward; and

Whereas electric service enables rural families to enjoy the convenience and comfort of modern living; and

Whereas we can now survey 20 years of accomplishment that has realized approximately $10 billion worth of new facilities to improve quality and quantity of food, feed, and fiber for all: Now, therefore, be it

Resolved, That we express our appreciation to our many supporters in Congress, both past and present, and to the many individuals in all walks of life, through whose loyal efforts and capable leadership it has been possible to bring our rural electric program to the successful position it now enjoys.

NO. 2. THANKS

We commend and thank the mayor of Memphis, the Governor of Tennessee, and their Senator KEFAUVER for their courageous leadership in the fight which terminated the Dixon-Yates contract.

NO. 3. STATEMENT

We heartily commend the Rural Cooperative Power Association, Elk River, Minn., for their farsightedness and aggressive position in requesting permission to develop an atomic-energy powerplant as a cooperative enterprise, and we urge all appropriate governmental agencies involved to grant their request in an expeditious manner.

NO. 4. COMMENDATION

We commend Senators LANGER and YOUNG and Congressman BURDICK for their untiring and continuing service to REA and RTA on all occasions and in all the various ways these programs have been assisted.

We particularly commend Senator LANGER for his valiant fight to expose the scandalous Dixon-Yates contract through his investigations committee.

NO 5. THANKS AND REGRETS

It is with the deepest regret that we accept the decision of our National Director, Mr. Obed Wyum not to be a candidate to succeed himself, and we take this opportunity to express to him our most heartfelt thanks and appreciation for the continuous and untiring efforts he has expended so willingly in behalf of our whole rural electric and rural telephone program. We recognize that it is in large measure due to his zealous and effective work that both of these programs have attained the status that they have in our State.

NO. 6. A REQUEST

We hereby urge Congress to promptly take the necessary action to provide authorization and funds to permit immediate installation of generating units 4 and 5 at Garrison Dam, and another 80,000 kilowatt generator at Fort Peck Dam.

NO. 7. SUPPORT

We support the fullest possible power development at Hells Canyon, and Big Bend and urge Congress to enact legislation and to pass appropriations to provide Federal development of Hells Canyon and Big Bend projects as soon as possible.

NO. 8. RESOLUTION

Whereas the reports of the Hoover Task Force and Commission have now been filed and made public, and it appears that many, if not all, of the recommendations made in these reports concerning electric power are directly intended to curtail and abolish all phases of public power development, and REA, which intent is clearly apparent in all the following recommendations made by the Hoover Commission, to wit—

That the Rural Electrification Administration be abolished.

That in the interim the Rural Electrification Administration and Rural Telephone Association's interest rates be unduly raised.

That the preference clause be abolished.

That the Federal Power Commission increase power rates.

That revolving funds be abolished.

That the Government or its agencies build no more steam plants or other needed facilities.

That private utilities be offered the opportunity to provide the electric installations at Government multiple-purpose dams, said private utility then to derive all benefits of power produced at such dams.

That in their entire report we can find no word to indicate that any part of the rural electrification program has succeeded or been worth while.

These recommendations, among many others not named here, would effectively annihilate all REA cooperatives, public utility districts, municipal power developments and the whole public power program of this Nation, and would result in the private utilities becoming a complete monopoly in this country: Now, therefore, be it

Resolved by the North Dakota Association of Rural Electric Cooperatives in annual meeting assembled in Bismarck, N. D., this 15th day of July 1955, That we vigorously condemn and oppose the Hoover Commission report and recommendations relative to electric power, and we urge Congress to veto and defeat these recommendations.

ADJOURNMENT TO 10 A. M. TOMORROW

Mr. HUMPHREY. Mr. President, under the order previously entered, I move that the Senate stand in adjournment until 10 o'clock tomorrow morning.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KNOWLAND. Is the Senate still in executive session?

The PRESIDING OFFICER. It is.

Mr. KNOWLAND. And when the Senate meets tomorrow it will meet in executive session for the consideration of executive business?

The PRESIDING OFFICER. The Senator is correct.

Mr. HUMPHREY. Mr. President, I renew my motion.

The motion was agreed to; and (at 11 o'clock and 30 minutes p. m.) the Senate, in executive session, adjourned, the adjournment being, under the order previously entered, until tomorrow, Tuesday, August 2, 1955, at 10 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate August 1, 1955:

UNITED STATES DISTRICT JUDGE

Justin C. Morgan, of New York, to be United States district judge for the western district of New York, vice John Knight, deceased.

IN THE NAVY

The following-named officers of the Reserve of the United States Navy for permanent appointment to the grade of rear admiral in the line or staff corps indicated:

LINE

Roger W. Cutler
David S. Ingalls
Robert V. Kleinschmid
Francis M. McCarthy
Ralph S. Moore

DENTAL CORPS

George C. Paffenbarger

SUPPLY CORPS

Norman L. McLaren

CIVIL ENGINEER CORPS

Roy M. Harris

The following-named officers of the Retired Reserve of the United States Navy for permanent appointment to the grade of rear admiral in the Retired Reserve in the line or staff corps indicated:

LINE

Claude O. Bassett
Howland R. Gary
Webb C. Hayes
Milton "C" Jackson
Ernest L. Jahncke
Robert Lee
Alvin O. Lustie
Joseph B. Lynch
Gene Markey
Ernest F. Robinson
John D. Small
Albert L. Swasey
Isaac J. Van Kammen
Bernard O. Wills

MEDICAL CORPS

Thomas B. Magath
Thomas M. Rivers

SUPPLY CORPS

John W. Landregan

CONFIRMATIONS

Executive nominations confirmed by the Senate August 1, 1955:

UNITED NATIONS

Harold E. Stassen, of Pennsylvania, to be deputy representative of the United States of America on the United Nations Disarmament Commission.

INTERNATIONAL DEVELOPMENT ADVISORY BOARD

Eric A. Johnston, of Washington, to be Chairman of the International Development Advisory Board.

DEPARTMENT OF THE AIR FORCE

Dudley C. Sharp, of Texas, to be an Assistant Secretary of the Air Force.

DIPLOMATIC AND FOREIGN SERVICES

Donald D. Kennedy, of Oregon, now a Foreign Service officer of class 1 and a secretary in the diplomatic service, to be also a consul general of the United States of America.

William O. Boswell, of Pennsylvania, now a Foreign Service officer of class 2 and a secretary in the diplomatic service, to be also a consul general of the United States of America.

The following-named persons, now Foreign Service officers of class 3 and secretaries in the diplomatic service, to be also consuls general of the United States of America:

Philip W. Ireland, of California.
Francis L. Spalding, of Massachusetts.

The following-named persons for appointment as Foreign Service officers of class 1, consuls, and secretaries in the diplomatic service of the United States of America:

Howard A. Robinson, of Pennsylvania.
Walter K. Scott, of Maryland.

The following-named persons for appointment as Foreign Service officers of class 2, consuls, and secretaries in the diplomatic service of the United States of America:

Ward P. Allen, of Virginia.
Norbert L. Anschuetz, of Maryland.
Thomas T. Carter, of Connecticut.
John F. Killea, of Texas.
Laurence C. Vass, of Maryland.

The following-named persons for appointment as Foreign Service officers of class 3, consuls, and secretaries in the diplomatic service of the United States of America:

George O. Barraclough, of California.
Jim M. Clore, of Florida.
Meade T. Foster, of West Virginia.
John R. Garnett, of New Jersey.
Paul F. Hart, of Ohio.
John H. Lennon, of California.
Vincent P. Wilber, of Maryland.
Miss Louise Schaffner, of Pennsylvania, for promotion from Foreign Service officer of class 5 to class 4 and to be also a consul of the United States of America.

The following-named persons for appointment as Foreign Service officers of class 4, consuls, and secretaries in the diplomatic service of the United States of America:

Harris H. Ball, of California.
Mrs. Elizabeth C. Bouch, of Oregon.
Robert C. Johnson, Jr., of New Jersey.
Joseph T. Kendrick, Jr., of Oklahoma.
Eugene C. Martinson, of Michigan.
Larry W. Roeder, of Missouri.
William J. Supple, of Kansas.

Wallace Clarke, of California, now a Foreign Service officer of class 5 and a secretary in the diplomatic service, to be also a consul of the United States of America.

Gordon D. King, of Texas, for appointment as a Foreign Service officer of class 5, a consul, and a secretary in the diplomatic service of the United States of America.

The following-named persons for appointment as Foreign Service officers of class 5, vice consuls of career, and secretaries in the diplomatic service of the United States of America:

Robert C. Huffman, of Washington.
Miss Helen Jean Imrie, of Rhode Island.
Herbert Kaiser, of Maryland.
George R. Phelan, Jr., of Missouri.
Robert A. Stein, of New Jersey.
Philip F. Vandivier, of Indiana.

The following-named persons for appointment as Foreign Service officers of class 6, vice consuls of career, and secretaries in the diplomatic service of the United States of America:

Robert F. Andrew, of California.
James C. Curran, of Virginia.
Richard D. Forster, of Colorado.
Richard Rueda, Jr., of New Jersey.
David B. Timmins, of Utah.

The following-named Foreign Service staff officers to be consuls of the United States of America:

Hugh A. Crumpler, of Missouri.
Joseph A. Kitchen, of New York.
Henry Bartly Lee, of North Carolina.
Stuart P. Olsen, of Washington.
Collin E. Ostrander, of Minnesota.
Joseph W. Thoman, of Virginia.
Harold G. Tufty, Jr., of New York.

Philip Raine, of the District of Columbia, a Foreign Service Reserve officer, to be a consul of the United States of America.

Edward J. Conlon, of Illinois, a Foreign Service staff officer, to be a consul of the United States of America. (This nomination is submitted for the purpose of correcting an error in the nomination as submitted to the Senate on February 23, 1955, and confirmed by the Senate on March 8, 1955.)

UNITED STATES ATTORNEY

Paul W. Williams, of New York, to be United States attorney for the southern district of New York for a term of 4 years.

IN THE ARMY

Lt. Gen. Hobart Raymond Gay, O7323, Army of the United States (major general, U. S. Army), to be placed on the retired list

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in the grade of lieutenant general under the provisions of subsection 504 (d) of the Officer Personnel Act of 1947.

The following-named persons for appointments in the Regular Army of the United States, in the grades and corps specified, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), title II of the act of August 5, 1947 (Public Law 365, 80th Cong.), Public Law 408, 82d Congress, Public Law 759, 80th Congress, and Public Law 36, 80th Congress as amended by Public Law 37, 83d Congress;

To be captains

Gleason, Walter J., MSC, O996923.
Hoagland, Peter W., MC, O2263944.
Mendelson, Janice A., MC.

To be first lieutenants

Barnes, Joan A., WMSC, M2899.
Carleton, Jane A., WMSC, J100163.
Decker, Julia E., ANC, N806164.
Duffield, John R., MC, O4003831.
Henley, Stephen, MSC, O973459.
Jacox, Gilbert L., MSC, O1925716.
Kraemer, Vidalia L., ANC, N900337.
Leff, Arthur L., JAGC, O2270518.
Norton, Jack, JAGC, O987519.
Paradise, Leo J., MSC, O997955.
Richey, Eldred T., Jr., MC, O1941930.
Ryan, Patricia A., ANC, N804846.
Simmons, John L., MSC, O1876923.
Thompson, Calvin W., DC, O2104366.

To be second lieutenants

Anthony, Frances J., WMSC, R2661.
Campbell, William J., MSC. O1941403.
Damsbo, Ann M., WMSC, M2977.

The following-named persons for appointment in the Medical Corps, Regular Army of the United States, in the grade indicated, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), subject to completion of internship:

To be first lieutenants

Allen, John W.
Ford, Samuel M., O2211040.
Small, Harold S.

The following-named officer for appointment, by transfer, in the Judge Advocate General's Corps, Regular Army of the United States, in the grade specified.

Mallonee, Paul G., O65832.

The following-named persons for appointment in the Regular Army of the United States, in the grades specified, under the provisions of sec. 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

To be first lieutenant

Hobbs, Donald I., O1877220.

To be second lieutenant

Proietto, Raymond T., O4009836.

The following-named distinguished military students for appointment in the Regular Army of the United States, in the grade indicated, under the provisions of sec. 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

Bartell, Harold T.	Leonard, John D.
Berger, Calvin A.	Lynch, Francis D.
Castiglia, Joseph J.	Manz, Robert D.
Cuthbertson, Robert J.	May, Curry J.
Dailey, Donas H., O4012031.	Miller, Charles H.
	Pruden, Thomas E., Jr.
Dister, Arthur C., Jr.	Radford, James T.
Grether, Ralph W.	Sanford, William F.
Hawk, John A., Jr.	Stephens, George E.
Henry, Charles E.	Walker, Kenneth S.

POSTMASTERS

CALIFORNIA

John E. Loustalot, Bakersfield.
Bernhard A. Ruth, Jr., Cutler.
Thomas H. Moorman, Richardson Springs.
George H. Whalen, Saratoga.
Sarah E. Robbins, Seaside.

KANSAS

Burris B. Moore, Fort Scott.
Benjamin Taylor, Independence.
Fern E. Warnock, Partridge.

LOUISIANA

Edwin A. O'Brien, Lafayette.

MINNESOTA

John W. Burch, Cannon Falls.
Arthur C. Reetz, Dakota.
Faith V. Erickson, Silver Bay.

NEW YORK

Joseph C. Latham, Canisteo.
Kenneth C. Lasher, Dover Plains.
Charles Walter Smallman, Fort Covington.
Abbott L. Dibblee, Garden City.
Leslie G. Clark, Lakemont.

PENNSYLVANIA

LeRoy W. Creasy, Bloomsburg.

SOUTH CAROLINA

Horace K. Sanders, Myrtle Beach.

WEST VIRGINIA

Bland K. Hesse, Fayetteville.

HOUSE OF REPRESENTATIVES

MONDAY, AUGUST 1, 1955

The House met at 10 o'clock a. m.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Eternal and ever-blessed God, as we again come unto Thee in the fellowship of prayer, may we unite our hearts in the sacrament of adoration and thanksgiving.

May we always respond to Thy loving kindness and goodness in a spirit of fidelity and devotion.

Grant that our Speaker, our chosen Representatives, and all who have served our country in whatever capacity, during this session of the Congress, may receive the benediction of Thy praise.

We commend one another to Thy love and care and unto Him who is able to keep us in the paths of righteousness and to present us faultless before Thy presence, to the only wise God, our Saviour, be glory and majesty, dominion and power, both now and forever. Amen.

The Journal of the proceedings of Saturday, July 30, 1955, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment bills and joint resolutions of the House of the following titles:

H. R. 482. An act to provide for the conveyance of a portion of the former O'Reilly General Hospital, Springfield, Mo., to the State of Missouri, and for other purposes;

H. R. 593. An act to convey by quitclaim deed certain land to the State of Texas;

H. R. 1423. An act for the relief of Raymonde Rouxel Williams;

H. R. 1539. An act for the relief of Mrs. Ruthe Graves Messer;

H. R. 2112. An act to amend the act of February 21, 1946 (60 Stat. 26), to permit the retirement of temporary officers of the naval service after completion of more than 20 years of active service;

H. R. 2149. An act to increase the annual compensation of the Academic Dean of the United States Naval Postgraduate School;

H. R. 2553. An act to amend section 223 of the Revenue Act of 1950, relating to the use of corporation property by a shareholder;

H. R. 2559. An act to authorize male nurses and medical specialists to be appointed as Reserve officers;

H. R. 2619. An act to amend section 343 of the Revenue Act of 1951;

H. R. 3235. An act to provide for adjustments in the lands or interests therein acquired for the Demopolis lock and dam, Alabama, by the reconveyance of certain lands or interests therein to the former owners thereof;

H. R. 3275. An act for the relief of Richard Raffo Hanson;

H. R. 4394. An act to amend section 3401 of the Internal Revenue Code of 1954;

H. R. 4410. An act for the relief of William E. Ryan;

H. R. 4581. An act to amend the Internal Revenue Code of 1954 with respect to the tax on cutting oils;

H. R. 4663. An act to authorize the Secretary of the Interior to construct, operate, and maintain the Trinity River division, Central Valley project, California, under Federal reclamation laws;

H. R. 4672. An act to increase the annuities of certain retired civilian members of the teaching staffs of the United States Naval Academy and the United States Naval Postgraduate School;

H. R. 5249. An act to amend the Internal Revenue Code of 1954 to provide for refund or credit of internal revenue taxes and custom duties paid on distilled spirits and wines lost, rendered unmarketable, or condemned by health authorities as a result of the hurricanes of 1954;

H. R. 5647. An act to repeal the manufacturers' excise tax on motorcycles;

H. R. 6066. An act authorizing modification of the project for flood protection on the San Joaquin River and tributaries, California;

H. R. 6122. An act to remit the duty on certain bells to be imported for addition to the carillons of The Citadel, Charleston, S. C.;

H. R. 6182. An act to amend the Federal Property and Administrative Services Act of 1949 to make temporary provision for making payments in lieu of taxes with respect to certain real property transferred by the Reconstruction Finance Corporation and its subsidiaries to other Government departments;

H. R. 6417. An act to revive and reenact the act "authorizing the Arkansas-Mississippi Bridge Commission, its public successors or public assigns, to construct, maintain, and operate a bridge across the Mississippi River at or near Friar Point, Miss., and Helena, Ark.," approved May 17, 1939;

H. R. 6585. An act to amend the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, and for other purposes;

H. R. 6590. An act to prohibit the employment by the Government of the United States of persons who are disloyal or who participate in or assert the right to strike against the Government of the United States, and for other purposes;

H. R. 6600. An act to amend section 303 of the Career Compensation Act of 1949, to authorize travel and transportation allowances, and transportation of dependents and of baggage and household effects to the homes of their selection for certain members of the uniformed services, and for other purposes;

H. R. 6727. An act to authorize the Administrator of Veterans' Affairs to convey certain land to the city of Milwaukee, Wis.;

H. R. 7018. An act to authorize subpenas in connection with the enforcement of the narcotic laws, and for other purposes;

H. R. 7034. An act to provide permanent authority for the relief of certain disbursing officers, and for other purposes;

H. R. 7035. An act to amend section 1 of the act entitled "An act to authorize relief of accountable officers of the Government, and

for other purposes," approved August 1, 1947 (61 Stat. 720);

H. R. 7095. An act to provide that the tax on admissions shall not apply to certain athletic events held for the benefit of the United States Olympic Association;

H. R. 7245. An act to amend Public Laws 815 and 874, 81st Congress, which provide for assistance to local educational agencies in areas affected by Federal activities, and for other purposes;

H. R. 7300. An act to amend the Internal Revenue Code of 1954 with respect to the tax treatment of income received from patent infringement suits;

H. R. 7628. An act to authorize the appointment in a civilian position in the White House office of Maj. Gen. John Stewart Bragdon, United States Army, retired, and for other purposes;

H. R. 7684. An act to authorize the Atomic Energy Commission to pay the salary of a Commissioner during the recess of the Senate, and for other purposes;

H. J. Res. 276. Joint resolution to authorize the Texas Hill Country Development Foundation to convey certain land to Kerr County, Tex.; and

H. J. Res. 278. Joint resolution to provide that a gold medal be coined and presented to Dr. Jonas E. Salk in honor of his achievements in the field of medicine.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills and a joint resolution of the House of the following titles:

H. R. 257. An act to amend section 112 (n) (8) of the Internal Revenue Code of 1939 to provide that in certain cases of a sale or exchange of a taxpayer's residence, certain periods of limitation shall not run against the taxpayer while he is on extended active duty in the Armed Forces;

H. R. 1459. An act to provide for the conveyance of a tract of land in Orange County, N. Y., to the village of Highland Falls, N. Y.;

H. R. 1496. An act for the relief of Leong Ding Foon Quon and Ken C. Quon;

H. R. 3024. An act for the relief of Margaret Mary Hammond;

H. R. 4508. An act for the relief of Henry T. Quisenberry;

H. R. 4763. An act for the relief of Elzie C. Brown;

H. R. 5168. An act to provide for retirement of the Government capital in certain institutions operating under the supervision of the Farm Credit Administration; to increase borrower participation in the management and control of the Federal farm credit system; and for other purposes;

H. R. 6263. An act to amend section 1233 of the Internal Revenue Code of 1954;

H. R. 6634. An act to provide for the conveyance of 1⅝₁₀ acres of land, more or less, within the Grapevine Dam and Reservoir project to the city of Grapevine, Tex., for sewage-disposal purposes;

H. R. 6994. An act to provide for entry and location, on discovery of a valuable source material, upon public lands of the United States classified as or known to be valuable for coal, and for other purposes;

H. R. 7289. An act to authorize the States to organize and maintain State defense forces, and for other purposes;

H. R. 7588. An act for the relief of Jane Edith Thomas; and

H. J. Res. 330. Joint resolution to provide for the acceptance and maintenance of Presidential libraries, and for other purposes.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 65. An act to amend section 1 (d) of the Civil Service Retirement Act of May 29, 1930, as amended;

S. 125. An act for the relief of the State of Illinois;

S. 637. An act to provide for the conveyance of Camp Livingston, Camp Beauregard, and Esler Field, La., to the State of Louisiana, and for other purposes;

S. 792. An act for the relief of Spyros Nicholaou Lekatsas;

S. 1255. An act for the relief of Brigitta Poberetski;

S. 1415. An act for the relief of Anna Mertikas;

S. 1455. An act to amend the Flammable Fabrics Act to exempt from its application scarves which do not present an unusual hazard;

S. 1748. An act to authorize the appointment of Reserve midshipmen in the United States Navy, and for other purposes;

S. 1749. An act adopting and authorizing the improvement of Rockland Harbor, Maine;

S. 1959. An act to direct the Secretary of the Army or his designee to convey a six and eighty-nine one-hundredths acre tract of land out of a one hundred ninety-nine and nine hundred fifty-nine one-thousandths acre tract of land situated in the vicinity of Houston, Harris County, Tex., to the State of Texas;

S. 2088. An act for the relief of Ladislav Mencl;

S. 2130. An act for the relief of Nicholas John Beitsos;

S. 2154. An act for the relief of Lucia Mary Ann Lucchesi Marchi;

S. 2166. An act for the relief of Nickolas Menis;

S. 2182. An act for the relief of the city of Elkins, W. Va.;

S. 2339. An act to authorize the Secretary of the Interior to include capacity to serve the town of Glendo, Wyo., in a sewerage system to be installed in connection with the construction of Glendo Dam and Reservoir, and for other purposes;

S. 2364. An act to amend the Federal Property and Administrative Services Act of 1949, as amended, and for other purposes;

S. 2374. An act to authorize the Secretary of the Army to enter into contracts to furnish water for municipal water supplies from flood control and river and harbor projects;

S. 2514. An act to declare the portion of the waterway of West Haven and New Haven, Conn., known as the West River, northerly of a line running north 85°54'43.5" east from a point whose coordinates in the Corps of Engineers harbor line system are north 4,616.76 and west 9,450.80, a nonnavigable stream;

S. 2587. An act to amend the Public Health Service Act to authorize the President to make the commissioned corps a military service in time of emergency involving the national defense, and to authorize payment of uniform allowances to officers of the corps in certain grades when required to wear the uniform, and for other purposes;

S. 2591. An act to amend section 602 of the Federal Property and Administrative Services Act of 1949 with respect to the utilization and disposal of excess and surplus property under the control of executive agencies; and

S. 2671. An act to authorize the Atomic Energy Commission to pay the salary of a Commissioner during the recess of the Senate, and for other purposes.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 1041) entitled "An act to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide for the inclusion in the computation of accredited service of certain periods of service rendered States or instrumentalities of States, and for other purposes"; requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. JOHNSTON of South Carolina, Mr. NEELY, and Mr. CARLSON to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 1077) entitled "An act to provide for settlement of claims for damages resulting from the disaster which occurred at Texas City, Tex., on April 16 and 17, 1947"; requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. JOHNSTON of South Carolina, Mr. HENNINGS, Mr. DANIEL, Mr. WELKER, and Mr. BUTLER to be the conferees on the part of the Senate.

The message also announced that the Senate had ordered that the Senator from Ohio, Mr. BRICKER, be excused as conferee on the bill (S. 2391) entitled "An act to amend the Defense Production Act of 1950, as amended, and for other purposes," and that the Senator from New York, Mr. IVES, be appointed in lieu.

The message also announced that the Senate had ordered that the Senator from Idaho, Mr. WELKER, be excused as conferee on the bill (S. 1077) entitled "An act to provide for settlement of claims for damages resulting from the disaster which occurred at Texas City, Tex., on April 16 and 17, 1947," and that the Senator from Utah, Mr. WATKINS, be appointed in lieu.

PERMITTING THE MINING DEVELOPMENT AND UTILIZATION OF MINERAL RESOURCES

Mr. ENGLE. Mr. Speaker, I call up the conference report on the bill (H. R. 100) to permit the mining, development, and utilization of the mineral resources of all public lands withdrawn or reserved for power development, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1610)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 100) to permit the mining, development, and utilization of the mineral resources of all public lands withdrawn or reserved for power development, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate and agree to the same.

CLAIR ENGLE,
WAYNE N. ASPINALL,
WALTER ROGERS,
JOHN P. SAYLOR,
CLIFTON YOUNG,
Managers on the Part of the House.

CLINTON P. ANDERSON,
JOSEPH C. O'MAHONEY,
W. KERR SCOTT,
THOMAS H. KUCHEL,
BARRY GOLDWATER,
Managers on the Part of the Senate.

UNIVERSITY OF MICHIGAN LIBRARIES

STATEMENT

The managers on the part of the House, at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 100) permitting the mining, development, and utilization of the mineral resources of all public lands withdrawn or reserved for power development, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to the amendments to the bill:

The Senate amendments, which are numbered 1 to 6 consecutively for easy reference are as follows:

1. Lines 5 and 6, page 1, insert the word "heretofore" between "States" and "Now".

2. Line 5, page 1, insert the letter "(a)" after "SEC. 2.".

3. Line 7, page 1, strike out "by statutory rights".

4. Line 7, page 2 after "second session)" strike out the period and insert a colon and the following:

"And provided further, That nothing contained herein shall be construed to open for the purposes described in this section any lands (1) which are included in any project operating or being constructed under a license or permit issued under the Federal Power Act or other Act of Congress, or (2) which are under examination and survey by a prospective licensee of the Federal Power Commission, if such prospective licensee holds an uncanceled preliminary permit issued under the Federal Power Act authorizing him to conduct such examination and survey with respect to such lands and such permit has not been renewed in the case of such prospective licensee more than once.

"(b) The locator of a placer claim under this Act, however, shall conduct no mining operations for a period of 60 days after the filing of a notice of location pursuant to section 4 of this Act. If the Secretary of the Interior, within 60 days from the filing of the notice of location, notifies the locator by registered mail of the Secretary's intention to hold a public hearing to determine whether placer mining operations would substantially interfere with other uses of the land included within the placer claim, mining operations on that claim shall be further suspended until the Secretary has held the hearing and has issued an appropriate order. The order issued by the Secretary of the Interior shall provide for one of the following: (1) a complete prohibition of placer mining; (2) a permission to engage in placer mining upon the condition that the locator shall, following placer operations, restore the surface of the claim to the condition in which it was immediately prior to those operations; or (3) a general permission to engage in placer mining. No order by the Secretary with respect to such operations shall be valid unless a certified copy is filed in the same State or county office in which the locator's notice of location has been filed in compliance with the United States mining laws.

"The Secretary shall establish such rules and regulations as he deems desirable concerning bonds and deposits with respect to the restoration of lands to their condition prior to placer mining operations. Moneys received from any bond or deposit shall be used for the restoration of the surface of the claim involved and any money received in excess of the amount needed for the restoration of the surface of that claim shall be refunded.

"(c) Nothing in this Act shall affect the validity of withdrawals or reservations for purposes other than power development."

5. Line 13, page 3, after word "reservation", strike out the period and insert a colon and the following:

"Provided, That nothing in this Act shall be construed to limit or restrict the rights of the owner or owners of any mining claim who are diligently working to make a discovery of valuable minerals at the time any future withdrawal or reservation for power development is made."

6. Starting with line 20, page 3, strike out all of section 7.

EXPLANATION OF AMENDMENTS

Amendments 1, 2, and 3 are perfecting in nature.

Amendment 4 serves a dual purpose: Language in the form of a proviso has been added to the first paragraph of section 2 in response to a suggestion of the Federal Power Commission. Its purpose is to protect the rights and interests of holders of outstanding valid operational, construction, and preliminary licenses or permits authorized by law on lands previously withdrawn for power purposes or power sites.

In addition, language has been adopted in the form of a new subsection added to section 2 affecting placer-mining claims which may be located on lands opened to mining entry by H. R. 100. The House managers agree that the Secretary of the Interior should be advised immediately when placer claims are initiated since serious conflict frequently arises between mining activity and other lands uses when placer mining and dredging operations are involved, as this amendment provides. The language adopted would give to the Secretary authority in the case of placer-mining claims to hold public hearings to determine whether placer-mining operations in the areas would be detrimental to other uses of the lands. When necessary, the Secretary may require the locators of placer-mining claims to execute bonds or undertakings to the United States or to make deposits of money to assure restoration of the lands to their former condition. If the locators or their sureties fail to restore the lands, the deposits or bonds should be forfeited and the receipts obtained made immediately available for restoration of the lands by the Secretary.

Amendment 5 adds a proviso to section 5, with an aim of protecting rights of a mining claim owner diligently working to make a discovery of valuable minerals at the time of any future power withdrawal or reservation.

Amendment 6, which deletes section 7 of the House version of the bill, came about after careful consideration and recognition of the fact that its retention might seriously prejudice chances of final passage. Managers concluded that its retention would inevitably result in little or no development of mineral resources on unsurveyed lands, and very substantial title complications. Your conferees are fully sympathetic with the problems of States unable to utilize school-grant lands guaranteed them by their enabling acts simply because survey has not been completed. It is believed, however, that separate legislation should be developed to deal with this question.

CLAIR ENGLE,
WAYNE N. ASPINALL,
WALTER ROGERS,
JOHN P. SAYLOR,
CLIFTON YOUNG,
Managers on the Part of the House.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

DOMESTIC MINERALS PROGRAM EXTENSION ACT OF 1953

Mr. ENGLE. Mr. Speaker, I call up the conference report on the bill (H. R. 6373) to amend the Domestic Minerals Program Extension Act of 1953 in order to extend the programs to encourage the discovery, development, and production of certain domestic minerals, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1611)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6373) to amend the Domestic Minerals Program Extension Act of 1953 in order to extend the programs to encourage the discovery, development, and production of certain domestic minerals, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments and agree to the same.

CLAIR ENGLE,
WAYNE N. ASPINALL,
WALTER ROGERS,
JOHN P. SAYLOR,
CLIFTON YOUNG,
Managers on the Part of the House.

JAMES E. MURRAY,
W. KERR SCOTT,
By JAMES E. MURRAY,
JOSEPH C. O'MAHONEY,
GEORGE W. MALONE,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House, at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6373) amending the Domestic Minerals Program Extension Act of 1953 in order to extend the programs to encourage the discovery, development, and production of certain domestic minerals, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to the amendments to the bill:

The conference agreement accepts the bill as it passed the House. It is believed by your conferees that the dollar limitation provided in the bill for additional gross purchase transactions would prove inadequate for the carefully considered programs if the Senate amendments were adopted.

CLAIR ENGLE,
WAYNE N. ASPINALL,
WALTER ROGERS,
JOHN P. SAYLOR,
CLIFTON YOUNG,
Managers on the Part of the House.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

SPECIAL ORDER GRANTED

Mr. MADDEN asked and was given permission to address the House today for 15 minutes, following any special orders heretofore entered.

DECLARATION OF RECESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that it shall be in order during the remainder of this session for the Speaker to declare a recess at any time subject to the call of the Chair.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

LEAVE OF ABSENCE

Mr. CHATHAM. Mr. Speaker, I ask unanimous consent that I be granted leave of absence for the remainder of the session.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

THE LATE WILLIAM EDWARD BARTON

Mr. CARNAHAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CARNAHAN. Mr. Speaker, it is with profound regret that I announce to this body the passing of a former Member of Congress from Missouri, William Edward Barton. This fine and distinguished gentleman served in the 72d Congress from March 4, 1931, to March 3, 1933. He gave the old 16th Congressional District of Missouri—comprising many of the counties I represent today—the finest kind of representation and he served well the counties of Maries, Dallas, Laclede, Pulaski, Phelps, Crawford, Dent, Webster, Wright, Texas, and Shannon.

The State was represented by 13 Members at Large of Congress during the 73d Congress to which he was an unsuccessful candidate for renomination. Subsequently the State was redistricted at which time most of the counties of Judge Barton's old congressional district fell into the Eighth Congressional District which was represented by a revered friend, the honorable Clyde Williams.

Judge Barton was born April 11, 1868, in Pickens County, S. C., and in 1869 moved to Missouri with his parents, who settled in Crawford County, near Bourbon. He attended the public schools and the Steelville Normal and Business Institute, Steelville, Mo. Prior to graduation from the law department of the University of Missouri at Columbia in 1894, he was employed as a farmhand, miner, in a railroad office, and taught school near Bourbon, Mo. He was admitted to the bar the same year he graduated and commenced practice of law in Houston, Mo. He was a delegate to the State judicial conventions in 1896 and 1906. During the Spanish-American War he served as a sergeant in Company M, Second Regiment, Missouri Volunteer Infantry. He served as prosecuting attorney of Texas County in 1901 and 1902. He was elected judge of the 19th Judicial Circuit, 1923–28, following which service he was elected as a Democrat to the 72d Congress. He was again elected judge of the 19th Judicial Circuit of Missouri and served from 1934 to 1946. He then resumed the private practice of law at Houston, Mo., where he died July 29, 1955.

Funeral services were held on July 31 at the Baptist Church in Houston, with Masonic rites. He was buried at Houston, Mo. Mrs. Barton preceded him in death.

Judge Barton was well known and respected by folks in all walks of life and we will all miss his wise and helpful counsel. Our Nation is deeply indebted to this man for he gave unselfishly. His loss will be felt keenly by myself and I am sure by many others. I extend my sympathy to those closest to Judge Barton, a truly great American.

PROVIDE FOR AN ADEQUATE HIGHWAY SYSTEM

Mr. BECKER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BECKER. Mr. Speaker, all of us are aware of the absolute need of taking some positive action to build an adequate highway system in our great country. This has been recommended by our great President Dwight D. Eisenhower. During this past year the Public Works Committee of the House held long hearings on this subject. Bills were introduced and considered at this session. However, no favorable action has been taken and yet the need increases daily, not only for economic and defense purposes, but because thousands of lives are being lost on our highways every year. The President rightly is asking for action now so that work on planning can get started at once.

I have, therefore, today addressed a letter to the chairman of the House Public Works Committee, to the effect that this committee, of which I have the honor to serve as a member, be called into meeting sometime in the early fall. That proper hearings be held for a period not exceeding 2 weeks, that all interested parties be given a chance to be heard on all phases of financing and other pertinent suggestions. That a new bill be properly prepared after these hearings for early action at the very beginning of the next session of the 84th Congress. It is not my intention that the Public Works Committee usurp the powers of any other committee on the matter of financing, but this question should be worked out in advance of any hearings by the leaders and respective committee chairmen of the House.

I was, and am now, very much in favor of the plan submitted by the Clay committee and covered in the bill defeated last week known as H. R. 4060 and still believe a bill encompassing these same features could be put into effect to great advantage.

Mr. Speaker, I am also addressing letters to the Speaker of the House, the majority leader, and minority leader, asking that they urge a special meeting this fall of the Public Works Committee to hold the hearings suggested above and have a bill in readiness for passage in the beginning of the next session.

I ask this in all sincerity, heartily agreeing with the President and all witnesses who appeared before the Public Works Committee this past session, pointing up the need for a definite interstate highway program to be started at the earliest possible moment.

FARM PRICES

Mr. KING of California. Mr. Speaker, I ask unanimous consent that the gentleman from Mississippi [Mr. ABERNETHY] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ABERNETHY. Mr. Speaker, average farm prices during the past month have declined another 2 percent. Since February 1951 they have dropped 23 percent. Since 1955 is apparently going to be a major crop year, there is every indication that farm prices will continue their decline through the remainder of the year.

In contrast, the prices which farmers must pay for the things they buy have declined in the past 3 years only 3 percent. In the past year, however, they have turned upward again. There seems to be little question that with the increase in the price of steel and other basic commodities, other than those produced on our farms, the cost of the things which farmers buy is going still higher in the last half of this year.

Month by month the relative position of the farmer in our economy declines. This is the great sore spot in an otherwise prosperous America. The farmer has always been a major consumer of much of the industrial production of this Nation. I cannot believe that our national economy is sound when we follow policies which reduce the farmer's income and likewise reduce his products.

I hope that Members of this House, as they return to their homes, will take occasion to visit the farmers who reside in their districts. I hope that they will come back to Washington next January alert to the problems of the farmers and equipped with first-hand knowledge of their increasing difficulties. I hope that Members will not limit their visits to the larger and perhaps more prosperous farms, but will seek out some of the smaller, marginal farming operations which have been most distressed by the decline in farm prices.

I do not believe that we can afford to let another year go by without taking positive action to improve the relative position of the farmer in our economy. I do not believe that we can long allow a policy to continue which is driving thousands of our farmers out of agriculture.

PRESIDENTIAL LIBRARIES

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the resolution (H. J. Res. 330) to provide for the acceptance and maintenance of Presidential libraries, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

UNIVERSITY OF MICHIGAN LIBRARIES

The Clerk read the title of the resolution.

The Clerk read the Senate amendments, as follows:

Page 2, line 10, strike out "(g)" and insert "(h)."

Page 2, line 12, strike out "subsections" and insert "subsection."

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Senate amendments were concurred in; and a motion to reconsider was laid on the table.

CONVEYANCE OF CERTAIN LAND WITHIN GRAPEVINE DAM AND RESERVOIR PROJECT TO GRAPEVINE, TEX.

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 6634) to provide for the conveyance of 1.8 acres of land, more or less, within the Grapevine Dam and Reservoir project to the city of Grapevine, Tex., for sewage-disposal purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 9, strike out "and without monetary consideration therefor" and insert "upon payment of 50 percent of the fair appraised market value thereof."

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Senate amendment was concurred in; and a motion to reconsider was laid on the table.

PROVIDING FOR ENTRY AND LOCATION, ON DISCOVERY OF VALUABLE SOURCE MATERIAL, UPON PUBLIC LANDS OF THE UNITED STATES CLASSIFIED AS OR KNOWN TO BE VALUABLE FOR COAL

Mr. ENGLE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 6994) to provide for entry and location, on discovery of a valuable source material, upon public lands of the United States classified as or known to be valuable for coal, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert "That, subject to the conditions and provisions of this act and to any valid intervening rights acquired under the laws of the United States, public lands of the United States classified as or known to be valuable for coal subject to disposition under the mineral leasing laws and which are open to location and entry subject to the conditions and provisions of the act of August 13, 1954 (68 Stat. 708), unless embraced within a coal prospecting permit or lease, shall also be open to location and entry under the mining laws of the United States upon the discovery of a valuable source material occurring within any seam, bed, or deposit of lignite in such lands: *Provided*, That a copy of the notice of any mining location made for source material occurring in any such bed, seam, or deposit, shall be filed for record in the land office of the Bureau of Land Management for the State in which the claim is situated within 90 days after the date of its location: *Provided further*, That the claimant to any such mining location shall report annually to the Mining Supervisor of the Geological Survey the amount of lignite mined or stripped in the recovery of such valuable source material during each calendar year and tender payment to him of 10 cents per ton thereon. Any mineral patents issued hereunder shall be made subject to the recording and payment requirements of this section and shall contain a reservation to the United States of all Leasing Act minerals owned by the United States other than lignite containing valuable source material and lignite necessary to be stripped or mined in the recovery of such material. Mining claims located and mineral patents issued under the provisions of this act shall not include rights to lignite not containing valuable source material except to the extent it may be necessary to mine or strip such lignite in order to mine the source material and, with respect to lode claims, shall not include extralateral rights. For all purposes of this act 'source material' and 'lignite' shall have the meanings given in section 6 of this act.

"SEC. 2. Any mining claim located in a manner prescribed by the mining laws of the United States upon lands of the character described in section 1 of this act, prior to May 25, 1955, if based upon a discovery of valuable source material contained in lignite shall be effective to the same extent as if such lands at the time of location, and at all times thereafter, had not been classified as or known to be valuable for coal subject to disposition under the mineral leasing laws, subject, however, to the provisions of section 1 hereof: *Provided*, That no extralateral rights shall attach to any mining location validated under this section: *And provided further*, That the locator or locators of such a mining claim shall, not later than 180 days from and after the date of this act, post on the claim and file for record in the office where the notice or certificate of location is of record, an amended notice of the mining location stating that such amended notice is filed pursuant to the provisions of this act and for the purpose of obtaining the benefits thereof; and that a copy of said amended notice is, within the said 180-day period, filed in the land office of the Bureau of Land Management for the State in which the mining location is situated, and the mining locator thereafter complied with the requirements of this act.

"SEC. 3. Subject to the provisions of section 2 of this act, any mining location made under the mining laws of the United States, including the act of August 13, 1954, on lands of the character described in section 1 of this act, except locations made for lands within the exterior boundaries of a prior coal prospecting permit or lease, if based upon a discovery of valuable source material in deposits other than deposits of Leasing Act minerals, shall include the right to mine, remove, and dispose of lignite containing valuable source material and lignite necessary to be stripped or mined in the recovery of source material contained in lignite, subject to the reporting and payment requirements of section 1 of this act, and subject to the provisions of the Atomic Energy Act of 1954 (68 Stat. 919), and upon filing in the land office designated in section 1 hereof, an adequate description of his claim or claims containing such lignite: *Provided*, That nothing in this section shall be construed to limit or restrict the rights acquired by virtue of a mining claim heretofore or hereafter located, under the 1872 Mining Act, as amended, or to impose any additional obligation with respect to the mining and removal of source material which does not occur within any seam, bed, or deposit of lignite.

"SEC. 4. The entryman or owner of any land or the assignee of rights therein, including lands granted to States, with respect to which the coal deposits have been reserved to the United States pursuant to the provisions of the act of March 3, 1909 (35 Stat. 844), or the act of June 22, 1910 (36 Stat. 583), excepting lands embraced within a coal prospecting permit or lease, upon the discovery of valuable source material in lignite situated within such entered, granted, or patented lands, who, except for the reservation of coal to the United States would have the right to mine and remove such material, shall have the exclusive right to mine, remove, and dispose of lignite containing such source material and lignite necessary to be stripped or mined in the recovery of such material, subject to the reporting and payment requirements of section 1 of this act, and subject to the provisions of the Atomic Energy Act of 1954, upon filing in the land office designated in section 1 hereof, an adequate description sufficient to identify the land containing such lignite.

"SEC. 5. The holders of coal leases issued under the provision of the mineral leasing laws, including the act of August 7, 1947 (61 Stat. 913), prior to the date of this act, or thereafter if based upon a prospecting permit issued prior to that date, upon the discovery during the term of such lease of valuable source material in any bed or deposit of lignite situated within the leased lands, shall have the exclusive right to locate such source material under the provisions of this act but the mining and disposal of such source material shall be subject to the operating provisions of the lease and to the provisions of the Atomic Energy Act of 1954: *Provided*, That the provisions of this section shall not apply to coal prospecting permits or leases on lands embraced within entered, granted or patented lands described in section 4 of this act.

"SEC. 6. As used in this act 'mineral leasing laws' shall mean the act of October 20, 1914 (38 Stat. 741); the act of February 25, 1920 (41 Stat. 437); the act of April 17, 1926 (44 Stat. 301); the act of February 7, 1927 (44 Stat. 1057); and all acts heretofore or hereinafter enacted which are amendatory of or supplementary to any of the foregoing acts; 'Leasing Act minerals' shall mean all minerals which, upon the effective date of this act, are provided in the mineral leasing laws to be disposed of thereunder; 'lignite' shall mean coal classified as ASTM designation: D 388–38, according to the standards established in the American Society for Testing Materials on Coal and Coke under standard specifications for Classification of Coals by Rank, contained in public-land deposits considered as valuable under the coal-land classification standards established by the Secretary of the Interior and prescribed in section 30, Code of Federal Regulations, part 201; and 'source material' shall mean uranium, thorium, or any other material which is determined by the Atomic Energy Commission pursuant to the provisions of section 61 of the Atomic Energy Act of 1954 to be source material.

"SEC. 7. All moneys received under the provisions of this act shall be paid into the Treasury of the United States and distributed in the same manner as provided in section 35 of the Mineral Leasing Act of 1920, as amended, and section 9 of the Alaska Coal Leasing Act of October 20, 1914 (38 Stat. 741).

"SEC. 8. The Secretary of the Interior is authorized to issue such rules and regulations as may be necessary or appropriate to effectuate the purposes of this act.

"SEC. 9. Nothing in this act shall be deemed to amend or repeal any provisions of the act of August 13, 1954 (68 Stat. 708), or any right granted thereunder.

"SEC. 10. Twenty years after the effective date of this act, all lands subject to the provisions of section 1 shall be withdrawn from all forms of entry under this act. All claims made pursuant to the provisions of this act shall expire at that time, except for (1) claims for which patent has already been issued, and (2) claims on which application for patent has already been made and on which patent is subsequently issued: *Provided*, That, if the President shall so provide by Executive order, the provisions of this section shall not become effective until 30 years after the effective date of this act."

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Senate amendment was concurred in; and a motion to reconsider was laid on the table.

COMMITTEE ON WAYS AND MEANS

Mr. BURLESON. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. Res. 302) to provide for necessary expenses of the Committee on Ways and Means, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That, in carrying out its duties during the 84th Congress, the Committee on Ways and Means is authorized to incur such expenses (not in excess of $5,000) as it deems advisable. Such expenses shall be paid out of the contingent fund of the House on vouchers authorized by such committee, signed by the chairman thereof, and approved by the Committee on House Administration.

Mr. LECOMPTE. Mr. Speaker, will the gentleman yield?

Mr. BURLESON. I yield to the gentleman from Iowa.

Mr. LECOMPTE. I was just going to ask the gentleman from Texas, the chairman of the House Administration Committee, if he would explain to the House that this is authorized by a previous resolution.

Mr. BURLESON. That is true; this is authorized by a previous resolution.

Mr. LECOMPTE. The Committee on Ways and Means have justified their budget. It is not a very large amount.

Mr. BURLESON. The gentleman may have in mind another request by the Committee on Ways and Means which is for an investigation. That resolution has not cleared the Committee on House Administration but will be offered by unanimous request on a resolution offered Saturday of last week by the gentleman from Virginia [Mr. SMITH] from the Committee on Rules.

Mr. LECOMPTE. That is the one I had in mind; that was cleared?

Mr. BURLESON. That is correct.

Mr. LECOMPTE. I thank the gentleman.

The resolution was agreed to; and a motion to reconsider was laid on the table.

INVESTIGATION BY COMMITTEE ON POST OFFICE AND CIVIL SERVICE

Mr. BURLESON. Mr. Speaker, I offer a privileged resolution (H. Res. 305) providing for the expenses incurred by House Resolution 304, 84th Congress, from the Committee on House Administration, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the expenses of conducting the studies and investigations authorized by House Resolution 304, 84th Congress, incurred by the Committee on Post Office and Civil Service, acting as a whole or by subcommittee, not to exceed $75,000, including expenditures for printing and binding, employment of such experts, and such clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by said committee and signed by the chairman of the committee, and approved by the Committee on House Administration.

SEC. 2. The official committee reporters may be used at all hearings held in the District of Columbia, if not otherwise officially engaged.

The resolution was agreed to; and a motion to reconsider was laid on the table.

SELECT COMMITTEE ON SMALL BUSINESS

Mr. BURLESON. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. Res. 299) providing further expenses for the Select Committee on Small Business, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the further expenses of conducting the study and investigation authorized by House Resolution 114 of the 84th Congress, incurred by the select committee appointed to study and investigate the problems of small business, not to exceed $35,000, in addition to the unexpended balance of any sum heretofore made available for conducting such study and investigation, including expenditures for the employment of investigators, attorneys, and clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by such committee, signed by the chairman thereof, and approved by the Committee on House Administration.

Mr. MARTIN. Mr. Speaker, is this not the Small Business Committee resolution?

Mr. BURLESON. It is.

CALL OF THE HOUSE

Mr. MARTIN. Mr. Speaker, I make the point of order that a quorum is not present. Also, I serve notice that the resolution is going to be fought.

The SPEAKER. Evidently no quorum is present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 142]

Andrews	Bell	Celler
Anfuso	Buchanan	Chiperfield
Bass, N. H.	Burdick	Christopher
Clevenger	Kearney	Reed, N. Y.
Dawson, Ill.	Keating	Rhodes, Ariz.
Dies	Kilburn	Riehlman
Diggs	Krueger	Robsion, Ky.
Dingell	McConnell	Sheehan
Dolliver, Iowa	McGregor	Short
Eberharter	Macdonald	Shuford
Feighan	Mason	Sieminski
Fenton	Morano	Siler
Frazier	Mumma	Sisk
Gamble	Nelson	Smith, Kans.
Gathings	Norblad	Taylor
Gray	O'Brien, N. Y.	Thomson, Wyo.
Green, Pa.	Passman	Tuck
Gregory	Pelly	Velde
Gwinn	Phillips	Vursell
Hillings	Powell	Watts
Hoffman, Ill.	Prouty	Williams, Miss.
Hope	Quigley	Winstead
James	Radwan	Younger
Jensen	Reece, Tenn.	Zelenko

The SPEAKER. On this rollcall 360 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

SELECT COMMITTEE ON SMALL BUSINESS

Mr. MARTIN. Mr. Speaker, will the gentleman yield?

Mr. BURLESON. I yield to the gentleman from Massachusetts.

Mr. MARTIN. I want to say, in the first instance, that no one has more actively supported the Small Business Committee than I have. Back in 1938, before we ever had an official Small Business Committee, I appointed a Republican unofficial committee. It is in that spirit that I rise to ask the gentleman from Texas as to the need for this additional money.

Mr. BURLESON. Mr. Speaker, on February 2 of this year, the Committee on House Administration authorized the sum of $135,000 for the Small Business Committee for the current year. Their request was for $150,000. It seems now that with the activity of 5 subcommittees of the Small Business Committee they feel they will need $35,000 additional for the current year. They came before the subcommittee with a budget, and the subcommittee concluded that the request was reasonable, that it was needed, and the full committee reported out the bill. I understand the committee is taking on some investigations that perhaps were not clearly contemplated at the beginning of the year. I am sure that the author, the chairman of the Small Business Committee, the gentleman from Texas [Mr. PATMAN], would be able to explain in considerable detail if the gentleman would care to hear him.

Mr. MARTIN. Will the gentleman kindly tell me how many were on the staff last year and how many are on the staff this year?

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. BURLESON. I yield.

Mr. PATMAN. In answer to the gentleman from Massachusetts, I think the staff is about the same size. It is possible that it is a little larger, because we are more active than we were last year. We have 5 subcommittees this year, and they have all been working very hard. And, I will say to the gentleman from Massachusetts that the committee is almost equally divided, unlike standing

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committees of the House, where the party in power has more members than the minority party. This committee is divided 6 and 5. So, we have always gotten along together in a nonpartisan way, anyway.

Mr. MARTIN. I have just been informed that last year there were 8 members on the staff.

Mr. PATMAN. I am not surprised, because we were not very active last year.

Mr. MARTIN. And this year you have 15.

Mr. PATMAN. No. We have about 17 including all clerical help. But they are all needed, and they fill a need.

Mr. MARTIN. Does the committee function as a nonpartisan body?

Mr. PATMAN. It has been all the time. You see, the reason—and the gentleman from Massachusetts brought it out awhile ago, at first the Republicans had their own committee and they were holding hearings all over the country, and it looked a little partisan. So we agreed we should have more of a bipartisan approach.

Mr. MARTIN. Does the gentleman call it a nonpartisan approach when out of 17 investigators and employees there is just 1 Republican employed. Is that nonpartisan?

Mr. PATMAN. The administration in power appoints the staff members, just like last year we did not have a Democrat, either. They were all Republicans. We expect that, because it is not a standing committee. It is a select committee.

Now may I finish about the creation of the committee? The committee was created one week before Pearl Harbor in 1941. The committee was created by reason of a resolution which I introduced and which was passed 1 week before Pearl Harbor, in 1941. The committee has been in existence ever since. We have worked together faithfully and well. Our committee has spent less than the average committee of this House. It spends much less than the comparable committee of the other body. We have been very saving. We have not been extravagant. I do not believe any of the expenditures we have made can be criticized and we are going to be just as careful in the future as we have been in the past about the expenditure of funds.

Mr. HILL. Mr. Speaker, will the gentleman yield?

Mr. BURLESON. I yield to the gentleman from Colorado.

Mr. HILL. I would like to say that when we took over the committee, when I was chairman of the committee, we kept four members of the original staff. We did not dismiss them. We did not ask whether they were Democrats or Republicans. Those members of the staff were there when we turned the committee over to the gentleman from Texas [Mr. PATMAN]. They are not on the staff now.

Mr. HAYS of Ohio. Mr. Speaker, will the gentleman yield to me?

Mr. BURLESON. I yield.

Mr. HAYS of Ohio. Mr. Speaker, I would like to say, as the ranking member of the subcommittee, that I have sat on the Committee on House Administration for 6 of the last 7 years. I have fought every year to give the Committee on Small Business what they asked for and what they thought they needed. But I must take issue with the gentleman from Texas [Mr. PATMAN] when he says that it has had less money than any other committee, because I think, if you will examine the figures, you will find that it is right at the top of the list as far as expenditures are concerned.

Certainly, this year, I voted reluctantly I might say for the authorization of money. And if the figures that I have at my fingertips now and that I had in the subcommittee are correct, I would not have voted for this amount $35,000, because this committee has a balance of $87,000, or did the other day. I am rather reluctant to give them any more money and unless they make out a better justification when they come in the first of the year, I shall not vote to give them any more money.

Mr. PATMAN. Mr. Speaker, will the gentleman yield so that I may answer that?

Mr. BURLESON. I yield to the gentleman from Texas.

Mr. PATMAN. I do not know about the figure of $87,000, but I am sure it is not that amount. Besides, there are a lot of bills not paid. One of the largest of the bills is that for reporting services. I think hardly any of those bills have been paid. Other expenses have not been paid. We have projected our work very carefully. This is not an extravagant program. It is one that every Member of this House would approve. We presented it to the Committee on House Administration and they agreed that we needed the full amount. The sum requested is a modest sum, only $35,000. Also, it is so small in comparison with other committees, particularly those of the other body, that I did not think there would be any objection at all. And if we do not need the money, we will not spend it.

Mr. MARTIN. Mr. Speaker, will the gentleman yield?

Mr. BURLESON. I yield to the gentleman from Massachusetts.

Mr. MARTIN. The gentleman says that it is a modest sum. He realizes that it is in addition to what the committee already has given for one year's functions.

Mr. PATMAN. That is correct. We asked for more in the beginning. Let us remember that Congress is not supposed to be in session any more until January. I do not believe the House wants the committee to run out of funds and be unable to carry on the work that I believe every Member of this House will agree should be carried on to help the small concerns of this country.

Mr. ARENDS. Mr. Speaker, will the gentleman yield?

Mr. BURLESON. I yield to the gentleman from Illinois.

Mr. ARENDS. I am very sorry I have not had time to check with the Committee on Armed Services to ascertain how many employees there are on the professional staff of that committee. I should like to make this guess, however, that the Small Business Committee has more employees on its staff than we have on the staff of the Committee on Armed Services, which has a tremendous and outstandingly important job to do. On top of that I am informed that they have only two professional members on the staff for the Committee on Banking and Currency, of which the gentleman from Texas [Mr. PATMAN] is a member, and 4 assistants—a total of 6 in all. Here we are being requested for additional money which it seems to me is absolutely uncalled for. If the committee would confine itself to the activities which it has carried on in the past, it would not need this additional money now. It appears to me to be a complete waste of unneeded money. We should not approve this additional appropriation at this time.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. BURLESON. I yield to the gentleman from Texas.

Mr. PATMAN. The gentleman talks about confining our activities to those in the past. I know that you cannot help the small-business concerns of America without occasionally stepping on the little toe of a big man. In the last 2 or 3 weeks we have stepped on the toes of some pretty big people in this country and they do not like it. They are running to Members of Congress trying to get us to stop—the big fellows, not the little ones—and to take the side against the little man. We have stepped on the toes of a couple of the big men. I do not think the Members want us to stop that. We cannot help it. You cannot help the little people without displeasing some of the big ones. If you want us never to do anything displeasing to the big man, then we cannot do anything for the little man. We are going to be fair to the big man. We are not going to do anything wrong. We are going to be absolutely fair, but you just necessarily step on some toes.

Mr. MARTIN. Does not the Reorganization law limit you to 10 members on the staff?

Mr. PATMAN. Not to my knowledge. Of course, we have always had it that the party in power would select the staff. When the Republicans are in power they select the staff. When the Democrats are in power they select the staff. That is the way we have done it over 14 years of experience. That question should not come in here because of the tradition.

Mr. MARTIN. It is a tradition, of course, that any committee should obey the rules.

Mr. PATMAN. The gentleman may be assured the rules are obeyed.

Mr. MARTIN. The Small Business Committee several years ago was made a permanent committee of the House.

Mr. PATMAN. No; it has not been made a permanent committee. It is a select committee every Congress. If it were a standing committee the gentleman would probably be correct. I do not know. But it is not a standing committee.

Mr. LECOMPTE. Mr. Speaker, will the gentleman yield?

Mr. BURLESON. I yield to the gentleman from Iowa.

Mr. LECOMPTE. I want to make a statement and ask if the chairman of the House Committee on Administration

will agree with me. The committee looked rather carefully at this request from the Small Business Committee and it was with some reluctance that the subcommittee approved the request and it was with same reluctance that the whole committee voted to report it to the House favorably. It was done finally on the basis of the fact that the members of the Small Business Committee unanimously asked for this appropriation.

Mr. BURLESON. That is correct.

Mr. LECOMPTE. There is no division in the Small Business Committee as to the need for this $35,000.

Mr. BURLESON. The gentleman is correct. There was a difference of opinion as to the need and as to their activities. There was considerable discussion, but finally it was voted out unanimously, as the gentleman says.

Mr. MARTIN. Can you not get along with what money you have until January?

Mr. PATMAN. No; we cannot. We would like to do it. We tried to do it. I assure the gentleman that if we are asking for too much money it will not be spent, because no Member of this House has ever criticized me for the expenditure of public funds and I am not going to give them an opportunity to do so.

Mr. SEELY-BROWN. Mr. Speaker, will the gentleman yield?

Mr. BURLESON. I yield to the gentleman from Connecticut.

Mr. SEELY-BROWN. I wonder if the chairman of the Small Business Committee could advise the House as to the anticipated activities of that committee during the recess period.

Mr. PATMAN. The gentleman was in the conference where we discussed that, or maybe he was absent. If he was absent, he was the only one. We discussed that recently.

Mr. SEELY-BROWN. I was present, but I want to know what the anticipated activities will be.

Mr. PATMAN. What we do we are going to do with the consent of a majority of all the members of the committtee. For instance, the gentleman from Tennessee [Mr. EVINS] has a subcommittee of three members. He is going into the regulatory agencies about the enforcement of the antitrust laws.

Next is the gentleman from New York [Mr. MULTER] who has to do with the Small Business Administration. This committee earns what the money is appropriated for just on that one score alone, to make sure that the Small Business Administration is doing the proper thing in getting procurement for the small concerns and making loans to small concerns.

Next is the gentleman from Illinois [Mr. YATES]. He is going into the aluminum situation. There were 100 fabricators, representing thousands of people, that were refused supplies. Their supplies were entirely cut off. They have been almost out of business. The Members of this House do not want that to happen. In going into that and making these big three aluminum manufacturers agree to furnish the raw materials to the fabricators as they had done in the past, it was necessary to step on the toes of those big fellows just a little bit. They came screaming to high heaven to Members of Congress, "Stop this Small Business Committee, they are getting on us." They ought not to do that. In addition to that, the rubber companies have to be watched. They have promised to let the little rubber people, the fabricators, have rubber at reasonable prices. Will they do it? We do not know. That is one of the things we are going to have to oversee. If we do not have this money, we will not be able to do that work.

Mr. SEELY-BROWN. In other words, this money is required so that the activities which the gentleman from Texas has outlined can be carried on during the recess period; is that correct?

Mr. PATMAN. Yes, and also to look into every problem that any Member refers to us. We diligently take care of every problem that is referred to this committee, and we make sure that a Member's constituents get a square deal.

Mr. SEELY-BROWN. Can the gentleman assure the House that as the subcommittees of your committee go out to carry out these field activities that there will be minority representation both as regards Members on this side of the aisle as well as a Member of the minority staff present at all of these hearings?

Mr. PATMAN. We agreed to that the other day.

Mr. SEELY-BROWN. I believe the Members of the House ought to have that assurance.

Mr. PATMAN. That is fine.

Mr. MCCULLOCH. Mr. Speaker, will the gentleman yield?

Mr. BURLESON. I yield.

Mr. MCCULLOCH. I am a junior minority member of the committee in question. At the very outset, I wish to tell the House that I do not wish to condemn or damn the committee with faint praise because in the past it has done remarkably good work in the interest of small business everywhere. However, I hope that this record will continue as it has in the past, and that the work of the committee in the future will not be dictated in the slightest degree by resentment, revenge, or partisan political considerations, and that there will not be a duplication of the work that has been carried on traditionally by the Committee on the Judiciary. I also hope that this committee in the future will advise both the majority and minority Members with reference to the fields which they are going to go into to explore and investigate in advance of the beginning of such explorations and investigations so that we will be fully informed and so that we will be able to write a record in accordance with the facts on both sides.

Mr. PATMAN. I am glad to be able to assure the gentleman that that will most certainly be done. The very fact that I was willing to agree to a 6-to-5 ratio, I think is evidence of the fact that I always get along with the minority. That ratio is all right with me.

Mr. Speaker, there are two other subcommittees which I did not mention, and which I must mention. The gentleman from Oklahoma [Mr. STEED] has the Aircraft Industries Subcommittee. He is going to get started soon on that. It is going to require field hearings which they have not been able to conduct yet.

The gentleman from California [Mr. ROOSEVELT] has a Subcommittee on Leases and Franchises. The big oil companies have an interest in this thing. They have filling stations all over the country. They lease them to the little fellow. A lot of them are Korean war veterans. They borrowed all the money that they could borrow to set themselves up in business. We find there is a 30-percent turnover in the holders of these lease arrangements with the big oil companies' filling stations. It is a disgraceful situation. It is understood that an investigation is needed. The gentleman from California's committee with the minority members have done a wonderful job. I believe they have come up with legislation which will give these little fellows their day in court, when before they had no place to turn to even present their grievances.

Mr. SCOTT. Mr. Speaker, will the gentleman yield?

Mr. BURLESON. I yield.

Mr. SCOTT. The gentleman from Ohio [Mr. MCCULLOCH] has made reference to something which I think is a matter of concern. The gentleman from Texas [Mr. PATMAN] referred to the matters which his committee expected to investigate during the summer, and he referred specifically to antitrust investigations and even more specifically to aluminum. I wonder if the gentleman is aware that for many weeks past, and continuing into the future, the standing committee of the Committee on the Judiciary is going to investigate and has been investigating the very matters the gentleman has referred to. The standing committee of the Committee on the Judiciary has called up a great many witnesses and will endeavor to call more witnesses from the Department of Commerce, the Department of Justice, the Department of State, and other witnesses as well. I wonder if the gentleman's proposal is not a further duplication if every committee, standing and select, in the House and in the other body is going to busy themselves investigating the same things? How will the Department of Commerce and its section devoted to small-business matters be able to do anything to help the small-business man, if they are going to spend all of their time repeating themselves before the numerous committees of both bodies on the Hill?

Mr. PATMAN. The gentleman has asked a fair question and I am glad to inform the House that we think we have a good answer to that question. There is no duplication. I often talk with the gentleman from New York [Mr. CELLER], the chairman of the Committee on the Judiciary, and he talks with me. We call each other on the telephone. We have never had any duplication in the past and, I assure the gentleman, we are not going to have any duplication in the future.

Mr. SCOTT. I appreciate the gentlemans' answer, but is it not a fact that the gentleman will call certain witnesses from the Department of Commerce, for

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instance, to come up to the Hill to testify?

Mr. PATMAN. Not on the same point.

Mr. SCOTT. Will they not return to testify on monopoly power, antitrust? Have we not investigated the aluminum matter in the Committee on the Judiciary? What does the gentleman have in mind? Is he not satisfied with the conduct of the standing committees?

Mr. PATMAN. There is no objection from the gentleman from New York, chairman of the Committee on the Judiciary. The staff of his committee works with the staff of our committee. We have never had the slightest duplication. I assure the gentleman we will not have any duplication in the future, because I am just as opposed to it as is the gentleman.

Mr. SCOTT. When the gentleman speaks of aluminum——

Mr. PATMAN. I know. Aluminum covers a lot of things. We just went into the fabrication part of the aluminum question—where the little fellows were being squeezed out because they could not get raw material.

Mr. SCOTT. I would like to correct the gentleman. That is one of the very items which the Committee on the Judiciary is investigating. It is investigating the actions of the four main producers of aluminum. It affects it as the impact on the fabricators and processors and those who supply the basic products.

Mr. PATMAN. We were specifically investigating that one point, about a hundred fabricators being squeezed out. It is written into the resolution that was passed that we could not duplicate the activities of the other committees. We cannot undertake something that is being investigated by another committee. Therefore, if we are examining about that, if it is brought to our attention we would cease and desist, because we have plenty to do. We are not going to duplicate the individual committee's work. We have too many things to do like considering requests by individual Members of this Congress who have serious questions to consider.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. BURLESON. I yield.

Mr. TABER. Is it not about time that we put the brakes on this investigation business? There are so many of them that it is getting to be more investigation than attending to the business of the House. I think we ought to attend to our business and get it done, and not have so many of these special investigation set-ups.

Mr. BURLESON. May I say to the gentleman from New York [Mr. TABER], that this is not an authorizing resolution. It provides funds, as do other money bills from the House Administration Committee, based on an authorizing resolution approved by the Rules Committee and this House. I would suggest that the time for opposition to these investigative resolutions be made at that time. The House Administration Committee does not pass on the merits of the investigative resolution but only determines what amount of money is required for such investigation.

Mr. Speaker, I move the previous question.

The SPEAKER. The question is on the resolution.

Mr. TABER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 231, nays 134, not voting 69, as follows:

[Roll No. 143]

YEAS—231

Abbitt	Fulton	Morgan
Abernethy	Garmatz	Morrison
Adair	Gary	Moss
Addonizio	Gathings	Moulder
Albert	Granahan	Multer
Alexander	Grant	Murray, Ill.
Ashley	Gray	Murray, Tenn.
Ashmore	Green, Oreg.	Natcher
Aspinall	Griffiths	Norrell
Bailey	Gross	O'Brien, Ill.
Barrett	Hagen	O'Hara, Ill.
Bass, Tenn.	Haley	O'Konski
Baumhart	Harden	O'Neill
Beamer	Hardy	Patman
Bennett, Fla.	Harris	Perkins
Blatnik	Harrison, Va.	Pfost
Blitch	Hays, Ark.	Philbin
Boggs	Hays, Ohio	Pilcher
Boland	Hayworth	Poage
Bolling	Hébert	Polk
Bonner	Henderson	Preston
Bowler	Herlong	Price
Boykin	Hill	Priest
Boyle	Hoffman, Mich.	Quigley
Bray	Holifield	Rabaut
Brooks, La.	Holmes	Rains
Brooks, Tex.	Holtzman	Ray
Brown, Ga.	Huddleston	Reuss
Brownson	Hull	Rhodes, Pa.
Burleson	Ikard	Richards
Burnside	Jarman	Riley
Byrd	Jennings	Rivers
Byrne, Pa.	Jensen	Roberts
Cannon	Johansen	Robeson, Va.
Carnahan	Johnson, Calif.	Rodino
Celler	Johnson, Wis.	Rogers, Colo.
Chelf	Jonas	Rogers, Fla.
Chudoff	Jones, Ala.	Rogers, Mass.
Clark	Jones, Mo.	Rogers, Tex.
Colmer	Judd	Rooney
Cooley	Karsten	Roosevelt
Cooper	Kee	Rutherford
Corbett	Kelley, Pa.	Saylor
Coudert	Kelly, N. Y.	Seely-Brown
Davidson	Keogh	Selden
Davis, Ga.	Kilday	Shelley
Davis, Tenn.	Kilgore	Sheppard
Deane	King, Calif.	Sikes
Delaney	Kirwan	Sisk
Dempsey	Klein	Smith, Miss.
Denton	Kluczynski	Spence
Dollinger	Knutson	Staggers
Donohue	Landrum	Steed
Donovan	Lane	Sullivan
Dorn, N. Y.	Lanham	Teague, Tex.
Dorn, S. C.	Lankford	Thomas
Dowdy	LeCompte	Thompson, La.
Doyle	Lesinski	Thompson, N. J.
Durham	Long	Thompson, Tex.
Edmondson	McCarthy	Thornberry
Elliott	McCormack	Trimble
Engle	McCulloch	Tumulty
Evins	McDowell	Udall
Fallon	McVey	Vanik
Fascell	Machrowicz	Vinson
Feighan	Mack, Ill.	Walter
Fernandez	Madden	Whitten
Fine	Magnuson	Wickersham
Fino	Mahon	Wier
Fisher	Mailliard	Williams, Miss.
Flood	Marshall	Williams, N. J.
Flynt	Matthews	Willis
Fogarty	Metcalf	Wilson, Ind.
Forand	Miller, Calif.	Withrow
Forrester	Mills	Wright
Fountain	Mollohan	Yates
Friedel	Morano	Zablocki

NAYS—134

Alger	Baker	Bolton, Oliver P.
Allen, Calif.	Baldwin	Bosch
Allen, Ill.	Bates	Bow
Andersen, H. Carl	Becker	Brown, Ohio
Andresen, August H.	Belcher	Broyhill
Arends	Bennett, Mich.	Budge
Auchincloss	Bentley	Bush
Avery	Berry	Byrnes, Wis.
Ayres	Betts	Canfield
	Bolton, Frances P.	Carlyle
Carrigg	Holt	Rees, Kans.
Cederberg	Hope	Rhodes, Ariz.
Chase	Horan	Sadlak
Chenoweth	Hosmer	St. George
Church	Hyde	Schenck
Cole	Jackson	Scherer
Coon	Jenkins	Schwengel
Cramer	Jones, N. C.	Scott
Cretella	Kean	Scudder
Crumpacker	Kearns	Simpson, Ill.
Cunningham	Keating	Simpson, Pa.
Curtis, Mass.	King, Pa.	Smith, Wis.
Curtis, Mo.	Knox	Springer
Dague	Laird	Taber
Davis, Wis.	Lipscomb	Talle
Dawson, Utah	Lovre	Teague, Calif.
Derounian	McDonough	Thompson, Mich.
Devereux	McIntire	Thomson, Wyo.
Dixon	McMillan	Tollefson
Ellsworth	Mack, Wash.	Utt
Fjare	Martin	Van Pelt
Ford	Meader	Van Zandt
Frelinghuysen	Merrow	Vorys
Gavin	Miller, Md.	Weaver
Gentry	Miller, Nebr.	Westland
George	Miller, N. Y.	Wharton
Gubser	Minshall	Widnall
Hale	Nicholson	Wigglesworth
Hand	O'Hara, Minn.	Williams, N. Y.
Harrison, Nebr.	Osmers	Wilson, Calif.
Harvey	Ostertag	Wolcott
Heselton	Patterson	Wolverton
Hess	Pillion	Young
Hiestand	Poff	
Hinshaw	Prouty	
Hoeven	Reed, Ill.	

NOT VOTING—69

Andrews	Gordon	Powell
Anfuso	Green, Pa.	Radwan
Barden	Gregory	Reece, Tenn.
Bass, N. H.	Gwinn	Reed, N. Y.
Bell	Halleck	Riehlman
Buchanan	Hillings	Robsion, Ky.
Buckley	Hoffman, Ill.	Scrivner
Burdick	James	Sheehan
Chatham	Kearney	Short
Chiperfield	Kilburn	Shuford
Christopher	Krueger	Sieminski
Clevenger	Latham	Siler
Dawson, Ill.	McConnell	Smith, Kans.
Dies	McGregor	Smith, Va.
Diggs	Macdonald	Taylor
Dingell	Mason	Tuck
Dodd	Mumma	Velde
Dolliver	Nelson	Vursell
Dondero	Norblad	Wainwright
Eberharter	O'Brien, N. Y.	Watts
Fenton	Passman	Winstead
Frazier	Pelly	Younger
Gamble	Phillips	Zelenko

So the resolution was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Anfuso for, with Mr. Kearney against.

Mrs. Buchanan for, with Mr. Dolliver against.

Mr. Dingell for, with Mr. Reece of Tennessee against.

Mr. Hoffman of Illinois for, with Mr. Taylor against.

Mr. Buckley for, with Mr. Halleck against.

Mr. Powell for, with Mr. Hillings against.

Mr. Zelenko for, with Mr. James against.

Mr. O'Brien of New York for, with Mr. Krueger against.

Mr. Dodd for, with Mr. Latham against.

Mr. Dawson of Illinois for, with Mr. McGregor against.

Mr. Green of Pennsylvania for, with Mr. McConnell against.

Mr. Winstead for, with Mr. Gwinn against.

Mr. Macdonald for, with Mr. Short against.

Mr. Gordon for, with Mr. Siler against.

Mr. Frazier for, with Mr. Smith of Kansas against.

Mr. Passman for, with Mr. Radwan against.

Mr. Andrews for, with Mr. Chiperfield against.

Mr. Chatham for, with Mr. Sheehan against.

Mr. Christopher for, with Mr. Younger against.

Mr. Eberharter for, with Mr. Kilburn against.

Mr. Diggs for, with Mr. Velde against.

Mr. Sieminski for, with Mr. Mason against.

Until further notice:

Mr. Smith of Virginia with Mr. Norblad.
Mr. Tuck with Mr. Dondero.
Mr. Watts with Mr. Fenton.
Mr. Bell with Mr. Nelson.
Mr. Barden with Mr. Riehlman.
Mr. Dies with Mr. Robsion of Kentucky.
Mr. Gregory with Mr. Scrivner.
Mr. Shuford with Mr. Gamble.

Mr. NICHOLSON changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

COMMITTEE ON THE JUDICIARY

Mr. COOPER. Mr. Speaker, I ask unanimous consent that the bills H. R. 7746 and H. R. 7747 be rereferred to the Committee on the Judiciary.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

COMMITTEE ON WAYS AND MEANS

Mr. BURLESON. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Resolution 332.

The Clerk read the resolution, as follows:

Resolved, That the expenses of conducting the studies and investigations authorized by House Resolution 331, 84th Congress, incurred by the Committee on Ways and Means, acting as a whole or by subcommittee, not to exceed $25,000, including expenditures for the employment of such experts, clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by such committee or subcommittee, signed by the chairman of the committee, and approved by the Committee on House Administration.

The resolution was agreed to; and a motion to reconsider was laid on the table.

OUR CAPITOL

Mr. BURLESON. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (S. Con. Res. 20) authorizing the printing of additional copies of Senate Document No.13, 84th Congress, entitled "Our Capitol," and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That there be printed 300,000 copies of Senate Document No. 13, 84th Congress, entitled "Our Capitol," of which 100,000 copies shall be for the use of the Senate and 200,000 copies for the use of the House of Representatives.

The concurrent resolution was agreed to; and a motion to reconsider was laid on the table.

REPORT OF CITIZENS' ADVISORY COMMITTEE ON FOOD AND DRUG ADMINISTRATION

Mr. BURLESON. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. Res. 307) authorizing the printing of the report of the Citizens' Advisory Committee on the Food and Drug Administration as a House document, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That there be printed as a House document the report to the Secretary of the Department of Health, Education, and Welfare by the Citizens' Advisory Committee on the Food and Drug Administration.

The resolution was agreed to, and a motion to reconsider was laid on the table.

MEMORIAL TO FRANKLIN DELANO ROOSEVELT

Mr. BURLESON. Mr. Speaker, by direction of the Committee on House Administration, I offer a resolution (S. J. Res. 73) to establish a commission to formulate plans for a memorial to Franklin Delano Roosevelt, and ask unanimous consent for its immediate consideration.

The Clerk read the title of the resolution.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the resolution, as follows:

Whereas the American people feel a deep debt of gratitude to Franklin Delano Roosevelt for his leadership in America's struggle for peace, well-being, and human dignity: Therefore be it

Resolved, etc., That there is hereby established a commission, to be known as the Franklin Delano Roosevelt Memorial Commission (hereinafter referred to as the "Commission"), for the purpose of considering and formulating plans for the design, construction, and location of a permanent memorial to Franklin Delano Roosevelt in the city of Washington, D. C., or in its immediate environs. The Commission shall be composed of 12 Commissioners appointed as follows: 4 persons to be appointed by the President of the United States, 4 Senators by the President of the Senate, and 4 Members of the House of Representatives by the Speaker of the House of Representatives. The Commissioners shall serve without compensation, but may be reimbursed for expenses incurred by them in carrying out the duties of the Commission. The Commission shall report such plans, together with its recommendations, to the President and Congress at the earliest practicable date, and in the interim shall make annual reports of its progress to the President and Congress.

SEC. 2. The Commission is authorized to—

(a) make such expenditures for personal services and otherwise for the purpose of carrying out the provisions of this joint resolution as it may deem advisable from funds appropriated or received as gifts for such purpose;

(b) accept gifts to be used in carrying out the provisions of this joint resolution or to be used in connection with the construction or other expenses of such memorial;

(c) hold hearings, organize contests, enter into contracts for personal services and otherwise, and do such other things as may be necessary to carry out the provisions of this joint resolution; and

(d) avail itself of the assistance and advice of the Commission of Fine Arts, the National Capital Planning Commission, and the National Capital Regional Planning Council, and such Commissions and Council shall, upon request, render such assistance and advice.

SEC. 3. There is authorized to be appropriated not more than $10,000 to carry out the provisions of this joint resolution.

The resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROVIDING TAX RELIEF TO CHARITABLE FOUNDATIONS

Mr. CELLER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 7746) to provide tax relief to a charitable foundation and the contributors thereto.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Cannon Foundation which was created on November 17, 1950, by a trust instrument executed by Clarence Cannon and Ida W. Cannon, of Elsberry, Mo., the principal office of which is at Elsberry, Mo., and the management and property of which is vested in and under the direction and control of a board of trustees consisting of the mayor of said city, the superintendent of schools, and others, and the beneficiaries of which consist of five churches situated in said city, and other beneficiaries, shall be deemed to be an organization (a) exempt from tax under section 101 (6) of the Internal Revenue Code of 1939 and section 501 (c) (3) of the Internal Revenue Code of 1954, and (b) to which section 3813 (a) of the 1939 code and section 503 (b) of the Internal Revenue Code of 1954 is inapplicable.

SEC. 2. Contributions to the Cannon Foundation, referred to in section 1, shall be considered charitable contributions for purposes of section 23 (o) and (q) of the Internal Revenue Code of 1939 and section 170 of the Internal Revenue Code of 1954.

SEC. 3. Sections 1 and 2 shall be effective for the taxable years beginning after 1949.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TWO HUNDRED AND FIFTIETH ANNIVERSARY OF BIRTH OF BENJAMIN FRANKLIN

Mr. SPENCE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 463) to authorize the issuance of commemorative medals to certain societies of which Benjamin Franklin was a member, founder, or sponsor in observance of the 250th anniversary of his birth.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

Mr. MARTIN. Mr. Speaker, reserving the right to object, and I am not going to object, I simply want to call attention to the fact that this is a changing of policy which has existed for 20 years. In the past, it has been the policy that the Government will not go into the business of manufacturing medals. There are many private concerns engaged in this work and they are unable to meet

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Government competition. In view of the fact that such a bill was passed last week, I will not object to this bill. However, we should give consideration to how far we want the Government to continue in the medal business.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That, in commemoration of the 250th anniversary of the birth of Benjamin Franklin occurring on January 17, 1956, and in connection with the observance and celebration of that event, the Secretary of the Treasury is authorized and directed to have struck 71 bronze medals of an appropriate design and inscription and to provide for the presentation of 21 such medals to the following-named scientific, educational and welfare societies of which Benjamin Franklin was a member: the American Philosophical Society (Philadelphia), Philadelphia Society of the Sons of St. George, Accademia di Scienze, Lettre et Arti in Padors (formerly Reale Accademia) (Italy), L'Académie des Sciences, L'Institute de France (formerly Académie Royale), the Royal Society (England), Königliche Geselschaft der Wissenschafter, Gottingen (Germany), the Royal Society of Arts (England), Bataafsch Genootschap der Proefondervindelijke Wijsbegeerte (Netherlands), the Académie de Medicine (France), the Medical Society of London, the American Academy of Arts and Sciences (Boston), the Royal Society of Edinburgh, Real Academia de la Historia (Spain), Académie Nationale des Sciences, Belle-Lettres et Arts de Lyon (France), Real Accademia delle Science di Torino (Italy), the Manchester Literary and Philosophical Society (England), the Societa Patrioca diretta all'avanzamento dell'Agricultura delle Arti e delle Manifatture, Milano (Italy), the Philadelphia Society for Promoting Agriculture, the Society of Antiquaries of London, the Société d'Agriculture, Sciences, Belle Lettres et Arts, Orleans (formerly Société Royale) France, and the Library Company of Philadelphia, and for the presentation of 50 medals in cooperation with the 250th anniversary committee of the Franklin Institute to other enterprises, institutions and societies founded or helped in their early development by Benjamin Franklin.

SEC. 2. Such sums as may be necessary to carry out the purposes of this act are hereby authorized to be appropriated.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMMODITY CREDIT CORPORATION

Mr. SPENCE. Mr. Speaker, I move to suspend the rules and pass the bill (S. 2604) to increase the borrowing power of Commodity Credit Corporation.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 4 of the act approved March 8, 1938 (52 Stat. 108), as amended, is amended by striking out "$10,000,000,000" and inserting in lieu thereof "$12,000,000,000."

SEC. 2. Section 4 (1) of the Commodity Credit Corporation Charter Act (62 Stat. 1070), as amended, is amended by striking out "$10,000,000,000" and inserting in lieu thereof "$12,000,000,000."

The SPEAKER. Is a second demanded?

Mr. WOLCOTT. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. SPENCE. Mr. Speaker, this bill would extend the authority of the Commodity Credit Corporation and authorize an increase in its borrowing power of $2 billion. We all know that the Commodity Credit Corporation was organized to stabilize the agricultural industry. The support-price program upon which agriculture has depended for a long time would be discontinued unless we give the authority authorized in the bill to the Commodity Credit Corporation. Agriculture is our great basic industry. Not only the farmers will benefit from this, but the cities will benefit as well. If the farming industry is imperiled in any way, the disaster would not only affect them, but affect all of our people including the great centers of population which are the great markets for agricultural products.

I hope the bill will pass.

Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks on this bill.

The SPEAKER. Is there objection?

There was no objection.

Mr. WOLCOTT. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, it will be recalled that we in the Congress have authorized support programs for agricultural commodities. This bill is necessary to effectuate the congressional policy in that respect, which has been of long standing.

It is also expected that, although we have been called upon to continue this borrowing authority for some years, it soon will not be necessary. Last year, you will recall, we increased it from eight and one-half to ten billion, and we were given certain assurances that if the flexible program of the administration was put into operation, then probably there would be no necessity for increasing the authorization further. We have the same reasonable assurance now that the flexible program will shortly be in effect and that there will be no necessity—and we hope this is correct—to continue the authorization beyond this $12 billion figure.

I now yield 5 minutes to the gentleman from Illinois [Mr. MCVEY].

Mr. MCVEY. Mr. Speaker, I do not frequently take the floor of this House, but we have a problem in connection with the Commodity Credit Corporation about which I should like to speak briefly.

In the hearing before the Committee on Banking and Currency a few days ago, the president of the Commodity Credit Corporation was asked this question by me, and I should like you to hear his answer:

The amount of loss and gains on certain crops.

He said, "On wheat the loss was $279 million. On corn, $221 million; on cotton there was a gain of $126 million. On tobacco a gain of $619,000. Peanuts, a loss of $118 million."

One year ago the president of the Commodity Credit Corporation appeared before our committee and asked for an increased authorization from $8½ billion to $10 billion. He said that money was necessary in order to carry out the acts of Congress in connection with the crop for that particular year.

Our committee agreed to this call for an authorization of $10 billion. This year the president of CCC has asked for an additional loan authority in the amount of $2 billion. That makes $12 billion altogether.

We have a problem here which I think the Congress in some way will have to find a solution for. We have storage wheat to the extent of 951 million bushels; corn, 576 million bushels. It is evident that the program we have followed in the past is not the solution to this problem because our surpluses and our losses grow larger and larger. Certain solutions have been presented to us. One was the disposition of our surplus crops on the world market. I do not think we understand just what would be the result of an operation of this kind, but I think the question is worth exploring. It seems to me that if we go on year after year piling up bushel after bushel of our crops we are going to get into a very difficult situation in this country. To be given authority to lend $12 billion is a very great authority and involves a large sum of money.

The 90-percent parity program is not the solution because most of these crops have been accumulated under the 90-percent parity formula. Whether flexible price will prove to be the solution only time can tell, but I want to impress upon the Members of the House that there is a very serious problem here, and it is our duty in some way to try to solve it.

Mr. MILLER of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. MCVEY. I yield.

Mr. MILLER of Nebraska. Would the same apply to the purchase of butter and dairy surpluses?

Mr. MCVEY. Yes.

Mr. MILLER of Nebraska. But I understand the dairy problem is or soon will be pretty well cleaned up, that they will soon have no surplus.

When they sell these surpluses, does the money received go into the Treasury to reduce those loans or does it remain there in the eight and one-half, nine, or ten billion dollar amount allowed them for making loans on these crops?

Mr. MCVEY. I do not know that I can answer the question. I think the chairman or ranking minority member of the Banking and Currency Committee would have to do that.

Mr. MILLER of Nebraska. I understand there has been $1,200,000,000 of surplus agricultural products sold last year. Was that $1,200,000,000 reflected in the reduced amount that we will have to put into this program? Or does it go back into the Treasury?

Mr. MCVEY. I wish that gentleman would ask that question of the chairman or ranking minority member of our committee.

Mr. MILLER of Nebraska. These surplus commodities have been sold. As I understand there has been $1,200,000,000 of surplus agricultural commodities sold.

I would like to find out whether this money goes back into the Treasury or whether it is reflected in reducing the $10 billion or $12 billion authority for loans. Is this a revolving fund or what is it?

Mr. McVEY. I cannot answer the gentleman's question with certainty. As I recall the law provides that there shall be outstanding no more than a certain amount of loans at any one time.

Mr. MILLER of Nebraska. Then why should we increase from $8.5 million to $10 billion the amount of the borrowing power of the Commodity Credit Corporation if we have sold around $2 billion of surplus products? Instead of increasing the borrowing authority why should this return from the sale of surplus agricultural commodities not be reflected in a lessened demand for authority?

Mr. McVEY. I understand it is.

Mr. WOLCOTT. Mr. Speaker, I yield such time as he may desire to the gentleman from Connecticut [Mr. MORANO].

Mr. MORANO. Mr. Speaker, I ask unanimous consent to extend my remarks immediately following the action on the bill presently under consideration.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. WOLCOTT. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. GAVIN].

Mr. GAVIN. Mr. Speaker, I wish to ask the ranking minority Member what was the loss on dairy products during the past year. Can the gentleman give me those figures?

Mr. WOLCOTT. I do not have them before me. I believe the chairman has.

Mr. GAVIN. Can the chairman tell us approximately what was the loss on dairy products which were sold during the past year?

Mr. SPENCE. We will endeavor to find it for the gentleman.

Mr. WOLCOTT. The same gentleman who had the breakdown on profits on cotton is going to be able to give the gentleman an answer to that.

Mr. SPENCE. It is being looked up right now.

Mr. GAVIN. While you are looking up the matter of loss on dairy products I might say I agree with my friend, the gentleman from Nebraska, that if $1,200,000,000 worth of surplus products were sold this year, why if this money is returned to the Corporation, is it necessary to increase the borrowing capacity by $2 billion? Why could that money not be used rather than this request for an additional $2 billion at this time? It would also be practicable if the committee would develop a plan whereby they would bring in companion tax bills to pay for the losses sustained in sale of these agricultural products. In the highway legislation presented the other day everybody was concerned that the legislation should be on a pay-as-you-go basis. One way to stop these agricultural losses is to bring in a companion tax bill when the legislation is presented to tax the people to pay for the losses sustained. No one would be voting for this $2 billion increase that we are passing here in a few minutes debate today, if there was also a $2 billion tax bill to pay for the losses.

May I ask the chairman of the Committee on Banking and Currency whether his committee has ever considered bringing in companion tax bills on matters of this kind?

Mr. SPENCE. We have no jurisdiction over tax matters.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

Mr. SPENCE. Mr. Speaker, I yield such time as he may desire to the gentleman from New York [Mr. MULTER].

Mr. MULTER. Mr. Speaker, I am not opposing the passage of this bill because of the representations made to us by the Department of Agriculture that without this additional authority the price-support program will collapse.

I do not intend to permit the Republican administration to say that this Democratic Congress was responsible for any such happening.

I must, however, take this time to sound this warning.

In my opinion, the Department of Agriculture, under Secretary Benson, is doing its very best to destroy the price-support program, and this is another step in that direction.

Secretary Benson's representatives in charge of the Commodity Credit Corporation's program told our committee that the Corporation now has a deficit in excess of $2 billion.

Under existing law, capital depletions can be made up by new appropriations, providing the Department makes out a case therefor before the Appropriations Committee.

The distinguished chairman of the Appropriations Subcommittee on Agriculture, Mr. WHITTEN, attended before our committee during the course of the hearings on this bill and told us that the Department made no request for additional funds to make up any part of this loss and made no attempt to justify any part of the capital impairment of the authorization.

During all of the years that a Democratic administration was in charge of this program, the maximum authorization was $6,750,000,000. During the 20 years of Democratic administration the total loss to the program was slightly in excess of $1 billion.

In one-tenth of that time, during the first 2 years of the Eisenhower administration, the losses are almost one and a half billion dollars.

This is indeed a program that only a Republican administration can boast about.

I am pleased to call our colleagues' attention to the following article, written by our distinguished colleague from Minnesota, the Honorable FRED MARSHALL, a real dirt farmer. The figures he sets forth in his article were obtained from Secretary Benson's own department and show the mismanagement of this program by the Republicans. The article appears in the August 1955 edition of the Democratic Digest.

BENSON SETS A RECORD—GOP "TWENTY-TUPLES" FARM PRICE-SUPPORT LOSSES

(By Representative FRED MARSHALL)

Sometimes figures speak for themselves, so I asked the Department of Agriculture for the official figures on net losses from the price-support program since its beginning in 1933 up through the past 2 years of Republican management of the program.

They showed just the opposite of what Secretary Ezra Benson and the President have been saying about the costs of the program. They show that net losses under the price-support program during the 20 years of Democratic administrations amounted to a little more than $1 billion, while losses during the first 2 years of the Eisenhower administration will amount to well over $1.4 billion. Losses during the Republican year of 1954, alone, will amount to more than half of the total losses for 20 Democratic years, and losses this year are officially estimated to be even larger.

Here are cost figures which President Eisenhower's Secretary of Agriculture supplied me officially, covering the 20 Democratic years ending June 30, 1953, and for the first two Republican years ending June 30, 1954, and June 30, 1955 (the 1955 figures are official estimates):

The basic commodities (corn, cotton, wheat, peanuts, rice, and tobacco):

20 years	$20,720,931
1954	177,385,988
1955	225,578,209

Dairy products (dried milk, fluid milk, cheese, and butter):

20 years	$136,524,896
1954	130,713,531
1955	342,549,370

Feed grains (barley, oats, and rye):

20 years	$11,600,481
1954	6,302,088
1955	36,275,000

Total price support programs:

20 Democrat years	$1,049,994,726
2 GOP years	1,448,405,610

These clearly disprove the Republican charge that the Democratic farm program was excessively costly, but they also show serious evidence of bad management by the present administration. For instance, costs have been run up by shelving the farmer-elected committees which formerly did so much of the field work on these programs, but which have been replaced by new Federal employees. Several other changes by the administration have increased the cost of storage involved in the price-support program. Here is the Department's official estimate of the average cost of storing a bushel of grain in one of its facilities for each of the past 4 years:

	Cents per bushel
1951	6.6
1952	5.7
1953	6.0
1954	11.3

The contrast between the Democratic and Republican record is bad news for the taxpayers these days.

Mr. RAINS. Mr. Speaker, I am, of course, giving my full support to H. R. 7541, a bill to increase the borrowing power of the Commodity Credit Corporation from $10 billion to $12 billion.

In view of the adverse financial condition of the Commodity Credit Corporation resulting from executive branch application of the sliding-scale farm philosophy, the Congress has no alternative at this time but to increase its borrowing power if the Government is to fulfill its price support commitments to farmers in the year ahead. I believe, however, that it is imperative that we keep the record straight as to what the true reasons are why the sliding-scale administrators had to come to Congress for $2 billion additional borrowing authority.

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The administration assertion, in the letter from Under Secretary of Agriculture Morse to the Speaker of the House requesting this legislation, that increased borrowing authority is required because of 90 percent price supports in 1953 and 1954 and limited sliding scale in 1955 is inaccurate, untrue, and the Department of Agriculture has already published all the facts that would lead one to believe that Morse knows his statement to be untrue, that is unless we are to believe that he signed the July 1, 1955 Report of the Crop Reporting Board without reading it or knowing what is in it. Now, Mr. Speaker, Mr. Morse is a trained economist and statistician and cannot be said to be stupid. Therefore the only conclusion that can be reached is that he has purposely tried to mislead the Banking and Currency Committee and the Congress in making the statement that the $2 billion increase in Commodity Credit Corporation borrowing authority is needed because of 90 percent price supports in effect in the past.

The Department of Agriculture complains about the increased production of feed crops. Secretary Benson, however, has had full authority to set price support levels at any level he wanted to on all the feed crops except corn. He has, in fact, exercised this authority and has flexed these prices downward drastically. The only crops he was prevented from flexing downward in 1953 and 1954 were wool, sugar, and the six basics—wheat, corn, cotton, tobacco, rice, and peanuts. Only these latter six, except tobacco, were on the limited sliding scale in 1955. The production of all these basic crops was drastically reduced from 1952 to 1955 by operation of acreage allotments and marketing quotas, contrary to the implication of Morse's letter to the Speaker. The other crops, the ones with the increased production of which Morse complains, have never had mandatory minimum price support levels set by law, nor have their producers been authorized to make use of marketing quotas as a means of keeping supply in line with demand. It was on these crops that Benson attempted to demonstrate the validity of his sliding scale theory; that reduced price supports rather than marketing quotas are the best way to reduce overproduction of farm commodities. The record shows clearly however that the Republican sliding scale theory of farm economics is fallacious. The increased production of feed grains from 1952 to 1955 demonstrates that lower price support levels do not prevent the production surpluses that Benson has shed so many crocodile tears over.

Mr. Speaker, I shall conclude my remarks by reading into the RECORD a chart which I have prepared based on official publications and reports from the United States Department of Agriculture:

Crops with 90 percent mandatory supports

Commodity	Support level				Estimated production		
	1952	Percent	1955	Percent	Unit of quantity	1952	1955
Wheat	$2.20	90	$2.06	82	Billion bushels	1.3	0.9
Corn	1.60	90	1.58	87	do	3.3	3.4
Cotton	.31	90	.31		Million bales	15.1	11
Tobacco		90		90	Billion pounds	2.3	2.1
Rice	5.04	90	4.66	85	Million bags	49	47
Peanuts	.12	90	.12		Billion pounds	1.4	1

Crops without mandatory minimum 90 percent supports

Commodity	Support level				Estimated production		
	1952	Percent	1955	Percent	Units of quantity	1952	1955
Milk		90		75	Billion pounds	98	107
Soybeans	$2.56	90	$2.04	70	Million bushels	292	404
Barley	1.22	80	.94	70	do	227	384
Oats	.78	80	.61	70	Billion bushels	1.3	1.5
Rye	1.42	80	1.18	70	Million bushels	15.9	27.2
Sorghum grain	2.38	80	1.78	70	do	83.3	(1)

[1] Up 96 percent.

Mr. Speaker, I believe that the figures which I have just read conclusively prove that the Eisenhower administration's theory that flexible price supports will reduce production is erroneous. The Democratic position has consistently been that marketing quotas are the most effective method of bringing about a proper balance between the supply and demand of agricultural products. These figures make it obvious that the Democratic position is 100 percent right.

The SPEAKER. The question is on suspending the rules and passing the bill.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks in the RECORD on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

THE GENEVA CONFERENCE

Mr. MORANO. Mr. Speaker, all America is pleased at the heartwarming bipartisanship which characterized our participation in the summit conference at Geneva. From the very beginning, to the dramatic ending, all political factions worked and prayed with President Eisenhower on this diplomatic expedition into a friendly world.

The great acclamation accorded President Eisenhower's outstanding diplomacy, however, sounded a thunderous discord in the ears of one organization, the ADA.

This organization, through its Chairman, Joseph L. Rauh, Jr., damned the Eisenhower accomplishments with faint praise, then viciously unleased one of the most blistering attacks ever directed at the President of our Nation.

The conglomeration of cutting cliches ranged from charges of corruption to accusing the President of wearing a suntan.

We are all aware that this recklessly radical organization which has lobbied vehemently for repeal of the Smith Act. The act which provides for prosecution of those who would overthrow our Government by force or violence—does not represent nor speak for the great Democratic Party. Many Members of the Congress who are responsible and respected Democrats have repudiated this "Americans for damning Americans" organization in no uncertain terms. They, too, have been damned by Mr. Rauh.

However, their bipartisan efforts directed toward strengthening our Nation and discovering a solution to the difficulties of international relations will live long in history after Mr. Rauh's rantings are properly forgotten.

INTERNATIONAL FINANCE CORPORATION

Mr. SPENCE. Mr. Speaker, I move to suspend the rules and pass the bill (S. 1894) to provide for the participation of the United States in the International Finance Corporation.

The Clerk read as follows:

Be it enacted, etc.—

SHORT TITLE

SECTION 1. This act may be cited as the "International Finance Corporation Act."

ACCEPTANCE OF MEMBERSHIP

SEC. 2. The President is hereby authorized to accept membership for the United States in the International Finance Corporation (hereinafter referred to as the "Corporation"), provided for by the Articles of Agreement of the Corporation deposited in the archives of the International Bank for Reconstruction and Development.

GOVERNOR, EXECUTIVE DIRECTOR, AND ALTERNATES

SEC. 3. The governor and executive director of the International Bank for Reconstruction and Development, and the alternate for each of them, appointed under section 3 of the Bretton Woods Agreements Act, as amended (22 U. S. C. 286a), shall serve as governor, director, and alternates, respectively, of the Corporation.

NATIONAL ADVISORY COUNCIL ON INTERNATIONAL MONETARY AND FINANCIAL PROBLEMS

SEC. 4. The provisions of section 4 of the Bretton Woods Agreements Act, as amended (22 U. S. C. 286b), shall apply with respect to the Corporation to the same extent as with respect to the International Bank for Reconstruction and Development. Reports with respect to the Corporation under paragraphs 5 and 6 of subsection (b) of section 4 of said act, as amended, shall be included in the first report made thereunder after the establish-

ment of the Corporation and in each succeeding report.

CERTAIN ACTS NOT TO BE TAKEN WITHOUT AUTHORIZATION

SEC. 5. Unless Congress by law authorizes such action, neither the President nor any person or agency shall on behalf of the United States (a) subscribe to additional shares of stock under article II, section 3, of the Articles of Agreement of the Corporation; (b) accept any amendment under article VII of the Articles of Agreement of the Corporation; (c) make any loan to the Corporation. Unless Congress by law authorizes such action, no governor or alternate representing the United States shall vote for an increase of capital stock of the Corporation under article II, section 2 (c) (ii), of the Articles of Agreement of the Corporation.

DEPOSITORIES

SEC. 6. Any Federal Reserve bank which is requested to do so by the Corporation shall act as its depository or as its fiscal agent, and the Board of Governors of the Federal Reserve System shall supervise and direct the carrying out of these functions by the Federal Reserve banks.

PAYMENT OF SUBSCRIPTIONS

SEC. 7. (a) The Secretary of the Treasury is authorized to pay the subscription of the United States to the Corporation and for this purpose is authorized to use as a public-debt transaction not to exceed $35,168,000 of the proceeds of any securities hereafter issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that act are extended to include such purpose. Payment under this subsection of the subscription of the United States to the Corporation and any repayment thereof shall be treated as public-debt transactions of the United States.

(b) Any payment of dividends made to the United States by the Corporation shall be covered into the Treasury as a miscellaneous receipt.

JURISDICTION AND VENUE OF ACTIONS

SEC. 8. For the purpose of any action which may be brought within the United States or its Territories or possessions by or against the Corporation in accordance with the Articles of Agreement of the Corporation, the Corporation shall be deemed to be an inhabitant of the Federal judicial district in which its principal office in the United States is located, and any such action at law or in equity to which the Corporation shall be a party shall be deemed to arise under the laws of the United States, and the district courts of the United States shall have original jurisdiction of any such action. When the Corporation is a defendant in any such action, it may, at any time before the trial thereof, remove such action from a State court into the district court of the United States for the proper district by following the procedure for removal of causes otherwise provided by law.

STATUS, IMMUNITIES AND PRIVILEGES

SEC. 9. The provisions of article V, section 5 (d), and article VI, sections 2 to 9, both inclusive, of the Articles of Agreement of the Corporation shall have full force and effect in the United States and its Territories and possessions upon acceptance of membership by the United States in, and the establishment of, the Corporation.

The SPEAKER. Is a second demanded?

Mr. WOLCOTT. Mr. Speaker, I demand a second.

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. SPENCE. Mr. Speaker, the International Finance Corporation is an affiliate of the International Bank for Reconstruction and Development. It is provided that the nations who are now members of the International Bank for Reconstruction and Development may subscribe to stock in the International Finance Corporation in the same proportion as they subscribed to stock in the International Bank for Reconstruction and Development.

The purpose of the bill is to have the nations jointly participate with private capital to make loans to develop undeveloped areas in order that they might be self-supporting. It is essential to the welfare of our country as it is to the world that the undeveloped areas be taught how to produce and that their people have higher standards of living. This bill would encourage private capital to engage in this undertaking. It would be risk capital. None of these loans would be guaranteed by the Government. It certainly is a very much better method than donations to these people.

Mr. Speaker, I might say that it carries out the purposes of point 4 of former President Truman. He had the same objectives. He may have approached it in a little different manner, but the ultimate purpose of this act is to carry out the purposes which he had in mind and the objectives which he desired to achieve.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from Iowa.

Mr. GROSS. I thought we already had 4 or 5 technical-assistance programs in operation.

Mr. SPENCE. I think this is one program where technical assistance and where the know-how might be very essential and might produce very fine results. The world is growing smaller. There is an expanding world economy, and we are affected by the conditions of other nations however remote they might be. A spark could fall on a distant land through poverty and the despair of the people, and it ignites the world. We think this is the way to meet a condition by the investment of risk capital. It may result to the benefit of our people. It may cause our Government little expense. It may produce results which we have been trying to accomplish by donations of money without any hope of a return.

Mr. BAILEY. Mr. Speaker, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from West Virginia.

Mr. BAILEY. Did I understand the gentleman from Kentucky to say that the United States Government is not underwriting any of these private loans?

Mr. SPENCE. I did not say the United States Government was not underwriting them, but private capital takes a risk when it participates in these loans. And, why should we not allow the private capital of America which is investing for profit, to help us in this undertaking? We only have a third interest in this enterprise. The capital will be $100 million, and we only subscribe to a little over $34 million. So, the other nations are engaged in it. It is a joint undertaking in which we will all have a common interest to achieve a purpose which is essential for all of us.

Mr. BAILEY. Is this a separate set-up from the International Bank, or is it part of the International Bank?

Mr. SPENCE. It is an affiliate of the International Bank. It is greatly desired by the administration.

Mr. WOLCOTT. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, on May 2, 1955, the President sent a message to the Congress transmitting the proposed articles of agreement of the International Finance Corporation and asked for the consideration of enabling legislation to permit the United States to participate in this subsidiary, as it were, of the International Bank for Reconstruction and Development. In his letter of transmittal, the President brings out the purposes, saying it is intended to increase the flow of United States private investments abroad.

I want to quote directly from this letter of transmittal, as follows:

> Government funds cannot, and should not, be regarded as the basic sources of capital for international investment. The best means is investment by private individuals and enterprises. The major purpose of the new institution, consequently, will be to help channel private capital and experienced and competent private management into productive investment opportunities that would not otherwise be developed. Through the corporation we can cooperate more effectively with other people for mutual prosperity and expanding international trade, thus contributing to the peace and the solidarity of the free world.

The participation by the United States is in the same proportion as our participation in the International Bank for Reconstruction and Development. The gentleman from Kentucky [Mr. SPENCE] and I introduced identical bills. I believe that instead of being a burden upon the Government, the passage of this bill would channel more capital into world trade, which will redound to the benefit of our own production without obligation on the American taxpayer.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. GROSS. Under this bill, do we in anyway provide for indemnification for expropriation or nationalization?

Mr. WOLCOTT. No, not in the least.

Mr. GROSS. What is the amount of money that the United States contributes to this fund?

Mr. WOLCOTT. The United States subscribes about one-third; $35 million in dollars and/or gold.

Mr. GROSS. Dollars or gold?

Mr. WOLCOTT. And/or gold. It is the same proportion we put in the International Bank. We put in about $3,700,000,000 of the total stock of about $10 billion.

Mr. GROSS. Does not the gentleman think with the billions we are already

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spending in foreign countries that we are already doing more than our share?

Mr. WOLCOTT. We are not spending any money under this except that we are raising money through subscriptions to the capital of $100 million by which may make it possible to get many times that in American trade back from other countries.

Mr. GROSS. That is, provided the economies of those countries hold up. But does not the gentleman think that the climate for investment in many of these countries is unfavorable?

Mr. WOLCOTT. It must be fairly good, because the danger today is inflation abroad.

Mr. GROSS. So long as we continue to support their economies through the various give-away programs, those economies, I suppose, will stand up. But if Congress some day restores financial sanity; in other words, cuts out the foreign give-away program, then what will happen to the economies of these countries?

Mr. WOLCOTT. This is not a give-away program. Through the adoption of this bill, it will make less necessary any further Treasury grants or loans to foreign countries to stabilize their economies. This should be of material aid in the stabilization of the economies of nations which might participate and make possible for them to buy more of our agricultural and industrial products.

Mr. SPENCE. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. PATMAN].

INTERNATIONAL RFC

Mr. PATMAN. Mr. Speaker, this is really an International Reconstruction Finance Corporation. The RFC for the United States was repealed and an agency was set up that has been absolutely worthless, the Small Business Administration. It has been a disgrace. It has caused the applicants who were unsuccessful to spend more money seeking loans than the aggregate amount the few fortunate ones received in loans. It is absolutely a disgrace.

It is rather ironical that we are called upon after defeating the RFC and burying it, as the gentleman from Kentucky [Mr. SPENCE] said, in an unknown and unmarked grave, to come here and ask for an international RFC for foreign countries. It will help foreign countries, yes, and small business in foreign countries will be eligible for loans. The Secretary of the Treasury said the loans will probably be $5 to $10 million, small concerns, but the people in the United States will not be able to get hold of that money. They would not be eligible. There is no setup for the small man in the United States except the SBA that made loans aggregating $11.5 millions in 22 months out of $250 million provided by Congress. That is all the small-business men in this country have to look to.

WETBACKS IN REVERSE

I guess in Texas we would have to have wetbacks in reverse. I guess our businessmen would have to go over into Mexico. Mexico belongs to the World Bank, and being over in Mexico they could make application to this organization for a loan and they would be eligible. They will not be eligible in Texas. They will have to cross the Rio Grande in order to be eligible.

So I do not believe really we should do things like this unless we take care of small business, too. I am not objecting to this. I will go along with it, although it is the third organization we have for the big concerns and for the small concerns abroad only.

Mr. BROWN of Georgia. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. BROWN of Georgia. The Export-Import Bank has done a wonderful job throughout the years. Many of us on the committee thought that International Finance Corporation might take over some of the activities of the Export-Import Bank. Therefore, I offered an amendment to prevent this. However, in view of the fact that the Secretary of the Treasury and other witnesses said they did not intend to do this, my amendment was placed in the report. It will be found on page 5, the last paragraph.

NEW SBA BILL

Mr. PATMAN. I am going to support this bill, but remember this: We want a good SBA bill. The House committee reported a good bill. It had the unanimous support of the 11 members of the Small Business Committee. We went into it for months. It has the unanimous support of the House Committee on Banking and Currency. That is the only bill that will help small business in this country. The Senate bill is no good. It will just be a continuation of the disgrace we have today. We should not have it. It is only the House bill that is good.

There are three organizations. The World Bank will help big business and little business all over the world. Our money goes into it. It will not help anybody here in little business.

We have the Export-Import Bank. The Federal Government furnishes all the capital, and they can lend billions of dollars to little business and big business all over the world but none in the United States of America is being loaned.

Now we are creating this third great agency, the International Reconstruction Finance Corporation, that will make loans to big business and little business throughout the world. It will help foreign people. That is all right; I am for helping foreign people. But we also ought to help our own, everything being equal. But it will not only help big business and little business in foreign countries, it will help big business in the United States, but it will not help little business in the United States.

I am going along on this proposition to help business all over the world with United States money behind it. I insisted that we have a bill that has something in it that will help the smaller concerns in the United States of America. There is only one hope, and that hope is the bill that was introduced by the House Committee on Banking and Currency and that has the unanimous endorsement of that committee and the unanimous endorsement of the Small Business Committee. We are in opposition to the Senate bill because it is no good.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Iowa.

Mr. GROSS. Does the gentleman know whether any other law would be applicable to provide indemnification for losses sustained by investors abroad?

Mr. PATMAN. This is a big-business bill.

Mr. GROSS. I know.

Mr. PATMAN. You know what happens to big business. I am not opposed to helping big business, I am for big business, too, but I am against discriminating against little business at the same time.

Mr. McDONOUGH. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from California.

Mr. McDONOUGH. The gentleman has recited the three international agencies. I think it is only fair to inform the House Members that in every instance the manufacturing on those loans is to be done by American manufacturers, and the products shipped abroad.

Mr. PATMAN. That is the Export-Import Bank, yes.

Mr. OLIVER P. BOLTON. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield briefly to the gentleman because you have time on your side.

Mr. OLIVER P. BOLTON. The gentleman realizes that some of the loans which can be obtained under this will go to little business to put them into the export market.

Mr. PATMAN. I know the gentleman's theory. They will get something, yes, but it will just be the crumbs, and that is all. The big man gets this. This is a big man's bill for big business. The little man will get the little crumbs, and very few little crumbs, or the crummy crumbs.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. GROSS. The gentleman has not yet answered my question: Would these loans be guaranteed by any other law?

Mr. PATMAN. I cannot answer the gentleman specifically on that. I do not think they are, but there are three international agencies sponsored by the money of the taxpayers of the United States Government, and that will help foreign countries both for big business and little business, and for big business in the United States, but not a cent for little business in the United States comes from these three big agencies.

Mr. SPENCE. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. SPENCE. These loans are not guaranteed. They are not guaranteed by the foreign government. They are not guaranteed at all. Does the gentleman not think that the ultimate purpose of this bill is good to help the people to get a higher standard of living?

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. WOLCOTT. Mr. Speaker, I yield 5 minutes to the gentleman from Iowa [Mr. TALLE].

Mr. TALLE. Mr. Speaker, I should like to call the attention of the Members of the House to page 15 of the hearings on this bill. On that page you will find, in one short paragraph, a simple and clear statement of the purpose and intent of the bill now under consideration. The Secretary of the Treasury made an excellent statement before the House Banking and Currency Committee with reference to the pending legislation. I call the attention of the House to that paragraph in the Secretary's statement which you will find on page 15, and which I will now read:

The International Finance Corporation has been proposed as one way of encouraging new foreign private investment.

I read further:

The International Finance Corporation is to serve as a catalyst in stimulating private investment.

I read further:

It is not another type of government-to-government aid. Instead, by assisting private ventures on a business basis, the IFC will give concrete expression to the basic American conviction that economic development is best achieved through the growth of private enterprise.

That is the end of the paragraph and which I quoted from Secretary Humphrey's statement. I want to read to you now what I said about that paragraph during the hearing:

I certainly would like to give my blessings to that statement, and if we do not follow a policy of that sort we will not encourage borrowers to stand on their own feet.

There is one more point which I want to emphasize. Members are invited to turn to page 26 of the hearings. It is pointed out there that the management of this new corporation will be identical with the management of the World Bank. In this connection, may I emphasize that the World Bank has made a profit during every year of its operation except the first one.

Inasmuch as some time was needed for organizing, for getting the bank established, and for getting operations started, no one expected it to make a profit the first year. During every year since the first year the International Bank for Reconstruction and Development has made a profit. We are therefore assured of good management. Of course, all of us know that it is the quality of management more than anything else that means success or failure of a business institution.

This bill should be enacted into law.

I yield back the remainder of my time, Mr. Speaker.

Mr. SPENCE. Mr. Speaker, I yield such time as he may desire to the gentleman from Illinois [Mr. O'HARA].

Mr. O'HARA of Illinois. Mr. Speaker, I am referring the attention of my colleagues to page 32 of the hearings of our committee on the pending bill and of the reply of the Secretary of the Treasury to my questioning in which he stated that it was his hope that this new instrumentality of the Federal Government, if authorized, would succeed to the point where it could successfully market its securities as has been the case with the International Bank.

If this bill is passed, as I expect, we will have three financial instrumentalities in the world field; namely, the Export-Import Bank, which is our own bank, and which has done a tremendous job; the International Bank in which a number of nations, ours included, participate; and this new corporation.

The International Bank has a right to market its debentures, which it has been doing on a rather large scale. Of course, most of the sales of such securities are made in this country.

The United States makes the largest contribution to the International Bank, much larger than any other nation. Then when its debentures are sold the actual contribution of the capital of our country is vastly increased in proportion to that of the other participating nations. This is because the great bulk of the debentures of the International Bank are sold in the United States.

As to the new financial corporation contemplated by this bill, I was interested in learning from the Secretary of the Treasury that it was contemplated that the same course would be followed here. That means that with the two international instrumentalities in this field, under international direction and control, and I am referring to the International Bank and the new proposed corporation, first, the largest contribution is made by the United States Government, and, second, further capital will come almost exclusively from private investors in the United States.

I am for this bill. I am for point 4 in all of its aspects and developments. I think it furnishes the only certain path to world peace. But I think I should point out here that extreme caution should be taken against unwarranted issues of debentures so that the investors of our country—who furnish the only real market for such issues—will not through an unexpected collapse in foreign economies suffer disastrous losses somewhat comparable to those in the late twenties, when we had large investments in Latin America, all of which investments went sour.

The Export-Import Bank is our own bank. It has proved a tremendous success. Our committee was very much concerned that this proposed new corporation should not develop into an instrumentality to undermine the Export-Import Bank. I think our committee would have adopted unanimously the amendment offered by the gentleman from Georgia [Mr. BROWN], unless the assurance was given that there was no such intention and that the sole purpose of this legislation is to make available in countries needing development the risk capital that can be furnished neither by the Export-Import Bank nor the International Bank. We were assured that applications for loans would be cleared with the two existing banks.

I hope that the bill will pass and that the new corporation will supplement the good work of the Export-Import Bank and exercise prudence in the issue of debentures.

Mr. WOLCOTT. Mr. Speaker, I yield 2 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Speaker, I am opposed to this legislation, but I do want to commend the committee for one provision which has apparently been written into it. I read from the report, on page 8:

The officials and employees, including Governors and Directors, will be immune from legal process with respect to their official acts, and will receive the same treatment as comparable employees in the diplomatic service of their own country.

Mr. Speaker, I am glad to see this committee of Congress protecting the constitutional rights of American citizens who may be abroad. This is quite contrary to the infamous Status of Forces Agreement by which American servicemen and their dependents can be tried in the civil courts of foreign countries and incarcerated in foreign prisons. I compliment the committee upon protecting the constitutional rights of American citizens who may be abroad in connection with the administration of this program.

Mr. SPENCE. Mr. Speaker, I yield such time as he may desire to the gentleman from New York [Mr. MULTER].

Mr. MULTER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MULTER. Mr. Speaker, many times during the course of this session I have tried to correct the statements on the floor and in the press which have referred to the forward-looking and progressive program of the Democratic Party as the Eisenhower program. This bill which we are now about to consider is another part of the Democratic program adopted by Mr. Eisenhower and presented to us as his program. We, in the Democratic Party are happy to find the Republicans espousing, supporting, and implementing the Truman point 4 program. If this bill passes and is properly administered, it will be another feather in the cap of the Democratic Party.

Mr. ASHLEY. Mr. Speaker, I believe the House should approve the bill authorizing membership of the United States in the International Finance Corporation. The purpose of this Corporation, as the report of the Committee on Banking and Currency stated, is "to encourage the growth of private enterprise in its member countries, particularly the less developed areas."

Mr. Speaker, the conditions of misery which stalk millions of human beings in the underdeveloped areas of the world should be enough to generate support for this measure on the part of the richest nation on earth. There can be no disagreement that increased investment and development, such as this proposal contemplates, would bring great benefits to people in these areas by raising their standards of living.

Yet this proposal is justified, not only by the instinctive American feeling for

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the downtrodden and oppressed, but also by the very tangible advantages, economic and political, which will come to the United States by a stepping-up of investment in these regions. No longer can there be any doubt that a central string on the harp of Communist propaganda in such areas is the economic backwardness which has so long characterized them. In Asia, particularly, the poverty which surrounds human life often combines with the sense of frustration among native leaders to produce fertile soil for dreams of a world freed from "imperialist exploitation." The Communists naturally do not hesitate to paint this dream in bright and glowing colors. I believe, Mr. Speaker, that America should make clear to the people of such areas that political freedom and economic well-being are not mutually exclusive. One of the best ways in which we can encourage these twin goals is by supporting the proposal now before us to provide venture capital for productive activities where member nations do not find it possible to finance their development requirements from their own resources.

Another reason for American participation in the International Finance Corporation is clearly stated in the committee report: "the United States could anticipate increasing consumption of American agricultural and industrial products."

The International Finance Corporation can operate only in collaboration with private investors and for this reason would not be in competition with private investment. At the present time neither the International Bank for Reconstruction and Development nor the Export-Import Bank can adequately meet the need for increased private investment in the economically backward areas. The IFC can supplement the activities of these two organizations by supplying venture capital and can channel experienced management into those fields where it is required.

Three methods of achieving the IFC goal of stimulating private investment in underdeveloped areas are set forth in the committee report as follows:

> Investing in productive enterprise, in association with private investors without Government guaranties of repayment where sufficient private capital is not available on reasonable terms;
>
> Serving as a clearinghouse to bring together investment opportunities, private capital, and experienced management;
>
> Creating conditions conducive to and otherwise stimulating the productive investment of private capital.

Mr. Speaker, it is by such practical measures as membership in the International Finance Corporation that we can best help lift the level of human life in the underdeveloped areas of the world and at the same time serve and strengthen the cause of freedom.

Mr. SPENCE. Mr. Speaker, we have no further requests for time.

The SPEAKER. The question is on the motion of the gentleman from Kentucky that the rules be suspended and the bill be passed.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

TWENTY-YEAR AMORTIZED RESIDENTIAL REAL-ESTATE LOANS

Mr. SPENCE. Mr. Speaker, I move to suspend the rules and pass the bill (S. 1189) to permit national banks to make 20-year real-estate loans, 9-month residential-construction loans, and 18-month commercial-construction loans, as amended.

The Clerk read as follows:

Be it enacted, etc., That the first paragraph of section 24 of the Federal Reserve Act, as amended (U. S. C., 1952 edition, title 12, sec. 371), is amended to read as follows:

"SEC. 24. Any national banking association may make real estate loans secured by first liens upon improved real estate, including improved farmland and improved business and residential properties. A loan secured by real estate within the meaning of this section shall be in the form of an obligation or obligations secured by a mortgage, trust deed, or other instrument upon real estate, which shall constitute a first lien on real estate in fee simple or, under such rules and regulations as may be prescribed by the Comptroller of the Currency, on a leasehold (1) under a lease for not less than 99 years which is renewable or (2) under a lease having a period of not less than 50 years to run from the date the loan is made or acquired by the national banking association, and any national banking association may purchase any obligation so secured when the entire amount of such obligation is sold to the association. The amount of any such loan hereafter made shall not exceed 50 percent of the appraised value of the real estate offered as security and no such loan shall be made for a longer term than 5 years; except that (1) any such loan may be made in an amount not to exceed 66⅔ percent of the appraised value of the real estate offered as security and for a term not longer than 10 years if the loan is secured by an amortized mortgage, deed of trust, or other such instrument under the terms of which the installment payments are sufficient to amortize 40 percent or more of the principal of the loan within a period of not more than 10 years, (2) any such loan may be made in an amount not to exceed 66⅔ percent of the appraised value of the real estate offered as security and for a term not longer than 20 years if the loan is secured by an amortized mortgage, deed of trust, or other such instrument under the terms of which the installment payments are sufficient to amortize the entire principal of the loan within a period of not more than 20 years, and (3) the foregoing limitations and restrictions shall not prevent the renewal or extension of loans heretofore made and shall not apply to real estate loans which are insured under the provisions of title II, title VI, title VIII, section 8 of title I, or title IX of the National Housing Act or which are insured by the Secretary of Agriculture pursuant to title I of the Bankhead-Jones Farm Tenant Act, or the act entitled 'An act to promote conservation in the arid and semi-arid areas of the United States by aiding in the development of facilities for water storage and utilization, and for other purposes', approved August 28, 1937, as amended. No such association shall make such loans in an aggregate sum in excess of the amount of the capital stock of such association paid in and unimpaired plus the amount of its unimpaired surplus fund, or in excess of 60 percent of the amount of its time and savings deposits, whichever is the greater. Any such association may continue hereafter as heretofore to receive time and savings deposits and to pay interest on the same, but the rate of interest which such association may pay upon such time deposits or upon savings or other deposits shall not exceed the maximum rate authorized by law to be paid upon such deposits by State banks or trust companies organized under the laws of the State in which such association is located."

SEC. 2. The first sentence of the third paragraph of section 24 of the Federal Reserve Act, as amended (U. S. C., 1952 edition, title 12, sec. 371), is amended by striking "six" and inserting in lieu thereof "nine."

The SPEAKER. Is a second demanded?

Mr. WOLCOTT. Mr. Speaker, I demand a second.

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. SPENCE. Mr. Speaker, this bill would authorize national banks to make 20-year amortized mortgage loans, and would authorize them to make 9-month construction loans instead of 6 months as is now provided.

National banks now have the authority to make unamortized mortgage loans for 5 years. They can now make amortized loans maturing in 10 years if 40 percent is required to be paid under their amortization provision. This would only extend the privileges that the national banks have had. It would not enlarge the lines of credit, but it would merely authorize the national banks to make 20-year amortized loans. Almost all lending institutions now have that privilege.

The Senate bill provided for 18-month construction loans on industrial properties. The House committee struck that provision out. National banks are anxious to have the authority given them in the bill. The savings-and-loan associations which have been engaged in the same activities as defined in this bill and are now making amortized mortgage loans having maturities of 20 years and more are not opposed to it.

I know of no opposition to the bill.

Mr. WOLCOTT. Mr. Speaker, I have no requests for time.

The SPEAKER. The question is on the motion of the gentleman from Kentucky that the rules be suspended and the bill be passed.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended, and the bill was passed.

A motion to reconsider was laid on the table.

The title was amended so as to read: "An act to permit national banks to make 20-year real estate loans, and 9-month residential construction loans."

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks in the RECORD on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

GREAT LAKES CONNECTING CHANNELS ABOVE LAKE ERIE

Mr. BLATNIK. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 2552) to authorize the modification of the existing project for the Great Lakes connecting channels above Lake Erie.

The Clerk read as follows:

Be it enacted, etc., That the project for improvement of the Great Lakes connecting channels above Lake Erie is hereby modified to provide controlling depths of not less than 27 feet, the work to be prosecuted under the direction of the Secretary of the Army and the supervision of the Chief of Engineers in accordance with plans approved by the Chief of Engineers, in the report submitted in Senate Document No. 71, 84th Congress 1st session.

SEC. 2. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

The SPEAKER. Is a second demanded? [After a pause.] The question is on suspending the rules and passing the bill.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

House Resolution 319 was laid on the table.

A motion to reconsider was laid on the table.

Mr. RABAUT. Mr. Speaker, I rise to commend the members of the Public Works Committee for their wisdom in reporting H. R. 2552 which will greatly enhance the already great work of opening the heartland of America to the seaports of the world via the St. Lawrence Seaway. I further congratulate the assembled membership that favorably endorsed this legislation for their appreciation of the value that this project will reflect upon our entire national economy.

Of course this action is a sequel to the previous great legislative undertaking of the St. Lawrence Seaway, but nonetheless a most important extension of this project. By this act we favorably expose four additional States to large draft shipping that would otherwise be inaccessible because of their shallow channeling. The products of our great agricultural and dairy States will now have access to foreign markets as well as the highly productive industrial area of Detroit, the center of the world's automotive industry. The economic impetus that will be felt by this region is sure to make itself felt to the entire Nation since directly or indirectly approximately 1 out of 7 people are employed by manufacturers and growers of the products that go into the manufacture of automobiles. This act is sure to appreciably alter the economic complex of this most important area of America's productive and manufactured wealth. For the people of my district who will feel the immediate results of this act I express their gratitude for your confidence in that part of America in which they toil so proudly.

Mr. VANIK. Mr. Speaker, I urge the enactment of legislation to deepen the connecting channels of the Great Lakes. The economy of America is vitally interwoven with the free movement of shipping on the Great Lakes. The lifeblood of America travels through many commercial arteries and capillaries, but in perspective, the connecting channels of the Great Lakes serve as an aorta—delivering volume commerce to the heart of industrial production. The hungry blast furnaces of my community demand tremendous tonnage of iron ore and limestone. These tremendous cargoes come to us principally from the upper lakes—but the St. Lawrence Seaway facilities will soon permit them to come from both directions, from the east and abroad as well as from the west.

The Great Lakes channels are therefore an extension of the St. Lawrence Seaway inasmuch as they bring seaway commerce to the upper lakes. When the opportunities of the St. Lawrence Seaway can be extended to these vast reaches of America in deepening the connecting channels, it is an opportunity which America cannot afford to bypass.

The national defense of our Nation demands the deepening of these connecting channels of the Great Lakes. In the event of a national emergency, the ore fields of the upper lakes would remain as the only source of raw materials in steel production. It may well be that survival itself will depend upon the utilization of full-cargo tonnage of the Great Lakes transportation. In order to keep the movement of large Great Lakes cargoes at an efficient level, the cargoes must of necessity be large. They are principally raw material cargoes. The ships must thereby be large and of deep draft. The proposed 27-foot channels will accommodate the full practicable draft of foreseeable shipping.

The deepening of the Great Lakes channels is essential to the progress and development of the industrial heart of America—a region which includes over one-third of the population of America. This improvement work should commence without delay so that it can be completed in time for the St. Lawrence Seaway project to reach Lake Erie. This great work is important not only to Cleveland, Detroit, and Chicago, but to the entire Nation as well. We in Cleveland are doing what we can at the local level to prepare for the St. Lawrence Seaway and the improvement of the upper channels of the Great Lakes. Our Cleveland City Council has just passed an $8 million bond issue to provide for lakefront dockage facilities for the commerce we expect to reach our city.

I urge the adoption of this legislation.

Mr. BLATNIK. Mr. Speaker, the purpose of this bill is to modify the connecting channels between Lakes Superior and Huron, Michigan and Huron, and Huron and Erie. The existing project provides for the downbound connecting channels suitable for vessels drawing 24 feet and for separate upbound channels with depths suitable for vessels drawing 20 feet when lake stages are at their established datum planes.

The Corps of Engineers recommends, first, modification of the existing project to provide for further improving the channels in St. Marys River, Straits of Mackinac, St. Clair River, Lake St. Clair, and Detroit River to provide a depth adequate for safe navigation by vessels with drafts of 25.5 feet. With an allowance for squat of vessels, clearance, exposure, and nature of channel bottom varying from 1.5 to 4.5 feet, the proposed project depth ranges from 27 to 30 feet to accommodate vessels with such drafts. The bill before us authorizes the Corps of Engineers to carry out these recommendations. The Corps of Engineers also recommends that a cutoff channel be constructed in Canada at Southeast Bend, St. Clair River, in lieu of further improvement along the existing alinement, if, prior to initiation of construction in this reach, accomplishment of the cutoff is found to be feasible.

The estimated Federal cost for the channel improvement is $110,327,000 for new work and $200,000 annually for maintenance. The cutoff channel at Southeast Bend will result in an additional cost to the United States of $5,491,000 for new work and $10,000 annually for maintenance. Thus, the total cost to the United States is estimated at $115,818,000.

Not too well known is the enormity of the tonnage carried on these channels and across the five Great Lakes. Over 27 percent of all the waterborne commerce of the United States, both seagoing and on inland waterways, is carried on the Great Lakes waters and channels. Duluth, Minn., in my district, lying at the extreme westerly end of this inland waterway, handles more tonnage each year than any inland port in the world, and handles more tonnage than any of our salt water ocean seaports, except New York City. Through the Soo Locks pass in one 8-month period a tonnage greater than the combined shipping going through both the Panama Canal and the Suez over a period of 12 months.

Especially significant is how these tonnages have increased sharply since World War II. During the past 10 years the Soo Locks carried over 1 billion tons of shipping—this is one-fourth of the total tonnage that has gone through those locks in the past 100 years. There are few States in our country which do not have a direct or indirect interest in the waterway system of the Great Lakes.

With the increase in tonnage handled, comes the increase in new, large, fast cargo carriers. Of the 300 cargo vessels of American registry presently engaged in ore trade, over two-thirds are 40 years old or older. They are rapidly being replaced with larger, faster ships with greater loadline drafts. These new ships cannot be loaded to capacity because of the inadequacy of the present channels. Modification of the channels will permit much more efficient use of not only these newer ships, but even some of the older ones which today cannot navigate through the channels with full loads.

The Corps of Engineers confined the estimate of prospective commerce for evaluating the benefits to movements between United States ports on the Great Lakes exclusive of St. Lawrence River commerce. The prospective commerce to be benefited is estimated by the corps to average 88,300,000 tons. The average annual benefit for deepening the channels and relative harbor work is estimated at $9,868,000, of which 77 percent,

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or $7,600,000, is allocated to channel work and the remainder to harbor improvement. With the annual changes estimated at $4,250,000, the benefit-cost ratio for the channel work is 1.78.

Mr. Speaker, the time has come to preserve and maintain the inherent advantages of one of this Nation's main arteries of transportation. This can be done by deepening the Great Lakes connecting channels. This improvement is required because it is a technological necessity to promote the operating efficiency of Great Lakes shipping so vital to the economy of the Middle West and the Nation.

Mr. ASHLEY. Mr. Speaker, the district which I represent is the ninth of Ohio, which consists primarily of the city of Toledo. It may seem strange, in view of Toledo's geographic position, that I should introduce and support legislation calling for the deepening and the improving of the Great Lakes connecting channels above Lake Erie.

As you know, Toledo is located on the westerly end of Lake Erie, about 100 miles northwest of Cleveland by water, 55 miles southwest of Detroit, Mich., and roughly 250 miles directly east of Chicago, Ill.

Among ports on the Great Lakes, Toledo ranks only behind Duluth and Chicago in total tonnage and in 1952 Toledo was 10th among all ports of the United States.

With the passage of the St. Lawrence Seaway project last year, Toledo found itself in the enviable position of being the westernmost terminus of a seaway route connecting the Midwest with ports in every corner of the world. In effect, the Atlantic Ocean was moved a thousand miles inland, to the very shores of the district which I have the privilege to represent.

Bearing these considerations in mind, it may appear strange to you that I rise in support of legislation which, for all practical purposes, would extend the St. Lawrence Seaway to Detroit, Chicago, Milwaukee, and as far north and west as Duluth, Minn. I know that a number of my constituents find this puzzling and they have expressed their views to me in a manner which has been forthright, to say the least. My position, of course, is that the legislation which we are considering today will prove to be of long-range value, benefit, and advantage to my district as well as to those districts in the States north, south, and west of the great State of Ohio. To be sure, these advantages may not be immediate. But I am convinced that the long-range advantages which will accrue if this legislation is passed will far offset the short-term advantages to the Toledo area if the legislation is not passed.

I think it is well to recall that it was only 125 years ago that the Erie Canal was completed, linking the Great Lakes to the Atlantic Ocean by way of the Hudson River and the port of New York. It is a matter of history that this far-sighted project shifted the whole economic balance of the United States. That inland waterway grew gradually to the point it has reached today, with the Sault Ste. Marie handling more business than either the Suez or Panama Canal. Had the western terminus of the Erie Canal been at Buffalo, instead of a thousand miles to the west, there would have been no such shift in our national economic balance, nor would the city of Buffalo have become the great city that it is today.

It seems to me, Mr. Speaker, that the St. Lawrence Seaway project is only the first step in another vast undertaking which can have the same kind of dynamic effect on our national economy as the Erie Canal did 125 years ago.

If the oceangoing vessels have access not only to Lake Ontario and Lake Erie, but to Lake Huron, Lake Michigan, and Lake Superior as well, a tremendous economic impe[illegible] will be given to the industrial hea[illegible] of our Nation which in turn will benefit citizens from Maine to California.

The potential of the projects which will result if this legislation is passed is unlimited, for instead of merely moving the Atlantic Ocean a thousand miles inland, we will have added nearly 3,000 additional miles to our national coastline.

It was these considerations, Mr. Speaker, which prompted me to introduce a bill providing for the deepening and improving of the Great Lakes channels above Lake Erie and which prompt me to urge favorable consideration of this important measure.

AUTHORIZING CONSTRUCTION OF THE MISSISSIPPI RIVER-GULF OUTLET

Mr. BLATNIK. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 6309) to authorize construction of the Mississippi-gulf outlet.

The Clerk read as follows:

Be it enacted, etc., That the existing project for Mississippi River, Baton Rouge to the Gulf of Mexico, is hereby modified to provide for the Mississippi River-gulf outlet to be prosecuted under the direction of the Secretary of the Army and supervision of the Chief of Engineers, substantially in accordance with the recommendation of the Chief of Engineers contained in House Document No. 245, 82d Congress, at an estimated cost of $88 million: *Provided*, That when economically justified by obsolescence of the existing industrial canal lock, or by increased traffic, replacement of the existing lock or an additional lock with suitable connections is hereby approved to be constructed in the vicinity of Meraux, La., with type, dimensions, and cost estimates to be approved by the Chief of Engineers: *Provided further*, That the conditions of local cooperation specified in House Document No. 245, 82d Congress, shall likewise apply to the construction of said lock and connection channels.

The SPEAKER. Is a second demanded? [After a pause.] The question is on suspending the rules and passing the bill.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

House Resolution 321 was laid on the table.

A motion to reconsider was laid on the table.

Mr. BLATNIK. Mr. Speaker, I ask unanimous consent that all Members who desire to do so may have permission to extend their remarks in the RECORD on the 2 bills just passed.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

POLIOMYELITIS VACCINATION ASSISTANCE ACT OF 1955

Mr. PRIEST. Mr. Speaker, I move to suspend the rules and pass the bill (S. 2501) to amend the Public Health Service Act to authorize grants to States for the purpose of assisting States to provide children and expectant mothers an opportunity for vaccination against poliomyelitis.

The Clerk read as follows:

Be it enacted, etc., That this act may be cited as the "Poliomyelitis Vaccination Assistance Act of 1955."

AUTHORIZATION OF APPROPRIATIONS

SEC. 2. There is hereby authorized to be appropriated, to remain available until December 31, 1957, such sums as may be necessary for making payments to States which have submitted, and had approved by the Secretary of Health, Education, and Welfare, applications for grants under this act.

ALLOTMENTS TO STATES

SEC. 3. (a) From the sums appropriated pursuant to section 2, the Secretary shall allot to each State which has an application approved pursuant to section 4—

(1) an amount equal to 25 percent of the number of unvaccinated eligible persons in such State multiplied by the product of (A) the cost of the poliomyelitis vaccine per eligible person, and (B) the State's allotment percentage; and

(2) an additional amount equal to 20 percent of allotments available to the State under paragraph (1) of this subsection, such additional amount to be available for expenditure only in accordance with the provisions of section 6 (b) of this act.

(b) A State's allotment percentage shall be equal to the per capita income of the United States divided by the per capita income of the State. Such percentage shall be determined by the Secretary on the basis of information furnished by the Department of Commerce; except that the allotment percentage for Hawaii shall be 100 percent and for Alaska, Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Canal Zone shall be equal to the allotment percentage determined above for the 1 of the 48 States which has the lowest per capita income.

STATE APPLICATIONS FOR FUNDS

SEC. 4. The Secretary shall approve the application of any State for payments under this act if such application—

(a) provides that all poliomyelitis vaccine purchased with funds paid to the State under this act shall be used for the vaccination of eligible persons pursuant to a plan which sets forth the method or methods by which vaccinations will be made available throughout the State (through public agencies, approved nonprofit organizations, private physicians, or otherwise) and which provides reasonable assurances that all eligible persons in the State (or, if the State determines that vaccinations shall be confined to a certain group or groups of eligible persons throughout the State, all eligible persons in such group or groups) will have an opportunity to be vaccinated against poliomyelitis: *Provided*, That if the plan of the State is limited to such group or groups, the amount paid to such State from that part of its allotment computed in accordance with section 3 (a) (1) of this act may

not exceed the allotment percentage of such State multiplied by the cost of poliomyelitis vaccine for 25 percent of the unvaccinated eligible persons in such group or groups:

(b) provides that in poliomyelitis vaccination programs conducted by public agencies in the State no means test or other discrimination based on financial ability of individuals will be imposed to limit the eligibility of persons to receive vaccination against poliomyelitis;

(c) provides for administration or supervision of administration of the plan included in the application by a single State agency;

(d) provides that the State agency will make such reports, in such form and containing such information, as the Secretary may from time to time reasonably require to carry out his functions under this act, and comply with such provisions as he may from time to time find necessary to assure the correctness and verification of such reports; and

(e) provides such accounting, budgeting, and other fiscal methods and procedures as are necessary for the proper and efficient administration of the plan.

PAYMENTS TO STATES

SEC. 5. The Secretary shall from time to time estimate the amount to be paid to each State under the provisions of this act for any period, and shall pay such amount to such State, from the allotment available therefor, reduced or increased, as the case may be, by any sum (not previously adjusted under this section) by which he finds that his estimate of the amount to be paid to the State for any prior period under this act was greater or less than the amount which should have been paid to the State for such prior period under this act. Such payments shall be made in such installments as the Secretary may determine.

USE OF FUNDS PAID TO STATES

SEC. 6. (a) Funds paid to a State from that part of its allotment computed in accordance with section 3 (a) (1) of this act may be used solely for the purchase, prior to December 31, 1957, of the poliomyelitis vaccine for use in carrying out the plan set forth in the application of such State approved pursuant to section 4.

(b) Funds paid to a State from that part of its allotment computed in accordance with section 3 (a) (2) of this act may be used prior to December 31, 1957, only for planning poliomyelitis vaccination programs throughout the State and for conducting such programs through public agencies in the State in accordance with the plan set forth in the application of such State approved pursuant to section 4.

(c) Nothing in this act shall limit funds granted to a State under other provisions of Federal legislation from being available to purchase poliomyelitis vaccine or to plan and conduct poliomyelitis vaccination programs in accordance with approved State plans applicable to such grants.

FURNISHING OF VACCINE BY SECRETARY

SEC. 7. At the request of any State the Secretary may use all or any portion of the allotment of such State under this act for the purchase, in accordance with State specifications, of the poliomyelitis vaccine, to be furnished to the State in lieu of such State's allotment (or such portion thereof). Vaccine so furnished shall be subject to the same requirements as to use as vaccine purchased from payments to States pursuant to this act.

DIVERSION OF FEDERAL FUNDS

SEC. 8. Whenever the Secretary, after reasonable notice and opportunity for hearing to the State agency administering or supervising the administration of the plan included in the application of such State approved under section 4, finds that—

(a) such State agency is not complying substantially with the provisions of this act or the terms and conditions of its approved application; or

(b) any funds paid to such State or supplies of vaccine furnished to it under this act have been diverted from the purposes for which paid or furnished;

the Secretary shall notify such State agency that no further payments will be made (or no further supplies of vaccine will be furnished) to the State under this act until he is satisfied that there is no longer any failure to comply or the diversion has been corrected or, if compliance or correction is impossible, until such State agency repays or arranges for the repayment of Federal funds which have been diverted or improperly expended (or for repayment of the cost of the vaccine which has been diverted).

DEFINITIONS

SEC. 9. For purposes of this act—

(a) The term "Secretary" means the Secretary of Health, Education, and Welfare.

(b) (1) The term "eligible person" means any individual who has not attained the age of 20 years and any expectant mother.

(2) The number of eligible persons shall be determined by the Secretary, as of June 30, 1955, on the basis of estimates developed after consideration of the latest information furnished by the Department of Commerce or any other department or agency of the United States.

(3) The number of unvaccinated eligible persons means the number of eligible persons, reduced by (A) the number who were vaccinated against poliomyelitis during 1954, and (B) two-thirds of the number who the Secretary estimates will receive vaccination under the current program of the National Foundation for Infantile Paralysis.

(c) The term "State" includes Alaska, Hawaii, Puerto Rico, the Virgin Islands, Guam, American Samoa, the Canal Zone, and the District of Columbia.

(d) The cost of the poliomyelitis vaccine shall be determined by the Secretary on the basis of information available to him; and such cost may be determined from time to time or as of a specified date and may be determined to be a single figure for all States or varied in accordance with actual cost.

(e) The term "approved nonprofit organization" means, in the case of any State, a nonprofit organization approved by the State agency responsible for administration or supervision of administration of the State plan.

Amend the title so as to read "To provide grants to assist States to meet the cost of poliomyelitis vaccination programs, and for other purposes."

The SPEAKER. Is a second demanded?

Mr. WOLVERTON. Mr. Speaker, I demand a second.

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. PRIEST. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, under the motion which is pending to suspend the rules and pass the Senate bill with an amendment, we are now considering H. R. 7126 which is the amendment.

Let me explain, Mr. Speaker, so that the Members will fully understand just what has happened. On page 2 of the House bill, subparagraph 2, section 3, has been stricken from the bill by a committee amendment. The other amendments that were offered simply make the remainder of the bill conform.

Mr. Speaker, I feel, I think, as all of us do, that the question of some action by the Government before this session adjourns with reference to the Salk vaccine is tremendously important.

Now, I am not going into a long review of this whole question. I want to say that in order first to determine the question of safety of the vaccine, our committee asked the National Academy of Sciences to assemble for us 15 of the top experts on this subject in the country. They appeared for 2 days before the committee, and following their appearance, while there was a difference of opinion among them, the committee felt that insofar as any killed virus vaccine can be guaranteed to be safe, this vaccine is safe and that it is efficient. As a matter of fact the panel voted 8 to 3 with some not voting to continue the program with this vaccine.

Now, Mr. Speaker, I had handed to me a day or two ago by the gentleman from Massachusetts [Mr. HESELTON] who is the ranking member of the subcommittee that dealt with this question, some figures showing that to date there are 439 cases of poliomyelitis in the State of Massachusetts compared to 75 the same date last year. The total for New England was 581 against 184 last year. Apparently, Mr. Speaker, we are in for one of those bad years in polio.

Let me explain very briefly what this bill does. I hope I can explain it very quickly. This bill is in line with the bill sent up by the administration earlier in the year requesting $35 million to be allocated to the States to assist them in this program. It differs rather considerably in some respects. After we had listened to the representative of the State and Territorial Health Officers Association, Dr. Bergma, from the State of New Jersey, we felt rather strongly in the committee that there should be some amendment giving the States a little more latitude; that the bill as originally proposed was too rigid, and that there should be some latitude at the State level. So, we amended the bill to give flexibility to some programs in the States.

The bill would make available sums to the States computed on a formula which is arrived at as follows, and it is not so complicated as it may sound: 25 percent of the unvaccinated eligibles in the State multiplied by the cost of the vaccine, established at $2.33 for 3 cc., multiplied by the State's allotment percentage, and that is arrived at by dividing the per capita income of the State into the national per capita income. On the basis of that formula, these allocations will be made to the States. The original bill called for 20 percent. However, I was advised by the Department of Health, Education, and Welfare that they had no objection to raising the amount to 25 percent.

One change made in this bill after we heard from the State and Territorial Health Officers Association was a 20-percent provision put in this bill that the States may use for administering their programs within the States. We

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found, for example, that some legislatures made appropriations before adjourning this year for administrative expenses. Some had made appropriations to buy vaccine but for no administrative expenses. We felt that the 20-percent allowance, if they needed it, should be made, so we made allowance that 20 percent of the funds might be made available for that purpose.

Mr. SMITH of Virginia. Mr. Speaker, will the gentleman yield?

Mr. PRIEST. I yield to the gentleman from Virginia.

Mr. SMITH of Virginia. When the matter was before the Committee on Rules considerable objection was voiced to that feature of the bill which gave it free to all children irrespective of their financial ability to pay. I understood the committee was taking that out by an amendment.

Mr. PRIEST. When I appeared before the Committee on Rules I understood that there was objection on page 2, paragraph 2, which provided for dollar for dollar matching for everybody subject to the approval of the secretary of a State plan was taken out by a committee amendment. That was the only provision, as I understood it, to which there was any serious objection.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. PRIEST. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Of course, we all know that the matter of the distribution and use of this polio vaccine has been handled in the most unfortunate, if not disgraceful, manner by the administration. The people of the country are disgusted with the manner in which it has been handled. The mothers and fathers of this country have been put into a deplorable state of mind, of fear about their children; not knowing whether they should or should not, wondering, if they did not, what might happen to their children and wondering, if they did, what might happen to their children.

Is the Senate bill broader than the House bill?

Mr. PRIEST. Yes, the Senate bill is considerably broader than the House bill.

Mr. McCORMACK. And in order to get the bill up under suspension and to remove opposition, the gentleman has had to agree to the amendment; is that right?

Mr. PRIEST. The gentleman did agree to the amendment to help expedite this proposed legislation.

Mr. McCORMACK. And reluctantly so; is that right?

Mr. PRIEST. So far as the gentleman is concerned, reluctantly so; but by direction of the committee.

Mr. McCORMACK. Exactly. I understand, and I shall support the gentleman. But I hope when the bill goes to conference there will be a better bill come back.

Mr. JUDD. Mr. Speaker, will the gentleman yield?

Mr. PRIEST. I yield to the gentleman from Minnesota.

Mr. JUDD. Mr. Speaker, I regret this controversy has developed, but when the gentleman from Massachusetts [Mr. McCORMACK] said that this polio vaccine has been handled in a most unfortunate if not disgraceful manner, I am compelled to rise to register my vigorous dissent. If there was anything disgraceful about the handling of this program, it was the attempt to play politics with it, the attempt to force a scientific experiment to meet a certain deadline. Nobody—whether politicians or scientists—can control or coerce an operation of that nature.

Speaking as a person who has spent his life in scientific work, I think those in charge have succeeded with extraordinary rapidity and security and effectiveness in perfecting this vaccine. Instead of stones being thrown at them, I think the people who are responsible for the whole program ought to be given medals for the way in which they kept their heads and refused to be stampeded, for the manner in which they kept in mind first the interests of the people, and not the interests of politicians.

On the whole, they got this vaccine to the children who needed it most earlier than it seemed they possibly could, with all proper attention paid to the security factor.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. PRIEST. I yield to the gentleman.

Mr. McCORMACK. I agree with the gentleman from Minnesota [Mr. JUDD] that the blame lay in the politicians, but not the politicians in Congress. It was the politicians in the executive branch of the present administration.

Mr. JUDD. Mr. Speaker, of course I cannot take that either. The unfortunate aspects of the matter were those handled by the National Foundation for Infantile Paralysis. The original getting-off base was not in the executive branch; it was in the organization under whom this was developed, the National Foundation for Infantile Paralysis, in its urge to get publicity.

Mr. WOLVERTON. Mr. Speaker, I yield 5 minutes to the gentleman from Nebraska [Mr. MILLER.]

Mr. MILLER of Nebraska. Mr. Speaker, I want to agree with my colleague, the gentleman from Minnesota [Mr. JUDD]. Much has been said in a political way about the Salk vaccine program. The political slant was taken in Congress by men with small scientific minds or no scientific minds at all, who were willing to jump in with all four feet, if they had them, to make politics out of the public-health problems of the people of this country.

Certainly the Public Health Service would have been subject to much criticism if they had not followed the thinking, the best thinking of the minds in the scientific world. The men and women in the Health Foundation or the Polio Foundation were those who were making the decisions. I was amazed to hear on the floor of the House repeatedly comments made by Members on the other side of the aisle, in order to get a little political gain, as they thought, out of the health of the children of this country. It reminded me of some of their attempts to make politics out of the squirrels on the White House lawn, Mamie Eisenhower's health, and the fact that the President was going to church. It was an illustration of the little, mean, petty things that sometimes arise when Members, perhaps on both sides of the aisle, yield to those unattractive animal instincts in human beings. But certainly the Public Health Service in the way they have handled the Salk polio vaccine program are to be commended. They did follow the best advice of the day, not from political minds who are small in scientific ways but from big scientific minds who knew what the score was and knew what would happen if they did not proceed with caution.

With that in mind, I want now to ask the chairman of the committee this question: How much money is involved in this bill?

Mr. PRIEST. The money involved in this program, assuming that every State in the Union submitted an application that was approved by the Secretary, would amount to approximately $45 million. I might add that the appropriation bill, as I understand it, contains an appropriation of $30 million already, which, of course, would limit it to that extent. It is the feeling of our committee that we should pass this legislation and then take another look at the whole picture quickly in January.

Mr. MILLER of Nebraska. I have no objection to doing that. Of course, polio is an unknown disease. The things we do not know about we so often fear. But I would remind the gentleman that we also have other diseases, diphtheria, smallpox, scarlet fever, and measles, that take a toll of children's lives. Is there a program that furnishes antitoxin or vaccine for diphtheria, smallpox, typhoid, and paratyphoid?

Mr. PRIEST. There is authority for such programs under the Public Service Act in grants to States. It was on that basis that the Senate passed this bill, simply by removing the $30 million limitation on appropriations and leaving an open-end appropriation, because it was in that part of the existing law that such authority is granted. Of course, in most instances, however, the States give those vaccines free to schoolchildren.

Mr. MILLER of Nebraska. I note also over the country that the medical profession, the Public Health groups, are going in and, where children in towns are not able to pay for this Salk vaccine, they now have the advantage of getting it. No child, as I understand it, is to be denied the polio vaccine because they cannot pay for it. I note with pride that doctors all over the United States are entering into that program wholeheartedly and with considerable enthusiasm. I feel the program would be carried on without Government spending. I understand this is a part of the President's program. So, I have no objection to appropriating money for it, but we ought not to lose sight of the more prevalent diseases that take a big toll in children's lives. We apparently are focusing our attention on just the one thing, the polio, the dread disease, the unknown thing, which we do fear be-

cause we do not know about it and do not understand the disease.

Mr. PRIEST. May I mention this to the House in order that the Members may have the information. I think the 2-day panel discussion with the 15 top experts in this country contributed one of the finest volumes of scientific data we have perhaps ever assembled on this question. That is volume II of the hearings, in case Members desire to send copies to some of their physicians. I think the doctors throughout the country will find in that one little volume more information than they can find in any other volume at a great price.

Mr. MILLER of Nebraska. I have read it. I congratulate the committee for following the advice of experts and not following the ideas of the politicians who really know so little about the scientific aspects of polio.

Mr. PRIEST. Mr. Speaker, I yield such time as he may require to the gentleman from Georgia [Mr. FLYNT].

Mr. FLYNT. Mr. Speaker, this legislation to authorize an effective program of vaccination against the dread disease of poliomyelitis is an urgent measure before this House. I support it and urge its passage.

This bill is, like most legislation, not perfect in every respect. In the form in which the Committee on Interstate and Foreign Commerce today urges its passage it varies slightly from the form which was originally unanimously approved in committee. It is, however, either in its original or present form an effective measure which will permit us to continue and strengthen our fight on poliomyelitis or infantile paralysis or polio or any other name by which this dread disease may be called.

This is the season of the year in which epidemics of tragic proportions often break out in many parts of our Nation. It is my hope, indeed it is the hope of all Members of Congress, that this legislation will be truly an important and effective milestone in the long fight to stamp out polio, just as smallpox and typhoid fever have been virtually eradicated from our Nation. I have seen many of my own friends and children of my friends stricken and either killed or crippled by this horrible disease. I hope that the youth of this generation and of generations which follow may be spared from this crippling disease just as you and I have been during our lifetimes safe and secure from the ravages of once common and prevalent diseases which are now almost nonexistent.

When this legislation is enacted into law, we call upon the people at large, the medical profession, and the various State and Federal agencies of public health to join hands and work together toward a complete stamping out of polio.

Mr. PRIEST. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. MULTER].

Mr. MULTER. Mr. Speaker, there is nothing mean or small about anybody on this side of the aisle in their approach to this problem. No one has found fault with the scientific approach to the problem. The fault we found is with the way the executive department has mishandled the entire problem; and we are not solving it by this legislation. This legislation merely appropriates some money so as to make the vaccine available, but it does not control it and no State in the Union has the right to control it under any existing legislation.

Let me read to you from the New York Herald Tribune, a Republican paper:

> The Salk vaccine is a national blessing which has created a national emergency. Experts confirm the vaccine's general efficiency. The demands are far greater than the supply. Every child in America has the right to its protection. The serum can only be and must be controlled nationally.

Mrs. Hobby refused to come before our committee time after time to tell us how that could be done. I hold in my hand the various licenses issued by her departments. Not one of them covers anything except the right to manufacture and the safety, sanitary, and health precautions which must be taken. That is all the licenses cover and nothing else. Once the vaccine is manufactured, it is free to go anywhere and everywhere throughout the country. There is no legislation that will affect that situation.

Denmark and Canada have had a completely successful program. Their inoculation programs have been carried out with not a single loss and with no trouble and with no black market.

Here, where we were trying to get the person charged with the responsibility for this program to come before our committee and tell us how we can cooperate and draw up and pass legislation that is necessary so that this vaccine will not get into the black market and so that every child will be taken care of, we are told that we are mean and small. There is a national program to inoculate and supply serums and antitoxins for cattle, but you do not want to do it for our children. Our children are just as important to us and even more important than the cattle of the country.

Mr. MILLER of Nebraska. Of course, the program for the polio season and polio does not start in Canada until the end of this month.

Mr. MULTER. It does not matter when it starts. The fact of the matter is that the program was successfully carried out in Denmark and in Canada without a single incident.

Mr. DEROUNIAN. Mr. Speaker, will the gentleman yield?

Mr. MULTER. I yield.

Mr. DEROUNIAN. If you read the testimony of Dr. Salk before our Committee on Interstate and Foreign Commerce several weeks ago, you will find it very elucidating. That very question was asked about the Canadian experience.

Mr. MULTER. I have read the testimony. It does not say one thing contrary to what I am saying here. Dr. Salk's was the scientific approach. He did not concern himself at all with the bungling in the executive department of our Government.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. MULTER. I yield.

Mr. McCORMACK. You will remember when the news was given to the country and to the world of this great man, Dr. Salk, and his efforts and contributions to this work, that the present administration tried to time the announcement for the purposes of making political capital out of it. Only the other day we passed—my colleagues on the other side seem to disagree with that, but you cannot get away with that because there is a Secretary of Health, Education, and Welfare who resigned partly because of the manner in which she handled this whole matter, and the American people are well aware of what happened, and they know the responsibility rests on the Republican administration.

Mr. MULTER. How Denmark handled the polio situation is very aptly told in the story which appeared in the July 24, 1954, issue of Parade magazine, as follows:

> THE COUNTRY THAT LICKED POLIO—IN ITS OWN QUIET WAY, LITTLE DENMARK HAS PROVED THE SALK VACCINE TO BE BOTH SAFE AND EFFECTIVE
>
> COPENHAGEN.—Denmark, the country of Hans Christian Andersen, cheese, and Victor Borge, is rejoicing. And with good reason.
>
> Danish doctors, using America's new Salk vaccine, are convinced that they have licked polio, which in 1952 and 1953 ran rampant over this little nation (population 4½ million), causing more than 7,200 cases.
>
> Since last April 400,000 Danish children between the ages of 6 and 11 have been inoculated. Each received a second Salk shot 6 weeks later. What makes the Danes so happy is that, as of this writing, not one case of infantile paralysis has developed in the inoculated youngsters. (Canada has had similar good results with its vaccine program.) Thus, doctors here are willing to assure Americans—and anyone else concerned—that the vaccine is safe and effective.
>
> In contrast to the fuss, delay, and debate that characterized the use of Salk vaccine in the United States, the Danish vaccinations were executed with precision, simplicity, and quiet efficiency.
>
> One reason lies in the fact that Denmark is a compact nation, with a small population. In contrast to Denmark's 400,000 inoculations, the United States total stood at more than 6 million by mid-June. Another reason is that the Danes were prepared. They proceeded, and are proceeding, with a single inoculation plan that was worked out in some detail last year.
>
> STOCKPILED IN 1954
>
> Like the United States, Canada and several other countries vitally interested in the course of polio research, Denmark was certain that the Salk polio vaccine would work. In 1954 its state-owned Serum Institute began manufacturing and stockpiling the vaccine. A few months ago, while a rash of United States polio cases followed use of the American-manufactured vaccine, Denmark's medical specialists naturally were shocked.
>
> "At first," one reports, "we couldn't figure it out. Why should the American people have had several failures when we've had such outstanding success? Then we discovered that our method of preparing and testing the polio vaccine was slightly different from that used in America. We had taken more safety precautions."
>
> The Danish doctor who insisted on these precautions and helped work them out is attractive, blue-eyed Herdis von Magnus. At 44, Dr. von Magnus is chief of the virus section, Denmark Serum Institute, and one of

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Europe's outstanding virologists. Recently she was flown to Washington to explain to United States Public Health officials the special testing and safety procedures she evolved in the Danish manufacture of the polio vaccine.

Interview-shy and extremely modest, Dr. von Magnus refuses to discuss the details of this overseas mission. All she will say is, "The polio serum now manufactured in America is just as good as ours."

THE NEEDED CHANGES

The key word in Dr. von Magnus' statement is "now." Formerly, United States-manufactured polio vaccine was not as safe as Denmark's, nor, experts here claim, were testing standards as high.

United States doctors, for example, have strong evidence that some live virus slipped through in the early preparation of one batch of vaccine. So, at least, claims Dr. Louis Gebhardt, director of the polio-research lab at the University of Utah. He tested the vaccine and found live virus in it.

We know, too, that following the inoculation of almost 6 million United States children, 142 of the vaccinated youngsters contracted polio by June 3—72 after having been injected with vaccine manufactured by Cutter Laboratories, 42 by Lilly, 12 by Wyeth, 12 by Parke-Davis, and 4 by Pitman-Moore.

Most important, United States authorities themselves said American methods of producing Salk vaccine could stand improvement. Higher standards, some conforming to Denmark's, were laid down late in May by the United States Public Health Service. American manufacturers now must: (1) conduct more tests of larger amounts of vaccine taken from each batch produced, (2) run additional tests during the bottling process and (3) discard any vaccine which contains live virus instead of continuing to recook it over and over again in an effort to kill the disease-producing virus.

In Denmark the vaccine is not injected intramuscularly into the arms of children as in the United States. Each inoculation consists of two intradermal (between the layers of the skin) injections on the forearm; these are little more than pinpricks, similar to a smallpox vaccination.

This method, admittedly slower than that used in the United States, was considered by American experts, but ruled out because it would have been too time-consuming. However, it is practical for little Denmark.

Last April 15 the first series of mass inoculations was begun in Copenhagen by school doctors. All children from 6 to 11 who had been granted parental permission—and fewer than 50 parents in Denmark refused consent—were given vaccination cards bearing their name, the date, and place of vaccination. They were "shot." Practically no harmful side effects were reported. And no cases of polio developed.

Eventually, the rest of Denmark's inhabitants are to be vaccinated in this order: Children from 6 months to 6 years, children from 12 to 18, all pregnant women, all soldiers, and all other adults. Expenses are to be paid by the Government.

IT PAYS TO BE LITTLE

The Danish polio vaccination plan is working smoothly because, as one Government executive says, "there is one central authority behind it. The Government speaks out clearly and forcefully to both doctors and public. We are told what has been worked out by Dr. Jeppe Oerskov, director of the Serum Institute, in collaboration with his staff and our Government. In this way everyone knows what to expect next.

"In your country things are different. The polio program has been started, stalled, revised, and bogged down because there is no overall plan. * * *

"Once in a while it is advantageous to be a small country like Denmark. Not very often, mind you. But once in a while."

RECESS

The SPEAKER. The Chair declares a recess until 1:30 p. m. today.

Accordingly (at 12 o'clock and 44 minutes p. m.) the House stood in recess.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 1 o'clock and 30 minutes p. m.

The SPEAKER. The Chair recognizes the gentleman from New Jersey.

Mr. WOLVERTON. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. DEROUNIAN].

Mr. DEROUNIAN. Mr. Speaker, I did not think I was hearing correctly a while ago when the majority leader of this House [Mr. MCCORMACK] made what I charitably describe as a most unfortunate and unfair statement in reference to a former Cabinet officer, a lady who has given a great deal of service to her country, particularly when he insinuated that Mrs. Hobby had resigned because of the handling of the polio situation. The gentleman from Massachusetts knows that is untrue, we all know it is untrue. The reason for the resignation of Mrs. Hobby was so that she could give care to her husband who has been very ill. I wish the gentleman from Massachusetts [Mr. MCCORMACK] would retract that statement because it is not in accordance with the fact.

He said that people up in the executive branch of our Government had been playing politics with this matter. But who has been playing the politics? Was it not two Members on the Democratic side, the gentlewoman from Oregon [Mrs. GREEN] and the gentlewoman from Michigan [Mrs. GRIFFITHS], who openly stated a month ago before a political meeting that they were going to make the polio vaccine an issue in the 1956 campaign? Who started the politics? I can say to these people, and I can say to the Democratic Party, let them bring that issue up in 1956 as a political issue and see where they get. But I suppose that is consistent with the Democratic policy of casting doubt on everything. They cast doubt on the health of the first lady of our land. The Governor of the State of New York cast a doubt on our President's popularity a few days before the Geneva Conference started by stating in London that the President had lost his luster back home.

Mrs. GRIFFITHS. Mr. Speaker, will the gentleman yield?

Mr. DEROUNIAN. I yield to the gentlewoman from Michigan.

Mrs. GRIFFITHS. I would like to point out to the gentleman that I never said I would make the Salk vaccine an issue in the campaign. I said that it has been made an issue in the campaign.

Mr. DEROUNIAN. Then the gentlelady was incorrectly quoted in the Washington Post and Times Herald—a newspaper known for its general support of the Democratic Party.

Mr. Speaker, let us see what the facts are. The gentleman from New York [Mr. MULTER] said he read the hearings. We had an outstanding group of polio experts before our committee some weeks ago.

Let me quote from page 157 the following:

Mr. SPRINGER—

Asking a question of Dr. Salk, a great man for whom I introduced a resolution to award a medal—

One further point, doctor. It has been pointed out at various times that north of the border, Canada has been having rather a success with its vaccine program. May I ask if the vaccine produced in Canada is made by the identical process used in the United States?

Dr. SALK. Yes, it is.

Mr. SPRINGER. And is it not true that the public health officials in Canada who worked on this program worked directly with all of you people here in this country working out this program?

Dr. SALK. Yes, sir. We are still consulting with each other.

Further on I quote:

Mr. SPRINGER. In Canada, has the same number of expected polio cases developed there that have developed in the United States?

Dr. SALK. I don't know what the figures are. Perhaps Dr. Shannon does, or someone else, as to the number of cases that were expected. I do know this, that one case did occur a day after inoculation in a child who had a minor illness 3 or 4 days before injection. That was the only instance in 900,000 inoculations. But Canada is north of the border and polio begins to occur there much later than it does in this country, and certainly from the seasonal point of view, they were in a far more favorable position to have gotten this kind of effect than were we anyplace in the United States.

And it continues on and on; he stated that we have had excellent success here and that Canada is using the same kind of test that we do. And, he also said this:

I think it has been very unfair to the American pharmaceutical industry to have created the impression that others are doing better than our own people, because figures that Mr. Springer just quoted are perfectly adequate. * * * I can only say on their behalf that they have done a perfectly remarkable job.

Let us keep this thing out of politics. Let us quit scaring the American people, and let us get the American children inoculated.

Mr. WOLVERTON. Mr. Speaker, I yield such time as he may desire to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 30 minutes today after the legislative program is completed, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. WOLVERTON. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Speaker, I want to add a footnote to what the gentleman from New York has said. It was mentioned earlier that the Government of Denmark has handled its polio-vaccine program without any complications, the inference being that we should have the same pattern of Government operation and that our officials have been less com-

petent. I think the RECORD here should show that Denmark is not using the same vaccine we are using. They are using a different strain of virus which it has not been agreed is one that produces paralysis. So, if an epidemic should develop over there, there is no reason to believe those vaccinated will have the immunity that the Salk injection gives. Inoculations with a nonparalytic virus naturally do not produce paralysis. That does not prove the program to be better handled. One can also give injections of normal salt solution without paralysis. It is safe, but useless.

There are several strains of polio virus. It is believed that most of us, by the time we reach 30 or 40 years of age, have had polio in some form that was not recognized because it was not paralytic. Our scientists were faced with the problem of making a virulent paralysis-producing virus sufficiently innocuous so that it might give the same immunity as the disease would, but without the symptoms of the disease, especially the paralysis. The problem was to grow the virus, and then attenuate it to the point where it would give immunity without giving the disease. The scientists and the producers demonstrated they could do this with small quantities of the vaccine. Some of them wanted more tests to be absolutely sure. But there were people who wanted to press ahead and get it released on a certain date in April, before the polio season began, and, I understand, before all of the tests on vaccine produced in large quantities had been completed.

I commend Mrs. Hobby and the others working with her, because they had the fortitude to stand up against all sorts of charges and smears and do the thing that was right, namely, to suspend use of the vaccine even when millions were clamoring for it, until they were sure all of the vaccine was in a condition where it would not give people polio and would give them immunity. Contrary to the aspersions that have been cast, she is, in my opinion, entitled to the greatest honor and credit for the remarkable job she and her associates have done under gross misrepresentation designed to create a hostile public opinion. Events have proved her right and her detractors wrong. I salute her, and our people increasingly do the same.

Mr. PRIEST. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts [Mr. MCCORMACK].

Mr. McCORMACK. Mr. Speaker, no matter how much the gentleman from New York might talk, the fact remains that the American people are aware of the situation. You cannot talk that down. The American people have been alarmed at the manner in which this administration has handled this important question. The bringing in of Dr. Salk has no pertinency to any discussion today, because only the other day, a resolution was passed that would properly recognize him, to which the Democratic leadership and the Republican leadership both agreed when it was brought up by unanimous consent.

Every mother and father has been in a difficult situation to decide whether they should have their child inoculated or not. They were worried about their children. They did not know whether they should or should not. One thing is certain: We know that vaccine was produced by a company, injected into children, and polio resulted therefrom. Everyone knows, the evidence clearly disclosed, that that company was negligent. There was negligent supervision on the part of the Government officials in permitting that vaccine to be sold and to be used. There are many children today throughout the United States who, as a result of that negligence, are afflicted with polio.

So, apologize all you want, you cannot talk the facts away. The American people are aware of the fact.

Mr. JUDD. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman. The gentleman from Minnesota's remarks were on a different plane from those of the gentleman from New York [Mr. DEROUNIAN], but I yield to the gentleman.

Mr. JUDD. Probably the gentleman will not quite agree with what I intend to say now. The thing that has been regrettable in this whole matter was the speedup forced in the release of this vaccine to hit a certain anniversary date.

Mr. McCORMACK. Who was responsible for that?

Mr. JUDD. You cannot make scientific experiments, or viruses, meet an arbitrary deadline. So, as the gentleman said, while they thought at the time of release last April that the supervisory processes were adequate, some of them wanted to have 6 more weeks in order to be completely sure. The bad results which developed proved that the supervision was not adequate. But that happens with respect to many new inventions. When the DC–6 was put into operation, it was believed safe. Then two of them caught fire. But we did not quit flying or abandon the development of that plane. We just grounded the DC–6's until what was wrong could be fixed.

What happened with polio vaccine which proved too virulent was not disgraceful. It would have been a disgrace if the Public Health Service had not taken the necessary steps to withdraw the vaccine until they could find and correct what was wrong.

I think the American people are aware of all this. They are sorry about it, as are all of us. But the blame must be placed on those who, in order to build publicity for glorification of a man who is dead, in my opinion took unnecessary and reckless chances with the sound limbs and health of children who are alive. I think what was done was unworthy of that man.

Mr. McCORMACK. Who did that?

Mr. JUDD. The National Foundation for Infantile Paralysis.

Mr. McCORMACK. The gentleman is blaming them, is he?

Mr. JUDD. Yes; they are the ones who sponsored and developed the vaccine; they are the ones who gave the grants to the various laboratories.

Mr. McCORMACK. Who put out the publicity to which the gentleman refers?

Mr. JUDD. The National Foundation. For weeks suspense was built up for the release of the vaccine at Ann Arbor on April 12. It was announced in regular Hollywood premiere style, with nationwide TV. The publicity went throughout the country and gave the impression to the people that this vaccine was perfectly safe and in its final form.

Mr. McCORMACK. Where did the Public Health Service come into the picture in this connection?

Mr. JUDD. If they erred it was in yielding to the pressures to have the announcement made at Ann Arbor on that date, April the 12th.

Mr. McCORMACK. I might say to the gentleman from Minnesota [Mr. JUDD] that his statements completely confirm everything I have said and are a denial of what the gentleman from New York [Mr. DEROUNIAN] just said.

Mr. JUDD. I think it was unworthy of the memory of the great man that in order to have the polio vaccine released on the anniversary of his death, the matter was handled in the way they handled it. I am certain he would never have wanted the life or limbs of any single child jeopardized in order to have the announcement come on that particular date.

Mr. WOLVERTON. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana [Mr. BEAMER].

Mr. BEAMER. Mr. Speaker, I sat in the committee and listened to the evidence. I merely want to take this occasion to say that politics never should have entered into this important subject. I want to read a telegram from the largest manufacturer of Salk vaccine:

INDIANAPOLIS, IND., *July 11, 1955.*

JOHN V. BEAMER,
New House Office Building,
Washington, D. C.:

Since Eli Lilly & Co. is a major producer of Salk vaccine, we believe it proper to inform members of the House Interstate and Foreign Commerce Committee of our views regarding the need for Federal vaccine legislation.

Eli Lilly & Co. is naturally interested in facilitating the inoculation of all persons desiring Salk vaccine protection against paralytic poliomyelitis. We have made great efforts to produce a safe, effective vaccine in large quantities. Evidence that we are meeting this responsibility is established in the fact that Lilly vaccine was used in approximately one-half of the more than 400,000 children vaccinated during 1954 field trials, and in the fact that more than 4 million doses of our vaccine have to date in 1955 been approved for release by the Surgeon General and used in 24 States. Statistics compiled by United States Public Health Service attest to both the safety and effectiveness of Lilly vaccine.

While we consider our primary responsibility to be large-scale production of safe, effective vaccine, we also have an interest in helping to distribute the vaccine so that all who are eligible to obtain it are able to do so as speedily as possible. It is our considered judgment that distribution can best be accomplished through normal channels by the medical and pharmaceutical professions under the voluntary allocation plan of the National Vaccine Advisory Committee.

Furthermore, we believe that no individuals desiring vaccination will be denied the opportunity even if no Federal legislation is enacted—assuming vaccine is released by the Public Health Service in increasing amounts. Acceptable means of providing medicines for

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the needy already exist and have been demonstrated to operate effectively. Thus, with reference to H. R. 7126, Eli Lilly & Co. sincerely doubts the need for allocation of any Federal funds for the purchase of poliomyelitis vaccine. If the view of your committee is otherwise, we strongly recommend that the allocation of funds be no more than that necessary to provide vaccine for children in critical age groups who are unable to pay.

We are pledged to bend every effort to translate Dr. Salk's great scientific discovery into supplies of safe and effective vaccine for millions of people. Toward this end we offer our full cooperation to members of the House Interstate and Foreign Commerce Committee.

EUGENE N. BEESLEY,
President, Eli Lilly & Co.

Mr. Speaker, under unanimous consent, I included the entire telegram, because I think it points out a very significant thing. That is the fact that when you get the Federal Government mixed up in these matters, you are going to have more trouble than if you permit them to be handled through the normal channels. If we keep the Government out of this vaccine program we can have an excellent program, and we shall not have all this difficulty we have had trying to get some politics in it. I deplore it, and I think all people on both sides of the aisle should deplore the fact that politics was mentioned, because we had at stake the lives of children, the lives of mothers, and all of the attendant heartaches.

That is the reason it is important. I suggest to you that, even if we do not pass this bill today, we still are going to have the numerous associations and organizations throughout the country distributing this great boon to mankind.

I suggest to you that it is very vital that we get down to brass tacks. It matters little whether or not you pass the bill; because, as stated previously, normal channels will continue to do a good job. In fact, I did not support it in the committee. I felt it was a step towards socialized medicine, at least a back-door approach to it and we must oppose any socialistic approach. So I am suggesting that the House pay careful attention to the possible results of the conference committee that may be appointed to resolve the bill that was passed by the other body.

Mr. WOLVERTON. Mr. Speaker, I yield 1 minute to the gentleman from Indiana [Mr. BROWNSON].

Mr. BROWNSON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. BROWNSON. Mr. Speaker, with the closing of the first session of the 84th Congress at hand, the final decision on legislation concerning the Salk vaccine for poliomyelitis is being made. It is a weighty decision which will set many precedents. Some 30 bills have been introduced in the House and Senate, ranging from what could be described by their proponents as reasonably practical measures to provide assistance to the States in furnishing vaccine for some of those unable to pay for it, to out and out socialistic and paternalistic bills which would set a destructive precedent for Federal seizure of any important commodity.

H. R. 7126, as amended within the past few days at the suggestion of the Rules Committee, will make Federal funds available to the States on a limited basis to provide Salk vaccine for approximately 25 percent of the children under the ages of 20. The supplemental appropriation bill passed last week, coincides reasonably closely with this program.

It cannot be denied that, traditionally, the primary responsibility for the care, medical, and otherwise, of the indigent rests primarily in State and local governments. However, because most State legislatures are not in session at this time and many will have only brief sessions next year, undoubtedly a case can be made for taking action in Congress now in order to provide limited Federal funds to States without delay. It should be, and must be, recognized that this action is not a precedent for similar steps in the future. The particular political and emotional circumstances surrounding the polio vaccine, such as the carefully calculated timing of the announcement, the great public interest in the situation, and the concern of parents about the disease, make this a unique problem which must be not regarded as a pattern for future activity.

Much has happened in the polio-vaccine picture since the summary which I placed in the CONGRESSIONAL RECORD of May 3, 1955. However, the questions which were asked then still apply. For example, "Would Federal control of the Salk vaccine advance by even 1 day the date at which any American child would receive his shot?" "Would it produce 1 extra cubic centimeter of vaccine?" "Did the proponents of control legislation wish to register a lack of confidence in the medical profession, in the drug manufacturers, in the pharmacists of the Nation?"

The legislation now before the House represents a reasonably moderate approach, without imposing Federal controls upon doctors, pharmacists, and ethical manufacturers. The legislation is concerned with the authorization for use of Federal Government money, on a limited basis, and is not concerned with control of the private practice of medicine or the private distribution of a prescription drug.

At this time it might be desirable to review happenings in this field since my brief statement of May 3.

During late April and early May, it became apparent to Surg. Gen. Leonard A. Scheele and his associates that the tests and standards for the vaccine should be reviewed by eminent virologists, and therefore approval of material being manufactured was discontinued. A technical committee met a number of times during that month and afterward. Revised tests and standards were agreed upon by the manufacturers and the Public Health Service on May 27. Only relatively small quantities of polio vaccine have been released until the past few weeks when increased supplies have become available and approved for shipment.

In the meantime, the Department of Health, Education, and Welfare, through a special advisory committee, has worked out a program for voluntary allocation of the vaccine to insure its equitable distribution. Shipments of vaccine to the States are made by the manufacturers in accordance with instructions of the advisory committee. So far, all available vaccine has gone to fill contracts of the National Foundation for Infantile Paralysis, inoculating children in the first and second grades of school. On or about August 1 it is expected the needs of the national foundation will have been filled. Shortly thereafter commercial shipments of polio vaccine will be made under allocation instructions of the HEW advisory committee.

While it is unfortunate and, in my opinion, unnecessary that any governmental interference in the ordinary distribution of a commercial product be instituted, there is some need for the voluntary allocation procedure in this case. Even supervised voluntary allocation, fortunately, presents a minimum of interference and a minimum of coercion. If allowed to operate properly, this voluntary procedure would permit ordinary commercial and professional distribution of the polio vaccine in a relatively short time.

The needs of the National Foundation for vaccine to inoculate first and second graders are almost filled at this date. It may be pointed out here that about seven-eighths of the total quantity supplied to the foundation after April 12 have come from Eli Lilly & Co., of Indianapolis, in my district. Pitman Moore, also in my district, has supplied significant amounts of the vaccine.

Little has been said on Capitol Hill about the important potential role of the physicians of the United States, individually and through their organizations, in this great program. Other than carrying out the arduous professional duties of performing the actual vaccinations, the physicians have not been given as much opportunity to work closely with the organizations developing and controlling the Salk vaccine as many would have expected. This is brought out clearly in Status Report on Poliomyelitis Vaccine, in the Journal of the American Medical Association for May 28, 1955:

STATUS REPORT ON POLIOMYELITIS VACCINE BY AMA BOARD OF TRUSTEES

Many months ago we informally asked a member of the medical advisory committee to the National Foundation for Infantile Paralysis if the foundation would like to have the association appoint a committee to make an evaluation to the utilization of the Salk vaccine, in addition to any evaluation the foundation might make. The association was told that this was not necessary.

On January 10, 1955, the National Foundation called a conference of representatives of several organizations, including the AMA. This conference was to consider nationwide administrative policies for the 1955 poliomyelitis vaccine program and dealt primarily with children in the first and second grades and in the 1954 field trial groups who did not receive the vaccine.

Although scientific articles appeared in The Journal relative to the vaccine, nothing

more was heard until February 14, 1955, when the association was approached with a proposal that it cosponsor a closed-circuit television program on the Salk vaccine at some future date. We then inquired from the National Foundation as to when this program would be produced, but the date was not firm; it was thought to be in early April. We suggested that before the results of the trials conducted in the spring of 1954 were announced the association be authorized to examine them and sit in with the representatives of the foundation who were evaluating them, in order that the association might have firsthand knowledge of what type of television program it was cosponsoring. This was agreed to, and representatives were appointed.

Under date of March 23 the association was informed that there would be no preview of the material to be presented on April 12, 1955. We notified the AMA representatives, who had already been appointed, of this fact and withdrew any cosponsorship of the television program, as we had no knowledge at that time of what the results of the evaluation or the data providing the basis of the announcement would be.

Invitations were issued to representatives of the association to attend the announcement in Ann Arbor on April 12, and Drs. Elmer Hess, D. H. Murray, E. B. Howard, and Austin Smith were present. Since then we have had no communications from the National Foundation. The Francis report presented on this date was the first information that we had relative to the results of the field trials.

In view of the rapid developments within the past few days with respect to the promulgation of minimum standards for the licensing of manufacturers producing the Salk antipoliomyelitis vaccine, and the extent of production under these circumstances, we are unable to furnish any detailed factual information to the profession at this time. As soon as additional information becomes available, it will be published in The Journal.

In spite of the fact that the American Medical Association was not brought closely into the polio-vaccine picture during its early days, the medical profession has, and, I am sure, will cooperate heartily in seeing that the vaccine is used and distributed properly. The following statement appeared in the Journal of the American Medical Association for June 11, 1955. Mr. Speaker, due to the importance of the content of Dr. Martin's statement and the essence of time involved in reading this, I would appreciate these remarks being included in my speech.

STATEMENT ON POLIOMYELITIS VACCINE BY DR. WALTER B. MARTIN

Dr. Walter B. Martin, president of the American Medical Association, has publicly assured the cooperation of the medical profession in trying to work out any technical problems related to the use of poliomyelitis vaccine. In a statement released through AMA headquarters Dr. Martin said:

"The rechecking of manufacturing procedures and laboratory data following the outbreak of poliomyelitis in a few vaccinated children has caused unavoidable delay. In the midst of such tension the Eisenhower administration is to be commended for conducting a careful and scientific review of the entire situation before permitting continuance of the program.

"In behalf of myself and the AMA board of trustees, I have assured President Eisenhower that the Nation's physicians will cooperate in limiting poliomyelitis vaccination to children from 5 through 9 until the vaccine is available in larger supply. Children in this age group who do not receive the vaccine during the current program of the National Foundation for Infantile Paralysis for first and second graders will be vaccinated after its completion.

"The American Medical Association is asking all physicians to administer vaccine only to children in the priority age group of 5 through 9 until further notice. This will assure that the vaccine will be used first for those most susceptible to the disease.

"Physicians are all being asked to keep a record on each child vaccinated. This will include the name and age, the date of vaccination, the site, the manufacturer of the vaccine used, and the lot number.

"This voluntary priority vaccination plan follows the recommendation of the National Advisory Committee on Poliomyelitis Vaccination approved by Secretary Oveta Culp Hobby and contained in her report to the President on May 16."

With the continued cooperation of the medical and pharmacy professions, the proper implementation of the voluntary allocation program, and the financial assistance given to States by H. R. 7126 in its present form, everything which any sound legislator would consider is being done to make Salk polio vaccine available to every child in the United States. This has been accomplished in H. R. 7126 but with more Federal intervention than I believe necessary without passing legislation which would socialize the vaccine, or the doctors. Some of the extreme bills proposed, however, would have resulted in socialistic procedures. Had I the time, I would read in their entirety two editorials from Drug Trade News which describe the legislative situation very accurately. The editor of this publication is Dr. Robert L. Swain, who is also chairman of the board of trustees of the United States Pharmacopoeia, and offical compendium of drug standards. In these closing hours, time is so short that I shall quote only a few brief sentences and ask that the whole editorial be printed with this speech in the RECORD:

[From the Drug Trade News of June 20, 1955]

While there seems reason to feel that the Salk polio vaccine program now faces the green light, the strange happenings leading up to this happy development merit the most thoughtful study of the drug industry, the medical and pharmaceutical professions, and the public at large.

First of all, it should be well noted that the Government has lost none of its superability to mess up any nongovernmental situation when it seeks to take over.

The production of the vaccine was, and will ever be, an exacting scientific operation. The drug industry has been making biologicals for decades, and it alone has the know-how inherent in the most expertly qualified personnel, the complicated facilities and the experience covering many years of labor in the field.

The manufacture, administration, and distribution of the vaccine are matters best left to those accusomed to these tasks—a truth which has finally been accepted in Washington.

And, let's not kid ourselves that the socialization urge has been exterminated from the Washington air. A shift in political administration would bring the socialization gang out in force with little change in their fuzzy "thinking" and twisted outlook.

While the President, Mrs. Hobby, Dr. Jonas E. Salk, and others were insistent that the program be entrusted to experienced industrial and professional hands, many in and out of Congress began yelling for controls, even before the ink on the Francis Report had begun to dry.

Indeed, a control obsession seemed to engulf much of the Washington scene. Controls merely for the sake of controls became the order of the day.

No one seemed to bother whether controls were needed, how they were to be imposed, or what good they would accomplish. One bright-eyed Member of Congress actually proposed that the Government buy up all the vaccine and make it free to one and all with no questions asked.

The thing to remember is that the socialization gang has not disbanded—it is merely being held in check by an administration which believes in free competitive enterprise and is devoted to its welfare.

[From the Drug Trade News of July 18, 1955]

The polio controversy has about subsided. The heat and fury have about burned themselves out. The socialization gang in Congress, always on the alert for an excuse for more handouts of public funds have, for the time being, taken a licking. The violent, reckless, partisan charges of some political "experts" were based on things of which the most vocal knew less than nothing.

All of which leads us to hope that the following statement by Surgeon General Scheele, made to Oveta Culp Hobby, Secretary, Health, Education, and Welfare, with respect to the vaccine situation, may be read with understanding and appreciation:

"Our most fundamental objective is to promote the health and safety of the American people. We are therefore concerned with an effective vaccine for the prevention of poliomyelitis, and we are concerned with a safe vaccine.

"As in all scientific and medical endeavor, we must weigh potential benefits against possible hazards. This we have done in dealing with the Salk poliomyelitis vaccine.

"We have every belief that this vaccine will fulfill its bright promise as a major advance in the prevention and control of a disease that has shadowed the lives of children and young adults for many generations."

The calm, thoughtful attitudes which this statement manifests is in sharp and intelligent contrast with the senseless yapping with which the know-it-alls in and out of Congress greeted the Salk medical triumph over polio.

Above all, it is important to keep in mind that the polio vaccine embodies a scientific and medical problem. It should be handled primarily by the scientists and physicians of the United States. With research constantly going on in the drug-manufacturing laboratories, the vaccine will be improved. It is a good vaccine now, but will surely be made even better. The development of all new drugs in the past demonstrates this point.

What has taken place on Capitol Hill since the polio vaccine announcement on April 12 shows once again that politics and medicine do not mix. They should be kept separate for all time.

My original position was that the Biological Control Act of 1902 gave to the Federal Government ample authority to police the manufacture, distribution, and use of Salk vaccine. I was frank in my criticism of officials of the Department, of Health, Education, and Welfare for their desire to "get in on the act" at the time of the sensational announcement of the findings of the Francis evaluation.

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Today, I deplore the precedent set—a precedent, new to our Government which has never financed countrywide mass inoculations for typhoid, smallpox, or other diseases which have at their height killed or affected the health of much greater segments of our population than polio.

I would point out, too, that the indigent and needy are not without medical attention throughout the United States today. Surely this vaccine could flow to the needy through the channel by which these same families receive medical attention and medication to meet other urgent requirements.

There is not a State or city in these United States that is not in a relatively better position financially than the Federal Government.

On the other hand, this bill is probably the least objectionable of those considered by either the House or the Senate. If it comes back from conference with one whit more Federal aid or Federal control, I shall vote and work against it. As it is, I accept it most reluctantly as the lesser of many evils and, as I vote for it, worry about the dangerous precedent it may set, but support it only in the hopes that as it speeds action, already slowed by Hollywood sensationalism and politics, that it may save one child's life, somewhere, that might otherwise be lost.

Mr. PRIEST. Mr. Speaker, I yield 3 minutes to the gentleman from Alabama [Mr. ROBERTS].

Mr. ROBERTS. Mr. Speaker, something has been said here today about socialism in this bill. I think that certainly when this great Government of ours can spend millions of dollars every year in stamping out such things as the hoof-and-mouth disease in cattle, disease in hogs, and plant parasites, we can afford to do no less than what we are attempting to do in this bill.

The committee had full hearings following the panel discussion that was held on June 22 and 23. That panel was made up of the finest experts in this field that we have in this country. The decision to report out this bill was made because of the conclusions reached after hearing this distinguished panel of physicians and scientists.

The bill that was reported out by the full committee is a bill that was beamed to the action which we feel will be taken by practically every State in the Union to the end that the States will supply as much of this money as they are able to. That is the reason the date of this bill has been set up until December of 1957. Many of the State legislatures are out of session without having met this problem or attempting to do their part. We felt that giving that additional time would allow for the necessary State action in this field. Some of the States have tried to meet the problem. I believe the State of Florida has made an appropriation. But the Priest bill is a flexible bill and has in it one provision which will allow some of the funds to be used for State administrative expense, which certainly will occur. You are going to have the problem of transportation and of setting up the proper programs under the public health departments of the various States. This bill also recognizes the important part that has been played in this whole picture by many nonprofit organizations. I speak, of course, of the National Foundation and such organizations as the Crippled Children's Society and various other civic nonprofit organizations, which have made an important contribution in this field. This bill will allow them to dovetail their plans into a State plan, which must, of course, be approved by the Secretary of the Department of Health, Education, and Welfare.

GENERAL LEAVE TO EXTEND REMARKS

Mr. WOLVERTON. Mr. Speaker, I ask unanimous consent that all Members may have the privilege of inserting their remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. FOGARTY. Mr. Speaker, legislation now before Congress seeks funds to assist the States in the purchase of a new vaccine against poliomyelitis.

This legislation has strong bipartisan support. Congress has always responded affirmatively when it has an opportunity to improve the health and well-being of the American people. This vaccine represents one more advance in medicine and public health by providing a weapon which will lead to the prevention and ultimate eradication of this tragic disease which kills and cripples so many of our children and young adults.

Like most Americans, I have been extremely concerned with the events that have taken place since the Public Health Service released the first polio vaccine for general use on April 12. I was disturbed as a parent, and as the elected representative of many thousands of parents, over questions that were raised concerning the safety of the vaccine. But I was confident that those who were studying the problems and trying to find the answers were people of great scientific and professional stature. They were the outstanding experts in the country, including key staff from a Government agency that has an unparalleled record of public service for more than 150 years. I knew that we could rely on their judgment and should follow their recommendations.

The several hearings on the polio vaccine situation conducted during the last several months by the Committee on Interstate and Foreign Commerce of the House of Representatives provide a splendid illustration of thoughtful and objective inquiry. Congressman PRIEST and his colleagues on that committee have a distinguished record of service and are a credit to the Congress because it is in this vein that they approach all of the issues that come before them. They heard and evaluated all of the facts and opinions on the Salk vaccine. Then they reported out a bill to assist in its widespread distribution and use. By so doing, they indicated their confidence in the Public Health Service and its advisers, who have certified to the safety and effectiveness of the vaccine.

Yet there remains an apparently widespread opinion that the Government, notably the Public Health Service, has bungled the polio vaccine program. I would like to correct this impression, or at least put it in perspective.

In connection with this vaccine, two problems, totally unrelated in principle, have emerged. These are, first, the question of allocation and distribution of vaccine, and, second, the purely technical problems concerning the safety and effectiveness of the vaccine.

At the outset, I concede that the problem of how available supplies of vaccine should be distributed is one with which legislative and administrative branches of Federal, State, and local governments legitimately concern themselves. Honest differences of opinion may exist regarding this question, and such differences of opinion may tend to divide along partisan lines.

The development of the Salk vaccine represents the application and extension of knowledge which has been gained over a period of decades by research workers throughout the world. This specific vaccine itself was developed, tested, and evaluated by competent medical and other scientific men outside the Federal Government, largely without Federal financial support. This has been true of many of the most important achievements of medical science, and it will continue to be true of many developments in the future, although during recent years research workers and research establishments, supported in whole or in part by Federal appropriations, have contributed increasingly to the total intensive research attack on the cause, prevention, and cure of all kinds of physical and mental disorders.

The United States Public Health Service and its scientific and research facilities necessarily have participated in the immediate events leading to the beginning of this year's nationwide poliomyelitis-immunization program, as well as in events since the program got underway. The Surgeon General of the United States Public Health Service and the Director of the National Institutes of Health, who happens to be retiring today after 30 years of service, are career public servants; they and their scientific colleagues are concerned with matters of public health, not politics. In their response to the problems that have arisen in connection with the polio vaccine there is every reason to believe that they have acted with courage and integrity.

It would be tragic indeed if the time ever arrived when medical and scientific workers in this country would find it necessary to make their decisions on the basis of any factors other than the medical and scientific facts that are available.

It is important for us to make a calm, objective appraisal of what has been going on in this country with respect to poliomyelitis. The broad program seeking to protect large numbers of children against this disease, as it has advanced, has encountered serious obstacles, delays, and disappointments. But these reverses have not invalidated the program, nor do they preclude its ultimate

success. Such difficulties as have been encountered are inherent in the early phases of any optimistic nationwide health program. Briefly, this is what has happened.

More than 400,000 children received poliomyelitis vaccine last year, and the results indicated that the Salk vaccine used was both effective and safe.

Millions of children have been vaccinated this year. As yet, there have been fewer cases of poliomyelitis than in a normal year. The only cloud has been that early in the program an unusual number of children who had received certain lots of the product of a single laboratory were stricken with paralytic poliomyelitis.

The unexpected development of these cases caused a suspension of the product of that laboratory and a review of the manufacturing and testing procedures in the production of the vaccine by all companies. This study revealed that modified technical procedures might increase the safety of all poliomyelitis vaccine.

The Public Health Service recommended that further vaccinations be held up pending the reappraisal of existing vaccine in the light of this new knowledge, and the standards for production and testing of the vaccine were revised. This suspension of immunization resulted in a delay which was obviously necessary and warranted to assure the utmost of safety on the basis of existing knowledge.

The vaccination program was resumed, using vaccine which met the revised criteria. As manufacturers were progressively better able to produce under these criteria, the volume of available vaccine increased.

It is predictable that there will be enough vaccine available in the next 12 months to vaccinate a large part of the most susceptible age group. In the meantime, further improvements in the vaccine are being sought through research, and when they are found, they too, will be applied.

It is much easier to summarize these developments after they have occurred. It was not so easy to state them at the time they were happening. This, indeed, seems to be one of the principal points raised by those who have chosen to be critical of the Government's handling of the polio vaccine problem this year. Why, they ask, did the Public Health Service not state the facts? Why did they withhold information which properly should have been given to the American public? A corollary point of attack by critics is on the point of seeming vacillation on the part of the Public Health Service. Why, they ask, did not someone make up his mind? Was the vaccine safe, or was it not?

I am a Congressman, not a scientist. I have not heard, nor could I state, the technical answers to these questions. But I have followed the situation very closely. I have asked the Public Health Service some questions that have arisen in my mind. And I have concluded that—much as it has been misunderstood and misinterpreted—the Public Health Service has once again demonstrated its capacity for strong and affirmative action on matters affecting the health of our people. Let me tell you how I have reached that conclusion.

The Public Health Service had strong evidence that the Salk vaccine is a good vaccine—not a perfect one, perhaps, and certainly not one that could not be improved—but good in the sense that it could be made safe enough and effective enough so that its use was fully warranted. Thus, even when there was temporary trouble with it, the Public Health Service—in the absence of cold scientific evidence of a basic rather than a temporary defect—had an obligation to sustain instead of destroy public confidence in the vaccine. This fact must be kept in mind when one looks at the other parts of the problem. As the Nation's official health agency, it was confident that use of the vaccine would prevent many cases of paralytic polio that otherwise would occur. Yet—still believing this—the Public Health Service was forced to suspend the vaccination program and establish more stringent safety requirements. This posed an awkward seeming contradiction; the vaccine was known to be good on the basis of 1954 trials, but it could now be tested to give greater assurance of safety, and so the program should mark time until changes could be made.

Why did this happen? Who was at fault? The Public Health Service has freely stated its role and documented its actions, leaving it for others to assess the blame. It is possible to see this matter so much more clearly in retrospect.

The deceptively simple fact is this: The assumption had been, based on earlier experience, that all live virus particles in the vaccine would be inactivated by treatment with formaldehyde under certain conditions. After a careful and detailed inquiry this spring, this turned out to be in error; instead, it appeared that even with the best of manufacturing processes, a few virus particles could and often did resist treatment with formaldehyde. This imposed an unexpected burden on the safety tests. The evidence was that they were not adequate to establish with certainty the absence of live virus in trace amounts. So the safety tests had to be strengthened. They have been, and now the whole program is back in gear.

There was a period of many weeks, then, when the Public Health Service and its talented group of advisers simply did not know what had gone wrong with the inactivation process in large-scale manufacture and what needed to be done to correct this unexpected development. Yet answers were demanded on an almost hourly basis. The demand for action reached hysterical proportions. And, because there was no action, there was widespread criticism.

In truth, there was plenty of action. The Nation's outstanding scientific experts on immunization and poliomyelitis, and representatives of all companies manufacturing poliomyelitis vaccine, were literally working night and day trying to find an explanation for the relationship between the vaccine and the occurrence of the cases of poliomyelitis. Even today, the full meaning of this is not understood. The subject remains under study, but it may be months or even years before every factor is completely understood. No amount of insistence or clamor is going to hasten that understanding.

In the meantime, it is well to remember that mechanized, pushbutton medicine and public health can never be attained. The very nature of every being in the biological world precludes this—and this includes man, as well as the micro-organisms that cause many of man's diseases.

Throughout the history of medicine and public health, every great advance has been accomplished a step at a time, with each new and unforeseen obstacle overcome as it has been encountered. This has always involved a certain amount of trial, error, discovery of new knowledge, correction of error, and continued movement forward. This process will characterize the ultimate control of poliomyelitis as it has characterized all other great achievements in medicine and public health.

It would be wonderful, indeed, if there were available unlimited quantities of an absolutely effective, absolutely safe vaccine to provide absolutely assured immunity against poliomyelitis for every person in the United States—or throughout the world, for that matter. The fact is, however, that with existing knowledge it is not possible to produce unlimited quantities of an ideal product with infinite speed.

The history of the present immunization program reveals that competent, conscientious workers have labored earnestly, diligently, and as rapidly as they could to achieve effective, safe immunization of a maximum number of people. They are to be praised rather than censured for their work.

The United States Public Health Service is concerned primarily with the prevention and control of disease. The action the Service has taken with respect to poliomyelitis vaccine, and the action that it will take in the future stems only from its purpose to serve the people well.

It would be tragic indeed if the Public Health Service programs or the individuals who direct them should suffer because of their intelligent, conscientious, and—it now proves—successful efforts to sustain the Salk vaccine during this critical period.

My work as chairman and member of the appropriations subcommittee dealing in part with the Public Health Service, including the National Institutes of Health, has kept me in close touch with their work and their leaders for nearly 10 years. Theirs is a vital, complex function of the Federal Government. As might be expected, they sometimes make mistakes which are discernible in retrospect, and thus become fair game for the second-guessers. But—to my knowledge—they have never made a serious one, and never made one which stemmed from an improper motive.

In the polio matter, the Surgeon General of the Public Health Service, Dr.

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Leonard A. Scheele, has come under special attack, although he has a distinguished record of nearly 25 years of public service, the last 8 as the Nation's senior health officer. His record demonstrates, and all those who work with him and for him know, that he is diligent, conscientious, alert, and capable. He seeks out the best advice he can get on critical issues, since matters of health are rarely matters of pure logic. Then, with this advice, he makes his decision—and stands by it as his, instead of running away from his responsibilities.

He had the courage to take an unpopular course of action in connection with the Salk vaccine. He took this action having first secured the advice and judgment of everyone who could possibly have anything of substance to contribute—the scientists of the Nation (including those who had been critics of the Salk vaccine even before it was licensed); those who were intimately connected with the development of the vaccine, including Salk himself; the highly competent representatives of the vaccine manufacturers; and his own scientific and professional staff at the National Institutes of Health.

Then—given all the facts—he decided to stop the immunization program temporarily, to change the production and testing procedures, and to delay the availability of vaccine in quantity.

He of course knew he would be attacked for this course of action. But—instead of indulging in the popular pastime of name-calling and excoriating bungling bureaucrat—the American people should thank this man who kept the polio program alive when a single wrong decision or a single false move might have destroyed the program altogther and set back polio prevention by many years.

I want to speak, too, of the wisdom and competence and dedication of the scientists and scientific administrators at the National Institutes of Health, where the medical and scientific part of the polio vaccine problem has been centered.

Dr. William H. Sebrell, Jr., who has just retired as Director of that great research institution, and Dr. James A. Shannon, his successor, have appeared before our committee on literally dozens of occasions. Dr. Sebrell has directed the building of the Institutes into an organization of which we as a Nation can well be proud. This is not a matter of size or dollars, nor even merely a matter of scope and direction. The unique quality Dr. Sebrell has contributed to this institution is leadership to give emphasis to quality and research substance and results. Dr. Sebrell and his colleagues have given the Congress and the American people confidence that disease can be conquered by research brought to practical application—in much the same way, strangely enough, as polio seems about to be conquered. It would be ironic indeed if the fine institution they represent should suffer in public and professional esteem because of their work to sustain the Salk vaccine in the face of the difficulties met by industry in producing it consistently on a large scale in accordance with the theorectical and experimental calculations that had been the basis for its licensing. And it would be tragic if their larger research mission should be clouded by irresponsible attack based on misunderstanding of their role in one phase in the evolution of a vaccine against poliomyelitis.

The National Institutes of Health does polio research as one function of one of its institutes, and it licenses and releases polio vaccine as one among hundreds of biological products produced by industry and regulated by government to protect the interests of the American public. We must not forget that the broad mission of the National Institutes of Health covers all of medical research. Cancer, heart disease, mental illness, arthritis, diabetes, cerebral palsy, elipepsy, blindness—these and all the other major diseases which kill and maim the American people are studied in an intensive research attack that represents the Government's primary effort to find a way to achieve better health for more Americans. The program supports a large part of the research that is conducted in the Nation's medical schools and universities, and it gives special attention to providing training opportunities for young medical scientists so that progress will not be impeded by a shortage of trained research workers. The National Institutes of Health has been the subject of special congressional interest since World War II. It has been built upon a solid basis, to take advantage of research opportunity and to meet the needs of medical science. It has already produced results of great consequence to the public health. We who have watched the Institutes carefully and participated in their development have full confidence in their programs and in the caliber and integrity of their leaders.

Dr. Shannon particularly, as Associate Director of the National Institutes of Health responsible for activities at Bethesda, had a direct, personal role in each step that was taken after the difficulty with polio vaccine first arose. The scientific decisions that affected Dr. Scheele's administrative decisions were primarily his, based upon advice received from a committee of technical experts. Together, they achieved an understanding of the partial failure of what was presumed to be total virus inactivation, leading the the development of new testing procedures and the establishment of criteria to govern resumption of the polio vaccine program. The Nation is fortunate, indeed, to have a man of such professional and administrative stature to head this, one of the most important of the governmental programs.

I am informed that the polio vaccine problems are pretty well over. There will be further improvements in the vaccine as the result of developmental research that is now in progress. It may be that ultimately there will be a different vaccine to replace the one which now bears the name of the gifted scientist from the University of Pittsburgh. But the end of polio as a major public health problem in this country is in sight. In the meantime, a safe and effective vaccine is being made available in ever-increasing amounts. The completion of most of the generous immunization program under the auspices of the National Foundation for Infantile Paralysis is at hand. We go now into a period of broad use of the vaccine through federally aided State programs, and finally into a period of routine availability through private channels.

Medicine and public health have made a tangible advance against another disease, and have learned a great deal in the process.

Let us, too, view the health of the Nation in perspective. Let us be grateful for the progress that has been made—and let us, without expecting the impossible, give thoughtful and consistent support to those programs whose dedication is to a bright future for the health and well-being of all Americans.

Mr. WOLVERTON. Mr. Speaker, this bill is of grave importance to the people of America. It has a special significance with reference to the welfare of our children. The Committee on Interstate and Foreign Commerce has made a very complete study of the subject which is reflected by its splendid report.

The bill would provide for the making of grants to the several States to assist them in carrying out poliomyelitis vaccination programs.

A grant would be made only if the State submits an application which is approved by the Secretary of Health, Education, and Welfare as being in compliance with certain conditions specified in the bill.

Poliomyelitis as a disease has been known for thousands of years. However, the cause of the disease, which is sometimes accompanied by paralysis and so has been called infantile paralysis, was not at all understood until the latter part of the 19th century. Then, scientists working on diseases of the nervous system for the first time demonstrated that the cause of the paralysis lies in damage to the central nervous system and results from the destruction of those nerve cells which interlace the muscles.

With the entry of the National Foundation for Infantile Paralysis into the research field, numerous scientists were brought into this field who had never before done research on poliomyelitis. A great deal of new information was assembled over a comparatively brief span of time.

These discoveries formed the basis for attempts at prevention and control of poliomyelitis.

It has been particularly disturbing that during the last 20 years, the trend of the annual case rate of the disease has been upward. Particularly during the last decade, a marked increase has occurred. The death rate has shown a slight but definite increase. In 1952, for the Nation, both the case rate and the estimated death rate were the highest since the 1916 polio epidemic.

In recent years, roughly 35,000 to 50,000 cases have been reported. For a population of about 160 million, that comes to about 25 reported cases for 100,000 population. However, this figure is deceptive, since it is an average for the entire country and for all age groups. It has been found that in some parts of the

country, the rate may be as low as 2 or 3 per 100,000 but in other parts of the country it may be as high as 200 or 300 per 100,000. It has further been found that many age groups seem relatively immune, while other age groups are particularly prone to becoming infected with poliomyelitis.

It may be said that perhaps one-half of the approximately 40,000 cases per year are paralytic. Many of these patients recover, but many remain permanently paralyzed.

It is particularly important to be aware of the fact that the number of patients who remain paralyzed and who require continuing care is cumulative. In January 1952 the Nation had 45,000 patients requiring continuing care, and in January 1953, 60,000. In January 1954, this number rose to 67,000, and in January 1955 reached the figure of 71,000.

Quite apart, however, from these facts, the degree of public awareness which exists of the disease as a dread disease, in the truest meaning of this term, has greatly stimulated efforts to control the disease. Now, for the first time, control of the disease appears within reach.

Dr. Jonas Salk developed a vaccine based on his early studies in Pittsburgh. It was demonstrated as being both safe for use and effective in the production of antibodies, though the number of vaccinated individuals studies was small.

Because of the need for studies on a large scale, announcement was made in the autumn of 1953 by the National Foundation for Infantile Paralysis of its decision to conduct a large-scale field trial with the vaccine developed by Dr. Salk. This plan was reported to this committee in hearings on the subject of poliomyelitis held in October 1953. The results of the field trial of 1954 were announced on April 12, 1955. On the basis of this report, the National Foundation, the Public Health Service, and the manufacturers felt that the Salk vaccine was both safe and effective against paralytic poliomyelitis. Thereupon, under the biologics-control law—section 351 of the Public Health Service Act—licenses were issued to six manufacturers to produce and distribute the vaccine.

Shortly after the licensing of the vaccine, President Eisenhower promised the American people that he would recommend a program which would assure that no child would be denied poliomyelitis vaccine because of inability to pay for it. The administration's program proposed grants-in-aid in the amount of $28 million to States for purchase of vaccine sufficient to vaccinate approximately 22 percent of the unvaccinated children in the country under 20 years of age. Legislation to effectuate this program was introduced in both Houses of Congress. Other vaccine problems, as for example the fair division of the vaccine among the States during the initial period of short supply and the establishment of priority groups depending on the degree of susceptibility, were dealt with in a so-called voluntary program prepared by the administration.

The Committee on Interstate and Foreign Commerce opened its hearings on poliomyelitis vaccination assistance legislation on May 25, 1955, and held hearings on the legislation sponsored by the administration, H. R. 6286. This proposed legislation, prepared by the Department of Health, Education, and Welfare, authorized appropriation of $28 million to be made available to the States for the purchase of vaccine. These funds were believed by the administration to be adequate to pay the cost of vaccine for children through age 19 in low-income families. The money would be paid to States upon assurance by the State that no children within the priority age groups established by the Department of Health, Education, and Welfare would be denied vaccinations by reason of the child's inability to pay the cost thereof.

After 2 days of testimony by administrative witnesses on the administration's bill and facts relating to the safety testing of the Salk vaccine, the hearings were concluded.

The committee felt that so many conflicting statements had been made by public officials, private groups, and individuals connected with the production, safety, testing, distribution, and application of the vaccine that it was necessary to obtain independent scientific advice, primarily with respect to the safety of the vaccine, before taking action on any legislation providing for Federal funds for the purchase of the vaccine. Therefore, on June 14, 1955, the chairman of the committee asked Dr. Detlev W. Bronk, president of the National Academy of Sciences, to assist the committee in selecting a representative panel of experts qualified to discuss the scientific problems involved in the legislation and to suggest an impartial chairman who would preside over the panel discussion. Dr. Bronk graciously consented to cooperate with the committee in this undertaking.

Dr. Bronk selected Dr. John R. Paul, of the Yale University School of Medicine, to act as impartial chairman and Dr. Paul accepted the invitation. The panel of scientists invited by Dr. Bronk included some of the most outstanding experts in the field of virology, immunization, epidemiology, and other related fields of medical science and public health.

The panel, under Dr. Paul's chairmanship, made its presentation on June 22 and 23. The panel presentation made it clear that the use of the Salk vaccine involved certain risks. However, on the basis of the panel presentation, the committee believes that the experts, on the whole, feel the risks involved are small in comparison with the benefits which they expect can be derived from the application of the vaccine. Furthermore, there is a distinct possibility, according to the testimony, that the vaccine will be made still safer by substituting a less virulent strain of the virus for one of the strains now used in the production of the vaccine.

The committee agreed unanimously that the bill, as amended, contains the best of all the features which have been suggested in the different bills and programs which had been submitted to this committee.

First. The bill, as amended, provides an adequate formula grant to assure minimum vaccination programs for all States.

Second. The bill, as amended, leaves the greatest possible flexibility to the States in developing vaccination programs suitable to their needs and flexible enough to meet the needs of different geographical areas and communities within the States.

Third. The bill, as amended, provides adequate funds to the States to be used for the planning of vaccination programs and the conducting of such programs by public agencies within the States.

Fourth. The bill, as amended, provides that in programs conducted by public agencies within the States no means test or other discrimination based on financial ability of individuals will be imposed.

Fifth. Finally, the bill provides a sufficiently long period of time within which funds authorized to be appropriated under the bill, as amended, will be available, and during which the States may use the funds allotted to them for the purchase of vaccine and the planning and conducting of vaccination programs.

The bill passed by the Senate differs in some respects to the bill our committee reported. It will therefore be a subject of conference between the Senate and the House conferees if adopted by the House.

It is my opinion that this bill which has the President's approval should be adopted.

Mr. QUIGLEY. Mr. Speaker, I have listened with unusual personal interest to the discussion here today. Mine is the intense interest that is shared by every father and mother in this country who, for the past weeks and months, have worried and concerned themselves about the polio situation and who are, even now, seeking divine guidance to direct them to reach the right decision on whether or not they should have their children inoculated with the Salk antipolio vaccine.

As I have listened to the debate, I have been forced to come to the reluctant conclusion that I must be one of those unfortunate people whom the gentleman from Nebraska [Mr. MILLER] would describe as having a small scientific mind. I will say this—if it takes a big, scientific mind to understand the rationalization I have been listening to on the other side of the aisle, I obviously do not have such a mentality. I confess that it is beyond my intellectual capability to grasp how any one can convert Mrs. Hobby's big blunder into a beautiful job, well done. The administration's handling of the polio vaccine program may have been a successful operation; but unfortunately, it was one of those successful operations where too many of the patients died.

If the Lord did not bless me with a scientific mind, he has blessed me with a fine, healthy family of five growing children and, like millions of fathers and mothers, I am presently struggling with the problem of whether or not I should have these children inoculated against this dread disease. I regret that for all the high-sounding phrases—for all the praise heaped high—and for all the talk

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about medals being in order, none of the gentlemen across the way has said anything which will help me in coming to the right decision on this very difficult question.

As the gentleman from Massachusetts, the distinguished majority leader, has so emphatically said, you can talk all you want to, but you cannot change the facts. And the facts are that fumbling politics in the executive branch of our Government has resulted in such an inadequate and inept job of handling this miracle which the men of science made available, that millions of American mothers and fathers now find themselves in the difficult and uncomfortable position in which I am in this afternoon.

If it is politics for me to protest against the gross mishandling of the whole polio vaccine question by the Secretary of Health, Education, and Welfare; if it is politics for me to publicly point my finger to the place where the blame lies—then politics it is.

Mr. VANIK. Mr. Speaker, in spite of certain misgivings, I will support this important legislation which provides for making grants to assist the several States in carrying out the polio vaccination program.

The unfortunate Cutter incident has undoubtedly alerted the Department of Public Health, Education, and Welfare as well as the Surgeon General of the United States as to responsibility with respect to biological control. It is to be expected that no vaccine or other biological will be released unless and until it has been thoroughly analyzed and tested so that it is safe and qualified to serve the purpose which it purports to serve. This must be particularly true when a vaccine is intended for mass inoculations. When the health of our young people is involved, there can be no compromise with safety.

In testimony before the House Banking and Currency Committee on May 13, 1955, it was admitted by the Surgeon General that all batches of the vaccine were not tested prior to release for mass inoculation. The Surgeon General of the United States provided the following report of tests which were made on lots of polio vaccine released on or after April 12, 1955:

Cutter: Lot No. 19460.
Lilly: None.
Parke-Davis: Lot No. 1015.
Pitman Moore: Lot No. 175006.
Wyeth: Lots Nos. 325, 325, 328.
Sharp & Dohme: None.

Thirty-five other lots were released on protocol without complete tissue and monkey tests at the National Institutes of Health. In 24 of these lots, tissue-culture tests had been completed at the National Institutes of Health before release (p. 85 of the committee report of hearings on the Salk vaccine).

It appears, therefore, that large quantities of the vaccine were released on protocol and without complete tissue and monkey tests.

On page 87 of the committee hearings, I asked the following questions and received the indicated answers on the question as to whether or not the Federal Government should have a greater control of a mass-inoculation program:

Mr. VANIK. Let me get to this next point. As a matter of law, shouldn't the Federal Government have a greater control of a mass-inoculation program than was afforded in this instance?

Dr. SCHEELE. I personally don't believe so.

Mr. VANIK. You think then it is safe and wise, as a matter of governmental policy, to permit a private organization, or someone outside of the Government, to decide whether or not millions of our youngsters should be inoculated, regardless of what the vaccine is?

Dr. SCHEELE. Well, this is not a matter in which I think we should have Federal control or State control or county or city control. The final responsibility rests on the individual doctor who gives the individual injection, for making the determination of whether it will be done or not.

I believe that the Surgeon General of the United States and the Department of Health, Education, and Welfare have changed their concepts about the responsibility of the Federal Government with respect to a new biological or vaccine, particularly when a mass inoculation is involved. The public health authorities of the various States and the cities and doctors throughout America rely upon the judgment of the public health authorities of America on the safety of a vaccine and the public health authorities of America must be right.

Mr. WOLVERTON. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio [Mr. OLIVER P. BOLTON].

Mr. OLIVER P. BOLTON. Mr. Speaker, I have taken this time to ask some questions of the chairman of the committee in the hope that I may get one particular phase cleared up. As I am one who, just as does every Member of the House, worries considerably about the health and welfare of our constituents, I want to do everything I can toward alleviation of polio. Nonetheless, I am disturbed about the precedent that this may make in the field of the Federal Government getting into the field of medicine. Referring, if I may, to page 7 of the committee report, I notice the phrase, for instance, "most of the States provide free vaccines and other antigens to local health departments, and through them to local physicians."

Inasmuch as the polio problem cannot at the moment, at least, be referred to as a national epidemic, I am wondering why the committee recommended this action of Federal contribution and did not recommend it for other specific things such as tetanus and other diseases where vaccines are required.

Mr. PRIEST. May I reply to the gentleman in stating that under the existing public health and service law, under the basic act, there is authority for assistance to the States. As a matter of fact, Under Secretary Perkins, in a conversation with me, suggested on one occasion that it was the opinion of the Department that they did not need to have new authorizing legislation, but that they thought it wise in this case to do so. It was his feeling at the time that it could be handled under the broad authority of existing law. Actually, as a matter of fact, that is what the other body did.

They struck out a limitation of $30 million in the existing law in that program for the States, and left an open-end appropriation in that particular section. Now, with that authority already existing, the committee felt that in this particular situation, with the foundation carrying on a program of first and second graders for two shots only during the coming few months, it was the feeling of our committee in studying this matter for many, many weeks that this legislation was important to give the greatest opportunity to American children to receive this vaccine, which we considered to be as safe and as efficient as a vaccine of this nature can be.

The SPEAKER. The time of the gentleman has expired.

Mr. WOLVERTON. Mr. Speaker, I yield an additional minute to the gentleman from Ohio [Mr. OLIVER P. BOLTON].

Mr. OLIVER P. BOLTON. Do I understand, then, that it is your feeling that this does not change existing legislation and would set no precedent in other cases for the Federal Government to provide vaccine or other medicines?

Mr. PRIEST. It does not change the basic legislation. A formula for allocations and a few technical matters are not in existing law. But there is a formula in existing law, in the basic law, for allocations to States to do particular vaccinations. That is especially true in case of an epidemic, but the authority is there.

Mr. OLIVER P. BOLTON. I thank the gentleman.

Mr. WOLVERTON. Mr. Speaker, I yield 1 minute to the gentleman from Illinois [Mr. SPRINGER].

Mr. SPRINGER. Mr. Speaker, I want to say that in all the hearings we had on the matter this bill was considered to be nonpartisan legislation. The chairman was able to provide an excellent panel. We had some good hearings on the matter by some of the outstanding men in the world in this field. After those hearings were completed, and that was before the subcommittee of which I happen to be a member, as is the gentleman from New Jersey [Mr. WOLVERTON], we decided to come forward with this kind of a bill. We believe it is based on the evidence we heard at these hearings. It follows the law previously adhered to by this Congress in allocations to the States in this kind of legislation. It is a good bill and it is in the best interests of all the country. I believe it is especially needed at this time when there is considerable confusion as to how all these children are going to receive these vaccinations. This, in my estimation, provides an orderly procedure for undertaking the entire programs.

Mr. WOLVERTON. Mr. Speaker, I yield 1 minute to the gentleman from Massachusetts [Mr. CURTIS].

Mr. CURTIS of Massachusetts. Mr. Speaker, I favor making polio vaccine available to every child in the United States at public expense if that help is needed; but I oppose suspension of the rule, because I believe that this measure is important enough to be entitled to full consideration. It should also be open to amendment, and under the present procedure that is not possible, and the Members are asked to pass on this issue on the basis of "take it or leave it."

Polio is such a dread disease and the chance of combatting it with vaccine is such a momentous forward step, that it seems almost sordid to bring up the question of how the costs of this program should be apportioned. But, Mr. Speaker, it is our duty to draw up legislation even on such an important and emotional subject as this in a manner that will be fair.

Although the bill now before us does not carry an appropriation, it should be noted that the supplemental appropriation for 1956—H. R. 7278—has already made appropriation for this program as set forth in the Conference Report which was approved by this House only last Saturday and which has since been approved by the Senate:

For grants to States for carrying out the purposes of the Poliomyelitis Vaccination Assistance Act of 1955, $60 million: *Provided*, That this appropriation shall become effective only upon the enactment into law of H. R. 7126 or S. 2501, 84th Congress.

Amended to $30 million.

Mr. Speaker, despite what the chairman of the committee has just said in answer to the question of the gentleman from Ohio, this bill brings forward what is essentially a new Federal-aid project. What the Federal-aid system really amounts to, is that money is taken from some States and distributed to others.

Massachusetts has already passed legislation to provide polio vaccine at the State's expense for every child in need of this assistance. Why should not other States do the same? If it is said that some States cannot afford it, let legislation be brought forward frankly drafted to meet such a situation. This bill, however, goes far beyond that.

Massachusetts has not fared well in Federal-aid programs. To put it another way, I might say that the taxpayers of Massachusetts have been very generous to other sections of the country in the proportionate amount which they have furnished to the Federal Government for expenditure in other States. May I give just one example, taken from the Federal-aid program for highways? The Federal 2-cent a gallon gasoline tax produced in 1954 approximately $3 million from Massachusetts, and seven-hundred-odd thousand dollars from Alabama. During the same year, Federal highway aid was paid to Alabama in the amount of $15 million, and to Massachusetts in the amount of about $9,250,000. It is easy to understand why the senior Senator from Alabama is so interested in the pending measure, which is likely to produce a somewhat similar result.

The Federal-aid system should not be expanded unless the need is clear. The recent report from the Commission on Intergovernmental Relations said at page 123:

Consequently, where the activity is one normally considered the primary responsibility of State and local governments, substantial evidence should be required that national participation is necessary in order to protect or to promote the national interest.

Care of local medical needs has long been the primary responsibility of State and local governmental action.

The same report quotes Governor Driscoll, of New Jersey, as follows at page 130:

A grant-in-aid program should be the exception rather than the rule. Federal grants are not cloaked in magic. They derive their support from the same taxpayers that provide the wherewithal for all levels of government. If grants should become a part of every governmental activity, there is good reason to believe we would lose some of the substance of our present republican form of government and Federal system. President Andrew Jackson foresaw this result in 1833, when he stated that Congress should not be the tax gatherer and paymaster for State governments. "It appears to me," he said, "that a more direct road to consolidation cannot be devised."

The question of a fair apportionment of the costs of furnishing vaccine should not be confused with the other issues which have been mentioned in debate, such as the obligation of the Federal Government to supervise the production of such a critical material as vaccine, or to assure a fair distribution of a needed medicine which is in short supply. After all, the Federal Government inspects and passes on meat, but it does not provide that meat at Federal expense for the States or their inhabitants.

There is one amendment to this bill which I believe is entitled to fair consideration, and which cannot be considered under the procedure under which this measure is being brought before the House. That amendment is to change the terminal date of this program from December 31, 1957 to December 31, 1956. That would make this bill truly an emergency measure, and the Congress would have an opportunity next January to give the important principle involved in this legislation due consideration, rather than having it rushed through on the last day of the session under this procedure which makes full consideration impossible. For example, although this is a matter in which I believe the interests of the State of which I represent a part are heavily involved, I could receive but a few short minutes in which to try to defend its interests before this body.

The committee report on this bill refers to a prior bill on the same subject—H. R. 6286—as a bill sponsored by the administration. This bill provided a terminal date for the program of December 31, 1956. The bill now before the House, H. R. 7126, which is in effect being substituted for the Senate bill, originally contained a terminal date of December 31, 1956, but a committee amendment proposes to change that date to December 31, 1957.

To retain the date originally provided of December 31, 1956, would improve this legislation, make it truly emergency legislation, and make possible mature consideration of the subject next year when the emotional impacts of this new discovery, and the serious difficulties which have arisen in connection with it, are not so strong. This bill should not be considered under the procedure here suggested. I am not suggesting that this bill be defeated, but merely that a procedure be adopted which will permit more full, fair and orderly consideration.

Mr. WOLVERTON. Mr. Speaker, I yield 1 minute to the gentleman from Massachusetts [Mr. MARTIN].

Mr. MARTIN. Mr. Speaker, I would just like to state that the administration is in favor of this legislation and believes it is a much better bill than the one passed in the other body and would like to see it enacted into law.

If I might inquire of the chairman, I understand he has offered an amendment which cleared up the only doubt which existed in the mind of the administration.

Mr. PRIEST. That amendment is included in the bill that is now under consideration.

May I add, if the gentleman will yield further, that I hope we might pass this bill at this time with a good majority. We will have to go to conference, because the other bill is quite different in its approach to this subject. I believe we have developed a piece of legislation that will meet any emergency situation that may come between now and January, and give us a second look at this whole subject in January.

Mr. MARTIN. I join in urging the passage of the legislation.

Mr. PRIEST. Mr. Speaker, I yield myself 2 minutes, and I now yield to the gentleman from Massachusetts [Mr. CURTIS].

Mr. CURTIS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. PRIEST. I yield to the gentleman from Massachusetts.

Mr. CURTIS of Massachusetts. Is it not a fact that this bill was brought in as an emergency measure with a termination date of December 31, 1956?

Mr. PRIEST. That is correct.

Mr. CURTIS of Massachusetts. And is it not a fact that the gentleman's committee extended it another year to December 31, 1957?

Mr. PRIEST. Yes; that was explained by the gentleman from Alabama [Mr. ROBERTS] a few minutes ago. Most State legislatures were in adjournment and will not meet again until early in 1957, when they could make their own appropriations. We felt that the date should be extended until the State legislatures may convene once more.

Mr. CURTIS of Massachusetts. Mr. Speaker, I submit that on a measure of this importance we should have an opportunity to present amendments and for full discussion. I therefore oppose the suspending of the rules.

Mr. BEAMER. Mr. Speaker, will the gentleman yield?

Mr. PRIEST. I yield to the gentleman from Indiana.

Mr. BEAMER. I think it might be well to point out that I am going to vote for the measure, not because I like the bill as written, for I think it is lacking in a number of parts. I hope, however, if it is passed, that the conferees will stand fast on this approach rather than the overall blanket approach provided by the other body. And there is one thing I hope we will always be conscious of: Do not forget you are providing free vaccine. The children who can afford it will come and get it, and many deserving children will not get it because they have not the means to go down first

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and get it. I merely call that to your attention. However, I hope something can be done for this worthy cause.

The SPEAKER. The question is on suspending the rules and passing the bill.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

The bill, H. R. 7126, and House Resolution 330 were laid on the table.

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that the House insist on its amendment to S. 2501 and ask for a conference with the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. PRIEST, CARLYLE, ROBERTS, WOLVERTON, and HESELTON.

STRENGTHENING THE ORGANIZATION OF THE DEPARTMENT OF STATE

Mr. RICHARDS. Mr. Speaker, I move to suspend the rules and pass the bill (S. 2237) to amend the act of May 26, 1949, to strengthen and improve the organization of the Department of State, and for other purposes, as amended.

The Clerk read as follows:

Be it enacted, etc., That section 1 of the act of May 26, 1949 (63 Stat. 111; 5 U. S. C. 151 (a)), is hereby amended to read as follows:

"There shall be in the Department of State in addition to the Secretary of State an Under Secretary of State, 3 Deputy Under Secretaries of State, and 10 Assistant Secretaries of State."

SEC. 2. Section 2 of said act is hereby amended to read as follows:

"The Secretary of State and the officers referred to in section 1 of this act, as amended, shall be appointed by the President, by and with the advice and consent of the Senate. The Counselor of the Department of State and the Legal Adviser who are required to be appointed by the President, by and with the advice and consent of the Senate, shall rank equally with and shall receive the same salary as the Assistant Secretaries of State. Any such officer holding office at the time the provisions of this act, as amended, become effective shall not be required to be reappointed by reason of the enactment of this act, as amended. Unless otherwise provided for by law, the rate of basic compensation of the Deputy Under Secretaries of State shall be the same as that of Assistant Secretaries of State."

SEC. 3. The President may initially fill two of the Deputy Under Secretary positions established in section 1 of this act by appointing, without further advice and consent of the Senate, the 2 Deputy Under Secretaries of State who, on the date of the enactment of this act, held that designation pursuant to authority contained in section 2 of the act of May 26, 1949 (63 Stat. 111).

SEC. 4. Section 412 of the Foreign Service Act of 1946 (60 Stat. 999), as amended (hereinafter referred to as "such act"), is amended by striking the first sentence of said section and by inserting in lieu thereof the following: "There shall be eight classes of Foreign Service officers, including the classes of career ambassador and of career minister. The per annum salary of a career ambassador shall be the same as that for an Assistant Secretary of State.".

SEC. 5. Section 501 (a) of such act is amended by adding the phrase "career ambassadors and" immediately following the word "including".

SEC. 6. Section 502 (a) of such act is amended by inserting the phrase "class of career ambassador and" immediately following the phrase "qualified for appointment to the", and by adding the following sentence at the end of said subsection: "No person shall be appointed into the class of career ambassador who has not (1) served for at least 15 years in a position of responsibility in a Government agency, or agencies, including at least 3 years as a career minister; (2) rendered exceptionally distinguished service to the Government; and (3) met such other requirements as the Secretary shall prescribe.".

SEC. 7. Section 518 of such act is amended by inserting the words "career ambassador or" immediately following the phrase "to the class of".

SEC. 8. Section 631 of such act is amended by inserting the words "a career ambassador or" immediately after the words "who is".

SEC. 9. Section 632 of such act is amended by inserting the words "a career ambassador or" immediately following the words "who is not".

SEC. 10. (a) Section 811 (a) of such act is amended by striking out "811. (a)" and inserting "811." in lieu thereof and by striking out the phrase "of all participants" and inserting in lieu thereof the words "received by each participant".

(b) Section 811 (b) of such act is hereby repealed.

SEC. 11. Section 821 (a) of such act is amended by striking the phrase ", not exceeding $13,500 per annum," and "five years next preceding the date of his retirement" and inserting the phrase "highest 5 consecutive years of service, for which full contributions have been made to the fund," immediately preceding the phrase "multiplied by."

Mr. GROSS. Mr. Speaker, I demand a second.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. GROSS. I am.

Mr. RICHARDS. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. RICHARDS. Mr. Speaker, we have in the State Department now a Secretary of State, an Under Secretary of State, and 10 Assistant Secretaries of State. Two of those ten Assistant Secretaries are designated as Deputy Under Secretaries of State.

This bill creates an additional Deputy Under Secretary of State and gives statutory position to the Assistant Secretaries of State who are designated as Deputy Under Secretaries of State. Thus, there will be three positions of Deputy Under Secretary.

The bill further provides for advancing the Director of the Policy Planning Staff and the Controller, both now listed as GS–18's, to fill the places of the two Assistant Secretaries of State who have been designated by this bill as Deputy Under Secretaries of State.

When the Senate bill came to us it provided for increased salaries for these individuals. The House Committee on Foreign Affairs struck that out, because we did not think a bill of this kind should provide for salary increases. It was our thought that such a matter should be handled by basic legislation covering all executive departments.

The bill will cost the taxpayers of the United States $15,000 for the additional Deputy Under Secretary of State. It will cost $200 each, or the difference between $14,800 and $15,000, for the 2 men who are raised from GS–18 to Assistant Secretaries of State. It will also cost $200 to raise the legal adviser from his present salary, which is $14,800, to a rate equal to that of an Assistant Secretary, that is, $15,000. The total authorization in this bill under present salary scales is $15,600.

The bill is supported by the administration. It has passed the Senate, and was unanimously reported by the Committee on Foreign Affairs. I hope there will not be any opposition to the bill on the floor of the House.

Mr. GROSS. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio [Mr. Bow].

Mr. BOW. Mr. Speaker, I ask unanimous consent to proceed out of order.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BOW. Mr. Speaker, I take this time to advise the House before the conclusion of this session that the distinguished gentleman from South Carolina [Mr. RICHARDS], chairman of the Committee on Foreign Affairs, has held hearings on the Status of Forces Agreement as he said he would during debate on the Reserve bill. We have had 4 or 5 days of hearings, but, unfortunately, we were not able to conclude them, nor were we able to offer rebuttal to some of the testimony of the executive department. The chairman has suggested, however, that the hearings will continue in January, at which time we will have more material to submit.

Mr. Speaker, I regret that this session is concluding without having taken final action to protect our servicemen from the jeopardy of trial and imprisonment in foreign lands. I had hoped that our efforts to bring about modifications of the Status of Forces Treaty would be successful this year. I am heartened, however, by the feeling that a great deal has been accomplished in the 60 days since the subject was first considered in the House and I am hopeful that the awakening interest of the membership and the growing public interest will bring action as soon as we reconvene in January. At this time it seems to me appropriate to review our action with regard to the Status of Forces Treaty since May 18.

Previous to May 18 I believe the only congressional action with regard to the status of forces had been the introduction of two sense resolutions and a review of operations under the treaty by a subcommittee of the Committee on Armed Services of the other body.

On May 18 during debate on H. R. 5297, the first Reserve plan, the House adopted by a vote of 174 to 56 my amendment providing that no men inducted,

enlisted, or called to active duty after the date of the act could be sent to any foreign installation where they would be subject to the criminal jurisdiction of the foreign nation.

I consider that vote tremendously significant. It was the first expression of the House of Representatives on the Status of Forces Agreement. It indicated the overwhelming feeling of the membership, which is I believe an accurate reflection of sentiment nationally, that the Constitution of the United States should follow the flag and that the defenders of that Constitution, no matter where they were sent, should be entitled to all of the protections and guaranties that it confers upon freeborn Americans.

Unfortunately, H. R. 5297 was not adopted with my amendment, and it remains the unfinished business of the House.

During debate on May 18 several Members suggested that while they deplored the Status of Forces Agreement, they did not believe it proper to treat the subject as an amendment to other legislation.

Accordingly, on the same day, I introduced House Joint Resolution 309, directing the President to seek modification or elimination of article VII of that agreement or, failing in that effort, to denounce it at the earliest possible date. House Joint Resolution 309 is a proper, legal method for expressing the will of the Congress on this subject.

On June 30 during debate on the Mutual Security Act, the gentleman from Idaho [Mr. BUDGE] took up the fight for modification of the agreement with an amendment which required the waiver of the right of criminal jurisdiction as a condition to receiving aid and assistance from the United States. This, too, is a proper and constitutional method of handling the problem, being a limitation upon an appropriation.

Once again many Members indicated sympathy with our objective but stated they did not believe the subject should be treated as an amendment to any other bill.

The gentleman from South Carolina [Mr. RICHARDS] agreed that the Foreign Affairs Committee would conduct hearings on House Joint Resolution 309 and the identical resolutions introduced by others, and the amendment by the gentleman from Idaho was defeated.

At this point let me say that the gentleman from Idaho did not propose any reopening of treaties or denunciation of agreements. His amendment would not have required any new negotiations. It provided simply that any foreign nation that wanted our financial assistance would waive criminal jurisdiction over our men, and that any nation that refused to waive jurisdiction would not get our aid. Members said that no foreign nation would submit to such conditions and that it would ruin the foreign aid and mutual defense assistance programs. Unfortunately, we did not not know at the time that Greece had already voluntarily waived its rights to criminal jurisdiction over our men, thus indicating that other nations would be willing to do the same. Had that fact been known to us, I believe the Budge amendment might now be part of the law of the land.

Be that as it may, the offer to conduct open hearings on House Joint Resolution 309 prompted those of us who are interested in this matter to withhold amendment of H. R. 7000, the second Reserve bill. We felt that we should go along with the suggestion of so many Members that the matter should be considered as a separate legislative problem.

Parenthetically, may I say that the junior Senator from Indiana proposed a status of forces amendment to H. R. 7000 during debate in the other body, and that our experience in this body was repeated with regard to his amendment. Many Senators expressed their sympathetic interest, the Senator from Georgia said he would vote for a resolution to denounce, modify, or eliminate the agreement, and several stated that the problem should be considered separately. The Senator from Idaho has now introduced in the other body a companion measure to House Joint Resolution 309 which will give the other body the opportunity to act.

With this legislative history, let me say that I believe we should expect action early in January. The proponents of House Joint Resolution 309 and all who urge modification or denunciation of the Status of Forces Agreement have complied religiously with the desire of others to have the subject considered separately. I believe we have reason to expect their support in our effort. If we do not get it, there will be no alternative but to go ahead next year with the proper amendments to other legislation and I am confident that we will be successful.

The hearings in the Foreign Affairs Committee took several days. A great number of statements were introduced by Members and by such organizations as the American Legion, Daughters of the American Revolution, the Veterans of Foreign Wars, Defenders of the Constitution, and the American Coalition. At this point I should like to include the text of my opening statement to the committee:

STATEMENT OF HON. FRANK T. BOW RE HOUSE JOINT RESOLUTION 309, HOUSE FOREIGN AFFAIRS COMMITTEE, JULY 13, 1955

Mr. Chairman, I appreciate this opportunity to appear before you and present the case in support of House Joint Resolution 309, which I introduced on May 18, 1955, and the number of similar resolutions offered by my colleagues.

This resolution seeks the revision of the Status of Forces Agreement so that foreign countries, which are parties to this agreement will not continue to have criminal jurisdiction over American Armed Forces personnel stationed within their boundaries.

The Status of Forces Agreement, more properly designated as a "treaty," was signed at London on June 19, 1951, after being under negotiation since early in 1950. It was ratified by the President of the United States on July 24, 1953, under advice of the Senate given on July 15, 1953.

The countries now bound by this agreement are Belgium, Canada, Denmark, France, Greece, Iceland, Italy, Luxembourg, Netherlands, Norway, Portugal, United Kingdom, Turkey, and the United States.

On September 28, 1953, an agreement was signed in Tokyo covering the status of United States forces in Japan, which agreement contains the same provisions as the original Status of Forces Agreement with the preceding countries. This agreement was made in compliance with the terms of the security treaty with Japan which had been ratified earlier in 1952.

In due course Germany will be added to this list.

House Joint Resolution 309 refers particularly to article VII of the Status of Forces Agreement, which gives criminal jurisdiction over American military personnel stationed within the respective countries. I assume that all of you are familiar with this article VII, but I am submitting the full text as part of the record of this hearing.

I call your attention to section 2b of article VII, which provides that the authority of the receiving state shall have the right to exercise exclusive jurisdiction over members of our forces or civilian components and their dependents with respect to offenses punishable by the law of the receiving state but not by the law of the sending state; and that under section 3b the authorities of the receiving state have the primary right to prosecute our soldiers for offenses which may be punishable under the laws of our country as well as the laws of the receiving country.

These provisions abrogate the basic constitutional rights of our American soldiers serving on foreign soil.

RULE OF INTERNATIONAL LAW

This treaty repudiates one of America's oldest and finest traditions—that the American flag and the American Constitution follow our soldiers wherever they go. It repudiates the principles of international law, which were universally recognized before our Chief Justice Marshall so clearly enunciated them in 1811, in the case of *The Schooner "Exchange" v. McFaddon* (11 U. S. 116). The Supreme Court held in this case that the *Exchange*, as a public armed vessel of a friendly power, entered a port of our country upon an implied promise of exemption from the justice of the local courts. The Chief Justice likened the armed public vessel to a public armed force entering the territory of another nation with the latter's permission, and said, in effect, that the armed forces of a friendly nation stationed within the territory of another, with the latter's permission, are not subject to the local laws of the host country, but are subject only to the laws of their own country. The fact that Chief Justice Marshall had ample precedent for his statement of international law has been generally ignored in discussions of this subject.

Two other cases decided by the Supreme Court, after the Civil War, followed this decision with approval. In *Coleman v. Tennessee* (97 U. S. 509), the Court said:

"It is well settled that a foreign army, permitted to march through a friendly country or to be stationed in it by permission of its government or sovereign, has exemption from the civil and criminal justice of the place."

The same dicta is found in *Dow v. Johnson* (100 U. S. 158). In *Tucker v. Alexandroff* (183 U. S. 424), decided partly upon the authority of a treaty between this country and Russia, the Court discussed the case of The Exchange at length, and with approval.

In *Chung Chi Cheung v. The King* (1939 A. C. 160), Lord Atkin, speaking for the Judicial Committee of the Privy Council, called Chief Justice Marshall's opinion, in the case of the Exchange, "a judgment which has illumined the jurisprudence of the world" and concurred fully in the general principle that the armed forces of one power, allowed by another to enter its territory, enjoyed an

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immunity from the local courts, although he held in the case before him that the Chinese Government had waived that immunity.

In the Casablanca case the Permanent Court of Arbitration at The Hague (1909), recognized the exclusive jurisdiction of the officers and military tribunal of a nation over its own troops in a friendly foreign country.

Many authoritative writers on International Law have enunciated the same doctrine as laid down by Chief Justice Marshall, including several English writers, French, Dutch and Latin American authorities.

These cases I have mentioned did not depend on any treaty or exchange of diplomatic notes, but upon the theory that the exemption of friendly foreign troops from the jurisdiction of the courts of the nation in which they were, was a principle of the "unwritten law of nations."

It is, therefore, inexplicable that our State Department should abandon such principles when considering the status of our own forces abroad.

POWERS OF CONGRESS

One of the arguments advanced by representatives of the State Department in favor of the ratification of the agreement, in hearings before the Senate Foreign Relations Committee, was that the rights of our soldiers had already been surrendered to foreign powers by a number of secret executive agreements, and that the provisions of this treaty were an improvement over such existing agreements. (P. 27 of hearings before the Committee on Foreign Relations, United States Senate, 83d Cong., 1st sess.) Thus was disclosed a violation of the constitutional law of our land which vests in Congress the sole power "to make rules for the government and regulation of our land and naval forces," which apply outside as well as inside the limits of continental United States. This provision of the Constitution has never been changed and the execution of such secret agreements is a usurpation by the State Department of the power of Congress.

These various agreements were claimed to be classified so their terms are not a part of the hearings, but if it is conceded that the present treaty was an improvement, then consider how callously the rights of our servicemen must have been treated in these secret agreements. It is not disclosed how the treaty is better, but even if an improvement, it is still wrong. A lesser wrong does not make a right.

Under its constitutional power the Congress established a Uniform Code of Military Justice and included a uniform code of procedure for the trial of military personnel, both at home and abroad, which is still in full force and effect

Every enlisted man takes an oath that he will obey the orders of the President of the United States and the orders of the officers appointed over him according to regulations and the Uniform Code of Military Justice.

The United States Manual of Courts Martial of 1951, which is still in effect, and a copy of which may be purchased from the Government Printing Office, states in paragraph 12, as follows:

"Under international law, jurisdiction over members of the Armed Forces of the United States or other sovereign who commit offenses in the territory of a friendly foreign state in which the visiting armed force is by consent quartered or in passage remains in the visiting sovereign."

Thus we have our men obligating themselves to abide by the regulations and the Uniform Code of Military Justice, particularly exemplified by this Manual on Courts Martial, containing a paragraph which, although stating a correct rule of international law, yet has been flaunted and superseded by the Status of Forces Treaty and sundry secret agreements.

I might add here that there are in effect today secret executive agreements with countries not a party to the North Atlantic Treaty Organization, entered into in violation of this constitutional provision, and of the terms of which we are kept in ignorance. Under these agreements our soldiers all over the world have been surrendered to the criminal jurisdiction of other countries without regard to whether or not such jurisdiction will be exercised in accordance with the constitutional rights which our soldiers should have.

The speculation is not pertinent to the resolution before us, but one may wonder if Russia or Communist China, in their disregard for the rights of our American soldiers, enjoy the protection of some secret agreement.

STATISTICAL APOLOGIES

Department of Defense statistics relative to the exercise of criminal jurisdiction by foreign tribunals over persons subject to the United States military law for the period of January 1, 1954, through November 30, 1954, show that 7,416 members of our Armed Forces had been subjected to foreign jurisdiction throughout the world, of which 3,720 cases were within the jurisdiction of NATO countries, so that there were almost as many men, during that period, prosecuted under the agreement with Japan and various secret agreements, as were prosecuted under the Status of Forces Treaty. I have sought to have this information brought up to date, but at the time of preparing this statement had not yet received the report from the Defense Department which this committee may now have.

All statistics and statements emanating from the Defense Department seeking to minimize the overall effect of the Status of Forces Treaty, will never justify the execution of this treaty or sundry secret agreements consenting to the abandonment of the constitutional rights of members of our Armed Forces. If the surrender of such rights had been proper or had been necessary it would not now be so important to try to excuse it by throwing the dust of statistics into the eyes of Congress. I believe the Defense Department has actually been placed in a false position. After having this treaty and sundry agreements imposed upon it by the State Department, the Defense Department is left with the unhappy task of supporting and justifying the action.

It has occurred to me that the Senate Foreign Relations Committee did not have all the facts properly presented to it in the hearings regarding this treaty, and that some of the Government witnesses, in turn, had been misled or misinformed by others who were in the State Department or Defense Department when these agreements were worked out—in an effort to vindicate their actions or to cover up and ratify the prior secret agreements. The committee was also confronted with the argument of fait accompli, which has become a working tool of bureaucracy.

I call your attention to the exclusive jurisdiction given a foreign country for offenses relating to the security of that state which is defined as "treason or sabotage, espionage or violation of any law relating to official secrets relating to the national defense of that state." If a foreign state has a law making it a security offense to make a public statement critical of the government of that country, any uninhibited American boy drafted into our armed services and ordered to that country, accustomed to the rights of free speech as we have them, might readily find himself punishable for some innocent remark under the laws of that foreign country. In fact, there may be many acts in countries throughout the world defined as offenses under their laws which are not offenses in our country. Particularly, such offenses which might seem to be somewhat political, or offenses against the government of that country.

BILL OF RIGHTS NULLIFIED

Whoever in the State Department negotiated this treaty ignored completely all of the provisions of our Bill of Rights. It is true that in section 9 of article VII you will find a list of seven things which presumably protect the member of the Armed Forces, or civilian components or dependents who happen to be under prosecution. If you read them rapidly you might think that protection has been given to our people, but you will find no provision requiring an indictment, or trial by jury, or public trial. No right to bail. No protection against double jeopardy. No protection against self-incrimination. No right of appeal. No prohibition of excessive fines or cruel or inhuman punishments. The accused does not have the protection of a presumption of innocence. He might be found guilty by less than a preponderance of the evidence. A confession procured by any means, however irregular, including force and duress, may be used against him.

Our diplomats, snug and smug within their cloak of diplomatic immunity, did not mind sacrificing our American soldiers in this way. The high brass of our Armed Forces would probably never be arrested, prosecuted, or imprisoned by a foreign court, so they accept the recommendations of those diplomats. The provisions of that treaty will never reach any Member of the United States Senate who, by reason of misinformation, misrepresentation or ignorance on the part of the Government witnesses advising them, voted to advise the President to ratify the treaty. But, the provisions of the treaty have reached and affected Richard Keefe and Anthony Scaletti, of whim you have no doubt already heard; and the loss of the constitutional safeguards which I have mentioned before has practically convicted Jose E. Montijo of the charge of murder—even before he is tried.

I do not believe the Defense Department has ever been happy with the Status of Forces Agreement. On March 29, 1955, General Hickman, appearing before a subcommittee of the Committee on Armed Forces of the United States Senate said:

"It is the position of the Department of Defense that the jurisdictional arrangements prescribed by the NATO Status of Forces Agreement is to be considered only as an acceptable minimum. We would like to try them all, keep them all within the military conclave. Accordingly, the United States authorities have, wherever possible, sought to extend their jurisdiction over persons subject to United States military law in the NATO countries by bilateral understandings or agreements. Pursuant to such agreements and understandings the United States military authorities now exercise an exclusive criminal jurisdiction over all persons subject to United States military law (except nationals or residents of Greece) who are stationed in Greece, which is a country that has ratified the Status of Forces Agreement."

The general indicated that there were other bilateral agreements under negotiation. Another representative of the Department of Defense also said:

"As a matter of policy, the executive branch has undertaken to obtain additional safeguards over and above those provided under the NATO Status of Forces Agreement wherever possible, either by supplementary agreements or by working out practical operating arrangements between the commanders in the field and the local authorities.

"We have conducted and still are conducting extensive negotiations to attain these policy objectives."

This would indicate a desire for revision on the part of the Department of Defense and a recognition that a request for revision is proper. House Joint Resolution 309 asks the President to seek this revision from all

NATO countries simultaneously, and not separately.

FRENCH JUSTICE

It has been difficult to secure information concerning the Montijo case because originally the Chief of the Allied Air Forces in Europe imposed a rigid censorship, and such information as was given seeped out through a public-relations officer of Great Britain. It appears now that Montijo and two other members of the Air Force became involved in an altercation with a young Frenchman by the name of Mallet, over the attention paid by Mallet to a French girl who Montijo proposed to marry. One version of this case is that Mallet and his friends attacked Montijo and that in the fight that ensued, in order to defend himself, Montijo inflicted wounds from which Mallet subsequently died. I do not condone this killing in any respect. But, if it is true that Montijo acted in self-defense he should have an opportunity to prove it as part of his defense, and I feel confident that in this case, under the procedure in French courts, he will never have this opportunity. He has already been tried and is being tried publicly by an extensive newspaper campaign, and it is entirely possible he will have assigned to him, as his attorney, a Frenchman who is a Communist or a Red sympathizer. Also, he may be tried before a judge with similar connections.

If you think my opinion of French justice is unwarranted, I would like to have you consider the article appearing in Time magazine on February 14, 1955, which I am sure was not written with the Status of Forces Treaty in mind. It described what happens to Frenchmen in French courts. With the hostility there is against America, why expect different or better treatment? The article, entitled "Justice on Trial," is submitted as part of the record herein because it so graphically described the actual procedure, rather than theoretical practice. The article quotes one French expert as saying, "We run our courts to convict the guilty, not to acquit the innocent."

It has been claimed as a virtue of this treaty that the provisions thereof are reciprocal and we, of course, have secured the right to try members of the Armed Forces of other nations party to the agreement, stationed in our country. What is the effect of this reciprocity?

In America any spy, subversive, or criminal of whatever kind, which, of course, would include members of Armed Forces, is guaranteed a fair jury trial in open court. He can invoke the fifth amendment, and refuse to testify, and heap abuse upon official representatives of our Government. All of the protections of our Constitution are afforded, but an American soldier who is drafted and forced to serve abroad can now be arrested on trumped-up charges by foreign police officers, or upon the accusation of a Communist conspirator or sympathizer; be questioned by any methods they care to use; held in prison for an indefinite period awaiting trial; tried in secret without a jury, without the safeguard of a presumption of innocence; sentenced and punished possibly by some cruel and inhuman punishment. It is possible that no representative of our Government would be present at his trial since he is only entitled to such a representative when the rules of the court so permit.

You must remember that we have the same kind of an agreement with Japan as with the NATO countries respecting the status of our troops. Also, please remember, after the last war Japan was not an ally, but in the position of a conquered country. In spite of our occupying the position of conquerers who should have been able to insist on their troops enjoying at least the same privileges as they would have in their own country, we tossed those rights and privileges away and have placed our soldiers at the mercy of a hostile, conquered people. It is well known that as soon as the peace treaty with Japan was signed the country was flooded with derogatory, defamatory, and hostile literature and propaganda, including many motion pictures, carrying the communistic anti-American line. What type of justice do you expect to be meted out to our soldiers under these conditions? The whole procedure is analogous to setting up a court of prisoners to try their guards for such offenses as their whims may dictate.

NO BARGAIN FOR THE UNITED STATES

As to the idea that our diplomatic representatives drove a hard bargain in securing the right to try members of the armed forces of other nations in this country in exchange for turning our soldiers loose at the mercy of those foreign countries, what measure of reciprocity is there in subjecting hundreds of thousands of our soldiers to the forms of justice which may be meted out to them, when, at the most, there are no more than 12,000 soldiers of all the foreign nations in this country during a year, and possibly no more than 4,000 at any one time.

It is conceded by the Defense Department that most of the members of foreign armies in this country are here for training purposes and are, therefore, not members of a military component and do not come under the terms of this treaty. Furthermore, this country has never objected, and did not object prior to the enactment of this treaty, to any foreign country keeping and enforcing criminal jurisdiction over members of its armed forces.

On June 30, 1944, we adopted a law entitled "An Act to Implement the Jurisdiction of Service Courts of Friendly Foreign Sovereigns within the United States," which act was solely for the purpose of assisting foreign nations in maintaining their criminal jurisdiction and implied the existence of such jurisdiction without legislation or treaty. We have never been interested in prosecuting soldiers of foreign nations. We do not have the hostile feeling toward our allies or the nations we hope to call our friends that would dictate the urge to prosecute.

Our Defense Department is hard put at times to minimize the actual effect of this treaty upon our soldiers abroad, and to try to make everything look good and fair and just and reasonable. The Department will furnish statistics showing a large number of offenses committed throughout the world since January 1, 1954, stressing the fact that foreign courts waived their jurisdiction in many of these cases, and that where foreign courts retained jurisdiction, what seems to be a comparatively small number were sentenced to confinement. They also say that some of these sentences were suspended. It is admitted that as of February 10, 1955, there were 58 American soldiers imprisoned throughout the world. I do not care if this number seems to be only a few of those who were first arrested and charged with offense. As long as only 1 American soldier can be subjected to the criminal jurisdiction of a foreign court, without the constitutional safeguards which he is told by the United States Courts Martial Manual go with him, then this treaty is wrong and should be modified.

DEPARTMENTAL EXCUSES

The public was reassured on June 9, 1955, by Defense Secretary Wilson as to the results of this treaty, when he reported to an Armed Services Committee of this Congress that only one American soldier, thus far, has been given an unfair trial by a friendly country. It would seem either that Mr. Wilson had been misinformed or the report of his statement is incorrect.

The case which he reported was that of a private in France who was fined $36 by a court at Orleans, France, for allegedly pushing a Frenchman off a bicycle. It was stated in his report that the case was carried to the French Ministry of Justice, and that a correction had been made of the errors committed by the French court and his fine refunded. Isn't it rather absurd to say that this 1 case is the only 1 in which a miscarriage of justice might have occurred, particularly when you consider the procedure in French courts which was reported in Time magazine?

The Defense Department apparently has ignored the thousands of cases where Americans perhaps paid fines in minor cases, under the impression that it was the best thing they could do under the circumstances, since they had no protection from our Government as to their constitutional rights; and have ignored other cases where the accused or convicted did not complain because he feared such complaint would only result in increasing the animosity of a court and the severity of his sentence.

The report of the Secretary also stated that American servicemen tried in foreign courts are provided with legal aid to make sure their rights are protected, but the report did not state that the only rights left to be protected were such as the foreign court might deign to recognize that the legal aid was not American legal aid, but would be some local attorney appointed by that court, and in many cases subservient to the court. The report further claimed that Americans convicted and sentenced to jail are also given the protection of the United States Government—an obvious misstatement, since there is no protection left to a United States soldier who has been tried and convicted under this treaty.

PRISON CONDITIONS

American officials are said to inspect foreign prisons and determine that Americans are receiving the food, medical aid, clothing, and health and comfort provisions they would receive in this country. When you consider that the housing conditions generally in many European countries are not comparable to ours, how can you expect the prisons to be comparable to ours? Or, how can you force any foreign government to provide the same facilities?

In Japan, for instance, the system of heating in prisons is very inadequate. Some of the factories in which the prisoners are made to work long hours, are heated in winter. However, no heating is provided in the prison cells. A justice of the supreme court of Japan, in writing about prison conditions there, said that the ordinary Japanese house is very poorly heated and the people are not accustomed to much heat in their homes, but that the prison cells, built in European style, are colder than the average Japanese houses. He also said that this fact might explain why Japanese prisoners do not complain about the excessive long hours which they are obliged to work. (Perhaps they preferred a little heat to no heat.)

The persons who negotiated this treaty obviously were not concerned with the provisions of foreign laws as to punishment or the conditions of penitentiaries or jails where our men might be serving sentences. You might be interested in this translation from a French work on prisons written in 1945. Speaking of sanitary installations, the report said:

"These installations are, generally speaking, inadequate. Thus, in the majority of our institutions, there are no cesspools, and the deplorable system of mobile waste tanks still prevails.

"It is unnecessary to dwell on the undesirability of this state of affairs. With such conditions prevailing, it is absurd to speak of prison hygiene.

"Disinfection of the premises and fight against parasites (vermin) have often been

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recommended and applied more or less successfully."

Another translation of a work written in 1951 on French prisons has this to say concerning food given to inmates:

"They get three meals: breakfast, consisting of a quart of coffee and the bread ration for the day; luncheon, and dinner, each with a soup, made of vegetables, plus trimmings (such as fish, pickles, etc.)

* * * * *

"It is normal for convicts to receive only subsistence rations, but, since they are obliged to work, they have a chance, with the produce of their work, to make purchases in the canteen to improve their regular food."

The correctness of this report is shown by the report of a visit made by a representative of the United States Consular Service and an Army officer to Privates Scaletti and Keefe on March 11, 1955, after they had served over 16 months of their sentence. The report of this visit I have attached to my statement to be a part of this record.

Privates Scaletti and Keefe at that time disclosed that the dormitories in which they slept were unheated, the food bad, and the medical care not considered good. Private Keefe indicated that he received a package that contained canned goods, but was obliged to pay duty thereon and, therefore, hesitated to ask his mother to send him further packages.

With these indications of conditions as they exist in France and Japan, we can only speculate as to what some of the dungeons may be like in other countries with which we have secret agreements, giving them criminal jurisdiction over our men.

Since the extension of the Status of Forces Agreement to Germany is a current subject, I wish to call your attention to a brief statement of procedure in German courts, made by Mr. Worth B. McCauley, a lawyer of Bristow, Okla., in the December 1954 issue of the American Bar Association Journal. He was formerly chief attorney for the courts of the Allied High Commission in Western Germany. He says:

"One must visit a German courtroom to understand how different their procedure is from ours. The state's attorney sits at the bench with the three judges while the defense attorney has little participation except to take notes of the proceedings for possible appeal. All questioning is done by the judges who have before them the police dossier of investigation and interrogation. This in itself is a predetermination of guilt by a police magistrate. There is no right against self-incrimination and hearsay evidence is admissible. It is much easier to convict in a German court than in an American because of the difference in procedure and theory which boils down to a presupposition of guilt rather than innocence."

The men who negotiated this treaty seem to have forgotten that our troops were abroad to protect the soil of other nations from aggression because those nations were not able or willing to defend themselves. Our diplomats must have shuddered at the thought that these other nations would consider us a favored group if we asserted our rights in any way, or demanded an observance of the international law which would insure our country keeping jurisdiction over its own citizens in its Armed Forces.

Wherever our troops have gone, throughout the world, we have taken our civilization to other countries and shared the fruits of our industry and knowledge with that other nation. Why should we abandon our standards of living, our constitutional rights and guaranties merely to appease and seek favor of our allies? We are told there is a feeling of hostility toward us in many countries with whom we have these agreements, public and secret, and we know this to be true. Then, why should we force our men into foreign courts to be tried in a hostile atmosphere, before hostile courts, without the humane rules of procedure set forth in our Constitution and laws?

REVISION OF THE TREATY

By the terms of the treaty its provisions can be denounced at the expiration of a period of 4 years from the date on which it became effective, which period would expire on July 24, 1957. It is for this reason that House Joint Resolution 309 directs the President to request the North Atlantic Council for a revision of article VII of the agreement, acting under the provision of article XXII thereof; and as an alternative, if such revision cannot be brought about, that the President shall then denounce such agreement at the earliest date permitted.

There are several methods by which action by the President to secure revision of article VII of the treaty might be directed and there is ample precedent to support a joint resolution as one of the methods. It is conceivable that supporters of the Status of Forces Agreement may contend that action by the House is not necessary, and also a possibility that the President may seek to ignore the resolution even though adopted; but in spite of these contingencies we owe it to our Armed Forces to let the world know that the overwhelming sentiment of the people of this country is against depriving our forces of the protection of our Constitution.

Certainly we have every right to initiate a request for revocation forthwith of all secret agreements made by the executive department which gives criminal jurisdiction over our soldiers to foreign powers.

SUMMATION

In summation, let me say that the NATO Status of Forces Agreement was a tragic abdication of sovereignty that should be repudiated at the earliest possible date.

Constitutional, moral, and practical considerations dictate that the United States should never surrender to any foreign sovereign its right to protect and control the personnel of our Armed Forces.

At least 58 servicemen, deprived of their constitutional rights as Americans, sentenced and convicted under foreign laws, are now confined virtually incommunicado in filthy, unheated foreign prisons without proper food or medical care. They are martyrs to internationalism.

The Congress has the power under the Constitution to regulate and govern the Armed Forces. The Congress has the responsibility to protect the constitutional rights of men in the Armed Forces. The sentiment of the American people on this issue is clear and plain. I strongly urge the committee to delve deeply into this subject, uncover the facts, and take appropriate action at the earliest possible date.

The witnesses of the executive branch who appeared in opposition to House Joint Resolution 309 were Robert Murphy, Deputy Under Secretary of State; J. Lee Rankin, Assistant Attorney General; and Wilber Brucker, counsel of the Department of Defense who during the proceedings was appointed as Secretary of the Army.

I regret to state that these gentlemen presented an inconsistent and incomplete discussion of the subject, indicating either an ignorance of the facts, an unwillingness to disclose the facts, or an effort to confuse the committee.

Repeatedly the principal witnesses avoided direct answers so that members had to consume long periods of time pressing and rephrasing questions, and on several occasions outright misstatements of fact had to be corrected either by committee members or by members of the large staff of aides and assistants who accompanied these men to the hearings. I think it was a shameful attitude for high Government officials to adopt, and I was sincerely distressed by their unwillingness to be frank or to cooperate with the purpose of the hearing.

The committee invited me to appear following the Department witnesses but time prevented my doing so. I regret this deeply, but have filed my prepared remarks with the committee and under leave I include them as part of my statement here today:

STATEMENT OF HON. FRANK T. BOW RE EXECUTIVE TESTIMONY ON HOUSE JOINT RESOLUTION 309, HOUSE FOREIGN AFFAIRS COMMITTEE, JULY 26, 1955

Mr. Chairman, may I express my deep appreciation for the opportunity given me to again appear before this committee. I feel the invitation is evidence of the sincere effort that you and the committee are making to determine all the facts on this most important and intricate problem.

I assure you, Mr. Chairman, I do not consider this a contest between myself, joined by the other of my colleagues who have introduced similar resolutions, and the State, Defense, and Justice Departments. I regret to say, however, that I have been forced to the conclusion that the advocates of the Status of Forces Agreement have assumed the role of champions defending a position which once taken must be protected regardless of right.

I have done my level best, with the limited staff and facilities available to an individual Member of Congress, to present to you every possible fact and argument on this subject. I do not, of course, have the facilities of the 3 sub-Cabinet officers who presented their arguments to you and whose entourage of 20 to 30 officers and assistants was only a small representation of the staff that has been working on this subject in the 3 Departments. However, I hope that my activity directed toward uncovering and producing information for you, as limited as it has necessarily been, has given you a better understanding than the much greater departmental activity which appears to have been directed largely toward maintaining the status quo.

I am deeply concerned, Mr. Chairman, over what seems to be either a reckless disregard of known facts or utter ignorance of facts which should be known to those who have heavy responsibilities and must depend on associates and subordinates for details.

Again I say, I do not view this as a contest between those appearing here. My earnest plea to you and the committee is—consider not who is right, but what is right?

Upon that premise I shall now discuss the testimony and evidence presented by the Departments of State, Defense, and Justice.

I am critical of the statements of the executive department witnesses for two principal reasons:

1. With the exception of Governor Brucker, the executive's witnesses expressed complacency or satisfaction with the existing Status of Forces Agreement and a pessimistic or defeatist attitude toward our desire to modify it in favor of greater protection for our men.

2. Either these witnesses lack information or they failed to reveal to the committee all of the information which should have been in their possession.

For instance, we have Mr. Murphy stating, in referring to servicemen sentenced to jail:

"In not one of these cases do we believe that an innocent man has gone to jail."

* * * * *

"There was not a single case in which there was a basis for the United States to protest that the safeguards assured by the Status of Forces Agreement for a fair trial were not met, or that there was any other unfairness."

And we have Governor Brucker, referring to a $36 fine in France, stating:

"Only one case has arisen where it has been necessary to report to the Armed Services Committees of the two Houses of Congress a violation of the rights of an accused serviceman abroad."

Yet, it is brought out on examination here that in at least one other case in Japan, the official observers of the United States stated in their report that in their opinion the accused were not afforded a fair trial.

Except for such inconsistencies as this, you will note that there is great similarity in the statements in their approval or use of the same arguments which have been advanced time and again by the State Department. It appears that some of the personnel of the State Department have forgotten they are representatives of the United States and not of some foreign country—that they are employed to further the interests of the United States and not to deprecate or belittle the standards of life for which our forefathers fought, and for which, apparently, we must still fight. I, for one, am a bit tired of the repeated theme that our troops abroad are there for our benefit, entirely ignoring the advantages which have accrued to the countries in which they are stationed and making no effort to impress foreign countries with the fact that they are mighty lucky to have our support, even though Mr. Murphy admits our forces "represent a body of trained and skilled manpower for which no substitution from European sources is yet practical."

Mr. Murphy opened his statement by expressing his regret that "our efforts to inform the American people on the very important matter with which this committee is concerned have apparently been less successful than we had hoped." Certainly the effort, if made, was a depressing failure. The American people as a whole first became aware of the effects of this agreement when the first reports of trial and imprisonment of soldiers under its terms trickled back to this country. That is when the demand for change was born. I say it will grow and grow—unless this committee acts favorably, or the executive branch will act to secure more favorable treatment for our men.

Repeatedly in his testimony and in answer to questions, Mr. Murphy stated that there were emotional considerations that made it impossible for other nations to give our servicemen any better treatment than is provided in the NATO treaty. In passing, let me say that I am fearful the same emotional considerations under the present situation may make it impossible for an American to get a fair trial. Let me say, also, that there are emotional considerations right here in America and that it behooves the State Department to take cognizance of them—at least to the degree that Mr. Murphy is concerned about the emotions of allied people.

Several times in answer to questions concerning Saudi-Arabia and its possible inhuman punishments, Mr. Murphy stated that these punishments were only intended for Moslems and that there was no history of any one of the thousands of employees of foreign corporations or foreign oil companies operating there, receiving such penalties. There is a good reason for his statement. The Saudi-Arabian Government and foreign corporations have an understanding that any employee who has apparently committed a serious offense shall be immediately removed from the country so that the jurisdiction of Saudi-Arabian courts will not apply to him. Unfortunately there is no such protection afforded to an American serviceman if he should stray out of the limited area in which, by agreement, our Government retains jurisdiction, and while outside of such area commit some offense. I might add that the Saudi-Arabian Government built a special jail for incarceration of employees of foreign corporations who might be minor offenders and that in this jail there is special treatment afforded such offenders.

In questioning before this committee it became obvious that Mr. Murphy could not have been a party to the early negotiation of the Status of Forces Agreement, inasmuch as he could not answer questions as to the origin of the plan or the theory which was developed to surrender criminal jurisdiction of our troops abroad. Repeatedly he was asked to name any nation that had demanded jurisdiction and unfailingly he refused or could not make a direct reply.

Mr. Murphy suggests that without the Status of Forces Agreement the Communist parties in Europe might carry on propaganda campaigns to stir up trouble calling our troops occupation forces. What he really means to say is that we should continue to placate these Communist parties and Red elements in foreign countries by giving the criminal jurisdiction over our troops to the civil authorities of these countries which are frequently represented by the same Communist elements. Mr. Murphy did admit that he knew of no case where any Communist soldier had been prosecuted in any satellite country, but that such troops would no doubt be occupation forces. It would appear, therefore, that if Russian troops stationed in satellite countries are considered occupation forces, then the term has lost its sting as propaganda.

Mr. Murphy's statement that most of the sentences have been very short and that the maximum sentence thus far imposed in NATO countries is 5 years is somewhat misleading, in that much longer sentences have been imposed in Japan, where the majority of cases have arisen.

Governor Brucker, in his statement, admitted there had been sentences of confinement for more than 5 years imposed in 3 cases, and the charts offered by General Hickman show that 7 of our men are currently serving sentences of over 5 years. As a matter of fact, the maximum sentence so far imposed is really 15 years. This occurred in Japan.

With reference to these charts, may I point out that they indicate a remarkable increase in the number of cases in which the foreign nations have refused to waive jurisdiction. The executive branch has referred repeatedly to the expectation or hope that our requests for waiver of jurisdiction would meet with sympathetic attention. The record of the period from December to May of this year, as compared with the period January to November last year, shows that the sympathy with which our requests are received is diminishing rapidly—so rapidly that one might question whether sympathetic is any longer the proper term to use.

I can readily understand that Governor Brucker was testifying, as he said, as a pinch-hitter in the absence of two men whom he considered qualified for the task, and further that he was involved in the closing of his office as Counsel of the Defense Department and the assumption of new responsibilities as the Secretary of the Army. We certainly wish him all success in the new undertaking, and I am hopeful that as Secretary he may get a closer experience of how these treaties actually work and the effect they have upon the military commanders and the men themselves. It is obvious that he had little to do with the subject prior to his appearance here.

In this regard, I should like first to question the Secretary's statement that there has been gross distortion of a few cases such as the Keefe case. Governor Brucker did not point out any distortion in my statement nor did he specify how or where any of the cases have been distorted. To the best of my knowledge, all that has been published about Keefe—the facts that have aroused so much indignation in the hearts of the American people—has been factual and straightforward. There is no need to embroider, exaggerate, or distort the circumstances of these men.

You may recall Governor Brucker was asked by a member of this committee as to whether the Status of Forces Agreement covered dependents of servicemen and he replied emphatically that it did not. After coaching from the backfield he was obliged to admit his error. This is just one indication that Governor Brucker appeared to testify concerning an agreement which he had not the time to consider fully.

During the questioning Governor Brucker also evidenced lack of knowledge of the system of having an observer at the trial of an American serviceman, when he insisted that these observers were present from the very beginning and through all the preliminary proceedings. The actual statements of observers show that this is not true and in fact that the agreement itself only provides for an observer to be present at the trial and not to participate or observe any preliminary investigation or proceedings. I have received reports from two of the services of proceedings in several cases which indicate clearly the observer appeared in the case at the trial only.

Since Governor Brucker, after the case of the three marines was brought to his attention by a member of this committee, suggested that he did not wish to make the report public, I will refrain from giving any of the details of this particular case here, but will give you the conclusion of the observers. I quote:

"7. Conclusion: After careful consideration, taking into account the ramifications involved, in a trial under foreign laws, and cognizant of the fact that the court, not the representatives of the United States, are the judges of credibility of witnesses and weight of the evidence, the United States representatives are of the opinion that the three accused were not afforded a fair trial. We are of the opinion further that the accused stand unjustly convicted. In addition to the observations set forth in paragraph 6 above, we cannot in conscience overlook the paucity of evidence upon which the convictions were based. While sufficient to establish a prima facie case, if believed, the testimony of Morikawa is not only preposterous and fantastic, it is in some respects patently impossible. Without the testimony of Morikawa, the case for the prosecution would, of course, collapse. Even a cursory examination of her testimony reveals the following discrepancies.

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"The United States representatives feel that the conviction of these three men, based upon the evidence adduced at this trial, is manifestly unwarranted and unfair no matter under what rules of law the court is operating."

This trial was not only not fair—it was not speedy, covering a period from October 26, 1954, to January 17, 1955, although apparently taking 6 days.

In connection with Governor Brucker's statement that monthly visits are made by representatives of the armed services to every man in prison, I wish to call to your attention his prepared statement that periodic visits are required by Directive No. 5510.4 of the Department of Defense, dated October 19, 1954. I believe later this directive was made a part of the record of this hearing. Since this treaty was ratified by the United States on July 24, 1953, it would seem that almost 15 months elapsed before the Department of Defense saw fit to use this right to visit our men in prisons.

His statement that the Department has no report of any irregularities in the prison

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treatment of American servicemen is subject to further study. Our men have suffered from the bare fact that prison conditions abroad are in no respect comparable to prison conditions in this country. You cannot very well expect them to arouse the ire of their jailers by complaining to official inspectors.

I do not mean to be critical of Governor Brucker. His position here has been most difficult, flanked on one side by a representative of the State Department and on the other by a representative of the Justice Department, with each of these Departments having perhaps participated in the preparation of his statement or the statement of the Defense Department. Even though the armed services have never been in favor of surrendering criminal jurisdiction of their men to foreign courts, and the Defense Department is not satisfied with the present situation, Mr. Brucker is not able to actually say so here. Any protestation that on the whole the treaty has been working out satisfactorily is denied by the remark which found its way into his prepared statement, as follows:

"As is well known, the Department of Defense has never regarded the Status of Forces Agreement, or, in fact, the related agreements which we have in other countries, as embracing the optimum advantages for the United States. On the other hand, we have always stated that the NATO Status of Forces Agreement provided an acceptable minimum. As a matter of policy, the executive branch has undertaken to obtain in each new negotiation additional safeguards over and above those provided under the NATO Status of Forces Agreement wherever possible, either by supplementary agreements or by working out practical operating arrangements between the commanders in the field and the local authorities."

Governor Brucker's own suggestion, which he states he has recommended to the Bureau of the Budget for legislation to be enacted by Congress, authorizing the Secretary of Defense to provide—at Government expense—free local counsel for the protection of American servicemen abroad, is a further indication that the Defense Department is not wholly satisfied with at least this feature of the present agreement, or happy about the inability of accused servicemen to be released on bail. Governor Brucker states that the opposition of the Department of Defense to House Joint Resolution 309 is not based on unwillingness to have exclusive jurisdiction over its own people abroad. He states every military commander would, for disciplinary reasons, prefer to have such exclusive jurisdiction. He states:

"We have no reason to believe that foreign countries now operating under the Status of Forces Agreement would be willing to concede exclusive jurisdiction such as we had in wartime in many areas; on the contrary, all evidence points the other way."

I call your attention to the fact that there is no evidence before the committee pointing the other way. That, in fact, there is evidence that the Defense Department has been able to secure an additional bilateral agreement with Greece, a member of NATO, conferring such exclusive jurisdiction, and has obtained modifications by other countries through other bilateral agreements.

In the light of the facts, I do not see how these men can justify the defeatist complex apparent in all of the statements made by the three departments: "We don't think it can be done"; "we are afraid to try it"; "they might not like us"; "we must be friends." I am not quoting words but an attitude.

Coming now to the statement made by Mr. Rankin, Assistant Attorney General of the United States, we must remember that Mr. Rankin was exercising the lawyer's prerogative of endeavoring to justify an action already taken by selecting such references to decided cases, or statements out of context from such cases, which might appear to support his position. He was not furnishing an unbiased opinion as the basis for some future action.

Attorney General Brownell, in testifying before the Senate Foreign Relations Committee in 1953 at hearings which led to the ratification of this treaty, found himself in the same position. He was obliged to find some authority somewhere which would excuse the surrender of criminal jurisdiction over our servicemen to foreign countries, and so he roved far afield in the opinion which Mr. Rankin has referred to, but he neglected to account for the fact that the United States Manual of Courts-Martial contained a very clear statement of what this country actually believed was the true rule of international law.

Just as Mr. Rankin has also ignored this statement.

Just as the Defense Department has failed to account for the fact that the statement still appears in their manual and has not been changed or amended or modified in any way—even though they know they have surrendered the rights which it should guarantee to our servicemen. I quote this paragraph again, from section 12, page 16, of the Manual for Courts-Martial of the United States, 1951:

"Under international law, jurisdiction over members of the Armed Forces of the United States or other sovereign who commit offenses in the territory of a friendly foreign state in which the visiting armed forces is by consent quartered or in passage remains in the visiting sovereign."

We have in the world systems of law such as the "common law," "civil law," "canon law," but it remains for our Attorney General to devise a new system which has the approval of all three of the gentlemen who have appeared before you on behalf of the three departments, namely, "civilized standards of justice."

It is unfortunate that these worthy and esteemed gentlemen and the Attorney General of the United States should now be willing to substitute this so-called civilized law for America's constitutional guaranties.

I find that Mr. Rankin, in his zeal to make a case, has been a little less than frank with you. He has said there is no indication that the court's decision in the case of the master of the German war vessel interned in Philadelphia was influenced by the fact that the vessel was interned at the time, yet we know that friendly foreign warships are not interned.

At another point Mr. Rankin referred to a case before the Canadian Supreme Court in 1943, as being in support of his present position. He said:

"The majority of the court held that there was no rule of international law conferring absolute immunity on United States forces stationed in Canada."

Now this is only a small part of the story. As a matter of fact, the Supreme Court of Canada was not in agreement on this matter. Only two justices took this attitude.

Justice Taschereau had this to say:

"There seems to be a strong preponderance of authority in favor of the view that there exists a rule of international law amongst the civilized nations of the world, granting immunity to organized forces visiting a country with the consent of the receiving government."

Justice Kerwin had this to say:

"The Government of Canada having invited into the Dominion the military and naval troops of the United States of America as a part of the scheme of defense of the north half of the Western Hemisphere and, thereore, not merely for the benefit of the United States but for that of both parties and, in fact, for the benefit of all the allied nations in the present conflict, the invitation must be taken to have been extended and accepted on the basis that complete immunity of prosecution in Canadian criminal courts would be extended to members of the United States forces.

"A member of a military or a naval force stationed here is immune whether he be absent from his unit or ship on duty or on leave. The immunity would extend to any member of the forces, whether attached to a unit stationed, or a ship present, in Canada, or not, so long as his presence in Canada is in pursuance of the invitation and consent of our Government. Because of the nature of the services that he is sent here to perform, such a member must be subject only to the laws of his country. The immunity does not extend to a member of the United States forces coming to Canada on his own business or pleasure as he would not be here for the purpose of military operations."

Justice Rand had this to say:

"1. The members of United States forces are exempt from criminal proceedings in Canadian courts for offenses under local law committed in their camps or on their warships, except against persons not subject to United States service law, or their property, or for offenses under local law wherever committed, against other members of those forces, their property and the property of their Government, but the exemption is only to the extent that United States courts exercise jurisdiction over such offenses."

Thus two justices believed that international law required the Dominion of Canada or any other nation to grant exclusive jurisdiction to the friendly visiting force, and a third agreed in part.

I believe that any additional authority which might be offered to you as to whether or not the statement of Chief Justice Marshall in the Schooner *Exchange* case was a correct statement of international law is totally unnecessary.

I find that one of the things which Mr. Rankin neglected to tell you is that in this Canadian case the United States of America filed an extensive brief alleging that under the rules of international law American Armed Forces would be entitled to immunity in Canadian courts.

The brief was submitted with this statement by the chargé d'affaires:

"Sir: Under instructions of my Government and in compliance with the informal request of the Canadian Government, I have the honor to enclose, for such use as you may care to make of it, a memorandum which sets forth the views of the United States Government on the right under international law of members of the Armed Forces of the United States on Canadian territory with the consent of the Canadian Government to immunity from the local jurisdiction in criminal matters."

I quote the summation from this brief:

"To summarize, it will have been seen from what has been said above that by the almost unanimous opinion of writers on international law, and jurists who have dealt with the subject, members of the armed forces of a state on foreign territory with the consent of the territorial sovereign are immune from the local jurisdiction in criminal matters. These views are based on and supported by international practice as well as reason.

"Some writers, while admitting this right to immunity of foreign forces, have sought to limit its application to certain times and places. The views expressed by them are decidedly against the weight of authority and are not supported in practice. There is no precise formulation of the limitations thought to be imposed, such as would seem to be necessary in any pretended rule of law. Indeed, there is no agreement on what the limitations are. Those suggesting limitations do not indicate by what process of reasoning their conclusions were arrived at.

"Reason is the foundation of the law, and the weakness of the views of these writers

when examined in the light of the principles laid down by Marshall and others is apparent.

"It is appreciated that under even the most favorable conditions the presence of troops of a foreign state may be a disturbing element in the normal life of a community. It is assumed, however, that the inconveniences and departures from normal procedures made necessary by their presence are regarded by the state which admits foreign troops as less important than the purpose for which they are admitted. It must, therefore, be concluded that the nation which consents to the presence of foreign troops on its territory cannot thereafter assert jurisdiction over them because the exercise of such jurisdiction would be inconsistent not only with the jurisdiction of their own sovereign but would derogate from the complete control and discipline which their sovereign must necessarily exercise in order to accomplish the purpose for which they were sent to foreign territory."

The attorney general of Canada also supported this contention in his brief.

I have a copy of these briefs which I wish to submit with my statement. I commend them to your attention, and challenge Mr. Rankin or the Attorney General himself to account for their apparent change of heart in now telling you that Marshall's opinion did not and does not properly state the rule of international law.

Incidentally, the Canadian case offers some light on the subject of military "tourists"—soldiers who enter another country on leave. The attorney general of Canada in his brief submitted the belief that the rule of international law did not apply to members of the Armed Forces who entered Canada "on their own," not as representatives of the Armed Forces but as tourists or casual visitors.

Justice Kirwan agreed with this viewpoint, and I believe it was established policy in Canada during the late war. However, it had little application inasmuch as members of our Armed Forces stationed in this country seldom if ever received permission to enjoy vacations in Canada.

Mr. Rankin also drew an erroneous conclusion with regard to the Senate debate at the time of adoption of the Friendly Foreign Forces Act of 1944. He cited to you the Senate's refusal of an amendment which would have stated the right of visiting forces to exercise jurisdiction over their men while in our country—specifically British forces. Mr. Rankin said the Senate did not want to confer such jurisdiction. Actually, Senator Revercomb, the author of the amendment, was simply trying to state in the act what he already believed to be a rule on international law, and he explained it as follows:

"The amendment is merely declaratory by the Congress of law which we are advised by the State Department exists, and which under the decisions of the Supreme Court of this country, we know to exist, with reference to a friendly army quartered in this country or while passing through it. Therefore, Mr. President, the amendment is merely an expression of the rule as the Government of this country has recognized it to exist under international law."

The Senators who argued against the amendment did so on the grounds that the recognized rule of international law made it unnecessary. Senator Connally, long-time chairman of the Foreign Relations Committee, said: "Mr. President, is not the whole question one of permission to the foreign force to be here? We can exclude them if we desire to do so, but does not our consent to their being here carry with it incidentals, and is not one of these incidentals that the force may exercise its discipline and its control, and punish infractions on the part of its members. That being the case, why is it necessary for us specifically to provide that they can exercise their jurisdiction here? It goes back to the fundamental question of whether we shall let them be here at all. We do not have to admit them. If we permit foreign troops and foreign naval officers and naval organizations to be within the United States, the implication and the natural inference is that they can exercise their normal functions."

In the light of a careful reading of the debate, I believe Mr. Rankin erred in citing this Senate action as a precedent for his position.

Much has been said also concerning the vote of 72 to 12 by which the Senate ratified the Status of Forces Treaty 2 years ago. I do not think that this established any criterion to guide the actions of the committee. The Senators voted on a new agreement. They did not know what would happen under the agreement. We do know now. We have had 2 years of experience. And, if any vote is to be taken as an expression of present opinion and sentiment on the subject, I call your attention to the vote in the House on May 18, on my amendment on this subject to the first Reserve bill, when our colleagues voted 174 to 56 in favor of restricting use of troops in status of forces nations. That vote is to me the real guide to the thinking of the people of America at this time.

The Brussels agreement, covering the status of forces of its signatories, has been pointed to by both Mr. Murphy and Mr. Rankin as the possible origin of the NATO Status of Forces Agreement. This prompts a review of the origin of the Brussels agreement itself.

You may recall that this country recognized the necessity of restoring in Europe stable economic conditions and encouraging the nations of Western Europe to cooperate in the effort to establish sound economic conditions and relations. The Economic Cooperation Act of 1948, for instance, undertook to assist countries of Europe by furnishing material and financial assistance to participating countries in such a manner as to aid them through their own individual and concerted efforts to become independent of outside economic assistance. This was to be accomplished by promoting industrial and agricultural production, restoring the soundness of European currency and finances, and facilitating and stimulating growth of international trade of participating countries. A "participating country" was defined as any country which signed the report of the Committee of European Economic Cooperation at Paris on September 22, 1947, and any other country which would adhere to a joint program for European recovery. By this act we were giving encouragement to the formation of groups of countries who might be banded together for the purpose of qualifying as recipients of our aid and assistance.

It is unfortunate, I think, that Mr. Rankin's statement would lead one to think that the United States was a signatory to the Brussels Treaty. Actually, the signatories were the United Kingdom, France, Belgium, the Netherlands, and Luxembourg.

On April 5, 1949, these powers addressed a request to the United States Government for assistance, stating that they had reached the conclusion that if their defense program was to be effective, the material assistance of the United States Government was essential. Their request contained no suggestion that the United States should furnish men, but did say that there was urgent need for United States material and financial assistance.

On April 6, 1949, the Government of the United States replied that a recommendation from the executive branch of the United States would be made to Congress to provide assistance to such countries to meet the materiel requirements of their defense program, such assistance to be in the form of military equipment and the provision of some financial assistance. Each of the signatory powers immediately followed with individual requests for aid.

I can understand very well why the signatory powers to the Brussels Treaty, with their long history of jealousy and distrust of each other, might have found it necessary to adopt the provisions of the agreement which they made concerning the status of members of their armed forces when situated in the territory of another. It was not contemplated that the United States would be a party to this agreement and it does not establish a precedent for our relinquishing any part of the criminal jurisdiction of our soldiers.

The requests for aid and assistance established very definitely that they needed military supplies and materiel and financial assistance, but there was never any suggestion that troops would be needed.

We could scarcely be accused of any motive of aggression—and the national feeling which one European country might have against another would not have applied to us. Furthermore, we were in a strong bargaining position. If our representatives had insisted on keeping complete criminal jurisdiction, I think it would have been granted. Just as I believe that if our representatives would today make an aggressive effort to insist upon a modification of article VII, it could be secured.

The theme runs through the three statements that because of this agreement American servicemen have gained substantial advantages that it was impossible to secure more and, specifically, impossible to retain all criminal jurisdiction of our troops. No instance is offered of any refusal of any one country to permit us to retain this jurisdiction. When it is stated that this agreement is better than what we had before, comparison is made between this agreement and executive agreements which had previously been concluded. The comparison is not between the Status of Forces Agreement and the Rule of International Law which has frequently been propounded here in this hearing, although denied at this time by the Justice Department.

To support their contention that we have gained something it is now said that we have exclusive jurisdiction of offenses committed by servicemen while on duty. All of the witnesses ignore the fact that the Status of Forces Agreement does not make any provision as to who shall determine the question of when a man is on duty, and have made no mention to you here of the fact that in some countries the authorities now claim by reason of this agreement that the determination of when a man is on duty is a prerogative of their courts and not of the military authorities of the United States.

General Hickman admitted this in his testimony before the subcommittee of the Senate Armed Forces Committee.

The worthy gentlemen representing these three departments all conclude their statements with the assumption that the only effect of the adoption of House Joint Resolution 309 would be the withdrawal of American troops from abroad.

They ignore the full text of the resolution.

Let me clarify a bit. First, the President is directed to request the NATO for a modification of article VII. Then, in the event a modification is impossible to secure, the treaty is to be denounced at the earliest possible date. This would mean that such denunciation could not formally be made before July 24, 1957, or become effective before July 23, 1958.

There is no desire or intention to weaken our own security or disturb the system of collective defense, but there is the desire to restore to our servicemen, engaged in such defense—and who may be called upon to protect our security abroad—all the rights granted them by our Constitution. By which I mean the American system of procedure

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under our Uniform Code of Military Justice, and not the State Department version of justice which our Attorney General has been pleased to call civilized.

If we are not to rely upon the Rule of International Law as stated by Judge Marshall then the request for such modification should include the specific request to restore to our servicemen all of the elements of procedure and justice necessary to be replaced or restored to put them on a par with American servicemen serving in this country. Let us do away with a double standard of protection for our military forces, where men who have the good fortune to serve their enlistment in the United States or countries where we have retained full jurisdiction enjoy all the rights which we can give them under our Constitution, but those upon whom fortune frowns by sending them elsewhere have so much less.

I understand that some concern has been expressed here by certain members of this committee as to whether or not the adoption of House Joint Resolution 309 is the proper way to secure the result—or more particularly, does this body have the right to direct the President to proceed as stated therein. I wish to say that there is ample precedent for just this procedure, and I will elaborate on these precedents later.

The resolution itself fully complies with the provisions of the Status of Forces Agreement, which, in article XVII provides that any contracting party may at any time request the revision of any article of this agreement, which request shall be addressed to the North Atlantic Council. Article XIX provides that the agreement may be denied after the expiration of a period of 4 years after the date on which the agreement comes into force. Thus the procedures requested of the President are within the terms of the treaty.

Now, if the resolution is passed by both Houses of Congress the President, of course, has a constitutional right to veto the same. If he approves the measure it may be assumed he intends to carry out its provisions. If he vetoes, Congress in its turn has the right to pass the resolution over his veto.

It is only in this case that a question could arise as to whether or not he would comply with the direction of Congress. A member of this committee has already stated—on the first day of the hearing—that he did not believe the President would refuse to comply. I, myself, believe that if House Joint Resolution 309 became the law of the land in the manner indicated that the President in the fulfillment of his constitutional duty to take care that the laws be faithfully executed, would follow its direction.

I base this belief not only upon my faith in President Eisenhower, but also upon the precedents that exist in our history.

In 1846 Congress, by joint resolution, on April 27, authorized the President, at his discretion, to notify the British Government of the abrogation of the convention of August 6, 1827, relative to the joint occupation of the Oregon Territory. President Polk had requested the resolution, thus supporting the theory that international conventions to which the United States is a party, even those terminable on notice, are terminable only by act of Congress.

In 1883 Congress, by a joint resolution, directed the President to give notice to Great Britain of the termination of articles 18 to 25 inclusive of the Treaty of Washington of May 8, 1871. The resolution was in these terms:

"*Resolved*, That in the judgment of Congress the provisions of articles 18 to 25, inclusive, and article 30 of the treaty * * * ought to be terminated at the earliest possible time * * * and to this end the President be, and he hereby is, directed to give notice to (Britain) that the provisions of the articles aforesaid will terminate and be of no force on the expiration of 2 years next after the time of giving such notice.

"2. That the President be, and hereby is, directed to give and communicate such notice of termination on July 1, 1883 or as soon thereafter as may be."

This resolution was limited entirely to the direction to the President to give the notice terminating the provisions in the treaty relating to Canadian fisheries and to coastal trading privileges. It was approved by President Chester A. Arthur, March 3, 1883 (22 Stat. 641), and on July 2, 1883, he gave the required notice.

Instances of instruction by legislation are contained in the Payne-Aldrich Tariff Act of 1909 (36 Stat. 33) which contained this direction to terminate certain commercial agreements:

"4. The President shall have power and it shall be his duty to give notice, within 10 days after the passage of this act, to all foreign countries with which commercial agreements have been negotiated * * * of the intention of the United States to terminate such agreements at a time specified in such notice, which time shall in no case * * * be longer than the period of time specified in such agreements respectively for notice for their termination."

When the French Government protested the receipt of a notice of termination from our Secretary of State, the following reply was forwarded:

"As you are aware, the President of the United States, in giving the formal notice on August 7, 1909, has been obliged to follow implicitly the prescriptions of the new tariff act of the United States."

(Foreign Relations of UA, 1909, pp. 46, 284, 270, 288, 389; John Mabry Mathews, American Foreign Relations (1938), p. 598; Green H. Hackworth, Digest of International Law (1943) (V:429–30.)

In the Seaman's Act of 1915 (38 Stat. 1164) Congress directed the President to terminate treaty provisions in conflict therewith:

"16. In the judgment of Congress articles in treaties * * * insofar as they provide for the arrest and imprisonment of seamen deserting * * * merchant vessels of the United States in foreign countries * * * and other treaty provisions * * * in conflict with this act * * * ought to be terminated, and to this end the President * * * is hereby requested and directed, within 90 days after passage of this act, to give notice to the several governments, respectively, that so much * * * of all such treaties * * * will terminate on the expiration of such periods after notices have been given as may be required in such treaties."

President Wilson gave the required notice. (Samuel B. Crandall. Treaties: Their Making and Enforcement, 2d ed. 1916, p. 460.)

A direction to the President, contained in the Merchant Marine Act of 1920 (41 Stat. 1007) to terminate treaties restricting the right of the United States to impose documentary customs duties was not complied with by President Wilson because he stated that "the treaties contained no provisions for their termination in the manner contemplated by Congress." The point was made that the direction sought to terminate only so much of the treaty as imposed any restriction on the United States as to customs duties and tonnage dues and did not comprehend abrogation of the treaties in their entirety. The Solicitor for the State Department at the time wrote:

"Congress may pass an act violative of a treaty. It may express its sense that a treaty should be terminated. But it cannot in effect undertake legally to modify a treaty no matter what methods it may employ. In doing that it, in effect, attempts to conduct diplomatic negotiations and to encroach on the treatymaking power composed of the President and the Senate."

Earlier, in 1879, Congress enacted a bill forbidding any ship from bringing more than 15 Chinese immigrants to the United States on any one trip. President Hayes vetoed the bill on March 1, 1879, because the legislation would mean virtual exclusion of all Chinese and accordingly be in conflict with the Burlingame Treaty of 1868 which accorded the privilege of unlimited entry of Chinese. In his veto, President Hayes said:

"The authority of Congress to terminate a treaty with a foreign power by expressing the will if the Nation no longer to adhere to it is as free from controversy under our Constitution as is the further proposition that the power of making new treaties or modifying existing treaties is not lodged by the Constitution in Congress, but in the President, by and with the advice and consent of the Senate."

I wish to call your attention at this point to the fact that the Status of Forces Agreement contains provisions as to the means by which it may be modified or abrogated, and that House Joint Resolution 309 conforms strictly to the provisions of the agreement as to either right. It is not an enactment of a law of itself to modify or terminate an agreement. There is considerable authority for participation by the House in a resolution of this kind.

As early as 1856, the Senate Foreign Relations Committee, in a report sustaining the validity of a Senate resolution authorizing transmission of a notice of termination, to be adopted in fulfillment of a Presidential request addressed to the Senate alone, explicitly acknowledged that other procedures, such as one involving adoption of an authorizing resolution by both Houses, would be equally appropriate. Similarly, the Supreme Court, which in a dictum set forth in an early decision, had intimated that the power to terminate was vested in the President, more recently has also acknowledged that no constitutional inadequacy attaches to denunciation of treaty provisions by Presidential notice of termination issued pursuant to direction contained in the Seamen's Act of 1915. Perhaps the strongest claim of constitutional competence on behalf of participation by the House has been made by Edward S. Corwin who once asserted that "legislative precedent, which moreover is generally supported by the attitude of the executive, sanctions the proposition that the power of terminating the international compacts to which the United States is party belongs, as a prerogative of sovereignty, to Congress alone." Concurring, though less emphatically, John Bassett Moore also observed that notice of termination "when given by the President * * * usually * * * has been given under the authority of a joint resolution of Congress."

From these precedents and assertions perhaps the only conclusion that safely may be drawn is that "history shows that treaties and executive agreements have been modified or abrogated as a result of various procedures which emphatically assert that alternative methods are even more characteristic of the unmaking of international acts than of their making," and that, perhaps, "the choice of method would seem to depend either upon the importance of the international question or upon the preference of the Executive."

(*Charlton* v. *Kelly* ((1913) 229 U. S. 447, 476); *Van der Weyde* v. *Ocean Co.* ((1936) 297 U. S. 114, 117–118); Mr. Justice Iredall, in his concurring opinion in *Warve* v. *Hylton* ((1796) 3 Dall. 199, 256, 260), also acknowledged the validity of joint action by the two Houses of Congress.)

Senate Report 97, 34th Congress, first session, as reproduced in Senate Document 231, 56th Congress, second session, part 8, pages 107–109 111–112; see also CONGRESSIONAL RECORD, 14:2333.

Edward S. Corwin, the President's Control of Foreign Relations (1917), page 115; Hackworth, in the work cited, page 319; Wallace M. McClure, International Executive Agree-

ments (1941), page 16; Mathews, in the work cited, page 616; Moore, in the work cited, page 322.

Before concluding let me digress a bit to say that my mail shows an increasing interest in this subject from all sections of the country, and other Members have informed me that they are having the same experience. These letters are not written by irresponsible, unthinking people, swayed only by misconception, as Mr. Murphy suggested. Many of them show surprising knowledge of the principles involved. And many of them are from men in the Armed Forces who have given this great thought and consideration, even to the point that one young man in France tells me his fellows hesitate to take a pass for fear they will be taunted and attacked by French Communist thugs and thrown into French jails for defending themselves. A very thoughtful letter has come to me from an Air Force captain in France, whose name I have decided should be classified information. He writes:

"This is to inform you that I, along with thousands of other servicemen serving overseas, am opposed to this so-called Status of Forces Agreement which deprives us of our basic constitutional rights as American citizens.

"We serve, some because we must, others because they feel it their duty, but all of us without exception serve because we feel that the American way of life is the best way of life. We serve to protect that way of life; not to see it torn down right before our eyes by agreements of this type.

"My wife, who incidentally is a former German national nicely converted to the American way of life, states that an agreement such as that made behind closed doors, without the knowledge of the citizenry of the United States, is something that she would have expected out of Hitler's Germany or Stalin's Russia but never from the United States. What can you say to a statement like that?

"Having spent the last 2 years in France, I know that there are a considerable number of French judiciary who are either outright Communists or are of Communist leanings. What sort of treatment do you imagine one of these betrayers of humanity would deal out to any serviceman who either accidentally or on purpose was ordered to appear before him?

"I sincerely hope that you and the other Representatives will continue to fight for cancellation of this unconstitutional agreement. Remember, this is no two-way street. We have hundreds of thousands of American citizen servicemen in foreign countries while these same foreign countries have very few servicemen in ours. Great Britain during her numerous occupations of foreign countries never made such agreements with those countries. Why should we? Remember this too, please. To deprive one segment of our society of its constitutional rights makes it that much easier to deprive all segments of that society of the same rights."

I commend this closing thought to you. Where is our State Department leading us?

Mr. Chairman, I cannot feel that it is at all unreasonable for this committee and the Congress to express itself on the Status of Forces Treaty, and I regret that anyone should construe my efforts as a criticism of the President or an effort to embarrass him.

I think it is perfectly natural for this Government to strive all of the time to improve the situation of our servicemen. Perhaps in entering into this agreement, the President may feel that his predecessor closed the door on further negotiations. Certainly it is to be regretted that the State Department witness seems to feel that way and to be content simply to defend the status quo.

Perhaps this resolution is precisely what the President needs to justify a request that the terms of the treaty be opened for new discussion. The section of the resolution which requires him to denounce the treaty if it is not modified is intended and certainly should strengthen his hand in such discussions.

I trust he will view it in this light.

Let me tell you why I believe that other nations will be and in fact probably are now willing to reopen the Status of Forces agreements.

First, we have agreements in effect right now that give us exclusive jurisdiction. Such an agreement is in effect with Ethiopia. Very likely some of the secret agreements contain similar provisions. If any nation is willing to give us exclusive jurisdiction, is that not a compelling reason to strive for the same thing from other nations?

Second. At least one NATO nation on whom we have conferred exclusive jurisdiction has voluntarily agreed to waive such rights. General Hickman testified concerning this agreement with Greece. In other words, we have accomplished with one nation what my colleague, Representative BUDGE, hoped to accomplish with regard to others when he presented his amendment to the Mutual Security authorization. If it can be done with one, it can be done with others.

Third. The nations of the world with which we are allied are deeply indebted to us for economic and technical assistance. This calls to mind the situation that existed in Great Britain in 1942 when that nation enacted legislation to give us exclusive jurisdiction. It was a new situation to the British because they had seldom in history had foreign troops on their soil—usually it was the opposite. But Lord Actin said: "It is a proposal unique in the constitutional history of this country, but the Government of the United States have been so ungrudging in the aid given to this country that if they expressed a desire for such legislation, no one would hesitate to grant it. This statement and a similar one by Anthony Eden are quoted in the Canadian case to which we have referred.

Let me say that Lord Actin's attitude in 1942 should certainly be reflected by British statesmen now, for we have given them generous aid and assistance through all of the intervening years, and our total aid to this and other allies since the war's end is measured at more than $64 billions.

Fourth. My fourth point is closely related to the above. I believe that most of these nations actually recognize that our troops are stationed there largely for their benefit. As a matter of fact, they have urged it upon us because they want us to stop aggression where it begins rather than liberate them after they have been occupied, as we have done in the past. This point should be stressed strongly in all negotiations and I think it is a compelling argument, any benefits to our own security notwithstanding.

In summary, we know that we have had exclusive jurisdiction in the past. We have it in some countries today. Greece has waived her claims to it. We know that some treaties are more favorable than others, such as the Libyan agreements which guarantee a presumption of innocence and protection against self-incrimination.

Knowing all of these things, is it unreasonable to direct the President to press for further advantages for our men? I think not. I hope that the State Department, even in the absence of congressional action, will recognize the sentiment of America and proceed with all of its ability to secure more favorable agreements. I hope that the Justice Department will reexamine its position and the precedents which it has formerly relied upon but lately denied. It can support the State Department by so doing. I am confident the Defense Department would welcome such action by the other two, for I am certain that our military commanders and the men themselves are by no means happy with nor satisfied with article VII of the Status of Forces Agreement and the related treaties and arrangements.

Mr. DOW. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include statements made before the committee.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. GROSS. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I oppose the creation of new under secretaries, assistant secretaries and all other kinds of secretaries. I have opposed them consistently since I became a Member of Congress. I opposed the creation of these new, top-level jobs under the Truman administration, and I oppose them under the Eisenhower administration. We are already topheavy with secretaries, under secretaries, deputy under secretaries, assistant secretaries and all kinds of secretaries.

In 1953 one of the first bills passed by the House created an assistant secretary or under secretary—I have forgotten the designation—in the State Department for a 2-year term. That was supposedly to reduce personnel in the State Department. Will someone rise on the floor of the House and give me some figures showing reductions in the personnel of the State Department under that gentleman or his successor, both of whom were paid substantial salaries by the taxpayers of this country? Does anyone care to get up and tell me how many people were eliminated, how much personnel was reduced in the State Department under these gentlemen who were there for the purpose of cutting down personnel?

Mr. WIER. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Minnesota.

Mr. WIER. Knowing that the gentleman is more familiar with this Department than I happen to be, I was rather confused at the definitions given by the gentleman of the various assistants, deputy assistants, assistant assistants, and 4 or 5 other kinds of assistants. How does the gentleman define all these secretaries that they want to juggle around in the Department? May I say that I am thoroughly in accord with the gentleman's position, I am also opposed to this bill.

Mr. GROSS. I may say to the gentleman that I did not define them. Apparently the Committee on Foreign Affairs and the State Department defines them. I guess it is collaboration between the two that defines these various and sundry secretaries. I have not been able to figure out this deal. I am just doing my best to put a stop to this thing because somewhere along the line we are going to have to cut spending in Government, we are going to have to stop this empire

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building within Government, and I hope we can start right here.

The gentleman from South Carolina says that this new Under Secretary is going to cost $15,000. Well, now, I think the gentleman from South Carolina knows very well that this House late Saturday afternoon passed a bill that is going to increase the salaries of Under Secretaries of the State Department by $5,000 a year; from $15,000 to $20,000 a year. The gentleman is aware of that, I am sure. He says "We do not bring in this bill to provide a pay increase for them." They already have a pay increase.

Mr. RICHARDS. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from South Carolina.

Mr. RICHARDS. Would the gentleman have preferred that we leave these pay raises in as passed by the Senate?

Mr. GROSS. Well, there was a difference of only $500, as I recall it, in the salary increases for Under Secretaries as provided for in the Senate bill and as compared with the Executive Pay Act which passed the House Saturday.

Mr. RICHARDS. Oh, no. That is not correct. The Secretary of State draws $22,500; the Under Secretary draws $17,500; and the Assistant Secretary of State draws $15,000. There are no increases for them in this bill.

Mr. GROSS. No; there are not in this bill.

Mr. RICHARDS. Well, I do not know what is provided in some other bill. This bill stands on its own hind legs.

Mr. GROSS. The gentleman knows the House passed an executive pay-raise bill late Saturday afternoon; the gentleman knows that. He must know that each Deputy Under Secretary of the Department of State is being raised from his present salary of $15,000. You are dealing here, are you not, with an under secretary? Each Deputy Under Secretary of State you are dealing with is presently paid $15,000, according to this schedule, and will be paid under the bill you passed here Saturday afternoon—and to which I was opposed, and I guess the only one who spoke against it—will be increased to $20,000. I just got through saying you are establishing here an office that will cost $20,000 plus a retinue of secretaries, stenographers, and so on and so forth.

Mr. RICHARDS. Mr. Speaker, will the gentleman yield further?

Mr. GROSS. I yield.

Mr. RICHARDS. I would like to say for the information of the House that this bill was reported out by the Committee on Foreign Affairs and ready for action long before the other bill that the gentleman is talking about came before the House. For that matter, that bill is not law yet.

Mr. GROSS. Does the gentleman think there is any question that it will not become law?

Mr. RICHARDS. If the gentleman is here at the time it comes up, there certainly will be some question.

Mr. GROSS. The gentleman flatters me.

Mr. RICHARDS. If the gentleman had the power to prevent it, wouuld he allow anybody working for the State Department to put his feet in his business in Iowa? Would the gentleman ever agree to such a thing?

Mr. GROSS. Sure. We let the Russian commissars come in. I imagine that the striped-pants State Department crowd know as much about agriculture as the Russian political commissars do.

You know, I had the privilege of attending some hearings before the Committee on Foreign Affairs not so long ago with reference to the resolutions that the gentleman from Ohio [Mr. Bow] and I have introduced to knock out the infamous Status of Forces Treaties and secret agreements. At these hearings I heard one of the Secretaries of State—I believe he was an Under Secretary—I cannot keep track of all of them—a man by the name of Murphy, testify before the committee that the United States has exclusive jurisdiction over American servicemen in Saudi-Arabia.

The gentleman from Indiana [Mr. ADAIR] questioned this Under Secretary, and it was prolonged questioning, I assure you. Mr. ADAIR had to read word for word the agreement that we had entered into with Saudi-Arabia to prove to this Under Secretary of State that he did not know what he was talking about although he was the State Department's principal witness before the committee in behalf of the continuation of the Status of Forces Treaty and secret agreements under which American servicemen are tried in civil courts in certain foreign countries and, if convicted, incarcerated in foreign prisons.

Either this Under Secretary of State, Mr. Murphy, was ignorant or deliberately misstated the facts.

The SPEAKER. The time of the gentleman from Iowa has expired.

Mr. GROSS. Mr. Speaker, I yield myself 2 additional minutes.

Mr. Speaker, I repeat, this Under Secretary of State, Mr. Murphy, was either ignorant or deliberately misstated the facts. It took the gentleman from Indiana [Mr. ADAIR] a long time to get him to admit that the United States does not have exclusive jurisdiction over its servicemen so far as criminal procedures are concerned in Saudi Arabia.

As I said before, this is an excellent place to begin to save some money for the people of this country. There are Secretaries falling all over each other in the Department of State and no one has in any way justified the addition of another one.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. I agree with the gentleman from Minnesota [Mr. WIER], and I hope the gentleman from Iowa [Mr. GROSS] will continue to give them "heck" on every occasion.

Mr. GROSS. I will say this to the gentleman from Michigan: That this new Under Secretary in the Department of State is needed just about as badly as a bullfrog needs feathers.

Mr. WIER. Mr. Speaker, I would like to inquire of the chairman of the committee if he would define these various ranks. You have a Deputy Under Secretary and you have Assistant Secretaries and several other kinds of assistants.

Mr. RICHARDS. Here is what you have. You have a Secretary of State and an Under Secretary of State.

Mr. WIER. How many of those do you have?

Mr. RICHARDS. One Secretary and one Under Secretary. We have no statutory position of Deputy Under Secretary, but we have two Assistant Secretaries of State who are designated as Deputy Under Secretaries of State. What we want to do in this bill is to create 1 new Deputy Under Secretary of State and promote 2 Assistant Secretaries of State to the position of Deputy Under Secretaries of State. Thus, there will be three Deputy Under Secretaries of State.

Mr. WIER. Isn't that clear?

Mr. RICHARDS. The 2 vacancies in the ranks of the Assistant Secretaries will be filled by promoting 2 GS–18 people. These are the Director of the Policy Planning Staff and the Controller, both of whom have responsibilities, and perform functions, comparable to those of Assistant Secretaries.

That is just as plain as the nose on your face.

Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. VORYS].

Mr. VORYS. This State departmental organization is completely described in the report on pages 2 and 3 and those who are getting up and asking about this organization can save the time of the rest of us by reading what is there.

What is happening is that we create one new position and upgrade four others. There will be one new face down in the Department of State if this bill is passed. All this will cost $15,600 under existing law. It will cost more if the executive pay bill which the gentleman from Iowa [Mr. GROSS] opposed the other day but which passed by a two-thirds vote, is adopted in the other body. The new man is going to be Deputy Under Secretary for Economic Affairs. It seems to me this country, with about 20 percent of all the exports of the world and 15 percent of all the imports, should have a man in the State Department who can give his full time to policy in the realm of economic affairs.

With this change in the law there will be 14 below the Secretary of State in the Department of State with the rank of Assistant Secretary of State or better. In the Department of Defense there are 25 or 28, depending on which way you count them, that are of the rank of Assistant Secretary of Defense or better.

Why do you need so many people of such rank in the Department of State? I counted in the Congressional Directory Saturday 81 countries that have representatives in the United States. These representatives, when they go to the Department of State about their business, always want to see the head man or at least a "big shot." The Secretary of State is a busy man, often out of the

country. This keeps the Under Secretary very busy. By creating 1 more Deputy Under Secretary of State, and upgrading 2 Assistant Secretaries to be Deputy Under Secretaries we make room for 2 more Assistant Secretaries of State, 1 a Comptroller and the other the Director of Policy Planning. We will then have 14 who can talk to these representatives of foreign countries, so they will not feel they are talking to some underling. Because the Department of State deals with foreign nations is the reason we need so many high-ranking officials, although it is half the number we have now in the Department of Defense.

We are "beefing up" the economic side of the Department of State. I think that is a good thing. We are putting in as Comptroller and Assistant Secretary of State Zeke Carpenter, who is a successful businessman from Omaha, who is putting more business methods in the operations of the Department of State. I think that is a good thing. He had the rank of Assistant Secretary last year, but stepped down to make room for an organizational shift. He should have that rank again.

Here, however, is the real reason for this bill. President Eisenhower and Secretary Dulles and Herbert Hoover, Jr., who is Under Secretary of State, say they need it for the good of the Republic, they need it to operate the Department of State. Herbert Hoover, Jr., this man who is a genius in business organization and operation, has devoted his time selflessly as a public servant in the Department of State as Under Secretary, and he is the operational head, to free the Secretary of details. He says they need this setup in order to attend to the business of the State Department.

Mr. RICHARDS. Mr. Speaker, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from South Carolina.

Mr. RICHARDS. This is an administration bill; is it not?

Mr. VORYS. Yes.

Mr. RICHARDS. I just wanted to get that straight.

Mr. VORYS. With all due respect for the encyclopedia and kaleidoscopic knowledge and wisdom of my friend, the gentleman from Iowa [Mr. GROSS], on foreign and domestic affairs, as between his judgment on the way the State Department ought to be organized and that of President Eisenhower, Secretary Dulles, and Herbert Hoover, Jr., I suggest we string along with the latter three and give them what they say they need in the interest of our country.

This same suggestion applies to the creation of a new grade of career Ambassador in the Foreign Service, provided in this bill, and to provision changing the base for computing annuities. These changes are needed, as stated in the title of the bill "To strengthen and improve the organization of the Department of State."

Mr. GROSS. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. WIER].

Mr. WIER. Mr. Speaker, after listening to the reasons for this legislation by the gentleman from Ohio, let me ask this: With all of this high brass at the top, and with all of these deputy assignments defined in so many ways; it is not possible for the Secretary of State to make possible promotions without a new appointment? This is merely finding a job for somebody who is not already in the Department.

Mr. VORYS. If there is going to be 1 new job, there are going to be 4 men promoted under this bill. There will only be one new face and that is for the Deputy Under Secretary for Economic Affairs. All the other positions will be filled by promotions within the Department. That is why it is not going to cost very much.

Mr. GROSS. Mr. Speaker, I yield 2 minutes to the gentlewoman from Ohio [Mrs. FRANCES P. BOLTON].

Mrs. FRANCES P. BOLTON. Mr. Speaker, I have been a member of the Committee on Foreign Affairs for 14 years. I have watched our country grow in responsibility. On the other hand, I have not seen us here in the House of Representatives as ready, as I feel it is necessary for us to be, to build a Department of State and a Foreign Service second to none in the world. We have very, very real obligations. We need people who know their jobs. We need enough of such people.

There are representatives here of 81 other nations who, as the distinguished gentleman from Ohio [Mr. VORYS] has just said, want to be able to consult our people about every phase of international life. As the gentleman has said so well, they are not satisfied with the little fellow. When they go to a Government department, they want to speak to somebody with authority, then they can say back home, "I talked to the Assistant Secretary" or "I talked to the Deputy Assistant Secretary." You may say that is foolishness, that they should be satisfied with a lesser person. But it is just human nature; we feel the same way. When we go to the various departments of our Government, are we satisfied to talk to an underling? No, indeed.

It is my earnest hope that the House will bring to the 1956 session a recognition of the need we have in responsible world leadership to build a well-trained and adequate Foreign Service backed by a well-administered, well-trained, well-equipped State Department without which we cannot expect to carry the burden of responsibility which is ours and to have the influence in world affairs that can and should be ours. We cannot do what needs to be done for other people nor can we do what needs to be done for ourselves, if we do not have the adequate personnel.

It is my earnest hope, Mr. Speaker, that the House act favorably upon this legislation.

The SPEAKER. The time of the gentlewoman from Ohio has expired.

Mr. RICHARDS. Mr. Speaker, I yield myself 4 minutes.

Mr. Speaker, I am sure the House will pass this bill by the required two-thirds vote; there is no doubt in my mind that we need another Deputy Under Secretary of State. You have one good man there now, nominally a Deputy Under Secretary, for personnel. You have another good man there now, nominally a Deputy Under Secretary, for policy. As the gentleman from Ohio stated, to handle world problems confronting us of an economic nature, we need a Deputy Under Secretary for economic affairs. There is no doubt about that in my mind. In that connection, Mr. Speaker, I want to say that no matter what you do about this bill, this country is facing the most deceptively perilous times we have ever faced since Communism confronted us on the world front with the avowed purpose of destroying us. Only today we got the news from Geneva that the 11 flyers are going to be released and our people are saying that the leopard has changed its spots. That announcement comes at the time that we are preparing to adjourn and go home to our constituents—splendid timing.

Evidently the intention on the part of the Communist world is to inoculate us properly so that we can aid further in putting our constituents to sleep.

There is more than one kind of brainwashing, the most diabolical form of suffering ever devised. We know about the pressure, the misery, and the pain and the abject surrender of strong American boys who have been subjected to this form of Communist torture. We know about that. They are masters in that art. They are masters too in another field of brain-washing. What is it? Today they are following exactly the lines that Lenin and Stalin laid down. That is, when the going gets tough, smile, retreat, zig and zag and compromise and put the free world to sleep with the peace anesthetic.

If you have not read Secretary of State Dulles' book, War or Peace, published in 1950, you should read it. There you find a man who understands communism and its dangers to our way of life—and who knows that smiles coming from the Communists mean nothing. I quote from his book:

> There exists a great power—Russia— under the control of a despotic group fanatical in their acceptance of a creed that teaches world domination and that would deny those personal freedoms which constitute our most cherished political and religious heritage.
>
> * * * * *
>
> The "enemy"—the self-proclaimed enemy—is the relatively small, fanatical Soviet Communist Party. Stalin is its leader, and the Politburo is the principal source of the decisions which command the blind obedience of the hard core of loyal Communist Party members everywhere in the world.
>
> These party members have despotic political power in Russia and elsewhere. They believe that it is their duty to extend that power to all the world. They believe it right to use fraud, terrorism, and violence, and any other means that will promote their ends. They treat as enemies all who oppose their will.
>
> * * * * *
>
> The actual purposes of Soviet communism are to be judged in the light of its official creed that is taught to the millions of Communists who make up the party in Russia and in other countries. That creed is a far more reliable guide than the words that are occasionally uttered for our confusion.
>
> * * * * *
>
> "We are living," says Lenin, "not merely in a state, but in a system of states, and the existence of the Soviet Republic side

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by side with imperialist states for a long time is unthinkable."

* * * * *

In the foregoing paragraphs I have presented as fairly as I can the doctrine of Soviet communism and its methods as taught by Stalin. There are, I know, recurrent efforts to say that this is "old stuff" and "obsolete"; that Soviet communism has changed; that it no longer seeks world conquest and no longer uses methods of fraud, secret penetration, and civil violence. That, in my opinion, represents wishful thinking.

* * * * *

There is no illusion greater or more dangerous than that Soviet intentions can be deflected by persuasion.

Wait until they put the squeeze on Mr. Dulles. Wait until the misguided "Peace" and "we must compromise with them" pressures begin hounding him in full cry, urging that he compromise or be destroyed.

Certainly we should be willing to talk with anyone or any nation in the interest of peace as long as we do not abandon our principles, as long as we do not compromise with evil, as long as we do not abandon friends and allies of the free world who have gallantly withstood the Communist menace. But surely, Mr. Speaker, the moral stamina of this country has not sunk so low, the love of peace at any price risen so high, as to fall for the siren song of those who would neutralize, divide and conquer us. Make no mistake, that is their purpose.

The SPEAKER. The time of the gentleman has expired.

Mr. RICHARDS. Mr. Speaker, I yield myself 3 additional minutes.

Now, do not forget this. We will soon be away from here. We will be back home talking to the home folks trying to answer their questions. Everything may appear to be peaceful there and when they ask us, "is this peace talk real?" it may be hard to disillusion them and bring them face to face with the stark reality that we can place no confidence in this new brand of smiles of the Communists. This new form of brainwashing is an insidious thing, doubly dangerous because it ties in so closely with the longing of our own people for release from the tensions and strain of warlike talk.

Thus the plan is to blend the Geneva summit talks with the Geneva Chou En-lai Red China talks at a high level, and give us the one-two punch when the time is ripe, and all the while the faith of the fringe free world will be whittled away until we stand alone.

You will remember the days when another administration was in power and Acheson and Truman were carrying the load of foreign policy. They were just as conscientious and patriotic, I am sure, as Mr. Dulles and Mr. Eisenhower are today. You Members on my left, day after day, rose and condemned them for foreign policy mistakes, and they made some. This Republican administration will probably make its share. But, Mr. Speaker, there have been few to rise on the Democratic side of the aisle in this day of trial and condemn and damn Mr. Eisenhower and Mr. Dulles for their mistakes in the face of difficulties.

Why? Because we believe in a truly hundred percent bipartisan foreign policy and because we believe Mr. Eisenhower and Mr. Dulles are patriotic Americans and that there should be no division in the face of a common enemy.

I would hate to stand in Mr. Dulles' shoes. He is under great pressure. These pressures to make concessions to the Communists, to recognize Red China, to abandon our commitments to weaker allies, to enfold in our arms the Communists' promises of peace will grow and grow while we are away from these halls.

Mr. Speaker, I hope my lack of confidence in the new face of the Communists does not appear cynical.

Why should we have confidence in their smiles and their charm campaign when every teaching of Stalin and Lenin seeks to justify a campaign of charm and compromise to achieve the ultimate goal of world revolution? Here is the chain of events happening since the charm campaign was inaugurated—here is the anesthetic by which to put the free world to sleep while they reform their lines:

THE SOVIET CHARM CAMPAIGN

First. The Soviet signed a peace treaty with Austria—with Austria to remain neutral.

Second. Russian Ambassadors went to Belgrade to woo Marshal Tito, who returned the courtesy by agreeing to visit Moscow.

Third. Russia invited Chancellor Adenauer to go to Moscow to discuss unification of Germany.

Fourth. The Soviet is making peace overtures to Japan.

Fifth. Russia entertained Nehru and induced him to sign in Moscow a declaration to neutralize India. In farewell address to Nehru, Bulganin quoted Hitler almost verbatim when he declared: "Relations between India and the Soviet provide an example of how to put into practice the principles of peaceful coexistence."

For me, all of that is not enough. If Russia and Red China wish to convince us of their sincerity, let them announce to a waiting world that they once and for all renounce the teachings of Lenin and Stalin; that they abandon the aim of world revolution.

Mr. FEIGHAN. Mr. Speaker, will the gentleman yield?

The SPEAKER. The time of the gentleman from South Carolina has expired.

Mr. RICHARDS. Mr. Speaker, I yield myself 1 additional minute.

Mr. FEIGHAN. I wish to congratulate the distinguished chairman of the House Foreign Affairs Committee on one of the most forthright and informative speeches in the well of this House in this session of Congress and possibly in any session of this body.

The distinguished gentleman whose responsibility it is to keep abreast on a day-to-day basis on all those events throughout the world which have an important bearing upon the security and welfare of the American people, has put his finger on the real tactics of this latest maneuver by the Communists to lull the free world into a deep slumber, so that they in turn will have time to consolidate the greatest colonial empire ever built up in the history of mankind.

With the skill of an unusual statesman, the gentleman from South Carolina has analyzed the Russian effort to cause a great dilemma within the body politic of the United States. The great dilemma they seek to create is that those who fail to support the Russian demand for peaceful coexistence, on terms which can lead only to the enslavement of the American people, will be characterized as enemies of peace. This is a dilemma which the ruthless Russians seek to place each and every Congressman in as he returns to his home constituency, where they must face the question as to whether the Russians are sincere or as usual are deceitful. As the able chairman has stated, the American people seek only peace and consequently desire an easing, where possible, of international tensions. This places a grave responsibility on each and every Member of Congress to tell his constituents the hard, cold truth concerning this latest tactic of the Russians, which the gentleman from South Carolina has so ably analyzed. I wish to assure my colleagues that I shall, during the time Congress is in recess, do everything in my power to bring to the attention of my constituents and all the American people the challenge of the basic issues which Mr. RICHARDS has analyzed for us today. I know that all the Members of Congress will join with me in this assurance and that they will, without hesitation, bring to the attention of their constituents, the full truth concerning this latest Russian maneuver which they call peaceful coexistence, but which we, as realistic Americans, recognize as the same old Marxist-Engels, Leninist-Stalinist line calculated to advance the Russian master plan for world conquest.

I again congratulate the distinguished chairman of the Foreign Affairs Committee for his courage, for his wisdom, and for his wise counsel on the greatest problem which America has been required to face since the founding days of our Republic.

Mr. RICHARDS. I appreciate the gentleman's statement.

Mr. HOLIFIELD. Mr. Speaker, will the gentleman yield?

Mr. RICHARDS. I yield.

Mr. HOLIFIELD. I just wish to say that this is the most important speech that has been made in this House this session. I wish the words that the gentleman has said here could be written in letters of fire on the brain of every American, because he has pointed out a danger that is ever existent.

Mr. RICHARDS. I thank the gentleman.

Mr. MORANO. Mr. Speaker, will the gentleman yield?

Mr. RICHARDS. I yield to the gentleman from Connecticut.

Mr. MORANO. Is not the gentleman convinced that the President of the United States and Secretary Dulles will not let their guard down in dealing with these Communists at these high-level meetings?

Mr. RICHARDS. I pray God they will not.

Mr. MORANO. Is not the gentleman convinced that they will not?

Mr. RICHARDS. I am convinced that they want to do the right thing. I hope they will stand up.

Mr. JUDD. Mr. Speaker, will the gentleman yield?

Mr. RICHARDS. I yield.

Mr. JUDD. Mr. Speaker, I want to associate myself wholeheartedly and completely with what the gentleman has said.

I was one who criticized some in former administrations when I thought they were not resisting with sufficient alertness and determination the wiles and tricks of Communist forces, especially in Asia. I know this administration, which is of my own party, does not intend to weaken or fall into the Red traps, but if I found it yielding on these basic issues, I would fight it just as hard as I did its predecessors.

The gentleman from South Carolina has made a splendid statement, has laid the plain, hard facts before us. We must not let our zeal for peace cause us to lose it by grasping too eagerly at the straws the Communists skillfully toss out before us. I hope and I believe our officials will successfully resist the terrible pressure that I know is being put upon them to break our word to some of our allies in the vain notion that will somehow bring peace with our enemies. All that would accomplish, if we were to do it, would be to lose our friends and make stronger our enemies. The only peace it would bring would be the peace of slavery.

Let me read you this dispatch from Tokyo taken right off the ticker. After talking about the fear among our anti-Communist allies in Asia that Washington is moving closer to recognition of Communist China, it goes on:

> And the Asians, who have been urged by the United States to resist communism, cannot understand United States willingness to negotiate with the Chinese Reds.

It also says:

> An important Filipino leader raised the question in a private conversation on the matter: "Is the principle of negotiation and compromise—or coexistence by any other name—more important than the principle of right and wrong?"

Mr. Speaker, we have come to the crossroads, and I pray that the executive branch and the legislative branch, and our people as a whole will prove steadfast and worthy of our heritage of freedom in this hour when we are being so sorely tempted. If we were to falter once more we shall lose the ground that has been gained, and go down in history doomed ourselves and condemned by all mankind. But if we hold high our courage and put first honor and human freedom, we shall save the world and be blessed by all history.

Mr. RICHARDS. I thank the gentleman.

Mr. VORYS. Mr. Speaker, will the gentleman yield?

Mr. RICHARDS. I yield.

Mr. VORYS. Mr. Speaker, realizing the limits of time, I ask unanimous consent that I and others who wish may extend their remarks at this point in connection with the very strong and important statement on our present peril the gentleman from South Carolina has made, with which I entirely agree.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. VORYS. I want on this my last chance to talk to the House this session to pay my tribute to the Chairman of the House Committee on Foreign Affairs, an extremely level-headed, far-seeing, independent, and patriotic Member of the House. He is also, because of his record and his character, an extremely influential Member. His amendment, the Richards amendment, was accepted by a Republican administration and a Republican President 2 years ago, and this amendment did much to bring our allies together in Europe in the Western European Union.

Mr. RICHARDS. I thank the gentleman.

Mr. VORYS. I hope the gentleman's words today are listened to. We have been hearing too much of counsel of another kind from another body.

An American ambassador is meeting today in Geneva with an ambassador from Red China. Chou en Lai, the Red Chinese Premier, in a speech last weekend, said, "The purpose of these talks would be not only to settle the repatriation of civilians," but "to facilitate further discussion and settlement of other practical matters now at issue—between both sides, so as to contribute to the relaxation of the tension between China and the United States."

This is in line with suggestions made recently by an important figure at the other end of the Capitol.

What does this mean? What are these "other practical matters" to be discussed and settled?

Are we headed toward an Asian summit meeting like Munich and Yalta, to relax tensions and secure peace in our time by consenting to the subjugation of free people in other countries?

I hope not.

Remember, we are dealing at Geneva with a gang denounced as aggressor by formal action of the U. N. Assembly; a gang that has violated their cease-fire agreements in Korea and Indochina; a gang not recognized by 43 members of the United Nations; a gang denounced by a whole series of resolutions of Congress.

Only recently, during the summit meeting, Congress passed the McCormack resolution opposing Communist imperialism, as well as other forms of colonialism.

Nevertheless, the free fighting nations of Asia, our real friends, who are opposing communism, are trembling. Korea, Formosa, Indochina, the Philippines are wondering where they stand; whether they are going to stand or fall. They cannot stand alone; they cannot stand together against Communist aggression without our help.

I hope we let them know, on and off the record, publicly and privately, that we are standing firm against their takeover by communism, either by aggression or by appeasement, at Geneva or elsewhere.

Mr. DODD. Mr. Speaker, it pleases me that the great chairman of the House Foreign Affairs Committee has spoken up this afternoon and has issued a word of warning to the American people.

This is what I tried to do last Saturday in the remarks which I inserted in the RECORD for that day.

A little while ago, it was announced that 11 Americans were released from unjust imprisonment by the Chinese Communists.

Some people have spoken today concerning the release of these innocent Americans and have used language such as "hailing with joy."

I find nothing to hail with joy in this long overdue liberation of innocent Americans, and I think it is almost ghoulish to use such language while a large number of other Americans languish in Communist jails.

Sometimes I almost lose hope that our people will retain any sense of balance about our international situation when prominent men use such extravagant language.

I believe that these prisoners could have been and should have been released long ago, and that had we handled our affairs properly, all of these prisoners would have been home by now.

Instead, the civilians are retained to be used as pawns in a sordid game of international politics.

One of them is a constituent of mine, John T. Downey of New Britain, Conn., and he is under a life sentence in Red China.

Anxious as I am to return to my home, I earnestly believe that this Congress should remain in session and find out what is being said in Geneva by Mr. Ural Alexis Johnson to the Red Chinese Ambassador.

When we return next January the opportunity to do something about commitments made in Switzerland this week will have passed us by.

It appears to me that the arrangements for the release of the 11 fliers was made some time ago and when it was believed that Congress intended to adjourn last Saturday.

Some day we will find out what price was paid. But we are in the dark now. This is a good time and place to state that I have been trying to get accurate figures on the number of Americans believed to be held in Communist prisons throughout the world and thus far, I have not been able to obtain accurate and consistent figures.

My own conviction is that there are several thousands of American citizens held in Communist prisons throughout the world. Many of them who have been confined were either visiting or traveling abroad when the Russian and the Chinese Communist swept them up in the course of aggressive conquests of free nations.

From time to time, as individuals have been released from Soviet slave labor camps, we have caught glimpses of American citizens still confined, and so far as I know, no real effort has been made to find out who they are, where they are, why they are held and why they are not released. I shall press this matter further to the best of my ability at a later date.

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Some knowledge must have been in the State Department about these people years ago, and some knowledge must be in the State Department about these people now.

It may be that only a committee of this House with power to investigate, can really ascertain the facts.

Mr. ZABLOCKI. Mr. Speaker, I agree wholeheartedly with the sentiments expressed by the distinguished chairman of the Committee on Foreign Affairs [Mr. RICHARDS].

The Subcommittee on the Far East and the Pacific of the Committee on Foreign Affairs, disturbed by recent statements and reports of growing optimism caused by the Chinese Communists' clever doubletalk which gives the appearance of sincerity and of the Reds' desire to resolve the Far East tensions peacefully, has prepared the following statement which I wish to read into the CONGRESSIONAL RECORD:

AUGUST 1, 1955.

STATEMENT OF THE SUBCOMMITTEE ON THE FAR EAST AND THE PACIFIC OF THE HOUSE COMMITTEE OF FOREIGN AFFAIRS

The recently concluded discussions at the summit have started a chain reaction of optimism. Without detracting from the efforts of our Government to pursue every reasonable and honorable path to an enduring peace, we must warn against unjustified overoptimism. None of the fundamental issues have been adjusted or resolved. Solid accomplishments that justify any relaxation of our efforts have not been forthcoming. They may be forthcoming, and we hope they will. But until such time there is every reason for us to pursue our course with resolution.

The meetings that start today between our representative and a representative of Communist China have only heightened that optimism. Our Government has stated that they are confined to a few practical issues, foremost of which is the return of Americans whom the Chinese Communists have held as hostages, some as long as 5 years, to use them as bargaining pawns. But even before they started, distinguished Americans have cut the ground from our negotiator by stating that we ought to discuss the Formosa issue with Red China at higher levels.

Negotiations on Far East issues cannot be based on the easy and false assumption that the same preliminary conditions exist there as in Europe. In Europe the free world participants, after years of negotiation among themselves, were in agreement on their position. They could lead from a position of strength and unity. Such is not the case in the Far East. The peaceful protestations of Red China must be measured against its truculent demands. These have not changed. They are simply presented in more appealing and seductive words.

The fact that 1 hour before negotiations were to start at Geneva the Chinese Communists announced release of 11 airmen they had been holding in violation of their solemn commitment at Panmunjon is one more demonstration of their shrewd and devious tactics and their ruthless disregard of human values in pursuit of their unchanging objectives.

Chou En-lai's address of a few days ago is a studied effort in doubletalk. With an air of injured innocence he restated Communist China's demands in a manner calculated to make it appear that tensions in the Far East were the fault of the United States.

He called for the unification of Korea and of Vietnam. He ignored the fact that they are divided only because of Communist China's imperialist policy of conquest. Are we expected to forget that only 5 years ago we fought to keep even South Korea independent? Communist China was adjudged an aggressor by the United Nations. We know that Communist China has violated the Korean armistice time after time. Similarly, it has violated the armistice in Vietnam. Are we to conclude that we should negotiate for the unification of those countries only to have them taken over by the Communists?

Chou stated that the United States "occupies" Formosa and "interferes with the peaceful liberation of China's coastal islands." Under the leadership of the chairman of the House Committee on Foreign Affairs and then of the Senate Committee on Foreign Relations, Congress expressed itself overwhelmingly on this matter. One of the reasons prompting congressional concern was the premise that "the secure possession by friendly governments of the western Pacific Island chain, of which Formosa is a part, is essential to the vital interests of the United States and all friendly nations in or bordering upon the Pacific Ocean." We are unaware of any change in that part of the world that makes the resolution any less meaningful or necessary now.

Indicative of the perverted logic of Chou's talk is his statement that "the lawful status (of Communist China) in the United Nations has not been restored to it." Communist China has never been a member of the United Nations. On the contrary, it has the unique distinction of having gone to war against the United Nations and of having been condemned as an aggressor by the United Nations. Are we to believe that a regime that has been so stigmatized meets the standards necessary to hold a seat in an organization pledged to support the United Nations Charter?

Only last week Secretary Dulles stated that the present talks with Communist China do not imply any diplomatic recognition nor will they result in arrangements that would prejudice the rights of the Republic of China on Formosa. We subscribe to those views. It is the height of folly to jeopardize our position and that of our allies in Asia for an illusion of accomplishment by declaring that we ought to meet with the Chinese Communists soon to settle the Formosa issue. The problem is not Formosa. It is the lawless and aggressive behavior of Communist China. Only the Communists can change that.

CLEMENT J. ZABLOCKI, Wisconsin, Chairman; THURMOND CHATHAM, North Carolina; JOHN JARMAN, Oklahoma; ROBERT C. BYRD, West Virginia; J. L. PILCHER, Georgia; ROBERT B. CHIPERFIELD, Illinois; WALTER H. JUDD, Minnesota; JOHN M. VORYS, Ohio; CHESTER E. MERROW, New Hampshire; MARGUERITE STITT CHURCH, Illinois.

Mr. BYRD. Mr. Speaker, yesterday's edition of the Washington Post and Times Herald carried a story entitled "Ike's Geneva 'Triumph' Has Britain Cheering." The article was written by Chalmers M. Roberts, and it stated that "in British eyes, America has come around to a sensible approach toward Russia and has begun to give ground from its obstinate stand against the Chinese Communists." Mr. Roberts said that the British played an important part at Geneva "in breaking the American-Red Chinese deadlock" and that British Prime Minister Eden told the House of Commons that the situation in the Far East had been discussed "in private summit talks."

The article points out, however, that the real seed from which will ultimately be reaped the whirlwind was sown before President Eisenhower left Washington for Genera, and that the key date appears to have been July 6 when the President received India's roving Ambassador, V. K. Krishna Menon, at the White House, because it was then and there that Menon won his point from Mr. Eisenhower that the United States must make the first move to begin talks with the Communists lest they start military action in the Formosa area.

Now, no one can doubt that the British have been intensely eager for the United States to duplicate their mistake of extending diplomatic recognition to Red China. They have had a yen for bowing the knee to the Reds since 1924 when the British Government under the leadership of MacDonald, first granted official recognition to the Soviet Union. Of course, this recognition was short lived and, as a result of Communist interference with British internal affairs, diplomatic relations were ruptured in 1927 only to be restored in 1929 when Henderson was British Secretary for Foreign Affairs. Nonetheless, you will recall that before 2 weeks had passed, relations between Britain and Russia were again reduced to a state of suspicion and distrust because of the disregard for the diplomatic contract by the Reds, who published an inflammatory proclamation in the Daily Worker inciting the English working class to prepare for a revolutionary government by the organization of a network of "cells" which would unite the laboring class of Great Britain and seize power at the proper time. Recognition was subsequently renewed, however, and the United States committed this same moral and political blunder by granting long delayed dejure recognition to the Soviet Government on November 17, 1933, the first of a series of events which greatly improved Russia's position.

After a long delay, we followed the British in that instance and we shall never cease to rue the day. Now the British are hoping that we will be persuaded to give the stamp of approval to the illegitimate Chinese People's Republic. But two wrongs do not make a right, Mr. Speaker. Our mistake of granting recognition to a reprehensible clique in 1933 will not be corrected by recognizing an equally detestable coterie of cutthroats in 1955 or 1965 or 1975 or ever.

Mr. Speaker, the world followed the British appeasement will-o'-the-wisp to disaster only a decade and a half ago. That is not very long in the memories of men, or is it? Yet, we are being told that, in British eyes, America has come around to a sensible approach toward Russia and has begun to give ground in its obstinate stand against the Chinese Communists. Was this the subject of the private summit talks? And, if so, does this explain why the British have hailed the talks as "Ike's Geneva 'triumph' "?

Well, Mr. Speaker, if this is true and the secret gets out, the American people will not hail the triumph as such. The mothers and fathers of boys who today sleep in Korea will not proclaim it a triumph that America is about to give ground against the murderous regime which robbed them of their jewels and sent their sons to early graves. Is this

the price which we are to pay for a phony peace? We are told that Menon delivered a virtual ultimatum that America must make the first move to begin talks with the Communists lest they start military action. And now it looks as though we are going to knuckle under to the threat delivered by the most anti-American individual in all of Asia. Ostensibly the talks are to be about the freeing of American prisoners, but what will be the cost? Chou En-Lai hints that the release can be easily settled. Will the price be diplomatic recognition of Red China? Will the ransom be Red China's entry into the U. N.? Will Formosa be the pawn? Whatever the price, it will be high. Mr. Speaker, there was a day when American statesmen would say: "Millions for defense, but not 1 cent for tribute." Where is this spirit of defiance which made America great? There was a time when patriots would shout: "Give we liberty or give me death." Is this love of liberty, this courage of conviction, this deep sense of honor no longer attribute of men in high office?

Mr. Speaker, the issues of freedom and justice are on a par with the issue of peace, and the American people are not willing to subordinate the one to the other. And I say further that political victory for any person or any party is not worth sacrificing the national honor of our country to achieve. Nor is political victory in 1956 as much to be desired as the keeping of the faith and the shouldering of the responsibility which we owe to the dead of yesterday, the living of today, and the unborn of the future.

Not to prolong my remarks, I feel impelled to make it known that it is a disheartening thing for me to find our Government virtually blackmailed into sitting down with the spokesmen for Red China. Certainly this procedure is not calculated to increase our prestige in the world. In effect, it is an insult to the majesty and the dignity of the United States Government, and an affront to every man and woman in America.

Why should we make the first move to begin talks? And why should we talk at all? These wretched butchers who torture and kill American fighting men, who imprison American fliers, and who demean our Government then have the temerity and the gall to say through the parrot mouths of their cooperating emissaries that the United States should make the first move or else they will begin military action in the Formosa area.

Now, Mr. Speaker, I think that the time has come when we should begin to have some sense of proportion about these conferences which have made us all so giddy for so long. As a result of these fiascoes, the United States has lost and the Russians have profited. They have gained in time and prestige, in conquered lands and subjected peoples. Shall we continue to be outsmarted, outwitted, and outdone?

I say that it is time to cut out the talk and turn on the heat. We have turned the other cheek long enough, and we should now say to these international brigands that from this moment forward, the ruthless and unwarranted shooting down of defenseless planes will not be tolerated.

As for Chou En-lai and his so-called easy settlement, we should have only the strongest of contempt and, instead of bending the neck to him and his associate, Menon, we should put them on notice that while the United States will continue to work and strive for peace, we are just as determined to defend the principles of honor and the cause of freedom against any encroachment by any power or any combination of powers.

If the sword-rattlers, by their ill-advised actions, then choose to place the present uneasy peace in jeopardy, they and they alone must assume the responsibility before the bar of world opinion for whatever unhappy results may follow.

Let us not be misled, Mr. Speaker. The leaders in Peiping and in Moscow may be unconscionable men and they may have shut all fear of God out of their inimical minds, but beneath all of their bluff, they have the same respect for power as do other human beings, and the shivers which run down one's spine at the thought of falling bombs are no less dreadful to the Communists than to ourselves.

Honor has no price tag.

Mr. GROSS. Mr. Speaker, I yield myself the balance of the time.

The SPEAKER. The gentleman from Iowa is recognized for 4 minutes.

Mr. GROSS. Mr. Speaker, I do not expect to take the 4 minutes.

The gentleman from South Carolina has made quite a statement, but he has strayed very far from the issue.

The issue is whether to create another Deputy Under Secretary in the State Department at a cost of $20,000 a year plus an expensive staff. That is the issue before the House, not a speech on foreign policy.

I say to you that there is no necessity for creating another Deputy Assistant in the State Department. I point out again that under the Executive pay increase bill passed by this House on Saturday the top brackets in the State Department have been increased as well as the other Government departments by $5,000 a year to Deputy Secretaries and Assistant Secretaries by $4,000 a year. There is a limit to what the taxpayers of this country can pay.

We ought to be decreasing the cost of Government agencies and departments instead of increasing them at this time of staggering Federal debt.

In closing, I want to say to the gentleman from Ohio [Mr. VORYS], who in his earlier remarks this afternoon attributed to me all knowledge with respect to domestic and international affairs that I have voted consistently against the foreign giveaway program which he supports. Let me say to the gentleman from Ohio also that I did not vote "present" when an appropriation bill was approved by this House of Representatives to provide food and other relief for American people who were suffering from disaster in this country and needed relief.

The SPEAKER. The question is on suspending the rules and passing the bill.

The question was taken; and on a division (demanded by Mr. GROSS) there were—ayes 142, noes 27.

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

INCREASES IN ANNUITIES UNDER FOREIGN SERVICE RETIREMENT

Mr. SELDEN. Mr. Speaker, I move to suspend the rules and pass the bill (S. 1287) to make certain increases in the annuities of annuitants under the Foreign Service retirement and disability system.

The Clerk read as follows:

Be it enacted, etc., That the annuity of an annuitant under the Foreign Service retirement and disability system pursuant to the Act of May 24, 1924 (43 Stat. 140), as amended, or the Foreign Service Act of 1946 (60 Stat. 999), as amended, shall be increased the first day of the second month following enactment of this Act in accordance with the following rules:

If the annuitant was formerly a participant in the system, the annuity to which he is entitled shall be increased $324, provided he retired before July 1, 1949.

SEC. 2. In the case of an officer who elected a reduced annuity at time of retirement and who availed himself of the restoration clause in section 821 (b) of the Foreign Service Act of 1946, as amended, such officer shall be entitled to receive the increase provided by section 1 of this Act.

SEC. 3. If the annuitant receives an annuity as the survivor of a former participant in the system, the annuity shall be increased in the amount of $324.

SEC. 4. If a wife of a Foreign Service officer who retired prior to July 1, 1949, becomes an annuitant subsequent to the effective date of this Act, as a result of the election made by the officer at time of retirement, such widow shall be entitled to the same increase as though she was an annuitant on the effective date of this Act.

SEC. 5. In any case where a widow survivor annuitant of a Foreign Service officer who retired before July 1, 1949, is receiving an annuity of less than $1,200 the Secretary of State is authorized and directed to make grants or loans to supplement such annuity by whatever sum is necessary to increase the annuity to a maximum of $1,200 for such period, and on such terms as he shall prescribe, out of such funds as may be appropriated for the purpose if he finds that such widow (whether remarried or not) is in actual need and without other adequate means of support.

SEC. 6. In any case where a participant under the Foreign Service retirement and disability system died before August 29, 1954, leaving a widow who is not entitled to receive an annuity under the system, the Secretary of State is authorized and directed to make grants or loans not exceeding $100 per month to such widow, for such period and on such terms as he shall prescribe, out of such funds as may be appropriated for the purpose, if he finds that such widow (whether remarried or not) is in actual need and without other adequate means of support.

SEC. 7. In no case shall an annuity increased under this Act exceed the maximum annuity payable under section 821 (a) or (b) of the Foreign Service Act of 1946, as amended.

SEC. 8. No annuity currently payable to any annuitant under the Foreign Service retirement and disability system shall be

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reduced as a result of the provisions of this Act.

The SPEAKER. Is a second demanded? [After a pause.] The question is on suspending the rules and passing the bill.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

AUTHORIZING MERGER OF STREET-RAILWAY CORPORATIONS (DISTRICT OF COLUMBIA)

Mr. McMILLAN. Mr. Speaker, I move to suspend the rules and pass the bill (S. 2576) to amend the joint resolution entitled "Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes," approved January 14, 1933, and for other purposes.

The Clerk read, as follows:

Be it enacted, etc., That the Commissioners of the District of Columbia are authorized to enter into an operating contract with the Capital Transit Co. for a period of 1 year from the effective date of this act or from the date authority is obtained from the stockholders under paragraph 6, whichever is the later, to provide mass transportation in the area now served by Capital Transit Co., said contract to contain substantially the following provisions, and in addition such other provisions not inconsistent herewith as the Commissioners and the Capital Transit Co. may agree upon to effectively carry out the purpose of this act:

1. Capital Transit Co. will continue to operate its properties as required by its franchise obligations.

2. Capital Transit Co. will enter into a contract with the bargaining agent of its employees covering wages and working conditions under terms and conditions as directed by the Commissioners of the District of Columbia for a period not to exceed 1 year.

3. Salaries of officers of Capital Transit Co. in effect on July 1, 1955, will be continued in effect during the term of said contract.

4. In the event increased wages and benefits are accorded employees under paragraph 2 hereof, appropriate increases may also be granted salaried employees other than company officers subject to the approval of the Commisioners of the District of Columbia.

5. If, at the end of the period of said contract the operating revenues derived by the company from the operation of its properties in utility service for the convenience of the public have not been sufficient to meet the cost of operation during such 1-year period, including but not limited to depreciation and all taxes, but not including any return on investment, the District of Columbia shall pay Capital Transit Co. the amount of such deficiency: *Provided, however*, That such deficiency during said period shall be determined in accordance with the accounting practices now prescribed by the Public Utilities Commission or upon such other terms as may be agreed upon by the Commissioners of the District of Columbia and the Capital Transit Co.

6. Capital Transit Co. will promptly take all necessary steps to secure from its stockholders authority to amend said contract to provide for the relinquishment of all of its franchise rights upon the termination of said contract. If within 90 days after the date of the contract hereby authorized said authority is obtained the parties agree that said contract shall be amended by inserting the following paragraph:

"Capital Transit Co. shall relinquish all of its franchise rights upon the termination of said agreement and said relinquishment shall be accepted by the Commissioners and thereafter Capital Transit Co. shall be under no obligation to furnish public transportation in the District of Columbia."

The SPEAKER. Is a second demanded?

Mr. HYDE. Mr. Speaker, I demand a second.

Mr. HOFFMAN of Michigan. Mr. Speaker, a point of order. Is this the transit bill?

The SPEAKER. It is.

Mr. HOFFMAN of Michigan. Mr. Speaker, I demand a second.

The SPEAKER. Which gentleman is opposed to the bill?

Mr. HOFFMAN of Michigan. Mr. Speaker, I am opposed to the bill.

The SPEAKER. Is the gentleman from Maryland opposed to the bill?

Mr. HYDE. No, Mr. Speaker, I am not opposed to the bill.

The SPEAKER. The gentleman from Michigan will be recognized.

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. McMILLAN. Mr. Speaker, the House District Committee has held extensive hearings on this proposed legislation, and we have made an effort to be of assistance to the District Commissioners in solving this problem.

Mr. Speaker, we feel that possibly the Public Utilities Commission and the District Commissioners could have done more than they have toward settling this strike. However, they state that they need some additional legislation before they can place into effect what they would like to do at this time. The House District Committee met 4 hours Saturday with the transit company and the District Commissioners. They came up with a bill here, which we are substituting for the Senate bill, which grants the Commissioners the authority required to take care of the proposition facing them at this time.

Mr. Speaker, this bill contains no seizure features, and it does not involve the Federal Government in the transit business here in the District of Columbia. We cannot afford to get the Federal Government into the transit business; we are not proposing in this bill to permit the District Commissioners or anyone else to drag us into the transit business. We feel that this is a problem between the District Commissioners, the Public Utilities, and the transit company, and we want to give them all the authority they need to deal with this problem.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. McMILLAN. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. While I favor the suspension of the rules on this bill in order that it may go to conference, under the provisions of this bill suppose the company does not make a contract. What then?

Mr. McMILLAN. Well, it was stated at the meeting they would make a contract.

Mr. McCORMACK. I know. I understand that. But, assuming after Congress has adjourned and this bill is on the statute books that the company then, for some reason or other, will not enter into a contract, what then?

Mr. McMILLAN. I think there are sufficient provisions in this bill to take care of that situation.

Mr. McCORMACK. How? We will say that the Commissioners for the District of Columbia are authorized to enter into an operating agreement with the Capital Transit Co.

Mr. McMILLAN. At the end of 1 year, the District Commissioners can take over the company.

Mr. McCORMACK. But suppose the company refuses to make a contract.

Mr. McMILLAN. The company is the one that made this offer.

Mr. McCORMACK. I beg the gentleman's pardon.

Mr. McMILLAN. The company is the one that made this offer to the District Commissioners.

Mr. McCORMACK. I understand what I read in the newspapers, but now assuming this bill passes, Congress has adjourned, and then suppose the company says, "We will not make a contract with the District Commissioners." What then?

Mr. McMILLAN. Personally I do not think that is any problem of the Congress to deal with the contract.

Mr. McCORMACK. How is that?

Mr. McMILLAN. Any problem of the Congress to join in framing or preparing the contract.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. McMILLAN. I yield to the gentleman from Arkansas.

Mr. HARRIS. I might say in response to the gentleman's question, we would be right back where we are now. We would be in disagreement between the bargaining union and the Capital Transit Co. for an extension of contract to go back to work. That is the difficulty now.

Mr. McCORMACK. We want to have it clearly understood that if this bill should become law, after we adjourn if the company refuses to enter into a contract, there is nothing the Commissioners can do; is that right?

Mr. HARRIS. I think that is true, yes.

Mr. FULTON. Mr. Speaker, a point of order.

The SPEAKER pro tempore. The gentleman will state it.

Mr. FULTON. I should like to ask whether it is permissible to discuss a bill without copies of the bill being available to Members on the floor. There are no copies available. Some of us cannot get a copy of the bill.

The SPEAKER pro tempore. When the House suspends the rules to consider a bill, the House suspends all rules.

Mr. FULTON. As well as the rule that copies be made available at request to Members on the floor?

The SPEAKER pro tempore. Yes.

Mr. McCORMACK. I might say that copies are available. I just got one.

Mr. HARRIS. Here is one. May I say, if the gentleman will permit, that this is a move of the chairman to suspend the rules and call up the Senate bill, which has been printed and is available to everybody, and to pass it with amendments. Copies of the amendments are available to anyone who wants to see them.

Mr. BROYHILL. Mr. Speaker, will the gentleman yield?

Mr. McMILLAN. I yield to the gentleman from Virginia.

Mr. BROYHILL. I feel that the Members of this body and all the people of the District of Columbia owe a debt of gratitude to the distinguished gentleman from South Carolina, the chairman of the Committee on the District of Columbia, for his sincere interest and concern in this current transit problem. He has devoted many hours of time and used the facilities of his office to try to bring the two parties in disagreement together. I believe the number of hours spent in conferences that the chairman had in his office was something like 38. The chairman also called several meetings of the Committee on the District of Columbia in an effort to consider all the various problems and to try to settle this strike.

Again I say I think the people of the District owe a sincere vote of thanks to the gentleman for his efforts in this matter.

Mr. McMILLAN. I thank the gentleman. I should like to state that the gentleman himself attended every meeting. The gentleman and I have diligently tried to get the company and the union together, but for some reason or other, the union was not interested in making a contract with the transit company at this time.

Mr. BOW. Mr. Speaker, will the gentleman yield?

Mr. McMILLAN. I yield to the gentleman from Ohio.

Mr. BOW. The gentleman has told us what the bill does not provide. Will the gentleman now tell us what it does provide and what he expects to accomplish through this bill?

Mr. McMILLAN. The bill merely gives the District of Columbia Commissioners permission to bargain with the transit company.

Mr. BOW. What type of authority is given them?

Mr. McMILLAN. The company has offered to let the District Commissioners have the franchise at the end of 1 year and immediately bargain with the District Commissioners in order to get the company operating.

Mr. BOW. Does the Senate bill provide for a seizure of the franchise?

Mr. McMILLAN. Yes.

Mr. BOW. And this amendment eliminates the seizure provision?

Mr. McMILLAN. Yes, sir.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. McMILLAN. I yield to the gentleman from Iowa.

Mr. GROSS. Do the Commissioners of the District of Columbia have the power to seize this franchise?

Mr. McMILLAN. That is the point. They do not, without authority given them by the Congress. They state they do not.

Mr. GROSS. Who states they do not?

Mr. McMILLAN. The Commissioners.

Mr. GROSS. The Commissioners say they do not have the authority?

Mr. McMILLAN. The Commissioners say they do not have the authority to seize the franchise.

Mr. ROOSEVELT. Mr. Speaker, will the gentleman yield?

Mr. McMILLAN. I yield to the gentleman from California.

Mr. ROOSEVELT. May I ask the chairman if the House bill takes into consideration in any way or form the unconscionable conduct of those who have been in charge of the Capital Transit Co. and who have put it in the position in which it is today? Does not the House bill permit them to get away with it entirely while the Senate bill would at least give us some chance to take some action on the morality of the case?

Mr. McMILLAN. The House committee has tried to stay away from that subject, for the simple reason, if we went into it, we would be here talking the rest of the year.

Mr. ROOSEVELT. Would not the Senate bill allow the Commissioners to go into that?

Mr. TABER. Mr. Speaker, will the gentleman yield for a question?

Mr. McMILLAN. I yield to the gentleman from New York.

Mr. TABER. Mr. Speaker, I think the gentleman ought to take time to explain what is in the bill rather than yielding to Members. I hope he will do so, because there is very little time available.

Mr. McMILLAN. Mr. Speaker, I yield 12 minutes to the gentleman from Arkansas [Mr. HARRIS].

Mr. HARRIS. Mr. Speaker, in the first place, you know what is going on with reference to the argument between the Capital Transit Co. and the union organization. After wrangling back and forth trying to come up with something, the Capital Transit Co. offered to turn the matter over to the Board of Commissioners of the District of Columbia. They offered to give them back the franchise and turn it over to them. The Commissioners found themselves in the position that they did not have authority to accept the offer.

The Capital Transit Co. is operated under a franchise. This franchise is provided by the Congress. Therefore, anything that affects the franchise has to be by action of the Congress. That is the reason the bill is before us, because the Commissioners say they cannot accept any proposition that has been offered to them by the Capital Transit Co.

There is no authority to seize it under the law. Some of us felt that an emergency could be declared under the Taft-Hartley Act because of the national health and welfare and there could be some movement into this problem, but they say it does not come under the provisions of the act and thus, they do not have any authority whatsoever to make the move.

As the result of negotiations between the Capital Transit Co. and the Board of Commissioners this proposition for contract was made. It was a basic proposition made by the Capital Transit Co. The committee went into it rather extensively. We got both the groups together and as a result we amended the basic proposal of the Capital Transit Co. by having our legislative staff draw a bill in line with these discussions.

What this bill does is to permit the Commissioners to enter into a contract with the Capital Transit Co. for a period of 1 year to operate mass transportation in the District of Columbia under the terms outlined in this amendment. Let me explain. First, the Capital Transit Co. will continue to operate is properties as required by the franchise.

Second, the Capital Transit Co. will enter into a contract with the bargaining agent of its employees covering wages and working conditions under terms and conditions as directed by the Commissioners. This is the difficulty that brought on the strike—wages. Therefore, we say that the Commissioners now shall direct the terms of the wages, and therefore the Capital Transit Co. will be required to enter into such a contract with the employees.

The third and fourth points are related to this part 2 which I have just explained.

5. If, at the end of the period of said contract the operating revenues derived by the company from the operation of its properties in utility service for the convenience of the public have not been sufficient to meet the cost of operation during such 1-year period, including but not limited to depreciation and all taxes, but not including any return on investment—

They cannot get any return whatsoever on the investment. If there are deficiencies, the District of Columbia shall pay the deficiency. We adopted an amendment which provided that the deficiency during the time shall be determined in accordance with the accounting practices that are presently in effect by the Public Utilities Commission, and that there can be no windfall then for this group of Capital Transit.

The only thing it does is to provide a basis for them to enter into a contract with the Capital Transit Co. who says that they will, if they can, of course, be protected from the increased wages that seem to be necessary to get mass transportation started.

Mr. SIMPSON of Illinois. Mr. Speaker, will the gentleman yield?

Mr. HARRIS. I yield.

Mr. SIMPSON of Illinois. Will the gentleman from Arkansas explain the provisions of the depreciation feature which we discussed in committee?

Mr. HARRIS. That is what I just referred to. We amended the bill as originally presented so that depreciation shall be in accordance with the present accounting practices. They wanted a windfall which I objected to, and I would not agree to it at all. I opposed the proposal until it was clarified. They wanted a windfall whereby they could say, "Within a year we have to liquidate, we have to start liquidating this

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whole business and, therefore, we will start gradually and maybe in the course of 4 months, we will take 100 buses or 100 street cars and we will say they are not needed to provide the necessary transportation; we will declare them to be obsolete and dispose of them." That would apply on depreciation. We said, "No, you cannot do that." We amended it to say that the present properties have to be maintained in order that this transportation may be provided and that you cannot do this depreciation of the property without consent of the Commissioners. Therefore, we closed up the only loophole that there was in the proposal.

We have brought this bill to you providing authority for the Commissioners which they say they need and have to have to enter into this contract to get transportation started in the District of Columbia.

Mr. HALEY. Mr. Speaker, will the gentleman yield?

Mr. HARRIS. I yield.

Mr. HALEY. May I inquire of the gentleman, does this contemplate seizure?

Mr. HARRIS. No, it does not.

Mr. HALEY. Not at all? The present bill before the Congress does not even go as far as the company has offered to go. Is that a correct statement?

Mr. HARRIS. The company's offer is the basis for what we have here, but we thought there was a windfall in what they offered and, consequently, we said, "No, you cannot do that," and we amended it accordingly. Furthermore, they wanted this deficiency to be paid out of the Treasury of the United States, and we did not feel that it should be paid out of the United States Treasury. To avoid a conflict with the Committee on Appropriations, we deleted that provision.

Mr. HALEY. On the basis of that statement, and what the company wants to do, do you not think and agree with the gentleman from Florida that if the Congress of the United States would back out of this thing and leave it alone those people would get together and settle their difficulties?

Mr. HARRIS. I am not sure that that is true at all. I believe that we should provide this authority for the District Commissioners because the company itself is willing to turn it over, but under the franchise that the Congress has given they cannot accept it. There is nothing they can do about it. This permits them to do something about it, I believe, to bring this transportation back into operation.

Mr. HALEY. Does not the gentleman think they already have the authority given in this bill, and that authority presently rests in the Commissioners?

Mr. HARRIS. No; it definitely does not, or else we would not be here with this bill today.

Mr. LANKFORD. Mr. Speaker, will the gentleman yield?

Mr. HARRIS. I yield.

Mr. LANKFORD. Is there anything in this bill or is there anything anywhere guaranteeing that the company will accept the terms of the contract as offered to them by the Commissioners of the District of Columbia?

Mr. HARRIS. There is nothing in the bill that guarantes it, but there are two things that, I think, will make sure that they will, if it is settled in this way. In the first place, the reason there is a strike is because the company will not meet the terms demanded by the union. They say they cannot do it without a loss to their stockholders. We say that we will guarantee that they will get a proper return to prevent a loss if there is a deficiency under this contract.

No. 2 is that the company itself proposed this approach, and when the Commissioners were asked why they did not accept it they said they were not authorized under the law to accept it.

Mr. LANKFORD. The company proposed to do it on their own terms in the beginning; is that not correct?

Mr. HARRIS. Under somewhat different terms than we have here, because we did not leave the loopholes that were in the bill which was originally proposed.

Mr. LANKFORD. May I say to the gentleman there is one thing that we are interested in and that is getting the strike settled, so that the people in my district and the district of the gentleman from Virginia, and other people, can have the use of this transit company in the District of Columbia. I want to be absolutely sure that this will get the streetcars running. In the opinion of the gentleman from Arkansas, will this get the streetcars running?

Mr. HARRIS. I think this is the best way that has been advanced to get the transportation started in the District of Columbia.

Permit me to say this: Here is what I think we get into with the outright seizure proposition: It is well known that the stock of this company has a book value of about $22, which right now, the best information I have is that it is going at around $9.75 or $10. If we get into the seizure proposition and into court and they say, "We are entitled to $22," you will find the Treasury of this United States or this Congress will have to provide the money for the additional windfall. They have gotten enough out of it already. I do not think we ought to bring in something that would give them an additional $10 besides the $16 I understand they have already gotten. That is the reason I think this is the kind of approach that we ought to work out to get this transportation going.

Mr. WALTER. Mr. Speaker, will the gentleman yield?

Mr. HARRIS. I yield.

Mr. WALTER. The gentleman says that this measure does not contemplate seizure. If that is the fact, I would like for him to explain this language on page 3, line 16, "authority to take possession and operate." Will you distinguish that from "seizure"?

Mr. HARRIS. I do not believe that is in the amendment. The gentleman has the Senate bill. We are bringing up this bill, striking out all of the language of the Senate bill and offering this amendment.

Mr. WALTER. Does not the House bill provide the same thing?

Mr. HARRIS. No; it does not.

The SPEAKER pro tempore. The gentleman has consumed 20 minutes.

The gentleman from Michigan [Mr. HOFFMAN] is entitled to recognition.

Mr. HOFFMAN of Michigan. How much time remains, may I ask?

The SPEAKER pro tempore. The gentleman from Michigan has 20 minutes. The gentleman from South Carolina [Mr. MCMILLAN] has consumed his 20 minutes.

Mr. HOFFMAN of Michigan. I yield 7 minutes to the gentleman from Virginia [Mr. BROYHILL].

A parliamentary inquiry, Mr. Speaker.

The SPEAKER pro tempore. The gentleman will state it.

Mr. HOFFMAN of Michigan. Is the time supposed to be equally divided between the proponents and the opponents of the bill?

The SPEAKER pro tempore. The gentleman from Michigan has control of 20 minutes, and may yield it as he sees fit.

Mr. HOFFMAN of Michigan. As I understand it, the proponents have used their 20 minutes?

The SPEAKER pro tempore. Yes.

Mr. HOFFMAN of Michigan. The gentleman from Virginia is in favor of it and he has 7 minutes. The gentleman from Maryland [Mr. HYDE] gets 5 minutes. That leaves 8 minutes.

The SPEAKER pro tempore. The gentleman from Virginia is recognized for 7 minutes.

Mr. BROYHILL. Mr. Speaker, this proposal which is before the House today, the Senate bill, as amended by our committee, is the least action that the Congress can take concerning this transit strike before January. Since it is the least action that Congress can take, I believe it is the best action this Congress could take. There is nothing unusual about a wage dispute between management and labor, or a strike. I think the overwhelming majority of the people would like to have them go ahead by their own means and settle this matter themselves. Unfortunately, however, we have a third party involved. There are approximately 900,000 people who ride the Capital Transit system every day.

There are over 500 streetcars and over 700 buses idle. The strike is in its 32d day with no solution in sight.

It has been said, of course, that Congress should not concern itself any more with this strike than with any other local strike throughout the country, yet we do know that this is the Capital of the Federal Government, and therefore all the people of the country are affected by it and the Congress is the only legislative body of the District of Columbia. As I say, there has been a question as to whether we should take any action at all and as to what type of action we should take.

The only direct action we can take to get transportation rolling again is to enact a law similar to the Taft-Hartley Act to provide an injunction against the strike and order the men to go back to

work, or by seizure and ordering the men to go back to work at the same time we seized the company. That has been criticized as being strike-breaking and union-busting; therefore there is very slight chance of getting legislation like that through Congress.

The proposal offered by the Commissioners of the District of Columbia which has passed the other body is to provide for retention of the franchise, seize the company and to give the Commissioners authority to meet the demands of labor. I know that that measure, that approach, is unpalatable to the Members of this body.

The Commissioners have stated that the service provided by the Capital Transit Co. is satisfactory, that their income is not exorbitant, that maintenance of equipment is all right, and that there is no real sound legal reason to revoke the franchise at this time. Then the company acting through their board of directors said: "If you want to lift the franchise, we are perfectly willing to give it up voluntarily." But the Commissioners do not have the authority to enter into such an agreement. So this bill is designed to give the Commissioners the authority, the limited authority, to enter into an agreement with the Capital Transit Co. to lift the franchise and to operate the company for the next year until the franchise actually expires.

There is no way whatsoever that we can guarantee, there is no insurance that the measure proposed by the Commissioners of the District will end the strike, will restore service; there is no assurance that the measure proposed by the District Commissioners will end the strike. But the bill does give them some authority, a limited authority to enter into an agreement with the company before we adjourn. That is what it says in effect, if the Congress in its closing hours believes that legislation is essential to restore transit to the District let it be under terms to be negotiated between the Commissioners and the company.

Criticism has been leveled at it as being repugnant with principle and that a precedent would be established. Again I repeat, this is the last action Congress can take before adjournment if it takes any action, and is the least authority, I repeat, we can possibly give.

Mr. HALEY. Mr. Speaker, will the gentleman yield?

Mr. BROYHILL. I yield.

Mr. HALEY. Does not the gentleman think that the Congress will be establishing a precedent here and that if we act in this particular situation here later on we will be called upon to act in 5 or 6 other similar situations?

Mr. BROYHILL. We are authorizing the Commissioners to operate under terms reached between the Commissioners and the company.

Mr. HALEY. Who is going to pay if there is any deficit?

Mr. BROYHILL. The taxpayers of the District and in turn the taxpayers of the United States.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. BROYHILL. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. The gentleman says the Commissioners are not authorized to operate. I call the gentleman's attention to section 7:

"The Commissioners of the District of Columbia may"—Does the gentleman see it? "May operate the property."

Mr. BROYHILL. It authorizes the Commissioners to enter into this agreement.

Mr. HOFFMAN of Michigan. No; it says:

The Commissioners of the District of Columbia may with the approval of the Public Utilities Commission operate—

And so forth.

Mr. BROYHILL. That agreement would be to operate the line on the terms set forth by the Commissioners.

Mr. HARRIS. If the gentleman will yield, I think what the gentleman of Michigan referred to is the amendment that was necessary in section 7 to permit the continued operation of buses in Maryland. That is all section 7 refers to. It is not involved here in this controversy at all.

Mr. JOHNSON of California. Mr. Speaker, will the gentleman yield?

Mr. BROYHILL. I yield.

Mr. JOHNSON of California. The gentleman from Virginia, I think, has devoted more study to this than any other Member of Congress. In the gentleman's opinion, if we pass this bill which he has been talking about will that bring about an operation of the transit facilities?

Mr. BROYHILL. There is no assurance that it will get the street cars and buses going again. It merely gives the Commissioners and the company an opportunity to try to do something. The only way we can guarantee an end to the strike is to pass a law to force the men to go back to work.

Mr. HOFFMAN of Michigan. Mr. Speaker, I yield 5 minutes to the gentleman from Maryland [Mr. HYDE].

Mr. CUNNINGHAM. Mr. Speaker, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from Iowa.

Mr. CUNNINGHAM. One short question. Suppose the strike is not settled as the result of this, what power do the Commissioners have to provide other transportation? Can they put on more taxicabs, lower the rate, or do something else to get transportation to the people of the District of Columbia?

Mr. HYDE. If the strike is not settled, the Commissioners have no other power.

Mr. CUNNINGHAM. Do you not think we should give them power to get transportation in some other way if this is not settled?

Mr. HYDE. I feel so.

Mr. Speaker, I think it should be made clear what we are doing here. The franchise which the transit company has was given to it by the Congress. Only the Congress can take away that franchise. That was the original thing the Commissioners asked for. They originally asked for a bill revoking the franchise.

Mr. SIMPSON of Illinois. Mr. Speaker, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from Illinois.

Mr. SIMPSON of Illinois. Congress cannot take the franchise away from the transit company except on a year's notice.

Mr. HYDE. That is right. I was getting to that. That is the original thing the Commissioners came to Congress with and that is the thing provided by the Senate bill. That bill revokes the franchise.

When the Commissioners asked for that power, the transit company said: We will surrender the franchise. But, then, the Commissioners came back and said: We have no authority to accept a surrender of the franchise. That authority must be given to us by Congress.

When that was done the chairman of our committee asked the Commissioners to present to the committee a bill which would authorize them to accept the surrender of the franchise. That, in substance, is the bill we now have before us. The Commissioners state they do not agree with that, they do not think this bill will give them what they want and what is needed; but they did get together, and I may say they got together with the attorneys for the transit company. This bill is a draft made by the attorneys for the District Commissioners, the corporation counsel's office, and the attorneys for the Capital Transit Co.

All it does is authorize the District Commissioners to enter into a contract providing for the surrender of the franchise within a year from its effective date and providing certain terms for its operation. That is, the operation of the transit company during that year.

Bear in mind, both parties, the District Commissioners and/or the transit company still have to make their peace with the union. There is no provision in this bill saying on what terms the union has to come back, or anything of that sort. Under this bill it is all voluntary on the part of both parties. It is simply an authority to enter into a contract. If the Commissioners will not agree to the contract or the terms that the company demands, there is no contract. If the company will not agree to the terms the Commissioners demand, there is no contract.

So, this bill in and of itself does not settle the strike. We hope it will lead to a settlement of the strike, but I think all of you are aware by this time from the articles in the newspapers that there were two extreme versions about what to do in this situation. One was to seize and operate; the other was an injunction in the nature of a Taft-Hartley provision. Of course, you can all recognize that the business interests opposed the seizure version. The unions, of course, opposed anything smacking of an injunction. There you had two versions pulling and hauling, one newspaper on the side of seizure and no newspaper, for that matter, supporting the injunction but taking the position that we should do nothing. And, as the gentleman from Virginia said, we have a third newspaper saying that a voluntary basis should be provided for.

Now, that is what the House has before it. I do not personally think it is

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adequate. I think what has been overlooked is a third interest here, namely, the interest of the public.

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent that all Members who so desire may extend their remarks in the RECORD at this point.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. JOHANSEN. Mr. Speaker, from the very outset of proposals that the Congress intervene in the transit strike, I have been deeply concerned about suggestions for seizure of the privately owned transit lines and a possible ban on the right to strike. Because I am opposed to both actions on principle, I have given the subject some attention even though I am not a member of the District of Columbia committee.

While I recognize that the pending House amendment eliminates both of these extreme measures, it nevertheless involves intervention by the Federal Government in terms of possible operation of the transit lines and in terms of collective bargaining with the union.

It seems to me that the approach here taken is one of treating symptoms rather than causes. Some 2 weeks ago I discussed with the gentleman from Virginia [Mr. BROYHILL] the possibility of legislation which would deal with causes and I would gladly have supported the bill which he introduced establishing mediation legislation patterned on the principle of the Taft-Hartley Fair Labor Act and the Railway Mediation Act. I commend him for this action.

In connection with this controversy I have reviewed congressional debate at the time of the railroad strike in 1946, and at the time of the enactment of the Taft-Hartley Act in 1947, as well as the Supreme Court decision in the Steel plant seizure.

Because of the relevancy which I believe they have to this current problem and to the deplorable lack of mediation and cooling-off-period legislation needed in the District of Columbia, I cite the following statements from this earlier congressional debate and from the majority opinion of the Supreme Court.

From the speech of Senator Robert Taft, May 31, 1946, CONGRESSIONAL RECORD, volume 92, part 5, page 5971:

Seizure does not seem to me to be the proper method of dealing with any ordinary labor dispute. The only excuse for seizure is in a case where the functioning of the business has broken down, and the Government itself must undertake the operation.

Page 5972:

If we put this proposal into effect it will become a method of settling every strike in the United States, and it should be only for the settlement of a general strike, which is in effect a revolution. If strikes go so far as to threaten the starvation of people, or to endanger their health and their security we are in effect in war, and only Government operation can possibly deal with such a situation.

From the speech of Senator Robert Taft, April 23, 1947, CONGRESSIONAL RECORD, volume 93, part 3, pages 3835–36:

On page 48 of the bill we have provided for the delay of national emergency strikes. We have provided that when a threatened or actual strike or lockout affecting substantially an entire industry engaged in trade, commerce, transportation, industry, transmission, or communication among the several States, if permitted to occur or continue, would imperil the national health or safety, the Attorney General may appoint a board of inquiry to inquire into the issues and make a statement of the issues and report back to him as promptly as he may direct. He may then seek from the court an injunction against striking for a period of 60 days, during which time the Government has another opportunity, through the Mediation Board, to try to bring about an agreement between employers and employees which will prevent a nationwide strike.

If such mediation should fail, then at the end of 60 days it is provided that there shall be an election by the employees to determine whether or not they accept the last offer made by the employer. If they vote to accept it, of course the strike is terminated. If they vote not to accept it, the injunction is dissolved and they are free to strike. The bill provides that when that happens the Attorney General shall submit to the President a full and comprehensive report of the proceedings, and that the President shall transmit such report, together with such recommendation as he may see fit to make, to the Congress for consideration and appropriate action.

If there finally develops a complete national emergency threatening the safety and health of the people of the United States, Congress can pass an emergency law to cover the particular emergency.

We did not feel that we should put into the law, as a part of the collective-bargaining machinery, an ultimate resort to compulsory arbitration, or to seizure or to any other action. We feel that it would interfere with the whole process of collective bargaining. If such a remedy is available as a routine remedy, there will always be pressure to resort to it by whichever part thinks it will receive better treatment through such a process than it would receive in collective bargaining, and it will back out of collective bargaining. It will not make a bona fide attempt to settle if it thinks it will receive a better deal under the final arbitration which may be provided.

We have felt that perhaps in the case of a general strike, or in the case of other serious strikes, after the termination of every possible effort to resolve the dispute, the remedy might be an emergency act by Congress for that particular purpose.

I have had in mind drafting such a bill, giving power to seize the plants, and other necessary facilities, to seize the unions, their money, and their treasury and requisition trucks and other equipment; in fact, to do everything that the British did in their general strike of 1926. But while such a bill might be prepared, I should be unwilling to place such a law on the books until we actually face such an emergency, and Congress applies the remedy for the particular emergency only. Eighty days will provide plenty of time within which to consider the possibility of what should be done; and we believe very strongly that there should not be anything in this law which prohibits finally the right to strike.

From the speech of Senator WAYNE MORSE, April 29, 1947, CONGRESSIONAL RECORD, volume 93, part 3, page 4204:

Here again we found a man [Senator IVES] who has some very deep convictions about the way labor relations should be handled, who believe that, after all, we must cling to our voluntary procedure, that we must develop to the maximum extent possible mediation, conciliation, and voluntary arbitration as the one and long-time lasting method for the peaceful solution of labor disputes. I think he is absolutely correct. I have entertained similar views for many years.

OPINION OF MR. JUSTICE DOUGLAS IN THE STEEL CASE

Moreover, the use of the seizure technique to solve labor disputes in order to prevent work stoppages was not only unauthorized by any congressional enactment; prior to this controversy Congress had refused to adopt that method of settling labor disputes. When the Taft-Hartley Act was under consideration in 1947, Congress rejected an amendment which would have authorized such governmental seizures in cases of emergency. Apparently it was thought that the technique of seizure, like that of compulsory arbitration, would interfere with the process of collective bargaining. Consequently, the plan Congress adopted in that act did not provide for seizure under any circumstances. Instead, the plan sought to bring about settlements by use of the customary devices of mediation, conciliation, investigation by boards of inquiry, and public reports. In some instances temporary injunctions were authorized to provide cooling-off periods. All this failing, unions were left free to strike after a secret vote by employees as to whether they wished to accept their employers' final settlement offer.

The amendment referred to by Mr. Justice Douglas, which was rejected by the House, was offered by Mr. Javits, of New York, and provided a formula for seizure. This amendment was defeated April 17, 1947, by a division vote of 41 to 130.

Mr. HOFFMAN of Michigan. Mr. Speaker, I yield myself the balance of the time.

Mr. FORD. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield to the gentleman from Michigan.

Mr. FORD. I have not had an opportunity to obtain a copy of this bill, but one question comes to mind. Assuming that this bill is passed and the District Commissioners operate the transit company for a period of a year, during that period of operation who assumes any liability for personal injury or property damage?

Mr. HOFFMAN of Michigan. Of course, that is a legal question. Whether you can sue a governmental agency in a personal injury suit is something that I do not want to answer at this time. The Federal Government cannot be sued without its consent. Certainly the Capital Transit Co. would not be liable. The injured party might well be left without remedy unless we write a provision in the bill authorizing payment to an injured person and if we do that what do you think the amount of a jury's verdict would be in a personal injury case after the plaintiff's able attorney had reminded the jury of current inflation; how little a dollar will buy; of the billions we have given to other nations; and with tears in his eyes and voice made an emotional plea to a tender-hearted jury which—all male perhaps—had sat a day or two watching a sweet, innocent—the attorney's words—suffer from shock, nerves, low or high blood pressure—even a broken engagement.

The situation which confronts us today here in this Congress proves 1 of 2 things: either that the Congress does not have the intelligence or it lacks the inclination or the courage to adequately deal efficiently with a situation which

has existed in this country for the last 10 or 15 years, that is, when strikes which injuriously affect the public safety and health and welfare occur in connection with public utilities. That is what we are up against here now. How did this Congress get into it? It got into it by a bill. I doubt if 10 Members of the House have either seen or read a copy of the House bill, unless they happen to be on the District Committee. I was not able to get one until just a few moments ago when the bill was called up under suspension.

A clerk at the left of the Speaker advises me that the bill has not been printed; that no typewritten or mimeographed copies are available.

The mimeographed, duplicated, or dittoed copy which I hold in my hand was given me when I demanded a second some 30 minutes ago.

This copy of the bill, from the first capital to the last period reads as follows—and, as you read, note please that, on page 2, 6 lines have been stricken and a 2-line typewritten amendment has been inserted:

A bill to authorize the Capital Transit Co., under certain conditions, to surrender its franchise, and for other purposes

Be it enacted, etc., That the Commissioners of the District of Columbia are authorized to enter into an operating contract with the Capital Transit Co. for a period of 1 year from the effective date of this act or from the date authority is obtained from the stockholders under paragraph 6, whichever is the later, to provide mass transportation in the area now served by Capital Transit Co., said contract to contain substantially the following provisions, and in addition such other provisions not inconsistent herewith as the Commissioners and the Capital Transit Co. may agree upon to effectively carry out the purpose of this act:

1. Capital Transit Co. will continue to operate its properties as required by its franchise obligations.

2. Capital Transit Co. will enter into a contract with the bargaining agent of its employees covering wages and working conditions under terms and conditions as directed by the Commissioners of the District of Columbia for a period not to exceed 1 year.

3. Salaries of officers of the Capital Transit Co. in effect on July 1, 1955, will be continued in effect during the term of said contract.

4. In the event increased wages and benefits are accorded employees under paragraph 2 hereof, appropriate increases may also be granted salaried employees other than company officers subject to the approval of the Commissioners of the District of Columbia.

5. If, at the end of the period of said contract the operating revenues derived by the company from the operation of its properties in utility service for the convenience of the public have not been sufficient to meet the cost of operation during such 1-year period, including but not limited to depreciation and all taxes, but not including any return on investment, the District of Columbia shall pay Capital Transit Co. the amount of such deficiency: *Provided, however,* That such deficiency during said period shall be determined in accordance with the accounting practices now prescribed by the Public Utilities Commission or upon such terms as may be agreed upon by the Commissioners of the District of Columbia and the Capital Transit Co.

6. Capital Transit Co. will promptly take all necessary steps to secure from its stockholders authority to amend said contract to provide for the relinquishment of all of its franchise rights upon the termination of said contract. If within 90 days after the date of the contract hereby authorized said authority is obtained the parties agree that said contract shall be amended by inserting the following paragraph:

Capital Transit Co. shall relinquish all of its franchise rights upon the termination of said agreement and said relinquishment shall be accepted by the Commissioners and thereafter Capital Transit Co. shall be under no obligation to furnish public transportation in the District of Columbia.

7. The Commissioners of the District of Columbia may, with the approval of the Public Service Commission of the State of Maryland, exercise any of the powers granted in this act to operate property of the Capital Transit Co., or to provide public transportation, or both, within the portion of the State of Maryland which is provided with public transportation by such company.

Is it not an absurity; is it not a shirking of our duty, for— with apologies to the other body—the "greatest deliberative body in the world" to attempt to legislate as we are now doing?

This strike has been with us for a month.

The city had a similar strike in 1945. It was settled without the aid of the Congress, as this one no doubt would have been had not the company believed and the union been convinced that, at the expense of the transportation company's patrons or the District taxpayers, an easy-going Congress would bail them out.

Strikes affecting public utilities—and nation-wide—have injuriously affected the public health, safety, and welfare of the people of our towns and cities for many years.

Why now, just because we want to go home, take a snap judgment, open the door to expensive, long-drawn-out litigation?

While an editorial writer is not always my guide, often one says a mouthful. Let me read you this editorial from today's Washington Daily News:

YOU MAY OWN A DOG

Today may be the day when the citizens of Washington get put into the public transportation business. This will cost them beaucoup jack. They haven't been asked how much they'd like to pay to get into this adventure and they won't be. They'll be told in the annual tax bill. And whether or not they ride public transportation. And in addition to fares.

This may come to pass because the mood in Congress, as it throws its shirts into its bags and gets ready to leave town, is that it is politically expedient to seem to do something about the transit strike so that it can't be accused of doing nothing.

In all this hasty hassle over how to grab a transit line its owners want to dump, nowhere have we heard mention of how much money it will cost the city (that is, you). That shows how ill prepared—even on a standby basis—the city's government is to undertake this job.

So, if the Commissioners wake up tomorrow with a new municipal pet, we fear he's going to seem like a large, wet Chesapeake Bay retriever in their laps before long. We hope they know how to housebreak him, and will be able to get him on the floor again, on his own legs. Damned if we know.

This bill authorizes the Commissioners of the District to enter into an operating contract with CTC for a period of 1 year from the effective date of the bill. Well, of course, the Capital Transit Co. cannot enter into any contract, contrary to the terms of its present franchise unless the union agrees, and it cannot surrender its franchise unless the stockholders consent. The bill admits that, because over on page 3 the bill provides that "Capital Transit Co. will promptly take all necessary steps to secure from its stockholders"—do you get the point?—to amend said contract to provide for the relinquishment of all its franchise rights upon the termination of said contract." Capital Transit Co. cannot do anything other than attempt to start its cars and buses rolling—which would call for the surrender of its franchise—until it gets the consent of the stockholders. And when will that be? CTC has not attempted to turn a wheel since the strike was called 30 days ago.

The gentleman from Pennsylvania [Mr. FULTON] had something in mind that we read in the hearings about the stockholders. Will the gentleman read that?

Mr. FULTON. Mr. Speaker, if the gentleman will yield.

Mr. HOFFMAN. I yield.

Mr. FULTON. The point of it is that this company has already been milked, and there is nothing in this bill to prevent them from milking it any further. They paid $20 a share and they got $30.80 a share out of it. Mr. Wolfson said—I quote from the hearings:

I will protect the stockholders within the limits of the law in spite of anything, including the Congress and the Public Utilities Commission.

Mr. HOFFMAN of Michigan. That means expensive litigation for an indeterminate time.

Mr. FULTON. This particular bill, on page 2, provides that—

5. If, at the end of the period of said contract the operating revenues derived by the company from the operation of its properties in utility service for the convenience of the public have not been sufficient to meet the cost of operation during such 1-year period including but not limited to depreciation and all taxes, but not including any return on investment, the District of Columbia shall pay Capital Transit Co. the amount of such deficiency: *Provided, however,* That such deficiency during said period shall be determined in accordance with the accounting practices now prescribed by the Public Utilities Commission—

And then the bill adds:

or upon such terms as may be agreed upon by the Commissioners of the District of Columbia and the Capital Transit Co.

I might ask, Where is the public in that kind of a deal, where public tax money will have to make up any deficiency?

Mr. HOFFMAN of Michigan. The tax money of the District.

Mr. FULTON. Yes; the tax money of the District. It should be pointed out that any paper loss for depreciation will have to be paid by the taxpayers of the District of Columbia, in cash, under this present bill.

Mr. HOFFMAN of Michigan. The money of the District taxpayers. That is provided for in this bill and there is no limit to the amount which the Capital Transit Co. can pay and then pass

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on to the taxpayers of the District. Listen to this:

2. Capital Transit Co. will enter into a contract with the bargaining agent of its employees covering wages and working conditions under terms and conditions as directed by the Commissioners of the District of Columbia for a period not to exceed 1 year.

All that section does is to transfer the powes to bargain with the union from the company—which, as I said a moment ago, has to go back to its stockholders before it can do anything contrary to the terms of its franchise—over to the District Commissioners; and certainly taking from its own officers the authority to contract with the union and granting that authority to the Commissioners is contrary to the meaning of its franchise which provides that the officers of the company—not the Commissioners—shall transact its business. That is an invitation for the Commissioners to surrender to the present demands of the employees.

Let me go back to section L. Will someone please tell me how transit or the Commissioners can operate unless it meets and grants all—I repeat—all the demands of the union?

Is that what the committee wants the company to do? Meeting those demands will not cost the company anything—no matter how high the demands may be—because, as the gentleman from Pennsylvania [Mr. FULTON] has pointed out, under section 5, the cost of the increased wage, special benefits, all other costs—including paper, even though not a real loss when labeled "depreciation"—will be laid on the backs of the District taxpayers.

One thing the bill will do if approved, and that for sure: It injects this Congress into a labor dispute here in the District without coming up with any solution of the problem. You are just transferring the bargaining activities from the Capital Transit Co. to the Commissioners and you are not putting any limit on that. We are authorizing the Commissioners to pay whatever they want to pay and then add the loss, however great, to the tax rolls of the District taxpayers. Included in that sum will be any and all loss that may result from inefficient management. This is no way to handle a situation of this kind.

My point is this: Why not instead of stepping into this situation write overall legislation covering strikes in any and all public utilities? Away back in 1945, as long ago as that, 10 years ago, this Congress was familiar with situations where strikes were adversely affecting the public and a bill entitled "A bill to enable and to expedite the business of the Federal Government" was introduced and sent to the District Committee which promptly put the bill to sleep. The company and the union promptly settled the strike—the wheels rolled again. In 1945 the Capital Transit Co.'s employees were on strike here in Washington. Then a bill was introduced in January of 1947. It was "A bill to protect the public welfare when injuriously affected by strikes in public utilities." It was sent to the Committee on Labor. The Labor Committee promptly anesthetized itself and has continued to imitate Rip Van Winkle. That bill provided at that time, as did two subsequent bills introduced in June of this year when this matter came up—it was an attempt to permit a committee to write a worthwhile overall bill—that the Capital Transit Co. should proceed to operate, to give the city transportation, that the President should appoint a fact-finding commission which would determine three things. One, what was an adequate wage which should be paid the employee? Two, what was a fair profit to be paid the stockholders? Three, what was a fair charge to levy upon those who rode the Transit Co.'s buses and streetcars?

It further provided that those three things having been determined, if there was a loss and if transportation was a public necessity the loss should be met either by the District or the Federal Government or by both.

Was anything done with that? No. Now we have before us a bill from the other body which, if I understand it, advocates seizure. That is another invitation to litigation, to indefinite litigation, seizure of the system and to governorship. We have this bill which authorizes the Commissioners to a certain extent, but only to a certain extent, to step into the picture in the place and stead of the Capital Transit Co. itself.

Permit me to again ask: Why should we now inject ourselves into this situation without any remedy to offer? Suppose the employees of the union say to the Commissioners, "We won't work unless we get $2 an hour? We won't work unless we get $3." Suppose the stockholders to whom the Transit Co. has to go to get permission say: "Listen! We are not going to vote for the surrender of the franchise unless you guarantee a dividend of 50 or 60 or 70 cents per share," or "pay us $30 or $40 a share for our stock."

Or are we going to give away to both groups, meet the demands of both, and then assess the cost, as this bill would do, back on the taxpayers of the District?

Oh, this is no way to legislate.

The gentleman from New York [Mr. TABER] was on his feet asking me to yield. This is no time to get into this kind of a mess. I yield to the gentleman from New York.

Mr. TABER. Is it not true that the only thing that would be necessary to settle the strike is to have the District Commissioners, under the authority which they now have, to issue an edict that anybody with a District of Columbia license on his car may pick up passengers and charge 25 or 30 cents per trip, in order to get people interested, give them an incentive to do something to stop this business? Then the strike would be settled in 48 hours.

Mr. HOFFMAN of Michigan. That might be one solution, but I am not for that. That would be the direct use of Federal power to break a strike. It might probably put on the streets several hundred irresponsible drivers. It would compete unfairly with taxi drivers, taxi owners, and taxi companies. When the public health, welfare, or safety is endangered by a studied refusal of either party and an impartial fact-finding commission or committee has so determined, the Government should step in, but it should be done by overall legislation—legislation which, while protecting the parties to the dispute, is written primarily in the interest of and for the protection of the public.

Mr. Speaker, this bill should be rejected.

Mr. LANKFORD. Mr. Speaker, I have purposely not taken an active part in the current transit strike because so many people have entered the picture and there have been so many charges and counter-charges that I felt that the best course for me to follow would be not to muddy the waters any further. This does not mean that I do not have an abiding interest in the outcome of the strike or in its early settlement, as it affects a great many of my constituents both those that work for the transit company and those that ride the transit company vehicles.

The one thing that I am interested in is the early settlement of the strike. In my mind the means of effecting that settlement are secondary to the main objective. However, any settlement that is to be made should be a fair, just, and equitable one.

Although I do not believe that the House amendment takes positive enough action to insure any settlement of the strike, I shall vote for it in the hopes that when the bill comes out of conference we will have some workable means of settling the strike.

The SPEAKER. The question is, Will the House suspend the rules and pass the bill S. 2576 as amended?

The question was taken; and on a division (demanded by Mr. HARRIS and Mr. HYDE) there were—ayes 94, noes 75.

Mr. SIMPSON of Illinois. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 215, nays, 150, answered "present" 1, not voting 68, as follows:

[Roll No. 144]

YEAS—215

Abbitt	Bolton, Oliver P.	Dollinger
Addonizio	Bowler	Dondero
Albert	Boykin	Doyle
Alexander	Brooks, La.	Edmondson
Allen, Calif.	Brooks, Tex.	Elliott
Andersen, H. Carl	Brown, Ga.	Engle
Andresen, August H.	Brown, Ohio	Evins
Arends	Broyhill	Fallon
Ashley	Byrd	Fernandes
Ashmore	Cannon	Fine
Aspinall	Carlyle	Fino
Avery	Carnahan	Fountain
Ayres	Carrigg	Frelinghuysen
Baker	Celler	Gamble
Baldwin	Chelf	Gary
Bass, Tenn.	Chenoweth	Gathings
Bennett, Fla.	Cooley	George
Bennett, Mich.	Cooper	Grant
Bentley	Curtis, Mass.	Gray
Berry	Davidson	Gubser
Betts	Davis, Tenn.	Hale
Blatnik	Deane	Hardy
Boland	Dempsey	Harris
Bolling	Denton	Harrison, Va.
	Devereux	Harvey
		Hays, Ark.

Hayworth	Magnuson	Rodino
Hiestand	Mahon	Rogers, Colo.
Hill	Mailliard	Rogers, Mass.
Hinshaw	Marshall	Rutherford
Holifield	Martin	St. George
Holmes	Meader	Schwengel
Holtzman	Merrow	Scott
Hope	Metcalf	Sheppard
Horan	Miller, Calif.	Sikes
Huddleston	Miller, Md.	Simpson, Ill.
Hyde	Miller, Nebr.	Simpson, Pa.
Ikard	Miller, N. Y.	Sisk
Jackson	Mills	Smith, Miss.
Jenkins	Mollohan	Smith, Va.
Jennings	Morano	Spence
Johnson, Wis.	Morrison	Springer
Jones, Ala.	Moss	Steed
Jones, Mo.	Moulder	Sullivan
Jones, N. C.	Multer	Taber
Karsten	Murray, Ill.	Talle
Kearns	Murray, Tenn.	Teague, Calif.
Keating	Norrell	Thomas
Kee	O'Brien, Ill.	Thompson, N. J.
Keogh	O'Hara, Ill.	Thompson, Tex.
Kilday	O'Hara, Minn.	Thomson, Wyo.
Kilgore	O'Neill	Thornberry
King, Calif.	Osmers	Tollefson
Kirwan	Ostertag	Trimble
Klein	Patman	Tumulty
Knutson	Pfost	Udall
Lanham	Poage	Vanik
Lankford	Polk	Van Zandt
LeCompte	Preston	Velde
Lesinski	Price	Vinson
Long	Priest	Vursell
Lovre	Prouty	Whitten
McCarthy	Rabaut	Wickersham
McCormack	Rains	Wier
McDonough	Reed, Ill.	Wigglesworth
McIntire	Rees, Kans.	Williams, N. J.
McMillan	Reuss	Willis
McVey	Rhodes, Ariz.	Wolcott
Macdonald	Rhodes, Pa.	Wright
Machrowicz	Richards	Yates
Mack, Ill.	Riley	Young
Mack, Wash.	Rivers	Zablocki
Madden	Roberts	

NAYS—150

Adair	Donovan	Landrum
Alger	Dorn, N. Y.	Lane
Allen, Ill.	Dorn, S. C.	Latham
Auchincloss	Dowdy	McCulloch
Bailey	Ellsworth	McDowell
Barrett	Fascell	Matthews
Bass, N. H.	Feighan	Minshall
Bates	Fenton	Morgan
Baumhart	Fisher	Natcher
Beamer	Fjare	Nicholson
Becker	Flood	O'Konski
Blitch	Flynt	Patterson
Boggs	Forand	Perkins
Bolton, Frances P.	Ford	Philbin
	Forrester	Pilcher
Bonner	Friedel	Pillion
Bosch	Fulton	Poff
Bow	Garmatz	Quigley
Boyle	Gavin	Ray
Bray	Gentry	Robeson, Va.
Brownson	Granahan	Rogers, Fla.
Budge	Green, Oreg.	Rogers, Tex.
Burleson	Gross	Rooney
Burnside	Hagen	Roosevelt
Bush	Haley	Sadlak
Byrne, Pa.	Hand	Saylor
Byrnes, Wis.	Harden	Schenck
Canfield	Harrison, Nebr.	Scherer
Cederberg	Hays, Ohio	Scudder
Chase	Hébert	Seely-Brown
Chudoff	Henderson	Selden
Church	Herlong	Shelley
Clark	Heselton	Short
Cole	Hess	Smith, Wis.
Colmer	Hoeven	Staggers
Coon	Hoffman, Mich.	Thompson, La.
Corbett	Hosmer	Thompson, Mich.
Coudert	Hull	
Cramer	James	Utt
Cretella	Jensen	Van Pelt
Crumpacker	Johansen	Vorys
Cunningham	Johnson Calif.	Walter
Dague	Jonas	Weaver
Davis, Ga.	Judd	Westland
Davis, Wis.	Kean	Wharton
Dawson, Utah	Kelley, Pa.	Widnall
Delaney	Kelly, N. Y.	Williams, N. Y.
Derounian	King, Pa.	Wilson, Ind.
Dixon	Kluczynski	Withrow
Dodd	Knox	Wolverton
Donohue	Laird	

ANSWERED "PRESENT"—1

Wainwright

NOT VOTING—68

Abernethy	Gordon	Phillips
Andrews	Green, Pa.	Powell
Anfuso	Gregory	Radwan
Barden	Griffiths	Reece, Tenn.
Belcher	Gwinn	Reed, N. Y.
Bell	Halleck	Riehlman
Buchanan	Hillings	Robsion, Ky.
Buckley	Hoffman, Ill.	Scrivner
Burdick	Holt	Sheehan
Chatham	Jarman	Shuford
Chiperfield	Kearney	Sieminski
Christopher	Kilburn	Siler
Clevenger	Krueger	Smith, Kans.
Curtis, Mo.	Lipscomb	Taylor
Dawson, Ill.	McConnell	Teague, Tex.
Dies	McGregor	Tuck
Diggs	Mason	Watts
Dingell	Mumma	Williams, Miss.
Dolliver	Nelson	Wilson, Calif.
Durham	Norblad	Winstead
Eberharter	O'Brien, N. Y.	Younger
Fogarty	Passman	Zelenko
Frazier	Pelly	

So (two-thirds not having voted in favor thereof) the motion to suspend the rules was rejected.

The Clerk announced the following pairs:

Mr. Dingell with Mr. Halleck.
Mr. Anfuso with Mr. Holt.
Mrs. Buchanan with Mr. Taylor.
Mr. Eberharter with Mr. Sheehan.
Mrs. Griffiths with Mr. Dolliver.
Mr. Buckley with Mr. Kearney.
Mr. Powell with Mr. Siler.
Mr. Zelenko with Mr. Smith of Kansas.
Mr. Frazier with Mr. Reece of Tennessee.
Mr. Fogarty with Mr. McGregor.
Mr. Dies with Mr. Chiperfield.
Mr. Diggs with Mr. Hillings.
Mr. Dawson of Illinois with Mr. Kilburn.
Mr. Gregory with Mr. Krueger.
Mr. Watts with Mr. Riehlman.
Mr. Williams of Mississippi with Mr. Pelly.
Mr. Winstead with Mr. Nelson.
Mr. Chatham with Mr. McConnell.
Mr. Abernethy with Mr. Curtis of Missouri.
Mr. Andrews with Mr. Gwinn.
Mr. Green of Pennsylvania with Mr. Hoffman of Illinois.
Mr. Tuck with Mr. Phillips.
Mr. O'Brien of New York with Mr. Norblad.
Mr. Passman with Mr. Mason.
Mr. Gordon with Mr. Belcher.
Mr. Teague of Texas with Mr. Younger.
Mr. Christopher with Mr. Robsion of Kentucky.
Mr. Bell with Mr. Burdick.
Mr. Barden with Mr. Lipscomb.
Mr. Jarman with Mr. Wilson of California.
Mr. Shuford with Mr. Scrivner.
Mr. Sieminski with Mr. Clevenger.
Mr. Durham with Mr. Radwan.

Mr. DODD, Mr. FEIGHAN, and Mr. WOLVERTON changed their votes from "yea" to "nay."

Mr. LANKFORD, Mr. TUMULTY, Mr. YATES, and Mr. BASS of Tennessee changed their votes from "nay" to "yea."

The result of the vote was announced as above recorded.

The door was opened.

A motion to reconsider was laid on the table.

AMENDING CIVIL SERVICE RETIREMENT ACT TO INCLUDE CERTAIN PERIODS OF SERVICE RENDERED STATES, ETC.

Mr. MURRAY of Tennessee. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (S. 1041) to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide for the inclusion in the computation of accredited service of certain periods of service rendered States or instrumentalities of States, and for other purposes, with a House amendment thereto, insist upon the House amendment, and agree to the conference requested by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. MURRAY of Tennessee, DAVIS of Georgia, and REES of Kansas.

ELECTION OF DELEGATES REPRESENTING THE DISTRICT OF COLUMBIA TO NATIONAL POLITICAL CONVENTIONS

Mr. HARRIS submitted a conference report and statement on the bill (H. R. 191) to regulate the election of delegates representing the District of Columbia to national political conventions, and for other purposes.

GRAND TETON NATIONAL PARK

Mr. ENGLE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1917) to authorize the construction within Grand Teton National Park of an alternate route to United States Highway 89, also numbered U. S. 187 and U. S. 26, and the conveyance thereof to the State of Wyoming, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That in order to facilitate public use and enjoyment of the Grand Teton National Park and to make possible an appropriate relocation and use of highways through the park, the Secretary of the Interior is authorized to construct within the park, upon a location to be agreed upon between the Secretary and the Governor of Wyoming, a highway which shall replace the present United States Highway 89, also numbered U. S. 187 and U. S. 26. Upon completion of the said highway, the Secretary is authorized to enter into an agreement with the State of Wyoming, upon such terms and conditions as he deems in the interest of the United States, for the conveyance of the highway to the State in exchange for State and county roads in the park area.

Mr. SAYLOR. Mr. Speaker, this legislation authorizes a new highway from Moose, Wyo., within Grand Teton National Park, eastward to the junction of U. S. 187 and U. S. 89, at the eastern park boundary. The road will run 20 miles on the east side of the Snake River through Antelope Flat, a broad sagebrush basin in Jackson Hole. At two places it will approach near the river, but most of it will be up to 4 miles away from it.

The principal purpose of this new construction is to free the present main road through the park, U. S. 187, from through traffic between Jackson and Landers, Wyo., and other towns, and especially to divert commercial traffic. It will constitute a bypass, shortening the distance to be traveled; and at the same time it will enable the Park Service officials to restrict commercial

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use of the present road in conformity with their policy in other national parks. Once the new road is built, the superintendent will be able to issue regulations determining the kind of uses to be permitted on the other park roads. At present, this commercial traffic must follow the road through the heart of Jackson Hole, to the detriment of the park and its enjoyment by visitors.

The new road will be highstandard blacktop, 24 feet wide, with 4-foot stabilized shoulders on each side. The grades will be gentler than on the present route and the curves less sharp, contributing to safety. Several parking overlooks will be built in order to give visitors distant views of the magnificent Grand Teton Range. Part of the road borders the Jackson Hole elk preserve and will enable visitors to see elk conveniently. The highway will cost about $2 million and will require about 2 years to complete.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GLENDO DAM AND RESERVOIR

Mr. ENGLE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2339) to authorize the Secretary of the Interior to include capacity to serve the town of Glendo, Wyo., in a sewerage system to be installed in connection with the construction of Glendo Dam and Reservoir, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized, in connection with the installation of a sewerage system to serve the Government construction camp and housing facilities at Glendo Dam and Reservoir (68 Stat. 486) and upon the terms and conditions hereinafter set forth, to install sufficient capacity to serve also the town of Glendo, a municipal corporation of the State of Wyoming, and to transfer all right, title, and interest of the United States in and to said system (including necessary rights-of-way) to said town. The total capacity of said system shall not exceed that required to serve 500 persons and no commitment between the United States and the town with respect to the construction thereof shall require the expenditure of more than $75,000. The terms and conditions of this authorization are that the town shall have—

(a) transferred or agreed to transfer to the United States, without cost to the United States, such interest in land required for construction of the sewerage system as is satisfactory to the Secretary;

(b) transferred or agreed to transfer to the United States without cost to the United States, fee title to 10 acres of land for the construction of said camp and housing facilities or such other interest in said land as is satisfactory to the Secretary for that purpose. In the event said land is not located within the then corporate limits of the town, the town shall take all necessary and proper steps under the laws of the State of Wyoming to extend its limits to include said land;

(c) connected and run or agreed to connect and run a water main or mains to such locations on the property line of said land as are agreed upon by the town and the Secretary and agreed to furnish water for the use in said camp and housing facilities and by the residents therein on the same terms and considerations on which it furnishes water to other properties and residents in the town of Glendo. Necessary water meters will be furnished by the United States;

(d) agreed to furnish, without cost to the United States, fire and police protection service to the camp and housing facilities on said land on the same basis and under the same conditions as it furnishes such services to other properties and to inhabitants of the town of Glendo;

(e) agreed to accept such streets and alleys (including rights-of-way therefor) as are constructed by the United States on said land and dedicated by the United States to public purposes and to maintain and keep said streets and alleys in good and serviceable condition without cost to the United States. Necessary streets and alleys constructed by the United States on said land will be of type and quality comparable to existing streets and alleys within the present limits of the town of Glendo;

(f) installed or agreed to install street lights on the streets and alleys constructed by the United States on said land and agreed to maintain said lights and to furnish the electricity necessary for their operation, such installation, maintenance, and electric service to be furnished to the same extent and in like manner as is afforded on other streets within the limits of the town of Glendo and without cost to the United States;

(g) arranged or agreed to arrange for electric and natural-gas service to said camp and housing facilities and to the residents therein on the same terms and conditions as such service is furnished to other properties and residents in the town of Glendo;

(h) agreed to the United States use of the sewerage system throughout its useful life to the extent of that capacity which is required to serve 150 persons and agreed furthermore, that it will operate and maintain said system in conformity with standards agreed upon by the town and the Secretary (which standards shall be those generally employed for the maintenance of similar facilities) and in a manner permitting the satisfactory use of said capacity by the United States, all without cost to the United States.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COLORADO RIVER INDIAN RESERVATION, ARIZ.

Mr. ENGLE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2039) to authorize the Secretary of the Interior to lease any unassigned lands on the Colorado River Indian Reservation, Ariz., and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That for a period of 2 years after the date of this act the Secretary of the Interior is authorized to lease any unassigned lands on the Colorado River Indian Reservation, Ariz., that were set apart by the United States for the Indians of the Colorado River and its tributaries, for public, religious, educational, recreational, residential, or business purposes, including the development or utilization of natural resources in connection with operations under such leases, and for those farming purposes which require the making of a substantial investment in the improvement of the land for the production of specialized crops as determined by said Secretary. All leases so granted shall be for a term of not to exceed 25 years, but leases for public, religious, educational, recreational, residential or business purposes with the consent of both parties may include provisions authorizing their renewal for an additional term of not to exceed 25 years, and all leases and renewals shall be made under such terms and regulations as may be prescribed by the Secretary of the Interior. Income from leases on land in the southern reserve, as defined in ordinance No. 5 of the Colorado River Indian Tribes, dated February 3, 1945, shall be segregated from income from leases on land in the northern reserve, as defined by such ordinance, and from leases on land on the California side of the Colorado River. All income received within 2 years after the date of this act and prior to determination of the beneficial ownership of the lands, from leases on land in the northern reserve and land on the California side of the Colorado River may be expended by the Secretary for the benefit of the Colorado River Indian Tribes and their members. All income received within 2 years after the date of this act and prior to determination of the beneficial ownership of the lands, from leases on land in the southern reserve may be expended by the Secretary for the development or improvement of any land in the southern reserve. All income received more than 2 years after the date of this act, which is hereby declared to be a reasonable time within which the beneficial ownership of the land on the reservation may be determined by the Congress, shall be held in a special account until such ownership has been determined. All income received after beneficial ownership has been determined shall be held in trust for the beneficial owners of the land from which the income was derived and shall be expended as otherwise authorized by law.

With the following committee amendments:

Page 2, line, 6, strike out "to exceed 25 years, but leases for public, religious," and insert the following: "to exceed 25 years, excepting leases for grazing purposes, which shall be for a term of not to exceed 10 years. Leases for public, religious,"

Page 3, line 6, after "reserve." strike out the remainder of line 6 and all down to and including line 11, and insert the following: "All income received more than 2 years after the date of this act shall be held in a special account until the beneficial ownership of the land on the reservation has been determined.

Page 3, line 19, insert the following:

"SEC. 2. Nothing contained in this act shall be construed as recognizing any ownership in the Colorado River Indian Tribes or any other Indians or group of Indians, nor shall this act be taken as creating any inference of liability or as impairing or affecting any of the defenses of the United States in any litigation now pending before the Court of Claims or the Indian Claims Commission."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

PUEBLOS OF SAN LORENZO AND POJOAQUE IN NEW MEXICO

Mr. ENGLE. Mr. Speaker, I ask unanimous consideration for the immediate consideration of the bill (S. 1906) to authorize the Pueblos of San Lorenzo and Pojoaque in New Mexico to sell certain lands to the Navaho Tribe, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Pueblo of San Lorenzo, sometimes known as the Pueblo of Picuris, and the Pueblo of Pojoaque in New Mexico are hereby severally authorized to sell to the Navaho Tribe of Indians all of the right, title, and interest of each of said Pueblos in and to any of the lands situated in townships 6, 7, and 8 north, range 15 west, and township 7 north, range 16 west, New Mexico principal meridian, in Valencia County, N. Mex., the title to which is now held by the United States in trust for either of said Pueblos; and the Navaho Tribe is hereby authorized to purchase all of the right, title, and interest of said Pueblos in and to any of the above-described lands, whereupon the title to the lands so purchased shall be held by the United States in trust for the Navaho Tribe. All sales under this section shall be for such prices and on such terms as may be agreed upon by the governing bodies of the Pueblo making the sale and of the Navaho Tribe, and as may be approved by the Secretary of the Interior. The consideration for each sale, when so agreed upon and approved, shall be paid out of such funds of the Navaho Tribe as may be designated for this purpose by its governing body. The Secretary of the Interior and the appropriate officers of said Pueblos are authorized to execute such instruments of conveyance as may be necessary or appropriate to effectuate the transfer of title to any lands purchased by the Navaho Tribe under this section.

SEC. 2. All proceeds received from each of the sales authorized by section 1 of this act shall be deposited in the Treasury of the United States to the credit of the Pueblo making the sale in the account established for such Pueblo pursuant to section 19 of the act of June 7, 1924 (43 Stat. 636, 642), and together with any other funds heretofore or hereafter deposited in the same account, shall be available for expenditure or advance for such purposes, except per capita payments, as may be designated by the governing body of such Pueblo and approved by the Secretary of the Interior.

SEC. 3. For the purpose of consolidating the lands of the Navaho Tribe, the Secretary of the Interior, with the consent of the governing body of said tribe, may exchange any lands purchased under section 1 of this act for any other lands situated in McKinley or Valencia Counties, N. Mex., that are owned by the United States, by the State of New Mexico or a political subdivision thereof, or by any person; and, for the same purpose, the head of any department or agency having administrative jurisdiction over lands situated in said counties that are owned by the United States may exchange any such lands for lands purchased under section 1 of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DEVILS TOWER NATIONAL MONUMENT, WYO.

Mr. ENGLE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2049) to provide recognition of the 50th anniversary of the Devils Tower National Monument, Wyo., the first national monument, established by the President of the United States, pursuant to the Antiquities Act of 1906; to authorize the addition of certain land to the monument, to permit land exchanges, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That, in recognition of the 50th anniversay of the Devils Tower National Monument, Wyo., the first national monument, established on September 24, 1906, by the President of the United States pursuant to the Antiquities Act of 1906, and in order to provide suitable public campground facilities and other developments for the public benefit and to facilitate administration thereof, the Devils Tower National Monument hereafter shall include the following-described land comprising approximately 155 acres, which the Secretary of the Interior is authorized to procure in such manner as he shall find to be in the public interest:

SIXTH PRINCIPAL MERIDIAN

Township 53 north, range 65 west, section 18, south half northeast quarter, southeast quarter northwest quarter, north half southeast quarter, those parts lying north of and within a loop of the left bank of the Belle Fourche River; southwest quarter northwest quarter, that part lying west of the left bank of the Belle Fourche River;

Township 53 north, range 66 west, section 13, south half northeast quarter.

SEC. 2. For land-exchange purposes, the Secretary of the Interior is authorized to accept title to any land or interests therein situated within the area added to the national monument by this act, and, in exchange for land or interests therein so accepted, to convey any national monument land or interests therein of approximately equal value situated in the northeast quarter of section 18, township 53 north, range 65 west, and lying east of the Belle Fourche River. National monument lands so conveyed for exchange purposes shall be excluded from the national monument.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HISTORIC PROPERTIES IN THE NEW YORK CITY AREA

Mr. ENGLE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 732) to promote public cooperation in the rehabilitation and preservation of the Nation's important historic properties in the New York City area, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. TUMULTY. Reserving the right to object, Mr. Speaker, I have conferred with the gentleman from New York [Mr. KLEIN], who has introduced a similar House bill. I understand that the other side is not affected; in fact, New Jersey may if it so desires have two members on this commission, so the bill need not be amended. May I ask the gentleman from New York to confirm that?

Mr. KLEIN. There is no doubt whatsoever that if the gentleman from New Jersey has any names to submit, or anybody else from New Jersey, those persons may serve on this voluntary commission.

Mr. TUMULTY. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized to appoint an Advisory Board, to be known as the New York City National Shrines Advisory Board. The membership of the Board may not exceed 11 persons. The Secretary shall appoint 1 member to represent the city of New York, 1 member to represent the State of New York, and 1 member to represent the Borough of Manhattan, after consideration of such recommendations as may be made by the mayor of New York City, the Governor of New York State, and the president of the Borough of Manhattan for the appointment of the representatives of their respective jurisdictions. The remaining membership of the Board shall be appointed from the various historical and civic organizations interested in effectuating the purposes of this act. The Secretary shall, at the time of appointment, designate one of the members to serve as Chairman. Members of the Board shall receive no compensation for their services, but may be paid any necessary traveling and subsistence expenses incurred in the discharge of their duties, when authorized by the Secretary of the Interior.

The functions of the Board shall be to render advice to the Secretary of the Interior and to further public participation in the rehabilitation and the preservation of those historic properties in the New York City area that are of great national significance, identified as the Federal Hall National Memorial, Castle Clinton National Monument, and the Statue of Liberty National Monument. The Board shall conduct a study of these historic properties and submit recommendations concerning their preservation and administration to the Secretary of the Interior, such report and recommendations of the Board to be transmitted to the Congress by the Secretary of the Interior, together with his recommendations thereon, within 1 year following the date of the establishment of the Board. The Board shall cease to exist when the Secretary of the Interior shall find that its purposes have been accomplished.

SEC. 2. The Secretary of the Interior is authorized to accept donations of funds for rehabilitation and preservation of the historic properties, including any made upon condition that such funds are to be expended only if Federal funds in an amount equal to the donated funds are appropriated for such purposes. There are authorized to be appropriated such funds as may be necessary to match funds that may be donated for purposes of this act.

SEC. 3. The Federal Hall Memorial National Historic Site, established pursuant to the Historic Sites Act of August 21, 1935 (49 Stat. 666), shall hereafter be known as the "Federal Hall National Memorial."

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

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IMPROVEMENT OF AMITE RIVER AND ITS TRIBUTARIES

Mr. DAVIS of Tennessee. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1899) to authorize the improvement of the Amite River and its tributaries.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That improvements in the interest of flood control and drainage be undertaken in the Amite River, Bayou Manchac, and the Comite River, such work to be prosecuted under the direction of the Secretary of the Army and the supervision of the Chief of Engineers, substantially in accordance with a survey report entitled "Survey Report of Amite River and Tributaries La.", of the district engineer, Corps of Engineers, New Orleans district, dated June 8, 1955, approved by the division engineer, Corps of Engineers, lower Mississippi Valley division, and submitted to the Board of Engineers for Rivers and Harbors on July 5, 1955, at an estimated first cost to the United States of $3,008,000: *Provided*, That local interests comply with the provisions in the district engineer's recommendations, including contribution of 24.7 percent of actual construction cost in cash or equivalent work as approved by the Chief of Engineers, for Amite River and Bayou Manchac, presently estimated at $892,000, and 18.6 percent of actual construction cost in cash or equivalent work, as approved by the Chief of Engineers, for Comite River, presently estimated at $67,000.

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

ARKANSAS RIVER

Mr. DAVIS of Tennessee. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 730) granting the consent of Congress to the States of Kansas and Oklahoma, to negotiate and enter into a compact relating to their interests in, and the apportionment of, the waters of the Arkansas River and its tributaries as they affect such States.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the bill as follows:

Be it enacted, etc., That the consent of Congress is hereby given to the States of Kansas and Oklahoma to negotiate and enter into a compact relating to the interests of such States in the development and protection from pollution of the water resources of the Arkansas River and its tributaries, and providing for an equitable apportionment among them of the waters of the Arkansas River and its tributaries flowing between such States, and for matters incident thereto, upon the condition that one qualified person appointed by the President of the United States shall participate in such negotiations as chairman, representing the United States, and shall make a report to the President and to the Congress of the proceedings and of any compact entered into. Such compact shall not be binding or obligatory upon any of the parties thereto until it shall have been ratified by the legislatures of each of the respective States, and consented to by the Congress of the United States: *Provided*, That any compact negotiated under the authority of this act shall recognize the respective rights of the States of Kansas and Colorado in the waters of the Arkansas River, as established by the Arkansas River Compact consented to by Public Law 82, 81st Congress, 1st session.

SEC. 2. There is hereby authorized to be appropriated a sufficient sum to pay the salary and expenses of the representative of the United States appointed hereunder: *Provided*, That such representative, if otherwise employed by the United States while so employed, shall not receive additional salary in the appointment hereunder.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. EDMONDSON. Mr. Speaker, the passage of this bill brings to a successful conclusion the efforts of the entire Oklahoma delegation, and of the delegations of several sister States, to establish a firm foundation by interstate compact for the wise and fair use of the waters of several principal rivers in the Southwest.

On signing by the President, we now have legislation which authorizes compacts between Oklahoma and Kansas, governing water apportionment on the Arkansas River and its tributaries; between Oklahoma and Arkansas, governing water apportionment on the Arkansas and its tributaries; and among the four States of Oklahoma, Arkansas, Texas, and Louisiana, governing apportionment on the Red River and its tributaries.

Of course, all of these compacts will require time and careful consideration, and must be approved by the State legislatures involved as well as by Congress, before becoming effective.

Nonetheless, the groundwork has been laid for all-important agreements between and among the States, which are so essential to the full protection of each State's rights on these rivers, and equally essential to the full enjoyment and use of the waters involved.

I trust that appointments will soon be made of competent and able negotiators, both by the President and by the States involved, to assure an early start on these vital negotiations.

A failure to draw concise and definite agreements, with careful provision for protection of each State's rights, has apparently resulted in unnecessary litigation and misunderstanding between the parties to water compacts in other sections, and I trust these pitfalls will be avoided in the forthcoming compacts involving Oklahoma's precious water rights.

Recent history has certainly demonstrated that water is one of the indispensable keys to the well-being and progress of any modern community and region. Oklahoma, which has seen its share of drought in recent years, can bear witness to this fact.

Let us move forward now, with our neighbors, to conclude wise and fair agreements for the use of our water treasure.

CECILE DORIAC ET AL.

Mr. WALTER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1681) for the relief of Cecile Doriac and her minor child.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the Immigration and Nationality Act, Cecile Doriac, the fiancée of Dean E. Ballard, a citizen of the United States, and her minor child shall be eligible for visas as nonimmigrant temporary visitors for a period of 3 months, if the administrative authorities find (1) that the said Cecile Doriac is coming to the United States with a bona fide intention of being married to the said Dean E. Ballard, and (2) that she and her child are otherwise admissible under the Immigration and Nationality Act. In the event the marriage between the above-named persons does not occur within 3 months after the entry of the said Cecile Doriac, she and her child shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Cecile Doriac, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Cecile Doriac and her child as of the date of the payment by her of the required visa fees.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHIEKO SUZUKI

Mr. WALTER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 393) for the relief of Chieko Suzuki.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the Immigration and Nationality Act, Chieko Suzuki, the fiancée of Capt. Jack L. Wulff, a citizen of the United States, shall be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months, if the administrative authorities find (1) that the said Chieko Suzuki is coming to the United States with a bona fide intention of being married to the said Capt. Jack L. Wulff and (2) that she is found otherwise admissible under the Immigration and Nationality Act. In the event the marriage between the above-named persons does not occur within 3 months after the entry of the said Chieko Suzuki, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Chieko Suzuki, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Chieko Suzuki as of the date of the payment by her of the required visa fee.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANNA MERTIKAS

Mr. WALTER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1415) for the relief of Anna Mertikas.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Anna Mertikas, shall be held and considered to be the natural-born alien child of Mr. and Mrs. D. Jim Martikas, citizens of the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LADISLAV MENCL

Mr. WALTER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2088) for the relief of Ladislav Mencl.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. MARTIN. Mr. Speaker, reserving the right to object, are these bills which the gentleman is asking the House to consider at the present time bills that have been passed by the other body?

Mr. WALTER. These bills have been passed by the other body and have been approved by the subcommittee of the Committee on the Judiciary.

Mr. MARTIN. Have they been approved by the full committee?

Mr. WALTER. They have not been referred to the full committee, no, but they have been referred to the ranking Republican and Democratic Members.

Mr. Speaker, I might say in explanation of the present bill that it is for the relief of a soldier who is now at Walter Reed Hospital. He is a Czech soldier who jumped out of a plane and the parachute did not open. It would be a great morale builder for this soldier if immediate action is had on this bill.

Mr. MARTIN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Ladislav Mencl shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING INTERNAL REVENUE CODE OF 1939

Mr. COOPER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 257) to amend section 112 (n) (8) of the Internal Revenue Code of 1939 to provide that in certain cases of a sale or exchange of a taxpayer's residence, certain periods of limitation shall not run against the taxpayer while he is on extended active duty in the Armed Forces, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, after line 5, insert:

SEC. 3. The Internal Revenue Code of 1954 is amended by adding a new section to chapter 1 of subtitle A immediately following section 1341 to read as follows:

"SEC. 1342. Computation of tax where taxpayer recovers substantial amount held by another under claim of right.

"(a) General rule, If—

"(1) an item was deducted from gross income for a prior taxable year (or years) because it appeared that another person held an unrestricted right to such item as a result of a court decision in a patent infringement suit (whether or not the taxpayer is a party to such suit); and

"(2) gross income is increased for the taxable year because it was established after the close of such prior taxable year (or years) that such other person did not have an unrestricted right to such item or to a portion of such item because of the subsequent reversal of such court decision on the ground that such decision was induced by fraud or undue influence; and

"(3) the amount of such increase in gross income exceeds $3,000, then the tax imposed by this chapter for the taxable year shall be the lesser of the following:

"(4) the tax for the taxable year computed with the gross income so increased; or

"(5) an amount equal to—

"(A) the tax for the taxable year computed without such increase in gross income, plus

"(B) the increase in tax (including interest) under this chapter (or the corresponding provisions of prior taxable year (or years)) which would result solely from the elimination of such item (or portion thereof) as a deduction from gross income for such prior taxable year (or years).

"(b) Special rule: For purposes of subsection (a) (5) (B) interest shall be computed from the due date of the return for such prior taxable year to the due date of the return for the taxable year."

SEC. 4. The amendment made by section 3 of this act shall apply with respect to taxable years beginning after December 31, 1954.

Amend the title so as to read: "To amend section 112 (n) (8) of the Internal Revenue Code of 1939, relating to the suspension of certain periods of limitation while the taxpayer is on extended active duty with the Armed Forces, and to amend the Internal Revenue Code of 1954 with respect to tax treatment where the taxpayer recovers amounts held by another under claim of right."

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

Mr. COOPER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD on the bill just considered.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. COOPER. Mr. Speaker, the Senate has added an amendment to H. R. 257. This amendment adds a new section to the 1954 code intended to be complementary to section 1341 of that code.

Section 1341 deals with the situation where a taxpayer is required to restore money or property in which he has mistakenly included an item in gross income for a prior taxable year or years. That section permits the taxpayer, where the item amounts to $3,000 or more, an election of: First, deducting the restored amount in the year it is restored to a third person, or, second, computing the tax for the year in which the item is restored without deducting the amount restored and then lowering the tax of that year by the amount of decrease in tax caused by excluding the item from the income of the year in which it was first reported.

The Senate amendment to H. R. 257 grants a similar option to a taxpayer who mistakenly believes that a third party has claim of rights to money or property and for that reason takes a deduction for the item in an earlier year where in the taxable year the taxpayer recovers the item previously deducted.

The Senate amendment limits this treatment to situations—

where an item was deducted from gross income for a prior taxable year (or years) because it appeared that another person held an unrestricted right to such item as a result of a court decision in a patent infringement case suit (whether or not the taxpayer is a party to such suit) which court decision was later reversed on the ground that such decision was induced by fraud or undue influence. Interest will be computed on the increase in tax resulting solely from the elimination of such item as a deduction for the prior taxable year.

Mr. JENKINS. Mr. Speaker, the Senate amendment to H. R. 257 adds a new section to the Internal Revenue Code of 1954 which is complementary to section 1341 of the code.

Section 1341 deals with the situation where a taxpayer mistakenly includes an item in his gross income of a prior year(s), and in a later year is required to restore the money or property which gave rise to the item of income in the prior year. Where the restored item amounts to $3,000, or more, section 1341 allows the taxpayer the option of: First, deducting the restored amount in the tax year it is restored to a third party; or, second, computing the tax for the restoration year without deducting the amount restored, and then lowering the

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tax of the taxable—restoration—year by the amount of decrease in tax caused by excluding the restored item(s) from the income of the earlier year(s) in which reported.

The Senate amendment simply extends a similar option to a taxpayer who, mistakenly believing that a third party had a claim of right to money on property, takes a deduction for the item or items in an earlier year or years. An amendment along this line has already been approved by the Committee on Ways and Means. The House should have no objection to the Senate amendment.

Mr. COOPER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD immediately following the consideration of the next two bills which I expect to call up.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

AMENDING SECTION 1233 OF THE INTERNAL REVENUE CODE OF 1954

Mr. COOPER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 6263) to amend section 1233 of the Internal Revenue Code of 1954, with Senate amendments thereto and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Page 1, line 7, strike out "the closing of."

Page 3, after line 14, insert:

"SEC. 3. Section 452 (a) (2) of the Internal Revenue Code of 1954 (defining the term 'personal holding company') is hereby amended by adding at the end thereof the following new sentence: 'The preceding sentence shall not apply in the case of an organization or trust organized or created before July 1, 1950, if at all times on or after July 1, 1950, and before the close of the taxable year such organization or trust has owned all of the common stock and at least 80 percent of the total number of shares of all other classes of stock of the corporation, but only if such organization or trust is not denied exemption under section 504 or an unlimited charitable deduction is not denied under section 681 (c) and, for this purpose—

"'(A) all income of the corporation which is available for distribution as dividends to its shareholders at the close of any taxable year shall be deemed to have been distributed at the close of such year whether or not any portion of such income was in fact distributed); and

"'(B) section 405 (a) (1) and section 681 (c) (1) shall also not apply to income attributable to property of a decedent dying before January 1, 1951, which was transferred during his lifetime to a trust or property that was transferred under his will to such trust.'"

Page 3, after line 14, insert:

"SEC. 4. The amendment made by section 3 of this Act shall apply only with respect to taxable years beginning after December 31, 1954."

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

Mr. JENKINS. Mr. Speaker, reserving the right to object, and I shall not object, I want to ask the gentleman a question.

As I understand, these bills have come back from the Senate and have all been approved by the author of the bill in the House?

Mr. COOPER. The gentleman is correct.

Mr. JENKINS. Mr. Speaker, I ask unanimous consent to extend my remarks with reference to these three bills.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee [Mr. COOPER]?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

Mr. COOPER. Mr. Speaker, the Senate has added an amendment to H. R. 6263 which changes the definition of personal holding company now found in the Internal Revenue Code of 1954. At the present time the definition of a personal holding company includes a corporation if during the last half of the taxable year more than 50 percent of its stock is owned by not more than five individuals. Charitable trusts are generally considered as individuals in applying this test of stock ownership. This provision will consider charitable trusts not to be individuals for purposes of the personal holding company test if the trust was created before July 1, 1950, and if the trust has owned, since that time and until the close of the taxable year, all of the common stock and at least 80 percent of the stock of all other classes of the corporation whose status as a personal holding company or otherwise is being determined.

Mr. JENKINS. Mr. Speaker, the Senate has added an amendment to H. R. 6263 changing the definition of "personal holding company" in the Internal Revenue Code of 1954.

Section 542 (a) (2) of the Internal Revenue Code of 1954—defining the term "personal holding company"—provides for treating charitable foundations or trusts as "individuals" in determining the stock ownership test for personal holding companies. This provision was new in the 1954 code and is so broad in its wording as to include investment companies which have been wholly owned by charitable foundations for many years and would thereby for the first time require treatment of such investment companies as personal holding companies.

Certain long-established charitable trusts have, solely for business reasons, owned and controlled certain of their investments through the means of a separately formed investment company. Such company is, of course, subject to payment of the customary Federal income taxes and is used as a matter of convenience in the businesslike handling and development of enterprises requiring additional capital from time to time in their expanding activities. If such organizations are to come under the rule for personal holding companies then they would become subject to the penalty tax applicable thereto. This would make it impracticable to conduct their activities on a normal business basis involving carefully planned reinvestment to provide required capital to meet the needs of growth situations such as public utilities with resulting expansion of income. The alternative would require dissolution of such investment companies which would deprive the Federal Government of the income tax now being paid by such companies.

The Senate amendment amends this provision of the 1954 code in a limited manner so that certain long-established charitable foundations may retain the tax status under which they have operated for many years.

The Senate amendment amends section 542 (a) (2) of the Internal Revenue Code of 1954 which deals with certain charitable foundations. Three conditions must be met. The foundation must be organized or created before July 1, 1950. Second, at all times on or after July 1, 1950, through the close of the taxable year such foundation must own all of the common stock and at least 80 percent of the total number of shares of all other classes of stock of the corporation. Thirdly, such foundation must not be denied exemption under section 504 or such trust must not be denied the unlimited charitable deduction under section 681 (c) and, for this purpose, the income of the investment company is treated as though distributed to the foundation or trust to the extent of their proportionate interest in income available for distribution as dividends. Also, for purposes of this last condition it is provided that the restrictions in sections 504 (a) (1) and 681 (c) (1) of the 1954 code against unreasonable accumulations will not apply to income attributable to property of a decedent dying before January 1, 1951, which was transferred, either to an inter vivos trust during his lifetime or was transferred under his will to such trust.

This Senate amendment applies only with respect to taxable years beginning after December 31, 1954.

Mr. Speaker, a bill to accomplish the same purpose as the Senate amendment was introduced by my distinguished friend from Colorado [Mr. CHENOWETH]. I might also state that I brought the problem to the attention of the Committee on Ways and Means, where it was considered fully. I have no hesitancy in stating that our committee would have favorably reported out a bill to take care of this problem had not the Senate adopted this amendment. Under these circumstances, I urge the House to accept the Senate amendment.

APPLICATION OF SECTION 108 (B) OF THE INTERNAL REVENUE CODE OF 1954

Mr. COOPER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6887) to extend for 1 year the application of section 108 (b) of the Internal Revenue Code of 1954 (relating to income of a railroad corporation from discharge of indebtedness) with Senate amendments

thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

After line 7, insert:

SEC. 2. Section 2053 of the Internal Revenue Code of 1954 (relating to deductions from the gross estate for expenses, indebtedness, and taxes) is hereby amended by redesignating subsection (d) to be subsection (e) and by adding after subsection (c) a new subsection, as follows:

"(d) Certain State death taxes: Notwithstanding any other provision of this chapter, for purposes of the tax imposed by section 2001, the value of the taxable estate shall be determined by deducting from the value of the gross estate the amount of any estate, succession, legacy, or inheritance tax imposed by a State upon a transfer by the decedent for public, charitable, or religious uses as described in section 2055. Any tax deducted under this subsection shall be disregarded in computing the credit for State death taxes under section 2011."

After line 7, insert:

SEC. 3. The amendment to the Internal Revenue Code of 1954 made by section 2 of this act shall apply with respect to the estates of decedents dying after December 31, 1953 (whether on, before, or after the date of enactment of the Internal Revenue Code of 1954), in any case in which the last date prescribed by law for filing the Federal estate tax return is on or after April 1, 1955.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Senate amendments were concurred in.

The title was amended to read: An act to extend for 1 year the application of section 108 (b) and to amend section 2053 of the Internal Revenue Code of 1954.

A motion to reconsider was laid on the table.

Mr. COOPER. Mr. Speaker, the Senate has amended H. R. 6887. The Senate amendment will permit an additional deduction for the amount of any estate, succession, legacy, death, or inheritance tax imposed by a State by reason of a bequest to charity.

The Senate thought this amendment necessary because of the following facts: Existing law measures the deduction for charitable bequests by the amount which the charity actually receives. Therefore, if a State imposes a tax on the charitable bequest, and the State tax must be paid from the charitable bequest, the Federal estate-tax deduction permissible because of the charitable bequest is diminished by the amount of the State tax, and the amounts of the Federal estate tax increased accordingly. If the additional Federal estate tax thus produced must also be paid out of the charitable bequest, the charitable deduction will be reduced again in turn and the estate tax correspondingly increased with a resulting pyramiding of tax on tax. The combination of State tax and Federal tax thus imposed results in the dissipation of a large part of the bequest intended by the testator for charitable purposes.

The Senate amendment will prevent this pyramiding and grant a deduction for Federal estate-tax purposes for the amount of an estate, succession, legacy, or inheritance tax imposed by a State upon a transfer by the decedent for public, charitable, or religious uses described in section 2055 of the 1954 Code.

Mr. JENKINS. Mr. Speaker, the Senate has added an amendment to this bill, H. R. 6887. Under present law, a deduction for the Federal estate tax is granted for bequests to charity. Under the Senate amendment, a deduction would also be granted for the amount of any estate, succession, legacy, or inheritance tax imposed by a State upon the transfer by the decedent for public, charitable, or religious uses as described in section 2055.

The deduction for charitable bequests allowed by section 2055 of the 1954 code for bequests to charity is measured by the amount the charity actually receives and not the amount of the bequest. For example, if a State imposes a tax on the charitable bequest and the State tax must be paid from the charitable bequest, the Federal estate-tax deduction would be limited to the amount of the bequest less the State tax paid from the bequest, and the Federal estate tax would be increased by the corresponding increase in the taxable estate of the decedent. If the additional Federal estate tax thus arising must also be paid out of the charitable bequest, the charitable deduction will, in turn, be reduced and the estate tax correspondingly increased. By this pyramiding of tax on tax, the Federal estate tax can be increased by much more than the State tax on the bequest and the combination of these two taxes can result in the dissipation of a large part of the bequest that the testator intended to be used for a charitable purpose.

To prevent the charitable purpose of the testator from thus being frustrated and to carry out the national purpose of not subjecting charitable bequests to the estate tax, the Senate has added a provision that will grant a deduction for Federal estate-tax purposes for the amount of any estate, succession, legacy, or inheritance tax imposed by a State upon a transfer by the decedent for public, charitable, or religious uses as described in section 2055 of the 1954 code. Thus, the estate will receive the same deduction whether or not a State tax is imposed upon a bequest, legacy, devise, or transfer that is deductible under any paragraph of section 2055 (a) of the 1954 code.

The deduction will be disregarded in computing the credit for State death taxes under section 2011 of the 1954 code.

The amendment to section 2053 of the 1954 code will apply with respect to the estate of decedents in any case in which the last date prescribed by law for filing the Federal estate tax return is on or after April 1, 1955.

AMENDING SECTION 208 (B) OF THE TECHNICAL CHANGES ACT OF 1953

Mr. COOPER. Mr. Speaker, by direction of the Committee on Ways and Means, I ask unanimous consent for the immediate consideration of the bill (H. R. 2667) to amend section 208 (b) of the Technical Changes Act of 1953—Public Law 287, 83d Congress—which was unanimously reported favorably by the Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

Mr. JENKINS. Reserving the right to object, Mr. Speaker, and I shall not object, how many bills does the gentleman have?

Mr. COOPER. There are five.

Mr. JENKINS. All of which have been unanimously approved in the committee?

Mr. COOPER. The gentleman is correct.

Mr. JENKINS. Mr. Speaker, I ask unanimous consent to extend my remarks at the conclusion of the remarks of the gentleman from Tennessee with reference to each of these bills.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. COOPER. Mr. Speaker, I ask unanimous consent to extend my remarks on this bill, and also to extend my remarks in the RECORD immediately following the consideration of each of the next four bills.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. Is there objection to the present consideration of the bill.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That (a) section 208 (b) of the Technical Changes Act of 1953 is amended by striking out "1950" and inserting in lieu thereof "1947."

(b) The amendment made by subsection (a) shall be effective as if enacted as a part of section 208 (b) of the Technical Changes Act of 1953.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

Mr. COOPER. Mr. Speaker, as the House will recall, section 208 of the Technical Changes Act of 1953 permitted for estate tax purposes the tax-free release of certain powers pertaining to discretionary trusts described in section 1000 (e) of the Internal Revenue Code of 1939. This treatment was granted only in cases where the grantor was under a mental disability for a continuous period of not less than 3 months beginning before December 31, 1947, and ending with his death. Therefore, relief was not extended to a grantor, under such a disability, who died after December 31, 1947, and before January 1, 1951. It is the purpose of H. R. 2667 to correct this situation and grant relief in such cases.

This bill was unanimously reported by the Committee on Ways and Means.

Mr. JENKINS. Mr. Speaker, H. R. 2667 amends section 208 (b) of the Technical Changes Act of 1953 by making that provision applicable to estates of decedents dying after December 31, 1947, instead of to estates of decedents dying after December 31, 1950, as provided in the Technical Changes Act.

Section 208 of the Technical Changes Act of 1953 permitted for estate-tax purposes the tax-free release of certain

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powers over a discretionary trust described in section 1000 (e) of the Internal Revenue Code of 1939, if the grantor was under a mental disability for a continuous period of not less than 3 months beginning before December 31, 1947, and ending with his death. The Technical Changes Act did not extend relief to a grantor under such a disability who died after December 31, 1947, and before January 1, 1951. This amendment would grant relief in such cases. The amendment is effective as if enacted as a part of section 208 (b) of the Technical Changes Act of 1953.

This bill was introduced by the distinguished gentleman from Pennsylvania [Mr. SIMPSON], and was reported unanimously by the Committee on Ways and Means.

EXCISE TAX ON INSTALLATION CHARGE ON COMMUNITY TELEVISION RECEIVING ANTENNA EQUIPMENT

Mr. COOPER. Mr. Speaker, by direction of the Committee on Ways and Means, I ask unanimous consent for the immediate consideration of the bill (H. R. 3413) to amend the Internal Revenue Code of 1954 to provide that the tax on amounts paid for communication services or facilities shall not apply to amounts paid for the installation of equipment.

The Clerk read the title of the bill.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 4252 of the Internal Revenue Code of 1954 (relating to definitions for purposes of the tax on communication services) is hereby amended by striking out the second sentence of subsection (a); and section 4253 of such code (relating to exemptions) is hereby amended by inserting after subsection (f) the following:

"(g) Installation charges: No tax shall be imposed under section 4251 on amounts paid for the intallation of instruments, wires, poles, switchboards, apparatus, or equipment."

SEC. 2. The amendments made by the first section of this act shall apply only with respect to installations begun on or after the date on which this act is enacted.

With the following committee amendment:

Page 1, line 3, strike out all after the enacting clause, and insert "That section 4252 (e) of the Internal Revenue Code of 1954 (defining the term 'wire and equipment service' for purposes of the communications tax) is hereby amended by inserting after the first sentence the following: 'Such term does not include the installation charges for community television receiving antenna equipment involving the use of cables or wires from the location of the receiving antenna to the location of the television receiving sets.'

"SEC. 2. The amendments made by the first section of this act shall apply with respect to installations begun on or after the date on which this act is enacted."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended to read: "A bill to amend the Internal Revenue Code of 1954 to provide that the tax on wire and equipment service shall not apply to amounts paid for the installation of community television receiving antenna equipment."

A motion to reconsider was laid on the table.

Mr. COOPER. Mr. Speaker, H. R. 3413 amends the Internal Revenue Code of 1954 to provide that installation charges for community television antenna receiving equipment are not to be subject to the 8-percent communications excise tax presently imposed on wire and equipment service.

The Committee on Ways and Means believes that it is necessary to exempt the installation of such equipment from the tax because its imposition penalizes those who live in communities which, due to their geographical location, are unable to obtain direct television reception as a result of natural obstructions.

The bill was reported unanimously by the Committee on Ways and Means.

Mr. JENKINS. Mr. Speaker, H. R. 3413 provides that installation charges for community television receiving antenna equipment are not to be subject to the 8-percent communications excise tax on wire and equipment service. The bill is effective with respect to installations begun on or after the date of enactment of the bill. The bill was introduced by the distinguished gentleman from New York [Mr. COLE] and was reported unanimously by the Committee on Ways and Means.

INCOME-TAX TREATMENT OF CERTAIN TRANSFERS OF PATENT RIGHTS

Mr. COOPER. Mr. Speaker, by direction of the Committee on Ways and Means, I ask unanimous consent for the immediate consideration of the bill (H. R. 6143) to amend the Internal Revenue Code of 1939 to provide that for taxable years beginning after May 31, 1950, certain amounts received in consideration of the transfer of patent rights shall be considered capital gain regardless of the basis upon which such amounts are paid, which was unanimously reported favorably by the Committee on Ways and Means.

The Clerk read the title of the bill.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 117 of the Internal Revenue Code of 1939 (relating to capital gains and losses) is hereby amended by adding at the end thereof a new subsection as follows:

"(q) Transfer of patent rights:

"(1) General rule: A transfer (other than by gift, inheritance, or devise) of property consisting of all substantial rights to a patent, or an undivided interest therein which includes a part of all such rights, by any holder shall be considered the sale or exchange of a capital asset held for more than 6 months, regardless of whether or not payments in consideration of such transfer are—

"(A) payable periodically over a period generally coterminous with the transferee's use of the patent, or

"(B) contingent on the productivity, use, or disposition of the property transferred.

"(2) 'Holder' defined: For purposes of this subsection, the term 'holder' means—

"(A) any individual whose efforts created such property, or

"(B) any other individual who has acquired his interest in such property in exchange for consideration in money or money's worth paid to such creator prior to actual reduction to practice of the invention covered by the patent, if such individual is neither—

"(i) the employer of such creator, nor

"(ii) related to such creator (within the meaning of paragraph (3)).

"(3) Exceptions: This subsection shall not apply to any transfer described in paragraph (1)—

"(A) by a nonresident alien individual, or

"(B) between an individual and any related person.

For purposes of this paragraph, the term 'related person' means a person, other than a brother or sister (whether of the whole or half blood), with respect to whom a loss resulting from the transfer would be disallowed under section 24 (b).

"(4) Applicability: This subsection shall apply with respect to any amount received, or payment made, pursuant to a transfer described in paragraph (1) in any taxable year beginning after May 31, 1950, regardless of the taxable year in which such transfer occurred."

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

Mr. COOPER. Mr. Speaker, prior to the enactment of the Internal Revenue Code of 1954, there was no statutory provision dealing specifically with the sale or exchange of patents, and the position of the Internal Revenue Service regarding the sale of patents was in opposition to the position taken by the courts. Because of this conflict, taxpayers were burdened with the necessity of litigation in order to obtain the capital-gains treatment to which the court decisions held they were entitled. To remove the necessity of this litigation, Congress enacted section 1235 of the 1954 Code which provides that the sale or exchange of all substantial rights to a patent is to be considered as a sale or exchange of a capital asset held for more than 6 months whether or not payments are to be made periodically during the period of the transferee's use of the patent and regardless of whether the payments are contingent on the productivity, use, or disposition of the patent.

The relief provided by section 1235 is available only with respect to amounts received in any taxable year to which the 1954 Code applies. As the result of this and the announced policy of the Internal Revenue Service to continue its insistence on its position for years beginning after May 31, 1950, and prior to effective date of the 1954 Code taxpayers are still confronted with litigation for taxable years falling in this period in order to secure the rights to which the courts, with practical unanimity, have held they are entitled.

H. R. 6143 eliminates the necessity for such litigation by making the provisions of the 1954 Code available to years beginning after May 31, 1950.

This bill was reported unanimously by the Committee on Ways and Means.

Mr. JENKINS. Mr. Speaker, H. R. 6143 amends the Internal Revenue Code of 1939 to apply the special rules pro-

viding capital-gains treatment for sales or exchanges of patents in section 1235 of the Internal Revenue Code of 1954 to taxable years beginning after May 31, 1950. This bill was introduced by the distinguished gentleman from Connecticut [Mr. SADLAK] and was reported unanimously by the Committee on Ways and Means.

AMENDING SECTION 1237 OF THE INTERNAL REVENUE CODE, 1954

Mr. COOPER. Mr. Speaker, by direction of the Committee on Ways and Means, I ask unanimous consent for the immediate consideration of the bill (H. R. 6712) to amend section 1237 of the Internal Revenue Code of 1954, which was unanimously reported favorably by the committee.

The Clerk read the title of the bill.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 1237 (a) of the Internal Revenue Code of 1954 is amended by striking out "other than a corporation" and inserting "(including corporations only if no shareholder directly or indirectly holds real property for sale to customers in the ordinary course of trade or business)."

SEC. 2. Section 1237 (b) (3) of the Internal Revenue Code of 1954 is amended as follows:

(a) In subparagraph (A) strike out "sewer facilities" and insert "sewer facilities, other public utilities."

(b) At the end of paragraph (3) insert: "The requirements of subparagraphs (B) and (C) shall not apply in the case of property acquired through the foreclosure of a lien thereon which secured the payment of an indebtedness to the taxpayer or (in the case of a corporation) to a creditor who has transferred the foreclosure bid to the taxpayer in exchange for all of its stock and other consideration and in the case of property adjacent to such property if 80 percent of the real property owned by the taxpayer is property described in the first part of this sentence."

SEC. 3. This act shall apply to all taxable years beginning after December 31, 1954.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. COOPER. Mr. Speaker, prior to the enactment of the Internal Revenue Code of 1954 those who subdivided real estate for sale were often held by the courts to be engaged in the trade or business of selling real estate. These holdings were predicated on the frequency, substantiality of the sales, and the continuity of sales activity involved in such projects, even though the taxpayer was not a dealer in real estate and was simply utilizing the most profitable and expedient method of liquidating property acquired by inheritance, foreclosure, or other nonsale purpose.

With respect to individuals, section 1237 of the 1954 code removed the uncertainty in this field by providing special rules for the taxation of gain from the sale of real property. Thus the taxpayer will not be regarded as engaged in the trade or business of selling real property solely because he subdivides a tract for purposes of sale or because of any activity incident to the subdivision or sale of the property comes within the scope of the section if he is not a dealer in such property.

The relief granted was not extended to corporate taxpayers, therefore, H. R. 6712 extends the scope of section 1237 of the 1954 code to include corporations if no shareholder of such corporation holds property for sale to customers in the ordinary course of his business. The bill also broadens the scope of section 1237 by extending its provisions to certain property on which the taxpayer has made public-utility improvements.

This bill was unanimously reported by the Committee on Ways and Means.

Mr. JENKINS. Mr. Speaker, H. R. 6712 amends section 1237 of the Internal Revenue Code of 1954 relating to real property subdivided for sale. Under this bill the capital-gains treatment generally granted by section 1237 is extended to certain corporations and other taxpayers who may not qualify under the present section. This bill also allows taxpayers under certain circumstances to make public-utility improvements on the property that is within the scope of this section. The bill was reported unanimously by the Committee on Ways and Means.

PROVIDING THAT AMOUNTS WHICH DO NOT EXCEED 61 CENTS SHALL BE EXEMPT FROM TAX IMPOSED UPON AMOUNTS PAID FOR TRANSPORTATION OF PERSONS

Mr. COOPER. Mr. Speaker, by direction of the Committee on Ways and Means, I ask unanimous consent for the immediate consideration of the bill (H. R. 7634) to provide that amounts which do not exceed 61 cents shall be exempt from the tax imposed upon amounts paid for the transportation of persons, which was unanimously reported favorably by the Committee on Ways and Means.

The Clerk read the title of the bill.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 3469 (b) of the Internal Revenue Code (exemption of certain trips from tax on transportation of persons) is hereby amended by striking out "The tax imposed by subsection (a) shall not apply to amounts paid for transportation which do not exceed 35 cents" and inserting in lieu thereof the following: "The tax imposed by subsection (a) shall not apply to amounts paid for transportation which do not exceed 61 cents".

SEC. 2. The amendment made by the first section of this act shall apply to amounts paid on or after the first day of the first month which begins more than ten days after the date of the enactment of this act for transportation on or after such first day.

With the following committee amendment:

Page 1, strike out lines 3 to 10, inclusive, and insert: "That part I of subchapter C of chapter 33 of the Internal Revenue Code of 1954 (relating to tax on transportation of persons) is hereby amended by striking out 'The tax imposed by section 4261 shall not apply to amounts paid for transportation which do not exceed 35 cents,' and inserting in lieu thereof 'The tax imposed by section 4261 shall not apply to amounts paid for transportation which do not exceed 60 cents,'."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended to read: A bill to provide that amounts which do not exceed 60 cents shall be exempt from the tax imposed upon amounts paid for the transportation of persons.

A motion to reconsider was laid on the table.

Mr. COOPER. Mr. Speaker, when the tax on the transportation of persons was imposed in 1941, certain short trips of a local nature were not subjected to the tax.

This was achieved by exempting fares which did not exceed 35 cents. Because of the general increase in the costs of operating transportation services and the necessary offsetting fare increases the 35-cent fare exemption is now ineffective for purposes of exempting commutation travel. H. R. 7634 is designed to restore the effectiveness of the exemption and accomplishes this objective by increasing the exempt fare from 35 to 60 cents.

The reasonableness of this figure is evidenced by the fact that railroad coach fares in the eastern part of the country have risen since 1940 from 2 cents a mile to 3.375 cents, an increase of 68 percent.

This bill was unanimously reported by the Committee on Ways and Means.

Mr. JENKINS. Mr. Speaker, H. R. 7634 increases from 35 cents to 60 cents the maximum charge for fares which are to be exempt from the 10-percent excise tax on amounts paid for the transportation of persons. When the tax on the transportation of persons was imposed in 1941, it was the intention of the Congress to exempt from tax certain short trips of a local nature. The exemption was designed to free from tax the ordinary trip involved in commuting to and from work. The increase in the size of the exemption contained in this bill is simply an adjustment to allow for the increase in transportation costs since 1941. The bill was introduced by the distinguished gentleman from New Jersey [Mr. KEAN], as was a similar bill introduced by the distinguished gentleman from Pennsylvania [Mr. SIMPSON]. The bill was reported unanimously by the Committee on Ways and Means.

AUTHORIZING STATES TO ORGANIZE AND MAINTAIN STATE DEFENSE FORCES

Mr. KILDAY. Mr. Speaker, I ask unanimous consent to take from the the Speaker's table the bill (H. R. 7289) to authorize the States to organize and maintain State Defense Forces, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 8, strike out all after "forces" over to and including "President" in lines 8 and 9 on page 2.

Page 2, line 22, strike out "1952." and insert "1952.' "

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Page 2, strike out all after line 22 over to and including line 10 on page 3.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

RETIREMENT OF GOVERNMENT CAPITAL IN INSTITUTIONS OPERATING UNDER SUPERVISION OF FARM CREDIT ADMINISTRATION

Mr. POAGE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5168) to provide for retirement of the Government capital in certain institutions operating under the supervision of the Farm Credit Administration; to increase borrower participation in the management and control of the Federal Farm Credit System; and for other purposes, do pass with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 12, line 9, after "allocated", insert ": *Provided*, That any surplus and contingency reserves shown on the books of the banks as of the effective date of title I of the Farm Credit Act of 1955 shall not be distributed as patronage refunds."

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

WEST RIVER, CONN.

Mr. PRIEST. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2514) to declare the portion of the waterway of West Haven and New Haven, Conn., known as the West River, northerly of a line running north 85° 54′ 43.5″ east from a point whose coordinates in the Corps of Engineers Harbor Lines System are north 4,616.75 and west 9,450.80, a nonnavigable stream.

The Clerk read the title of the bill.

Mr. MARTIN. Mr. Speaker, reserving the right to object, what does this bill do?

Mr. PRIEST. This is a bill that would declare a certain portion of the waters of West Haven and New Haven, known as the West River, a nonnavigable stream.

May I say that the gentleman from Connecticut [Mr. CRETELLA] introduced the bill. It came to our committee. We did not have time for hearings. It is my understanding that Governor Ribicoff, the State highway department, and everybody in the State of Connecticut favors it, and there is no objection from the Corps of Engineers.

Mr. MORANO. If the gentleman will yield, this just permits the State of Connecticut to build a throughway over a part of a stream that will be declared nonnavigable under this bill.

Mr. MARTIN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the portion of the waterway in which is located the West River in the town of West Haven, Conn., and the city of New Haven, Conn., lying northerly of a line extending north 85 degrees 54 minutes 43.5 seconds east, from a point (1,158.535 feet from the most westerly corner of the existing bulkhead and pier line) whose coordinates in the Corps of Engineers Harbor Line System are north 4,616.76 and west 9,450.80, is hereby declared to be a nonnavigable water of the United States within the meaning of the Constitution and laws of the United States.

SEC. 2. The line hereinbefore described shall be established as a combined pierhead and bulkhead line of the West River.

SEC. 3. Any project heretofore authorized by an act of Congress, insofar as such project relates to the above-described portion of the West River, is hereby abondoned.

SEC. 4. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MORAL REARMAMENT STATESMEN'S MISSION

Mr. SHEPPARD. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. SHEPPARD. Mr. Speaker, I want to call your attention at this point in the proceedings to the heartening and inspiring news of the MRA statesmen's mission. The program for this mission was prepared at the World Assembly for Moral Re-Armament under the leadership of Dr. Frank N. D. Buchman at Mackinac Island, Mich., May 26 to June 5. Following its reception in Washington, the mission left on June 10 for Honolulu and Japan.

BACKGROUND FACTS

A group of African and Asian leaders prepared a statement following the World Assembly for Moral Re-Armament at Washington in January 1955. In it they said:

Moral re-armament points the way to achieve a constructive cooperation which none need fear and which can benefit all mankind.

At the Bandung Conference in April, Dr. Fadhil Jamali, leader of the Iraqi delegation, in a vigorously applauded speech at the first plenary session made an appeal for East-West unity on a basis of moral re-armament.

Mr. Speaker, national leaders who were hosts to or received the statesmen's mission were Ichiro Hatoyama, Prime Minister of Japan; the Foreign Minister and Acting Prime Minister of the Republic of Korea; President and Madame Chiang Kai-shek, and O. K. Yui, Prime Minister of the Republic of China; Ramon Magsaysay, President of the Republic of the Philippines; Ngo Dinh Diem, President and Prime Minister of Vietnam; Field Marshal Pibulsonggram, Prime Minister of Thailand; Dr. Ba U, President, and U Nu, Prime Minister of the Union of Burma; Sir John Kotelawala, Prime Minister of Ceylon; Dr. Rajendra Prasad, President of India; Mohammed Ali, Prime Minister of Pakistan; His Imperial Majesty the Shah of Iran and Prime Minister Hussein Ala; Burhanuddin Bashayan, Foreign Minister of Iraq; Col. Gamel Abdel Nasser, Prime Minister of Egypt; Members of the Council of Ministers of Kenya and the Mayor of Nairobi; and Adnan Menderes, Prime Minister, and Fuat Koprulu, Deputy Prime Minister of Turkey.

MISSION WHO'S WHO

The mission itself is composed of political and other national leaders from all five continents and they take with them the cast of a new ideological play The Vanishing Island, written by Peter Howard. The party consists of 198 men and women from 28 nations.

Among those taking part, either throughout or at certain stages of the journey, are Dr. Theodor Oberlaender, Minister for Refugees in the German Federal Cabinet; Diomede Catroux, member of the French National Assembly, Minister of Air in the Mendes-France cabinet; Ole Bjorn Kraft, leader of the Danish Conservative Party and chairman of NATO 1952–53; Mohammed Masmoudi, Minister of State for Tunisia; The Tolon Na, Yakabu Tali, Member of the Gold Coast Legislature and president of the Northern Territories Council; Eugene Claudius-Petit, Cabinet Minister in 10 postwar French governments; the Honorable B. C. Okwu, member of the House of Assembly in Eastern Nigeria; Madam Irene Laure, former deputy in the French Parliament and secretary-general of the Socialist Women of France; Dr. Oskar Leimgruber, Chancellor of the Swiss Confederation, 1943-51; Majid Movaghar, representing the Shah of Iran; Air Vice Marshal Thomas Traill, former Director General of Personnel, Royal Air Force; John McGovern, member of Parliament, Great Britain; James Haworth, member of the national executive of the British Labor Party; Niro Hoshijima, member of the Japanese Diet and signatory of the Japanese Peace Treaty; the Honorable Charles B. Deane, Member of the United States House of Representatives; Joseph Scott, leading Catholic attorney of Los Angeles; Senator Shidzue Kato, Member of the Japanese House of Councillors; Kanju Kato, former Minister of Labor of Japan and leader of the rightwing Socialist Party; Ibrahim Shukrullah, Secretary of the Arab League Council, Cairo; Dr. Daniel Lew, United Nations technical counselor for Nationalist China; Kahi Harawira, New Zealand; Daw Nyein Tha, nationally known educator of Burma; Surya Sena, son of Sir James Pieris, first Ceylonese to preside over the Legislative Assembly of Ceylon; Ian MacLean, executive officer, Kenya Coffee Board; Prof. Barend Nel, dean of the faculty of education, University of Pretoria; Dr. William Nkomo, founder and first president of the African Na-

tional Congress Youth League; Thio Chan Bee, noted educator of Malaya and for 7 years member of Legislative Council of Singapore; Fausto Pecorari, vice president of the Italian Constituent Assembly; Robert Carmichael, president of the jute industry of France and newly elected president of the European jute industry; Robin C. Mowat, senior lecturer in history, Royal Naval College, Greenwich; Ole Olsen of the Olsen and Johnson productions.

The national hosts to the MRA Statesmen's Mission, beginning in Japan, received the following message from the Speaker of the House of Representatives and the majority and minority leaders of the House. The message reads:

To the Honorable Ichiro Hatoyama, Prime Minister of Japan:

As Members of the United States Congress, we recognize the great significance of the moral re-armament mission of 170 from some 28 countries now traveling to and through the principal capitals of Asia, North Africa, and the Middle East with the musical play, The Vanishing Island, which dramatizes the central struggle of our time. The play was witnessed in Washington by overflow audiences including key administration, political, and military leaders.

The principles that moral re-armament represents, which are basic to all people who desire freedom, can be a decisive factor for the whole world when applied by men and women of all races, all creeds and in all walks of life. We heartily commend this mission to you and to your people.

SAM RAYBURN,
Speaker of the House of Representatives.
JOSEPH W. MARTIN, Jr.,
Minority Leader, House of Representatives.
JOHN MCCORMACK,
Majority Leader, House of Representatives.

En route to Japan the mission stopped at Honolulu for a presentation of The Vanishing Island which had been arranged by a committee of invitation whose chairman, Walter Dillingham, senior businessman of Hawaii, stated:

A great gift has been made to the people of Honolulu. It is the only thing I have ever heard of that has any chance of revolutionizing the thinking of the world.

JAPAN

Mr. Hatoyama, the Prime Minister, said at the reception of this mission:

This has been the most memorable moment of my life.

Mr. Ogata, newly elected head of the Liberal Party, said:

This is something we have never seen before. The problem in the world is division. The only answer is unity. MRA is the agency that is going to bring it.

The evaluation of a member of the Diet was:

You have changed the fate of Japan. You have given us back the hope that had gone out of our lives.

The Prime Minister, members of his cabinet, and over 100 members of the Diet went to see The Vanishing Island. It was given to the nation on the television network. News of it was on the radio and in the newspapers every day and night. For the first time in history Japanese homes gave hospitality on such a scale to westerners. Said the Nippon Times in an editorial:

In Japan we have need for this ideology of MRA. Hatred, bitterness, jealousy, and greed have permeated deep into the hearts of too many of our people. We need to clean out the dregs which have poisoned our spirits and made us chase after false values and ideologies. The coming of the MRA task force is an opportunity for all of us to do some serious soul searching and above all let there be no hypocrites among us.

This newspaper then published a 4-page special edition on the work of MRA around the world.

Thirty of the principal national labor leaders of Japan, including 7 national chairmen, representing over 3 million workers from all 3 major divisions of organized labor, met with leaders of the Mission.

Prime Minister Hatoyama designated Niro Hoshijima, top policy adviser and one of the signatories of the Japanese Peace Treaty in San Francisco in 1951, to accompany the mission to Formosa and the Philippines. Also with him was Kanju Kato, the former Minister of Labor.

There was also Nakajima, who lost his family and was seriously burned when the atomic bomb was exploded over Hiroshima. This man was a trade-union leader who lost his bitterness toward America when he came to the Moral Re-Armament Assembly in Caux, Switzerland, 3 years ago. He will travel with the mission throughout Asia, giving his evidence of the ideology which is uniting the East and West.

REPUBLIC OF CHINA

"Chiang Salutes MRA as Invincible Force," headlined the New York Journal-American in reporting the response to the moral re-armament statesmen's mission in Formosa. President and Madame Chiang Kai-shek received the Mission in Taipei. He said:

Moral Re-Armament is providing the world with ideological leadership.

It is the most important form of aid we have ever received. Your mission has created a great impression not only throughout this nation but also on the Communist mainland.

He told Reginald Owen, who plays in The Vanishing Island, that the theater was the most powerful ideological weapon today, that the Communists had effectively used it, and that he rejoiced that the free world was now doing the job effectively in the moral re-armament plays.

Gen. Ho Ying-chin, who received the surrender of the Japanese armies in 1945, evaluated the work of the mission:

You are forging the moral and ideological basis of East-West unity. This visit is unprecedented in the history of China. Never before has such a group come to China or for that matter to any Asian nation.

The streets of Taipei were crisscrossed with scarlet banners emblazoned in gold with the words, "MRA, an idea to win the world."

Dr. Daniel Lew, technical counsellor for Nationalist China at the United Nations, was designated to travel with the mission. He said:

I expected to find some brand of anticommunism. Instead I found an idea to win humanity.

Eight broadcasts to southeast Asia and Communist China were made from Formosa, Japan, and Manila. Peter Howard said in one of these broadcasts:

Attempts, however sincere, to make a new world must inevitably fail unless a new type of man is created to live in it. New systems crumble before the same old motives of greed, mistrust, and exploitation. Those who use hate to gain control inevitably find that they have to use force to keep it. You cannot make a new world out of the same old people. You cannot make a good omelet out of bad eggs. A new type of world demands a new type of man. The ideology which produces the new type of man will win the world. And basic change in a man's motives can take place. I know it because it happened to me.

REPUBLIC OF KOREA

The Government of the Republic of Korea arranged for a delegation from the mission to visit Seoul. The delegation was received by members of the cabinet, chiefs of armed forces, and leaders of education and social welfare.

A favorable turn to the vexed problem of Korean-Japanese relations was given by a message of apology from leading members of the Japanese Parliament conveyed on their behalf by former NATO Chairman Ole Bjorn Kraft to the Foreign Minister and other members of the Korean Cabinet.

The Foreign Minister, who was also Acting Prime Minister under President Syngman Rhee, said:

I am convinced that unless the world catches this spirit of moral re-armament, another world disaster will be inevitable.

Members of the mission were honor guests at the ceremonies on June 25 marking the fifth anniversary of the invasion of South Korea in 1950.

THE PHILLIPINES

Joseph Scott, of Los Angeles, one of America's senior Catholic laymen, led the moral re-armament statesmen's mission when it arrived in the Philippines on June 27.

A dinner was given for the visiting representatives by the President of the Senate and the Speaker of the House of Representatives. The Senate President, Eulogio Rodriguez, in his speech of welcome, stated:

The hope of a turbulent Asia lies in the effect of such a force.

The mission was front-page news in the Philippine press and an hour was given for a national broadcast. Typical of the press comment was:

Joseph Scott, 87 years strong in the faith of his fathers and his family—Catholicism—gave a stirring message on the impact moral re-armament has on every religion—and in his Catholicism, its power to deepen and strengthen that faith in his life.

Another comment:

The Vanishing Island caught fire with the audience. It creates quite a vision of the future. A godless ideology is undoubtedly creeping over the islands of freedom. It must be stopped. The Vanishing Island proposes the solution. * * * The solution is not only worth a try. It is the only solution.

Niro Hoshijima, for 35 years a member of the Japanese Diet, apologized to the nation for the wrongs Japan had committed.

That is why my Prime Minister urged me to come on this mission. Please forgive us.

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Moral re-armament is already building a new Japan and with moral re-armament all Asia can unite.

The Manila Evening News in an article by the American columnist Winifred Bissinger gave these impressions of a thinking American living in Asia:

Saturday night we stepped off the cocktail party circuit and went to see the moral re-armament play, The Vanishing Island. It was the most rewarding experience of our life. MRA's musical is exceedingly cleverly conceived, magnificently presented propaganda for what, at this stage of an unhappy game, seems to be the answer—the only answer. Notably unsusceptible to propaganda—we hope—we can happily say we have fallen for this hook, line, and sinker. We left the Far Eastern University auditorium Saturday night in a glow. We could never wholeheartedly accept either of the world's two opposing ideologies. Of communism, we have a horror because we love freedom. In smug democracy, we have found many flaws. Here in moral re-armament we find an ideology we can accept—if only we were unselfish enough, decent enough, and—we must say it—good enough.

After the performance, several national groups of persons affiliated with the movement were introduced to the audience. They included highly respected statesmen, two former British admirals decorated for great heroism in the last war, resistance leaders and mineworkers. As outstanding and impressive a group of people we have never seen gathered together in all our newspaper experience.

Congressman Roseller T. Lim evaluated the visit in these words:

The coming of this mission at this time is the beginning of a tidal wave of change in the nations of Asia. I have decided to live MRA and with God's help I hope to give the rest of my life to it.

SINAGAPORE

Conferences and meetings were held with the rival Malay and Chinese political parties, with heads of the chamber of commerce and trade-union leadership, and with educational and student leaders.

A reception, tendered by the president of the Chinese chamber of commerce, many of whose members have close family ties with Communist China, was attended by Singapore's chief minister, David Marshall, and other notables from the Malayan, Chinese, British, and Indian communities.

Mr. Thio Chan Bee, noted educationalist and former legislative council member, and one of those who was responsible through MRA for bringing the rival Malay and Chinese communities together after the war, joined the special plane as Singapore's representative on the world mission.

VIETNAM

With the people of South Vietnam only 12 months away from the fateful July 1956 deadline when they must vote for or against the Communist North, President Ngo Dinh Diem on July 5 welcomed as Government guests a delegation from the MRA world mission.

An hour after the special plane landed at Saigon Airport, the President and his Cabinet formally received the mission in the same Palace of Independence where recently he had turned the tide in his civil war. He said:

You are carriers of a noble ideal and powerful advocates for this idea—I would even say of a vast movement for the unity of men and nations. You have straightaway won the active sympathy of the Vietnam people. * * * For myself I understand the immense repercussions that will come from this mobilization of spiritual forces in the world which you have undertaken in effective cooperation with all men of good will. You have confronted an ideology that supposes to unite the world on the basis of hatred, fear, and strife with an idea which proclaims love and understanding and which proposes to bring about unity to the world by way of the heart and spirit.

In sharing your idea I have the firm conviction that a worldwide renaissance of moral and spiritual forces which we are all aiming for in the depths of our hearts, will be accomplished in the coming days, for the greatest benefit of us all. This will be the dawn of a new age which will see the transformation of the world.

Next morning, first anniversary of Diem's taking office after the Geneva armistice, he invited the mission to address the massed crowds from the palace steps. In his introduction he referred to MRA as "the great ideology that is sweeping the world."

That evening he gave a state banquet in honor of the MRA mission to which the diplomatic corps and chief Government leaders were invited.

Before leaving Saigon, members of the mission spent an afternoon with the Minister of War and 50 picked officers responsible for indoctrinating the country for next year's critical vote. The Chief of Psychological Warfare, Dr. Phuoc, said:

We were grateful for American military and economic aid, but lacked an ideology. Now you have given us the idea which can win.

THAILAND

In Thailand, keystone of SEATO, the MRA world mission were official guests of the Prime Minister, Field Marshal Pibulsonggram, who opened the Bangkok premiere of The Vanishing Island and welcomed his visitors "on behalf of my Government and the Thai people."

At a reception and dinner for the members of the mission, the Prime Minister referred to his visit to the MRA World Assembly at Caux, Switzerland, the month before. He declared that "peace-loving peoples will sooner or later yield to the ideology of MRA," which he described as "a strong force that answers world materialism." He continued:

Our honored guests are from all walks of life and are sacrificing themselves for the sake of the peace of mankind. The MRA mission aims to build up unity between nations and to bridge East and West. Its ideology is pure and sincere. Since its inception MRA has been growing larger and larger and will continue to grow with great force. The doors of Thailand will be gladly opened to MRA at all times.

In introducing the play at the theater of the Ministry of Culture, the Prime Minister declared:

The Vanishing Island is a remarkable play and teaches us a unique lesson. It will be a most potent weapon for casting away doubt and fear and so healing the differences between nations.

For the first time breaking a firm rule against attending theatrical productions, 15 members of the supreme Buddhist council, including the president of the council and other high priests of the Buddhist faith, attended the second performance of The Vanishing Island as the Prime Minister's personal guests. The president of the council said:

MRA has the same purpose for righteousness as the Lord Buddha. The ability of MRA to change men is proof that MRA has the power to unite the world.

Concluding their visit in this heart of the Buddhist world, which numbers some 400 million of Asia's population, the mission was received for 2 hours by the Lord Abbot of Wat Mahatat, one of the largest monasteries in the land, who said:

As a Buddhist, I take the greatest pleasure in receiving this mission. Our Buddhist faith teaches us to keep company with what is good, and from MRA I find in the four absolute standards something which is good. You can be assured that I shall be only too glad to serve you in any capacity. And I say this in front of the Lord Buddha. I am less lucky than you, because I am not able to accompany you. But I am happy you are accompanied by some who will be traveling on my behalf. It is a great tribute to Dr. Frank Buchman that a force like this can travel around the world—and such a strong force. This should be regarded as one of the great and important events in the history of humanity. Dr. Buchman is one of the great men of the world.

Among those present at the play were delegates to the current SEATO military talks.

BURMA

Prime Minister U Nu's official representative U Win, the Minister of National Planning, welcomed the world mission to Burma.

Performances of the play The Vanishing Island were packed out with hundreds standing. All classes of Rangoon University were suspended for a special showing for more than 3,000 students.

The President of Burma, Dr. Ba U, gave a state presidential reception for the MRA mission and personally took a party of 16 to an overflow performance of the play.

Dr. Hla Tun, head of the Karen state government and Minister for Karen Affairs in the Federal Government, represents more than a million Karens, who have been in bitter dispute with the Federal Government since this country received its independence. In a statement to the MRA mission, Dr. Hla Tun said:

One failing has poisoned our national life—our hatred for our Burmese brethren. It is high time for us to face this matter squarely and get rid of this moral evil from within our hearts.

We are grateful for your coming. We thank you for the wonderful play The Vanishing Island. We are sure that without a moral basis there can be no real peace and cooperation. In these days of doubts, fears, and general pessimism your visit has cheered us and given us hope that a new world can be built.

A leading Burmese Communist commented after seeing The Vanishing Island:

I came here expecting to see a western play. But I found a great Burmese drama. It shows the way by which each one of us can change his nature.

An Asian Ambassador to Rangoon epitomized the East's response to the moral re-armament mission when he said:

I have looked down on the West with contempt. I thought the West with the hydrogen bomb was drawing us all to destruction. Last night when I saw The Vanishing Island and saw the Americans, South Africans, and all nations on the stage—particularly the Americans—all my prejudices vanished and my bitterness for the West went with them, too.

The Times of Burma stated editorially:

This idea has certainly found expression and struck a concordant note in the hearts and minds of millions of people. MRA is today a world force and stands unrivaled in the fight against moral decadence. It is a spiritual insurrection against a world enmeshed in the tentacles of hate, greed, or selfishness and intolerance.

CEYLON

The Prime Minister of Ceylon, Sir John Kotelawala, threw open the grounds of his residence, Temple Trees, in an official welcome to the moral re-armament world mission. Sir John became the seventh leader of Asian nations to give powerful support to the mission. He personally took a party of 50 people to the premiere of The Vanishing Island, including 6 members of the Cabinet and Chief Justice H. H. Basnayake.

Sir John said:

I hope that by employing MRA we shall have peace in the world so that people can walk it in freedom and majesty. We in Ceylon will learn from all of you.

Among others who attended the play were the Governor General of Ceylon, the president of the senate, the leader of the house, the leader of the opposition, speaker of the house, the mayor of Colombo, many Members from both Houses of Parliament, general secretary of the Ceylon Trades Union Congress, representatives of the Ceylon Federation of Labor, Ceylon Workers Congress, and Ceylon Trade Union Federation.

Trade-union leaders traveling with the mission met separately with the principal officers of the 4 trade-union groups of Ceylon representing 400,000 workers of all political opinions.

Commented the Speaker of the House, Sir Albert Peries, on the nationwide impact of The Vanishing Island and MRA's Mission: "We need nothing in this island so much as we need MRA."

Leader of the opposition S. W. R. D. Bandaranaike summed up the universal response to the play when he said:

The brain and intellect of the world have outstripped the world's character in growth. With this play and the spirit of MRA you are developing the character of all mankind.

Before leaving by air for India, once again at the Prime Minister's invitation, the entire mission was entertained at his home estate.

INDIA

In Delhi the President of India, Dr. Rajendra Prasad, received members of the MRA ideological mission. Delegations from the mission were also entertained by the Vice President Dr. S. Radhakrishnan and Congress President U. N. Dhebar, as well as the leader of the Socialist Party of the House of the People, K. P. Kripalani, and Home Minister Pandit G. B. Pant, Minister of Labor Khandubhai Desai and the deputy chairman of the Planning Commission, Sir V. T. Krishnamachari. The latter stated:

The greatest problems today are conflicts between races and that is where MRA is bringing an answer. Its growth is inevitable.

During its four packed performances in Delhi The Vanishing Island was attended by a number of the members of Cabinet, as well as the Speaker of the House, G. V. Mavalankar, who describes moral re-armament as, "the old ancient way of the East. It has given our own philosophy a new orientation and it has given it wings."

Devadas Gandhi, son of Mahatma Gandhi, and editor of the Hindustan Times, arranged for the mission a special showing of the film The Voice of India, the story of his father's life, for which MRA artists had contributed background music.

The Vanishing Island played to packed houses in Madras, Calcutta, and Delhi. A group of leading Madras citizens, including the mayor, the vice chancellor of Madras University, the president of the Motion Picture Producers Association of India and the general secretary of the Southern Railway Employees Union cabled from Madras to the Delhi performance:

Grateful your inspired visit to Madras. A widespread response to MRA here. Our best wishes for the success of the mission in Delhi.

Eleven of the foremost papers have printed special MRA supplements ranging from 4 to 10 pages in the past 2 years. These include The Bombay Chronicle, the Hindu, The Hindustan Standard of Delhi and Calcutta, The Advance, Indian Finance and Juguntar of Calcutta.

Mr. Tashar Kanti Ghosh, editor of the influential daily Amrita Bazar Patrika, said: "The world tour is an event of profound significance, particularly at this crucial moment in the history of the world. As far as India is concerned, your ideological Mission will be warmly appreciated." Reviewing the play the paper said:

The Vanishing Island depicts an answer to the very problems faced by the summit conference—conflict between democracies and dictatorships. The problems are presented with pungent satire in songs and humorous dialog, and the solution is presented with a surprise that leaves a lasting impression.

The Times of India carried an illustrated account of the ideological mission. Its dramatic critic wrote:

The grand way in which the story is treated, with such perfect team spirit even for a stupendous cast, is an example of grand showmanship worthy of emulation on the Indian stage.

The man who helped organize a demonstration against moral re-armament when the force came to Calcutta 2 years ago was on hand to welcome the MRA ideological mission. Phani Gupta, a trade-union organizer, said:

I've spent most of my life in the Communist Party. I have fought in the streets and fields with Sten guns and bombs for the liberation of my country but never found the answer. In MRA I found it. It's the most effective way of solving national and international problems.

A Delhi theater owner called the play an absolute masterpiece. An industrialist's comment was:

I saw all the ideological plays they are showing in China, but none touches this one.

The proprietor and editor-in-chief of the Hindu was host to a number of the mission. His paper carried many columns on the mission and the play.

A militant trade unionist who had been a member of the Communist Party said:

The Vanishing Island is the most powerful ideological drama I've ever seen. It's just like a rocket. It covers 95 percent of the problems we face in India today and brings a clear answer.

MRA is the answer to the need of the hour—said T. V. Anandhan, general secretary of the Southern Railway Employees Union. Anandhan, with 75 of his officials, welcomed labor members of the mission to union headquarters in Madras.

Addressing 400 students of Madras Christian College, the president of the student body, who visited Moscow last year, told of the change that had begun in his life since meeting moral re-armament. He said:

The aim of MRA is to revolutionize the world starting with change in the individual.

The Indian Express, with the largest circulation in the country, carried an excellently displayed article on the editorial page by Vincent Evans, former Washington bureau chief of the London Daily Express.

PAKISTAN

The Prime Minister of Pakistan, Mohammed Ali, gave a garden reception at his home to welcome the whole Moral Re-Armament ideological mission. The reception was attended by several members of the cabinet, the diplomatic corps, chiefs of the armed services, and the judiciary.

Speaking on behalf of the 198 from 28 countries that arrived with the MRA mission, Peter Howard, author of the MRA musical drama, The Vanishing Island, referred to the long friendship between Dr. Frank Buchman, initiator of MRA, and the late Mohammed Ali Jinnah, founder of Pakistan. He quoted the latter, who told Dr. Buchman in London, "Honest apology is the golden key. You have the answer to the hates of the world."

Among the other guests present were Mr. Ispahani, Minister of Industry, and Begum Ispahani; General Ayub Khan, Minister of Defense; Ibrahim Rahimtoola, Minister of Commerce; Adm. H. M. S. Choudri, commander in chief of the Royal Pakistan Navy; Air Vice Marshal MacDonald, commander in chief of the Royal Pakistan Air Force; Maj. Gen. Mohammed Musa, chairman of the joint chiefs of staff; the Ambassadors of Iraq and Iran; and Yussef Haroon, publisher of Dawn. Chaudri Mohammed Ali, Minister of Finance and incoming Prime Minister, received members of the Mission on the morning in which he announced the devaluation of the currency.

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The Chief Minister of East Pakistan received a delegation from the mission in Dacca, saying:

You in MRA have a common ground on which all people can stand. You can be sure of a great response in our country.

The delegation was officially received by His Excellency, Mr. Amiruddin Ahmed, Governor of East Pakistan, and 70 leaders in politics, industry, commerce, the diplomatic corps and the administration.

Mr. Speaker, under general permission to extend remarks, I am submitting additional material completing my speech on the Moral Re-Armament statesmen's mission.

IRAN

The MRA world mission were personal guests of the Shah and Government of Iran.

In the official reception line at Teheran Airport were representatives of the court, the Prime Minister, the Foreign Minister, the services, the universities, and industrial, labor, and women's organizations.

A 2-hour national broadcast, directed by the Vice Premier and the Minister of Education, and keynoted by the President of the Supreme Court, inaugurated a visit described by Foreign Minister Entezam as "a world move to bring international relations into a new dimension."

Prime Minister Hussein Ala spent a morning with representatives of the mission. He said:

My Sovereign and Government are wholeheartedly with you in support of moral re-armament. We consider it a fundamental step toward uniting nations for the creation of peace which the common people of every land need and long for. What you are doing is perhaps the only hope of the world if we are to create understanding and prosperity for all peoples. The Koran and Islam sponsor and favor moral re-armament. You are showing the world how to put aside the old ideas of 19th century imperialism from which we have suffered in the Middle East and replace them with moral standards which are universal. You are giving a superior idea to communism and that is why you will succeed in winning the world.

The Minister of Education, Dr. Mohmoud Mehran, took first steps toward the ideological training of Iranian youth. He said:

Moral re-armament has a vital role to play in giving to our youth an ethical ideology which is the only answer to materialist ideas and propaganda.

Special lunches, dinners, and receptions were given in honor of the mission by the heads of every principal national organization and an extensive series of industrial visits brought them into touch with workers and managers on a factory level.

The Iranian premiere of The Vanishing Island was a command performance for the Shah and Queen Soraya given by royal order on a specially constructed stage in the grounds of the summer palace. The impact of the play was such that by imperial command the palace grounds were, for the first time in history, thrown open to the public to witness the last two performances of the play.

An Iranian Goverment delegation is being formed to attend the Caux Assembly in September.

Before leaving for Baghdad the mission were guests of the 50th anniversary celebrations of the Iranian Parliament, the Majlis.

IRAQ

Members of the MRA mission were guests of Burhanuddin Bashayan, Foreign Minister of Iraq, during a 4-day visit to this heart of the ancient world.

The Vanishing Island had its Baghdad premiere in the King Feisal II Theater before a cross-section of the governmental, diplomatic, industrial, and labor life of the capital.

Dr. Fadhil Jamali, former Premier and chief of his country's United Nations delegation, and who as Chairman of the Iraqi delegation at the Bandung conference has stood up to communism and has appealed for Asian-African unity on the basis of moral re-armament, gave a thought-provoking evaluation of the play to the press of Baghdad. The following is a translation from an interview by Dr. Jamali in Al Akhbar, leading Arabic daily of Baghdad:

Without doubt the theater is one of the most effective of the fine arts in propagating good character, the social virtues, and a lofty example to mankind. This is the task to which moral re-armament is actually applying itself. It portrays in its stage presentations a picture of human society, whether it be in the home, in the factory, in business, or in international relations, stating the problem and making clear the answer. It was my privilege to witness a number of these plays in America.

The day before yesterday I saw The Vanishing Island. Without doubt this play produces an amazing artistic effect and evokes real appreciation. The most important point about this play is its human, social, and political implications. The play presents two islands. One of them stands for democratic freedom, but materialism and selfishness have so led it astray that its people pay no attention to an imminent threat to their way of life. They do not believe that destruction peers at them from behind the door.

In the portrayal of this kingdom is a telling lesson for the anti-Communist countries which believe that they are right—completely right—forgetting that they themselves are ruled by materialism, selfishness, and exploitation.

The second act portrays a land under Communist government where dictatorship, slavery, and cruelty reign, where with the death of individual liberty human feelings are forgotten. Thus all of mankind is led along in slavery by chains of materialism.

These two regimes which are alike engulfed in materialism have no one to guide them aright. It is the good king of the first country who foretells the imminent danger to his island which is complacent in its freedom. When finally they refuse to accept the advice of their king, their island disappears and does not return until after they have repented and returned to their senses.

This good king is mankind's apostle and rescuer, the one who unites the social order, divided into leftist and rightist elements, by presenting a superior plan—a program of absolute purity, absolute love, and unselfishness among all the peoples of the world. Here the play ends by asking that the principles which MRA stands for be applied among all men. These principles are part of all the inspired religions. Together they are the essence of Islam, as they are of Christianity, Buddhism, and Hinduism. These principles are not the special property of any one religion or nation or geographical area, but are common to all mankind.

These principles are not new. What is new is that the world stands in greater need of them than ever before in history. In this atomic age mankind has before it the choice either to change human nature and thus to change human destiny by establishing these principles, or to continue to a war of extinction. Moral Re-Armament believes that the first thing to be effected is a change of character, and that this change is the effective way for individuals and societies. On this basis MRA is spreading in all parts of the world through a change of heart based on the light of God's guidance. This light of faith is the way which will save mankind from final destruction.

We absolutely cannot hold back from accepting this ideology presented by Moral Re-Armament. I urge that we all work together to purify and dedicate ourselves to absolute honesty, unselfishness, and love in all our work and in our family, social, economic, political, and international life. What this ideology calls for is a faithful confirmation of the verse from the holy Koran which says, "God does not change the condition of a nation until the men of that nation change themselves."

EGYPT

The mission were guests in Cairo of Lt. Col. Gamel Abdel Nasser, President of Egypt. He received the mission in his office.

In a press interview given the following day Colonel Nasser said:

This ideology could be a solution to save the world from the conflict between the so-called West and East. We should all believe in it.

In his cable invitation he had said:

I wish to welcome to Egypt the delegation of Moral Re-Armament. Your principles and objectives are highly appreciated in Egypt where all efforts are mobilized to restore moral values, social justice, human dignity, and freedom.

The Governor of Cairo, Dr. Abdul El Latif Salem, and Dr. Abdel Khalek Hassouna, Secretary-General of the Arab League, headed a distinguished first-night audience at a gala performance of The Vanishing Island in Cairo's famous Opera House, built 80 years ago for the world premiere of Verdi's Aida on the occasion of the opening of the Suez Canal.

Earlier Dr. Hassouna was host at a reception for the mission. The Secretary-General, who is a former Foreign Minister of Egypt, in welcoming the mission on behalf of the Arab League, paid tribute to what had been accomplished in the last 2 months. He specially referred to Dr. Frank N. D. Buchman, initiator of Moral Re-Armament, and said:

We will be working with them through the four absolute standards of MRA for the salvation of humanity and the well-being of the whole of human kind.

Chinese Ambassador Ho Feng-shan, dean of the diplomatic corps, gave a dinner and said:

We have been talking about honesty and unselfishness for thousands of years, but these standards have not come into a con-

crete force as we see now in MRA. We have been talking too much and philosophizing without an effort to practice. Here is a force to inundate the world for generations to come.

Labor members of the mission were given a reception by 100 trade-union leaders at the headquarters of the Liberation Rally. Maj. M. Noor, Chief Provincial Officer for the Egyptian trade unions, declared:

I am absolutely dumbfounded by four words—the four words of the absolute standards. I want to help to give these to our whole country and the whole world.

At the close of the meeting the speakers were inundated with requests for literature and entire stocks were emptied.

The Minister of Education, Kemal Edin Hussein—youngest member of the Council of Revolution—gave a warm reception to members of the mission and told them, "It is a tremendous and worthwhile task you have undertaken." He proposed to translate MRA literature into Arabic for use in the schools and universities. He expressed the keenest appreciation at the presence of the 32 Egyptian students sent to Caux by President Nasser.

"Images" of Cairo, leading pictorial magazine of the Middle East, carried 3 pages of pictures of The Vanishing Island and commented:

The admiration this play inspires has been expressed in superlative terms—"a resurrection of the theater," "brings renaissance to nations," "greatest spectacle of our time." In Cairo, where it was invited by Prime Minister Nasser, its success has been equally brilliant. Symbolizing a new dimension in international relations, it has made an indelible impression on the capital.

In Alexandria, commercial and industrial center of Egypt, the enthusiastic audiences at the play included the Governor of Alexandria, the Chief of Staff of the Egyptian Armed Forces, the admiral commanding the Egyptian Navy, the Governor of the Bank of Egypt, and officials of the ruling Liberation Rally who came by invitation of their chief, Lesy Abdel Nasser, brother of the President.

KENYA

Nineteen hours after closing at Cairo, the cast of The Vanishing Island opened before a packed multiracial audience in the Kenya National Theater in Nairobi, 2,500 miles south of Cairo, where the Governor of Kenya, Sir Evelyn Baring, received members of the Moral Re-Armament mission.

Kenya officials greeted the entire mission of 192 on their arrival. Mayor I. Somen welcomed the party on behalf of the city of Nairobi. A. B. Patel, Minister for Asian Affairs in the Kenya Cabinet, and Alan Knight, commandant of the Athi River Mau Mau detention camp, were also at the airport.

At the Athi River camp, 500 hard core Mau Mau leaders had earlier renounced their Mau Mau oaths as a result of applying Moral Re-Armament principles, and Knight brought 24 pounds sterling which had been contributed in shillings and pence by 150 detainees to help finance the mission. The men earn only 1 shilling a day.

Hon. Michael Blundell, minister without portfolio and member of the Emergency War Council, came to the theater to express the warmth of his welcome to Kenya, while Cabinet Minister Patel told a gathering of the Asian community:

Under the inspiring leadership of Dr. Frank Buchman, MRA has made great strides in the last years. It is an ideology essential to the progress of the human race if we are to establish peace.

At the premiere, former Communists, Africans, Asians, Europeans, and Maoris from New Zealand all spoke from the stage. The first members of the mission to be introduced were Mary Waruhiu, daughter of a senior Kikuyu chief, and Mrs. Agnes Hofmeyr, daughter of a famous English settler. The fathers of both had been murdered by the Mau Mau.

At the camp a group from the mission, including Congressman CHARLES B. DEANE of North Carolina and Basil Okwu, Member of the Eastern Nigeria Parliament spoke to 1,500 detainees gathered in the camp theater, giving their own experience of MRA and of its uniting impact across the world.

The climax of the mission's visit in Kenya was an open air meeting for members of the Kikuyu tribe, heart of the Mau Mau revolt, when 7,000 crowded a grassy hillside in the Kikuyu Reserve at 24 hours' notice on the invitation of Chief Simon Waruhiu and his brother David. Hundreds of thousands of Africans later heard the meeting by radio.

TURKEY

Invited by the Turkish Government, members of the mission visited Istanbul and Ankara, modern capital of the country on the plains of Anatolia.

Following the thunderous ovation from the packed theater in Istanbul, Dr. Bahrettin Goekay, Governor of Istanbul, spoke from the stage. He said, "I believe Turkey will be the greatest exponent of MRA among all the nations. There will be no limit to what MRA can do in Turkey."

The ecumenical patriarch, Athenagoras I, head of the 250 million Christians of the Eastern Orthodox Church, received members of the mission at his official residence in this ancient capital of the Eastern Empire, and said, "Moral Re-Armament is the agency which is bringing a new world to birth. Tell Dr. Buchman we believe in him and thank God for him and for all he has done and is doing for the world. Yours is a modern apostolic mission. You have found the secret of life."

In Ankara the mission were guests of honor on Turkey's Victory Day at the Hippodrome where 5,000 picked troops demonstrated the armed strength of the Turkish nation. After the parade the Deputy Prime Minister and former Foreign Minister, Dr. Fuat Koprulu, received the entire mission. "You are serving the sublime cause of an ideology which has opened new horizons for all humanity. The play last night made a terrific impact on our nation," he said. "Rearming is not enough. In the world today we need moral re-armament to complete it. You understand this and the day will come when all the world will realize it."

The Governor of Ankara, Kemal Aygun, added, "Since your play came here everyone in Ankara wants to be a part of MRA." The Chief of Staff of the Turkish Air Force, Gen. Tekim Ariburun, acted as interpreter for the Governor as he spoke from the stage following the play.

Speaking to the audience, Representative CHARLES B. DEANE, of North Carolina, said, "The choice before the nations today is moral re-armament or world communism. The ideology of this play is the strength of democracy and the hope for a new world."

MORAL REARMAMENT WORLD ASSEMBLY AT CAUX-SUR-MONTREUX, SWITZERLAND

Since 1946, 90,000 people from over 100 countries have attended the Moral Re-Armament World Assemblies at Caux-sur-Montreux, Switzerland.

In June of this year the German cast of the MRA play, The Man With the Key, went to Bonn at the invitation of a committee headed by Chancellor Konrad Adenauer. A cabled message of support to Adenauer came from representatives of the United States Congress, including ALEXANDER WILEY, former head of the Senate Foreign Relations Committee, and JAMES P. RICHARDS, present chairman of the House Foreign Affairs Committee. It said in part:

We send warmest greetings on the presentation of the Moral Re-Armament play in Bonn, The Man With the Key. The inspired ideology for democracy which it represents is for all men everywhere and is an answer that works.

The play was attended by 50 members of Parliament and their families, and a distinguished audience of parliamentarians, key government officials, and the diplomatic corps. Further special showings were given in Bad Godesberg to a similar audience, and for 250 members of the federal border guard, Germany's miniature 20,000-man army.

Introducing the play, Secretary of State Nahm, who spoke in the name of the Chancellor and his committee, said:

The whole world longs for a great ideology capable of bringing a solution. We believe this ideology has found its expression in this play. Only the country with this ideology can bring negotiations to a successful conclusion.

Speaking before the curtain, Prof. Theodor Oberlaender, Minister of Refugees in the German Cabinet, stated:

Germany and France have to operate together like chambers of one heart working in the same pulse to feed life-giving blood into Europe. If as nations and individuals we learn from the mistakes of the past and change, we will build a new future.

The German Cabinet Minister then introduced Eugene Claudius-Petit, former Minister of Labor and Reconstruction in the Mendes-France government, who was one of 17 members of the National Council of Resistance in France during the war. Claudius-Petit said:

MRA enables us to go much further. It enables us, France and Germany, to be united in a common ideology in the service of the world. To achieve this each of us has to be a man with the key. This goes especially for statesmen. If they check their actions against moral standards of absolute

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honesty, purity, unselfishness, and love, then they will change their attitudes toward social, national, and international problems. They will no more be pushed by events but will create the event and change other people by beginning to change themselves. Together they will find new motives and create new men to take responsibility for a new world.

At Caux, Gen. Touzet du Vigier, wartime Chief of Staff to Gen. de Lattre de Tassigny, said:

I found it difficult to go to Germany for the first time. A German miner said to me, "France is our hope." This man felt communism was the danger. He did not see anything but MRA to save him and his country. I, as a French general of a tank division who fought bitterly in the last war, became his friend. He was a former Communist, a miner, and a German. This is the way to rebuild Europe, for it cannot be done solely on economic and social plans.

Said Ludwig Kroll, German Federal Member of Parliament from Baden-Baden:

Reunification of Germany cannot be solved on the political level alone, for it is equally an ideological problem.

He was speaking before four of the German Federal Government observers at the Geneva Conference who had come to Caux to pay their respects to Dr. Frank Buchman. They said:

We know of no force other than MRA that is bringing an answer.

Kroll declared:

These men return to Geneva with new hope.

Dr. Anton Storch, a former leader of the Social Democrats in Sudetenland, said:

The Iron Curtain is a sieve and in many places is being rifted. We have always hoped for this time. Now we are almost afraid because we are unprepared. Only at places where MRA is at work have the Slav, Polish, and German peoples of Europe been able to meet effectively. I have committed myself to fight for everyone on both sides of the Iron Curtain, to bridge the disunities in Europe, and to build conditions for a free and united Christian Europe.

Said 70-year-old Georgian David Sagiraschwili, a contemporary of Joseph Stalin, who had fought for his country's liberation from Czarist domination:

The Russian people are open to MRA. I am convinced that humanity can only be saved through the moral foundations which rule here in Caux. Therefore I have decided to fight with the same passion for moral rearmament.

Bishop Bengt Jonzon of Lulea, Sweden, told the assembly of the cure for communism in the strategic iron-ore mines of Kiruna north of the Arctic Circle which had been under Communist control for 30 years. Jonzon said:

Men trained in Moral Re-Armament at Caux and Mackinac now hold the leading trade-union positions. I am out to make MRA the policy of my nation.

A prominent part in the assembly this summer has been taken by the African delegates who include representatives from South Africa, Kenya, Uganda, Rhodesia, the Gold Coast, Nigeria, the French Cameroons, and Egypt. Fifty of these representatives were greeted at a reception in the Federal Palace by the President of Switzerland, Max Petitpierre.

Marthinus Sonnekus, lecturer in the Department of Education of Pretoria University, noted for its Afrikaner nationalism, said:

The map of Africa has been likened to a question mark. But I believe Africa can provide the world with the answer. It is obvious that the different races must find an answer together. I can only be part of the answer when I begin with myself. That is why I am committed to this force.

A member of the Nigerian House of Representatives, the Honorable H. O. Chuku, said:

MRA has worked miracles in my country in Parliament, in the local councils, in businesses, in private lives and between the Government and the members of the opposition in the eastern region.

On July 26 under the sponsorship of Governor Baring, of Kenya, the MRA drama, The Man With the Key, opened in Nairobi. After the play an African security officer said:

I am a Kikuyu. This is an answer to Mau Mau and for my people.

A reception to welcome the cast and the international force of MRA to Kenya was given jointly in Nairobi's best known hotel by leading representatives of the Kikuyu and Luo tribes. It was the first time in the history of Kenya that such a function had taken place.

Dr. Frank Buchman, speaking to the audience of 800 people from 30 nations assembled at Caux, said:

Some people think the way is just to go on enduring communism. Our program is to cure it.

Dr. Buchman pointed to the example given at the Bandung Conference when Dr. Fadhil Jamali, leader of the Iraqi delegation, called for East-West cooperation on the basis of Moral Re-Armament.

Commenting on the Caux Conference, Vaterland, organ of the Catholic Party, Lucerne, Switzerland, in an article on July 22, 1955, entitled "Peace With Justice, Dr. Frank Buchman in Caux," said:

On the morning of the 20th of July, 1955, the founder of Moral Re-Armament, Dr. Frank Buchman, arrived in Switzerland from the United States to take part in this year's world conference in Caux which began on the 28th of May. Because of the events of international politics in these days, the World Conference of Moral Re-Armament in Mountain House, Caux-sur-Montreux, has a very special timeliness.

While in Geneva the Big Four with many advisers and assistants try to achieve peace for the nations through mutual compromise and—if we can express it that way—by diplomatic bargaining for concessions so that at least a short breathing space is achieved in the cold war, 800 people from 30 nations, of the most varied races of the globe, gather round Frank Buchman with the purpose of answering the urgent demand for peace at last among the peoples of the earth through a personal, united and national change on the basis of honesty, purity, unselfishness and love, lived absolutely.

The aim of the Geneva Conference as given by President Eisenhower in his opening speech "peace with freedom for all nations" begins without doubt with the actual liberation of individuals, of families, of peoples, of nations, and of the whole world from the human—all too human—tendency to half—and theferore comfortable—truths; the tendency to conscious or unconscious selfishness and the tendency to indifference toward our neighbors.

The original Christian conception of the need, the naturalness, and the practical possibility of honest, pure, and selfless living for the healing of the world which Dr. Frank Buchman has given to people of our age in a new, attractive, yes, compelling way, has kindled the hopes of numerous or rather innumerable people that there is a way out of the blind alleys into which the many social, cultural, and political developments of the present time have led. Above all, the personality of the veteran founder of Moral Re-Armament radiates on everyone who comes near him, a strangely powerful, fascinating light of confidence and love of humanity that wins people who want to avoid the ideas of Moral Re-Armament or even to condemn them.

So we understand the deep love and the simple cordiality with which his friends celebrated Dr. Buchman's arrival in Switzerland. In a speech of thanks to the workers of Caux, Dr. Buchman mentioned the words of an American newspaper article: "If the principles of Moral Re-Armament are applied at the Geneva meeting of the four powers, they could have a colossal effect in creating a peaceful world," and he described the aims of the world conference as bringing peace with justice.

CONCLUSION

On the eve of the summit conference in Geneva there appeared in the Washington Star an article entitled "MRA Shows Way to Peace With Justice," written by the dean of political columnists of Washington and former president of the Gridiron Club, Gould Lincoln. Following its printing it was introduced into the CONGRESSIONAL RECORD by Senator SMATHERS July 11. His introduction and the article follow herewith:

REMARKS OF HON. GEORGE A. SMATHERS, OF FLORIDA, IN THE SENATE OF THE UNITED STATES, MONDAY, JULY 11, 1955

Mr. SMATHERS. Mr. President, the Honorable Gould Lincoln—able, experienced, and astute political writer for the Washington Evening Star and other newspapers over the Nation—recently wrote an article which appeared in the Evening Star entitled "MRA Shows Way to Peace With Justice." I hope that every Senator, and many other persons, had the opportunity of reading this very splendid article which clearly and factually describes what MRA is and how it operates.

I personally can state that I know of some of the great good which MRA has accomplished, for I have seen it in action. I know for a fact that a group of dedicated members of MRA voluntarily offered their services and brought about the settlement of what appeared to be a bitter and long-drawn-out strike between the employees and management of National Airlines.

Subsequently, the same members of MRA, with the help of others, were able to bring about a settlement of the transportation strike within the city of Miami. Since that time I have seen the principles of MRA capture the mind and heart of several hard-bitten, unyielding union leaders, as well as a host of uncompromising, selfish owners of large businesses.

The power of philosophy of MRA is irresistible, and it is making itself a great factor in the fight for freedom in Europe and Asia. Strangely enough it seems to be better known there than here in our own country. Undoubtedly in time it will prove its efficacy here as people become acquainted with it through the writings of Frank Buchman and Peter Howard as well as through

witnessing the simply marvelous plays which they are continually putting on.

I ask unanimous consent to have printed in the CONGRESSIONAL RECORD the article by Gould Lincoln as it appeared in the Washington Evening Star.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

"MRA SHOWS WAY TO PEACE WITH JUSTICE

"As President Eisenhower and the heads of three other great governments prepare to meet in Geneva, two forces are working toward success of this four-power meeting at the summit. First, the hunger of people everywhere for peace—and for freedom and justice which can go only with peace. This is the positive force. Second and negative, the fear that an atom- and hydrogen-bomb holocaust will consume the human race.

"On the positive side, a task force that has grown with the passing years is influencing men and women in key positions and in the ranks of peoples the world around. It is MRA—Moral Re-Armament. And MRA, under the leadership of Dr. Frank Buchman, is exerting a great moral and spiritual influence which has brought bitter enemies to friendship and which is showing the way to statesmen, if they will accept it, to a peaceful world.

"Its principles are the strength of the movement. They are at once as soft and as gentle as the down on the breast of a dove and as rugged as the peaks of the Rocky Mountains. They call for absolute moral standards. And how have they operated? They have brought, first, individuals—men and women—to a conviction they must be honest with themselves and with other people, with a consuming faith in God.

"Farflung influence

"Today MRA is a far-flung force. It has its headquarters in Washington, in Los Angeles, and on Mackinac Island, Mich., in Caux, Switzerland. It has spread into Asia and Africa. It has brought into its ranks statesmen, leaders in business and in labor. It has taught them to sit down and talk honestly with opponents. It has produced an ideology that can be, and is, accepted by the representatives of many races and many nations. It has brought together Germans and Frenchmen. Communists and non-Communists, labor leaders, and employers—and always the results have been for peace and justice. Today MRA has sent to 15 Asian and other far-eastern countries a group almost 200 strong which is producing MRA's latest play, the Vanishing Island. It has sent this group on the invitation of the presidents, prime ministers, and other leaders of these nations.

"This latest play is one of a long series which MRA has used to bring to the peoples of many nations the ideology for which it stands. It has adopted the stage and the drama as its instruments, and with great success in England, in France, in Germany, in India, in South Africa, in the United States, for example. The Vanishing Island, written by Peter Howard, a brilliant British newspaperman, and in the production of which some of Hollywood's most talented men had part, was given at the National Theater here just before the cast, accompanied by leading citizens in some of the countries it is to visit, took off from Washington. Already it has played to large audiences in Japan, in Formosa, in the Philippines, in Bangkok, Thailand, and is currently in Rangoon, Burma. Other countries and cities to which the group will take the play include Madras, Calcutta, and Delhi, India; Pakistan, Tehran, Baghdad, and Cairo.

"No platitudes

"MRA recognizes the problems that beset the world, that divide nations. It does not believe that they can be solved by merely saying, 'Let everybody be good and be kind.' It does believe, however, that these problems can be dealt with realistically on a basis of fairness and good will. At the very bottom lies the honesty and fairness of the individual. Its aim is to change individuals, and when they are changed, nations change. It does not seek to set up an international church or religion. Its principles are the best of all churches and religions and can be accepted by all. Labor leaders and heads of business management who have affiliated with MRA testify freely they have been able to obtain settlements and to win friendships through the tenets of MRA.

"These principles of MRA, if carried into the Geneva meeting of the great powers, could work immeasurably in the interest of a peaceful world. They do not hold with world domination by any nation or group of nations. They do call for the great ultimate boon which the late Senator Vandenberg, of Michigan, when describing the aim of the United Nations, called peace with justice."

CONTROL OF WATER CHESTNUT INFESTATION IN UPPER CHESAPEAKE BAY TRIBUTARIES

Mr. FALLON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 6686) providing for a preliminary examination and survey by the Secretary of the Army for the purpose of controlling water chestnut infestation in the upper Chesapeake Bay tributaries.

The Clerk read the title of the bill.

Mr. MARTIN. Mr. Speaker, reserving the right to object, will the gentleman explain the bill?

Mr. FALLON. This is a bill I called to the attention of the gentleman the other day. This bill is an effort to control the water chestnut infestation of the upper Chesapeake Bay.

Mr. MARTIN. Yes; I understand.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Army shall make a preliminary examination and survey of the tributaries of the upper Chesapeake Bay, in order to determine the extent to which such tributaries are infested with water chestnut (Trapa natans), and the feasibility of undertaking measures to eradicate or control such infestation so as to protect navigation, public health, wildlife, commercial fishing, and the beaches in the area from the disastrous consequences of permitting this pest to spread unchecked.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CITY OF CHARLESTON, S. C.

Mr. RIVERS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 2430) to release certain restrictions on certain real property heretofore granted to the city of Charleston, S. C., by the United States of America.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That with respect to the restrictions and conditions required by section 2 of the act entitled "An act authorizing the Secretary of Commerce to convey the Charleston Army Base Terminal to the city of Charleston, S. C.," approved May 27, 1936 (49 Stat. 1387), which restrictions and conditions prohibited the city of Charleston from transferring title to the property conveyed under that act and reserved a right to the United States to retake such property in the event of a national emergency (and which restrictions and conditions were included in deed executed pursuant to such act), the Secretary of the Army is hereby authorized and directed to release to the city of Charleston, S. C., by an appropriate written instrument, such restrictions and conditions so far as they pertain to the portion of the tract of land conveyed pursuant to such act of May 27, 1936, which is commonly known as tract 12, and is more particularly described as follows:

Beginning at a point in the west harbor line of the Cooper River (which point is south 41 degrees 31 minutes 30 seconds west a distance of 13.2 feet from the southernmost corner of the concrete dock, formerly the dock of the Charleston Quartermaster Intermediate Depot; and which point is the terminal point of the fourteenth call in the deed dated February 24, 1950, from the city council of Charleston to West Virginia Pulp & Paper Co.); thence north 48 degrees 28 minutes 30 seconds west for a distance of 2,999.27 feet, along the property line between tract 12 and tract 2, part 1, to a point (which is distant 11.42 feet north 68 degrees 33 minutes east from an iron pipe); thence north 69 degrees 00 minutes east a distance of 104.71 feet, more or less, to a point common to this tract 12, tract 13 (leased to South Carolina State Ports Authority by West Virginia Pulp & Paper Co. by indenture dated February 4, 1947), and tract 10 (leased by the city council of Charleston to North Charleston Terminal Co.); thence along the property line separating tracts 12 and 13, north 86 degrees 45 minutes 50 seconds east 15.58 feet, north 88 degrees 32 minutes 20 seconds east 50.0 feet, south 87 degrees 23 minutes 40 seconds east 50.0 feet, south 82 degrees 42 minutes 40 seconds east 50.0 feet, south 76 degrees 46 minutes 40 seconds east 50.0 feet, south 70 degrees 20 minutes 40 seconds east 50.0 feet, south 64 degrees 09 minutes 40 seconds east 50.0 feet, south 56 degrees 48 minutes 30 seconds east 25.0 feet, north 86 degrees 57 minutes 50 seconds east 373.90 feet, south 48 degrees 27 minutes 10 seconds east 899.77 feet, south 41 degrees 32 minutes 50 seconds west 25.0 feet, south 48 degrees 27 minutes 10 seconds east 1,494.83 feet to a point on the east edge of the concrete dock; thence along the east edge of the concrete dock south 41 degrees 32 minutes 50 seconds west 525.0 feet, more or less, to the point of beginning.

With the following committee amendments:

Page 2, line 5, after "directed", insert "upon payment by the city of Charleston, S. C., of $500,000."

Page 3, line 21, after "beginning", insert: "and as is shown on drawing numbered 799–47–1, dated August 1949, on file in the Office, Chief of Engineers, Department of the Army."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

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INCREASE IN COMPENSATION OF TRUSTEES IN BANKRUPTCY

Mr. BOGGS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 5047) to increase the compensation of trustees in bankruptcy.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subsection (1) of section 48 (c) of the Bankruptcy Act of July 1, 1898, as amended (11 U. S. C. 76 (c) (1)), is further amended to read as follows:

"(1) Normal administration: When the trustee does not conduct the business of the bankrupt, such sum as the court may allow, but in no event to exceed 10 percent on the first $500 or less, 6 percent on moneys in excess of $500 and not more than $1,500, 3 percent on moneys in excess of $1,500 and not more than $10,000, 3 percent on moneys in excess of $10,000 and not more than $25,000, and 1 percent on moneys in excess of $25,000, upon all moneys disbursed or turned over by them to any persons, including lienholders: *Provided, however*, That in any case, after the trustee has paid all expenses of administration and has realized upon all available assets, the maximum compensation allowable to him hereunder does not exceed $150, the court may of its own motion allow the trustee a fee which with the commissions, if any, paid or to be paid him shall not exceed $150."

With the following committee amendments:

Page 2, line 1, strike out "3" and insert "2."

Page 2, after line 10 insert the following:

"SEC. 2. The provisions of this act shall apply to all cases in which the petition initiating the proceeding under the Bankruptcy Act is filed subsequent to the date of the enactment of this act."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. BOGGS. Mr. Speaker, this bill increases the compensation of trustees in bankruptcy. Their compensation has not been changed since 1910. At the present time trustees not conducting the business of the bankrupt are paid a fee as follows: 6 percent of the first $500 of the estate; 4 percent on the next $1,000; 2 percent on the next $8,500, and 1 percent on all in excess of $10,000. If the fee is less than $100 at present, the court can fix a fee up to $100. If the trustee conducts the business of the bankrupt, the court may fix a fee up to twice the above amounts.

The Judicial Conference of the United States, the National Bankruptcy Conference and the National Association of Credit Men support H. R. 5047. They feel it will greatly improve the administration of smaller estates by encouraging a greater use of trustees in such cases. The increases as set out in H. R. 5047 are reasonable. For example, if the trustee does not operate the business, on an estate of $5,000, the fee would be increased from $140 to $215; on an estate of $10,000 the fee would be increased from $240 to $365. Since the fees of trustees are paid out of the estate of the bankrupt, there is no burden on the United States Treasury by this legislation.

REVISION AND CODIFICATION INTO LAW TITLE 10 OF THE UNITED STATES CODE ENTITLED "ARMED FORCES" AND TITLE 32 OF THE UNITED STATES CODE ENTITLED "NATIONAL GUARD"

Mr. WILLIS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 7049) to revise, codify, and enact into law, title 10 of the United States Code, entitled "Armed Forces," and title 32 of the United States Code, entitled "National Guard."

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

Mr. LANHAM. Mr. Speaker, reserving the right to object, and I shall not object, may I say that I objected to the consideration of this bill a few days ago because it sought to repeal by implication an act that was passed in 1901. This act forbade the sale of intoxicating liquors on bases where our servicemen are quartered. I understand now that they will strike by amendment the entire section and are not codifying the act of 1950 which let the bars down against the sale of intoxicants or the act of 1901. This would leave the laws in status quo. Therefore, I have no further objection for this leaves the old law in effect, unless the courts hold that the latter statute repealed the former.

Mr. BROOKS of Louisiana. Mr. Speaker, reserving the right to object, may I ask the gentleman from Louisiana, there is no part of the code that changes any of the present existing laws regarding the Military Establishment?

Mr. WILLIS. No, and not only that, but the Committee on Armed Services was advised of this.

Mr. BROOKS of Louisiana. I talked to the chairman of the Committee on Armed Services and he said he wanted the staff to study the entire matter. He told me that yesterday. But if there is no change, I do not see any reason for a study of the matter by the Armed Services Committee.

Mr. WILLIS. We have a letter from your chairman [Mr. VINSON] on the subject.

Mr. BROOKS of Louisiana. Will the gentleman put the letter in the RECORD?

Mr. WILLIS. Yes.

Mr. REES of Kansas. Mr. Speaker, reserving the right to object, do I understand that this legislation does not in anywise affect the present law, being United States Code, chapter 31, section 1350, entitled "Sale of Intoxicating Liquors" and reads as follows:

The sale of or dealing in beer, wine, or any intoxicating liquors by any person in any post exchange or canteen or Army Transport or upon any premises used for military purposes by the United States, is prohibited. The Secretary of War is hereby directed to carry the provisions of this section into full force and effect.

Mr. WILLIS. What the gentleman says is correct. There is an amendment pending at the desk to cover that.

Mr. KEOGH. Mr. Speaker, I have more than a passing interest in the enactment of this bill. As chairman of the then standing Committee on Revision of the Laws, in the 76th Congress, I had the honor to make the very first suggestion that the laws relating to the Army and Navy be codified. This was to be part of the program that my committee initiated at that time—to enact into law every title of the United States Code. The advent of World War II at that time interfered with the preparation of bills with respect to the Army and Navy because of the necessity of enacting many new laws affecting the services. However, we did proceed with the preparation of bills relating to other titles of the United States Code and I am happy to see that the work has been carried on under the provisions of the Legislative Reorganization Act by the Committee on the Judiciary. I want to compliment the gentleman from New York [Mr. CELLER], the able chairman of the committee, and the gentleman from Louisiana [Mr. WILLIS], the able chairman of the subcommittee in charge of codification of laws, and his predecessor, the late Honorable Joseph R. Bryson, for their diligence in pursuing this most important work.

Mr. Speaker, no program has ever been carried on so faithfully without regard to the political complexion of the Congress. I would be remiss if I did not acknowledge the contributions made by the chairmen of the Committee on the Judiciary during the 80th and the 83d Congresses, the Honorable Earl Michener and the present ranking minority member of the committee, the distinguished gentleman from Illinois [Mr. REED].

The preparation of the present bill began in 1948 by the War Department and thereafter by the Department of Defense and the several military departments. Throughout the entire course of the work the departments consulted regularly with the law revision counsel of the Committee on the Judiciary, Dr. Charles J. Zinn, and had the benefit of his broad experience in drafting and codifying statutes since 1939.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There being no objection, the Clerk read the bill.

Mr. WILLIS. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WILLIS:

Page 95, strike out all of chapter 49.

On page 786, in the schedule of repeals, under date of February 2, 1901, insert before the period in the parentheses: ", and sec. 38."

On page 816, in the schedule of repeals, under date of June 19, 1901, strike out the reference to section 6.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. WILLIS. Mr. Speaker, this bill is intended to codify the existing laws relating to the Armed Forces and the National Guard. It is part of the comprehensive program inaugurated by the Committee on Revision of the Laws, and continued under the Legislative Reorganization Act by the Committee on the Judiciary, to enact into law all 50 titles of the United States Code.

It is purely and simply a codification of existing law and has been reported favorably by unanimous vote of the Committee on the Judiciary after consultation with the Committee on Armed Services and has been sponsored by the Department of Defense with the approval of the Bureau of the Budget.

Please let me state as emphatically as I am able that this bill is not designed to make a single substantive change in existing law.

As a matter of fact we have gone to the extreme of inserting in the bill a provision—section 50—that it is the legislative purpose to restate the existing law without substantive change. Moreover, there is a line of United States Supreme Court decisions applying the well-known canon of statutory construction that in this type of bill even though Congress changes the language of the existing law the court will construe it as a continuation of existing law without substantive change unless Congress clearly manifests an intention to make such substantive changes.

Any undue fears about this bill on that score should be allayed in view of the following:

First. The canon of statutory construction just referred to will be applied;

Second. The interpretation clause contained in § 50 and in other savings provisions in the bill, together with similar statements contained in the committee report, clearly manifest the intention of Congress to make no substantive change; and

Third. The bill has been most carefully prepared over a period of almost 8 years. During that period the several military departments and the Department of Defense have assigned from time to time extremely capable and expert personnel. Although I do not want to slight any individual connected with the work by omitting mention of his name I believe it is appropriate to mention the fine work and cooperation of the following:

For the Office of the Secretary of Defense: Dr. F. Reed Dickerson.

For the Department of the Army: Col. Alfred C. Bowman, Col. Archibald King, and Lt. Col. Joseph P. Ramsay.

For the Department of the Navy: Lt. Col. George M. Lhamon (USMC), Comdr. Earle Bennett, Comdr. Enser W. Cole, Comdr. Katherine E. Shilling, Lt. Cmdr. Charles J. Murphy, and Lt. William J. Bryson.

For the Department of the Air Force: Mr. James B. Minor and Mr. Allan J. Morrison.

From the very beginning the Committee on the Judiciary has been closely associated in the drafting of the bill by its law revision counsel, Dr. Charles J. Zinn, and during recent months, Cyril F. Brickfield, assistant law revision counsel.

Mr. Speaker, the Committee on the Judiciary and the Congress is committed to this extremely important task of enacting into law all 50 titles of the United States Code and thus far we have so enacted 11 titles. I know of no other general aspect of congressional activity that is as important to the Congress, the courts, the executive branch and to the public. I sincerely hope that no Member will hamper this work because of vague, unfounded fears or by offering controversial substantive amendments. We shall be happy to answer any specific questions or objections to the bill but we beg the membership not to oppose it without good reason.

This program has enjoyed the confidence of the Congress up to this point and we cannot hope to accomplish anything further without that confidence. No one can seriously believe that we would be dishonest or foolish enough to jeopardize the entire program by attempting to include surreptitious changes in substantive law in this bill.

Mr. REES of Kansas. Mr. Speaker, there was some discussion among Members about the suggestion that the law of 1901 had been repealed by implication by the Cole amendment to the law of 1951, section 6, title I, Public Law 51.

In this connection I would like to place in the RECORD a letter from the gentleman from New York, Mr. COLE, to Mrs. CECIL HARDEN, chairman of a subcommittee of the Committee on Government Operations of the House of Representatives, in connection with an investigation into the operation of package liquor stores by the armed services:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., August 1, 1955.

Mrs. CECIL HARDEN,
House Office Building,
Washington, D. C.

DEAR MRS. HARDEN: It has been brought to my attention that in the course of a hearing on the subject of alcoholic beverages before your committee, Capt. W. G. Chapple, of the Bureau of Personnel, Department of the Navy, made a statement to the effect that the sale of alcoholic beverages was authorized for the Department of Defense by section 6, Public Law 51, 82d Congress, approved June 19, 1951, and that later on in answer to a question by Staff Director Ward: "Do you have any real authority for saying that the act of 1901 has been superseded by the act of 1951, Captain?", Lieutenant Colonel Wise replied: "I will answer that. I think I speak for the entire Department that our Judge Advocate General of the Army has advised that they are of the opinion that section 6 of Public Law 51 does, by implication, repeal the so-called Canteen Act of 1901."

I introduced the amendment which became section 6, Public Law 51. The purpose of section 6 was not to in any way repeal existing law but to give the Secretary of Defense authority to make uniform regulations for all three departments of the armed services and also to empower him to deal with the problem of alcoholic beverages not only in camps, stations, posts, and other places, but also in their vicinity.

Sincerely yours,

STERLING COLE.

The day previous to the introduction of the Cole amendment, I had myself introduced an amendment intended to supplement the law of 1901 and give the Secretary of Defense power to make regulations which would apply to all branches of the armed services, and in discussing it, the gentleman from North Carolina [Mr. BARDEN] stated:

I understand that the Canteen Act of 1901 is still in effect which regulates that and is Federal law.

So that the fact that the law of 1901 was still in effect was in the minds of the Members of the House when they were considering the Cole amendment.

My own amendment was as follows:

Following line 11, page 21, insert a new subsection as follows:

"SEC. 5. No person, corporation, partnership, or association shall sell, supply, give, or have in his or its possession any alcoholic liquors, including beer, ale, or wine, inside the confines of or within reasonable distance of any military camp, station, fort, post, yard, base, cantonment, training, or mobilization place which is being used at the time for military purposes; but the Secretary of Defense may make regulations permitting the sale and use of alcoholic liquors for medicinal purposes. The Secretary of Defense is authorized and directed to take appropriate action to carry out the provisions of this section."

In opposing the Bryson amendment which was directed to the program which was to be presented by the National Security Training Commission for members of the National Security Training Corps, the chairman of the House Armed Services Committee, Mr. VINSON, said:

The proper way to approach this subject is somewhat along the line of the amendment offered by the gentleman from Kansas, and probably to be offered today by the gentleman from New York [Mr. COLE].

It is apparent that in considering the Cole amendment, the House had in mind the terms of my amendment which were in harmony with the law of 1901.

FOOD AND DRUG ACT

Mr. O'HARA of Minnesota. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. O'HARA of Minnesota. Mr. Speaker, H. R. 7605 and H. R. 7606 introduced by Congressman PRIEST and myself, respectively, are successor bills to H. R. 4099 and H. R. 4100, also introduced by us.

H. R. 7605 and 7606 differ from H. R. 4099 and 4100 in that the provision setting up an advisory committee is completely eliminated. Additionally, the provision requiring the Secretary to take into consideration the functional value of the proposed additive is eliminated.

There has been added a provision consistent with existing provisions of the Food, Drug, and Cosmetic Act prohibiting any person from using or revealing information acquired under the new food additives section. The term "new chemical additive" has been changed to "new food additive" as being more definitive of the subject.

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Language changes have been made to eliminate possible inconsistencies between section 409 of the new bill and section 406 of the present Food and Drug Act. The new bills would require the Secretary to take action on an application within a specified period, and the appeals provisions are broadened to give increased protection to any person adversely affected by any action of the Secretary under section 409. No other major changes are involved.

The definition of "new food additive" is essentially the same as that of "new chemical additive" used in H. R. 4099 and 4100. A slight rearrangement of language has been made for the sake of clarity. H. R. 7605 and 7606 would continue to use the administrative procedure approach in considering applications subject to appeal to the United States court of appeals in any proceeding arising under the amendment. Except for clarifying language changes and strengthening the right of appeal from adverse decisions of the Secretary, this provision remains the same as in H. R. 4099 and 4100.

The purpose of introducing these revised bills at this time is to give all interested groups an opportunity to study the amendatory legislation.

FRED P. HINES

Mr. LANE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 204) for the relief of Fred P. Hines.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs is authorized and directed to pay, out of any money available for the payment of compensation and allowances to veterans, to Fred P. Hines (C. 2389074), of Minot, N. Dak., the sum of $778.78, representing the amount necessary to pay private medical and hospital expenses incurred by him incident to an emergency operation when his physical condition was such that he could not be removed to a Veterans' Administration hospital: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ELZIE C. BROWN

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 4763) for the relief of Elzie C. Brown, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 10, after "received", insert "on or about Thanksgiving of 1945."

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Senate amendment was concurred in; and a motion to reconsider was laid on the table.

MARGARET MARY HAMMOND

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3024) for the relief of Margaret Mary Hammond, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Page 2, line 7, after "act", insert ", : *Provided*, That no benefits shall accrue by reason of the enactment of this act for any period prior to its enactment, except in case of such medical or hospital expenditures as may be deemed reimbursable."

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Senate amendment was concurred in; and a motion to reconsider was laid on the table.

AGRICULTURAL ADJUSTMENT ACT OF 1938

Mr. ABBITT. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2295) to amend section 313 of the Agricultural Adjustment Act of 1938, with respect to tobacco allotments.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 313 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding at the end thereof the following new subsection:

"(j) In establishing farm acreage allotments for burley tobacco crops for the years 1956, 1957, and 1958 the acreage allotment for any farm which has not been retired from agricultural production shall not be reduced below the acreage allotment which would otherwise be established because the harvested acreage was less than the allotted acreage unless the acreage harvested was less than 50 percent of the allotted acreage in each of the preceding 5 years, in which event it shall not be reduced for such reason to less than the largest acreage harvested in any year in such 5-year period."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

STATE OF ILLINOIS

Mr. REED of Illinois. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 125) for the relief of the State of Illinois.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the State of Illinois shall have the exclusive right in interstate commerce to use, manufacture, and to control the right to manufacture the emblematic design heretofore published by the secretary of state of the State of Illinois consisting of a profile of the head of Abraham Lincoln superimposed upon an outline map of the State of Illinois which is surmounted by the name "Illinois" and overlaid by the caption "Land of Lincoln."

SEC. 2. Nothing in this act shall be construed to confer any right to recover damages for violation of this exclusive right, by any act performed before the date of enactment of this act, or to prevent the use of any matter utilized before that date.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MILITARIZATION OF THE IMMIGRATION AND NATURALIZATION SERVICE

Mr. MOLLOHAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. MOLLOHAN. Mr. Speaker, I wish to alert this House that although the Senate bills, S. 1271 and S. 1272 on the Private Calendar, have been objected to and ordered recommitted to the Committee on Armed Services—we may not as yet have heard the end of these two measures in this session of the Congress—as we shall certainly hear more about them in the next.

For these reasons, I wish to inform the House clearly and unmistakably as to the nature of these bills and the principles which are involved. To me these command the serious consideration of all Members of the Congress before taking action upon these measures.

The Senate bills, S. 1271 and S. 1272, would exempt Gens. Frank H. Partridge and Edwin B. Howard from the provisions of the dual positions statute and thus enable these retired officers to accept appointments as Assistant Commissioners in the Immigration and Naturalization Service in the Department of Justice.

I deeply deplore the fact that I could not concur in the action taken by the Committee on Armed Services in favorably reporting out these bills. At the time of the hearings on these bills before the committee, the Subcommittee on Legal and Monetary Affairs—of which I am chairman—of the House Government Operations Committee was conducting an investigation of the Immigration and Naturalization Service under the reorganization initiated by Gen. J. M. Swing, the newly appointed Commissioner.

From the facts revealed by this investigation, I found it impossible to avoid the following conclusions:

First, neither General Howard nor General Partridge was eligible for employment by the Service except as a consultant.

Second, the two retired officers were occupying full policymaking and policy-administering positions in violation and circumvention of both the statutory and regulatory provisions of the law.

Third, both received compensation in excess of that authorized by law.

Fourth, there is reason to believe that had it not been for the insistence of the subcommittee, supplemented by a ruling by the Comptroller General, the employment of General Partridge would have been continued after the legal period of his eligibility had expired.

The situation involving the 2 retired generals with whom we are concerned in the above 2 bills was only a sidelight of the subcommitttee's study. The information revealed by this study has, however, since been substantiated by the highest authority available in the executive branches of the Government, the Comptroller General and the Chairman of the Civil Service Commission.

Nevertheless, these two Senate bills would enable Generals Partridge and Howard to accept appointments as Assistant Commissioners in the Immigration and Naturalization Service in the Department of Justice—positions which they have, in reality, been occupying ever since their employment as consultants.

I would like to make it perfectly clear at this point, Mr. Speaker, that my opposition to these bills is not directed against either of these two gentlemen personally. I have the greatest respect for their unquestioned honor and integrity and equal regard for their undoubted qualifications as soldiers.

But I am unconditionally and unalterably opposed to what these two bills would accomplish—the further militarization of the Immigration and Naturalization Service.

Mr. Speaker, I do not speak lightly. The Immigration Service has been the subject of intensive investigation and extensive hearings by the Subcommittee on Legal and Monetary Affairs. I am deeply concerned by some of the facts which have been brought to light through the subcommittee's efforts. I am even more alarmed by the indication of hidden activities which we have been unable to bring to light.

With the greatest reluctance, I speak of these latter matters now. It has always been my practice to ignore anonymous communications. Every Member of Congress, I am sure, receives his share of such communications and treats with the contempt they merit these nameless informers who lack the courage to stand up like men and speak their minds for what they sincerely believe to be for the good of their country.

Unhappily, Congress has little choice today but to attach significance to some of these nameless communications because the executive branches of the Government refuse to deal candidly with our proper and pertinent inquiries, and because of the censorship which has been clamped upon even the most plebeian activities of the civil departments and agencies of the Government.

It is of one such anonymous communication that I am about to speak. Addressed to the chairman of the Subcommittee on Legal and Monetary Affairs, the charges it makes regarding secret plans and activities being conducted by the Immigration and Naturalization Service are, I am sure you will agree, far too serious to be disregarded.

The Immigration Service has been given an opportunity to refute these charges. The fact that it has refused to deny them forces but one conclusion—that the shocking revelations in this communication are, indeed, founded upon fact.

Consequently, I feel that there is no other recourse open save to make its content public as a thoroughly disquieting example of what happens when we permit the militaristic mind to dominate the operations and functions of civil government.

It begins as follows, and I quote:

> It is suggested that you obtain a copy of plan A which is a communication labeled "Secret" and recently sent out to Immigration Border Patrol sector headquarters from the Immigration central office, Washington, D. C. The communication is over the signature of Frank H. Partridge, special assistant to the Commissioner, and contains instructions for the establishment of a military setup within the Immigration Border Patrol. A brief outline as follows provides for the recruiting of about 8,000 volunteer patrol inspectors to be under the supervision of the local patrol officers in case of emergency (emergency presumed to mean invasion) and, in such case, to be placed on the payroll as patrol inspectors:
>
> The purchase of jeeps, trucks, airplanes, rifles, revolvers, submachineguns, ammunition, roadblock signs, flares, etc. A reserve stockpile of gasoline is to be set up; additional radio communication systems established; used telephone poles and railroad ties to be placed in boundary line road crossings for use in setting up roadblocks; to persuade county commissioners adjacent to international boundary to dig deep ditches along the line to hamper crossings; oral instruction to local officers to alert demolition or promote demolition squads to be prepared to blow bridges across roads leading from the international boundary; to persuade the State highway patrol and the National Guard to participate in the plan.
>
> The above only touches the high spots of the plan, the original of the plan taking up about 12 or 15 pages of instructions. This is the most fantastic thing I have heard of and reeks of military planning and operate and, if not stopped, could develop into trouble.
>
> As noted above, the plan A is marked "Secret" and contains instructions that it be kept secret, but the plan is in existence and the recruiting of volunteer patrol inspectors has begun and the rest of the plan is to be carried out as promptly as possible.
>
> It is with reluctance that I have decided this must be forwarded without signature. I know you are a gentleman and would respect the request that I remain out of the picture. However, for the obvious reasons I cannot risk the possibility of the letter falling into unfriendly hands for, in that case, I would not have a leg to stand on.

Granting the truth of this communication, I could not possibly be in more profound agreement with the writer's sentiment that "This reeks of military planning and operation and, if not stopped, could develop into trouble."

At this most delicate of all moments in our world relationships, when—as a Nation—we are urging the Soviet heads of Government to roll back the Iron Curtain, what example do we set if we, ourselves, are, through a traditionally and allegedly civilian agency secretly plotting a barrier of bayonets along our own borders and between two friendly nations?

Since Congress passed the first general law regulating immigration in 1882, and until today, the regulatory agencies of our Government charged with carrying out and enforcing our immigration and naturalization laws have been administered solely and exclusively by civilians. In all the time intervening, to my certain knowledge there has never been an incident which required such an adventure upon the part of the Immigration and Naturalization Service as this plan A allegedly contemplates. Nor, I feel reasonably confident, has the need for readying such a plan—much less putting it into effect—ever occurred to former civilian heads of the agency.

Today, however, the head of the INS is no longer a civilian. Lt. Gen. Joseph M. Swing, retired, became Commissioner of Immigration on May 18, 1954, shortly after his retirement from the United States Armed Forces. On the previous day, May 17, 1954, Maj. Gen. Frank H. Partridge, also recently retired from the Armed Forces, was appointed special consultant to the INS. In September 1954 Brig. Gen. Edwin B. Howard, retired, was likewise retained as a special consultant to the service.

As the Members of this House are aware, Mr. Speaker, existing statutes specifically set forth the manner, amount of compensation and period of time under which consultants may be employed by any department or agency of the Federal Government.

Because of the nature of the facts revealed by the investigation initiated by the Subcommittee on Legal and Monetary Affairs, only these conclusions—as I have said before—can be drawn:

First, that both Generals Partridge and Howard were serving in full executive and administrative capacities in circumvention of the statutory and regulatory provisions of the law;

Second, that both were being paid in excess of the amounts authorized by law; and

Third, there is reason to believe that had it not been for the insistence of the subcommittee, supplemented by a ruling by the Comptroller General, the employment of General Partridge would have been continued after the legal period of his eligibility had expired.

These conclusions have since been substantiated by the highest authorities available in the executive branch of the Government. In response to my request for an opinion, the Comptroller General informed me, in a letter dated June 7, 1955:

> The rate of compensation paid to Generals Partridge and Howard is in excess of that

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authorized by section 15 of Public Law 600 with the Department of Justice.

The Comptroller General further observed that he was informed by the Department of Justice that the retired generals were serving in a strictly advisory capacity. Nevertheless, he deferred judgment in this matter to the Civil Service Commission.

On June 20, the Comptroller General advised me with respect to General Partridge that: "We have ascertained that his services were terminated by the INS for pay purposes effective May 16, 1955."

General Howard is still retained theoretically as a consultant and doubtless will remain so until September of this year when he also will be required to leave the service under the 1-year limitation of eligibility.

In line with the Comptroller General's statement that he deferred to the CSC with regard to the manner of Generals Howard's and Partridge's employment, I requested the Chairman of the Civil Service Commission, Mr. Phillip Young, to initiate a desk audit.

According to statutory and regulatory provisions, and the rules of the Civil Service Commission itself, individuals employed in an advisory capacity may not perform operating responsibilities normally assigned to regular executive positions within the organization.

The desk audit which I requested the Chairman of the Civil Service Commission to undertake was for the purpose of ascertaining whether Generals Partridge and Howard had served solely as consultants or advisers to the Immigration Service or whether they had not, in reality, actually carried out operating responsibilities within the Service.

I have just received, over the signature of Chairman Young, the final findings of the Civil Service Commission as a result of this desk audit. In a nutshell here is what the Commission has determined:

"If it is assumed that the provisions of section 15, Public Law 600, apply to the appointment of Generals Partridge and Howard as consultants in the Immigration and Naturalization Service, the recent investigation conducted by the Commission at your request within that organization reveals that in substantial part the duties performed by these appointees were properly classifiable as a part of the normal functions of that organization."

It is clearly evident that operating responsibilities, normally assigned to regular executive positions within the organization, constituted a significant portion of the total responsibilities assigned in each case.

In further evidence of this, a directive outlining the details of Operation A, relating to the operations of the border patrol, was signed by General Partridge as "Special Assistant to the Commissioner." And on June 3, after the period of General Partridge's eligibility for employment had expired on May 17, the chief special inquiry officer of the INS, Mr. Sidney Rawitz, testifying before the Legal and Monetary Affairs Subcommittee, stated:

The Enforcement Division (of the Immigration Service) is presently operated by General Partridge, Special Assistant to the Commissioner.

And that was sworn testimony.

It is, I think, highly significant that General Partridge's employment with the INS occurred simultaneously with General Swing's appointment as Commissioner; and that General Howard's appointment came within the next 4 months. In addition, at about this same time, one David Carnahan, who served under General Swing in the 11th Airborne Division during World War II, was named General Regional Commissioner of the Southwest Region, one of the four top positions in the immigration field service.

When Commissioner of Immigration Swing appeared before the Committee on Armed Services of the House it was to urge the committee's favorable consideration of the two bills, S. 1271 and S. 1272. He stated that although he had endeavored to fill these positions of Assistant Commissioners from within the Service, he had been unsuccessful in his efforts to find qualified people.

This would suggest that the general's efforts—covering so brief a period of time—were either less than strenuous or the qualifications he sought were of a military cast, similar in character to his own background training, experience, and thinking.

Otherwise, I find it quite incredible to believe that there was no choice but to turn these traditionally civilian-held positions over to the military.

The Immigration and Naturalization Service is a long-established governmental agency. It has, on the whole, done an effective and commendable job of administering our immigration and naturalization laws. I am confident that there are many qualified, capable civilians within the Service, and if not in the Service itself—certainly, already in the career civil service—who could creditably fill these positions.

I am not ready to concede such barrenness of civilian capabilities nor, I am confident, are the members of the Congress prepared to make so startling a concession.

Let me point out that the INS is already headed by a retired general—thus setting a precedent in this historically established area of civil authority in Government. If the two bills now under consideration by this House are enacted by the Congress, 3 of the top 5 operating positions in the service will have been yielded to military control and supremacy over the civilian.

The dual-positions statute has been a part of our governmental pattern since 1894. I submit that no unique circumstances exist nor have any arguments been advanced in support of S. 1271 and S. 1272, which would warrant the granting of exceptions to that statute in either instance.

There should be no question in anyone's mind but that General Swing has used every possible means at his disposal to gain his ends—the retention and permanent employment of Generals Partridge and Howard to replace civilians in positions of traditional high civil authority and full policy-making and policy-administering responsibility in the Immigration and Naturalization Service. The evidence is unmistakable that he has made a continued and contemptuous effort to thwart the will of Congress and to circumvent the law. Nor, in the insistent lobbying activities which have been carried on, are there any signs that there will be a relaxation of General Swing's efforts.

It therefore remains the responsibility of Congress itself to correct this grievous situation and to take such steps as may be necessary to halt the further militarization of what was once a totally civilian-administered agency of the Federal Government.

THE LATE BURTON L. FRENCH AND JOHN T. WOOD

Mr. BUDGE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Idaho?

There was no objection.

Mr. BUDGE. Mr. Speaker, it is with the most profound regret that I advise the House of the death of two distinguished former Members of this body, the Honorable Burton Lee French and the Honorable John T. Wood.

Mr. French was born near Delphi, Carroll County, Ind., on August 1, 1875. He moved with his parents to Kearney, Nebr., in 1880 and from there to Idaho in 1882 where he attended the public schools and was graduated from the University of Idaho at Moscow in 1901. He was awarded a fellowship in the University of Chicago where he studied law, 1901–3. He was later admitted to the bar and commenced his law practice in Moscow, Idaho.

His townspeople elected him to the State house of representatives where he served with distinction from 1898 to 1902. In 1902 he was elected to the 58th Congress of the United States and was reelected to the 59th and 60th Congresses. He was an unsuccessful candidate for reelection in 1908 to the 61st Congress but was returned to the 62d and 63d Congresses, March 4, 1911, to March 3, 1915. In 1916 he was elected to the 65th Congress and reelected to the 7 succeeding Congresses, serving until March 1933. He was appointed a delegate to the Interparliamentarian Union Conventions at London in 1930 and at Bucharest in 1931.

During his time in Congress he served on the following committees: Appropriations, Memorials, War Claims, Indian Affairs, Public Lands, Elections No. —, Public Buildings and Grounds, Expenditures in the Department of Agriculture, Mines and Mining, Immigration and Naturalization, and Education.

Mr. French was professor of government at Miami University, Oxford, Ohio, from 1934 until his retirement in 1947 and has been a member of the Federal Loyalty Review Board since 1947.

He is survived by a sister, Mrs. Clara McMinimy; two nieces, Miss Margaret McMinimy and Mrs. Winfred Murphy—all of Washington, D. C.; and a brother, Dr. Harley French, retired dean of the

Medical College at North Dakota University.

Dr. Wood, Republican, of Coeur d'Alene, Idaho, was born in Wakefield, England, in 1876. He came to North Dakota with his parents in 1889 where he was educated in the public schools. He taught school for 6 years, after self-study and passage of the teachers' examination. Later he graduated from the Detroit College of Medicine and started his medical practice in North Dakota. In 1905 he moved to Coeur d'Alene and obtained a license to practice medicine in Idaho. He was a charter member of the Kootenai Medical Society and served as president for many years. Dr. Wood discovered and made public, cojointly with Dr. E. J. Barnett, of Spokane, Wash., the knowledge relating to Rocky Mountain tick fever. Dr. Wood did graduate work at Westley Memorial Hospital in Chicago, at University of Pennsylvania Postgraduate Hospital, and at Bellevue Hospital in New York. He was one of the founders and the first president of the Coeur d'Alene Hospital Co., serving in that capacity for 15 years. He was local surgeon for the Chicago, Milwaukee & St. Paul Railroad for 40 years. During his life he served as president of the board of trustees of Northwest Medicine, mayor of Coeur d'Alene, past grand master of Masons in Idaho. He received the 33d degree, Scottish Rite Mason.

He is survived by his wife Margaret and two sons. Dr. Wood became well known as a physician, author, and student of history and philosophy before he was elected as a Republican to the 82d Congress, November 7, 1950, where he served on the House Public Works Committee.

Burton L. French and John T. Wood were men of the highest integrity and moral courage and each made a most valuable contribution to the welfare of this great Nation.

Mr. Speaker, I ask unanimous consent that all Members who so desire may extend their remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Idaho?

There was no objection.

SPECIAL ORDERS GRANTED

Mr. HOFFMAN of Michigan (at the request of Mr. MARTIN) was given permission to address the House for 30 minutes, following any special orders heretofore entered today, Tuesday, and Wednesday.

Mr. MINSHALL was given permission to vacate the special order he had for today, and to address the House for 60 minutes on Tuesday, following any special orders heretofore entered.

THIRTY-FIFTH ANNIVERSARY OF THE BATTLE OF THE VISTULA

Mr. KEATING. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEATING. Mr. Speaker, August 15th will mark the 35th anniversary of the Battle of the Vistula. Mr. Jan M. Okoniewski of 90 Midland Avenue, Rochester, N. Y., has prepared appropriate remarks to commemorate this significant occasion. This anniversary is deserving of our recognition as a tribute to a stalwart band of freedom lovers. Mr. Okoniewski's statement follows:

The 15th of August marks the 35th anniversary of the Battle of the Vistula. Some historians consider this as the 21st decisive battle in the history of the world. This battle stopped the Communist move to the west, particularly into a strongly communized Germany. For a period of 20 years following the Battle of the Vistula, Russian communism was forced to stay within her own borders.

It should be mentioned, that those who fought this battle against communism in the summer of 1920, were the Poles, who had only 2 years previously regained their independence from Germany, Austria, and Russia after 150 years captivity during the partition of Poland.

In view of the fact that the world is trying to stop the Communists in their advances today, this battle should become a symbol of the free world's determination and ability to withstand Communist onslaught. The Polish forces under Marshal Pilsudski numbered some 600,000 in the regular army, with another 300,000 volunteers, who were recruited within a period of 6 months. Against these freemen, the Bolsheviks had an army in the field of 2½ million men, forming some of Russia's crack divisions. The struggle between the ideology of the West against the new philosophy which had taken root in Russia was fought by the Poles without any assistance from the other Western Powers. Strikes in France and England barred the shipment of arms to the Poles, and the borders of other nations were closed to the passage of arms for the defending forces. The results of this first and only military victory over the Communists were quickly dissipated some 20 years later by the conferences held by the Grand Alliance of the Second World War at Tehran, Yalta, and Potsdam. Because of the decisions made at these conferences, the first nation to fight the evils of communism was placed under the bondage of the Russian rulers.

This is the reward free people achieve for giving the world 20 years to learn the intentions of an ungodly philosophy, such as communism. Such is the reward for the sacrifices made by the Poles in the victorious battle of the Vistula.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Tribbe, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On July 13, 1955:

H. R. 6042. An act making appropriations for the Department of Defense for the fiscal year ending June 30, 1956, and for other purposes.

On July 14, 1955:

H. R. 245. An act to amend section 2 of the act of January 27, 1905 (33 Stat. 616), as amended (48 U. S. C., 1952 edition, sec. 322);

H. R. 1111. An act for the relief of Philip Mack;

H. R. 1692. An act for the relief of Frederecik F. Gaskin;

H. R. 1745. An act for the relief of Paul E. Milward;

H. R. 1747. An act for the relief of the Utica Brewing Co.; and

H. R. 3363. An act for the relief of Rodolfo C. Delgado, Jesus M. Lagua, and Vincente D. Reynante.

On July 15, 1955:

H. R. 4915. An act to amend the act of April 6, 1949, to extend the period for emergency assistance to farmers and stockmen;

H. R. 6766. An act making appropriations for the Atomic Energy Commission, the Tennessee Valley Authority, certain agencies of the Department of the Interior, and civil functions administered by the Department of the Army, for the fiscal year ending June 30, 1956, and for other purposes;

H. R. 6329. An act to authorize certain construction at military, naval, and Air Force installations, and for other purposes;

H. R. 7066. An act to provide for the conservation of anthracite coal resources through measures of flood control and anthracite mine drainage, and for other purposes; and

H. R. 4182. An act for the relief of the Highway Construction Co. of Ohio, Inc.

On July 23, 1955:

H. R. 5891. An act to amend the act of July 31, 1947 (61 Stat. 681), and the mining laws to provide for multiple use of the surface of the same tracts of the public lands, and for other purposes.

On July 26, 1955:

H. R. 122. An act to amend the Commodity Exchange Act;

H. R. 899. An act to authorize and direct the sale of certain land in Alaska to Oscar H. Vogel, of Anchorage, Alaska;

H. R. 926. An act for the relief of Bruno Michael Kiuru;

H. R. 1217. An act for the relief of Evagelos B. Tzarimas;

H. R. 1218. An act for the relief of Mira Domenika Grgurinovich;

H. R. 1338. An act for the relief of Erich Wolf, also known as Ladislov Wolfenstein;

H. R. 1405. An act for the relief of Vassiliki D. Papadakou;

H. R. 1406. An act for the relief of Sister Antonina Zattolo and Sister Antonina Cali;

H. R. 1503. An act for the relief of Helga Kutschka;

H. R. 1504. An act for the relief of Andreas Kafarakis;

H. R. 1651. An act for the relief of Lucette Helene Adams;

H. R. 1655. An act for the relief of the Wojcik family;

H. R. 1684. An act for the relief of Rev. Zdislaw Aleksander Peszkowski;

H. R. 1869. An act for the relief of Luis Deriberprey;

H. R. 1879. An act for the relief of Luisa Gemma Toffani, Rosa Sometti, Bianca Carpanese, and Margherita Bruni;

H. R. 1897. An act for the relief of Guiseppe Tumbarello;

H. R. 1935. An act for the relief of Giuseppa Curro Tati;

H. R. 1962. An act for the relief of Miss Athena Kitsopoulou;

H. R. 1964. An act for the relief of Mrs. Hildegard Herrmann Costa;

H. R. 2358. An act for the relief of Pietro Murgia;

H. R. 2360. An act for the relief of Gloria Fan;

H. R. 3036. An act for the relief of Robert V. Blednyh;

H. R. 3813. An act to amend the act incorporating the American Legion so as to redefine eligibility for membership therein;

H. R. 4046. An act to abolish the Old Kasaan National Monument, Alaska, and for other purposes;

H. R. 4585. An act to amend the act of August 24, 1912, to simplify the procedures governing the mailings of certain publications of churches and church organizations;

H. R. 4753. An act of amend subsection (e) (1) of section 13A of the Subversive Activities Control Act of 1950 to change from

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2 years to 3 years the standard contained therein with respect to the past affiliations of individuals conducting the management of certain organizations;

H. R. 4754. An act to redefine eligibility for membership in AMVETS (American Veterans of World War II);

H. R. 4946. An act to amend title IV of the Veterans' Readjustment Assistance Act;

H. R. 5300. An act to authorize the establishment of the City of Refuge National Historical Park, in the Territory of Hawaii, and for other purposes.

H. R. 5456. An act for the relief of Emil Arens;

H. R. 5792. An act to amend the Veterans' Readjustment Assistance Act of 1952, to extend the time for filing claims for mustering-out payments;

H. R. 6419. An act to redefine the terms "stepchild" and "stepparent" for the purposes of the Servicemen's Indemnity Act of 1951, as amended; and

H. R. 6832. An act to provide for payment of a reasonable attorney's fee by the insured in a suit brought by him or on his behalf during his lifetime for waiver of premiums on account of total disability.

On July 23, 1955:

H. R. 1407. An act for the relief of Henry Kraemer;

H. R. 1801. An act to authorize the purchase, sale, and exchange of certain Indian lands on the Yakima Indian Reservation, and for other purposes;

H. R. 1802. An act to authorize the leasing of certain lands of the Yakima Tribe to the State of Washington for historical and for park purposes;

H. R. 5559. An act to extend for a period of 2 years the privilege of free importation of gifts from members of the Armed Forces of the United States on duty abroad;

H. R. 6295. An act to amend section 3 of the Travel Expense Act of 1949, as amended, to provide an increased maximum per diem allowance for subsistence and travel expenses, and for other purposes;

H. J. Res. 256. Joint resolution providing for an objective, thorough, and nationwide analysis and reevaluation of the human and economic problems of mental illness, and for other purposes; and

H. J. Res. 273. Joint resolution to establish a commission for the celebration of the 100th anniversary of the birth of Theodore Roosevelt.

On July 29, 1955:

H. R. 1617. An act to amend section 622 of the National Service Life Insurance Act of 1940;

H. R. 1619. An act to amend certain provisions of the Servicemen's Indemnity Act of 1951;

H. R. 3852. An act for the relief of Angel Medina Cardenas;

H. R. 3867. An act for the relief of Iwan Bonk and Tacianna Bonk;

H. R. 6086. An act for the relief of certain relatives of United States citizens or lawfully resident aliens; and

H. R. 6454. An act to amend the joint resolution approved August 30, 1954, relating to the establishment of the Woodrow Wilson Centennial Celebration Commission, and for other purposes.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 1621. An act to authorize adjustment by the Secretary of Agriculture of certain obligations of settlers on projects developed or subject to the act of August 11, 1939, as amended, and for other purposes;

S. 1757. An act to amend the act known as the "Agricultural Marketing Act of 1946," approved August 14, 1946;

S. 1759. An act to consolidate the Hatch Act of 1887 and laws supplementary thereto relating to the appropriation of Federal funds for the support of agricultural experiment stations in the States, Alaska, Hawaii, and Puerto Rico;

S. 1792. An act to amend the Federal Employees' Group Life Insurance Act of 1954;

S. 1849. An act to provide for the grant of career-conditional and career appointments in the competitive civil service to indefinite employees who previously qualified for competitive appointment; and

S. 2098. An act to amend public law 83, 83d Congress.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 6198. An act to provide for the sale of certain war housing projects to the Housing authority of Beaver County, Pa., for use in providing rental housing for persons of limited income.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 2501) entitled "An act to amend the Public Health Service Act to authorize grants to States for the purpose of assisting States to provide children and expectant mothers an opportunity for vaccination against poliomyelitis"; requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. HILL, Mr. LEHMAN, Mr. MCNAMARA, Mr. SMITH of New Jersey, and Mr. IVES to be the conferees on the part of the Senate.

SPECIAL ORDER GRANTED

Mr. KEARNS asked and was given permission to address the House for 10 minutes tomorrow, following the legislative program and any special orders heretofore entered.

DISTRIBUTION SYSTEMS ON FEDERAL RECLAMATION PROJECTS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 223)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and referred to the Committee on Interior and Insular Affairs, and ordered to be printed:

To the Congress of the United States:

Because of the great importance of western irrigation to the Nation as a whole, on July 4, 1955, I approved H. R. 103 "To provide for the construction of distribution systems on authorized Federal reclamation projects by irrigation districts and other public agencies." That approval, however, was given with reluctance because of serious defects in the act.

Although it contains desirable features for cooperation between the Federal Government and local agencies, the act falls short of according to the United States the protection which it requires. Important in that connection is the proviso that title shall at all times reside in the contracting water users. With that proviso in the law the United States lacks the means of assuring that the loans will be repaid, that the systems will be constructed in accordance with the plans, specifications, and other engineering requirements of the Secretary of the Interior, and that they will be operated in conformity with the reclamation laws. Accordingly, I recommend that the act be amended so as to require, prior to the consummation of any loan, the transfer to the United States of the titles to the systems and rights-of-way held or acquired by the borrowers. Titles to those properties should remain in the United States until the loan is repaid.

In keeping with such recommendation, it is desirable that only revokable permits be granted across any of the lands of the United States. That limitation necessarily follows in view of the fact that the United States will probably advance virtually all of the funds which will be expended in the development of the distribution systems. Moreover, those funds are to be advanced for the specific purpose of effectuating the objectives of the reclamation laws. Thus, as stated, retention of title in the United States will assure to it adequate means of enforcing those laws. For that reason, easements for the rights-of-way should not be granted by the United States.

As a consequence, the act should be revised to eliminate those provisions which authorize the Secretary of the Interior or the head of any other executive department to sell and convey necessary rights-of-way. In lieu of that clause, it is suggested that all rights-of-way which are granted to borrowers pursuant to the act be brought within the provisions of those congressional enactments relating to the granting of permits for rights-of-way across the lands of the United States. The safeguards contained in those acts are necessary for the protection of the United States.

Because of the fact that large sums of money will be advanced pursuant to the act, it should contain measures precluding windfalls to the borrowers. An amendment explicitly requiring them to account in full to the Secretary of the Interior in regard to all disbursements of borrowed funds and to return at once for application toward amortization of the loans all funds which are not expended in the construction of the distribution systems would suffice as a safeguard against possible windfalls.

Because of the need for having the corrective measures that I have outlined applicable to all loans made under the act, I hope that such measures will be adopted as promptly as possible after the convening of the next session of the Congress.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *August 1, 1955.*

MOTIONS TO SUSPEND THE RULES

Mr. MCCORMACK. Mr. Speaker, I ask unanimous consent that it may be in order during the remainder of this week

for the Speaker to recognize Members for motions to suspend the rules.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

DISTRICT OF COLUMBIA AUDITORIUM COMMISSION

The SPEAKER. Pursuant to the provisions of Public Law 128, 84th Congress, the Chair appoints as members of the District of Columbia Auditorium Commission on the part of the House: Mr. Morrison, Mr. Klein, Mr. Thompson of New Jersey, Mr. Kearns, Mr. Broyhill, Mr. Barnee Breeskin of Washington, D. C., and Mr. Robert Dowling of New York City.

AMENDMENT OF FLAMMABLE FABRICS ACT

Mr. SMITH of Virginia. Mr. Speaker, I call up House Resolution 312 and ask for its present consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5222) to amend the Flammable Fabrics Act to exempt from its application scarves which do not present an unusual hazard. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

CALL OF THE HOUSE

Mr. CANFIELD. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. SMITH of Virginia. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 145]

Abernethy	Green, Pa.	O'Brien, N. Y.
Andrews	Gregory	Passman
Anfuso	Griffiths	Pelly
Barden	Gwinn	Phillips
Bell	Halleck	Powell
Buchanan	Hillings	Prouty
Buckley	Hoffman, Ill.	Radwan
Burdick	Holt	Reece, Tenn.
Chatham	Kearney	Reed, N. Y.
Chiperfield	Kilburn	Riehlman
Christopher	Kluczynski	Robsion, Ky.
Clevenger	Knutson	Sheehan
Cooley	Krueger	Shuford
Dawson, Ill.	Lipscomb	Sieminski
Dies	McConnell	Siler
Digga	McGregor	Smith, Kans.
Dingell	McIntire	Steed
Dolliver	Mason	Taylor
Eberharter	Mumma	Teague, Tex.
Frazier	Nelson	Thomson, Wyo.
Gordon	Norblad	Tuck
Velde	Williams, Miss.	Younger
Watts	Wilson, Calif.	Zelenko
Whitten	Winstead	

The SPEAKER. On this rollcall 369 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

APPROPRIATIONS FOR THE LEGISLATIVE BRANCH FOR THE FISCAL YEAR ENDING JUNE 30, 1956

Mr. ROONEY. Mr. Speaker, I ask unanimous consent for the immediate consideration of the resolution (H. J. Res. 434) to provide appropriations for the legislative branch for the fiscal year ending June 30, 1956, and I ask that it be considered in the House as in Committee of the Whole.

The Clerk read the title of the resolution.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. TABER. Mr. Speaker, reserving the right to object, this is made necessary to meet the parliamentary position we are in with reference to the legislative bill?

Mr. ROONEY. It is. The House-Senate conferees on the legislative appropriation bill have reached a stalemate. The pending resolution would permit the legislative branch to operate through the remainder of fiscal year 1956 on the same basis that it has during the month of July. This resolution carries through June 30, 1956.

Mr. TABER. For both bodies?

Mr. ROONEY. Yes.

Mr. TABER. Not just for one?

Mr. ROONEY. That is correct. This would apply to both bodies.

Mr. LECOMPTE. Mr. Speaker, further reserving the right to object, may I submit a question to the gentleman? Does this leave the matter of the stationery account and the matter of allowance for clerk hire of the individual Member exactly as it is now?

Mr. ROONEY. It would.

Mr. LECOMPTE. Until when?

Mr. ROONEY. Until June 30, 1956.

Mr. LECOMPTE. It does not change the salaries of any of the employees of the House or add any employees?

Mr. ROONEY. It does not insofar as both Senate and House are concerned.

Mr. LECOMPTE. And it does not add any employees?

Mr. ROONEY. It does not, for either body.

Mr. LECOMPTE. I want to commend the members of the conference committee, the gentleman from New York [Mr. ROONEY], the gentleman from Missouri [Mr. CANNON], the gentleman from New York [Mr. TABER], and the other members of the conference committee who represented the House. For some time there has been a struggle going on for increases all along the line. The House Administration committee has studied the problem at length through a subcommittee which came forward with bills on the subject none of which were satisfactory to 6 members who filed a minority report 2 weeks ago. These men: The gentleman from North Carolina [Mr. ALEXANDER], the gentleman from Texas [Mr. DOWDY], the gentleman from Nebraska [Mr. HARRISON], the gentleman from Missouri [Mr. JONES], and the gentleman from South Carolina [Mr. ASHMORE], and myself filed a minority report to H. R. 7440 which is printed and I recommend to all of my colleagues to read and study this short account. I believe sincerely that the effort of these men who prepared and signed the minority report has saved millions of dollors for the taxpayers each year. How much the program of increasing salaries for employees of both Houses, creating new jobs, increasing stationery allowance for all Members, raising the authorized amount each Member might expend for research assistants and other clerks and helpers would have run into millions each year—if the full program had been approved.

I commend the men who have stood out for a small measure of economy and have opposed short cuts to fringe benefits. This continuing resolution means millions and millions of dollars to the overburdened taxpayers.

I withdraw my reservation of objection, Mr. Speaker.

LEGISLATIVE BRANCH APPROPRIATIONS, 1956

Mr. ROONEY, from the Committee on Appropriations, submitted the following report:

The Committee on Appropriations to whom was referred the House Joint Resolution No. 434, making appropriations for the legislative branch for the fiscal year 1956, reports the same to the House without amendment and with the recommendation that the joint resolution be passed.

The Legislative Branch Appropriation bill for 1956 (H. R. 7117), having reached a stalemate in conference, it is necessary to have this joint resolution enacted in order to pay salaries and expenses of the legislative branch through the remainder of the fiscal year.

This joint resolution would permit the legislative branch to continue to operate on the same basis it has during the month of July 1955, at the lower of two rates, i. e., the rate which was in effect for the fiscal year 1955 or the rate of the 1956 budget estimate, plus, in either case, amounts necessary for increased pay costs as authorized by law.

This joint resolution ties back to the authority set forth in section (b) of title I of Public Law 123, 84th Congress.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the resolution, as follows:

Resolved, etc., That the provisions of title I of Public Law 123, 84th Congress, insofar as they apply to the legislative branch, shall continue in effect through June 30, 1956.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDMENT OF FLAMMABLE FABRICS ACT

Mr. SMITH of Virginia. Mr. Speaker, House Resolution 312 makes in order the bill (H. R. 5222) to amend in slight

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particulars the Flammable Fabrics Act. Does the gentleman from Illinois desire to consume any time on the rule?

Mr. ALLEN of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from New Jersey [Mr. WOLVERTON].

Mr. WOLVERTON. Mr. Speaker, I have requested this time from the ranking minority member of the Committee on Rules in order that I may advise the House that there is serious objection to the bill this rule would bring before the House for consideration. I regret exceedingly that a bill of this type and character should be brought before the House at this late hour in the session, because I am fearful that it may not receive the consideration that it should have. This bill seeks to exempt from the Flammable Fabrics Act scarfs from Japan that do not meet the lawful test as fixed by the statute. This bill is nothing more or less than an effort to bail out some New York importers who claim to be stocked up with Japanese scarfs which do not comply with the law of the United States.

This is admitted. It is claimed, however, that they should be exempted so that these cheap silk scarfs can come into our country in competition with our better made but more expensive scarfs that do comply with our law guarding against flammability. These Japanese lightweight scarfs are cheap and flimsy. They constitute a hazard to the wearers.

This bill has come up in the House, in a way that in my opinion is most regrettable. I do not want the gentleman from New York, who is in favor of this bill, to take from what I say that there is any reflection intended with respect to him as chairman of the subcommittee or as the sponsor of the proposed legislation, but here are the facts.

This bill was in our committee. It was referred to a subcommittee of the Committee on Interstate and Foreign Commerce. Hearings were held on April 21. On April 19, the first notice was given that there would be any hearings on the bill. On April 20, the day before the hearings, the notice appeared in the CONGRESSIONAL RECORD. It was brought up on April 21 at an afternoon session that met at 2:30 o'clock in the afternoon while the House was in session. This appears from the minutes of the committee. It was finished by 5 minutes after 4 in the afternoon, an hour and 35 minutes from the time the hearing was opened. In the meantime there had been a recess of the committee because of a roll call in the House. So you can realize how short was the hearing that was held on this bill.

Mr. HARRIS. Mr. Speaker, will the gentleman yield for a question?

Mr. WOLVERTON. Just for a question.

Mr. HARRIS. Is it not a fact that this legislation was presented and requested by the Secretary of Commerce?

Mr. WOLVERTON. I understand so, which raises a situation the reason for which should certainly be looked into. The fact is that the original legislation, known as the Flammable Fabrics bill, had as great support as I think any bill ever had in this Congress. It was intended to guard our people from the dangers of highly inflammable materials. It was not legislation that was adopted in a hurried manner. It had been under discussion by our committee for two years before the original act was adopted. We sought to accomplish our objective without doing injustice to a large industry. Finally, when the original act was drawn it had the approval and the support I think of all the industry organizations as well as labor unions identified with the industry. I have before me a list of the organizations that saw fit to endorse the original bill. It was adopted unanimously by this House and it included scarfs of the kind the bill before us seeks to exempt. The organizations to which I refer are as follows:

The Association of Cotton Textile Merchants of New York.

National Cotton Council of America.

National Retail Dry Goods Association.

National Association of House Dress Manufacturers.

National Association of Button Manufacturers.

Retail Merchants and Retail Dry Goods Association of New York.

The Society of the Plastic Industry.

Rayon and Acetate Fiber Producers.

American Cotton Manufacturers' Institute.

The fire departments of cities and the fire marshals of States throughout the country, including:

The California State marshal who through the years had been an authority on the subject.

The New York Board of Trade.

The Philadelphia Textile Manufacturers Association.

The Retail Merchants Association.

The Retail Textile Group.

Silk & Rayon Printers & Dyers Association of America.

Textile Distributors Institute, Inc.

Textile Fabrics Association, New York.

Tufted Textile Manufacturers Association.

That indicates who was in favor of the bill as we finally drew it and presented it for consideration to the House. The bill passed the House unanimously. It has remained in that original form with only one slight amendment until a few New York importers, who are importers of Japanese goods, came down to Washington and sought to get exemption from the act, notwithstanding the fact that what they asked to be exempted from the law is in violation of the very reason the law was passed.

Mr. CANFIELD. Mr. Speaker, will the gentleman yield?

Mr. WOLVERTON. I yield to the gentleman from New Jersey.

Mr. CANFIELD. Is it not true that the American textile industry and its union workers are violently opposed to the passage of this bill today?

Mr. WOLVERTON. They are.

Mr. CANFIELD. This is a bill designed to destroy the Flammable Fabrics Act.

Mr. WOLVERTON. It is claimed that 3,000 workers have lost their jobs as a result of the importation of Japanese cheap merchandise of a similar type to that which it is sought to exempt in this legislation.

Mr. SEELY-BROWN. Mr. Speaker, will the gentleman yield?

Mr. WOLVERTON. I yield to the gentleman from Connecticut.

Mr. SEELY-BROWN. I congratulate the gentleman on the statement he is making. I certainly associate myself with the views which he has so well expressed.

Mr. WOLVERTON. Thank you. I ask that Members look at the minority report which has been filed by those of us who are opposed to this bill. If you can get a copy of the minority report, read that report, read the reasons for the opposition to this bill. Outside of a representative from the Department of Commerce the only people who testified at the hearings were those in favor of the bill. And they were few indeed. There may have been 2 or 3. The opponents had no notice of the hearings. They were not invited to appear. If they had an opportunity to testify you would find that they would be opposed to this bill and in favor of the law remaining as it was passed and now is.

It was only last year the Committee on Interstate and Foreign Commerce reaffirmed its position. In the report filed by the gentleman from Massachusetts [Mr. HESELTON] the following appeared:

> Your committee is convinced that scarfs should be subject to the provisions of the law just as any other item of wearing apparel. They can be as much a danger to human safety as any other improperly protected garments. Scarfs are worn around the head or neck and tied on with a knot which may not be easily removable. Once ignited, the danger of the hair catching on fire is very great. The scarfs cannot be readily discarded under such circumstances.

Also the committee amendment deletes from the bill the proposed exemption for scarfs made of plain fabrics.

It was said:

Importers of and dealers in silk scarves have accumulated large inventories of this highly flammable merchandise. The fact remains, however, that all industries concerned were given 1 full year after the date of enactment of the Flammable Fabrics Act to adjust their inventories and manufacturing processes to the new safety standards prescribed by this law.

It is my sincere conviction that to pass this bill is to endanger the safety of the women and children of our Nation.

Indicative of the strong feeling in opposition to this legislation which will affect the lives of every individual are the following letters and telegrams received:

> INTERNATIONAL LADIES' GARMENT WORKERS UNION,
> *New York, N. Y., April 20, 1955.*
>
> Hon. ARTHUR G. KLEIN,
> *Chairman, Commerce and Finance Subcommittee, Interstate and Foreign Commerce Committee, House Office Building, Washington, D. C.*
>
> DEAR CONGRESSMAN KLEIN: We note from the press that your committee is considering H. R. 5222 which would exempt plain-surface scarves from the provisions of the Flammable Fabrics Act. When H. R. 9193, which had the same objective, was under consideration last year, the International Ladies' Garment Workers' Union objected in the strongest terms to the exclusion of silk and other plain-surface fabric scarves from the coverage of the act. There was no reason then, as there is no reason now, to re-

gard a fabric as flammable if used in a nightgown or blouse and as nonflammable if used in a scarf. The possibility that the loose ends of scarves will catch fire is certainly much greater than with other articles of clothing which are worn closer to the body. The exposed portions of a sheer scarf worn close to the face could, if ignited, cause severe injury to the wearer. The same holds true for sheer scarves worn around the neck, or arm, or head.

The issue of flammability of scarves must not be resolved in terms of the interests of the domestic importers or foreign exporters, but solely in the interests of possible victims of ignited scarves. Certainly there is no reason why operations should not continue under existing flammability standards with fabrics which meet the legal standards because they are of somewhat heavier weight or have been flameproofed. Scarves which are being made now are sufficiently sheer to satisfy the wants of consumers. At a matter of fact, domestic and foreign textile mills managed to adjust their production without any difficulty so that their fabrics could meet the burning tests provided by the Flammable Fabrics Act.

We urge your subcommittee to reject H. R. 5222. Last year we submitted a good deal of material in support of our position and comments on the arguments, advanced by proponents of H. R. 9193, which should be in the files of your committee. We will be glad to submit additional material supporting our views should you so desire.

Very truly yours,

JAMES LIPSIG,
Assistant Executive Secretary.

SILK & RAYON PRINTERS & DYERS,
ASSOCIATION OF AMERICA, INC.,
Washington, D. C., April 20, 1955.

Hon. ARTHUR G. KLEIN,
Chairman, Subcommittee on Commerce and Finance, Committee on Interstate and Foreign Commerce, House of Representatives, Washington, D. C.

DEAR MR. KLEIN: On behalf of its members, the Silk & Rayon Printers & Dyers Association of America, Inc., a trade association comprising some 125 concerns who finish silk, rayon, and other synthetic fabrics, and the recognized spokesmen for the silk and rayon finishing industry, wishes to go on record as opposing the enactment of H. R. 5222, which would amend the Flammable Fabrics Act (15 U. S. C. 1191–1200).

Under section 4 of the act in its present form, sheer silk scarves of less than 5 momme in weight are banned by Commercial Standard 191–53. The bill, H. R. 5222, would exempt "scarves made of plain surface fabrics" from the purview of the Flammable Fabrics Act. This would legalize, as wearing apparel for women and girls, sheer silk scarves of 3 and 4 momme weight, the bulk of which is imported from Japan and which admittedly have "rapid and intense" flammability characteristics.

Scarves are frequently knotted or tied about the head, face, and neck. They are not rapidly removable from the person as a general rule, and hence can cause serious and disfiguring damage to the wearer if ignited. Where the items of apparel have "rapid and intense" flammability, as sheer silk scarves admittedly have, they constitute real dangers to the wearers which the act properly seeks to void by banning their importation and sale.

An identical amendment was proposed last year in S. 3379 (83d Cong., 2d sess.), introduced by Senator PURTELL, but it was not enacted into law at that time. The reasons against the enactment of that provision last year hold just as true this year with respect to H. R. 5222.

Although the members of our industry are exempt from the operations of the Flammable Fabrics Act except in the most unusual circumstances (sec. 11, (b)), this association feels that protection for the consumer—the basic objective of the Flammable Fabrics Act—would be prejudiced if sheer silk scares were to be legalized as articles of wearing apparel, regardless of the rapidity or intensity of their flammability.

Therefore, we respectfully urge that H. R. 5222 should not be approved. It is respectfully requested that this letter be inserted in the record.

Respectfully submitted,

SILK & RAYON PRINTERS & DYERS
ASSOCIATION OF AMERICA, INC.,
By DANIEL L. KREEGER,
Washington Representative.

TEXTILE WORKERS UNION OF AMERICA,
New York, N. Y., June 30, 1955.

Hon. PERCY J. PRIEST,
House Office Building, Washington, D. C.

DEAR CONGRESSMAN PRIEST: The Textile Workers Union of America has been advised that another attempt is being made to exclude plain surface fabric scarfs from the provisions of the Flammable Fabrics Act.

We are unalterably opposed to H. R. 5222 and S. 1455 as we were opposed to the Purtell bill, S. 3379, in 1954. The Textile Workers Union of America is of the opinion that no special consideration should be given to exempt scarfs from the provisions of the Flammable Fabrics Act.

Scarfs are worn by the women of this country about the neck and head. If they are highly inflammable they will constitute a serious menace and hazard. There is no valid reason why scarfs should not meet the same safety standards set for all other type fabrics produced in this country and other countries. The only reason to exempt them would be to give special consideration to increase the importation of Japanese scarfs printed, finished, and handrolled in Japan, regardless of the danger.

The present importation of the fully printed, finished, and handrolled scarf has already deprived 3,000 workers of their jobs. These workers were formerly engaged in screen printing of silk fabrics which were made up into scarfs.

The argument of the industry, in pressing for this amendment, is that $1,250,000 worth of silk scarfs are accumulated in stock and in addition thousands of dollars of such scarfs are tied up in customs due to the unpredictability of the burning tests. These arguments are definitely improper. The industry has had ample notice of the passage of the Flammable Fabrics Act and further that scarfs were included. A great many importers did not believe in the law and therefore continued to import scarfs that did not meet the provisions of the Flammable Fabrics Act. These converters were gambling on the law being changed. It is certainly improper to use this as an argument to change the reasonable provisions of the Flammable Fabrics Act. Certainly Japan has made the necessary provisions for the production of scarfs that would meet the standards as set down by the Flammable Fabrics Act.

The Textile Workers Union of America respectfully requests you to vote against H. R. 5222 and S. 1455 not only in the best interests of textile workers, but also for the protection of the consumers of this Nation.

Very truly yours,

TEXTILE WORKERS UNION OF AMERICA,
By WILLIAM GORDON,
Director, Dyers and Plastics Division.

NEW YORK, N. Y., *July 27, 1955.*

Hon. CHAS. A. WOLVERTON,
House Office Building,
Washington, D. C.:

Rumors are being circulated that the textile workers union of America has withdrawn its opposition to H. R. 5222.

The Textile Workers Union of America has been and still is violently opposed to exempting scarfs from the provisions of the Flammable Fabrics Act. The exemption would grant special consideration to increase the importation of the fully printed and finished Japanese scarf. The present importation of the Japanese scarf has already caused the loss of jobs of 3,000 American textile workers. It would give preference to Japanese fabrics which are not being given to American produced fabrics. The passage of this bill will seriously endanger the women of our country who wear scarfs about the neck and head. It is criminal to exempt scarfs from the provisions of the Flammable Fabrics Act and thus create a serious safety hazard.

We urge you to do everything in your power to defeat H. R. 5222.

TEXTILE WORKERS UNION OF AMERICA,
WILLIAM GORDON, *Vice President.*

NEW YORK, N. Y., *July 25, 1955.*

Hon. CHAS. A. WOLVERTON,
House of Representatives,
Washington, D. C.:

We trust you will be successful in your efforts to protect the American public from dangerously flammable fabrics and that you will be able to defeat the bill exempting Japanese silk scarves from the flammability test. Promotion of international trade does not warrant imperiling the lives and safety of American consumers by exempting Japanese silk scarves from the dangerously flammable test. Domestic manufacturers are willing to meet the safety standards of the Flammability Act which you sponsored and American consumers should not be endangered to promote business of Japanese manufacturers and importers of dangerously flammable fabrics. Prosecutions already instituted by the Federal Trade Commission show the need for strict enforcement of the Flamable Fabrics Act. As an industry supporting the flammability legislation we urge that regardless of the fiber or country of origin all products sold to the American public for wearing apparel be required to meet the tests of the act.

RAYON AND ACETATE FIBER
PRODUCERS GROUP,
MATTHEW H. O'BRIEN,
Secretary.

NEW YORK, N. Y., *July 22, 1955.*

Representative CHARLES A. WOLVERTON,
Capitol:

In the absence of James Lipsig, wish to reaffirm the previous stand taken by the International Ladies Garment Workers Union with regard to amendments of the Flammable Fabrics Act to exempt scarves. The views of the International Ladies Garment Workers Union have been previously stated against such an amendment in several communications addressed to the Subcommittee on Commerce and Finance of the House Committee on Interstate and Foreign Commerce. We wish to reaffirm these views.

LAZARE TEPER,
Director of Research, International Ladies Garment Workers.

There is no doubt in mind that in justice to our own women and children, our domestic manufacturers, who are willing to comply with the law and are doing so, and, our own workers in the mills of America, that we should defeat this rule and thereby prevent a bill of this kind coming before the Congress. I hope the rule will be defeated.

Mr. ALLEN of Illinois. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, I rise in support of the rule. I think the Members should have the opportunity of hearing full debate on the bill itself.

As I understand, there are 31 members of the Committee on Interstate and Foreign Commerce, and out of those 31 only

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5 did not vote for this bill. It came before the Committee on Rules and received a rule. So with those great odds of 26 to 5 on the Committee on Interstate and Foreign Commerce and the fact that only 4 members filed a minority report, I reiterate that I believe the rule should pass so that the Members may hear the arguments pro and con in regard to this bill.

Now a word about the Department of Commerce. They are definitely for this bill. In their letter the Department of Commerce said they favor the enactment of the bill. They stated that they applied to the Bureau of the Budget and the Bureau of the Budget did not introduce any objection to the bill. The Department of State favors the bill. The Federal Trade Commission favors the enactment of this bill. The Executive Office of the President on April 20, 1955, wrote to the chairman of the committee, Mr. PRIEST, saying that that office would have no objection to the enactment of the bill.

So I say, Mr. Speaker, inasmuch as 26 members of the Committee on Interstate and Foreign Commerce favor the bill, since the Committee on Rules have reported a rule, the majority thinking that the House should consider the rule, and since the Department of Commerce, the State Department, the Federal Trade Commission, and the Office of the President are in favor of the bill, it is my hope that the rule will be adopted and that the Members may have the opportunity of having the views stated pro and con in connection with this bill, and act accordingly.

Mr. BROWN of Ohio. Mr. Speaker, I rise in opposition to the rule and I am opposed to the passage of the bill, H. R. 5222, which this rule would make in order. This bill is designed for the simple purpose of permitting certain importers, who, contrary to the present law, went out and imported a number of flimsy Japanese scarves which are very flammable—they have them in warehouses now—to be exempted from the present flammable products law so that they can dump this merchandise on the market at the risk of endangering the lives of the women of American. When this bill first came before the Committee on Rules, it was set aside. Then later on when the pressure developed for some reason or other, the rule reaches the floor. I think it is a very controversial measure. It provides for the establishment of a very dangerous precedent. If we exempt these products, which are imported from foreign countries, so that somebody can make a huge fortune and endanger the lives of thousands and thousands of American citizens, in the last hour of Congress, I say to you it is a poor way, in my opinion, to legislate. I feel very strongly that this matter should certainly be laid over until the next session of Congress, and considered not in the hurly-burly rush of the last few hours on the day of adjournment of this session of the Congress, but when we have time to pass upon it properly. I want to point out to you this bill was introduced on March 24, reported June 28, and here it is on the floor of the House in the closing hours of this session. It seems to me that every Member of the House should have an opportunity to read and study the hearings that were held on this matter and know what the real questions are that are involved in this situation with reference to this legislation. As one member of the committee remarked when he voted for it, "I hope to God that no woman in my district is burned to death on account of the passage of this bill that I just voted for." I think it is an outrage.

Mr. CANFIELD. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. CANFIELD. Is it not true also that the value of the inventories of these Japanese inflammable scarves is now supposed to be more than $1 million?

Mr. BROWN of Ohio. It is my understanding, at least, that many hundreds of thousands of dollars have been invested by a few people who have imported these scarves, thinking they could make a huge profit by dumping them on the American market, and then seek, if they can, to get the Congress in the closing hours of this session to set aside a law that was adopted for the protection of the American people from the hazards of fire.

Mr. CANFIELD. The report of the other body says the value of these scarves is $1,250,000. They are cached away somewhere in some storehouse in the United States at the present time.

Mr. BROWN of Ohio. Mr. Speaker, I hope the rule is defeated and the bill is set aside.

Mr. SMITH of Virginia. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. KLEIN].

Mr. KLEIN. Mr. Speaker, the only reason I am taking this time—I did not want to impose on the time of the House as I thought we could take the time in committee—is that I cannot let some of these statements go unchallenged. It would appear that an insidious conspiracy exists to burn all the people in this country to which this Republican administration is a party. Actually, this bill is not my bill. It can only be termed my bill because I introduced it, but I did so at the request of the chairman of my committee [Mr. PRIEST]. I am the chairman of the subcommittee that has jurisdiction over the Federal Trade Commission, to which the bill was referred. The bill came to us from the Secretary of Commerce, Mr. Sinclair Weeks, who wrote a letter to the Speaker asking that this legislation be introduced. It was then referred to our committee and introduced at the request of the chairman. We got a favorable report not only from the Department of Commerce but from the State Department, the Federal Trade Commission, and the Bureau of the Budget. Is the entire Government in this conspiracy to burn up the people as some of these people would have you believe? Let us pass this rule and go into the Committee of the Whole, and then I can explain some of these ridiculous charges which have been made, as will other members of our committee. I say to you now that this industry has been in existence for 100 years. The gentleman from New Jersey [Mr. WOLVERTON] would have you believe that there was much opposition in committee. Although everybody got an opportunity to testify, all the oral testimony was in favor of this bill. Two letters were sent to us in opposition, one by a union, I believe, in the district of the gentleman from New Jersey [Mr. CANFIELD] and another one from a group in the district of the gentleman from New Jersey [Mr. WOLVERTON]. That is all they did. They never came in; they simply wrote us a letter and did nothing more about it.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. KLEIN. I yield.

Mr. HARRIS. Is it not true that this bill provides the same exemption as is provided for gloves, hats, and shoes?

Mr. KLEIN. Exactly the same.

Mrs. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. KLEIN. I yield.

Mrs. CHURCH. I would like to ask the gentleman whether the committee sought to get a report from the Bureau of Standards to determine whether or not these articles are inflammable?

Mr. KLEIN. Yes, that is in the report, as I understand it, from the Department of Commerce.

The Bureau of Standards is a division of the Department of Commerce.

Mrs. CHURCH. But were they guaranteed to be nonflammable? I mean, were they guaranteed to come under the restrictions of the Flammable Fabrics Act?

Mr. KLEIN. The testimony would indicate that these scarves, plain-surface scarves, while they can ignite, do not burn with any degree of heat or intensity. The testimony indicated that in about a hundred years nobody was ever harmed from this type scarf having burned. With regard to your question about the Bureau of Standards, I understood when we got this letter from the Secretary of Commerce that he speaks for every agency of the Department.

Mrs. CHURCH. It was my understanding that the Bureau of Standards had not established the degree of flammability. I would say that even though these scarves do not burn hard, the fact that they burn at all would endanger the life of every woman who put on such a scarf.

Mr. KLEIN. I do not believe that is so. It was never the intention of the act to apply to articles such as this, which are easily divestible, and present no hazard. It is not an article of clothing.

The SPEAKER. The time of the gentleman has expired.

Mr. SMITH of Virgina. Mr. Speaker, I yield 1 minute to the gentleman from Wisconsin [Mr. WIER].

Mr. WIER. Mr. Speaker, I remember the long debate held in this Congress in either the 82d or the 83d Congress, in which this bill was fully discussed and the danger exposed. If this is the same bill, it ought to be defeated again.

Mr. Speaker, I yield 5 minutes to the gentleman from New Jersey [Mr. CANFIELD].

Mr. CANFIELD. Mr. Speaker, let us make no mistake about it, this is a bill

written to weaken provisions of the Flammable Fabrics Act, passed by the Congress of the United States to save our people, mostly women and children, from the hazards of dangerous fabrics.

There were children in my district who were burned to death in yesteryear from wearing these dangerous cowboy suits. It was only a few years ago that we had a rash of exploding sweater incidents in which so many women were disfigured or killed.

Now the gentleman from New York [Mr. KLEIN], refers to reports from other agencies of the Government, aside from the Department of Commerce. I could not get a copy of the report on his bill in the House Committee on Interstate and Foreign Commerce, but I have a copy of the report put out for the Senate Committee on Interstate and Foreign Commerce. Reference is made in that report to a letter from the Comptroller General of the United States, Mr. Joseph Campbell, in which he said, in answer to a request from Senator MAGNUSON, "We have no comments to make concerning the enactment of S. 1455," a companion bill to Mr. KLEIN's bill.

The Department of Justice letter, dated May 27, signed by the Deputy Attorney General, William P. Rogers, reads in part:

> Whether the bill should be enacted involves a question of policy concerning which this Department prefers to make no recommendation.

The following are also excerpts from the Senate report:

> Many silk scarves made of plain-surface fabrics fail by a narrow margin to meet this minimum requirement, established for relatively safe fabrics.
>
> The only scarves that would be affected by the proposed amendment are imported principally from Japan.
>
> It is estimated that $1,250,000 of such silk scarves have been accumulated and cannot be sold under existing law.

I want to read you a telegram I have recently received from the textile workers union:

> NEW YORK, N. Y., *July 27, 1955.*
>
> Hon. GORDON CANFIELD,
> *House Office Building,*
> *Washington, D. C.:*
>
> Rumors are being circulated that the Textile Workers Union of America has withdrawn its opposition to H. R. 5222.
>
> The Textile Workers Union of America has been, and still is, violently opposed to exempting scarves from the provisions of the Flammable Fabrics Act. The exemption would grant special consideration to increase the importation of the fully printed finished Japanese scarf. The present importation of the scarf has already caused the loss of jobs of 3,000 American textile workers. It would give preference to Japanese fabrics which are not being given to American-produced fabrics. The passage of this bill will seriously endanger the women of our country who wear scarves about the neck and head. It is criminal to exempt scarves from the provisions of the Flammable Fabrics Act and thus create a serious safety hazard.
>
> We urge you to do everything in your power to defeat H. R. 5222.
>
> TEXTILE WORKERS UNION OF AMERICA,
> WILLIAM GORDON, *Vice President.*

If the women of America, if the fire chiefs and fire marshals of America, knew we were taking this bill up today in the very closing hours of this 1st session of the 84th Congress, they would be marching on the Capitol, they are so anxious to maintain the provisions of this important enactment.

Mr. BAILEY. Mr. Speaker, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from West Virginia.

Mr. BAILEY. As my colleague from New Jersey knows, 13 American manufacturers of silk scarves have been driven out of business in the last 3 years because the findings of the Tariff Commission were set aside and the ad valorem rate on silk was restored.

Mr. CANFIELD. I know about the silk story because I hail from Paterson, N. J., which used to be know as the Silk City, the Lyons of America. It is no longer so.

Mr. SMITH of Virginia. Mr. Speaker, I yield myself such time as I may consume.

The SPEAKER. The gentleman from Virginia is recognized.

Mr. SMITH of Virginia. Mr. Speaker, I had not anticipated delaying the House in the discussion of the rule. I felt that would go through and we could then discuss the merits of the bill. But I cannot sit silent when this violent attack is made upon a great committee of this House, the Committee on Interstate and Foreign Commerce.

I had no idea that the Committee on Interstate and Foreign Commerce had any thought of trying to burn anybody up or do anything which was dangerous to the people, or bring in a material that was flammable or injurious to human life. I am sure they did not. I am sure you know they did not. But let us see what has happened in this bill.

This bill was considered by the Committee on Interstate and Foreign Commerce for some time. They filed a report of 10 pages. It was reported out of that committee by a vote of 19 to 4. That is what happened on this bill. Why did they do that? Let us see what the administration says about it.

This bill is recommended by the administration. It comes under the jurisdiction of the Commerce Committee. The Secretary of Commerce wrote a letter to the committee recommending the passage of this bill. They said:

> To the best of our knowledge plain-surface scarves have never presented any serious hazard to wearers, and consequently no danger to the public would result from excluding such scarves from the definition of wearing apparel in the Flammable Fabrics Act.

The Department of State recommends the passage of the bill, saying:

> We are gratified at the introduction of the bill and pleased to recommend its enactment.

Then from the Federal Trade Commission we have a letter recommending the act.

Here is the recommendation of the Bureau of the Budget.

Mr. Speaker, what do these Members want? I do not say you should vote for the bill, but let us adopt this rule and then get down to the question of the merits of the bill.

I hope the House will adopt this rule and let us get on to a consideration of the bill itself.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois [Mr. SPRINGER].

Mr. SPRINGER. Mr. Speaker, from all the discussion on this bill in the committee I have come to the conclusion that this is not a bill in the public interest—and it should not be passed.

This is special legislation for a very small group of importers. You are asked to exempt this group from the provisions of the Flammable Fabrics Act. I don't believe we ought to exempt any such things as scarfs just because some people happen to be doing a flourishing and profitable business in importing the product.

I realize two Government agencies are supporting this legislation. I have been one of the strongest supporters of the Reciprocal Trade Agreements Act. Therefore, I want to say my reasons for being against this legislation have nothing to do with that legislation.

The Flammable Fabrics Act was passed to protect the public—especially women. There is no sound reason to exempt silk scarfs or any other clothing covered by the act. I am against this bill because it exempts this clothing from a law designed for the safety of the public generally. I trust the rule will be defeated.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 2 minutes to the gentlewomen from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. Mr. Speaker, it seems to me it would be unthinkable to pass this bill if there is any danger of inflammability in these scarfs. Also it seems to me our State Department is against protection of our domestic industries. It has always helped other countries first.

At this time when an international conference is being held in Asia and the Far East I beg of the House to pass a resolution declaring it to be the sense of the Congress that we will not give away Formosa. That is one of the most important issues that the country has before it today. I greatly fear from the conversations and notices from the press that they may give away Formosa and recognize Red China. The hand of our Secretary of State, Mr. Dulles, and our delegates should be strengthened in case they should waver. Our position be made crystal clear.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. HINSHAW].

Mr. HINSHAW. Mr. Speaker, I am in the fortunate position of not being on either side of this controversy so far as special interests are concerned. I neither have any silk weavers nor printers or dyers in my congressional district and I do not have any warehouses in my district full of silk. It is quite obvious that those who are engaged in the warehousing and importing and exporting business are very much in favor of this bill and those who come from areas which weave silk and other fabrics or have woven silk and other fabrics are against it. The printers are also against it. As far as I can observe from

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what I have heard on this bill, the only people who are opposed to it, and I do not believe they are very much opposed to it, are the Ladies Garment Workers and the Silk and Rayon Printers and Dyers Association of America. The Government officers are for it and here is why: The little scarves that are here talked about are inexpensive things. I think they are worn about the head or about the neck. And they have a slightly faster burning time than the allowable, which is 3½ seconds for 6 inches of scarf. Three and one-half seconds is the standard by which we judge those things, and I think these take something like 3¼ seconds to burn. It is not enough to make any difference, but it apparently excites a lot of people and can get a lot of people stirred up talking about fire departments and so forth. I think that is carrying things a little bit far at this stage of the game, although if pieces of paper can be thrown in the air and scare the membership, all is well and good.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from Arkansas.

Mr. HARRIS. Is it not true that the record shows that during the 100 years that silk scarves have been brought into this country there has never been one single incident reported where a person was burned?

Mr. HINSHAW. Yes. The thing that was talked about are these cowboy pants with several inches of flammable fabric attached to them that went up like a torpedo. But, this is not like that. This is like a silk handkerchief that anybody can purchase in a drug store or a mercantile store of any kind. This is thick mat sort of a deal, not fuzzy in any way. It does not burn fast. The Department of Commerce, the State Department, the Bureau of the Budget, and all of them involved are in favor of the bill.

Mr. HARRIS. And is it not true that under the Flammable Fabrics Act silk handkerchiefs are exempt?

Mr. HINSHAW. Certainly.

Mr. SMITH of Virginia. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The question was taken; and on a division (demanded by Mr. HARRIS) there were—ayes 46, noes 108.

So the resolution was rejected.

CAPITAL TRANSIT CO.

Mr. SMITH of Virginia, from the Committee on Rules, reported the following privileged resolution (H. Res. 333, Rept. No. 1621), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 7718) to authorize the Capital Transit Co., under certain conditions, to surrender its franchise, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the District of Columbia, the bill shall be considered as having been read for amendment. No amendment shall be in order to said bill except amendments offered by direction of the Committee on the District of Columbia, and all points of order against such committee amendments are hereby waived, and said amendments shall not be subject to amendment. At the conclusion of such consideration, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill, and amendments thereto to final passage without intervening motion, except one motion to recommit.

HOUSING AUTHORITY OF BEAVER COUNTY, PA.

Mr. SPENCE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 6198) relating to the Housing Authority of Beaver County, Pa., with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 8, after the word "him", insert "on the basis of an appraisal by an independent real-estate expert."

Page 4, line 14, after the word "made", strike out the period and insert ", and provided that the amount obtained for such project shall be reported to the Banking and Currency Committees of the Senate and House of Representatives."

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

Mr. PATMAN. Mr. Speaker, reserving the right to object, we have other bills that were unanimously reported favorably by the Committee on Banking and Currency; similar bills. Will they be brought up, too?

The SPEAKER. Only Senate bills or House bills with Senate amendments.

Mr. PATMAN. I thank the Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Senate amendment was concurred in; and a motion to reconsider was laid on the table.

REESTABLISH COMMON BOUNDARY OF STATES OF MARYLAND AND DELAWARE

Mr. CELLER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 987) to authorize the Secretary of Commerce, acting through the Coast and Geodetic Survey, to assist the States of Maryland and Delaware to reestablish their common boundary.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Commerce, acting through the Coast and Geodetic Survey, is authorized and directed, upon the joint request of (1) the Board of Natural Resources of the State of Maryland, and (2) the State archivist and the chief engineer of the Highway Department of the State of Delaware, to resurvey that part of the common boundary running generally north and south between the States of Maryland and Delaware which was originally surveyed and marked by Charles Mason and Jeremiah Dixon in the years 1763–1767 with a view to assisting such States to remark or otherwise delineate such boundary.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill was laid on the table.

EXTENSION OF REMARKS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include extraneous matter.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

SPECIAL ORDER GRANTED

Mr. FEIGHAN asked and was given permission to address the House today for 20 minutes, following the legislative program and any special orders previously entered, and to revise and extend his remarks.

LEAVE OF ABSENCE

Mr. GORDON (at the request of Mr. ZABLOCKI) asked and was granted a leave of absence for today and the remainder of the session on account of illness.

NEW HARD-MONEY CRUSADE

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, during the past few weeks, the process known as the "hard-money crusade," which began in early 1953, has entered a new and significant phase. Unquestionably, the defeat of House Resolution 210 on this floor, June 15, was interpreted by the hard-money advocates as a green-light signal to resume their campaign for higher interest rates and at the same time lay the groundwork for another round of windfall profits in Government securities.

A review of some of the developments in the money market since early June will show the extent to which this new phase of the "crusade" has progressed.

The interest rate on 90-day Treasury bills is the so-called wholesale rate. Treasury bills are the nearest thing to money. There is absolutely no risk in holding them and they are an excellent source of liquidity for the employment of corporate and other funds held as secondary reserves. There have been times in the past when these 90-day bills actually provided a negative yield.

In the first week of June 1955 shortly after the Rules Committee had cleared

House Resolution 210 for floor debate the rate on new issues of Treasury bills averaged 1.390 percent.

Despite repeated professions by Treasury spokesmen of a policy of extending the maturity structure of the debt—a policy I opposed, incidentally—the Treasury decided at the end of June to increase the supply of 90-day bills by offering $100 million extra in the weekly auction. The average interest rate on bills rose sharply to 1.541 percent, nearly 10 percent above the rate in early June.

The rate on the newest issue of Treasury bills was over 1.7 percent. In less than 2 months, the so-called wholesale interest rate has increased by more than 20 percent. The rise in the wholesale rate on 90-day Treasury bills since early June means an added annual interest burden on the taxpayer of more than $4 million.

On July 5, Secretary of the Treasury Humphrey announced details of a new financing operation. An additional $750 million of the 3 percent, 40-year bonds, which were issued last February—the longest term issue since the Panama Canal bonds—were offered for cash. The 40-year 3's were the only securities the Treasury had issued since January 1953 which had not been permitted to go below their par price.

The Treasury, bankers, and other financial authorities were quoted as saying the bond offer would have little disturbing effect on the economy, mortgage credit, Government bonds, or investment quality corporate securities. They did not reckon with the Federal Open Market Committee.

SHARP REDUCTIONS IN GOVERNMENT BONDS

Government bond prices have been marked down sharply. The 3's have fallen below their par price for the first time since their issuance. Government underwritten mortgages are being discounted 2 to 4 points off par. Some State highway issues have been withdrawn because of too high interest rates and at least one large utility offering could not be marketed without a heavy loss to the underwriting syndicate.

These developments have stemmed directly from Federal Open Market Committee policies, which I shall discuss presently.

Returning to the Treasury's financing offer of July 5, in addition to reopening the 40-year bonds, the Secretary offered to exchange $8.5 billion of maturing 1-year Treasury certificates at 1⅛ percent for 2-percent certificates, or a seven-eighths percentage point increase in the interest rate. In addition, the Secretary included this giveaway feature. The 1⅛-percent Treasury certificates of indebtedness do not mature until August 15, 1955. Holders of the old certificates, exchanging for the new 2-percent issue dated August 1, were notified to detach the interest coupons dated August 15, 1955, before exchanging, and cash them when due. In other words, the Treasury gave away 15 days' interest at 1⅛ percent on $8.5 billion of the maturing certificates at a cost to the taxpayers of $4 million.

The increase from 1⅛ percent to 2 percent on the new certificates also increased the annual interest charge from $95 million to $169 million. This single refunding increased annual interest charges to the United States taxpayer by $74 million.

AFTER DEFEAT OF HOUSE RESOLUTION 210

This is only one facet of the new phase of monetary and credit policies which began with the defeat of House Resolution 210.

The Federal Open Market Committee was, without doubt, greatly relieved when the proposal to study their operations and how they affect the prices of Government securities was defeated in the House on June 15. Speculators in the Government bond market must have also felt reassured by this action.

Since June 15, the market for Government securities has undergone two episodes of drastic price markdowns, which could have netted investors with superior knowledge substantial profits.

The Federal open market authorities have been following a policy euphemistically known as mild restraint.

This policy has not yet brought about a contraction in lending. It is not intended to do that. It has, as I have already pointed out, caused a sharp increase in the wholesale rate of interest—that is, the rate on new issues of 90-day Treasury bills.

SUPPORT GOVERNMENT BONDS AT PAR

But the impact of open-market policy has not been confined to short-term interest rates only. It has been accompanied by a substantial depreciation in the prices of long-term Government bonds. If continued, this drop may prove unsettling and embarrassing for some of our smaller financial institutions and investors who are removed from the New York City money market. Smaller banks are already worried by the fact that the market prices for their Government securities are far below the values on their books. This was noted by the American Banker, July 29, which reported:

> One small bank wrote to us this week saying, "Why do the powers that have the authority permit the value of United States Treasury securities to go below par on the open market?"
>
> It seems to us that something should be done to correct this (p. 4).

For those who are able to guess right about the course of Federal open market policies and consequently the direction of Government bond prices, the recent price markdowns afforded opportunities to make great profits.

In this connection, it has been noted in a study of changes in member bank securities portfolios that New York City member banks respond quickest to shifts in Federal open market purchase policies. They are, of course, closest to the New York Federal Reserve Bank, which manages the open-market account and supervises the daily transactions of millions of dollars of Government securities, which they buy and sell for the account.

SHORT SELLING GOVERNMENT BONDS

It may be of interest to the Members to know that United States Government bonds are traded on an over-the-counter market and that short selling is permissible. In the last year an increase in the amount of such transactions has been observed. In other words, it is possible to profit from selling United States Treasury securities short. For those who may be privy to advance information on monetary and debt-management policies, dealing in the Government bond market is likely to be as profitable as crapshooting with loaded dice. For example, the American Banker states:

> The dealers who were selling 3's for future delivery at slightly under par have already done very well. (July 29, 1955, p. 4.)

CRAPSHOOTING WITH LOADED DICE

The Congress has never conducted a study of how the Open Market Committee operates on a day-to-day basis. It is, therefore, not in a position to know whether or not crapshooting with loaded dice is taking place in the Government bond market. And until the Congress decides to conduct such a study it will never find out. One day, it might blow up in our face. Then it will be too late.

Up to Wednesday, June 15, when House Resolution 210 was debated and defeated, the prices of United States Treasury securities had tended toward relative stability and firmness after displaying weakness earlier in the year. On Thursday and Friday, June 16 and 17, sharp writedowns in Treasury bonds occurred, particularly for the Victory Loan 2½'s. Again, on Thursday and Friday, July 21 and July 22, sharp price reductions of Treasury bonds took place.

It is interesting to note that the writedowns followed the Wednesday closing. On Wednesday of each week a condition statement is prepared, which shows the volume of net open-market transactions which occurred during the week. The Wednesday condition statement, dated July 20, showed that no change had occurred in the open-market account.

LEAKS, LEAKS, LEAKS

Could a leak have developed? On Thursday, July 21, the entire list of Treasury bonds fell sharply as a result of a selloff. The Victory Loan 2½'s dropped $^{18}/_{32}$ and the 40-year 3's dropped below par for the first time since their issuance.

The selloff, which took place on Thursday, clearly reflected a reaction to what the Wednesday condition statement showed—a hands-off open-market policy.

On Friday, July 22, the 2½'s fell another $^{4}/_{32}$.

In just 2 days, July 21 and July 22, the market price of the Victory Loan 2½'s fell $^{22}/_{32}$, or $6,875 per million dollars of bonds traded.

On Friday, July 29, bonds again fell, with the 40-year 3-percent bonds losing $^{10}/_{32}$.

For the entire period, June 14 to July 29, those who guessed right on the course of Government bond prices could have sold short and made $26,250 per million on the price drop in the Victory Loan 2½'s.

I insert in the RECORD at this point a table which shows the closing bid quotations for all taxable and marketable

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Treasury bonds on June 14 and July 29, together with the price change in thirty-seconds for each issue:

Closing bid quotations—U. S. Treasury bonds (taxable) June 14, 1955, and July 29, 1955

Issue	June 14, 1955	July 29, 1955	Change in thirty-seconds of a point
3s 1955	101.9	99.4	69
3¼s 1978–83	107.4	104.16	84
2½s 1967–72 (Dec.)	96.20	94.0	84
2½s 1966–71	96.20	94.4	80
2½s 1965–70	96.24	94.10	78
2½s 1964–69 (Dec.)	96.28	94.14	78
2½s 1963–68 (Dec.)	97.10	95.2	72
2½s 1963 (Aug.)	98.24	96.24	60
2½s 1962–67	98.10	96.4	70
2½s 1961 (Nov.)	99.8	97.18	54
2½s 1960 (Nov.)	98.10	96.26	48
2¼s 1959–62 (Dec.)	98.1	95.28	69
2½s 1958 (Dec.)	100.11	99.17	26
2⅜s 1958 (June)	100.3	99.11	24
2⅜s 1957–59 (March)	100.2	99.0	34
2¼s 1956–59 (Sept.)	99.15	98.13	34
2½s 1956–58 (March)	100.15	100.1	14

Source: The New York Times, Wednesday, June 15, 1955, and Saturday, July 30, 1955.

Bearing in mind that every change of one thirty-second up or down may mean a gain of $312.50 per million for those who can guess "right" and act accordingly, the changes in the table show what great profits can be made speculating in Government bonds.

No wonder there is so much support for the so-called flexible bond price policy from the big banking houses located near the New York Federal Reserve Bank.

The recent episode of sharp price fluctuations in Government bonds came after statements by bankers, insurance-company officials, and other financial authorities that the Treasury's decision to reopen the 40-year three's would have little effect on Government bond prices.

The recent sharp price fluctuations in Government bond prices without any apparent reason serves to bring to mind another intriguing incident, which took place 2 years ago at the end of June 1953. Members will recall that credit conditions became so difficult because of the hard-money policy in the spring of 1953 that the Federal Reserve reduced member bank reserve requirements. This action no doubt was discussed with Treasury and Open Market Committee officials beforehand. The action was not announced until after close of trading June 24, 1953. But during the day Government bond prices went up as high as fourteen thirty-seconds without any apparent reason. On the following day, June 25, when everybody knew about the reduction in reserve requirements, prices went up as high as thirty thirty-seconds. If a "leak" had developed and advance information about the reduction in reserve requirements reached any speculators, such information was worth $13,750 per million based on Government bond price changes for the 2 days before and after the Federal Reserve announcement.

SUPERIOR KNOWLEDGE

There is another side to these Government bond price fluctuations. Not all investors have the benefit of superior knowledge. For them the recent bond price declines could mean trouble. The Honorable HOWARD SMITH, chairman of our Rules Committee, noted this when he took the floor to speak in opposition to House Resolution 210. I recall how he expressed concern about the impairment of bank capital that would ensue if the delicate balance of the Government bond market was upset and bond prices should start to decline.

IMPAIRMENT OF BANKS' CAPITAL

I share Judge SMITH's concern about the possible impairment of bank capital as a result of these recent bond-price declines. I am particularly concerned about the small country banks who are far removed from the New York Federal Reserve Bank, where the open-market transactions are carried out, and do not have an opportunity to anticipate policy changes as well as the banks in the New York City area. I know these smaller banks are worried by the decline in prices of Government securities.

In this connection, I have noted that the Comptroller of the Currency and Board of Governors of the Federal Reserve have notified national banks and member banks that their periodic examination must now include information on the quality of their outstanding consumer loans.

In reading about these new instructions to the banks, I wondered whether it was not equally important to inquire how bank capital has been affected by the decline in Treasury security prices.

I am hopeful that my good friend, Judge SMITH, will join with me in recommending such action to the Comptroller of the Currency and the Board of Governors so that the policy of allowing the prices of Treasury securities to be driven down may be carefully assessed.

PRESENT HARD-MONEY CRUSADE

The new phase of the hard-money crusade has already caused a significant increase in the cost of municipal and utility financing. We will all pay for these increased financing charges.

Interest rates on installment buying are also bound to reflect the increased cost of borrowing in the commercial paper market.

The cost of 3- to 6-month commercial paper was recently raised for the fifth time this year. The increase of one-eighth of 1 percent brought the interest rate to a range of 2 percent to 2½ percent. This compared with a range of 1¼ percent to 1⅝ percent quoted early this year.

If the Federal Open Market Committee continues to stand aside and refuses to supply needed credit to the system, the major impact will be on Treasury securities prices and interest rates rather than on bank loans.

Commercial banks and life-insurance companies have been taking care of the needs of their regular customers even if this required selling Treasury securities in a weak market. However, so-called marginal customers—the less preferred borrowers—will, of course, be affected. Either interest rates will be raised or their loans will not be renewed at maturity.

DENIAL OF CREDIT

Invariably the small-business man trying to survive is the fellow who gets hit. Denial of credit means certain failure for many. In this way the seeds of monopoly are planted. Many of the small businesses were driven into mergers or put out of business because of the credit squeeze of 1953.

Farmers also are adversely affected by the developing credit squeeze. The continuing decline in prices received while prices paid by farmers stays high has put them in a cost-price vise. A boost in interest rates will increase the pressure on farmers further.

WHEN CONGRESS ADJOURNS

I am fearful that the developments of the past few weeks will be followed by a set-up in the functioning of the monetary apparatus just as soon as Congress adjourns. The key or market rate, as I noted earlier, is the rate on Treasury bills and this wholesale rate has risen rapidly. As this rate continues to rise, pressure will be exerted to again raise the Federal Reserve rediscount rate. This is the move the New York banks have been waiting for to use as an excuse to bring the prime interest rate back up to 3¼ percent, where they put it in the spring of 1953.

The groundwork has been prepared for applying the brakes to our economy a second time. Will we have another shakeout of the economy? Will there be a second round of windfall profits on United States bond transactions?

So far as I am able to ascertain, the tendencies in the money market since mid-June point toward such a development.

I urge the Members of this House to keep an eye on the monetary authorities. Open-market policy has become the single most powerful regulator of our economy.

PROVISION FOR GOVERNMENT AUDIT OF THE FEDERAL RESERVE SYSTEM AND THE COMPTROLLER OF THE CURRENCY—IF MEMBERS OF CONGRESS HAD THE TIME AND ASSISTANCE TO LEARN ABOUT ADMINISTRATION OF FEDERAL RESERVE SYSTEM, MAJOR CHANGES WOULD BE MADE

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, there are two agencies of the Government which are not subject to any audit control by any other agency of Government. The expenses and other accounts of the Board of Governors, the Federal Open Market Committee, and the 12 regional Federal Reserve banks are not subject to any budgetary control by the Congress, nor are they subject to audit control by any agency of the Government.

Although the Federal Reserve System is a central bank owned by the Government, and not, as has been reported, owned in whole or in part by the private commercial banks, the expenditures of the Board of Governors are not audited by any Government agency and it has never been subjected to budgetary control. The expenses of the regional

Reserve banks have been subject only to the supervision of the Board of Governors. As far as I know, there is absolutely no audit of the Federal Open Market Committee by any agency. In fact, the Federal Open Market Committee, which handles the greatest securities portfolio in the history of the world—$25 billion of United States Government securities—and in whose name millions of dollars' worth of daily transactions are carried out, has no budget and has no staff. This was characterized as peculiar and abnormal by the ad hoc subcommittee of the Open Market Committee, which stated in its report, November 1952:

> It has no individual budget, nor does the act provide for one. There is no single person on its operating staff who is responsible to the Committee alone. Each of its officials is paid either by the Federal Reserve Board or by a Federal Reserve bank. Each would automatically cease to have any relationship with the Federal Open Market Committee the moment that connection was severed. No member of the Committee, nor of its staff, is charged to give exclusive attention to its concerns. Everyone connected with it wears also another hat. Even the manager of the open-market account, who comes nearest to devoting his full time to its functions, has heavy independent responsibilities in connection with the fiscal agency and other operations of the Federal Reserve Bank of New York. (Hearings, United States Monetary Policy, Joint Committee on the Economic Report, December 1954, p. 281.)

During the past 41 years of the existence of the Federal Reserve System, we have been told that each of the 12 Federal Reserve banks has been audited each year. It was not until 1952 that the Board of Governors of the Federal Reserve System agreed to have its own accounts audited by an outside private agency.

In May of 1954 at my insistence and for the first time in the history of the System, an audit of the Board of Governors made by a private outside firm was filed with the Banking and Currency Committees of the House and the Senate.

This audit failed to make adequate or satisfactory disclosures as to the operation of the Board of Governors. It did not purport to cover an audit of the 12 regional Reserve banks, the Federal Open Market Committee, or the Federal Open Market Account.

It is not any reflection on the integrity of the outside accounting firm to point out that the quality of an audit of the Federal Reserve would differ substantially if instead of the auditors being selected by the Board of Governors and their receiving instructions from the Board, their selection and instruction came from the Congress.

I have introduced a number of bills requiring a complete audit of the Federal Reserve System by the Comptroller General. This is in line with approved industrial and commercial practice where auditors are selected not by the management whose accounts are to be critically examined, but by the shareholders. I have indicated that we could authorize the Comptroller General to employ by contract the professional services of outside firms, if that seemed preferable, or perform the audit with its own employees. The important point is that the Comptroller General rather than the Board of Governors would prescribe the scope and issue the instructions to be followed by the auditors.

The kind of audit that the Federal Reserve had been getting was one pretty much limited to counting the petty cash and verifying Government bonds. The Board of Governors was never audited until a few years ago by an outside concern. The Board stated in February 1952:

> In 1950 a public accounting firm of national reputation was retained for the purpose of reviewing the Board's organization and procedures, including accounting and budgetary matters. While no major suggestions were made with respect to its auditing procedures, the Board has recently decided to have its accounts audited by qualified outside auditors in order that there be no question as to the independence of these audits. (Monetary Policy and Management of the Public Debt, 82d Cong., 2d sess. Joint Committee on The Economic Report, pt. 1, p. 309.)

MISTAKE COSTING $750,000 ANNUALLY DISCOVERED 40 YEARS LATER

Some 2 years later in 1954 the Federal Reserve officials came to Congress and asked to have section 16 of the Federal Reserve Act repealed. This provision prohibited one Federal Reserve bank from paying out notes issued by another Federal Reserve bank. It had some justification in the early years of the operation of the Federal Reserve System but soon became obsolete. So for nearly 40 years the Federal Reserve Bank of Richmond, for example, continued to bundle up and return to the other 11 Federal Reserve banks any and all Federal Reserve notes received by it which were not issued by the Richmond bank. It was estimated by the Chairman of the Board of Governors, when the Board finally decided to ask Congress to repeal section 16, that this useless and unnecessary practice had been costing three-quarters of a million dollars each year. If the Federal Reserve banks had been properly audited by its outside auditors such a useless and expensive practice would have been uncovered many years ago. The System would have been saved many millions of dollars which would have been returned to the United States Treasury and thereby would have benefited the taxpayers. We have no way of knowing at the present time whether other internal practices are resulting in wasteful expenditures. We know nothing about the efficiency of procedures employed by the regional Reserve banks in handling the tremendous volume of transactions they report annually. The magnitude of these transactions into which possible error or misfeasance might enter is indicated in the following table covering 1954:

Volume of operations in principal departments of Federal Reserve banks in 1954

[Dollar amounts in billions]

Discounts and advances	22.9
Currency and coin counted and received	29.2
U. S. Government checks handled	141.0
Other checks handled	883.0
Issues, redemptions, and exchanges of U. S. Government securities	469.2
Transfer of funds between banks	1,038.1

In 1954 the volume of transactions handled by the regional Reserve banks aggregated about $2.5 trillion.

The possibilities of error and waste are frightening to consider. As was noted in testimony before the House Banking and Currency Committee, section 16 of the Federal Reserve Act required the expenditure of some $750,000 annually for a completely useless and unnecessary purpose. The prohibition against one Federal Reserve bank paying out the notes of another could have been removed in the second year of the System's operation. So for some 40-odd years, when the Federal Reserve banks were allegedly being audited, some $30 million were unnecessarily spent on a useless transfer of notes from one bank to another.

This is of course only a very small matter which I have used to illustrate why the lack of a satisfactory audit by an outside agency is harmful to the System itself.

The argument that the Federal Reserve System has its own audit is subject to the logical extension that National and State bank examinations are unnecessary. All that would be required is for these banks to assert as the Chairman of the Board of Governors has that they have a good private audit.

The most important single feature of the Federal Reserve System is the functioning of the Federal Open Market Committee. The Federal Open Market Committee through its financial transactions determines the price of United States Treasury securities; it immediately affects the value of securities in the operating portfolios of leading financial and business institutions, it sets the climate and tone of the money markets. Yet the Federal Open Market Committee and the Federal Open Market Account have never been subject to any budgetary or audit control. Financial transactions of the Federal Open Market Committee mount up to billions of dollars in the course of a year. Last year they ran over $11 billion. The Government securities market is an over-the-counter market. About 10 recognized dealers including banking houses that maintain a trading department in governments comprise the basic structure of the market. The volume of transactions in marketable Treasury securities runs on the average to several hundred million dollars daily. These transactions are typically made by dealers without commission who depend for their profit on the spread between the price at which they buy and the price at which they sell. Short sales are permitted in Governments. A spread of 1/32 will yield $312.50 per million for long-term bonds. A spread of 0.01 in this yield on 90-day bills will net $25 per million. Transactions of good size are as much as $1 million or more for long-term bonds and up to $5 million for short-term bills. Success in trading in the Government securities market depends on the trader's ability to quickly and accurately anticipate changes in market conditions.

THE GREAT OPEN MARKET COMMITTEE

The trading room at the New York Federal Reserve Bank is where the

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transactions of the Federal Open Market Committee are carried out. It is equipped with direct lines to each of eight dealers in New York City. Several trunk lines handle outside calls. About five people are regularly assigned to maintain direct contact with the dealers. Instant contact can be made by anyone at the trading desk or by any 1 of the 8 New York dealers merely by pushing a key. Before the market opens each day meetings are held by personnel of the trading desk representing the Open Market Committee with representatives of recognized dealers. Although the meetings are held to get information about the market from the dealers' representatives the exchange is not one way.

There is no outside independent audit of the procedures governing the conduct of the Federal Open Market Committee in carrying out its financial transactions as an instrumentality or agency of the Government. As far as I know there is no legal prohibition of such an audit. The Federal Reserve has claimed none. On the other hand there is the express requirement of 31 United States Code, chapter 54, that "All establishments shall furnish to the Comptroller General such information regarding the powers, duties, activities, organization, financial transactions, and methods of business as he may require of them; and the Comptroller General, or any of his assistants and employees, shall, for the purpose of securing such information, have access to and the right to examine any books, documents, paper or records of such establishment."

FEDERAL RESERVE BOARD OPPOSES AUDIT

Congress never exempted the System or the Open Market Committee. It therefore must have intended to include it among the establishments subject to the terms of this section. But, as recently as June 22, 1955, the Chairman of the Board of Governors contended that the Comptroller General is without authority to audit the Federal Reserve or the Open Market Committee and that if such an audit is to be undertaken it should be authorized by an act of Congress.

It is my sincere belief that such an audit should be authorized in the public interest. We have before us evidence that there has been at least one instance of neglect in the audits conducted by the Federal Reserve's private auditors. We have seen the critical report of the ad hoc subcommittee of the Federal Open Market Committee concerning the structure and organization of the Open Market Committee, its housekeeping and its relationships with the dealers in Government securities.

It has been stated by the Chairman of the Board of Governors that the independent status of the Federal Reserve System would be jeopardized if it should be subject to budgetary and audit control by the Congress or another agency of the Government.

In answer to that I say that the White House and the President and the judiciary from the Justices of the Supreme Court on down depend upon annual appropriations by the Congress and their independence has not been destroyed.

ANOTHER AGENCY NOT AUDITED

There is another agency of Government which is not audited by the General Accounting Office. That is the Office of the Comptroller of the Currency. All of the accounts of the Comptroller of the Currency are audited by a special internal auditing unit on a permanent and continuous basis. This unit reports directly to the Comptroller. It is charged with the duty of calling to the attention of the Comptroller all expense items which are beyond the limits of applicable regulations or other authorizations, inadequately supported, or otherwise irregular or questionable in any respect.

As an added safeguard, an annual comprehensive audit is performed by the Comptroller, at his request, by representatives of the Bureau of Accounts of the Treasury Department.

Apparently little or no attention is given to the efficiency of procedures, whether improvements in organization, procedures and management might be possible. On July 15, 1955, the Deputy Comptroller of the Currency, Mr. L. A. Jennings, appeared before the House Banking and Currency Committee to testify in behalf of a number of so-called Comptroller's bills. One bill, H. R. 6228, contained a section—104—which would amend section 5221 of the Revised Statutes by eliminating the requirement that a national bank going into voluntary liquidation must publish notice of that fact in a newspaper published in the city of New York. This is what the witness testified with respect to the publication of notice section:

Existing law which has not been changed since its original enactment in 1864 requires that a national bank going into voluntary liquidation must publish notice of that fact for a period of 2 months in a newspaper published in its locality, and also in a newspaper published in New York. The primary purpose of that requirement that publication must be made in New York was to inform the public insofar as possible that the bank was liquidating and that its circulating notes, which might be widely scattered throughout the country, should be presented for payment. As you know, circulating notes have not been issued by national banks since 1935. Therefore, there is now no reason why national banks located in various parts of the country should have to publish in New York City notice of the fact that they are liquidating.

It is my understanding that up to $200,000 a year had been expended in complying with a requirement that had been superfluous and obsolete since 1935. For 20 years such wasteful expenditures were required. I happen to think that small as this sum may be it serves as another illustration showing what happens when we have no audits.

FEW TEARS AS HOOVER COMMISSION EXPIRES—DOLLAR-MINDED GROUP USED VETERANS FOR TARGET PRACTICE—NEVER BEFORE HAS ANY GROUP SPENT SO MUCH, CLAIMED SO MUCH, AND ACCOMPLISHED SO LITTLE—PROTEST OF DISABLED AMERICAN VETERANS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, I see by the morning's paper—August 1, 1955—that the lobby known as the Citizens Committee for the Hoover Report has begun its campaign to get the heat put on the Members as they return to their districts. This group tried hard during the 1954 election campaign to pressure candidates into support for the recommendations of the Hoover Commission. The Hoover Commission's task forces were very busy during the first session of the 84th Congress. The sum and substance of these reports amounted to a restatement of Mr. Hoover's philosophy of government. The American people repudiated that philosophy decisively more than 20 years ago. The attempt to carry out that philosophy cost us dearly. It nearly wrecked our economy and our form of government.

One group that has for some reason never received much sympathy from Mr. Hoover has been the American veterans. He did not seem to look kindly upon them back in 1931 and 1932, and in 1955 he again concentrated his fire upon this group. I am inserting an article at this point that appeared in the Disabled American Veterans' semimonthly publication July 21, 1955. As the article notes the Hoover Commission has made extreme claims about prospective savings and improvement in Government operations since its inception. Its claims have not as yet been borne out. They have had the most experienced public relations counsel promoting the Hoover Commission. They have employed the experts from industry who have proved they can argue the industry point of view ably. They had the benefit of a friendly press.

Mr. Hoover has from time to time come up with recommendations that would not only provide the savings to balance the budget, but it sometimes appears that the savings would be substantial enough to operate the Government for some time in the future without taxes.

We had some very fine men serving on the Hoover Commission. They could not all devote their full time to the Commission's work, so we had the bulk of the work done by so-called experts with rusty axes to grind and crochety masters to serve. It was not a very good example to set for the so-called w. o. c.'s in Government agencies. Here were experts on the Hoover Commission making recommendations about Government policy not too distinctly severed from their private connections.

The Chairman of the Commission was a strong Chairman. He literally ran the Commission. He refused to permit a Vice Chairman to be selected, although the law definitely required a Vice Chairman. I am not criticizing any member of the Hoover Commission except its Chairman. Members simply did not have time to give to the Commission's work and naturally Mr. Hoover dominated the activities of the Commission.

In view of the fact that the legal requirement that the Commission func-

tion with a Vice Chairman was not met it might be said that it was not a legally constituted group—what people in Iowa and Texas used to call an outlaw group—that is, outside the law.

In considering the w. o. c. situation in Government today it should be remembered that Mr. Hoover selected to do the work of his Commission nothing but w. o. c.'s. He selected the members of the various task forces. He did not consider the recommendations of the Vice Chairman, since there were none. The first and only President to serve the United States as a w. o. c.—that is, without compensation—was former President Hoover.

It is as follows:

FEW TEARS AS HOOVER BOARD QUIETLY EXPIRES—DOLLAR-MINDED GROUP USED VETERANS FOR TARGET PRACTICE

WASHINGTON, D. C.—Loved by few, scorned by many, and ignored by Congress on numerous occasions, an economy-minded "giant" died here of natural causes and few there were to mourn its passing. Officially, the giant's name was the President's Commission on Organization of the Executive Branch of the Government, but to the average layman it was more familiarly known as the Hoover Commission.

Created by an act of Congress 8 years ago, the Commission expired primarily because Congress felt it had long since outlived its usefulness as a "prowler through the Government's corridors," as one "obituary notice" expressed it.

THIRTY-DAY REPRIEVE ENDS

Actually, what Congress did was to refuse to extend the life of the Commission beyond a 30-day reprieve.

The Commission was due to go out of existence May 31, but Congress granted the 1-month stay of execution to enable the task force comprising the Hoover group to get out the last of its series of reports on how to save the taxpayers' money.

CRITICIZED AS REACTIONARY

Most of the criticism which was fairly general, particularly during the Commission's last days of life, stemmed from the conviction in the minds of many editors and newspaper readers that the former President and his group based its recommendations on one major premise, namely, that benefits and services to private citizens should be curtailed in an effort to return to the so-called "good old days" when the Government's principal function was to maintain order and provide defense.

"DISCREDITED," SAYS SOLON

One lawmaker, who declined to permit the use of his name, summed up the situation when the Hoover proposals, 1 by 1, were falling on deaf ears for the most part, as follows:

"I have never seen anything so completely and thoroughly discredited by both parties. It's just unbelievable."

FIRE CONCENTRATED ON VETS

Veterans' benefits were a favorite target of the Hoover group, and much of the nearly $6 billion which Mr. Hoover thought could be saved, were his recommendation carried out, was to be saved at the expense of former servicemen.

Beaten in all its earlier attempts to whittle down GI benefits, the Commission renewed its attacks on the several veterans' benefit programs in a series of reports issued the final months of 1954 and the early months of 1955.

ADOPTION OF PROPOSED CUTS UNLIKELY

Capitol Hill observers say there is little or no chance that Congress will adopt any of the proposals which call for slicing GI benefits. Most of these proposals, they point out, would have to be passed upon by the House Committee on Veterans' Affairs, where Chairman OLIN E. TEAGUE, Texas Democrat, and an oft-decorated veteran himself, has indicated that the door is shut.

It was reported that only one of the Commission's proposals of any consequence had met with Mr. TEAGUE's approval. That one called for consolidation of all existing veterans' pension and compensation laws. (Mr. TEAGUE has introduced a bill to that end.)

ATTACK AIMED AT VA

The Hoover Commission had but few good things to say about the Veterans' Administration or veterans' benefits generally.

It liked VA's orthopedic manufacturing activities and suggested that they be expanded so that VA could provide artificial limbs and the like for disabled servicemen still on active duty.

The Commission urged suspension of VA's dental manufacturing and eyeglass manufacturing activities. It praised VA's supplies purchasing procedure but urged that most of VA's purchasing should be turned over to the General Services Administration in order that other Government agencies could take advantage of VA's discounts.

URGED REVISION VETERANS' BENEFITS

Comprehensive revision of veterans' benefits was urged by the Commission. It claimed that close to $300 million a year could be saved if Congress would cut GI benefit programs and make veterans pay for many services and benefits traditionally furnished to them free of charge.

UNFRIENDLY TO VETERANS' PRIVILEGES

There were some proposed changes that were not supposed to save much money, if any at all. It appeared as though the Commission simply objected to special privileges granted to ex-GI's.

A case in point was the Hoover group's proposal on the Federal civil service. It termed veterans' preference rights "undemocratic" and "inefficient."

FAVORED PREFERENCE CURTAILMENT

It urged that preference in getting Government jobs be limited to the physically disabled. It urged that veterans' special appeals rights be dropped altogether. It urged that veterans' preference in cases of a reduction-in-force be severely curtailed.

Of this particular report Mr. Hoover was quoted as saying: "It was nearest my heart's desire," meaning he liked it more than any of the other 30-odd reports his group filed during its 8-year lifespan.

VA MEDICAL PROGRAM ASSAILED

Under attack also was VA's hospital and medical-care program for disabled veterans.

To swell the dollar figures, the Hoover group tacked on compensation and pension benefits paid disabled ex-GI's, despite the fact such benefits are generally considered to be nonmedical.

The Commission urged that the compensation and pension rolls be reviewed periodically with an eye toward saving an estimated $180 million annually.

Tackling direct medical benefits head-on, the Commission recommended that service-connected disabled veterans hospitalized at VA expense for an ailment not proved to be service-connected be required to sign a "pauper's oath" affidavit as is now required of non-service-connected disabled ex-GI's who seek VA hospital care.

The group also urged that such veterans "assume a liability to pay" for their medical care "at some reasonable time in the future."

HOSPITAL SHUTDOWN PROPOSED

The Commission furthermore urged that Congress order VA to shut down 19 "uneconomic" and "poorly located" VA hospitals to "save" an estimated $5 million yearly. It accused VA hospital patients of "goldbricking" and recommended that all "surplus" hospitals be closed immediately.

In other fields of veterans' affairs, the Hoover group alleged that the administrative costs of GI loans, GI insurance and Farmers' Home Administration benefits are a "burden" on nonveterans and those ex-GI's who do not choose to take part in the benefit programs.

EX-GI'S SHOULD PAY COSTS

The Commission said veterans receiving direct benefits from the loan and insurance programs should be made to pay for the administrative costs themselves. It estimated that thereby a saving of $77 million annually could be effected.

A further saving of about $5 million a year could be made, according to the Hoover group, if its suggestion were adopted that the VA guardianship service for war orphans and mentally disabled veterans be terminated in all but 3 States.

It also recommended that VA, wherever possible, shut down the commercial-type bakeries, laundries, and dry-cleaning plants at its hospitals and domiciliaries and sign commercial contracts for bread and cleaning.

CONGRESSMEN CAUSTICALLY CRITICAL

Representative CARL ALBERT, Texas Democrat and party whip, said:

"For the first time in memory an agency of the Government has hung a dollar sign on the moral obligations of our people to the man who fought his country's battles in time of war."

Representative WRIGHT PATMAN, another Democrat from Texas, attacked Mr. Hoover personally. He charged that the former President "has demonstrated his antagonistic feelings toward veterans of wars" and added that "it is the duty of the Congress and the President to see that he is not permitted to unduly harm them."

An official report by the House Committee on Veterans' Affairs called the Hoover Commission's medical care proposals unfair, unsound, unrealistic, and unworkable.

DAIRY FARMERS MAKE PROGRESS IN MOVING PRODUCTS INTO STOMACHS

Mr. LAIRD. Mr. Speaker, as the first session of the 84th Congress draws to a close, I should like to say a word or two about the progress that has been made recently by the dairy farmers of Wisconsin and the rest of the Nation, and the prospects now before the dairy industry.

We all recall that during 1953 and early 1954 the Government was getting into the dairy business at an alarming rate. Month after month milk production was booming to new seasonal records. The increased output was moving not into stomachs, but into the storage facilities of Commodity Credit Corporation. In fact, per capita consumption of butter and some other dairy products was moving downward because the Government would pay a higher price than the housewife would.

It was at this point that Secretary Benson, with over a billion pounds of dairy products in Government storage, was required under the law to adjust dairy price supports. Mr. Benson declared that the destiny of the industry lay with the industry itself, and stated that its problems would never be solved unless both Government and industry resolved to face them squarely.

The Secretary's announcement was not a popular one. Many of us did not

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believe that lowering supports would completely solve the problems. But the dairy industry accepted the challenge. It launched a vigorous selling campaign. Many dairymen undertook an extensive culling program, eliminating from their herds the poor-producing cows which yielded no real profit, but contributed considerably to the milk surplus. And the factor of price, combined with promotion, began to work. Customers who had turned to substitute products became customers for dairy products again.

Within 6 months there was clear-cut evidence that the dairy industry was beginning to emerge from its more serious troubles, and in less than 16 months after the dairy price-support level was adjusted, the evidence was overwhelming that the program was functioning effectively.

During the marketing year ending last March 31, consumption of butter increased 9 percent over the preceding 12 months. Consumption of American cheese was up 14 percent. Fluid milk consumption was also rising. During the first half of 1955, production of milk totaled 65.5 billion pounds, about one-third billion pounds less than last year's record for the period.

The American Dairy Association has just announced the results of June Dairy Month. Consumption of butter in American homes for June 1955 was up 14 percent over June 1954. Consumption of American cheese increased from 14 to 16 million pounds. Consumption of domestic Swiss cheese increased from 3.6 to 4.1 million pounds, and the consumption of other natural types of cheese increased from 2.9 to 3.5 million pounds.

I think it can be said that the greatest proportion of the credit for this accomplishment belongs to the industry itself, which has had the initiative and the imagination to help itself. But Congress and the administration have helped also, lending important support to the industry's efforts.

Through an amendment to Section 416 of the Agricultural Act of 1949, included in the Agricultural Trade Development and Assistance Act of 1954, the Commodity Credit Corporation was authorized to pay the reprocessing, packaging, and transportation costs on products donated to welfare agencies. This has made possible greatly increased utilization of dairy products under this program.

Other provisions of the Agricultural Act of 1954 have made it possible for the Commodity Stabilization Service to work out an arrangement with the Defense Department to increase the consumption of milk by the Armed Forces. They also provided up to $50 million annually of funds of the Commodity Credit Corporation for use in increasing the consumption of fluid milk by children in schools of high school grade and under.

For the first 5 months of the Armed Forces program—November 1954, through March 1955—the four services report increased consumption of more than 50 million pints of milk by our fighting men. Through the school lunch program, consumption of milk this school year has increased by an estimated 400 million half-pints.

All these efforts, public and private, have had a healthy influence upon the purchase of dairy products by the Government. From October, 1953 through July 1954, almost 1¼ million pounds of dairy products were purchased by CCC. During the corresponding 10-month period just ended, Government purchases dropped to about 700 million pounds, about half as much. Purchases of butter were down more than one-half, from 322 million pounds to 142 million pounds.

CCC stocks since the end of July 1954 have been reduced about 50 percent or nearly 500 million pounds. Holdings at the end of July were around 600 million pounds, down sharply from the 1,200,000,000 pounds on hand last July. This not only means a large net reduction in CCC dairy products on hand but that rapidly expanding outlets have absorbed the 850 million pounds of dairy products purchased by the Government during this past year.

Mr. Speaker, our dairy farmers of Wisconsin and their colleagues all over the Nation deserve sincere congratulations for their accomplishments in helping themselves. Secretary Benson should be congratulated, too, for his bold determination to give private initiative a chance, working through the market place, to help solve problems that Government alone has been unable to solve.

We in Congress have done well in supporting these efforts of the dairy farmers, the American Dairy Association, farm organizations, State departments of agriculture, and the United States Department of Agriculture.

E. J. ALBRECHT CO.

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1393) for the relief of E. J. Albrecht Co., with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 4, strike out "in excess of 10 percent thereof."

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Senate amendment was concurred in; and a motion to reconsider was laid on the table.

OPERATION BRAVE

The SPEAKER. Under previous order of the House, the gentleman from Minnesota [Mr. MARSHALL] is recognized for 20 minutes.

Mr. MARSHALL. Mr. Speaker, it is a privilege to join with our distinguished colleagues, Mr. FORD, Mr. HAYS of Arkansas, Mr. JUDD, Mr. PRESTON, Mr. ROOSEVELT, Mr. SCRIVNER, and Mr. SIEMINSKI in a statement announcing Operation Brave.

Operation Brave is a plan proposed by Mr. George Brazier, Jr., of Kansas City, Kans., to strengthen the common bond which exists between the American veterans of the Korean conflict and their comrades from 22 nations who shared their sacrifice in that valiant struggle against Communist aggression.

I ask unanimous consent, Mr. Speaker, that our joint statement commending Mr. Brazier and explaining his plan appear in the RECORD at this point.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

(The statement referred to is as follows:)

OPERATION BRAVE

A plan to strengthen the bond existing between the men of free nations who served together in Korea has been proposed by Mr. George W. Brazier, Jr., of Kansas City, Kans.

It is a plan to direct the spirit of sacrifice shared by those veterans on the battlefields of Korea toward the continuing pursuit of peace in their own lands and in the world. Bound together as they are by the strong ties of common service under arms for a just cause, these men have the mutual understanding and profound respect which are the essential ingredients of cooperation for peace.

Mr. Brazier proposes that 22 outstanding American veterans of the Korean war form teams to visit their comrades-in-arms from the 22 nations who fought so bravely in the common effort to stop Communist aggression in Korea.

His plan is appropriately called Operation Brave in honor of that quality of courage universally admired in war and peace.

The American veterans would reestablish contact with other United Nations veterans to revive the spirit of friendship and comradeship that grew in common suffering and uncommon heroism.

They would convey to the living veterans, their families, the families of the honored dead, and to all citizens of each nation expressions of appreciaton and friendship from the people of America.

They would visit hospitals and shrines to pay tribute to the wounded and honor the dead of each nation.

They would impress upon the people of each country the determination of the people of the United States to defend freedom and justice in times of peace as well as war.

They would remind the men of the magnificent manner in which they fought to restore peace and encourage them to exhibit the same spirit away from the line of battle when their ideals are endangered.

They would invite their fellow veterans to visit the United States to further promote the fullest understanding and greatest cooperation possible.

Mr. Brazier is himself a veteran of the Korean war. He observed firsthand the spirit of comradeship between the men of many nations and their mutual determination to bring peace and security to the world. Mr. Brazier's sincerity of purpose has caused him to work tirelessly for the realization of Operation Brave as a contribution to true peace. We join in wishing him success and godspeed in his work.

ERRETT P. SCRIVNER, Second District, Kansas; FRED MARSHALL, Sixth District, Minnesota; WALTER H. JUDD, Fifth District, Minnesota; BROOKS HAYS, Fifth District, Arkansas; PRINCE H. PRESTON, First District, Georgia; GERALD R. FORD, JR., Fifth District, Michigan; JAMES ROOSEVELT, 26th District, California; ALFRED D. SIEMINSKI, 13th District, New Jersey.

Mr. MARSHALL. It is an honor to be associated with these distinguished Members of the House from both political parties and from every section of our

great country in commendation of this proposal from an American veteran.

It is highly appropriate that this proposal should come from a young man who knows firsthand the spirit of comradeship which binds together the men of the free nations who served the cause of freedom so magnificently in Korea.

This shared experience, in the face of suffering and death, is a source of common understanding and mutual respect that needs to be preserved and strengthened in the continued efforts for peace. It is a realistic and genuine basis for practical cooperation between free men who have personally known what sacrifices are demanded in the cause of justice and freedom.

The preservation of freedom and the guarantee of justice is our greatest task at this moment. We are spending heavily of our resources to make our country the shield and the sanctuary of freedom. Realizing that we must be strong in material power, we are still quick to admit that a harmony of purpose between free people is our greatest weapon and best hope. No more fervent desire for peace nor firm determination to preserve liberty exists than among those men who saw the ugly fruits of Communist tyranny on the battlefields of Korea.

We know that Korea was a crucial test in the struggle between the free world and communism. Our forthright action reaffirmed our position of leadership and rallied like-thinking men of the world to our cause. No man can know how much this has contributed to the cautious hope for peace now expressed by our President and shared by most of the people of the world. There is strength in a just cause—sometimes more strength than we know.

The proposal advanced by Mr. Brazier to send 22 American veterans to visit their fellow veterans around the world is no grand scheme that promises miraculous results. It is a sober and sincere effort to mobilize the good will and dedication that grows between men of courage in time of war for the cause of peace.

It is a modest effort to again arouse in the many men from many lands who shared in the struggle the friendship and firm purpose that stood them so well in Korea. As we have pointed out in our statement, it is an effort to remind these men that peace often demands sacrifices greater than war. It is a reminder that the work of peace is never done.

The veterans of other nations know the formidable military force our Nation can muster. We want to again assure them that our strength is much more than military force. We want them to know that we have understood and appreciated their sacrifice and that our common devotion to the ideals of freedom and justice are still cause for true comradeship in the task of winning peace.

The outstanding American veterans who would be assembled under Operation Brave would presumably be ordinary citizens who shared what must surely be called an extraordinary experience. Under Mr. Brazier's proposal they would be men with outstanding war records as acknowledged by the awards of their own governments and the governments of our allies.

They would be men who had reason to make many contacts with soldiers of other nations and who may have maintained these friendships since their departure from Korea.

They would be men of similar ancestral and racial backgrounds as the veterans of other nations who fought in Korea.

They would be men who have compiled outstanding records as Americans outside the military service as well as in it.

They would be the true heroes of the Korean war, men who were captured by the enemy, subjected to physical and psychological tortures and who, in spite of all, remained true to the oath they took to their country and who refused in any manner to submit to the ideas of their captors.

They would be men, chosen without regard to rank, who best represent the real courage Operation Brave seeks to instill in all people who love freedom.

I think, Mr. Speaker, that we should all be grateful to citizens like Mr. Brazier, who give freely of their efforts and ability to take a personal interest in this most important work to which we can devote ourselves—the establishment of true peace. He has discussed his plan with Members of the Congress and the administration, and I am sure that all who met him are impressed with his selfless devotion to this cause. He has made a real contribution by inspiring all of us to work individually as citizens in the greatest task of our time. We hope this plan will be realized and that it will be a part of a successful effort to make the brotherhood of nations a reality.

THE RECORD OF THE 84TH CONGRESS

The SPEAKER. Under previous order of the House, the gentleman from Indiana [Mr. MADDEN] is recognized for 15 minutes.

Mr. MADDEN. Mr. Speaker, the first session of the 84th Congress is now drawing to a close. I think it would be well to summarize some of its accomplishments and omissions. The American public is gradually discovering that in no time in history has a national administration received such generous and bounteous cooperation from the press and certain subsidized radio and television commentators as the Eisenhower regime.

It is readily apparent that political speeches made by Candidate Eisenhower in 1952 and 1954 on various public issues, including labor, agriculture, and other problems proved to be nothing more than campaign oratory.

AGRICULTURE

When the President appointed Ezra Benson Secretary of Agriculture, evidently he was taking the recommendation of reactionary groups who wished to revert to the old farm policy of 30 years ago. Any average small American farmer can testify today on what the Eisenhower administration has done to the farm economy since January 1953. I wish to include with my remarks a statement made on the floor of the House on May 5, 1955, by Congressman USHER BURDICK, a Republican, and an active dirt farmer of North Dakota. In criticizing the Eisenhower farm program of flexible price support he said:

Quote from Congressman BURDICK, page 5772 of the CONGRESSIONAL RECORD of May 5, 1955:

> Now, with this sliding scale about to be approved—and the 90 percent of parity defeated—there is one thing of which I am certain. That there will be distress in the farm belt, and many farmers will go out of business. The farm income has gone down since 1952 by over a billion dollars. That is not all.
>
> In order to keep down surplus, a drastic farm acreage program has been introduced and will eventually destroy the family-type farms of the country. Right now in Williams County where I live, farmers with 320 acres of tillable land have, in some instances, been reduced to 48 acres. Since wheat is the principal source of income, there is no farmer in America smart enough to support a family of 5 on 48 acres of wheat.
>
> The result will be that these farmers will sell out to the larger outfits, and move to the towns and cities and join the ranks of labor. Organized labor will increase, and many are alarmed now that organized labor will control the elections. In the last election we saw Michigan and Minnesota controlled by the labor vote, and if this present farm program is insisted upon, many more States will be in the same position.

I mention Congressman BURDICK's words because in the 1920's, the bankruptcy of the farmer started the greatest depression in our history.

LABOR

The Members of Congress who are anxious to do something regarding necessary changes to the Taft-Hartley law have been waiting patiently to get some support from the White House. Candidate Eisenhower very specifically in speeches before the A. F. of L. and CIO national conventions, stated union busting provisions of the Taft-Hartley law must be repealed and amendments adopted that would make the legislation fair to both management and labor. When Martin Durkin was Secretary of Labor, he did everything within his power to persuade the President to carry out the promises which he made to the people on labor legislation. When Secretary Durkin was convinced that Secretary of Commerce Weeks of the manufacturing interests and Secretary of the Treasury Humphrey of the banking interests were the brain trusters who were guiding the policies of this Republican national administration, he resigned. Since Martin Durkin's resignation, every move made by this administration in regard to appointments on the National Labor Relations Board and other legislative proposals concerning labor and consumers have been decidedly antilabor. In 1947 President Truman's message vetoing the Taft-Hartley law, predicted that it would breed dissension, confusion, and bitterness between management and labor and his predictions have come true. One might only read the newspapers regarding the terrific loss of man-hours through slowdowns and strikes during the last couple of years, to realize that this administration

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is truly riding herd on organized labor as well as on other working groups in our economy. Under Taft-Hartley legitimate collective bargaining on the part of big business has broken down. In certain cases where organized labor wins in wage dispute negotiations like big steel or General Motors, management immediately shoots up the price of its product, regardless of the fact that they are reaping the greatest percentage of profits in history.

Another startling example of this fact was in the legislative fight on the floor of the House of Congress to raise the minimum wage from 75 cents to $1. The advisers of the President insisted on an increase from 75 cents to 90 cents. The testimony before the Education and Labor Committee from organized labor and other sources revealed that $1.10 to $1.25 per hour would not be unreasonable considering the high cost of living. This legislation was along the same line as the fight which the Eisenhower administration, through Postmaster Summerfield, waged in order to keep the postal employees of the country from receiving their just and equitable increase in salary.

TAXES

Another example of the fact that big business is truly in the saddle during this administration was the opposition and successful battle made by Secretary Humphrey to prevent a $20 tax credit to the small-bracket taxpayers of the country. This fight was waged by the administration in spite of the fact that 90 percent of the tax bill which they enacted was a windfall to the high-bracket taxpayers who have been heavy campaign contributors and supporters of the Republican Party. The public should know that Secretary of the Treasury Humphrey engineered the excess-profit tax repeal which was approximately a windfall of two billion. This administration, under the runaway-plant program to big business through tax concessions, has given handouts of about nineteen billion. Most of the thirty billion spent for new plants are in open-shop areas for the purpose of escaping union wages and union labor conditions. Hundreds of thousands of working men and women have been thrown out of jobs—in Northern States.

The Eisenhower administration, through Secretary of the Treasury Humphrey, installed the "stock option plan," which meant billions to the high-bracket taxpayers. Humphrey's "future expense" writeoffs to corporation executives was a $3 billion "gimmick."

The Eisenhower tax brain trusters enacted the so-called rapid depreciation provision which allows corporations to charge off against taxes cost of new machinery, plant equipment, et cetera, which amounts to between 15 to 20 billion.

I mention these facts because the public is not fully informed when the tax reductions to the low bracket taxpayer are questioned by the forces of special privilege.

SOCIAL SECURITY

The Democrats in Congress also made a valiant fight to expand social security by lowering the age limit and other expansions which met with opposition at the White House and Republican leaders in Congress.

SCHOOLS AND HOUSING

The American people should also be reminded that Candidate Eisenhower in 1952 and 1954 made convincing speeches regarding the need for 350,000 more school units throughout the country and that the public school system in urban localities was in a highly critical condition. After 2½ years, there has been no support coming from the White House to persuade Republican Members of Congress to help enact legislation to carry out this campaign promise. Last week on the floor of the House, when the public housing legislation was under consideration, we discovered that Members of the President's own party were very active in curbing and discouraging the House from carrying out the President's campaign promises to the industrial areas of America for much needed public housing. It was generally admitted before the Banking and Currency Committee of the House by witnesses that public housing was necessary for slum clearance, but the records of the legislation in this session will reveal that the White House made no effort to line up members of its own party to support housing legislation which the President advocated in his campaign speeches.

It is indeed unfortunate that proper highway construction legislation could not be adopted this session. The program that was submitted by the President through Secretary Humphrey's cooperation would have called for the payment of 11½ billion dollars in interest on the sale of bonds which would be a windfall for the banking interests of the country. Secretary Humphrey's highway finance system would have called for a double bookkeeping manipulation in an effort to fool the American people that this expense would really not be added to our national budget deficiency.

I also opposed the other system of financing the highways which was advocated by most Democrats and some Republicans because it would lay, to my mind, an unjust burden on the highway transportation system of our country. I do hope in the next session of Congress that the Ways and Means Committee can work out an equitable, just and fair method of financing much needed cross-country double lane highways for the traveling public.

GAS AND TIDELANDS

One major bill supported by the White House and the Republican leaders in Congress as well as some Democrats was the so-called natural gas exemption legislation. I opposed this legislation in the Rules Committee and also voted against it on the floor of the House because I firmly believe that it will eventually bring about unreasonable increase of prices to the gas consuming public. Of course this bill is more or less of a duplicate blueprint of the famous tideland oil legislation which had the questionable distinction of being the first major legislation passed by the Republican Congress in the spring of 1953 and signed by President Eisenhower. It is now being revealed that large oil companies are receiving billions out of the oil reserves located beyond our coastline which the Supreme Court, in its decision several years ago, said belonged to the American taxpayer. I do hope when this session reconvenes in January, that immediate steps will be taken to carry out some of the necessary legislation which the people have been expecting from the campaign promises made by the Eisenhower administration.

POWER GRAB

Of course space or time does not permit going into detail regarding the alleged shady manipulations by some of the officials who are connected with this administration. The Dixon-Yates special privilege grab, the hearings which revealed Secretary of the Air Force Talbott has been using his office to promote private business, the mess which developed in the polio vaccine program and other glaring demonstrations of Republican misfeasance and malfeasance which have received very gentle treatment on the part of the press and certain Republican political radio and television broadcasters. The nonpolitical observer can imagine the headlines had the same acts occurred under the Truman administration. President Truman vetoed the tidelands and Kerr gas bill but we cannot expect help from the White House on the natural gas "plunder." I am satisfied as time goes on the true facts concerning the economic policies of the Eisenhower administration, which are directed by Secretary of the Treasury Humphrey and Secretary of Commerce Weeks, will be known to the American people.

FOREIGN POLICY

On foreign matters, special credit should be given the President for overruling some of his party leaders and, in general, adhering and following the foreign policy program of the predecessor, President Harry Truman. It is surprising to find some of the Republican leaders in Congress denouncing the President on some of his foreign-policy programs the same as they denounced President Truman. I remember when the then General Eisenhower, and head of the European Military Defense, returned from Europe in 1950 and testified before the House Foreign Affairs Committee that the Marshall Plan and other foreign-aid programs sponsored by President Truman had saved Western Europe from communism. During those days some of the Republican leaders in both bodies of Congress were making great political capital that the Democratic Party was soft on communism. General Eisenhower at that time knew well and applauded the great program which the Democratic administration of those days had inaugurated to curtail communism. We are beginning to find evidences now that the Soviet economy is not as strong as the leaders behind the Iron Curtain would have us believe through their insidious propaganda. It is my hope that this apparent change of heart and willingness to negotiate on the part of the Kremlin leaders is sincere. As chairman of the Katyn Forest Investigating Congressional Committee and also as a member of the congressional committee investigating Communist aggression in

the last session of Congress, I cannot believe that the Kremlin leaders seriously intend to keep any promises or agreements they make at this time or any other time. Ex-President Hoover testified before our committee in New York in December of 1953 that the Communist leaders had made 36 separate agreements with their captive satellites from World War I to 1939. When Stalin decided to aggress and conquer, these agreements were thrown in the wastebasket. Several weeks ago the U. S. News & World Report, in an article, stated that in the last 20 years the Kremlin made 52 pacts, agreements, and treaties with the free democracies of the world and have broken, nullified, and violated all except 2.

BROKEN TREATIES

Judging from the record of the Communist conspiracy since World War I, I firmly believe that any pacts, agreements, or treaties made with their leaders are worthless. Any pacts or treaties entered into by them are only for the purpose of reestablishing their economy and strengthening their hold upon their captive satellite nations until they get ready to continue their fight for world domination. Our country along with our allies and all free countries must forever be on the alert and profit by our knowledge of the duplicity and sabotage which the Kremlin used upon Poland, Czechoslovakia, Hungary, Rumania, Albania, Bulgaria, Lithuania, Latvia, and other smaller nations. The Geneva Conference was an ideal platform for western delegates to demand the release and restoration of freedom to all captive nations. In failing to raise this issue President Eisenhower entirely forgot his campaign promise to the people now under the heel of Communist slavery. The words that Lenin uttered 40 years ago that communism and capitalism cannot live together is the true and only policy of his followers in the Kremlin today. The United States and the free nations can well profit by the experience of the nations who innocently negotiated, compromised, and made treaties with the Soviets during the last 35 years. As of today, millions of people behind the Iron Curtain are sabotaging and actively fighting communistic tyranny. Every aid and comfort we give to the Kremlin during these years will hamper the patriots who today are successfully undermining the Communist economy and weakening their power both behind and outside the Iron Curtain. The fight of the free countries must continue, regardless of the sacrifices, in order to save the freedom of the world for future generations.

NEED FOR A JOINT CONGRESSIONAL COMMITTEE ON UNITED STATES INTERNATIONAL INFORMATION PROGRAM

The SPEAKER. Under previous order of the House, the gentleman from Ohio [Mr. FEIGHAN] is recognized for 20 minutes.

Mr. FEIGHAN. Mr. Speaker, for some years thinking people have been conscious of the effort of the Russian Communists to subvert, occupy, and control all the nations of the world. Almost everyone is now aware of the disturbing gains made by the Russians toward their goal of world conquest.

The cold war serves as a clear recognition on the part of free men of what the Russian Communists are up to and a reflection of the determination of free people to defeat the efforts of the Russian Communists. While the cold war was not officially recognized until about 1948, the hard, cold facts are that the entire world has been the target of a ruthless cold war since the Communists seized control of the Russian Republic in 1918. Moreover, we Americans have also come to realize that the United States is the No. 1 target of the Russian conspirators because they recognize their goal of world domain can never be won so long as we, as a nation, remain strong, vigilant, and dedicated to our free institutions.

There are some today who claim that the cold war was ended at the Geneva Conference. Such false prophets remind us of former British Prime Minister Neville Chamberlain, who naively proclaimed an era of peace for a generation with World War II made certain by the act of free nations making concessions to the tyrant Hitler. If the Geneva Conference of the Big Four did anything, it provided conclusive proof that the leaders in the Kremlin could not change the criminal and conspirational nature of communism even if they wanted to. We should recall that the Russians shot down one of our naval planes cruising over international waters just a few days before the Geneva Conference opened. Only a few days ago, immediately following the end of the Geneva Conference, the Bulgarian Communists shot down in cold blood, an Israeli commercial airliner killing 57 innocent people. What more evidence would anyone want to demonstrate that even the leaders in the Kremlin cannot control the monster they have created?

Communism is a hard and fast doctrine. It allows little or no room for disagreement. The only chance it leaves for disagreement is the question of how to accomplish the never changing goal of world domain, and the room allowed for this tactical disagreement is comparable to the point of a pin.

The rapid advances made by man in the field of mass communications has added a new dimension to the relations among and between nations. It has reduced time and space to a remarkable degree, but in a sense this progress has done something even more consequential because it has added a new dimension to warfare.

Propaganda has now become as important and in some cases more important than entire divisions of soldiers or the most powerful of destructive weapons. This is a fact the Russian Communists have recognized and capitalized on for a great many years. This is a fact that we have not as yet fully awakened to, but which nevertheless continues to confront us in various parts of the world where tensions are the sharpest.

Propaganda, if skillfully and relentlessly employed, is capable of destroying the will of an enemy to fight just as it is capable of destroying the will to resist subversion and even enslavement.

The full scale use of propaganda is not a new art of warfare. It was employed with great skill by Genghis Khan, Tamerlane, Atilla the Hun, the Manchus, and others who sought to conquer or were required to defend their homeland. It is a fact of history that Genghis Khan was able to take over entire areas without loss of one soldier by the skillful propaganda of his advance runners. His advance men used a combination of fear growing out of a proclaimed invincibility of Genghis Khan, together with a promise of safety and peaceful life for all those who did not resist the invading hordes of Genghis Khan. History also teaches us that after entire cities and villages would surrender without exercising an iota of resistance, Genghis Khan would immediately disarm the men and then proceed to slaughter them so that upon leaving the city or village only the womenfolk and children were left alive.

Scientific advances in the field of mass communication have created tremendous possibilities for good or for evil. It is possible now to carry out worldwide radio programs. Some scientists say it will not be long before we will be seeing worldwide television programs. It is quite possible that before very long other means of mass communication will be developed which will make the present-day radio and televisions appear elementary and cumbersome. The tyrants seek to use these advances to serve their goal of world domain. We are just beginning to learn how we must use these means of mass communication for the protection of our way of life and for the advancement of our never-ending goals of peace with freedom and prosperity for all mankind.

The technical advances in the field of mass communication, as I have said, hold tremendous possibilities for good. They provide us with the capability of preventing a hot war. I say this because of my firm conviction that no aggressor can carry out a successful war without the loyal and continued support of the people. If we pursue to the fullest extent our campaign of truth and keep alive the hopes of the millions of people enslaved by communism, the Kremlin will not dare to start a hot war.

We also have the capability of preventing the internal subversion of nations by the conspiracy of communism. This we can do by exposing the objectives and techniques of the Communists and make them known to all the people of the world. It appears that the Russian Communists are now putting major emphasis on the take-over of free nations by internal subversion methods, which should urge us on to use more fully this capability which we have.

We have the capability of winning a great many more friends around the world than we now appear to have. We can do this by getting across to them what we stand for and by demonstrating to them that they can best attain their national and legitimate aspirations

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by associating their future with the cause of freedom and the efforts of the United States to advance the natural rights of all nations, large and small.

The struggle of freemen against the Russian Communists is essentially a struggle of ideas. That struggle is a conflict between the ideals of peace with freedom which we as freemen hold to be as precious as life itself, and the concept of a super-state based strictly on material values in which man is an easily expendable item. These cogent facts have been universally recognized and indeed acclaimed by practically all the statesmen of the free world.

Former President Harry S. Truman in recognizing these facts which I have cited, called for a crusade of truth as the only certain way to maintain and extend human freedom throughout the world. The call of former President Truman for a crusade of truth caused the creation of the Voice of America, then an integral part of the Department of State.

President Eisenhower lost no time, after assuming office, in endorsing the need for a crusade of truth when he called for a strengthened United States information program and recommended the creation of an independent agency now known as the United States Information Agency. President Eisenhower has made a most significant contribution by urging the creation of such an independent agency.

Many leaders in public life, recognizing the basic issues involved in the political struggle that now grips the entire world, have called for various courses of action to meet the situation. For example, William Randolph Hearst, Jr., shortly after his visit to the Soviet Union, called for an era of competitive coexistence between the enterprise of freemen and the regulated existence in that part of the world controlled by the Russian Communists. This was the answer he suggested we give to Bulganin and Khrushchev who were even then attempting to smile when they urged upon us their desire for an era of peaceful coexistence which everyone knew to be nothing more than an old-fashioned Russian bear trap.

Not so long ago General Sarnoff, in a special memorandum to President Eisenhower, expressed grave concern that we were not taking full advantage of all the means of mass communication to expose the big lies of communism and to espouse the cause of human freedom. General Sarnoff urged upon the President the development of an all-out political offensive against the conspiracy of communism.

The Select Committee To Investigate Communist Aggression, 83d Congress, in its final summary report made public on January 3, 1955, recommended that the United States embark upon a bold, positive, political offensive against the conspiracy of communism and on behalf of all the nations and people enslaved by communism as the only practical course of action giving hope of avoiding world war III.

The select committee made a very careful study of the conspiracy of communism, exposing its fallacies and vulnerabilities, which should serve as a permanent caution to all those who believe that the smiling Russian bear has lost his teeth or has had his claws removed.

We have all the ingredients necessary to undertake a winning political campaign against the criminal conspiracy of communism. We have those fundamental, moral, and political principles which stand as the foundation of our free way of life. We have a free people enjoying the most abundant life ever known to any civilization, as a demonstration of what a truly free people can accomplish. We have no desire for the territory or possessions of other nations. We wish only that all the people of the world may have the same opportunities that our own people possess, and that a way will be found to bring a just peace to this world based upon a family of nations in which all members stand as equals.

We possess all the scientific and technical means of communicating these ideals and what we stand for and what we sincerely wish for all other people of the world.

There can be no doubt, therefore, that we have all that it takes to win the political struggle against the conspiracy of communism and that many of our leaders in public life have called for the full utilization of all these capabilities. The fact remains, however, that we are not, by any means, using even the minimum of our capabilities in the political struggle which now grips every single nation and person of the world.

But let us look for a moment at what the Russian Communists are doing.

It is conservatively estimated that they spend over $1 billion a year on their propaganda, and it is possible that they spend as much as $1½ billion dollars for this purpose.

The Russian Communists have established extensive research institutes and facilities for the study of all aspects of mass communication. They are never satisfied that their efforts in this direction are perfect.

They have special institutes for the training of professional propagandists who are brought from nearly every country of the world to the Soviet Union for this training. These people return to their homelands where they become an integral, if hidden, part of the international Communist conspiracy.

The Russian Communists plan and carry out propaganda campaigns with the same detail and precision as our Joint Chiefs of Staff would plan and carry out a military mission.

They rate propaganda equal in importance to well-trained armies and all types of destructive weapons. They have been convinced by their own evil experiences as well as those they learned from the tyrant Hitler that the big lie, if told often enough and if dressed up in various hats, will appear as truth to a remarkable number of people.

There is no doubt but that the Russian Communists have made great progress in the study and application of new methods of mass psychology and in the use of all media of information in their never-ending war against civilization.

What we have done and are attempting to do by comparison, in my opinion, represents a half-hearted, if not puny, effort. On the one hand we proclaim that the political crisis which grips the world will be won only by winning the minds and hearts and the allegiance of mankind. On the other hand we do very little, compared to what the Russian Communists are doing, to use the scientific advances and capabilities that are ours to accomplish the mission we all agree upon.

Only 10 years ago we were ushered rudley into the atomic age. There was no public preparation whatever for this new era. The first reaction to public knowledge concerning the atomic bomb was fear—fear for the destructive uses to which such a weapon could be put. This fear was followed by still another fear that such a powerful weapon might fall into the hands of those who might be tempted to abuse power, or worse still, into the hands of those who constantly seek total power over their fellow men. One Member of Congress, the late Honorable Brien McMahon, also saw other uses for atomic energy. He foresaw the peaceful uses of atomic energy and the great possibilities for good it offered for mankind. Consequently he called upon Congress to establish a Joint Committee on Atomic Energy to make certain that the tremendous power represented by the fission of the atom would not fall into the hands of those who might abuse it and, at the same time, to open wide the doors to the development of peaceful uses of this new form of energy.

The results of the leadership exercised by Brien McMahon speak for themselves. It is safe to say that without the Joint Committee on Atomic Energy we would not today be in the commanding lead which we now enjoy in the use of atomic energy for peaceful purposes as well as for defense.

Mr. Speaker, I feel that Congress has a tremendous responsibility in connection with the launching of a political offensive against the conspiracy of communism and that this responsibility can best be met by the creation of a Joint Committee on International Information Programs. I have talked with a great many Members of Congress and have sought their advice on how best Congress can meet its responsibility in the political crisis that now grips the world. Almost everyone I have talked to agreed that the joint committee which I am today proposing represents a step in the right direction and that the creation of such a joint committee will permit Congress to meet fully the responsibilities which I believe it has for such programs.

Mr. Speaker, today I introduced House Joint Resolution 433 calling for the creation of a Joint Committee on International Information Programs. While I recognize that there is not sufficient time for the proper consideration of this resolution during the present session of Congress, nevertheless, I feel the overriding importance which attaches to the purposes of such a joint committee impels me to take this action. I earnestly invite each and every Member of Congress to give my proposal careful consideration and I invite an expression of views and suggestions of Members of Congress and all interested organizations

and individuals on this matter. By this process I hope that public opinion will be developed on the issues which I have here presented today and that Congress when it convenes in January will thus be prepared to take early action on my proposal. The following is House Joint Resolution 433:

House Joint Resolution 433

Joint resolution to establish a joint congressional committee to be known as the Joint Committee on United States International Information Programs

Resolved, etc., That (a) there shall be a joint congressional committee known as the Joint Committee on United States International Information Programs (hereinafter in this joint resolution referred to as the "joint committee").

(b) The joint committee shall be composed of 18 members as follows:

(1) Nine Members of the Senate, appointed by the President pro tempore of the Senate, as follows:

(A) Two from each of the following committees, one from the majority and one from the minority party: The Committee on Appropriations, the Committee on Armed Services, and the Committee on Foreign Relations; and

(B) Three at large from the Senate, two from the majority and one from the minority party.

(2) Nine Members of the House of Representatives, appointed by the Speaker of the House, as follows:

(A) Two from each of the following committees, one from the majority and one from the minority party: The Committee on Appropriations, the Committee on Armed Services, and the Committee on Foreign Affairs; and

(B) Three at large from the House of Representatives, two from the majority party and one from the minority party.

(b) No person appointed by the Speaker of the House under section 2 (A) shall continue to serve as a member of the joint committee after he has ceased to be a member of the committee of the House of Representatives of which he was a member when appointed to the joint committee, except that a member who has been reelected to the House of Representatives may continue to serve as a member of the joint committee notwithstanding the expiration of the Congress.

(c) A vacancy in the joint committee shall not affect the power of the remaining members to execute the functions of the joint committee, and shall be filled in the same manner as in the case of the original selection.

(d) The joint committee shall elect a chairman and vice chairman from among its members, and the chairmanship and vice chairmanship shall rotate between the two houses with each session of Congress.

(e) Subject to applicable provisions of law, the joint committee may appoint and fix the compensation of such personnel as it shall determine to be necessary to carry out the purposes of this joint resolution.

(f) The expenses of the joint committee shall be paid one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives, upon vouchers signed by the chairman or vice chairman.

SEC. 2. (a) The joint committee shall—

(1) conduct public hearings on, and cause studies to be made concerning, the extent and effectiveness of all United States international information programs;

(2) cause studies to be made of the technique, special characteristics, and extent of all types of Communist propaganda, including methods used to penetrate information media of the free world with such propaganda;

(3) inquire into the extent to which scientific research and development in the field of mass communications have progressed in the United States and the degree to which such scientific advances are utilized by the United States international information programs; and

(4) provide a continuous, cooperative relationship between Congress and the United States international information programs, counsel with executives and policymakers of such programs, and promote a better public understanding of the objectives of such programs.

(b) As used in this joint resolution the term "United States international information program" means any program operated by or financed in whole or in part by any department or agency of the Government utilizing media of communications or other psychological or informational means to inform or to influence opinion among people of other nations.

SEC. 3. The joint committee shall report to the Congress twice annually (beginning on July 1 or January 1, after the effective date of this act, depending upon which date is nearest) on the extent and effectiveness of United States international information programs and at such other times as the joint committee deems necessary; and shall recommend to the President and to Congress steps considered necessary to improve the quality, coverage, and impact of all such programs.

SEC. 4. For the purposes of this joint resolution the joint committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places, to require, by subpena or otherwise, the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, to procure such printing and binding, and to make such expenditures as it deems advisable. The provisions of sections 102 to 104, inclusive, of the Revised Statutes shall apply in case of any failure of any witness to comply with a subpena or to testify when summoned under authority of this section.

SPECIAL ORDER GRANTED

Mr. FEIGHAN asked and was given permission to address the House for 20 minutes tomorrow, following the legislative program and any special orders heretofore entered, and to revise and extend his remarks.

HIGHWAY BILL

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. I am sorry to see the House adjourn before certain legislation is passed. I feel very strongly that the House should not adjourn and the Members should not leave Washington before we pass the highway bill. I know the Members say, "Oh." But, no one is more anxious to get away than I am. I feel that it is vitally necessary for the welfare of all the country and it means very much for the welfare of our section of the country. If by chance we should be engaged in a hot war, it is extremely vital to have this great network of roads for our national defense. If a recession should come it would be very helpful in employment.

Mr. Speaker, I would like, if I cannot have the chance to address the House tomorrow, to thank everybody personally for all of the courtesies they have shown—the telephone operators, the telephone clerks, the Clerk of the House, the stenographers of the House, the pages, the messengers, the incumbent clerks, the Sergeant of Arms, the doorkeepers and the guards.

I would like, too, to thank the Speaker and the majority and minority leaders for all their courtesies and patience with us. I know it has been a trying time for all of us. Underneath it all our hearts are heavy because we do not know whether this cold war may break out into a hot war at any time.

Mr. KEATING. Mr. Speaker, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield.

Mr. KEATING. I want to compliment the gentlewoman in thinking of everyone in these closing days of the session, including the Members, the Speaker, the leaders on both sides, the doorkeepers, the pages, and all the people who work so assiduously here in our interest. I think it is a very fine thing that the gentlewoman mentions these things.

Mrs. ROGERS of Massachusetts. I know all the Members feel that way about it. I know in my own impatience with people sometimes when I cannot get a telephone call through, and I know that those telephone calls have saved lives many times and thousands and thousands of dollars' worth of contracts, and so forth.

Mr. SADLAK. Mr. Speaker, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield.

Mr. SADLAK. May I say to the gentlewoman that if she will put the statement she has just made in the form of a resolution, I will be very happy to vote for such a resolution. I am sure it is one resolution that will pass the House unanimously in the closing hours of this session of the Congress.

Mrs. ROGERS of Massachusetts. Mr. Speaker, is there any way I can present such a resolution now without having it in writing? We are all complimenting the Speaker and the gentleman from Connecticut asked if we might put what I have stated here, and others have said, expressing our deep thanks to the Speaker and all of the leaders and personnel and the chairmen of the committees and the staffs of committees and all connected with the running of the Capitol in the form of a resolution, and if I may have such a resolution considered without putting it in writing, I would ask unanimous consent to do so. What would be my next move?

The SPEAKER. The gentlewoman has the floor.

Mrs. ROGERS of Massachusetts. Then, Mr. Speaker, I believe it is unanimous that we consider the resolution as passed.

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REPORT ON SPECIAL STUDY MISSION TO CENTRAL AMERICA ON INTERNATIONAL ORGANIZATIONS AND MOVEMENTS

The SPEAKER. Under the previous order of the House, the gentleman from New Hampshire [Mr. MERROW] is recognized for 10 minutes.

Mr. MERROW. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include related materials.

The SPEAKER. Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

Mr. MERROW. Mr. Speaker, on July 12, 1955, there was submitted House Report 1155, report of the Special Study Mission to Central America on International Organizations and Movements. This report was filed by seven members of the House Foreign Affairs Committee who had undertaken a special mission to Central America early in June. I was privileged to serve on that mission along with Hon. A. S. J. CARNAHAN, Chairman; Hon. THOMAS S. GORDON, Hon. THOMAS J. DODD, Hon. HARRISON A. WILLIAMS, Jr., Hon. ROBERT B. CHIPERFIELD, and Hon. ALBERT P. MORANO. Four of the five Central American Republics were visited by the group: Costa Rica, Nicaragua, El Salvador, and Guatemala.

The primary purpose of the study mission was to check on the relations between the Central American Republics and the United States and also the relations between themselves. Conferences were held with the President, Foreign Minister, and other leading officials of each of the Republics as well as with the United States Ambassador and Embassy staff, and Foreign Operations Administration personnel in those countries.

The report points out that the visit of the seven members of the Foreign Affairs Committee making up the special study mission was widely heralded in the Central American press. The members were guests of the Legislatures of Nicaragua and El Salvador. The chairman of the group, Hon. A. S. J. CARNAHAN, addressed the legislative bodies of the two countries, and his remarks were delivered in Spanish by Hon. ALBERT P. MORANO. The translations by Mr. MORANO created considerable enthusiasm in those countries. The report points out that these speeches and translations marked the first time Members of the United States Congress had taken part in such ceremonies before those legislative bodies in special formal session.

Although the area of Central America is small, we must not for one moment minimize its importance. The five Republics of Central America—Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua—form an essential area in hemisphere defense and good will. It is an unfortunate thing that at times we must be confronted by a critical situation in a country or an area before we realize the importance of that country or that area. This has been illustrated by the recent events which transpired in Central America. I refer specifically to the dangerous situation of hostility which existed between Costa Rica and Nicaragua, and which constituted a grave threat, not only to the rest of Latin America, but also to vitally strategic United States interests in the Panama Canal. The Organization of American States took quick action to bring this situation under control and we fervently hope that such difficulties will not arise again. The most glaring example of how conditions in a country, though a small one, can nevertheless loom large in strategic and political significance is the case of Guatemala. Happily the Communist menace in that country has been removed—and I hope this will be a permanent removal—and Guatemala is now engaged in the great task of rebuilding its institutions along democratic lines.

The report of the Special Study Mission points out that the visit created considerable good will between the Central American republics and the United States. The congressional visit coming as it did soon after the good will tour of Vice President NIXON demonstrated continuing interest on the part of the Congress in the people of Central Amerilca. The good will created by the visit of the study mission is evidenced by certain communications addressed to the Chairman of the Special Study Mission and to the chairman of the full committee from our diplomatic representatives in Central America. Because these communications indicate the important impact which a congressional visit to our close neighbors to the south can have on United States-Latin American relations, I insert at this point these communications which appear in the report:

AMERICAN EMBASSY,
San José, Costa Rica, June 15, 1955.

DEAR MR. CARNAHAN: I believe your visit to Costa Rica came at a particularly fortunate time. It made an unusual contribution to mutual understanding and good will because it served to dramatize the ease and rapidity with which groups of officials from the United States can visit Costa Rica, and therefore the corresponding ease and rapidity with which Costa Rican officials can visit the United States. Never before has a group of distinguished officials traveled between Washington and San José, the capitals of the two countries, as rapidly as did your study mission. In fact, if your trip had not been made at just the time it was the condition of the new airport at San José would not have permitted this unprecedented flight. I consider it a very happy circumstance that this new closeness in the relations of the two countries should have been underscored by the visit of a group of United States Congressmen.

The fact that you devoted your visit to Costa Rica primarily to a serious examination of the Inter-American Institute of Agricultural Sciences made a most favorable impression here. Costa Rica is predominantly an agricultural country and there is great interest in improving and expanding agriculture through the kind of research which is being conducted at the Institute. If you had been selecting an object of interest for its popular appeal, you could not have done better.

Of course, the kind of friendly discussions which you held with President Figueres, members of his cabinet, and with the President and members of the Costa Rican Congress, are the best possible method of promoting true international understanding and obtaining an authentic sense of conditions abroad. Since this kind of personal relationship is indispensable, I am greatly encouraged by the increased ease with which visits can now be made by improved air transportation.

Sincerely yours,

ROBERT F. WOODWARD,
American Ambassador.

AMERICAN EMBASSY,
Managua, Nicaragua, June 16, 1955.

DEAR MR. CARNAHAN: Because of absence from Managua I have not written to you before. I have just returned from an interesting 4-day visit to the towns in the north of Nicaragua with President Somoza, members of his government, and members of the diplomatic corps. The occasion for the trip was the inauguration of a number of public works, including public schools and highway bridges.

During the trip, the President, cabinet ministers, and diplomats commented on the visit of the Special Study Mission of the House Committee on Foreign Affairs. Consequently, I wish to thank you personally and through you all members of the mission for visiting Managua and for the mutual understanding and goodwill which resulted from your visit.

Since your stay in Managua was brief, you may not realize that the mission's visit brought home to the President of Nicaragua, to members of the Nicaraguan National Congress, and to the Nicaraguan people the fact that the United States Government has neither forgotten nor does it overlook the importance of Nicaragua and other Central American countries in these times of greater international pressure in other areas. You may not realize that this part of the world has tended to feel disregarded and neglected in view of the greater attention paid by the United States to Europe during the crucial years after the war and now, seemingly, to Asia, where even more serious conditions prevail. As you and I know, there is no actual basis for the feeling of neglect in Central America; nevertheless, it exists. The mission's visit helped to correct such impression and to emphasize the United States Government's interest in Nicaragua and neighboring countries, thus resulting in deeper mutual understanding and goodwill.

The appearance of your committee and your address to the joint session of the Nicaraguan Congress was very beneficial to us. The translation of your address by your bilingual member, Representative MORANO, pleased everyone.

Sincerely,

THOMAS E. WHELAN,
American Ambassador.

AMERICAN EMBASSY,
Guatemala, June 16, 1955.

DEAR MR. CARNAHAN: The information section of the Embassy has just brought to my attention the impressive amount of coverage given to the visit of your group by the Guatemalan press and radio. * * *

I would very much like to add my own favorable impressions to those contained in the press. The visit of the committee was most timely and served as a very definite indication of the interest which the Congress has in the people of Guatemala. As you probably well know, the task of President Castillo Armas in guiding his country out of the economic chaos which the previous Communist regime left has been a difficult one. The committee's discussion with President Castillo served to emphasize the sincere and deep interest which the American people and their representatives in Congress take in his efforts to establish good government

and to bring about economic development and better living standards.

Sincerely yours,

THOMAS C. MANN,
Chargé d'Affaires ad interim.

AMERICAN EMBASSY,
San Salvador, El Savador, June 8, 1955.

MY DEAR MR. RICHARDS: It has been my great pleasure to have received seven members of your committee, headed by Mr. A. S. J. CARNAHAN, chairman of the International Organizations and Movements Subcommittee. Their brief stay in El Salvador was extremely helpful to the American Embassy in maintaining contact and cordial relations between our two Governments. The committee members were tireless in their efforts to know everything possible about El Salvador during their 1-day visit. I hope they have conveyed to you the Embassy's appreciation that they came to visit us at this time.

I would be grateful if this letter could be incorporated into the CONGRESSIONAL RECORD as an expression of appreciation for the efforts made by your committee to assist us in accomplishing the United States mission in El Salvador.

With kind personal regards,

ROBERT C. HILL,
American Ambassador.

Among the major conclusions reached by the study mission was the fact that in each of the countries there is manifested growing movements toward better health, better sanitary conditions, better communications, better and wider education, improved agricultural techniques, and better housing.

Last year Guatemala returned to a democratic form of government. This was achieved despite 10 years of increasing Communist activity and effort to control the government, which culminated in the election of President Arbenz in 1951. With respect to Guatemala, the study mission found that it is the showcase of Latin America and has become a political, social and economic laboratory. Guatemala is the first country in world history which has been successful in throwing off its Communist masters. It is now engaged in what has been termed "the Guatemalan experiment," in proving that it can meet the needs and best interests of its people through democratic processes. The study mission stressed the fact that it is important that there be demonstrated in Guatemala the ability of that democratic government to succeed in meeting the needs of the people where communism promised to fulfill those needs but never could, and never intended to accomplish. In this connection, Mr. Speaker, I am pleased, along with the other members of the mission, that the $15 million development assistance for Guatemala, recommended by the study mission, was authorized and appropriated in full by the Congress. This sum should materially assist Guatemala in meeting her pressing economic needs.

One of the major conclusions of the study mission was that communication is the key to the future economic development of Central America. No major program in economic development can take place in Central America, however, without the existence of an efficiently managed Inter-American Highway. In order to accomplish this it will be essential for the Central American countries to pool their efforts for the common good so that uniform regulations may be agreed upon governing the maintenance and use of the highway. I am happy to report, Mr. Speaker, that all the countries which the study mission visited fully recognize the importance of this principle and that they are more than anxious to work together on this important project. The operation of the Inter-American Highway will bring about substantial benefits both to the Central American countries and to the United States, through the exchange of visits between our citizens and the citizens of those countries and through the facility with which American goods will be funneled through our main arteries directly to the people of Central America. In addition we must not overlook the military and strategic advantages provided by overland communications from our country directly to the Canal Zone.

Finally, the report points out—and I believe this to be most significant—that the Central American countries are another example of the fact that the contributions of a country to the constructive strength of the free world is not determined by the size of the country but rather by the ideals and principles by which it is guided.

Mr. Speaker, I want to pay tribute to the chairman of the study mission, the distinguished gentleman from Missouri, Mr. CARNAHAN, and to the other members of the group, Messrs. GORDON, DODD, WILLIAMS of New Jersey, CHIPERFIELD, and MORANO. Seldom have I seen a harder-working group of individuals who in a spirit of complete cooperation and nonpartisanship made possible a very successful mission.

REPORT ON NATO PARLIAMENTARY CONFERENCE IN PARIS

Mr. HAYS of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a report.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HAYS of Ohio. Mr. Speaker, I had the honor to be the chairman of the delegation to represent the House of Representatives at the NATO Parliamentary Conference in Paris last week. Also in that committee were the gentleman from New York [Mr. ANFUSO], the gentleman from Arizona [Mr. UDALL], the gentleman from California [Mr. JOHNSON], the gentleman from Indiana [Mr. CRUMPACKER], and the gentleman from New York [Mr. BECKER]. We have prepared a report on that meeting.

The report follows:

The NATO parliamentary delegation of the House of Representatives submits the following report:

The delegates arrived at Paris on Sunday, July 17, and immediately upon arrival, the chairman went to a meeting of the steering committee where rules and procedure were drawn up.

The Conference opened on Monday the 18th and each nation was called upon alphabetically to lay before the Conference any matter that it might consider pertinent. The meeting on the 18th at 10 was spent actually on organizing the Conference and electing officers. After which at 11, the briefing was given by Lord Ismay on the general organization of the Atlantic alliance, followed by a question period. After Lord Ismay's appearance, he was followed by General de Chassey on the military organization of NATO. This was followed by questions. At 12:30 a film was shown of previous NATO meetings. After lunch the delegates heard from Mr. Lowell Weicker, Assistant Secretary General for Production and Logistics. This was followed by a question period and then the delegates were briefed by Sir John Hodsoll, senior civil-defense adviser on the subject, Civil Defense—the Role of Parliaments and the Role of NATO. This was followed by a question period, after which the delegates heard from Ambassador Wilgress, Chairman of the Committee on Information and Cultural Relations. The morning session of the second day was taken up by a trip to SHAPE headquarters and a briefing by General Gruenther, Field Marshal Montgomery, General Brisac, and Air Marshal Dawson. The remainder of the time up to and including Friday afternoon was given over to general sessions and committee meetings. Many subjects of interest to the nations of NATO organization were discussed and a resolution was adopted unanimously on the subject of future meetings of members of parliament from NATO countries. That resolution read as follows:

"RESOLUTION ON FUTURE MEETINGS OF MEMBERS OF PARLIAMENT FROM NATO COUNTRIES

"This meeting of members of parliament from NATO countries:

"Recalling that the aim of the North Atlantic Treaty is both to encourage the defense of member countries and to contribute to the economic, social, and cultural development of the people united within the framework of the Atlantic community;

"Considering that achievement of the latter aim would be facilitated by closer relations between the members of the representative assemblies of the different countries and considering that this is particularly desirable in the case of the legislative branches of the member states who have by solemn treaty pledged themselves to the mutual defense and welfare of their respective peoples through the far-reaching initiative in international relations that is NATO;

"Believing that these discussions between members and the NATO authorities and between members themselves have already been of great value;

"Invites the speakers of the various parliaments concerned, according to the procedure which they think appropriate, to send delegations to a similar meeting each year;

"Expresses the wish that the governments of the countries here represented facilitate through NATO Council further meetings;

"Considers further that before we separate, a continuing committee should be selected, composed of the present officers and other members of the steering committee, 15 in number, to include one from each NATO nation and with the right of substitution to make arrangements for the next meeting;

"This meeting further considers that such a continuing committee would require some secretarial assistance of its own. This should be, for the time being, on a part-time basis. The necessary finance, which should be quite small, should be provided by the participating governments or parliaments concerned on a basis to be mutually agreed."

The delegation from the House of Representatives unanimously felt that the interchange of ideas and problems among the members of the parliamentary bodies of the 15 NATO countries was indeed very beneficial. The committee believes the United States should participate in the future meetings

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and should not only participate but should also encourage and do everything it can to make these meetings worth while. Your committee believes that such future meetings will be mutually advantageous to the nations allied in NATO and will be productive of great good in the interchange of ideas. It was very obvious during the sessions that the airing of common problems and the effort made by the delegations from various countries to understand the problems of the associated nations would be valuable in the conduct of future consideration of the many questions faced by an organization such as NATO. It was pointed out by not only the committee from the United States but by others that it is the belief of many that NATO has been largely responsible in deterring armed aggression and an outbreak of the third world war and that NATO can be as useful in the cold war as it has been in preventing a hot war.

The chairman of the United States delegation appointed the ranking minority member, Mr. LEROY JOHNSON, of California, as a member of the committee, consisting of one member from each country, to consider the resolution which has already been set forth in this report. Decisions and actions of the United States delegation were bipartisan in character and unanimous in all aspects. The final paragraphs are from a speech made to the Conference by the chairman of the United States delegation, Mr. HAYS of Ohio; which generally represents the sentiments of your committee:

"I also think that the United States Congress and the people of the United States are becoming more and more aware of the time that it is impossible for a nation to exist in isolation. I was interested in discussing this matter just before I left for this meeting with some of our people. The point was made, and I think it is a cogent one at this time, that democracies stand together very firmly in times of military danger, but in times of economic stress, and I would like to say parenthetically that I am not predicting economic stress in the immediate future in the United States or anywhere else, the point was made that in times of economic stress the democracies have a tendency not only to not stand together, not only to fall apart, but also to blame each other for their plight, and it seemed to some of us that were discussing this, that the economic aspect of this exploratory convention might be very worth while. It has occurred to me, and I am expressing only my own personal opinion, not that of the Congress or even of my own delegation, that perhaps an approach can be made to the problems, some of them at least, through this meeting, and other meetings of this type which we hope and believe will follow.

"It seems to me that it is most important that NATO not only continue, but that it be strengthened, and that it function more efficiently. We feel that a lessening of tension, which we think is very desirable, might have as one of its designs the collapse of this organization, and we certainly feel that that would be, and when I say this organization I am thinking of NATO, not this particular body meeting here, we think that would be a tragedy. We are prepared, I believe, to support NATO as we have in the past, to strengthen it and to show the world that democracies do have common interests, that they can sit down around a table and work out their problems, although there may be differences which at the moment of presentation might seem almost insurmountable. I was intereeted in what the gentleman from the United Kingdom just said about the evacuation of Soviet forces from Eastern Europe. Many of us feel that a concession of that type from the Soviet Union would be a concession in name and not in fact, because if America—and Canada and the others—were to evacuate their forces from Europe it would be a terrific task to replace them on short notice, whereas, if the Soviet Union were to evacuate her forces it is a matter of almost hours, at least days, to get them back into position again. So, we think that that would be a concession that would mean very little.

"I was also interested in the remarks of the gentleman from Denmark about Spain, and while we from the United States delegation do not wish to indulge in a full-dress debate on that subject, I would merely point out that the resolution was unanimously adopted by the House of Representatives under a device known as 'unanimous consent,' whereby, one person by standing up and saying 'I object' could have killed it, and that the resolution itself calls for the President to explore the possibilities of bringing Spain into NATO. I am sure that the gentleman from Denmark was not aware of it, and it is a peculiar coincidence, and I assure you it is a coincidence only, but it so happened that I was the author of the resolution which passed the House of Representatives. And it was my thought, and the thought of the sponsors, and there were 30-odd who sponsored a similar resolution, that NATO should not be an exclusive organization, but that it should work to bring its ideas to other nations and that it should hope, not immediately perhaps, not tomorrow, perhaps not next week, but that it should hope eventually to extend its benefits, and I think there are many, to all nations in the Atlantic community. Thank you, Mr. President."

It is the unanimous belief of your committee from the House of Representatives, which attended the first NATO parliamentary meeting, that the United States should participate in the future meetings.

WAYNE L. HAYS.
VICTOR L. ANFUSO.
FRANK J. BECKER.
LEROY JOHNSON.
S. J. CRUMPACKER.
STEWART L. UDALL.

UMBRELLAS FOR RAIN, NOT APPEASEMENT

Mr. KLEIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KLEIN. Mr. Speaker, now that we have gotten away from the subject of flammable fabrics I want to bring up an equally flammable subject; I want to refer to the unfortunate remarks of Vice President NIXON at the time of welcoming our President on his return from the Geneva Conference.

You will recall it was raining when the plane landed at the airport, yet he is alleged to have indicated that he did not want any umbrellas to be used because of the insinuation that they were a sign of appeasement.

On behalf of the umbrella industry of New York City I rise to protest those remarks.

We have 3,000 people in New York City employed in the umbrella industry. We all know how bad the weather has been for this industry; we have had so little rain, and now this administration comes along and adds to our troubles, by telling people not to use umbrellas.

I do hope that the people of the country will not take Mr. NIXON too seriously and if it rains they will continue to use umbrellas.

All the umbrella manufacturers wish is to keep you dry. Let our Government officials indicate in more forceful terms their dislike of appeasement.

HOUR OF MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet tomorrow at 11 o'clock.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. REUSS in three instances and to include extraneous matter.

Mr. POLK and to include extraneous matter.

Mr. PRICE and to include extraneous matter.

Mr. DORAN of New York in two instances and to include extraneous matter.

Mr. BECKER and to include extraneous matter.

Mr. BOGGS and to include extraneous matter.

Mr. KING of California in two instances and to include extraneous matter.

Mr. O'HARA of Illinois in three instances and to include extraneous matter.

Mr. KILDAY and to include an editorial.

Mr. ABERNETHY.

Mr. HOLIFIELD (at the request of Mr. SHEPPARD).

Mr. FRELINGHUYSEN (at the request of Mr. MARTIN) and to include extraneous matter.

Mr. SEELY-BROWN and to include extraneous matter.

Mr. MERROW and to include extraneous matter.

Mr. FULTON and to include extraneous matter.

Mr. BAKER and to include extraneous matter.

Mr. HALE and to include extraneous matter.

Mr. AVERY and to include extraneous matter.

Mr. DONOHUE and to include extraneous matter.

Mr. PHILBIN.

Mr. GRANAHAN in two instances.

Mr. THOMPSON of New Jersey in six instances and to include extraneous matter.

Mr. ROOSEVELT in two instances and to include extraneous matter.

Mr. METCALF in four instances and to include extraneous matter.

Mr. ZABLOCKI in two instances and to include extraneous matter.

Mr. WOLVERTON and to include extraneous matter.

Mr. MACK of Washington in two instances and to include extraneous matter.

Mr. LONG.
Mr. CEDERBERG.
Mr. BENTLEY.
Mr. VELDE (at the request of Mr. ARENDS) in two instances and to include extraneous matter.
Mr. CANNON.
Mr. TUMULTY.
Mr. ASPINALL.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. TUCK (at the request of Mr. SMITH of Virginia), on account of illness.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 46. An act to authorize the conveyance to the city of Anniston, Ala., of certain real property within Fort McClellan, Ala.;

H. R. 482. An act to provide for the conveyance of a portion of the former O'Reilly General Hospital, Springfield, Mo., to the State of Missouri, and for other purposes;

H. R. 1034. An act for the relief of Erwin S. de Mocskonyi;

H. R. 1060. An act for the relief of Grace Casquite Hwang;

H. R. 1301. An act for the relief of Karlis Abele;

H. R. 1423. An act for the relief of Raymonde Rouxel Williams;

H. R. 1539. An act for the relief of Mrs. Ruthe Graves Messer;

H. R. 1552. An act for the relief of Dalisay Lourdes Cruz;

H. R. 1599. An act to provide for adjustments in the lands or interests therein acquired for the Jim Woodruff Reservoir, Florida and Georgia, by the reconveyance of certain lands or interests therein to the former owners thereof;

H. R. 1751. An act for the relief of Priscilla Louise Davis;

H. R. 1958. An act for the relief of Ingeborg Luise Walling;

H. R. 2112. An act to amend the Act of February 21, 1946 (60 Stat. 26), to permit the retirement of temporary officers of the naval service after completion of more than 20 years of active service;

H. R. 2149. An act to increase the annual compensation of the Academic Dean of the United States Naval Postgraduate School;

H. R. 2553. An act to amend section 223 of the Revenue Act of 1950, relating to the use of corporation property by a shareholder;

H. R. 2559. An act to authorize male nurses and medical specialists to be appointed as Reserve officers;

H. R. 2619. An act to amend section 345 of the Revenue Act of 1951;

H. R. 2747. An act for the relief of Col. McFarland Cockrill;

H. R. 2753. An act for the relief of Geraldine Gean Hunt and Linda Marie Hunt;

H. R. 2791. An act for the relief of Ofelia Martin;

H. R. 3189. An act for the relief of Dorothy Claire Maurice;

H. R. 3235. An act to provide for adjustments in the lands or interests therein acquired for the Demopolis Lock and Dam, Alabama, by the reconveyance of certain lands or interests therein to the former owners thereof;

H. R. 3275. An act for the relief of Richard Ruffo Hanson;

H. R. 3507. An act for the relief of Luise Pempfer (now Mrs. William L. Adams);

H. R. 3628. An act for the relief of Luise Isabella Chu, also known as Luise Schneider;

H. R. 3635. An act for the relief of Birgit Camara, also known as Birgit Heinemann;

H. R. 4249. An act for the relief of Orrin J. Bishop;

H. R. 4394. An act to amend section 3401 of the Internal Revenue Code of 1954;

H. R. 4410. An act for the relief of William E. Ryan;

H. R. 4468. An act for the relief of Margarethe Bock and her son, Robert Harald Bock;

H. R. 4663. An act to authorize the Secretary of the Interior to construct, operate, and maintain the Trinity River division, Central Valley project, California, under Federal reclamation laws;

H. R. 4672. An act to increase the annuities of certain retired civilian members of the teaching staffs of the United States Naval Academy and the United States Naval Postgraduate School.

H. R. 4744. An act to amend the Railroad Retirement Act of 1937, as amended, and the Railroad Unemployment Insurance Act;

H. R. 4778. An act to provide for the purchase of bonds to cover civilian officers and employees and military personnel of the Federal Government;

H. R. 5078. An act for the relief of the estate of Victor Helfenbein;

H. R. 5546. An act for the relief of Francisca Alemany;

H. R. 5647. An act to repeal the manufacturers excise tax on motorcycles;

H. R. 6066. An act authorizing modification of the project for flood protection on the San Joaquin River and tributaries, California;

H. R. 6232. An act to include as Spanish-American War service under laws administered by the Veterans' Administration certain service rendered by Stephen Swan Ogletree during the Spanish-American War;

H. R. 6417. An act to revive and reenact the act "Authorizing the Arkansas-Mississippi Bridge Commission, its public successors or public assigns, to construct, maintain, and operate a bridge across the Mississippi River at or near Friar Point, Miss., and Helena, Ark.," approved May 17, 1939;

H. R. 6585. An act to amend the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, and for other purposes;

H. R. 6590. An act to prohibit the employment by the Government of the United States of persons who are disloyal or who participate in or assert the right to strike against the Government of the United States, and for other purposes;

H. R. 6600. An act to amend section 303 of the Career Compensation Act of 1949, to authorize travel and transportation allowances, and transportation of dependents and of baggage and household effects to the homes of their selection for certain members of the uniformed services, and for other purposes;

H. R. 6727. An act to authorize the Administrator of Veterans' Affairs to convey certain land to the city of Milwaukee, Wis.;

H. R. 7024. An act to remove the manufacturers' excise tax from the sales of certain component parts for use in other manufactured articles, to confine to entertainment-type equipment the tax on radio and television apparatus and for other purposes;

H. R. 7095. An act to provide that the tax on admissions shall not apply to certain athletic events held for the benefit of the United States Olympic Association;

H. R. 7278. An act making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes;

H. R. 7300. An act to amend the Internal Revenue Code of 1954 with respect to the tax treatment of income received from patent infringement suits;

H. R. 7628. An act to authorize the appointment in a civilian position in the White House office of Maj. Gen. John Stewart Bragdon, United States Army, retired, and for other purposes;

H. R. 7684. An act to authorize the Atomic Energy Commission to pay the salary of a Commissioner during the recess of the Senate, and for other purposes;

H. J. Res. 276. Joint resolution to authorize the Texas Hill Country Development Foundation to convey certain land to Kerr County, Tex.; and

H. J. Res. 278. Joint resolution to provide that a gold medal be coined and presented to Dr. Jonas E. Salk in honor of his achievements in the field of medicine.

The SPEAKER announced his signature to enrolled bills and joint resolutions of the Senate of the following titles:

S. 38. An act for the relief of Joseph Jerry Earl Sirois (also known as Jeremie Earl Sirois);

S. 56. An act authorizing construction of certain public works on the Mississippi River for the protection of St. Louis, Mo.;

S. 71. An act for the relief of Ursula Else Boysen;

S. 85. An act for the relief of Rosetta Ittner;

S. 86. An act for the relief of Wilhelmine Schelter;

S. 92. An act for the relief of Irene C. (Karl) Behrman;

S. 100. An act for the relief of Hermine Lorenz;

S. 119. An act for the relief of David Wei-Dao Lea and Julia An-Fong Wang Lea;

S. 141. An act for the relief of Pauline Ellen Redmond;

S. 167. An act for the relief of Ernesto DeLeon;

S. 176. An act for the relief of Gerda Irmgard Kurella;

S. 181. An act for the relief of Manhay Wong;

S. 191. An act for the relief of Liselotte Warmbrand;

S. 214. An act for the relief of Ahmet Suat Maykut;

S. 223. An act for the relief of Mary Freida Poelti Smith;

S. 235. An act for the relief of Melanie Schaffner Baker;

S. 238. An act for the relief of Andreas Georges Vlastos (Andreas Georges Vlasto);

S. 239. An act for the relief of Apostolos Vasili Percas;

S. 240. An act for the relief of Mrs. Helena Planinsek;

S. 254. An act for the relief of Giussepina Cervi;

S. 293. An act for the relief of Miss Cecile Patricia Chapman;

S. 326. An act for the relief of Leopoldine Maria Lofblad;

S. 346. An act for the relief of Klara Anna Maria Fleischer;

S. 352. An act for the relief of Isaac Glickman, Reghina Glickman, Alfred Cismaru, and Anna Cismaru;

S. 388. An act for the relief of Petre and Libitza Ionescu;

S. 394. An act for the relief of Ali Hassan Waffa;

S. 397. An act for the relief of Maria Bertagnolli Panchert;

S. 430. An act for the relief of Hedwig Marie Zaunmuller;

S. 464. An act to authorize the Secretary of the Interior to issue patents for certain lands in Florida bordering upon Indian River;

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S. 466. An act for the relief of Capt. George Gafos, Eugenia Gafos, and Adamantios George Gafos;

S. 470. An act for the relief of Edith Winifred Loch;

S. 474. An act for the relief of Maria Elena Venegas and Sarah Lucia Venegas;

S. 476. An act for the relief of Harold Swarthout and L. R. Swarthout;

S. 503. An act for the relief of Cirino Lanzafame;

S. 518. An act for the relief of Elsa Alwine Larsen;

S. 535. An act to provide for the conveyance to the State of North Dakota, for use as a State historic site, of the land where Chief Sitting Bull was originally buried;

S. 541. An act for the relief of Martin Aloysius Madden;

S. 606. An act for the relief of Gisela Hofmeier.

S. 707. An act for the relief of Christos Paul Zolotas;

S. 843. An act for the relief of Gerda Graupner;

S. 884. An act for the relief of Gabor Lanyi;

S. 1035. An act for the relief of Ambrose Anthony Fox;

S. 1044. An act for the relief of Edward Naarits;

S. 1051. An act to amend section 8a (4) of the Commodity Exchange Act, as amended;

S. 1105. An act for the relief of Mrs. Lieselotte Emilie Dailey;

S. 1126. An act for the relief of Dimitrios Antoniou Kostalas;

S. 1155. An act for the relief of Iva Druzianich (Iva Druzianic);

S. 1167. An act to amend the Soil Conservation and Domestic Allotment Act;

S. 1187. An act to amend section 5221 of the Revised Statutes, relating to voluntary liquidation of national banks;

S. 1210. An act to amend the Public Buildings Act of 1949 to provide a 5-year limitation on the period of leases of space for Federal agencies in the District of Columbia;

S. 1266. An act for the relief of Helene Margareta Jobst;

S. 1337. An act for the relief of Joseph Vyskocil;

S. 1340. An act to authorize the conveyance by quitclaim deed of certain land to the Brownsville Navigation District of Cameron County, Tex.;

S. 1353. An act for the relief of Mrs. Jeannette S. Hamilton;

S. 1367. An act for the relief of Antonio Jacoe;

S. 1391. An act granting the consent of Congress to the States of California and Nevada to negotiate and enter into a compact with respect to the distribution and use of the waters of the Truckee, Carson, and Walker Rivers, Lake Tahoe, and the tributaries of such rivers and lake in such States;

S. 1395. An act to amend the joint resolution entitled "Joint resolution to establish a commission for the celebration of the 200th anniversary of the birth of Alexander Hamilton," approved August 20, 1954;

S. 1397. An act providing for the conveyance of certain lands to Saint Louis Church of Dunseith, Dunseith, N. Dak.;

S. 1496. An act for the relief of Ruriko Hara;

S. 1512. An act to amend section 107 of title 28 of the United States Code so as to eliminate separate divisions and reduce the number of places holding regular terms of the United States District Court for the District of Columbia;

S. 1521. An act for the relief of Garabed Papazian;

S. 1522. An act for the relief of Lieselotte Brodzinski Gettman;

S. 1541. An act for the relief of Ernst Fraenkel and his wife, Hanna Fraenkel;

S. 1581. An act for the relief of Constantinos Pantermalis;

S. 1706. An act for the relief of Spyridon Saintoufis and his wife Efrossini Saintoufis;

S. 1974. An act for the relief of Rosa Birger;

S. 2081. An act to amend the Veterans' Readjustment Assistance Act of 1952 to provide that education and training allowances paid to veterans pursuing institutional on-farm training shall not be reduced for 12 months after they have begun their training;

S. 2168. An act to amend the Fair Labor Standards Act of 1938 in order to increase the national minimum wage, and for other purposes;

S. 2197. An act to authorize the Secretary of the Interior to distribute equally to members of the Kaw Tribe of Indians certain moneys to the credit of the tribe in the United States Treasury;

S. 2253. An act to reemphasize trade development as the primary purpose of title I of the Agricultural Trade Development and Assistance Act of 1954;

S. 2260. An act granting the consent of Congress to the States of Arkansas, Louisiana, Oklahoma, and Texas to negotiate and enter into a compact providing for the apportionment of the waters of the Red River and its tributaries;

S. 2269. An act for the relief of Mualla S. Holloway;

S. 2270. An act for the relief of Nadia Noland and Samia Ouafa Noland;

S. 2277. An act authorizing the administrator of General Services to convey certain land to the city of Sioux Falls, S. Dak., for park and recreational purposes, for an amount equal to the cost to the United States of acquiring such lands from the city;

S. 2297. An act to further amend the Agricultural Adjustment Act of 1938, and for other purposes;

S. 2312. An act for the relief of certain Korean war orphans;

S. 2351. An act to authorize the conveyance of certain war-housing projects in the city of Norfolk, Va.;

S. 2566. An act to amend title 14, United States Code, so as to provide for compensatory absence of Coast Guard military personnel serving as isolated aids to navigation, and for other purposes;

S. 2573. An act to amend the rice-marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended;

S. 2575. An act for the relief of Mrs. Gertrud Hildegard Nichols;

S. J. Res. 82. Joint resolution to authorize the Secretary of the Interior to execute a certain contract with the Toston Irrigation District, Montana; and

S. J. Res. 92. Joint resolution to authorize the Secretary of Commerce to sell the steamship *Monterey*.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 12 minutes p. m.), under its previous order, the House adjourned until tomorrow, Tuesday, August 2, 1955, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

1058. Under clause 2 of rule XXIV, a letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders granting the applications for permanent residence filed by the subjects, pursuant to section 6 of the Refugee Relief Act of 1953, was taken from the Speaker's table and referred to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BURLESON: Committee on House Administration. House Resolution 302. Resolution to provide funds for necessary expenses of the Committee on Ways and Means; without amendment (Rept. No. 1612). Ordered to be printed.

Mr. BURLESON: Committee on House Administration. House Resolution 305. Resolution providing for the expenses incurred by House Resolution 304, 84th Congress; with amendments (Rept. No. 1613). Ordered to be printed.

Mr. BURLESON: Committee on House Administration. House Resolution 299. Resolution providing further expenses for the Select Committee on Small Business; without amendment (Rept. No. 1614). Ordered to be printed.

Mr. BURLESON: Committee on House Administration. Senate Concurrent Resolution 20. Concurrent resolution authorizing the printing of additional copies of Senate Document No. 13, 84th Congress, entitled "Our Capitol"; without amendment (Rept. No. 1615). Ordered to be printed.

Mr. BURLESON: Committee on House Administration. House Resolution 307. Resolution authorizing the printing of the report of the Citizens' Advisory Committee on the Food and Drug Administration as a House document; without amendment (Rept. No. 1616). Ordered to be printed.

Mr. BURLESON: Committee on House Administration. Senate Joint Resolution 73. Joint resolution to establish a commission to formulate plans for a memorial to Franklin Delano Roosevelt; without amendment (Rept. No. 1617). Ordered to be printed.

Mr. MACDONALD: Committee on Interstate and Foreign Commerce. H. R. 4090. A bill to amend part II of title III of the Communications Act of 1934, so as to require the installation of an automatic radiotelegraph call selector on cargo ships of the United States carrying less than two radio operators, and for other purposes; without amendment (Rept. No. 1618). Referred to the Committee of the Whole House on the State of the Union.

Mr. HARRIS: Committee of conference. H. R. 191. A bill to regulate the election of delegates representing the District of Columbia to national political conventions, and for other purposes (Rept. No. 1619). Ordered to be printed.

Mr. ROONEY: Committee on Appropriations. House Joint Resolution 434. Joint resolution to provide appropriations for the legislative branch for the fiscal year ending June 30, 1956; without amendment (Rept. No. 1620). Referred to the Committee of the Whole House on the State of the Union.

Mr. SMITH of Virginia. Committee on Rules. House Resolution 333. Resolution for consideration of H. R. 7718, a bill to authorize the Capital Transit Co., under certain conditions, to surrender its franchise, and for other purposes; without amendment (Rept. No. 1621). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mrs. FARRINGTON:

H. R. 7786. A bill to permit a resident of Hawaii employed by the Federal Government in Hawaii to accumulate a maximum of 45 days a year annual leave; to the Committee on Post Office and Civil Service.

By Mr. GUBSER:

H. R. 7787. A bill to authorize the Secretary of the Interior to construct, operate, and maintain as additions to the Central Valley project, California, the Trinity River division and the San Luis Reservoir, the San Luis-West Side Canal, the Avenal Gap Reservoir, the Antelope Plain Canal (West San Joaquin division), and the Santa Clara-San Benito unit; to the Committee on Interior and Insular Affairs.

By Mr. MARSHALL:

H. R. 7788. A bill to provide for the uniform grading and labeling of butter; to the Committee on Agriculture.

By Mr. O'NEILL:

H. R. 7789. A bill to amend the Communications Act of 1934, as amended, so as to require that certain vessels carrying passengers for hire be fitted with radiotelephone installations; to the Committee on Interstate and Foreign Commerce.

By Mr. OSTERTAG:

H. R. 7790. A bill for the establishment of a Department of Peace and for other purposes; to the Committee on Government Operations.

By Mr. SMITH of Virginia:

H. R. 7791. A bill to incorporate the George Washington Boyhood Home; to the Committee on the Judiciary.

By Mr. VINSON:

H. R. 7792. A bill to provide medical care for dependents of members of the Armed Forces of the United States, and for other purposes; to the Committee on Armed Services.

By Mr. WICKERSHAM:

H. R. 7793. A bill to amend the Naval Aviation Cadet Act of 1942; to the Committee on Armed Services.

By Mr. WIGGLESWORTH:

H. R. 7794. A bill to amend subparagraph (A) of subparagraph (3) of subsection (a) of section 1033 of the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mrs. CHURCH:

H. R. 7795. A bill to provide for the closing of certain commercial-type enterprises operated by civilian departments and agencies of the Government, and for other purposes; to the Committee on Government Operations.

H. R. 7796. A bill to transfer to Federal Prison Industries all functions of the Post Office Department with respect to the manufacture and repair of mailbags, cord fasteners, and locks; to the Committee on Government Operations.

H. R. 7797. A bill to provide for the transfer to the Department of Agriculture of the fertilizer research facilities of the Tennessee Valley Authority, and for other purposes; to the Committee on Government Operations.

H. R. 7798. A bill to provide for the termination of the Postal Savings System; to the Committee on Post Office and Civil Service.

By Mr. HIESTAND:

H. R. 7799. A bill to provide for the termination of the Postal Savings System; to the Committee on Post Office and Civil Service.

By Mr. PRIEST:

H. R. 7800. A bill to create through a system of contests, programs, and scholarships a reservoir of civil personnel trained in all phases of aviation to meet civilian needs and to provide standby personnel for needs of national defense; to the Committee on Interstate and Foreign Commerce.

By Mr. HIESTAND:

H. R. 7801. A bill to provide for the closing of certain commercial-type enterprises operated by civilian departments and agencies of the Government, and for other purposes; to the Committee on Government Operations.

H. R. 7802. A bill to provide for the transfer to the Department of Agriculture of the fertilizer research facilities of the Tennessee Valley Authority, and for other purposes; to the Committee on Government Operations.

H. R. 7803. A bill to transfer to Federal Prison Industries all functions of the Post Office Department with respect to the manufacture and repair of mailbags, cord fasteners, and locks; to the Committee on Government Operations.

By Mr. HYDE:

H. R. 7804. A bill to provide that the Uniform Simultaneous Death Act shall apply in the District of Columbia; to the Committee on the District of Columbia.

By Mr. KARSTEN:

H. R. 7805. A bill officially designating the first earth satellite; to the Committee on Foreign Affairs.

By Mr. PRICE (by request):

H. R. 7806. A bill to provide health care for dependents of members of the Armed Forces of the United States, and for other purposes; to the Committee on Armed Services.

By Mr. BOGGS:

H. R. 7807. A bill to provide that the transportation of mollusk shells (including clam and oyster shells) from the point of extraction to the dockside shall be taken into account in computing percentage depletion; to the Committee on Ways and Means.

By Mr. BRAY:

H. R. 7808. A bill to provide free barber services to all Armed Forces personnel; to the Committee on Armed Services.

By Mr. DOYLE:

H. R. 7809. A bill to provide for the establishment of the Booker T. Washington National Monument; to the Committee on Interior and Insular Affairs.

By Mr. MACK of Washington:

H. R. 7810. A bill to amend and supplement the Federal Aid Road Act, approved July 11, 1916 (39 Stat. 355), as amended and supplemented, to authorize appropriations for continuing the construction of highways, and for other purposes; to the Committee on Public Works.

By Mr. MILLER of California:

H. R. 7811. A bill to amend the Canal Zone Code by the addition of provisions relative to the registration of the practice of architects and professional engineers; to the Committee on Merchant Marine and Fisheries.

By Mr. HALLECK:

H. R. 7812. A bill to grant the consent and approval of Congress to a Great Lakes Basin compact, and for related purposes; to the Committee on Foreign Affairs.

By Mr. MULTER:

H. R. 7813. A bill to provide for the establishment of a commission to review all cases in which the employment of a Federal employee has been suspended or terminated under any loyalty or security program of the United States, including any summary suspension or termination of employment permitted by law to protect the national security of the United States; to the Committee on Post Office and Civil Service.

By Mr. PELLY:

H. R. 7814. A bill relating to the reconstruction and improvement of an existing bridge and the construction of an adjacent new bridge by Washington Toll Bridge Authority extending across Port Washington Narrows at Bremerton, Wash., and grouping and operating said bridges, and the imposition of tolls in connection therewith; to the Committee on Public Works.

By Mr. POLK:

H. R. 7815. A bill to authorize the appropriation of funds to assist in financing the 1957 World's Conservation Exposition and plowing contests to be held in Adams County, Ohio, in September 1957, and for other purposes; to the Committee on Agriculture.

By Mr. RHODES of Arizona:

H. R. 7816. A bill to authorize the coinage of special 50-cent pieces in commemoration of the 75th anniversary of the institution of Labor Day; to the Committee on Banking and Currency.

By Mr. SMITH of Mississippi:

H. R. 7817. A bill to protect producers and consumers against misbranding and false advertising of the fiber content of textile fiber products, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H. R. 7818. A bill to permit the interment of the last survivor of the Union Army and the last survivor of the Confederate Army within the Gettysburg National Military Park, and to provide for the erection of a suitable memorial therein; to the Committee on Interior and Insular Affairs.

By Mr. THOMPSON of Louisiana:

H. R. 7819. A bill to provide that the transportation of mollusk shells (including clam and oyster shells) from the point of extraction to the dockside shall be taken into account in computing percentage depletion; to the Committee on Ways and Means.

By Mr. THOMPSON of Texas:

H. R. 7820. A bill to provide that the transportation of mollusk shells (including clam and oyster shells) from the point of extraction to the dockside shall be taken into account in computing percentage depletion; to the Committee on Ways and Means.

By Mr. GAVIN:

H. J. Res. 431. Joint resolution to provide for the observance and commemoration of the 50th anniversary of the founding and launching of the conservation movement for the preservation of the natural resources of the United States; to the Committee on the Judiciary.

By Mr. McMILLAN:

H. J. Res. 432. Joint resolution to provide for an investigation of organizations engaged in the manufacture of tobacco products in order to determine whether collusion exists among such organizations to maintain at a low level the prices of unprocessed tobacco; to the Committee on Agriculture.

By Mr. FEIGHAN:

H. J. Res. 433. Joint resolution to establish a joint congressional committee to be known as the Joint Committee on United States International Information Programs; to the Committee on Rules.

By Mr. ROONEY:

H. J. Res. 434. Joint resolution to provide appropriations for the legislative branch for the fiscal year ending June 30, 1956; to the Committee on Appropriations.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mrs. CHURCH: Memorial of the State of Illinois, 69th General Assembly, Senate Joint Resolution No. 10, requesting the Congress of the United States to make provisions permitting recipients of old-age assistance to supplement their old-age assistance benefits by earning an amount equal to that permitted recipients of old-age and survivors insurance benefits without a loss of such benefit; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOGGS:

H. R. 7821. A bill for the relief of John Picos; to the Committee on the Judiciary.

By Mr. BOSCH:

H. R. 7822. A bill for the relief of Irmgard Hornauer Russo; to the Committee on the Judiciary.

By Mr. BRAY:

H. R. 7823. A bill for the relief of Wong San Woo; to the Committee on the Judiciary.

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By Mr. DONOHUE:

H. R. 7824. A bill for the relief of Goon Shee (Goon Ju Hai) and Moy Chun Ngan (Edith Moy); to the Committee on the Judiciary.

By Mrs. FARRINGTON:

H. R. 7825. A bill for the relief of 16 customs inspectors employed at the port of Honolulu, T. H., from liability for certain amounts paid and demand for refund thereof; to the Committee on the Judiciary.

H. R. 7826. A bill for the relief of Chong Hyun Pak; to the Committee on the Judiciary.

By Mr. FERNANDEZ:

H. R. 7827. A bill for the relief of Chuzo Tamotzu; to the Committee on the Judiciary.

By Mr. HINSHAW:

H. R. 7828. A bill for the relief of Dr. Hsun-Tiao Yang; to the Committee on the Judiciary.

By Mr. HOLT (by request):

H. R. 7829. A bill for the relief of Oscar Beregi, Sr., and Oscar Beregi, Jr.; to the Committee on the Judiciary.

H. R. 7830. A bill for the relief of Margarethe Leiss Laimburg; to the Committee on the Judiciary.

H. R. 7831. A bill for the relief of Maria V. Beregi de Pataky and Coloman de Pataky; to the Committee on the Judiciary.

By Mr. HOLTZMAN (by request):

H. R. 7832. A bill for the relief of Sueko Oshiro; to the Committee on the Judiciary.

By Mr. MAGNUSON:

H. R. 7833. A bill for the relief of Daniel Souang and Michele Souang; to the Committee on the Judiciary.

By Mr. OSMERS:

H. R. 7834. A bill for the relief of Wilhelmina Kensdel; to the Committee on the Judiciary.

By Mr. SHEEHAN:

H. R. 7835. A bill for the relief of Maj. Gen. Julius Klein; to the Committee on the Judiciary.

By Mr. WALTER:

H. R. 7836. A bill for the relief of Dimitrios Kondoleon; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

360. Mr. HORAN presented a petition of 150 residents of the State of Washington urging that Congress exercise its powers to get alcoholic-beverage advertising off the air and out of the channels of Interstate Commerce, and thus protect the rights of States to prevent advertising within their borders; to the Committee on Interstate and Foreign Commerce.

EXTENSIONS OF REMARKS

Parliamentary Conference of the North Atlantic Treaty Organization

EXTENSION OF REMARKS

OF

HON. FRANK J. BECKER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1955

Mr. BECKER. Mr. Speaker, on the date of July 12 you paid me the honor of appointing me 1 of the 6 Members of the House of Representatives to attend the First Parliamentary Conference of the NATO countries to be held in Paris, France, from July 18 to 22, inclusive.

The other members of the delegation appointed were Congressmen HAYS, of Ohio; ANFUSO, of New York; UDALL, of Arizona; JOHNSON, of California; and CRUMPACKER, of Indiana. In accordance with the resolutions adopted by the House, we left for France on Saturday, July 16. Starting on Monday morning, July 18, we attended the first session held at the Palais Chaillot.

Mr. Speaker, I believe it very important that Members of the Congress know what took place and the results of this Conference, as well as the feelings and individual reactions of the six Members of the House of Representatives who attended.

The Conference was called to order and selected Senator Wishart Robertson, of Canada, as president.

After the meeting was organized in the conference room where the 15 NATO countries were represented, the Conference got underway with a discussion of the amount of good arising from such meetings of the parliamentarians of the NATO countries.

It was agreed that no particular subject matter would be discussed other than this until such time as an approval could be had by the various parliaments and Congress to set up a permanent parliamentary conference to meet once a year.

After listening to these discussions for several days and having the opportunity of off-the-record discussions after the formal sessions were over, I came to the absolute conclusion that a permanent organized conference of this kind would serve a great purpose, as all matters affecting NATO could be discussed by the members of parliaments and Congress, and a report made to the Congress by the delegates rather than the second-hand reports that we are now receiving.

I also had the opportunity to meet in a friendly way with the members of the various parliaments, putting everything on a very friendly basis.

One whole morning was spent at the headquarters of SHAPE where a complete briefing was given us by the following:

The Supreme Military Commander of NATO: Gen. Alfred Gruenther.

The deputy commanders: Field Marshal Bernard Montgomery, Gen. Pierre Brissac, Adm. Georgio Gay.

I could not help being extremely satisfied that this is a competent military defense organization for the free countries of Europe and the United States and that great strides have been made to prevent any aggression. I believe the organization of NATO and its military organization SHAPE under NATO is doing a very competent job of preserving the peace as well as promoting the economic welfare of the countries involved.

The final windup of the Conference was to adopt a resolution making the parliamentary conference a permanent organization. This resolution is to be submitted by the various delegates to their parliaments and Congress. Quite a discussion arose for the admittance of Spain into the NATO organization, and there was much favor in this regard.

The delegates of Portugal were going to press this point and there were several other matters the delegates believed were important to discuss, just as it was my firm intention to take up the matter of article VII of the Status of Forces Treaty whereby the agreement permits the prosecution of American GI's in foreign courts. However, due to the unanimous opinion of the parliamentarians that no discussion take place on matters affecting the treaty until a permanent organization was established, the other delegates and I agreed to set these matters aside.

In private discussions, however, I explored the matter and hope that sometime in the near future this matter will be discussed and some favorable action can be taken so that our GI's serving in foreign lands will have the full protection of the United States Constitution to which they are justly entitled.

I am sure this has the backing of the American people.

All 15 countries of NATO were represented by large delegations of their members of parliament, and there is no doubt in my mind whatever when I say to you in all sincerity that as members of legislative bodies everyone spoke very frankly. As the Conference developed, one could readily observe that any slight tensions that may have existed at the beginning of the Conference had completely disappeared. One could readily see that there was understanding and appreciation of the various parliaments of the member countries.

During the course of the week a special committee was appointed with one member from each delegation to draw up a resolution requesting their various parliaments to form a permanent NATO parliamentary organization, and several different resolutions were introduced. Out of these the committee reported unanimously a resolution which was adopted by the 15 delegations present. I am incorporating this resolution at this point:

This meeting of members of parliament from NATO countries:

Recalling that the aim of the North Atlantic Treaty is both to ensure the defense of member states and to contribute to the economic, social, and cultural development of the peoples united within the framework of the Atlantic Community;

Considering that achievement of the aims would be facilitated by closer relations between the members of the representative assemblies of the different countries and considering that this is particularly desirable in the case of the legislative branches of the member states who have by solemn treaty pledged themselves to the mutual defense and welfare of their respective peoples through the far-reaching initiative in international relations that is NATO;

Believing that these discussions between members and the NATO authorities and be-

tween members themselves have already been of great value;

Invites the speakers of the various parliaments concerned, according to the procedure which they think appropriate, to send delegations to a similar meeting each year.

Expresses the wish that the governments of the countries here represented facilitate through the NATO council further meetings.

Considers further that before we separate a continuing committee should be selected composed of the present officers and other members of the steering committee, 15 in number, to include 1 from each NATO nation and with the right of substitution to make arrangements for the next meeting.

This meeting further considers that such a continuing committee would require some secretarial assistance of its own. This should be, for the time being, on a part-time basis. The necessary finance, which should be quite small, should be provided by the participating governments or parliaments concerned on a basis to be mutually agreed.

Mr. Speaker, it is my very firm conviction and belief that we should participate in these parliamentary conferences where member delegates may hear the views and discuss the many problems that are in conflict today, even among the NATO countries. I feel positive that our delegates who attend these conferences would be in a very excellent position to explain to Congress, when legislation comes up whether it be in matters military or economic, the feeling of the parliaments of the other countries. A first-hand report on these matters at the proper time on the floor of the House, I am sure, will be helpful to all of the Members. I cannot help but feel that these discussions, ultimately, will bring about not only a fine relationship between the member countries but also gain the one and only desire, to halt Communist aggression.

I deeply appreciate the privilege that was given to me to represent this great House of Representatives at the NATO Parliamentary Conference.

They Speak Peace, but Mischief Is in Their Hearts

EXTENSION OF REMARKS
OF
HON. GEORGE S. LONG
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1955

Mr. LONG. Mr. Speaker, the Western World has been witnessing a most remarkable spectacle. Soviet Russia, it seems, has set out upon a course to convince the world that it really does want peace. In every conceivable manner, Soviet leaders have taken pains to give the appearance of substance to the shadow of the long-heralded Stalin "peace" offensive. No efforts have been spared to show the world that the men in the Kremlin are really reasonable, peace-loving, and trustworthy men.

However, peace—a real peace as we interpret its meaning—in order to be lasting, must be based upon trust, confidence, and mutual good faith. These are fundamental requirements for peace. I would like to believe that the Soviets want a real peace because the alternative—war in the hydrogen age—raises a specter of horror. But I cannot believe that the leaders of the Soviet Union meet the requirements necessary for the attainment of a real peace; that is to say, trust, confidence, and good faith. They have never been trustworthy. They cannot be trusted now. The long catalog of broken treaties and agreements concluded during the existence of the Soviet regime is convincing evidence of that fact. The Bible tells us, in the words of King David, in the 28th Psalm:

> Take me not off with the wicked, with those who are workers of evil, who speak peace with their neighbors, while mischief is in their hearts.

Unlike the freedom-inspired nations of the world whose foreign policies are rooted in the desire to live at peace, the foreign policy of the Soviet Union is a military campaign, the ultimate objective of which is world conquest. To the Soviet leaders peace is never absolute; it is never an end in itself. The political philosophy of the Soviet State is not based upon the concept of good-will toward men, but rather it is based on the belief that all mankind is at war with itself, that the millennium will come only with the conquest of the world by communism. Communists thrive on conflict, disorder, and disharmony, and when they seek peace it is not as a permanent goal. To them peace is a tactical weapon. It is only a diversionary tactic to gain time to recoup their energies before striking with greater force.

The recent conference at Geneva was a major attempt of the Soviet leaders to demonstrate to the world their new policy of peaceful co-existence. Meeting the most powerful leaders in the West, Khrushchev, Bulganin, Molotov, and Zhukov did their utmost to convince them and the entire world of their sincere desire for peace. Indeed, the leaders of the Soviet Union came to Geneva with a smile on their faces, but there was malice in their hearts. At every turn they gave the appearance of sweet reasonableness but they conceded nothing in the course of this conference. From their mouths which have spewed forth some of the most vicious, libelous, and malicious criticism of the West, and especially of the United States, there came forth now the honeyed propaganda platitudes of the peace campaign.

What was accomplished at Geneva? Nothing. Absolutely nothing. All the Soviet leaders did after a week of talking was to create the illusion of agreement.

On the surface, Soviet tactics have changed, but while Soviet tactics have changed Soviet strategy goes on unchanged. The Soviet Union seeks world conquest; it seeks the destruction of all the positions of strength created at such great cost in time, energy, and treasure by the United States and the West; it seeks, above all else, the destruction of the United States. Let it never be forgotten that America is the principal adversary of the Soviet Union. This Nation, first and foremost, restrains the predatory ambitions of the Soviet leaders. Let it never be forgotten that the threat of war is always with us so long as the Communists do not cleanse their hearts.

In the months ahead America must be on guard. We must view all these current Soviet gestures of amity with caution and with realism. Let the President remember those wise words of King David:

> Take me not off with the wicked, with those who are workers of evil, who speak peace with their neighbors, while mischief is in their hearts.

The United States should keep wide awake because the soft tones could be a Russian lullaby.

We permit ourselves to be drawn into talks with Russia. It is like playing with a rattlesnake in its coil. No good can come of it and we are bound to get hurt.

Remanufacture of Imported Watches To Increase Their Jewel Count

EXTENSION OF REMARKS
OF
HON. J. GLENN BEALL
OF MARYLAND
IN THE SENATE OF THE UNITED STATES
Monday, August 1, 1955

Mr. BEALL. Mr. President, in view of recent discussions concerning the proposed bill H. R. 7466, which would prohibit the remanufacture of imported watches to increase their jewel count, the following is an excellent analysis made by the Tariff Commission under date of July 28, 1955. This report points out a number of weaknesses in the bill and stresses that it would establish a new precedent in customs procedures as well as "a departure from the general principle of encouraging processing of imported articles in the United States." The study further warns that "in practical effect, such increases in rates of duty would be the equivalent of internal taxes," that "the administration of the measure would involve added burdens not only on customs officers but also on importers" and that even "the title of the bill is incorrect."

I ask unanimous consent to have this analysis made a part of today's RECORD.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

UNITED STATES TARIFF COMMISSION,
Washington, July 28, 1955.

MEMORANDUM FOR THE HOUSE COMMITTEE ON WAYS AND MEANS ON H. R. 7466 AND H. R. 7467, IDENTICAL BILLS TO AMEND PARAGRAPH 367 OF THE TARIFF ACT OF 1930 WHICH DEFINES SUBSTITUTES FOR JEWELS IN IMPORTED WATCH MOVEMENTS

INTRODUCTION

The proposed legislation, if enacted, would amend paragraph 367 (1) of the Tariff Act of 1930 to read as follows (new language italicized):

"(1) For the purposes of this paragraph and paragraph 368 the term 'jewel' includes substitutes for jewels. *For the purposes of the preceding sentence, the term 'substitutes for jewels' includes, without limitation, each place in any movement, mechanism, device, instrument, assembly, or subassembly where a jewel (as defined in the preceding sentence) is placed or inserted and serves a mechanical purpose as a frictional bearing, whether such jewel is so placed or inserted in a foreign trade zone (notwithstanding the provisions*

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of the act of June 18, 1934, as amended (19 U.S.C., secs. 81a–81u)), or in a bonded warehouse or otherwise in customs custody, or (except for the purposes of subparagraph (b) of this paragraph and paragraph 368 (b)) elsewhere within the United States within 3 years after the date of release from customs custody. The Secretary of the Treasury is authorized to make regulations to enforce or otherwise carry out the provisions of this subparagraph, which regulations may include provision for any bond, and for any declaration or other form of proof, he deems necessary."

The amendment would "enter into force as soon as practicable, on a date to be specified by the President in a notice to the Secretary of the Treasury following such negotiations as may be necessary to effect a modification or termination of any international obligations of the United States with which the amendment might conflict, but in any event not later than 180 days after the date of the enactment of this act."

The proposed legislation is designed as a deterrent to "upjeweling" imported watch movements in the United States, which practice domestic producers of jeweled watch movements claim to be prejudicial to the sale of their watches having more than 17 jewels. This practice involves the importation of jeweled movements and converting them in the United States into movements with a larger number of jewels. A number of years ago, a practice developed of upjeweling in the United States imported movements with 1 jewel to movements with 7 jewels, but subsequent trade-agreement reductions in rates of duty and rising costs of such upjeweling brought the practice to an end. In recent years, upjeweling has been confined principally to converting important movements with 17 jewels to movements with as many as 25.

The earlier practices of upjeweling involved rather substantial processing in the United States. The imported movement had to be disassembled, the plates and bridges jeweled, markings changed, the parts reassembled into a movement, and the movement timed. In recent years upjeweling has been facilitated by technological developments in the watchmaking field, such as the Duo-Fix and similar devices. The utilization of such devices not only has facilitated upjeweling but also has improved the quality of the finished product.

RELATIONSHIP OF UPJEWELING TO TARIFF TREATMENT OF IMPORTED WATCH MOVEMENTS

The only important incentive to upjeweling at present is the wide disparity in tariff rates applicable to movements with 17 or fewer jewels and those with more than 17 jewels. The attached table 1 sets forth the rates of duty prescribed in paragraph 367 of the Tariff Act of 1930, as modified, on watch movements, assemblies, and subassemblies, and parts. The rates on all movements having 17 or fewer jewels (or none at all) vary according to the size of the movement, jewel count, the number of adjustments, whether the movement is designed to operate for a period in excess of 47 hours without rewinding, or is self-winding, or could accommodate a self-winding device. The highest rate possible on a 17-jewel movement totals $9.10, computed as follows:

On a movement not over 0.6 inch in width, inclusive of 7 jewels	$2.50
For the 10 additional jewels	1.35
For 9 adjustments [1]	4.50
For self-winding feature	.75
	9.10

[1] Includes 1 adjustment for isochronism, 2 for temperature, and 6 for position. Although 6 position adjustments are possible, even very high-quality watches ordinarily have no more than 5 adjustments.

Most watches that enter the country are marked unadjusted and are being admitted without the assessment of adjustment duties. All movements having more than 17 jewels are dutiable at $10.75 each, regardless of size, adjustments, etc. As long as the duty on a movement with more than 17 jewels appreciably exceeds that on a movement with 17 jewels, plus the cost of converting such movement into 1 with 18 or more jewels, the incentive to upjewel will exist.

The Bureau of Customs of the Treasury Department issued a ruling (T. D. 53753) on March 16, 1955, that watch movements specially engineered, constructed, designed, or prepared to facilitate upjeweling after importation by omission of jewels and substitution therefor of metal caps, bearings, bushings, or bouchons contain "substitutes for jewels" within the meaning of paragraph 367 (i) in each position customarily occupied by a genuine or synthetic jewel but in which a metal cap, bearing, bushing, or bouchon has been placed at the time the movements were prepared for exportation to the United States. The ruling, which became effective in June, may deter certain upjeweling practices encountered in recent years. However, it is no deterrent whatsoever with respect to other practices involving movements which, at the time of importation, have no "substitute" jewels in the places in the movements where the real or synthetic jewels are ultimately installed after importation into the United States.

ANALYSIS OF PROPOSED LEGISLATION

The bills under consideration propose to meet the problem of upjeweling by defining the term "substitutes for jewels" in paragraph 367 (i) to include "each place" in a movement where a jewel or substitute for a jewel "is placed or inserted and serves a mechanical purpose as a frictional bearing, whether such jewel is so placed or inserted in a foreign trade zone * * *, or in a bonded warehouse or otherwise in customs custody, or * * * elsewhere within the United States within 3 years after the date of release from customs custody." Approaching the problem in terms of a solution based upon a completely arbitrary definition of the term "substitutes for jewels" is both indirect and confusing. A substitute for a jewel is a "thing," not a "place." The present definition of "jewel" in paragraph 367 (i) as including "substitutes for jewels," when coupled with the proposed definition of "substitutes for jewels" as including "each place" in a movement where a "jewel" is inserted or placed, literally could mean that a "jewel" is a "place" where a "place" is inserted or placed. This absurdity could be overcome and the substance in the first two sentences of the proposed paragraph 367 (i) could be more clearly and accurately stated if the following language was substituted:

"(i) For the purposes of this paragraph and paragraph 368, (1) the term 'jewel' includes substitutes for jewels, and (2) any duties assessable shall be computed on the basis of the total number of jewels, so defined, as are incorporated into any movement, mechanism, device, instrument, assembly, or subassembly at any time prior to, or within 3 years after, the date of release from customs custody of such movement, mechanism, device, instrument, assembly, or subassembly."

However, even if the language of the bills was clarified as above indicated, there would still be involved a departure from the general principle that imported articles are classified for tariff purposes according to their character and condition at the time of importation. To the extent that the proposed legislation would increase duty rates by reason of upjeweling in the United States, the duty would not be one which is imposed upon, or by reason of, the importation of the movements, but rather one which is imposed upon domestic processing of the imported movements. This, again, represents a departure from the general principle of encouraging processing of imported articles in the United States. In practical effect, such increases in rates of duty would be the equivalent of internal taxes.

The Commission is not unmindful of the various provisions in the tariff laws which make the actual use of imported articles in the United States determinative of their tariff status. As far as the Commission is aware, however, all such provisions which have been enacted in the past grant preferred tariff treatment to certain classes of goods used (or processed) in certain ways in the United States and are clearly distinguishable from a provision such as is proposed in the bills under consideration which would affirmatively impose increased rates of duty on imported articles by reason of processing applied in this country after their release from customs custody.

To the extent that the proposed legislation would provide for increased rates of duty on watch movements by reason of their being upjeweled in the United States, such legislation, if enacted, would be inconsistent with obligations of the United States under the Swiss trade agreement, unless the President took the action which is provided for in section 2 of the bills.

Since almost any of the watch movements being imported with not over 17 jewels could be upjeweled in the United States after release from customs custody to movements with over 17 jewels, the administration of the measure would involve added burdens not only on customs officers but also on importers, including those who had no intention of participating in, or being a party to, upjeweling transactions.

Effectively plugging up tariff loopholes is often difficult. Legislation may overcome tariff avoidance practices previously encountered, but may not sufficiently anticipate potential new practices which importers may devise. The Commission wonders, for example, whether defining a substitute for a jewel as a "place" in a movement where a jewel is "placed or inserted" is adequate to provide for a domestic processing involving the complete substitution in the United States of a bridge with, say, two or more jewels for a jewelless bridge in the imported movement. In such a situation, the question would be whether jewels per se are placed or inserted in the movement. It also seems possible that importers might find in the provisions of paragraph 1615 (g), Tariff Act of 1930, as amended, a feasible method of avoiding the full impact of the $10.75 duty on watch movements having more than 17 jewels. Paragraph 1615 (g), as amended, provides for partial exemption from duty in the case of (1) any article returned to the United States after having been exported for repairs or alterations, and (2) any article of metal (except precious metal) manufactured in the United States or subjected to a process of manufacture in the United States, exported for further processing, and thereafter returned to the United States for further processing. Articles within the purview of paragraph 1615 (g) are dutiable only on the value of the processing done abroad.

The title of the bills is incorrect. It indicates that paragraph 367 of the Tariff Act of 1930 defines substitutes for jewels in imported watch movements. Paragraph 367 contains no such definition at the present time.

TABLE 1.—*Rates of duty on watch movements, assemblies and subassemblies, and parts*

Paragraph No.	Description	Full rate [1]	Reduced rate [2]
367 (a)	Watch movements, and time-indicating, time-keeping, or time-measuring devices, instruments, and mechanisms, whether or not designed to be carried or worn on or about the person; all the foregoing, if under 1.77 inches wide, whether or not in cases, containers, or housings:		
(2)	Having no jewels or only 1 jewel and in width—		
	Not over 0.6 inch	$1.50 each	$1.35 each.
	Over 0.6 but not over 0.8 inch	$1.35 each	$1.12½ each.
	Over 0.8 but not over 0.9 inch	$1.20 each	$1.12½ each.
	Over 0.9 but not over 1 inch	$1.05 each	$1.05 each.
	Over 1 but not over 1.2 inches	93 cents each	93 cents each.
	Over 1.2 but not over 1.5 inches	84 cents each	84 cents each.
	Over 1.5 inches	75 cents each	
(1)	Having over 1 but not over 17 jewels and in width—		
	Not over 0.6 inch	$2.50 each	$2.50 each.
	Over 0.6 but not over 0.8 inch	$2.25 each	$2.02½ each.
	Over 0.8 but not over 0.9 inch	$2 each	$2 each.
	Over 0.9 but not over 1 inch	$1.75 each	$1.75 each.
	Over 1 but not over 1.2 inches	$1.55 each	$1.35 each.
	Over 1.2 but not over 1.5 inches	$1.40 each	$1.35 each.
	Over 1.5 inches	$1.25 each	$1.25 each.
(3)	Any of the foregoing having over 7 jewels shall be subject to an additional duty of.	15 cents for each jewel over 7	13½ cents for each jewel over 7.
(4)	Any of the foregoing shall be subject for each adjustment of whatever kind (treating adjustment to temperature as two adjustments), in accordance with the marking as hereinafter provided for, to an additional duty of.	$1 for each adjustment	50 cents for each adjustment.
(5)	Any of the foregoing constructed or designed to operate for over 47 hours without rewinding, or if self-winding, or if a self-winding device may be incorporated therein, shall be subject to an additional duty of.	$1 each	75 cents each.
	Any of the foregoing having under 7 jewels and having a bushing or its equivalent (other than a substitute for a jewel) in any position customarily occupied by a jewel shall be subject to.	The full rates specified above in respect of such article.	
(6)	Having over 17 jewels	$10.75 each	
(b)	All the foregoing shall have cut, die sunk, or engraved, conspicuously and indelibly on 1 or more of the bridges or top plates: The name of the country of manufacture; the name of the manufacturer or purchaser; in Arabic numerals and in words the number of jewels, if any, serving a mechanical purpose as frictional bearings; and, in Arabic numerals and in words, the number and classes of adjustments, or, if unadjusted, the word "unadjusted."		
(c) (1)	Parts for any of the foregoing (except bottom or pillar plates or their equivalent, bridges or their equivalent, and jewels) imported in the same shipment with complete movements, devices, instruments, or mechanisms provided for in subpar. (a) of this paragraph (whether or not suitable for use in such articles), but not including all the parts in such shipment which exceed in value 4 percent of the value of such complete articles).	45 percent ad valorem	
(2)	Bottom or pillar plates, or their equivalent	½ the duty for the complete article for which suitable.	½ the current duty for the complete article.
(3)	Assemblies and subassemblies (unless dutiable under (c) (1) above) consisting of 2 or more parts or pieces of metal or other material fastened or joined together:		
	Balance assemblies	50 cents per assembly	35 cents per assembly.
	For the purposes of this subdivision a balance assembly shall be an assembly consisting of a balance staff, balance wheel, and hairspring, with or without other parts commercially known as parts of a balance assembly.		
	Other:		
	For any jewels therein	15 cents per jewel	9 cents per jewel.
	For any bottom or pillar plates or their equivalent therein	The rate specified in (c) (2) above	The current rate in (c) (2) above.
	For other parts or pieces of metal or other material fastened or joined together therein (bimetallic balance wheels which are not parts of balance assemblies, and mainsprings with riveted ends, each to be considered as 1 part or piece).	3 cents for each part or piece	2 cents for each part or piece.
	The duty on any assembly or subassembly shall be	Not more than the duty for the complete article for which suitable, and not less than 45 percent ad valorem.	Same rule applied to current rates.
(4)	Other parts (except jewels)	65 percent ad valorem	55 percent ad valorem.
(d)	Jewels suitable for use in any article dutiable under this paragraph or par. 368, or in any compass or meter.	10 percent ad valorem	
(e)	Dials under 1.77 inches wide, for any article provided for in subpar. (a) of this paragraph, and imported separately.	5 cents each and 45 percent ad valorem	2½ cents each and 45 percent ad valorem.
	Dials for any articles provided for in subpar. (a) of this paragraph, whether or not attached thereto, shall have cut, die sunk, engraved, or stamped, conspicuously and indelibly thereon the name of the country of manufacture; which marking, if the dial is imported attached to any of the aforesaid articles, shall be placed on the face of the dial in such manner as not to be obscured by any part of the case, container, or housing.		
(f)	Cases, containers, or housings designed or suitable for containing any article provided for in subpar. (a) of this paragraph, whether or not containing such articles, and whether complete or incomplete, finished or unfinished (except containers used for shipping purposes only):		
(1)	Made of gold or platinum	75 cents each and 45 percent ad valorem	75 cents each and 30 percent ad valorem.
(2)	In part of gold, platinum, or silver, or wholly of silver	40 cents each and 45 percent ad valorem	40 cents each and 30 percent ad valorem.
(3)	Set with precious, semiprecious, or imitation precious or semiprecious stones, or prepared for the setting of such stones.	do	Do.
(4)	Of base metal and not containing gold, platinum, or silver	20 cents each and 45 percent ad valorem	10 cents each and 25 percent ad valorem.
(5)	Any of the foregoing cases, containers, or housings, if enameled, shall be subject to an additional duty of.	15 percent ad valorem	
(g)	The foregoing cases, containers, and housings shall have cut, die sunk, or engraved, conspicuously and indelibly on the inside of the back cover, the name in full of the manufacturer or purchaser and the name of the country of manufacture.		
(h)	For the purposes of this paragraph the width of any movement, device, instrument, or mechanism shall be the shortest surface dimension through the center of the bottom or pillar plate, or its equivalent, not including in the measurement any portion not essential to the functioning of the movement or other article.		
(i)	For the purposes of this paragraph and par. 368 the term "jewel" includes substitutes for jewels.		
(j)	An article required by this paragraph to be marked shall be denied entry unless marked in exact conformity with the requirements of this paragraph.		

[1] Rate provided for in Tariff Act of 1930.

[2] Rate currently in effect under Swiss trade agreement. This column includes increased rates proclaimed by the President in July 1954 on most of the movements in par. 367 (a), as a result of "escape clause" proceedings under sec. 7 of the Trade Agreements Extension Act of 1951, as amended.

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Swiss Independence Day

EXTENSION OF REMARKS
OF
HON. HENRY S. REUSS
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1955

Mr. REUSS. Mr. Speaker, the Swiss became free on that historic August 1, 1291, when they declared to the Hapsburg monarchy and other tyrants that the cantons of Schwyz, Uri and Nidwalden were joined in an everlasting league against external oppressors. Later, this freedom was extended to include 19 other cantons to make for today's total of 22.

When the Swiss and the Americans signed their Treaty of Friendship and Commerce on November 25, 1850, there was cause for rejoicing in both these freedom-loving lands on either side of the Atlantic. The Swiss Government then hailed the pact as a treaty of friendship whereby the two freest people on earth will treat each other reciprocally on a footing of equality.

Five months before, in a letter to the United States plenipotentiary negotiating the treaty in Bern, United States Secretary of State Clayton characterized the attitude of the United States in these words:

> We regard as brothers and benefactors of the human family those enlightened patriots in continental Europe, who have continued steadfast in their purpose to give to their countrymen such permanent institutions as Washington and his contemporaries gave to America.

Switzerland and America have much in common despite the discrepancies in size and language, although many Americans still speak the major tongues spoken in Switzerland—French, German, and Italian.

Both nations have similar constitutions. They enjoy the highest standards of living in the world. Both believe in individualism, but maintain stable governments. Their national governments were created to serve the people and not the other way around.

Like the Americans, too, the Swiss have a keen competitive spirit. For the Swiss, the manufacture and sale of fine watches, precision instruments and fabrics play a major role because Switzerland has no natural resources to speak of. Consequently, the money needed to buy goods abroad must be made through high competence in manufacturing.

The Swiss, therefore, have sold us their precision goods and timepieces, and bought from us farm products, tobacco, automobiles, and other manufactures. And the trade balance in favor of the United States was nearly half a billion dollars in the years from 1936 to 1953.

But, since last year, a higher tariff on Swiss watches threatens to impair this favorable trade picture. Swiss watch sales in the United States went off about 30 percent in the 6 months following the tariff increase, and Switzerland is looking elsewhere for markets with the likelihood that it will switch some of its buying, too.

American protectionists, claiming that our watch industry is essential to the defense of the United States, were successful in getting the President to sign a bill raising the tariff wall 50 percent higher. Yet, it was revealed months later that Defense Department experts had declared that no special nor preferential treatment was owing to the watch interests here.

The Abandoned Farmer

EXTENSION OF REMARKS
OF
HON. CLARENCE CANNON
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1955

Mr. CANNON. Mr. Speaker, I am this morning in receipt of a letter from a Missouri farmer in which he says the price of hogs is lower than a snake's belly in a wagon rut. And he points out that when the price of hogs is down, the price of corn follows.

He says the price of wheat is under pressure but the railroads are charging more to ship it than ever before and then not supply half enough cars and his wheat is dumped out on the ground waiting and deteriorating until the railroads get good and ready to haul it to market.

He insists that the Department of Agriculture has done nothing for the farmer since they decided to get rid of the family sized farm and plough under the small farmer and his children. He offers to trade Secretaries with the Department of Labor and wants a Secretary that will raise farm prices every time they raise union wages.

He also is willing, he tells me, to trade some farm Congressmen for a few of these city labor Congressmen that are doing such a wonderful job getting everybody's pay raised except the pay of the farmers who work harder and longer hours and render a more indispensible service than anybody else in the Nation.

He says these "danged Congressmen" over here in Washington are raising city pay so high that they are drawing all the farm labor into the city and he must rely on machinery to work his farm—and then they raise the price of farm machinery, and everything else the farmer uses, so high, and pay him so little, for what his farm produces that he does not have money to buy the machinery.

Mr. Speaker, I hope the Secretary will ease up a little on the farmer and let him have enough income to at least keep his head above water in this wonderful prosperity and high wages and high prices everybody else in the country is enjoying except the farmer.

And speaking very seriously, Mr. Speaker, may I call attention to the fact that the farm Congressmen have throughout this session cooperated with the labor Congressmen in securing fair wages and adequate living conditions for the wage earners of the Nation. We did so because we feel that agriculture has a common cause with labor. Both are exploited by the same predatory interests. But turnabout is fair play and we hope that in the next session labor will return the favor and support legislation insuring a fair share of the national income to the farm men and farm women who are feeding the Nation more bountifully today than ever before in the history of America.

Tribute To Harry M. Farrell, Late Enrolling Clerk of the House

EXTENSION OF REMARKS
OF
HON. CHESTER E. MERROW
OF NEW HAMPSHIRE
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1955

Mr. MERROW. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include therein a tribute to Harry M. Farrell, late enrolling clerk of the House.

Fresh from service in the Army of the United States, in which he served from 1917 to 1919, Harry M. Farrell began his service with the House of Representatives on July 4, 1919. His loyal, intelligent application to duty soon marked him as a capable, efficient employe of the Congress. His capacity for service was of the highest order and never varied during his long devoted career. He made notable and conspicuous progress in this chosen field as a servant of the legislative establishment.

Just prior to being placed on the roll of the House as Assistant Librarian, under the Clerk of the House, he assisted in establishing the first gymnasium for Members in the space now occupied by the legislative counsel. He was the first instructor in the gymnasium. Nature had well equipped this fine young man with a splendid physique. He had been an outstanding football player in college. Endowed with powerful shoulders he was a fast, natural boxer. Among the Members he engaged in boxing bouts with in the new gym was the former lightweight champion of the Navy, the late Honorable Fred A. Britten, who was then a prominent Member of the House and later to become chairman of the Committee on Naval Affairs.

Harry Farrell was possessed of a keen mind and strong character. He was direct in his conversations and his ready wit revealed the power of his intellect. His dry humor was intermingled with the vitality with which he tackled his duties every day.

From Assistant Librarian he was appointed assistant enrolling clerk, April 10, 1921. He became enrolling clerk of the House March 1, 1924, by appointment by the late Hon. William Tyler Page, then Clerk of the House. It was in this highly technical field of service to the House of Representatives that the mental stamina and infinite patience served him well, for it is in these little observed but highly important functions of the enrolling clerk where the slightest

error may disrupt the legislative path of actions by the Congress. He justified the confidence of his trust and is said to have been one of the most capable enrolling clerks ever to have served the House.

From December 31, 1931, until February 20, 1947, there occurred a break in his service with the House. During this period he was employed by the Department of Agriculture. Two years after his return to the enrolling clerk's position the House of Representatives created, on January 27, 1949, the position of minority enrolling clerk, in which capacity he served during the time his party was in the minority.

His death in Washington on June 24, 1955, removes from the service organization of the House one of the finest, most able, and steadfastly loyal servants of the House of Representatives. He will be missed by us all but his pattern will be remembered and is worthy of emulation.

TVA Power Financing

EXTENSION OF REMARKS
OF
HON. LISTER HILL
OF ALABAMA
IN THE SENATE OF THE UNITED STATES
Monday, August 1, 1955

Mr. HILL. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a statement which I made before the Senate Public Works Subcommittee on the TVA power financing bill, on July 27, 1955.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR LISTER HILL BEFORE SENATE PUBLIC WORKS SUBCOMMITTEE ON TVA POWER FINANCING BILL, JULY 27, 1955

It is with a deep sense of responsibility to the record of the past and a keen awareness of the challenge of the future that I appear before this committee. You are considering important legislation affecting TVA. This is, I believe, the first time in 15 years that TVA has requested an amendment of its statute to adapt that basic charter to changing times and circumstances. The managers of this public-power system have come to this committee, composed of the elected representatives of the people who are the owners of the system, and have recommended that TVA be authorized to issue bonds to finance additional power-producing facilities. They are asking the committee and the Congress to sanction the use of higher-cost capital, at the same time stating their belief that the objectives of the act can continue to be promoted even though future capital additions are financed from bond proceeds, and not solely from earnings and appropriations by the Congress.

Now I have great confidence in the staff which developed the plan approved by the board of TVA, and which is, with minor changes, embodied in the bill introduced by the Senator from Oklahoma, Mr. KERR. I feel a deep sense of gratitude to the management of TVA, for they have translated into an unrivaled record of achievement the hopes and the faith written into the TVA statute when it was adopted in 1933. I was one of the authors of the act creating TVA. Today, I am the only Member of the Congress who served on the conference committee appointed to adjust the differences between the House and Senate when the TVA Act was adopted. I am the only one who has had the satisfaction of participating year by year in the consideration of legislation affecting TVA, first as a member of the Committee on Military Affairs of the House of Representatives, later from my seat on the Appropriations Committee of the Senate. Although my voice alone can be heard today, I know I speak for those who were my colleagues on the committees of the conference—for the great and lonely Senator from Nebraska, George Norris, who had the vision of this vast development first and who labored unceasingly for its realization. I know I speak for the late distinguished Senator from Oregon, Charles L. McNary, who gave his unwavering support to TVA, for the late Senator Kendrick, of Wyoming—for all of them—when I say that the reality of TVA's accomplishments has outstripped our dreams. Every member of this committee knows how often the result is otherwise.

If the committee will tolerate a little reminiscence, I should like to remind you that TVA is peculiarly a child of Congress. The TVA statute was not one of the many measures recommended by the Executive and adopted in early 1933 to meet the desperate emergencies of the depression. Twice in the preceding decade legislation foreshadowing the act of 1933 had been adopted by the Congress after extended hearings and debate. Twice such legislation had failed to receive the approval of the President. It was in Congress, not in the executive departments or the Office of the President, that the ideas embodied in TVA were developed. It was in the committees and on the floor of Congress that the act was written section by section, and I must confess when I reread it, I recognize the scars which bear testimony to the long and patient construction. It is not a slick job of professional drafting. It is prolix and repetitious. Its provisions were modified, strengthened and agreed to after weeks and months of public debate. The TVA idea was not conceived in secret meetings between persons who might be benefited.

TVA was not born out of selfish or sectional interest nor was it the conception of a single political party. The leaders in the fight to conserve the war properties at Muscle Shoals for the people and to make them the nucleus of a great development were not at first representatives of the area concerned. Nor were they members of the political party dominant in the area. We of the South joined statesmen from the Great Plains and the mountainous West, and the bipartisan support which had been cemented through more than 10 years' struggle in the Congress stood firmly together in 1933 as we endeavored to create a nonpartisan, nonpolitical, independent agency to undertake the development of the resources of the Tennessee Valley region for all the people's benefit. We were deeply concerned that politics should be kept out of TVA. Congress laid down the basic policies in the act with bipartisan accord. We wanted to make certain that those policies could be changed only by Congress and after public debate. So we made TVA an independent agency, corporate in form. We gave its board staggered terms of 9 years each and required of them a special oath of belief in TVA. We added a section then unique in Federal legislation, requiring that "no political test or qualification shall be permitted or given consideration, but all appointments and promotions shall be given and made on the basis of merit and efficiency" (sec. 6).

In many respects the agency created was unique. To the best of my knowledge, TVA is still the only Federal agency directed by its statute to see the job of resource development as a whole, to consider the interrelation of land and water, of forests and mines, to unify and give leadership to a regional effort. There was nothing particularly new about most of the responsibilities assigned to TVA, particularly those related to water control. Other rivers had been made navigable through the expenditure of public funds. Flood control was not a novelty. Electricity was being produced at dams owned by the Federal Government, and distributed by preference customers to individual consumers. Federal programs of various sorts for the conservation of natural resources were being undertaken throughout the country in 1933. The tasks were not new, but the kind of agency we created to carry out the policies adopted was different.

We departed from the conventional Federal pattern of administration in many ways. Most importantly, we meant the TVA to be a bulwark against the steady push of centralization. Even then we realized, and increasingly we know today, too many decisions are made in Washington; too many papers are required; too much is decided by remote control. The men who decide are too far from the problems. In the TVA Act we specified that the headquarters of the Board should be located in the region, away from Washington, close to the work to be undertaken. We tried our best to make the Board's authority equal to its responsibility, to place the power of decision in its hands. We did not visualize its members as errand boys subservient to centralized control in Washington. We wanted to be able to hold the Board accountable for results. So we put TVA employees outside the regular classified civil service. We placed responsibility upon the Board directly for the selection, the training, the promotion, and the compensation of its employees, for the purchase and the sale of land and equipment. We permitted the agency to sue and be sued in the courts.

We were firm about policy in the act, clear, I believe, although at times perhaps verbose, about objectives, but we were silent on details. We did not try to foresee every situation which might develop and to prescribe the course of action to be pursued. So far as power production was concerned, we made clear that power was to be regarded as a tool—just as the fertilizer the Board was directed to produce at Muscle Shoals would be a tool, just as the navigation channel would be a tool—a tool to develop the economy of the area, to raise the standard of living of the people, to expand the economic opportunities of the men and women living in the region. TVA was intended to be a demonstration for the Nation of what can happen when power is so regarded, when rates are established at levels designed to promote abundant use and general economic growth and not to provide a maximum of earnings for the power systems' owners. TVA was intended to show what can be accomplished when there is a conscious effort to keep costs down—capital costs, operating costs, all the way from the generator to the consumer.

I have been disturbed a little recently because it seems to me that these basic objectives of the TVA power program might be forgotten in preoccupation with the financial success of its operations. I am proud, of course, when it is reported that TVA has earned an average of 4 percent on the power investment over more than 20 years, for I learned long ago that generation and transmission is the least lucrative end of the power business, and that is the part owned and operated by TVA. The distribution is by the municipalities and the REA cooperatives. I am immensely gratified to know that by the end of the current fiscal year TVA will have paid into the Treasury more than $200 million out of power earnings.

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But I am distressed when I read testimony or hear statements which indicate that because TVA, like privately owned power systems, shows a good record of net earnings accruing to its owner, it has assumed some kind of obligation to emulate the practices of private power companies in all respects. With all the earnestness I can command, let me suggest that TVA has a higher end to serve. The devoted efforts of the many men who labored for so many years would be dishonored if TVA came to be judged by the extent to which its financial structure, and its operating costs, resemble those of privately owned utility companies. That is not the objective of TVA. The reverse should be true.

When we worked to create the statute section by section, so far as power was concerned we hoped we were building something that would stand as a beacon, a goal for the private power companies to approach. TVA was created for a public purpose. It must be judged by the degree to which that purpose is upheld. We told TVA to make electricity available to the greatest number of consumers at the lowest possible cost, and to have particular concern for the domestic and farm consumer. You know that we have seen the percentage of electrified farms rise from 3 to 93, and the use of electricity on the farm increased from under 10 million kilowatt-hours to 1.5 billion kilowatt-hours a year. We have seen the total number of consumers in the area now served by TVA rise from 275,000 to 1,350,000 and the average use of domestic consumers increase from 600 kilowatt-hours to about 5,000 kilowatt-hours a year. We have seen this area become the best appliance market in the country, and we know what that means in terms of living standards. This committee has heard the record from those representatives of TVA best qualified to tell it. Those are the figures that record the degree to which objectives have been realized. Those are the objectives which must be safeguarded as TVA moves to revenue bond financing. This Nation needs the TVA power system. Power consumers all over the country need it to lead the way, to pioneer in new ways to make electricity serve the people. To show what happens when the owners of a system direct that its operation shall be wholly in the public interest. That is the idea of the yardstick.

We talked about the yardstick endlessly when the creation of TVA was under consideration. I am startled now when I hear it interpreted by private-power spokesmen from the platform, over the air, and on my television screen. If I have not exhausted the committee's patience, let me explain just how we intended the operations of TVA to benefit consumers all over the country. Let me describe the problem we were facing. In the Nation as a whole there was too little electricity and consumers were paying too much. That was generally agreed. But no one knew what people should be paying, what a fair rate should be, a rate which would cover all the costs of operation which a prudent owner would incur and provide a fair return on the investment. Then, as now, the power business was by nature a monopoly free from the disciplines of competitive business. It had to be regulated in the public interest.

But the regulatory commissions were handicapped. They were limited in jurisdiction, and frequently concerned solely with restrictions on the rate of return earned by the companies after operating costs had been met. Nobody had the data to judge whether operating costs were accurately reported or prudently incurred. There was a special mystery about the costs of power distribution as distinguished from generation and transmission.

The truth is that nobody, including the private utilities, appeared to know how their rates were established and what their costs really were. They just knew they were making money. We did not know what TVA's costs would be, nor at what level rates should be set. We simply had faith that the principle of low rates and high use would work. We prescribed protection against some of the abuses common in private operation, discrimination between customers, for example, and we made sure our objectives were clear. But we did not attempt to fix the rates in the act and we did not know what the financial results of the policies would be. We took a chance. And TVA has proved us right. The rates established in the contracts between TVA and its distributors have covered all the costs of operation, including depreciation. They have earned a rate of return, in addition, 4 percent to TVA, an average of 8 percent to the distributors. TVA has proved that a power system can be operated as a public service and stay in the black.

Now I do not remember a single suggestion that we expected TVA in some mysterious fashion to set ideal rates which should be therefore established throughout the country. That is the notion you would get from the utility propagandists. We recognized that the cost of producing electricity varies. In the Northwest, for example, it can be produced more cheaply than in the Tennessee Valley. We had one firm conviction—that electricity should be made available to the people everywhere in this country at the lowest possible cost for each power system. And we felt TVA could help. We determined that every cost incurred by TVA and its distributors should be reported. We hoped that the Congress, the State regulatory commissions, private power companies themselves, and the public generally, would learn to compare the cost items in the several categories, to discover the reason for variables, to the end that electricity rates should be established on the basis of fact about costs, not in response to pressure or propaganda. In 1935 we amended the TVA Act to spell out exactly what we had in mind.

Let me read from the third paragraph of section 14 of the act:

"For the purpose of accumulating data useful to the Congress in the formulation of legislative policy in matters relating to the generation, transmission, and distribution of electric energy * * * and to the Federal Power Commission and other Federal and State agencies, and to the public, the Board shall keep complete accounts of its costs of generation, transmission, and distribution of electric energy and shall keep a complete account of the total cost of generating and transmission facilities constructed or otherwise acquired by the Corporation * * * and a description of the major components of such costs according to such uniform system of accounting for public utilities as the Federal Power Commission has, and if it have none, then it is hereby empowered and directed to prescribe such uniform system of accounting, together with records of such other physical data and operating statistics of the Authority as may be helpful in determining the actual cost and value of services, and the practices, methods, facilities, equipment, appliances, and standards and sizes, types, location, and geographical and economic integration of plants and systems best suited to promote the public interest, efficiency, and the wider and more economical use of electric energy. Such data shall be reported to the Congress by the Board from time to time with appropriate analyses and recommendations, and so far as practicable, shall be made available to the Federal Power Commission and other Federal and State agencies which may be concerned with the administration of legislation relating to the generation, transmission, or distribution of electric energy."

Perhaps we were naive. I do not know whether the reports so elaborately prepared and presented annually by TVA and its distributors are used as we intended. I do know that electricity rates have come down and use has increased, while power system earnings have risen. When I see a chart showing in concentric circles the extent to which rates have been reduced in the area surrounding TVA, when I check upon the financial reports of the companies serving those areas, I see the yardstick at work, if not in the studious and technical way we expected it would be, surely in a highly effective manner. When I remember that the electrification of rural America through REA had its beginning in TVA's first organization of farm electric cooperatives, I see the yardstick at work. When I contemplate the vast quantities of power provided by private companies for vital installations of defense and at less than their normal charge for industrial loads, I know the yardstick has been used, however grudgingly.

From this long background I testify today. I hope this committee will resist the temptation to limit the flexibility the agency will require to offset, at least in part, some of the costs of private financing by the more precise timing of system additions which freedom from the appropriation process should make possible. I do not believe that every issue of bonds should require the same slow process of justification and approval, that an appropriation request requires. These are revenue bonds. They will rely for their security upon a continuation of efficient management. I am deeply opposed to the suggestion that the power of decision should rest in the Secretary of the Treasury, not in the Board of TVA. The Secretary of the Treasury is not responsible for the TVA power system. He has not sworn to promote the principles of the TVA Act. This goes to the heart of TVA. I hope the committee will reject the suggestion. I am against the adoption of a policy under which the Federal Government as owner would demand excessive withdrawals of cash. I am for the Kerr bill. I believe that its adoption would be in harmony with the public purposes of the TVA, and I believe it embodies better business principles than do the revisions proposed by the Bureau of the Budget. It gives to management authority sufficient to discharge its responsibilities.

If this committee approves and Congress adopts the Kerr bill we can continue to hold the Board of TVA accountable for results. If we accept the Budget revisions we will have our choice of culprits if this power system fails to lead the way in responsible management in the future. We can blame the Bureau of the Budget, the Appropriations Committees of House or Senate, or the the Treasury. We will dilute the very quality which has brought TVA world-wide esteem. We will be giving this public power system something less than the best. We will be inviting delay and confusion. We will be going backward, not ahead. We must advance. We are not through pioneering.

Just 2 years ago I made an extended visit to TVA. I visited laboratories and workshops, multipurpose dams and giant steam plants. I talked to workmen handling great earth-moving equipment, to engineers and draftsmen. I met with mayors and businessmen, with editors and farmers. I wanted to see for myself to illuminate the mass of documents I read about TVA every year. I visited projects in Mississippi, in Kentucky, Virginia, North Carolina, Tennessee, and Alabama.

My heart was stirred every time we visited the majestic structures which hold the waters back until the river's flow can be usefully employed for man. At each one I stopped to read the simple plaque of dedication. The names of the members of the Board are not honored there. No engineer, or architect, is listed for credit. Each one has the same inscription—just one line which

says: "Built for the people of the United States."

This is the people's power system, designed and built and operated for their benefit. TVA has earned our confidence and trust. TVA must be preserved.

Twentieth Anniversary of Catholic War Veterans of the United States of America

EXTENSION OF REMARKS
OF
HON. FRANCIS E. DORN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1955

Mr. DORN of New York. Mr. Speaker, during the week of August 14, the Catholic War Veterans of the United States of America will celebrate their 20th anniversary national convention at the Hotel Commodore in New York City.

The convention will see the report of progress made by this national veterans group in the fields of Americanism, Catholic action, leadership, veterans' affairs, and youth welfare. The high spot of the convention will be a gala testimonial banquet to honor the military vicar of the United States Armed Forces, His Eminence Francis Cardinal Spellman, at which time the Honorable James P. Mitchell, United States Secretary of Labor, will be the featured speaker.

In returning to New York City, the birthplace of the organization, Catholic War Veterans are stressing their 20 years of service "to God, to country, and to home."

The Catholic War Veterans of the United States of America was founded by the Right Reverend Monsignor Edward J. Higgins, LL. D., in 1935, "to promote zeal and devotion for God, for country, and for home," the basis of its constitution.

In the course of its two decades of existence, the Catholic War Veterans has to its commendable credit the fact that it has spotted and fought totalitarian and brutalitarian philosophies of both the right and left and stood firm on the solid stand of freedom of the individual and personal independence of its citizenry under the law.

The Catholic War Veterans of the United States of America have received many commendations from agencies in government, in business, in welfare and hospital work, in rehabilitation, in child guidance, in patriotic, fraternal, veteran, and religious spheres. It is recognized by the Veterans' Administration in the handling of cases before it.

It has been commended by several United States Presidents, and a great many American statesmen.

Programs have included: summer camps for youngsters; informative material exposing fascism, nazism, and the cancerous core of Communist propaganda, broadcast and information bulletins on veteran benefits; support of youth groups, establishment of scholarship; fight for veterans' rights and spiritual comfort of our comrades; proper burial for veterans and care for their widows and dependents; exposure of intolerance, bigotry, and disloyalty; promotion of activities which tend to strengthen the moral fiber of nation and its people, and build a greater spirit of faith and patriotism.

The current program of the Catholic War Veterans of the United States of America is strictly positive. The Catholic War Veterans are protagonists of right, truth, and justice. Their whole philosophy is based on the recognition of man's dignity and rendering to God the things that are God's. They insist on the recognition of the moral basis, underlying all political, economic, and social themes.

They believe in action. "It is better to light one candle than to curse the darkness." No program, no matter how magnificent, can be effective unless it is acted upon. They remember this—and act.

The two decades of Catholic War Veterans' existence have proved fruitful for our American freedom; and the future of America is safe when public-spirited, patriotic citizens who have fought for their Nation in war can continue to serve in peace.

The Catholic War Veterans is organized to serve. Size is not the measure of their service, their reputation, their loyalty, their faith, their spirit of fellowship. They take pride in their past, and are confident of their future.

Central California Farmers and Conservationists Applaud Lostetter Report

EXTENSION OF REMARKS
OF
HON. HENRY S. REUSS
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1955

Mr. REUSS. Mr. Speaker, I have on July 27, 1955, called to the attention of this House a flagrant instance of secrecy in Government and attempted deception by a branch of the executive arm of Government. I refer to the Department of the Interior's suppression of an important conservation document which completely contradicts the views of Fish and Wildlife Director John Farley.

Mr. Farley tried to explain away my attack on his Department's laxity in enforcing the Federal regulation against duck baiting on the ground that California club owners were feeding "hungry ducks" when they shot migratory waterfowl within 200 yards of their guns.

The suppressed document prepared by Clinton H. Lostetter, a career biologist for the Fish and Wildlife Service, described the California duck baiting as "a disguised attempt to circumvent Federal regulations—a deceptive maneuver by the duck clubs through administrative channels to get legalized baiting."

In a few days the Department of the Interior will be issuing its 1955 regulations on duck baiting. Yet the Lostetter report which so thoroughly punctures Mr. Farley's alibi for the game hogs remains locked up in the Department of the Interior.

I have received heartening news today from representatives of California rice farmers and conservationists that speaks highly of Clinton H. Lostetter and his efforts to help both the California farmer and our migratory waterfowl.

The telegram received by me today states:

Hon. HENRY S. REUSS,
House Office Building,
Washington, D. C.:

In regard to California duck-baiting attack publicized in Fresno Bee, July 29, and San Francisco Chronicle, July 30, please be advised Clinton H. Lostetter, biologist, United States Fish and Wildlife Service, has done an outstanding job in this district and has succeeded in coordinating the complete cooperation of farmers, sportsmen, and waterfowl conservationists interested in the wintering grounds of the Pacific flyway of wild ducks and geese.

Mr. Lostetter expressed the opinion of the great majority of our members who also feel the opening of the waterfowl season prior to October 22 in central California will be extremely detrimental to agriculture and not in the best interests of good waterfowl conservation.

RICHARD DES JARDINS,
President, Cal-O-Ro Rice Growers, South Dos Palos, Calif.; Cochairman, Fresno-Merced Counties Crop Depredation Committee.
J. MARTIN WINTON,
Waterfowl Representative, Sportsmen's Council of Central California, and Cochairman Crop Depredation Committee, Fresno and Merced Counties.

It is time that the farmers, duck hunters, conservationists, and the American people find out if the Fish and Wildlife Service has become the tool of duck-baiting interests, and if Director Farley has been fooling the public by his claims that violations of the Federal regulation against duck baiting are justified because hungry ducks need to be fed.

If Mr. Farley's skirts are clean, he should be willing to release the Lostetter report. But if Mr. Farley has been deceiving the American public, the Government should release Mr. Farley.

A Magnificent Legacy

EXTENSION OF REMARKS
OF
HON. PETER FRELINGHUYSEN, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1955

Mr. FRELINGHUYSEN. Mr. Speaker, under leave to extend my remarks, I should like to bring to my colleagues' attention the magnificent gift to be received by the Morristown National Historical Park under the will of Lloyd Waddell Smith. This park, incidentally, is located in my congressional district, and includes Washington's famous revolutionary headquarters in Morristown, and also the site of the Continental Army's encampment in nearby Jockey Hollow. The Jockey Hollow area, totaling some 1,000 acres, was given to the Government by Mr. Smith in 1933, thus

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laying the groundwork for the establishment of the Morristown National Historical Park.

The late Lloyd Waddell Smith, one of New Jersey's most distinguished citizens, has left to the Morristown National Historical Park his unique collection of Americana. Included in this collection are hundreds of letters written by George Washington, his sword, and estate records. As an avid and discriminating collector, Mr. Smith amassed also a magnificent collection of Indian relics, largely found in New Jersey. Many manuscripts, books, and documents of the Civil War period also have been left to the national park.

In the light of this immensely valuable legacy, it is especially pleasing to me to know that these articles will be housed in a new wing to the national museum, located on the grounds of Washington's headquarters in Morristown. Sufficient funds for this purpose just recently have been made available to build this wing, which it is expected will be finished in 1956. At that time, therefore, one of our most interesting national parks will be able to display adequately the priceless and irreplacable collection just left to the Nation by the late Lloyd Smith.

The Low-Income Farmers

EXTENSION OF REMARKS
OF
HON. ALVIN M. BENTLEY
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1955

Mr. BENTLEY. Mr. Speaker, I call attention to the fact that this Congress has failed to provide the money requested by the administration to help get the low-income farm program under way. The CONGRESSIONAL RECORD contains speech after speech about the needs of family farms—especially the small farmer. But when it comes to action the low-income farmer is again the forgotten man.

The price-support and stabilization programs during the past year cost over a billion dollars. I want to make it clear that I am for price supports. The benefits went primarily to 2 million of the larger, more prosperous farmers, the ones best able to care for themselves.

There are 1½ million farmers with incomes of less than $1,000 per year. They get little or no benefits from price supports. The administration announced a program for these low-income farmers and asked for a modest fund of $3 million, plus $30 million for loans. This Congress was in the process of denying any help for this program.

It was only after Senator AIKEN spoke out in protest at the last minute on July 26 and an amendment was submitted by Senator THYE that $15 million with administrative expenses was provided for loans to the low-income farmers. The rest of the funds were denied. These low-income farmers can get additional help only by borrowing. Again they are the forgotten people.

Senator AIKEN said:

The President pointed out ways in which the low-income farmers could be helped, and he has asked for a very modest amount of money to be used in helping them. * * *

I had hoped that Congress would respond to the President's request. More than 1,000 counties, or about one-third of all the counties in the United States, are low-income counties; that is counties in which farmers who are hard up live. I regret very much that after the President had made this request of Congress, the House recently eliminated every dollar of appropriation, I believe, which would have enabled the several departments which would have cooperated to have helped improve the lot of the 1½ million low-income farmers.

I am more than disappointed, upon coming to the Senate today, to learn that the Senate Committee on Appropriations also has eliminated the funds which would have helped the President to carry out his program to improve the lot of the 1½ million low-income farmers.

President Eisenhower in sending the program to Congress said:

We must open wider the doors of opportunity to our million and a half farm families with extremely low incomes—for their own wellbeing and for the good of our country and all our people.

This Congress will go home to find that all across this country, prominent leaders agreed that the rural development program for low-income farmers was sound. They will find disappointment and regret that Congress provided only one-half the loan funds requested and denied other modest requests of $3 million to help low-income farm families.

The McCook Family Papers

EXTENSION OF REMARKS
OF
HON. JAMES G. FULTON
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1955

Mr. FULTON. Mr. Speaker, I take pleasure in calling to the attention of my colleagues in Congress and to the country a significant recent addition to the Library of Congress. Through the generosity of Mrs. Katherine McCook Knox, of Washington, D. C., former daughter-in-law of the late Senator Philander C. Knox, of Pittsburgh, Pa., the Library of Congress has obtained the first installment of the McCook family papers. The active role in American history played by the descendants of George McCook, an early settler of Pittsburgh, is interestingly documented in this collection of letters, photographs, and clippings.

Many of the letters received by the Library of Congress relate to Gen. Anson G. McCook, father of the donor. General McCook, famous as one of the 15 "fighting McCooks" of the Civil War, was elected to Congress for three terms from 1877 to 1883. General McCook subsequently served for 10 years as Secretary to the United States Senate, having been chosen by both Democrats and Republicans.

The papers reflect General McCook's active life and include official and private correspondence with Presidents Grant, Hayes, Garfield, Cleveland, Benjamin Harrison, McKinley, and Theodore Roosevelt. President Harrison writes interestingly of his early reaction to presidential campaigning; President Hayes discusses the woes of the ex-President, and President Cleveland gives his personal hunting plans and preferences. Other friends prominent in United States public affairs are among the correspondents—Levi P. Morton, Thomas Nelson Page, William T. Sherman, Mark Hanna, and Admiral Robley D.—Fighting Bob—Evans.

The McCook family has been known for generations for its contribution to the legal profession and the ministry. Attorney George W. McCook was a law partner of Edwin M. Stanton, Secretary of War in President Lincoln's Cabinet; Attorney Daniel McCook, Jr., was a law partner of Gen. William T. Sherman and Gen. Thomas Ewing. The Reverend Henry C. McCook became a leading Presbyterian minister in Philadelphia. By his outside hobby in the field of zoology and biology, he has contributed substantially to the early research on the ant and spider species. Two other members of the McCook family have been commemorated as pioneers in the naming of McCook, Nebr., and McCook County, S. Dak.

The McCook family papers will be of interest to military and political historians as well as to students of American cultural history. The papers already in the Library's custody are available for study by permission of the donor, which may be requested through the Chief of the Manuscripts Division of the Library of Congress.

It is hoped the outstanding contribution of Mrs. Knox will encourage other prominent families to make such valuable and interesting papers available to the Library of Congress and the general public.

Fishing For Kids Only—West Branch, Mich., Leads the Way

EXTENSION OF REMARKS
OF
HON. ELFORD A. CEDERBERG
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1955

Mr. CEDERBERG. Mr. Speaker, up in the 10th Congressional District of Michigan the small community of West Branch, nestled in the hills of Ogemaw County, has set an example for the Nation in interesting young America in the sport of Izaak Walton.

The community has armed itself with a strong weapon against juvenile delinquency, against boy gangs, and against atheistic communism.

A few years ago a group of West Branch citizens, whose interest in youth went beyond the mere talking about the youth problem, set about to do something for the youngsters.

The result was "fishing for kids only," which in West Branch means that the

waters of the trout-abounding Weidman Creek, which winds its way through the town, is set aside for fishing solely by boys and girls under 16 years of age. And 24 property owners along the route of the creek have cooperated by hiding their "no trespassing" signs insofar as applying to the kids fishing from the creek banks of their land.

The idea of "fishing for kids only" which was pioneered in West Branch caught on quickly in Michigan and now about 40 communities are sponsoring similar projects.

Just how the proposal caught fire is described in the Kiwanis magazine as follows:

Two years ago, Kiwanian Mickey Duggan decided he wanted to do something to keep juvenile delinquency out of West Branch, Mich. Remembering how he liked fishing as a boy, Mickey thought it might be a good idea to give the local kids a private fishing preserve. West Branch gets its name from a trout stream that cuts through the heart of town, and Mickey's plan was to restrict fishing there to boys and girls 16 years old and under. He explained his idea around town, and everyone liked it. The State conservation department stocked the stream with trout for the kids.

Then West Branchers collected enough money from local sources to buy a 10½ acre plot of land bordering the stream. The kids went for the idea in a big way. Although thousands of trout were dumped into the stream at the beginning of the season, another load had to be planted.

Said one parent: "We used to worry about what our children were doing after school. But now, when we know they're fishing, our worries are over." The West Branch club, meanwhile, has been busy answering letters from educators, youth leaders, law officers, and park officials all over the country who want to learn more about the West Branch project.

So when a West Branch dad's favorite trout rod is missing he usually hikes for Weidman Creek and tries to locate Junior and the rod. A lot of pops and moms got the habit of trailing junior to the stream but in some places the going was pretty rugged for mom because much of the shoreline was brush covered and much more had been used as a dumping place so out of that came another benefit for the community. Some ten and a half acres of land along Weidman Creek were donated to the city by the West Branch Kiwanis Club, the Producers Refining Co., the Precision Manufacturing Co., and Mr. and Mrs. Paul Keeler.

Today this area is a beautiful spot known as Irons Memorial Park. There are signs on the larger trees, identifying them. There is an artesian well, fireplaces, picnic tables, log catwalks across the stream, and "old swimming hole."

Some civic-minded people donated money and others donated equipment, supplies, and labor to make the park possible. The park was another fruit of "Fishing for Kids Only."

But back to "fishing for kids only."

There has been another product of the program. The youngsters of the West Branch area have come to realize the value of clean streams and streams free of tin cans and garbage so they are doing their bit to keep their favorite fishing grounds free of litter.

The "fishing for kids" program is now sponsored by the retail merchants division of the West Branch Chamber of Commerce and this group has erected signs along the protected area of the stream proclaiming:

Mr. Fisherman, you are on your honor. This stream is reserved for boys and girls 16 years and under.

The Michigan United Conservation Club publication had this to say about it:

Some said the project would be a passing fancy—that there wouldn't be enough kids on the stream to make it worth while. A few days before the season opened the stream was stocked with legal size trout.

When the opener rolled around the youngsters were out on the stream by the hundreds. Being a little short on tackle, they were angling for trout with willow poles, casting rods and almost any type of fishing rig. Others rushed home and "borrowed" Dad's fly rod, net creel, and boots. Some 8-year-olds on the stream were almost hidden in their big boots.

The program has the approval of the Michigan Department of Conservation and Gerald E. Eddy, director of that department, says:

In many places, interested civic groups have set up and reserved stretches of natural public waters for kids. The State conservation department encourages this sort of natural use wherever it appears justified. Not unnatural ponds or stocked waters, but stretches of stream where Dame Nature is still chief stockholder. It's a project that service clubs, chambers of commerce, sportsmen's clubs, and other interested civic groups might find singularly profitable.

The project is being copied by other communities in Michigan and I hope my colleagues in the House will call it to the attention of some of your civic minded constituents because I am sure my friends in West Branch do not want to monopolize the idea. I am interested in young America. I want to do what I can to interest him in baseball and other competitive sports and in fishing and in conservation and in God's great out-of-doors. If we can direct the attention of our youth along these lines we will have need for less national concern about some of the youth problems that have been discussed on this floor during this session of Congress.

I invite my colleagues to come to the Tenth District of Michigan after Congress adjourns and enjoy our out-of-doors and our recreational areas. We have beautiful streams abounding in trout, our fresh-water lakes with game fish awaiting your lure, and beautiful Lake Huron with its perch and other fish.

Bernard M. Baruch's 85th Birthday

EXTENSION OF REMARKS
OF
HON. JAMES ROOSEVELT
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1955

Mr. ROOSEVELT. Mr. Speaker, on August 19 one of America's great elder statesmen of all times, Mr. Bernard M. Baruch, will celebrate his 85th birthday. This is a milestone which few among us are destined to reach. In this respect Mr. Baruch is one of the few who was blessed by the Almighty, and he has utilized these bountiful years for a most constructive life and the welfare of humanity.

Bernard M. Baruch was born on August 19, 1870. As he reaches the age of fourscore and five, the people of this country know him as a stalwart American, a philosopher-statesman, a philanthropist, and a master mobilizer of our national strength. We know him also as an adviser and personal confidante of the last seven Presidents, both Democrat and Republican, and as the man who by his wisdom and patriotic deeds has influenced American life and American leaders for the past half century.

Of him, Dwight D. Eisenhower said in August 1952:

I was one of those who for the past quarter century has had the privilege of sitting at his [Baruch's] feet and listening to his words of wisdom, words that are still mighty. Beyond this, he is one of those who has shown to us that if a man forgets all else except service to country, then indeed the country will remember him with respect and affection.

The people of America, indeed, think of Bernard M. Baruch today with respect and affection and will always so regard him. He had endeared himself in the hearts of our people nearly four decades ago when he played such a major role in mobilizing our country's resources during World War I, and in subsequent loyal and unselfish deeds and services to our Nation in times of peace or in times of peril. He is one of the great architects of our Nation's strength who helped defend our freedom and preserve our national security.

Baruch was among the first to recognize and to warn against the danger of totalitarian aggression to the United States and the other democratic nations of the world. He has repeatedly made this warning, which contains a good deal of commonsense philosophy:

There is only one way to protect yourself from a possible aggressor. Be strong. Be so strong he cannot dare attack you without fear of self-destruction. In that way you achieve peace, and only in that way. There are certain people who only understand strength. They sneer at weakness, no matter how noble the aim of the seeker after peace.

"Peace through strength" was written about Mr. Baruch by Morris V. Rosenbloom. This is an apt and timely title.

On the occasion of Mr. Baruch's 85th birthday, I take this opportunity to extend to him my heartfelt greetings and sincere wishes. I consider it a great honor to pay public tribute to him as one who has made such a marked imprint on American life and statesmanship. His is the guiding hand of a great master, the tireless devotion of a great patriot, and the boundless enthusiasm of a great humanitarian.

May he continue to be with us for many more years to come. May he live to see the fulfillment of his noble ideals of a mankind truly at peace and enjoying the fruits of human freedom.

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Let's Look at the Record—A Report to the People of the Fourth District of Wisconsin on the 1st Session of the 84th Congress

EXTENSION OF REMARKS
OF

HON. CLEMENT J. ZABLOCKI
OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1955

Mr. ZABLOCKI. Mr. Speaker, at the conclusion of each session of Congress, I report to the people of my district on my votes and actions as their Representative in our National Legislature.

The report which follows contains a summary of the major issues which confronted the Congress during the present session, and indicates how these issues were resolved. It also reviews my position and votes on key legislative bills.

I have been submitting these annual reports because I believe that the voters have a right to know what their representatives did, and how they stood on important questions. Such information is necessary to enable the people to properly evaluate the work of their elected officials.

In the words of Al Smith, "Let's look at the record"—the record of the 84th Congress, and the record of the Representative from the Fourth District of Wisconsin.

THE 84TH CONGRESS

The legislative record of the 1st session of the 84th Congress was characterized by three general features. We should bear them in mind as we proceed to analyze the actions of our representatives in Washington.

In the first place, the Democrat-controlled 84th Congress showed more concern for the interests of the people as a whole than did the preceding one. The farmer, the worker, the small-business man—the Mr. Average Taxpayer—will generally benefit from the bills considered during the first session. This was in sharp contrast with the attention shown to select groups by the 83d Congress.

Secondly, the Democratic majorities in both Houses of Congress gave the President full cooperation on issues affecting national security and the overall national interest. In fact, those features of the President's program which were intended to benefit the common good received more support from the Democrats than from the President's own party.

Finally, legislative progress achieved during the first session was moderate, when measured in terms of bills approved by both Houses and enacted into law. Nevertheless, considerable amount of work was exerted in laying the groundwork for the second session which will begin next January. Final action will be taken during the next session on a number of bills which were drafted, studied, and approved either by the House or by the Senate this year.

NATIONAL DEFENSE AND INTERNAL SECURITY

In this realm, the 84th Congress approved an extension of the Selective Service System, continued the draft of doctors for 2 years, reorganized the military reserve system, took steps to provide for emergency appointments to fill congressional vacancies caused by disaster, and sharply increased the funds for the Air Force.

Considerable controversy raged on this last issue. Two years ago, over the strong opposition of the Democrats who were then in the minority, President Eisenhower cut Air Force funds by $5 billion, thereby delaying the buildup of our airpower. When the Soviets demonstrated earlier this year that their air strength may exceed ours, Congress decided to take matters into its own hands.

Key administration leaders and military authorities were promptly summoned to a secret meeting on Capitol Hill. After the meeting was over, Democratic congressional leaders took immediate steps to speed up our jet production by 35 percent. Even with this development, we are two years behind, having lost that precious time because of the 1953 cuts.

On the question of the Reserve reorganization bill, the President wanted a law which would compel all veterans, discharged since the Korean war, to participate in active Reserve training. The Congress, however, decided to exempt present and former servicemen from compulsory training. Under the new law, Reserve training will be mandatory only for those boys who will enter on active duty in the future. Unfortunately, this provision is expected to delay the attainment of the administration's goal of an active Reserve of 2.9 million men.

INTERNATIONAL AFFAIRS

In the field of foreign affairs, Congress extended our Trade Agreements Program for 3 years, and took steps to simplify our obsolete and burdensome customs procedures which act as a deterrent to international trade. Further, the President was given authority to aid in the defense of Formosa against a direct Communist attack, and received adequate funds to continue our Mutual Security Program of military and economic cooperation with our allies. Congress also reiterated its opposition to the admission of Red China into the United Nations, and repeated its pledge that the United States will not support any colonial or imperialistic policies of other nations.

In general, cognizant of its role under our Constitution, Congress did not attempt to make foreign policy decisions for the President. There was evidence, however, of a growing measure of concern about recent developments in the field of foreign relations. While everyone welcomed the apparent relaxation of world tensions, some people wondered if the Communists were not just stalling for time.

The anxiety to attain peace has already resulted in concessions to the Communists in Korea, in Indochina, and in the Formosa Strait. More recently, the administration began to proclaim the virtues of "coexistence"—that very concept which the GOP condemned so heartily only a couple of years ago. It further appeared that the administration may be willing—in fact if not in word—to accept the status quo with respect to Soviet control of the once-free nations, and to make further concessions to the Reds. While we all realize that the road to world peace is not easy, the question still remains, Will that goal be achieved by walking backward?

GOVERNMENT REORGANIZATION

While the 84th Congress did little to streamline the cumbersome machinery of the executive branch, it did initiate some important improvements within its own organization. In an effort to correct the abuses perpetrated during recent years, Congress took steps to establish a code of fair practices for congressional investigating committees. Further, much work went into the preparation of bills which will strengthen our laws governing Federal elections, and which are intended to curtail corrupt practices.

As far as the executive branch was concerned, the work of the second Hoover Commission continued without interruption. The many volumes of recommendations made by the Commission were assigned to different congressional committees for study, and steps will probably be taken to implement them during the next session.

The first session witnessed a comprehensive revision of Federal salaries, beginning with post office workers, classified employees, and reaching into the levels of higher administration officials, Members of Congress, and Federal judges. Steps were also taken to bring the retirement benefits of Government workers to a more realistic level by increasing them between 8 and 12 percent.

NATIONAL ECONOMY

In the realm of national economy, the record of the first session is rather substantial. Congress plugged up the loopholes in the 1954 GOP tax law, through which the Government was losing over $1 billion in revenues to corporations; increased the minimum wage to $1 per hour; approved an expanded program of Federal aid to airport construction; extended the Renegotiation Act to eliminate excess profits on Government contracts; and increased the penalties for violations of the antimonopoly laws.

There were two major instances, however, in which Congress failed to reach a decision. The first dealt with taxes; the second, with the highway program.

At the beginning of the session, the Democratic leadership in the House proposed a moderate income-tax reduction for the average taxpayer, to equalize tax relief granted to select groups under the 1954 GOP law. The bill passed the House, but failed in the Senate. There is every indication, however, that this legislation will be brought up again when the second session begins, probably with better results.

The controversial highway program legislation met similar fate. While everyone agreed that our highway system is in need of extensive improvements, a controversy arose on the question of financing the program. The administration wanted to pay for the improvements by bond issues, thereby increasing the national debt. The Democrats proposed a pay-as-you-go program, financed out of increased taxes on highway users. Both proposals were defeated in the House during the closing days of the session.

VETERANS AND SERVICEMEN

Veterans and servicemen will benefit from a number of bills approved by the 84th Congress to date. Military salaries were increased, and the House approved a comprehensive revision of survivors' benefits. Further, those in the service as of January 31, 1955, were permitted to go on building up GI schooling benefits, and VA farm and direct loan programs were extended for 2 years.

In addition, Congress approved a law giving disabled veterans until October 1956 to apply for the purchase of special automobiles, and extended this privilege to the veterans of the Korean conflict.

Of particular interest to the veterans in Milwaukee is a bill which I introduced in the 83d and the 84th Congresses providing for the construction of a new VA hospital at Wood, Wis. I am pleased to report that considerable progress has been made during the past year on this project. Our present hospital at Wood has been scheduled for early replacement by a new structure.

AGRICULTURE

The American farmer has not been faring well under the present administration, as the farm income continued to drop for the third year in a row. In the meantime, the profits of food processors—and the cost of farm products to city consumers—have been steadily rising.

In an effort to help the farmers, the 84th Congress approved bills modernizing the REA loan allocation system, extending emergency loans to farmers suffering from declining prices, lowering the interest rate on disaster loans, and providing special assistance to low-income farmers. In addition, steps were taken to curb commodity speculation, and to curtail market manipulations in certain agricultural products.

The central issue of rigid farm price supports versus flexible supports continued unresolved, even though efforts were made in the House to replace the sliding-scale system put into operation by the administration.

SOCIAL SECURITY, EDUCATION, AND WELFARE

Social welfare legislation received a considerable amount of attention from the 84th Congress, but relatively few bills in this field managed to clear both Houses before the end of the first session. Final action will be taken on these measures when Congress reconvenes in January.

The Social Security Act amendments of 1955 were in this category. The House voted to extend social-security coverage to dentists, lawyers, and other self-employed professional groups; to provide a system of disability insurance; to reduce the retirement age for women to 62; and to continue monthly benefits to disabled children after they reach age 18. I have advocated the major improvements approved by the House for the past 3 years, and included them in my bills, H. R. 1635 and H. R. 5057. Hearings on this legislation were held in the Senate, but final action was delayed until next session.

Congress further provided funds for the FHA program of insuring home loans, made Government surplus materials available to educational and civil-defense institutions, tightened the prohibition on the use of mails to transport obscene literature, and enacted a moderate housing program. However, legislation providing Federal aid to schools was bottled up throughout the session, and may be revived when the Congress reconvenes.

Voting record, 84th Cong., 1st session

Stand	Issue	Status
	NATIONAL DEFENSE AND INTERNAL SECURITY	
Voted for	Extension of the Selective Service System	Became law.
Voted for	Reorganization and strengthening of our military Reserves	Became law.
Voted for	Registration of persons connected with foreign espionage	Passed House.
Voted for	Stepped up production of jet bombers and fighter planes	Became law.
Voted for	Special funds to prevent 22,000-man cut in United States Marine Corps	Became law.
	INTERNATIONAL AFFAIRS	
Voted for	The mutual-security program to strengthen free world defenses	Became law.
Voted for	Resolution calling for United States aid to defense of Formosa	Became law.
Voted for	Resolution opposing admission of Red China into the U. N.	Became law.
Voted for	3-year extension of reciprocal trade agreements program	Became law.
Voted for	Simplification of our customs regulations and procedures	Passed House.
Favored	Aid to firms and workers harmed by foreign competition	Pending.
Favored	Revision of the Refugee Relief Act	Pending.
	GOVERNMENT REORGANIZATION	
Voted for	Government Reorganization Act of 1955	Became law.
Voted for	Salary revisions for Federal employees, judges, and officials	Became law.
Voted for	Statehood for Hawaii and Alaska	Pending.
Voted for	Code of fair practices for congressional committees	Approved.
Favored	Increased penalties for corrupt practices in Federal elections	Pending.
Voted for	Improvements in the Federal employees retirement system	Became law.
Voted for	Foreign Service reorganization and improvements	Became law.
Voted for	Aids to absentee voting for GI's and Government workers	Became law.
Favored	Home rule for the District of Columbia	Passed Senate.
Voted for	Railroad Retirement System improvements	Became law.
	NATIONAL ECONOMY	
Voted for	Income tax reduction for the average taxpayer	Passed House.
Voted for	Plugging up of loopholes in the 1954 GOP tax law	Became law.
Voted for	Increase in minimum wage from 75 cents to $1 per hour	Became law.
Voted for	Increased penalties for violation of antimonopoly laws	Became law.
Voted for	The highway program legislation	Passed Senate.
Voted against	Exemption of natural-gas producers from Federal regulation	Passed House.
Voted for	Continued renegotiation of Government contracts to eliminate excess profits on Government procurement.	Became law.
Voted for	Bill to provide United States currency with inscription "In God We Trust."	Became law.
	VETERANS AND SERVICEMEN	
Voted for	Continued accumulation of GI school benefits by servicemen	Became law.
Voted for	Incentive pay increases and allowances for the Armed Forces	Became law.
Voted for	Revision and improvement of survivors' benefits	Passed House.
Voted for	Extension of VA farm and direct loan programs	Became law.
Proposed	New VA hospital for Wood, Wis	Pending.
	AGRICULTURE	
Voted for	Modernized REA loan allocation system	Became law.
Voted for	Relief for farmers for losses from economic disasters	Became law.
Voted for	Greater control over commodity speculation and manipulations	Became law.
Opposed	Multibillion upper Colorado River project with Echo Park Dam	Passed Senate.
	SOCIAL SECURITY, HEALTH AND WELFARE	
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Favored	Federal aid to States for construction of needed new schools	Pending.
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Voted for	Increased authority for the FHA to insure home mortgages	Became law.
Voted for	Surplus Government materiel for schools and civil defense	Became law.
Voted for	Restoration of penalties for narcotics violations omitted from the 1954 GOP tax law.	Became aw.
Voted for	Prohibition on use of mails to transport obscene literature	Became law.
Voted against	The Chicago "water steal" from Lake Michigan	Passed House.
Voted for	Aid for mental health research	Passed House.
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Rollcall record	Total rollcalls	Paired	Not voting	Absent on roll and quorum calls [1]
1st session	147	1	1	2

[1] Absence on quorum calls does not necessarily mean a legislative day's absence.

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Let's Look at the Record—A Report to the People of the Fourth District of Wisconsin on the 1st Session of the 84th Congress

EXTENSION OF REMARKS
OF

HON. CLEMENT J. ZABLOCKI
OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1955

Mr. ZABLOCKI. Mr. Speaker, at the conclusion of each session of Congress, I report to the people of my district on my votes and actions as their Representative in our National Legislature.

The report which follows contains a summary of the major issues which confronted the Congress during the present session, and indicates how these issues were resolved. It also reviews my position and votes on key legislative bills.

I have been submitting these annual reports because I believe that the voters have a right to know what their representatives did, and how they stood on important questions. Such information is necessary to enable the people to properly evaluate the work of their elected officials.

In the words of Al Smith, "Let's look at the record"—the record of the 84th Congress, and the record of the Representative from the Fourth District of Wisconsin.

THE 84TH CONGRESS

The legislative record of the 1st session of the 84th Congress was characterized by three general features. We should bear them in mind as we proceed to analyze the actions of our representatives in Washington.

In the first place, the Democrat-controlled 84th Congress showed more concern for the interests of the people as a whole than did the preceding one. The farmer, the worker, the small-business man—the Mr. Average Taxpayer—will generally benefit from the bills considered during the first session. This was in sharp contrast with the attention shown to select groups by the 83d Congress.

Secondly, the Democratic majorities in both Houses of Congress gave the President full cooperation on issues affecting national security and the overall national interest. In fact, those features of the President's program which were intended to benefit the common good received more support from the Democrats than from the President's own party.

Finally, legislative progress achieved during the first session was moderate, when measured in terms of bills approved by both Houses and enacted into law. Nevertheless, considerable amount of work was exerted in laying the groundwork for the second session which will begin next January. Final action will be taken during the next session on a number of bills which were drafted, studied, and approved either by the House or by the Senate this year.

NATIONAL DEFENSE AND INTERNAL SECURITY

In this realm, the 84th Congress approved an extension of the Selective Service System, continued the draft of doctors for 2 years, reorganized the military reserve system, took steps to provide for emergency appointments to fill congressional vacancies caused by disaster, and sharply increased the funds for the Air Force.

Considerable controversy raged on this last issue. Two years ago, over the strong opposition of the Democrats who were then in the minority, President Eisenhower cut Air Force funds by $5 billion, thereby delaying the buildup of our airpower. When the Soviets demonstrated earlier this year that their air strength may exceed ours, Congress decided to take matters into its own hands.

Key administration leaders and military authorities were promptly summoned to a secret meeting on Capitol Hill. After the meeting was over, Democratic congressional leaders took immediate steps to speed up our jet production by 35 percent. Even with this development, we are two years behind, having lost that precious time because of the 1953 cuts.

On the question of the Reserve reorganization bill, the President wanted a law which would compel all veterans, discharged since the Korean war, to participate in active Reserve training. The Congress, however, decided to exempt present and former servicemen from compulsory training. Under the new law, Reserve training will be mandatory only for those boys who will enter on active duty in the future. Unfortunately, this provision is expected to delay the attainment of the administration's goal of an active Reserve of 2.9 million men.

INTERNATIONAL AFFAIRS

In the field of foreign affairs, Congress extended our Trade Agreements Program for 3 years, and took steps to simplify our obsolete and burdensome customs procedures which act as a deterrent to international trade. Further, the President was given authority to aid in the defense of Formosa against a direct Communist attack, and received adequate funds to continue our Mutual Security Program of military and economic cooperation with our allies. Congress also reiterated its opposition to the admission of Red China into the United Nations, and repeated its pledge that the United States will not support any colonial or imperialistic policies of other nations.

In general, cognizant of its role under our Constitution, Congress did not attempt to make foreign policy decisions for the President. There was evidence, however, of a growing measure of concern about recent developments in the field of foreign relations. While everyone welcomed the apparent relaxation of world tensions, some people wondered if the Communists were not just stalling for time.

The anxiety to attain peace has already resulted in concessions to the Communists in Korea, in Indochina, and in the Formosa Strait. More recently, the administration began to proclaim the virtues of "coexistence"—that very concept which the GOP condemned so heartily only a couple of years ago. It further appeared that the administration may be willing—in fact if not in word—to accept the status quo with respect to Soviet control of the once-free nations, and to make further concessions to the Reds. While we all realize that the road to world peace is not easy, the question still remains, Will that goal be achieved by walking backward?

GOVERNMENT REORGANIZATION

While the 84th Congress did little to streamline the cumbersome machinery of the executive branch, it did initiate some important improvements within its own organization. In an effort to correct the abuses perpetrated during recent years, Congress took steps to establish a code of fair practices for congressional investigating committees. Further, much work went into the preparation of bills which will strengthen our laws governing Federal elections, and which are intended to curtail corrupt practices.

As far as the executive branch was concerned, the work of the second Hoover Commission continued without interruption. The many volumes of recommendations made by the Commission were assigned to different congressional committees for study, and steps will probably be taken to implement them during the next session.

The first session witnessed a comprehensive revision of Federal salaries, beginning with post office workers, classified employees, and reaching into the levels of higher administration officials, Members of Congress, and Federal judges. Steps were also taken to bring the retirement benefits of Government workers to a more realistic level by increasing them between 8 and 12 percent.

NATIONAL ECONOMY

In the realm of national economy, the record of the first session is rather substantial. Congress plugged up the loopholes in the 1954 GOP tax law, through which the Government was losing over $1 billion in revenues to corporations; increased the minimum wage to $1 per hour; approved an expanded program of Federal aid to airport construction; extended the Renegotiation Act to eliminate excess profits on Government contracts; and increased the penalties for violations of the antimonopoly laws.

There were two major instances, however, in which Congress failed to reach a decision. The first dealt with taxes; the second, with the highway program.

At the beginning of the session, the Democratic leadership in the House proposed a moderate income-tax reduction for the average taxpayer, to equalize tax relief granted to select groups under the 1954 GOP law. The bill passed the House, but failed in the Senate. There is every indication, however, that this legislation will be brought up again when the second session begins, probably with better results.

The controversial highway program legislation met similar fate. While everyone agreed that our highway system is in need of extensive improvements, a controversy arose on the question of financing the program. The administration wanted to pay for the improvements by bond issues, thereby increasing the national debt. The Democrats proposed a pay-as-you-go program, financed out of increased taxes on highway users. Both proposals were defeated in the House during the closing days of the session.

VETERANS AND SERVICEMEN

Veterans and servicemen will benefit from a number of bills approved by the 84th Congress to date. Military salaries were increased, and the House approved a comprehensive revision of survivors' benefits. Further, those in the service as of January 31, 1955, were permitted to go on building up GI schooling benefits, and VA farm and direct loan programs were extended for 2 years.

In addition, Congress approved a law giving disabled veterans until October 1956 to apply for the purchase of special automobiles, and extended this privilege to the veterans of the Korean conflict.

Of particular interest to the veterans in Milwaukee is a bill which I introduced in the 83d and the 84th Congresses providing for the construction of a new VA hospital at Wood, Wis. I am pleased to report that considerable progress has been made during the past year on this project. Our present hospital at Wood has been scheduled for early replacement by a new structure.

AGRICULTURE

The American farmer has not been faring well under the present administration, as the farm income continued to drop for the third year in a row. In the meantime, the profits of food processors—and the cost of farm products to city consumers—have been steadily rising.

In an effort to help the farmers, the 84th Congress approved bills modernizing the REA loan allocation system, extending emergency loans to farmers suffering from declining prices, lowering the interest rate on disaster loans, and providing special assistance to low-income farmers. In addition, steps were taken to curb commodity speculation, and to curtail market manipulations in certain agricultural products.

The central issue of rigid farm price supports versus flexible supports continued unresolved, even though efforts were made in the House to replace the sliding-scale system put into operation by the administration.

SOCIAL SECURITY, EDUCATION, AND WELFARE

Social welfare legislation received a considerable amount of attention from the 84th Congress, but relatively few bills in this field managed to clear both Houses before the end of the first session. Final action will be taken on these measures when Congress reconvenes in January.

The Social Security Act amendments of 1955 were in this category. The House voted to extend social-security coverage to dentists, lawyers, and other self-employed professional groups; to provide a system of disability insurance; to reduce the retirement age for women to 62; and to continue monthly benefits to disabled children after they reach age 18. I have advocated the major improvements approved by the House for the past 3 years, and included them in my bills, H. R. 1635 and H. R. 5057. Hearings on this legislation were held in the Senate, but final action was delayed until next session.

Congress further provided funds for the FHA program of insuring home loans, made Government surplus materials available to educational and civil-defense institutions, tightened the prohibition on the use of mails to transport obscene literature, and enacted a moderate housing program. However, legislation providing Federal aid to schools was bottled up throughout the session, and may be revived when the Congress reconvenes.

Voting record, 84th Cong., 1st session

Stand	Issue	Status
	NATIONAL DEFENSE AND INTERNAL SECURITY	
Voted for	Extension of the Selective Service System	Became law.
Voted for	Reorganization and strengthening of our military Reserves	Became law.
Voted for	Registration of persons connected with foreign espionage	Passed House.
Voted for	Stepped up production of jet bombers and fighter planes	Became law.
Voted for	Special funds to prevent 22,000-man cut in United States Marine Corps	Became law.
	INTERNATIONAL AFFAIRS	
Voted for	The mutual-security program to strengthen free world defenses	Became law.
Voted for	Resolution calling for United States aid to defense of Formosa	Became law.
Voted for	Resolution opposing admission of Red China into the U. N.	Became law.
Voted for	3-year extension of reciprocal trade agreements program	Became law.
Voted for	Simplification of our customs regulations and procedures	Passed House.
Favored	Aid to firms and workers harmed by foreign competition	Pending.
Favored	Revision of the Refugee Relief Act	Pending.
	GOVERNMENT REORGANIZATION	
Voted for	Government Reorganization Act of 1955	Became law.
Voted for	Salary revisions for Federal employees, judges, and officials	Became law.
Voted for	Statehood for Hawaii and Alaska	Pending.
Voted for	Code of fair practices for congressional committees	Approved.
Favored	Increased penalties for corrupt practices in Federal elections	Pending.
Voted for	Improvements in the Federal employees retirement system	Became law.
Voted for	Foreign Service reorganization and improvements	Became law.
Voted for	Aids to absentee voting for GI's and Government workers	Became law.
Favored	Home rule for the District of Columbia	Passed Senate.
Voted for	Railroad Retirement System improvements	Became law.
	NATIONAL ECONOMY	
Voted for	Income tax reduction for the average taxpayer	Passed House.
Voted for	Plugging up of loopholes in the 1954 GOP tax law	Became law.
Voted for	Increase in minimum wage from 75 cents to $1 per hour	Became law.
Voted for	Increased penalties for violation of antimonopoly laws	Became law.
Voted for	The highway program legislation	Passed Senate.
Voted against	Exemption of natural-gas producers from Federal regulation	Passed House.
Voted for	Continued renegotiation of Government contracts to eliminate excess profits on Government procurement.	Became law.
Voted for	Bill to provide United States currency with inscription "In God We Trust."	Became law.
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The Small Business Administration

EXTENSION OF REMARKS

OF

HON. HORACE SEELY-BROWN, JR.

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1955

Mr. SEELY-BROWN. Mr. Speaker, I should like to take this opportunity to urge that the Small Business Administration be continued for another 2 years. At the end of this period I believe Congress will decide that a permanent independent agency with increased authority is both necessary and desirable to assure the continued welfare of small business concerns in our economy. There is no doubt that many benefits have been derived from the financial, procurement, and technical assistance programs established under the Small Business Administration. Certainly there is no agency in Government which can approach the centralized function of assistance to small business that is presently performed by this agency.

All of us are aware of the increased economic power occasioned by the merger movement, the difficulty smaller manufacturers have in securing a fair share of the procurement dollar, the trials all types of small business have in acquiring long-term credit and of the continued need for managerial and technical assistance and advice. The Small Business Administration has made a good beginning in its efforts to correct and solve some of these difficulties perennially encountered by small business.

I am sure that my colleagues are familiar with what has been done by the Small Business Administration in its several programs.

It may be that some of you feel as I do that the results to date are not as completely satisfactory as we want them. Based on my close observations of the work of the Small Business Administration as a member of the House Small Business Committee, I can see certain areas in which improvement is necessary.

Although not a member of Subcommittee No. 2, I sat through the long hearings held by this committee because of my great interest in the problems presented and my desire to provide constructive solutions for them.

If there is one conclusion which may be reached as a result of those hearings—a conclusion of unanimous agreement—it is the absolute necessity of guarding the independence of the Small Business Administration.

Experience has taught us that an administrator of an independent small-business agency not only listens intently and with great interest to the findings and conclusions of the committees of the Congress but in addition acts upon congressional recommendations as well as the intent of the Congress as provided in the law.

Therefore, I should like to devote my remarks to certain aspects of small business and Government which are not generally discussed. I want to emphasize why an independent agency devoted exclusively to service to small firms is both necessary and desirable.

The various duties and responsibilities, and the efficiency of the administration of the agency, can from time to time be examined and remedial action taken if necessary. As an adjunct to a regular department, the officials of a small-business office would listen politely to the Congress and then, as they should do, follow the direction of the department head.

It is true that virtually every large governmental agency has provided certain types of services to business concerns, including small business. The Department of Commerce, for example, has been interested primarily in the general problems of business as a whole. Collaterally, small-business problems are considered incidentally and as one part of the overall business picture. They are not the type of problems which are of the most immediate concern to the small firm, particularly in a period of economic expansion and rapid changes in products and processes. Small firms must be able to adjust quickly to new or improved methods or they fall by the wayside.

The type of assistance needed is not what an old-line agency, concerned always in the past with long-range help, is equipped to give. The entrenched procedures, fixed channels, and tier upon tier of reviewing authorities of the old-line agency frustrate efforts to give quick help in solving urgent problems.

The Department of Commerce itself seemingly recognized these facts when it transferred its own small-business unit from the Department proper to the National Production Authority soon after creation of that emergency agency and later to the successor agency, the Business and Defense Services Administration.

The experiences of World War II, as well as those of the present period, have shown clearly that small business does not receive effective help when responsibility for assisting it is assigned to one unit of a large agency that has many offices and many functions. When this is done, the small-business function of the agency is swallowed up among its many other duties.

It has often been stated that incorporation of a small-business program within a large agency would permit for effective representation. It is not true, however, that greater representation would result from such a move. Obviously, the Secretary of a Department would not personally guide the Department's small-business program. He would delegate this responsibility to another official, possibly an Assistant Secretary or an Under Secretary, but more likely to an office or division chief, as was the case in the past. Instead of having the head of an independent agency serving as its representative, small business then would be represented by an official of lesser rank who could not act on important matters without prior approval of superiors who could not approach the heads of other agencies on an equal footing and who could not report on small-business problems directly to the President and the Congress.

What small business needs is a separate, independent agency that can serve as a focal point of assistance to it, and that can act quickly and authoritatively in its behalf when the need arises. During the first years of World War II, for example, most military contracts were going to large producers. Small firms were being denied the opportunity to participate fully in the production of war materials. In response to the protests of small-business men, the Smaller War Plants Corporation was set up, as a part of the War Production Board, to help small firms obtain contracts. This Corporation was successful in getting a larger percentage of contracts for small business.

As in World War II, during the early months of the Korean war, small firms were being treated unfairly in the awarding of defense orders and in other phases of the defense program. Again, their protests led to the creation of an independent agency—Small Defense Plants Administration—which had no other function than to help small firms to overcome mobilization problems. Once again, a separate, independent agency proved to be what small business needed.

On the basis of past experience, it seems very unlikely that centralization of Government assistance to small business in the Department of Commerce would be to the advantage of small firms. In January 1946, for example, many of the functions of Smaller War Plants Corporation—functions which had proved of great help to small business—were transferred to the Department of Commerce and located there in a new and well-staffed unit, the Office of Small Business. A little over 2 years later, the small-business function had largely disappeared among the many other functions of the Department. The Office of Small Business had been reduced to a minor unit of a large bureau and was staffed by only a handful of employees.

Further, the Department, in its previous opportunity to perform small-business functions, did not achieve success with them. In fact, its failure to perform the functions successfully, as attested to by hundreds of small-business men appearing before congressional committees, was a major reason for the creation of the Small Business Administration and the assignment to it of broad small-business responsibilities.

Virtually the same analysis may be made of the military services and the role of small business within those services. The Army, the Navy, and the Air Force all have small-business specialists, who are supposed to look after the interests of small business in awards of contracts. The fact is that the small-business specialists in the armed services are not as effective in behalf of small firms as an independent agency like the Small Business Administration.

One basic reason that small-business specialists in the armed services cannot do a fully effective job in behalf of small firms is that, after all, they are employed by the military branches and they must accept the policies and practices of the armed services. They are not in a posi-

tion to exercise independence of action. They cannot formulate policies or even exert an appreciable influence on their formulation.

The Small Business Administration, on the other hand, is completely independent of other agencies and is devoted solely to the purpose of assisting small business with the special problems it encounters. It represents the interest of small business on various policymaking interagency committees, advises other agencies on questions affecting small firms, and serves as a "watchdog" in their behalf with respect to policies and activities of other Federal agencies.

Another basic reason why small-business specialists in the armed services cannot serve the interests of small firms effectively is the ingrained psychology in contracting offices which precludes adequate consideration for the small would-be Government contractors. Because so much of military purchasing is on a large scale, and so many items bought are products of such size that they can be made only by very large concerns—planes, tanks, trucks, big guns, et cetera—there is an inevitable tendency toward turning to the larger businessess for almost every kind of item. More accustomed to dealing with such concerns, contracting officers have too often adopted the attitude that it is easier to buy nearly everything from large firms. It is extremely difficult for small-business specialists in the armed services to overcome such habits of thinking on the part of contracting officers and higher officials.

Small Business Administration representatives in the procurement centers, on the other hand, are not prevented by the circumstances of their employment from making all possible efforts to obtain contracts for small firms. Their allegiance is to the Small Business Administration and the interests of small business, not to officials of the armed services. It is their job to see to it that small firms have an opportunity to obtain contracts for any kind of purchase which they are capable of supplying. The difference in point of view matters a great deal.

Small-business men bring a great variety of problems to the Small Business Administration for help, usually involving dealings with other agencies. In numerous instances they have stated that they have tried repeatedly to get assistance from other agencies involved without success, and only by coming to the Small Business Administration could they get the help they needed.

Without an independent champion in the Government, small business would have no central agency to look to for assistance. Efforts in behalf of small firms would be widely diffused throughout a number of Federal agencies. The inevitable consequences, as in times past, would be confusion, loss of time, piecemeal efforts to assist small business, and inadequate and belated help.

This has been incontrovertibly demonstrated by experience. Efforts to deal with the problems of small firms through offices of small business or small business specialists in the regular departments of Government have been tried, and have failed.

The testimony of small-business men who have looked to the Small Business Administration for help and who have obtained it, truly indicates that an independent agency can cut through the confusion of scattered, piecemeal, inadequate efforts to assist small firms and make it possible for them to obtain quick and effective help.

Instead of an inefficient diffusion of efforts—always too little and usually too late—the Small Business Administration can provide a direct, central means of giving efficient assistance and representation to small business. Only through an independent agency can small business ever achieve proper recognition of its problems, with appropriate programs leading to a solution of these problems.

Where Does the United States Stand With Respect to Soviet Russia in the Race for Aerial Supremacy?

EXTENSION OF REMARKS
OF

HON. HALE BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1955

Mr. BOGGS. Mr. Speaker, I want to call to your attention, and to the attention of the Congress, a matter which has lately given me increasing concern. It is a matter which ties very directly to the question asked so many times this past month—where do we in the United States stand with respect to Soviet Russia in the race for aerial supremacy?

I refer, Mr. Speaker, to the vast disproportion that has developed between the large expenditures for building new aircraft and the relatively much smaller expenditures for obtaining the basic research knowledge which, in the last analysis, determines their quality and their utility. The lumping together of research expenditures with the many times larger sums for the construction of the first models of new engines, airplanes, and guided missiles serves to conceal the relatively small effort the United States is concentrating upon research.

What we need is a better balance between our research effort and our development and production of new models of aircraft and missiles. Restoration of a realistic balance between the two—research on the one hand and development and production on the other—need not be expensive. In fact, I am convinced that such action can result in the saving for the American taxpayers of untold millions of dollars. It can save many lives among our test pilots and our youth who fly the planes in service.

More important still, achievement of balance between research and production of new aircraft and missiles can assure that the United States maintains its position of leadership in the world of aeronautics.

Let me give you a single illustration of the tragic consequences of the lack of knowledge, the lack of sufficient information coming from research. On a warm, sunny day in California last fall, one of our newest—and most promising—fighter aircraft prototypes took off on a test flight. This particular flight was the last of a series being made to demonstrate that the new airplane was able to perform satisfactorily the severe maneuvers which would be required of it in service use.

The pilot, one of the best in the business, climbed to a preselected altitude at which he began to perform the specified maneuver. Something went wrong: The airplane disintegrated in midair; the pilot was killed.

At first, no one knew what had caused this tragedy. But the most intensive studies of the wreckage and other available evidence finally revealed the cause. In the words of the chief engineer of the company which had designed and built the plane, the pilot "encountered some hitherto unsuspected mysteries of supersonic flight—an unexplainable phenomenon—a maneuver never before experienced under those conditions."

This strange maneuver, I am told, was a sudden and uncontrollable turn to the right. Instead of keeping its sleek nose pointed into the supersonic wind of 100 times hurricane strength, the airplane suddenly turned and went into a violent skid. The result was that the terrific wind forces existing at supersonic speed battered the sturdy aircraft structure until it broke into pieces.

I have been relieved to learn that, in this case, a remedy was soon found. But I am disturbed when I reflect that, in cases like this, months of precious time, and hundreds of millions of dollars worth of engineering and production effort are being committed to projects where the line between success and failure is so narrow.

Even when the trouble can be soon corrected, the disorganization of the production line, and the great amount of additional engineering effort required, cost many millions of dollars. What is far more important, if the trouble cannot be corrected, the many years of effort that have gone into the development of the airplane or the missile are the same as thrown away.

We cannot win a technical race with Russia that way. And, whether we like it or not, the Soviet Russians have engaged in a race with us—to become first in the air. Assuming that we are still ahead in that race, I can find no reason to believe that we will long maintain the lead we now have, if we adopt an attitude of complacency or fail to make full use of our technical talents.

The instance of trouble with a new type aircraft that I mentioned is not an isolated case. During these past few critical years there have been other instances of airplanes which had to be grounded as a result of unknown faults that caused them to break apart in the air.

Why does this sort of thing happen? I am not an engineer or a scientist, and I do not pretend to know all the answers. But I will say this: I have looked into these accidents sufficiently to know that what is happening is that in our haste to bring about great improvement in

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the performance capabilities of our airplanes, we are forcing our aircraft companies to design for production on the basis of insufficient basic aeronautical knowledge.

In the decades before World War II, the United States was the acknowledged world leader in aeronautics. This was due to the research effort carried on during those years. At the beginning of that war, we had a backlog of basic aeronautical information which could be exploited readily by use in the design of new and improved aircraft.

But since the war, due to the supersonic possibilities implicit in the turbojet and rocket engine, our designers have had to accelerate their work to the point where the lead time between our aircraft research and our aircaft design and prototype production has been cut virtually to zero.

I am informed that our aircraft research people were just beginning to understand the nature of some of the problems that caused the tragic accident last fall at the very time the accident occurred. What I am saying is that, somehow, we must assure that our research people define these new mysterious problems and come up with the solutions, before new designs get to the flight stage, not after the airplanes begin breaking up in midair. And they should be able to do this in ample time for the designers to study and digest the research data before the design starts.

Our research effort has not kept pace. It is too thin today to provide the required lead time before design, and it is becoming increasingly apparent that this is a situation which has been worsening during the past few years.

In the postwar period between 1946 and 1953 appropriations for all military aircraft procurement—including airplanes and missiles—increased from $415 million to $15 billion—an increase of 3,500 percent.

During this same period, the appropriations for salaries and expenses of the National Advisory Committee for Aeronautics, our principal aeronautical research agency, went up from $24 million to $48.6 million—an increase of 100 percent.

In 1946, we were spending about 6 percent of the procurement appropriation to insure the technical quality of our aircraft, compared to only three-tenths of 1 percent for such insurance in 1953. Today the picture remains much the same as in 1953.

Mr. Speaker, I believe we are all agreed as to the necessity of spending the many billions of dollars required to construct and operate for peace great fleets of airplanes and missiles. But when we spend those billions, we must insist that they provide superiority in the air, in quality as well as in in quantity.

Our airplanes and our missiles must be able not only to meet their performance guaranties in the skilled hands of the expert company pilots. They must be able to operate, at performance guaranty levels, under the rigorous demands of military service.

The basic research required to provide the answers which will enable us to build supersonic aircraft that will be controllable, reliable and structurally sound—as well as sleek and fast—is an essential element in our airpower picture. We cannot afford to neglect it.

United States Circuit Court of Appeals Decision Nullifies the Legislative Intent of the Housing Act of 1954

EXTENSION OF REMARKS
OF
HON. CHET HOLIFIELD
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1955

Mr. HOLIFIELD. Mr. Speaker, I have had occasion to participate in congressional investigations and observe the administration of various of the laws enacted by Congress to stabilize our economy, and promote the public welfare.

Some shocking circumstances and abuses have developed through practices adopted purportedly by authority of congressional acts.

One flagrant example is in the Home Loan Bank System. More than 9 years ago, the then Home Loan Bank Commissioner seized a member institution, the Long Beach Federal Savings Association, and to this day the Government agency has failed to fully account for the seized assets. A meritorious trial of the issues has been denied on jurisdictional technicalities, a complete failure of due process.

Congress never intended to set up a bureaucratic sanctuary for arbitrary and capricious confiscation of peoples' savings, without trial, notice, hearing, or right of recovery.

The United States circuit court of appeals at San Francisco held the simplest amendment would correct this evil. Congress adopted in the Housing Act of 1954, far-reaching provisions, giving the courts jurisdiction to hear the complaints of aggrieved citizens.

The Senate 1954 housing bill, as originally adopted prior to conference, contained the restrictive language, as follows:

> Nothing in this subsection relating to jurisdiction, venue, service of process or suability of the Board shall be applicable to any pending court action, or suit, or to any action or suit involving the subject matter, or part thereof, of such pending action or suit.

The House considered and rejected restrictive language. The Senate and House conferees considered and rejected restrictive language, and both Houses reenacted the 1954 Housing Act without such restriction, and granted to the courts jurisdiction of the subject matter of new and old controversies alike.

In fact, the written documents considered by both Houses referred to the specific Long Beach Federal controversy—the subject of the United States circuit court opinion.

In spite of the legislative history and plain language of the 1954 Housing Act, the United States circuit court of appeals has just held, in July 1955, that such Housing Act does not apply to pending controversies, and, further, that the subject matter of new and old controversies is not submitted to the courts.

Thus, there has developed a conflict between the enactments of Congress and the enactments of the United States circuit court of appeals. The United States circuit court of appeals has usurped the functions of Congress; instead of interpreting the intent of Congress, its interpretation has in effect passed laws Congress rejected and rejected laws Congress passed.

Such United States circuit courts are a creation of Congress—an experiment to relieve the burden on the United States Supreme Court, the only constitutional appellate court.

Congress has heretofore found it necessary to withdraw from the United States circuit court of appeals the power to hold acts of Congress unconstitutional by injunction.

I submit that in the light of the circumstances related here, our congressional experiment in creating United States circuit courts of appeal has demonstrated a grave weakness.

The decision of the Ninth Circuit Court of Appeals in this case is an example of complete disregard of the congressional intent based on the legislative history of the Housing Act of 1954, as well as the letter of the law.

Should not Congress correct this abuse by further restricting the power of United States circuit courts of appeal from nullifying or rendering ineffectual congressional enactments?

Mr. and Mrs. Robert Coar

EXTENSION OF REMARKS
OF
HON. ROBERT HALE
OF MAINE
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1955

Mr. HALE. Mr. Speaker, I regret very much that I was not on the floor the other day when Members were extending their congratulations to Mr. and Mrs. Robert Coar on the completion of their 20th year of service to Members of the House and Senate.

As soon as I came here in 1943 I started using the radio facilities of the joint Senate and House recording facility and, of course, I immediately got to know Mr. and Mrs. Coar. They are the kind of people who so identify themselves with an institution that they virtually become the institution.

I take particular pride in the fact that Mr. Coar had his origin in my own State. That, of course, adds to the very warm feeling that I have for him. But I am very grateful to both Mr. and Mrs. Coar for all the kindness and courtesy which they have shown to me and it is a great pleasure and satisfaction for me to be able to spread these sentiments on the RECORD.

I can testify that as far as I am concerned the recording facility is indis-

pensable. At least every fortnight of every session since January 1943, I have projected myself onto its disks and, more recently, tapes. In all that period I have never known of a mistake or slip-up on their part. I wish Mr. and Mrs. Coar another score of years. And then another. I would not wish to be here without them.

Give a Green Light to Highway Legislation

EXTENSION OF REMARKS
OF
HON. RUSSELL V. MACK
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1955

Mr. MACK of Washington. Mr. Speaker, during the past year 36,000 Americans, many of them children, were killed in traffic accidents. The death toll in traffic accidents average 100 a day, or 3,000 a month. In addition, about a million Americans were injured in traffic mishaps, some of them being crippled for life. Ten to twenty percent of these accidents never would have happened, according to traffic experts, had the Nation possessed adequate highways—the kind of better, wider, and safer highways proposed by President Eisenhower in his expanded highway program.

Much of the credit for alerting the Nation to the need for better and safer highways belongs to the Hearst press. The Hearst press, with its many newspapers and millions of readers, several years ago embarked on an editorial crusade to awaken the country to the enormous waste of life, limb, and money that our deficient highway system is costing the Nation. Day after day, week after week, and month after month the Hearst press hammered away editorially at the need for more and better roads. The Hearst press, in so doing, rendered a great service to the Nation.

Despite the public's demand for more and better highways, Congress has failed to enact a highway bill during the present session of Congress. This failure was due to politics.

President Eisenhower had proposed financing the greatly expanded highway program by a bond issue to be paid off from present and anticipated future receipts from the 2-cent-a-gallon Federal gasoline tax.

The Democrats, as a counterproposal to President Eisenhower's bonding plan, proposed a pay-as-you-go highway financing plan with the imposition of heavy new taxes on gasoline, diesel fuel, truck tires, and camelback.

The issue involving the two plans, the Eisenhower one of bond financing and the Democrats' plan of increasing taxes on highway users to pay for highways as these were built came to a vote in the House of Representatives last Wednesday.

When the Eisenhower bonding plan was voted upon, of 221 Democrats present only 5 voted for the President's bonding plan and 216 voted against it. The Democrats by a margin of 23 to 1 rejected President Eisenhower's bonding plan.

Then the Democrats' own taxing plan came to a vote. Of 223 Democrats present, only 98 voted for their own plan. The Democrats voted down their own taxing plan after having rejected the Eisenhower bonding plan.

This made it obvious that a majority of the Democrats wanted no highway bill at all. Apparently they preferred no highway program to one for which President Eisenhower would get credit.

If the people want a highway bill, and I feel sure most people do, they must contact their Congressmen and let their Congressmen know their wishes.

In my opinion, the only way to assure obtaining a highway bill within the next 2 years is to insist on a special session of Congress to enact a highway bill. If this week's rejection of a highway program by Congress is allowed to stand, it will be next January before the first steps can be taken toward launching anew procedures to get a highway program started. Congress, then, as usual, will dilly-dally and procrastinate. It will be April or May before any bills for a highway program reach the House or Senate floors. By that time the 1956 presidential and congressional election campaigns will be in full swing. Because of this the proposed highway legislation will become more deeply involved in politics than it now is and constructive action will be unlikely.

The following editorial has appeared in Hearst newspapers from coast to coast, pointing up the urgent need for better and safer roads and rightly, I think, demands that Congress stay in session until it gets a highway bill. If Congress does not stay in session now to get a highway bill then the next demand from the people should be that Congress come back in a special session and enact the highway bill it should have enacted before it went home on vacation.

The editorial, which appeared in Hearst newspapers from coast to coast, follows:

WHY IS A CONGRESSMAN?

If you don't want to think about the traffic jams you'll be in today as you and your family try to take a ride in the country, you might think about Congressmen.

As you notice the ambulances and wreckers and State police cars heading toward the latest highway disaster, notice also what went on last week in Washington.

Congressmen of both parties, stampeded by lobbyists representing industries that make good money from the use of the highways, voted down any attempt to get you out of the traffic chaos or to make the ambulance trips unnecessary.

The lobbyists and our representatives all piously agreed that better roads are absolutely vital.

They also agreed that it was absolutely vital that somebody else pay for constructing them and that it was absolutely vital that everybody get re-elected.

Realizing what they had done, after they had made sure they had done it, the Congressmen pointed at the trucking industry lobby as the villain.

And the truckers, after the bills were well sunk, issued statements that Congress should never have acted like that; that President Eisenhower was right when he criticized Congress and demanded reconsideration of its failure to pass a bill.

The same people who caused 100,000 telegrams to flood into Washington demanding the defeat of highway legislation, issued press releases that said the recipients of the telegrams must have misunderstood.

The 100,000 telegrams came from a tiny minority of the American business community.

We wonder what might happen if the American people sent in telegrams themselves, preferably after a frustrating, dangerous day on the roads the Congressmen refused to improve.

In fact, why don't you do it right now?

We don't know whether you mean as much as a lobbyist does to your Congressman, but we're pretty sure a lot of you acting together mean more, much more.

Why not let your Congressman know what you think about the House action last week and tell him to start all over again, right now, and pass a bill?

And tell him to stay in Washington until he does.

Objection to H. R. 5205, a Bill To Extend to Uniformed Members of the Armed Forces the Same Protection Against Bodily Attack as Is Now Granted to Personnel of the Coast Guard

EXTENSION OF REMARKS
OF
HON. PAUL J. KILDAY
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1955

Mr. KILDAY. Mr. Speaker, H. R. 5205 is entitled "A bill to extend to uniformed members of the Armed Forces the same protection against bodily attack as is now granted to personnel of the Coast Guard."

That language would seem to make the bill highly desirable. However, such is not the case.

This proposal has been pending before Congress for a good many years. It has been considered in the Committee on Armed Services and in the former Committee on Military Affairs a number of times, and has in each instance been rejected. On at least one occasion it was considered on the floor of the House and rejected.

Members of the Coast Guard occupy a dual status. They are members of the armed services. In addition, they are charged with the duty of enforcing the customs laws. In this latter category, they are Federal peace officers similar to United States marshals, border patrolmen, or customs agents. As Federal peace officers, they are entitled to, and have, the same protection against bodily attack in the discharge of their duties as is granted to all other Federal peace officers. The law has long provided that protection.

Members of the Army, Navy, Air Force, and Marine Corps have no duties as peace officers. In a democracy such as ours, they should have no duties as peace officers. Their duties are, and must remain, strictly military duties.

Should the provisions of this bill become law, every affray or fist fight in which a member of the Army, Navy, Air Force, or Marine Corps is a participant

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could be cognizable in the Federal court. This is highly undesirable. The proposal is a mischiefmaker. This bill appeared on the Consent Calendar, a portion of which was called on July 30. Should it be called on the Consent Calendar, or unanimous consent for its passage be requested, I shall object.

What I have stated with reference to H. R. 5205, by the gentleman from New York [Mr. CELLER], applies also to the similar bills for the same purpose, being H. R. 5279, by the gentleman from New York [Mr. POWELL]; H. R. 5309, by the gentleman from California [Mr. ROOSEVELT]; and H. R. 5399, by the gentleman from Illinois [Mr. BOYLE].

Public Works Bill

EXTENSION OF REMARKS
OF

HON. WAYNE N. ASPINALL

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1955

Mr. ASPINALL. Mr. Speaker, in years of yesterday, not long gone by, we heard and read much about confusion along the Potomac. This was part and parcel of the mammoth program to defeat the Democrats by whatever means or methods required. Miraculously, or calculatedly, this great roar died to a faint whisper as the new administration assumed the stately functions of public enterprise. It was fitting, although hardly so completely necessary, that criticism be withheld until the new administration got its feet on the public path in view of the inexperienced nature of its top personnel in matters public. However, at some reasonable point in time, this desire toward charity must yield to necessary examination. By now surely time enough has passed for the new team to become adjusted to the public business they requested the opportunity and duty to administer.

In a spirit of constructive criticism, I hope, I am constrained to object to a current instance of consorting with confusion because it deals with a matter vital to the West and to Colorado in particular. I refer to a recent administrative pronouncement and its actions as they effected reclamation and reclamation development.

On July 15, a press release from the White House carried the news that the President had "with great reluctance" approved the bill making appropriations for the AEC, the TVA, certain agencies of the Department of the Interior—in ordinary language, reclamation—and civil functions administered by the Department of the Army—in ordinary language, flood control, rivers, and harbors—for the fiscal year ending June 30, 1956.

This "great reluctance," the press release said, stemmed from two major considerations. The first of these was the apparent cut in funds for the Atomic Energy Commission, yet simple examination would have revealed to the administration that these self-same funds were already included in the upcoming supplemental appropriations bill. This was clearly pointed out on the floor of the House during debate on the above civil works bill. That should have been confusion enough for one day.

However, not to leave well enough alone, this Executive message went on to point out a second factor in the "great reluctance." This was, and I quote:

> The large increase in the number of new construction starts for the Corps of Engineers and the Bureau of Reclamation. * * * In all, 107 unbudgeted projects were added by Congress. We can only guess what their total cost to the taxpayers will ultimately be. * * * The best guess that can be made at the present time is upward of $1.5 billion, but when planning is completed, this guess, in the light of past experience, may well prove to be far too low.

Then came the real joker and again I quote from the message:

> As a consequence of these considerations, initiation of the added projects cannot be undertaken until the detailed engineering plans have been completed and we have a sound basis for cost estimates.

Now if ever there was a thinly or transparently veiled threat to freeze money appropriated by the Congress, this clearly is it. There was a natural and an immediate reaction from the Congress to whom the Constitution gives the right and duty of providing both policy and appropriations which are to be "faithfully" executed by the President. It was a bit too much coming on top of a similar announcement that funds for maintaining the Marine Corps were to be impounded. Also, we cannot forget a previous message where the President saw fit to take the Congress to task for what he called an infringement upon Executive rights in the Defense appropriation bill. By July 18, a hasty supplemental release from the Bureau of the Budget attempted to redress this error in part by saying that of course there was no intention of impounding these legally appropriated funds. The heat generated by this administration confusion had gotten home somewhere along the administrative ladder.

However, that problem, and the problem of the Corps of Engineers is more in the interest of other areas. On the other hand, reclamation is important to the West—so important as a matter of fact that on July 15th, the very day that the Presidential message announced the Executive's reluctant approval of the money for the Bureau of Reclamation for fiscal 1956, the Commissioner of Reclamation was out in Denver reporting in glowing terms the Bureau's program as "one of the largest and most important in recent years." This is what he reported to the Secretary of Interior after a big pow-wow in Denver and then released as information to the press. I realize that it is real handy for the left hand to conceal its activity from the right, especially where different areas with different interests are involved, but it makes life a bit confusing.

It is obvious that one cannot be doing two opposite things at the same time, or for that matter attempting to do such a thing, without someone suggesting that a pedal extremity is filling some mouth that should have been left closed. I am aware that this blooper will be passed over as lightly as possible in most quarters, but we of the West can hardly stand this pliant political trafficking in our vital programs. Either the program is good and worthy of support, or it should not be praised only where it is known to be popular and discounted elsewhere.

I should like to remind the executive department that the sum appropriated for reclamation construction and rehabilitation for fiscal 1956 is the sum requested in the President's budget—to the exact penny. Now, I will be generous and also point out that to achieve this inestimable station, it was necessary to reduce funds for 3 other projects in order to initiate 3 more new ones. Yes; three whole already authorized construction projects were given funds which were not included in the budget. Add that amount to the seven new starts in the budget, and even these are the only new ones since the Korean emergency, and you have this terrible thing about which the President apprised the Congress of his great reluctance. I cannot conceive of criticism with less factual base or less useful purpose.

The reclamation program can hardly be called substantial at best. In fiscal 1946, as we began to emerge from World War II, appropriations for construction and rehabilitation rose from a wartime $20 million to a peacetime $109 million. They reached a postwar peak in 1950 of $335 million and then went steadily down, due at first to the "no new starts" rule of the Korean emergency. Such rule, however, cannot explain the 1954 fiscal year appropriation of a meager $116 million. That came in the initial effort, still unsuccessful, of the new administration to balance the budget and before it occurred to them that a reclamation program was not only valuable but necessary. Thus, for 1956 some new starts are proposed and the appropriation recommended is advanced clear up to $146 million, 10 whole percent over last year's limping program. It may indeed be the largest and most important in recent years, but one must be very careful about the particular years considered. The recommended appropriation still looks a bit sickly compared to the once-achieved $335 million.

This more careful examination of the general problem and the record which is referred to or ignored as ambition dictates, leaves 100 plus of the unbudgeted new starts, which the President dislikes, completely outside of the reclamation field. His blanket criticism of water resource projects and his careless lumping of reclamation and flood-control programs as deserving the same criticism is unwarranted and unfair. One might conclude that he is just about 2-percent accurate.

I am pleased, as no doubt virtually all westerners are, with the small but significant advance in the reclamation program. It is my hope that the White House in the future can keep its different arms better informed as to the actions of the day.

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Recreation Plans Shelved by United States

EXTENSION OF REMARKS
OF
HON. LEE METCALF
OF MONTANA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1955

Mr. METCALF. Mr. Speaker, one of the first directives that went out from Washington upon establishment of the Forest Service 50 years ago was that our public forests should be managed to provide the greatest good to the greatest number of people in the long run.

Today we are seeing a reversal of that historic policy as it applies to recreation, one of the multipurpose uses of these forests.

Each year more Americans spend at least part of their vacations in our national forests. Last year 40 million Americans did so. This was more than twice the total number of visits in 1946.

Last year we appropriated $1½ million for the Forest Service to operate and maintain recreational facilities, for sanitation and care of some 4,700 public-use areas, and $210,000 for wildlife management. In other words, we were willing to spend less than 4 cents per visitor on facilities first built in the CCC days and which are falling apart.

But there are also threats to our recreation areas from other directions.

The Hoover Commission task force on water resources disclaims all basic Federal responsibility for recreation, fish, and wildlife conservation. These are the responsibility of local government and private citizens, the task force said.

And the Justice Department has announced a new antirecreation policy, as is pointed out in the following article from the July 26 issue of Labor's Daily:

RECREATION PLANS SHELVED BY UNITED STATES

Conservation groups in the United States are becoming deeply concerned about the present tendency in Washington to eliminate recreation, fishing, and wildlife conservation considerations from Federal programs in the face of a mushrooming demand and growing shortage of recreation facilities in the Nation, says the Washington Window column of the Public Affairs Institute.

National park and forest facilities are now swamped, unable to handle all the skyrocketing number of visitors. Number of hunting and fishing visitors drawn to parks and forests, jumped from 5 million to 11 million between 1947 and 1953. Everywhere recreation facilities are jampacked and prospects are that demand for such facilities will grow in the next decade as never before.

In face of this situation, conservationists are concerned by such actions as these:

1. The Hoover Commission Task Force on Water Resources has disclaimed all basic Federal responsibility for recreation, fish, and wildlife conservation and similar programs. They are the responsibility of local government and private citizens, the task force reported.

PROHIBIT INUNDATION

Furthermore, the task force recommended that in the jurisdiction of all future water projects, no costs or damages be given consideration which are not "susceptive to monetary evaluation." This would exclude the inundation of a scenic area, a great river gorge or natural wildlife habitat from cost considerations. And on the benefit side of the ledger, the task force recommended that no value be allowed beyond actual sums collectible from users or contributed by nonadministering agencies.

2. The Attorney General's office has just announced, in the name of economy, that land taken for dams, reservoirs, and other Federal projects will be strictly limited "to the absolute minimum necessary for the operation and maintenance of the project."

This appears to be a slap at a policy instituted by the Tennessee Valley Authority to buy a strip of land around the border of lakes to assure access by the public, free of charge for recreation uses.

The Justice Department's announcement of the new policy on land acquisition forecasts millions of savings in land costs to the Government and observes that "development of recreational and other incidental facilities by local agencies or private individuals will be made possible without Federal expense."

The new policy of acquiring an absolute minimum of land is already in effect by agreement of construction agencies, the Justice Department announced.

SOME LANDS TO BE RETURNED

Some lands already taken for pending projects may be returned to private owners. The announcement said that Corps of Engineers has 25 projects underway in which as much as 186,000 acres—10 percent of all land involved—may be allowed to remain in private hands.

National recreation groups believe that the Federal Government should put greater emphasis, not less, on recreation programs. They point to recent growth in attendance at forests and parks and the huge jump in hunting and fishing licenses reported above.

Prospective further growth of demand for recreation facilities has been studied by Stephen Raushenbush, of the Public Affairs Institute, who foresees a further growth of 50 to 100 percent in use of facilities in the coming decade.

Population growth alone would account for some growth. But other factors are at work. Per capita income is rising, and use of recreation facilities rises with income. The present administration is predicting a 28 percent rise in total disposable income by 1960 and 52 percent by 1965. The per capita rise should be at least half of the total rise, percentagewise, and will mean a great increase in the per capita use of recreation facilities. In addition to these two factors, population increase and improved incomes, there is the prospect of shorter workweek, longer weekends and extended annual vacations due to increases in the labor force and increased productivity of all labor.

DEMANDS MAY RISE

Taking all these factors into consideration, Raushenbush reported that demand for outdoor recreation facilities "may easily be up 50 percent to 100 percent in the next 10 years."

Conservation groups point out that the recent Hoover Commission and administration actions in the recreation, fish and wildlife fields are in sharp contrast to recommendations of the Truman Water Policy Commission of 1950–51. This recommended (1) that recreational opportunities be given fullest consideration in planning all projects; (2) that water resources programs be coordinated with local, State, and regional recreational programs and (3) that projects be constructed and operated "to insure full realization for their recreational values."

Further, the Truman Commission specifically recommended:

"Suitable lands adjacent to all Federal reservoirs should be reserved and made available for public recreation use."

That recommendation is the exact opposite of the current Justice Department policy announcement.

Mr. Speaker, the Federal Government must shoulder its share of the responsibility for recreation, fish, and wildlife conservation, and similar programs regardless of what the Hoover Commission recommends or the Attorney General orders.

It is for this reason that I introduced H. R. 1823 which would—

First. Declare public recreation use of the national forests to be a policy of Congress.

Second. Earmark 10 percent of the national forests receipts each year for development, maintenance, and operation of facilities and areas for recreation use, improvement, and maintenance of wildlife habitat and provisions for adequate safety, sanitation, and health in connection with uses of the national forests. The amount so set aside shall not exceed $5½ million in any 1 year. None of the money shall be used for land acquisition.

Third. Provide that fees, already authorized, collected for use of any substantially improved recreational area where special services or facilities are provided, shall go into this special improvement fund instead of into the Treasury.

Our national forests are making money for us. Receipts in fiscal 1953 totaled $73 million. That same year Congress appropriated about $62 million for the Forest Service. So $11 million went into the Treasury from operation of our national forests. We should reinvest some of this profit in the business.

Mr. Speaker, this Nation has about as much land under concrete—in highways, streets, and parking lots—as it has in wilderness areas. If our children and their children are to get to know and love the outdoors as we do, we must act now to preserve our vanishing wilderness.

Tribute to Hon. Thomas J. Dodd, of Connecticut

EXTENSION OF REMARKS
OF
HON. T. JAMES TUMULTY
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1955

Mr. TUMULTY. Mr. Speaker, on Monday, July 11, 1955, the Honorable THOMAS J. DODD, a distinguished Representative from Connecticut, made what many of us thought was an eloquent address entitled "How High Is the Summit?" This speech of Congressman DODD was not only eloquently delivered but contained sound and courageous advice to our Nation.

Shortly after July 27, Congressman DODD received a letter from former President Harry S. Truman, which I hereinafter set forth. Former President Truman certainly has paid Congressman DODD an unusual tribute. It is typical of the gallant and courageous Harry S. Truman that despite his retirement from the high office of President, he

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nevertheless follows the affairs of our Nation and reads the CONGRESSIONAL RECORD.

It is with pleasure that I include the President's letter in the RECORD, not only as a tribute to Congressman DODD, but also as a reminder to all that Harry S. Truman's service to the Nation has not ended and that is something for which the Nation should be grateful.

The letter follows:

KANSAS CITY, MO., *July 27, 1955.*

Hon. THOMAS J. DODD,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN DODD: I have just received a copy of the RECORD for July 11 which contains your speech, the subject of which is How High Is the Summit?

It is one of the best statements on the subject I have ever read, and I am certainly glad you were thoughtful enough to put it into the RECORD. I congratulate you heartily on it.

Sincerely yours,

HARRY S. TRUMAN.

Complete Overhaul Called for in Public Assistance Program for Needy

EXTENSION OF REMARKS
OF
HON. JAMES ROOSEVELT
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1955

Mr. ROOSEVELT. Mr. Speaker, I have today introduced H. R. 7848 proposing a sweeping overhaul of the public-assistance section of the Federal Social Security Act. The public-assistance section now makes Federal grants-in-aid available to the States for old-age assistance, aid to the blind, needy children, and totally and permanently disabled. As State legislatures are permitted to determine who can qualify for such aid and the amount granted, few if any of the programs in the 48 States are alike. It would appear that many of the State legislatures have gone back 350 years to the poor laws of Queen Elizabeth's time to harass and intimidate the needy of America. The poor laws of Queen Elizabeth have no place in the statute books of our States. England repealed them long ago. Now it is up to the United States Congress to do the same in our country, and my bill will give the States 2 years' time for their legislatures to meet and to accomplish this.

The manner in which we reward the needy of other countries and neglect our own is shameful. It is my belief that the time has come for our Nation to "grow up" and treat needy Americans not as "unwanted citizens" but with love and understanding toward those who have outlived their money or have become handicapped and unable to work.

These amendments will establish a "legislative intent" that public assistance shall be administered promptly and humanely, with due regard for the preservation of family life, and without discrimination on account of race, religion, or political affiliation; and that the assistance laws be liberally construed. In view of the fact that the House of Representatives has already passed a bill, now pending in the Senate, to lower the age from 65 to 62 for women to receive social-security benefits, I am proposing in my bill that this same privilege be extended also to women who are in need of old-age assistance at age 62.

Some features of the bill are as follows:

First. Since the Federal grants-in-aid to States for public assistance apply to the aged, the blind, dependent children and the permanently and totally disabled, the bill provides that the States cannot window shop on these programs but must adopt all of them.

Second. The program is to be administered by each State so as to insure uniform treatment of the needy in all its political subdivisions.

Third. No person receiving such public aid shall be deemed a pauper, and no warrant drawn in payment shall contain any reference to indigency or pauperism.

Fourth. A floor of $1,200 is established under the amount of personal property which a recipient is allowed to have. Household furnishings, etc., are allowed in addition to an insurance policy or burial arrangement up to $500 in value. Any amount greater than this would be considered in the $1,200.

Fifth. Prohibits any discrimination of sex.

These new provisions were added to a bill previously introduced by me which included:

(a) Raising the present ceiling of $55 to $100 monthly for each recipient wherein the Federal Government makes available funds to the States. The amount of Federal funds made available would be greater to States with low per capita income and match 50–50 the wealthier States. Additional Federal funds would be made available for the needy-children program.

(b) The aged and handicapped would be allowed to earn up to $50 per month and needy children up to $30 per month to supplement their assistance checks. At the present any amount which they earn is deducted from their monthly payment.

(c) Recipients may own a home of an assessed value, less all encumbrances, up to $5,000 free from the imposition of a lien. The ownership of a home will not be used as an excuse to deduct a so-called occupancy value from the payments to the needy.

(d) Elimination by some States of the practice of using the Federal law to enforce collections from the relatives of recipients.

(e) The prohibition against publishing the names of recipients will be restored to the Federal law.

(f) The value of any United States surplus food made available shall not be deducted from the recipient's aid.

(g) If a citizen in need does not meet State-resident requirements, the Federal Government would direct benefits until qualifying residence is established.

I would like to point out that many of these realistic amendments in my new bill, H. R. 7948, had already been adopted by the State legislature in California. According to the latest official United States Government figures, there are 2,552,881 people on old-age assistance receiving an average of $51.85 per month; 103,045 blind persons are receiving an average of $56.74 per month; 2,253,174 needy children are receiving an average of $24 per month, and 229,893 physically handicapped people are receiving an average of $55.03 per month.

Our Water Conservation Program

EXTENSION OF REMARKS
OF
HON. WILLIAM H. AVERY
OF KANSAS
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1955

Mr. AVERY. Mr. Speaker, although it lacks the glamor of a hydroelectric dam and the traveler appeal of a national park improvement program, the soil and water conservation program of the Department of Agriculture has a direct effect on every citizen and taxpayer of the United States. There is no national highway leading to these many projects or no conspicuous sign advertising the accomplishment of any Government agency or bureau.

Soil conservation development is continually growing and progressing at the grassroots level on the crossroads to some degree in every State of the Union. In the great Middle West where the basis of our economy is agriculture this conservation development has been especially outstanding. It symbolizes cooperation between the individual landowner or operator and Government agencies on the national, State, and local level. There is probably no program in the field of government in which cooperation is so vital as in the soil-conservation program. This cooperation is not only financial, but also in overall objectives, method of procedure, and means of implementation. In my opinion, that is the principal reason that the progress of this program has not been spectacular but has always been moving forward on a sound, practical basis. Although I heartily endorse the principle of local financial responsibility by the participant in any phase of government assistance I do feel that this program has not received sufficient recognition from the viewpoint of government financial assistance when analyzed and evaluated according to the objectives anticipated by its development. Whereas some Federal programs receive 100 percent financial assistance from the Federal Treasury the conservation program receives assistance on an average of about 50 percent of the cost by the Government and 50 percent to be assumed by the benefiting area or persons.

Either conservation practices should be brought up to the same level as other agency programs or the programs of other agencies should be reduced to approximately the same division of financial responsibility by the Government and the benefiting areas.

Mr. Speaker, I take considerable pride in the advancement of conservation work in my district and wish to include in this unanimous consent request an editorial expressing recognition and results of this program in my district written by Byron Guise, the editor of the Marysville Advocate, and later reprinted in the Topeka Daily Capital:

LONG IS THE WAY

As long as the sun shall shine, the stars twinkle, the rain come, and the moon gleam, Marshall County will be able to produce food from the soil. It all began back in the late 20's by a few farmers who had the courage to follow the ideas promulgated by the extension service of Kansas State College. The ideas were simple: Make the running water walk, and keep the soil where it is.

Simple as it may seem these ideas were not to gain foothold like the popularity of a movie star. On the contrary the ideas were so new that few accepted them as sound. Had not the land produced the best wheat, the finest corn, the most luscious alfalfa, the good oats, potatoes, and other crops? Why do silly things when the land was still doing a good job?

But the promoters of the new idea knew full well that sooner or later the land out here in the Great Plains Empire would be depleted of some of its most necessary elements, in addition to being washed into the Big Blue River, the Kaw, the Missouri, and the Mississippi. However, when a man lives on the same farm for years, he fails to notice the changing of his land as does another who goes away for years and then comes back.

Inserting the soil-saving idea into the minds of many a Marshall County farmer was something like trying to sell an airplane to a man a year or so after it is first invented. The idea did not take. It took virtual revival meetings to get the idea to soak in. Then here and there a few accepted. Gradually a few terraces were seen over the countryside. A few farmers began farming on the contour. Some built check dams.

When it seemed as if the idea never would become popular, all of a sudden the owners of the land and the tenants saw the need. In recent years soil saving has fast become a must in Marshall County. Farmers who have followed these practices for several years are making better and bigger profits than their neighbors. And when they want to sell their land they can command more for it.

The day is coming in Marshall County when an unterraced farm, or a farm not protected by soil-saving practices, will be an outlaw. And 25 years or more ago the farmer who carried on these practices had what some called an outlaw farm. (Marysville Advocate.)

Biggest Mistake Congress Made

EXTENSION OF REMARKS
OF
HON. RUSSELL V. MACK
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1955

Mr. MACK of Washington. Mr. Speaker, the failure of the present Democratic Congress to pass a highway bill was a disappointment and a disgrace.

The Nation needs more and better roads to save lives and to prevent the crippling of citizens. Experts estimate the economic savings on hospital and medical bills, on wear and tear on equipment, in time on commercial vehicles, and through lower insurance rates at $4,300,000,000 annually. These economic savings would more than pay the cost of building the needed highways.

Concerning the failure of Congress to pass highway legislation, the Democrat and Chronicle, of Rochester, N. Y., in disgust said editorially:

Lack of action on a highway program is a disgrace. The national road situation will grow worse before Representatives and Senators get back to Washington next year. The delay is inexcusable and a black mark on the Congress.

Record of the 84th Congress

EXTENSION OF REMARKS
OF
HON. MELVIN PRICE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1955

Mr. PRICE. Mr. Speaker, the 1st session of the 84th Congress has ended with a record in which most Members, I think, feel a sense of achievement.

It has been a Democratic Congress serving with President Eisenhower, a Republican. Not for generations, not since the 46th Congress in 1879 when Rutherford B. Hayes was President, has there been a session where both Houses were controlled by Democrats working with a Republican Chief Executive in the coordinate business of Government.

The record shows how wrong President Eisenhower was in the last campaign in predicting a "political cold war" unless the people followed his bidding and elected members of his own partisan group to control.

There has been no political cold war. The people's business has been handled carefully but without stalling. Under the firm and experienced leadership of House Speaker SAM RAYBURN, House Floor Leader JOHN MCCORMACK, Senator LYNDON JOHNSON, and Senator EARLE CLEMENTS, the necessary appropriation bills and many bills on basic legislation were expeditiously managed.

On foreign policy, Democrats in Congress gave Mr. Eisenhower support at many critical moments when he could not depend on his own Republicans.

On domestic policy, Democrats changed, corrected, and revised Mr. Eisenhower's programs. For this we have no apology. The President is surrounded by people from a particular group—big-business men and big-business men's lawyers—and he listens to no advice except the advice from this special-interest group. We in Congress have been forced to correct him.

There has been a vast difference between this Democratic 84th Congress working with a Republican President and the Republican 80th Congress working against former President Truman.

Mr. Truman got victory in vital foreign-policy matters in the 80th Congress by holding the solid support of Democrats and winning just a handful of Republicans. On domestic policy he was ruined; the Taft-Hartley law was driven through over his veto; the way was paved for other laws to go through over his veto.

In the 84th Congress President Eisenhower began on foreign policy with a badly split group of Republicans. The senior Republicans in the Senate—his floor leader, many ranking leaders in the GOP policy committee and the important Appropriations and Finance Committees—were against him. Democrats saved him.

Let us look at the record. If President Eisenhower had been compelled to follow the pressures exerted by his own Republicans, he would have attempted a naval blockade of Red China. He would have attempted atomic bombs or ground troops to save Indochina. He would even have rejected the idea of conversations at the summit with the Russians at Geneva.

It was the solid support of Democrats in Congress that enabled him to follow Harry S. Truman's policy in rejecting the idea of rash warfare in the Formosa Strait and the Far East. It was the wise words of a Democrat, Senator WALTER S. GEORGE, of Georgia, chairman of the Senate Foreign Relations Committee, that encouraged him, reluctantly, to go to Geneva for the conference at the summit.

In the field of foreign policy the official GOP congressional leaders were silenced, at last, and forced to abandon foolish talk about appeasement. Democratic support set the President free from the chains his own party tried to fasten on him. Is this the political cold war Mr. Eisenhower predicted? The President has reason to be grateful that the people ignored his requests and elected Democrats who have a sense of national responsibility in the field of foreign policy.

This Democratic Congress has not been a rubber-stamp Congress. There are five issues in which I disagreed with the President on domestic matters. In each of these five matters we in Congress have reversed and rejected the President's notions or he has belatedly confessed he was wrong.

He made a shocking departure from precedent when he named an Iowa Republican figure, Allen Whitfield, as a member of the Atomic Energy Commission. I have no opinion about the matters brought out about Mr. Whitfield in a trustee's capacity, involving an estate. I know that the appointment was wrong for the Atomic Energy Commission because it was strictly a political appointment. Mr. Whitfield had been an active Republican partisan and had been urged on Mr. Eisenhower for partisan reasons. Mr. Whitfield finally asked the President to withdraw his name, and Mr. Eisenhower obliged. A place on the AEC is no place for a partisan, and I would be as firmly opposed to nomination of a Democratic politician as a Republican politician.

As a member of the House Armed Services Committee, I disagreed with the President's proposals to take a go-slow policy on the Air Force and to chop down conventional military ground forces.

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We were told, sometimes with something like contempt, that we in Congress should not question President Eisenhower's judgment as a military man. But we have our own responsibilities in Congress, and we may reasonably take account of the fact that although a soldier the President never before had the job of making decisions for the civilian high command.

Before the session ended, the Air Force admitted we were right in protesting the go-slow policy in equipping our fliers with modern, high-speed jet planes. The Russians surprised some of the self-proclaimed experts—but not our committee—by their show of modern airpower last May. The administration had to come to Congress and ask permission to spend more money to speed up procurement—the very money we had tried to give them and they insisted earlier they did not need.

The administration was forced to accept an authorization of a bigger Marine Corps than it recommended. We in Congress cannot compel the administration to spend the money; we could not save the Army from the slash in its size that General Ridgway vehemently protested. But we know that the administration was wrong about the Air Force and we have urged it to maintain at least the present strength of the Marine Corps.

On the Dixon-Yates contract, I fought the President since the day the ill-fated private utility deal was anounced. Representative HOLIFIELD, of California, and I raised the first warning flags, last year, that an attempt to cripple the TVA through the Atomic Energy Commission was a gross abuse of the AEC, an independent agency, for political purposes.

The longer and harder the President pushed Dixon-Yates, the deeper he fell into trouble. His subordinates were shown to have falsified the record at least by omission; they were shown guilty of a lack of candor. The President himself repeatedly promised that the "full record" would be made public, but a special Senate subcommittee kept on revealing inconsistencies, deceptions, and improper interference by the White House itself with the independent agencies, including the Securities and Exchange Commission.

The President finally ordered the Dixon-Yates deal canceled, using as a lame excuse the determination of the city of Memphis to build its own power plant rather than buy Dixon-Yates electricity. The plain fact is that the deal had to be canceled because it had landed the administration in a mess. If the President had listened to Congressman HOLIFIELD and me last year, he might have got out of the mess more quickly.

One other matter I feel deeply about. I made the first public protest in 1953 when Mr. Eisenhower, in his first state of the Union message, misrepresented and distorted former President Truman's purposes in sending the 7th Fleet in 1950 to guard the Formosa Strait. Mr. Eisenhower pretended that Harry S. Truman's orders had the effect of "shielding" the Chinese Communists from the Nationalists on Formosa. This was a gross misstatement of fact, and President Eisenhower has now admitted it.

What Truman did was to use the 7th Fleet to prevent the war in Korea from spreading southward to the Formosa Strait. He ordered the 7th Fleet to enforce a kind of cease-fire. And what is Eisenhower trying to get now? He is trying to get by negotiated agreement exactly the cease-fire that President Truman imposed. He has ordered a special ambassador to meet with a special Chinese Communist ambassador in Geneva to discuss first our prisoners in Chinese jails and then other subjects, including whether the Reds will agree to a Formosa cease-fire.

He began talking about a cease-fire as early as last January, at a news conference, and he has repeatedly indicated that he wants such a cease-fire. We Democrats do not insult Dwight D. Eisenhower by charging that this is appeasement, that he is "shielding" the Chinese Reds. I simply wish he had not distorted former President Truman's motives about the 7th Fleet.

Let me reiterate these matters. I publicly disagreed with the President on five issues—the Whitfield nomination to the AEC, the proposed Air Force cuts, the proposed cuts in military ground forces, the Dixon-Yates contract, the misrepresentation of Truman's orders to the 7th Fleet. As the Member of the House directly responsible to the people of the Illinois 24th District, I have no reason to regret or withdraw anything I said publicly on these items. I can point to the record to show that subsequent events have proven my position correct.

When we turn to the field of social legislation, domestic legislation for the general welfare, we Democrats again have proved ourselves something more than rubber stamps. Here we have a great group of issues—housing, minimum wages, social security, public health, highways, unemployment insurance, farm program, taxes. These are programs which Democrats nourished through the New Deal and Fair Deal years.

Very frequently we Democrats declined to accept the President's advice on legislation on such matters. We knew his advice arose from that narrow little group of inner-circle counselors. We broadened and liberalized Mr. Eisenhower's recommendations.

Minimum wages is a good example. The President proposed an increase in the minimum wage in interstate industry from 75 to 90 cents an hour. The Democratic Congress thought that was inadequate.

The new figure of $1 an hour was justified by increases in the cost of living and by increases in productivity of workers—the output of workers per hour. It was justified by the doctrine of supporting purchasing power so that the corner grocer, the corner druggist, has good customers who can pay their bills.

The only employers in interstate industry the $1-an-hour rate can hurt are sweatshop employers. The bill for $1 an hour seemed to us a fair compromise below the $1.25 urgently requested by both the American Federation of Labor and the Congress of Industrial Organizations.

I must add a word about the performance on this bill of Secretary of Labor Mitchell. He refused to endorse the $1-an-hour figure until after it had been voted by both the House and the Senate. He finally disclosed that he would recommend that the President sign the measure, but he coupled with this snide comments that it was only half a bill, because Congress did not widen coverage of protected workers as well as raise the minimum rate.

Secretary Mitchell was given every chance by our senior Senator from Illinois, Senator DOUGLAS, to endorse specific proposals on broadening coverage. He ran away from the chance, and he has little excuse now to criticize what the Congress did in passing a better minimum-wage law than he recommended.

The House passed by an overwhelming vote a new bill to liberalize the social-security system. The chief provisions were to provide benefits to totally disabled workers at the age of 50—instead of making them wait until age 65; to make benefits payable to women workers or wives and widows at age 62 instead of age 65; to provide for benefits for incapacitated children beyond the present cut-off age of 18 years.

This bill did not get through the Senate this year. It did not get through because the Eisenhower administration opposed it. It failed to pass because the resigned Welfare Secretary, Mrs. Oveta Culp Hobby, fought it in both House committee and Senate committee.

Secretary Hobby's technique was to complain that the changes had not been studied enough, and besides she had some 17 other proposed changes she wanted the committees to consider. The three major changes proposed by the House bill actually have been studied for years, and everyone's arguments and all the cost estimates are in the record. A bill to improve the social-security system undoubtedly will be passed by the Senate next session, and we in the House helped contribute by pushing the issue this session.

The housing bill was blocked until near the very end of the session by the opposition of all four Republicans on the House Rules Committee. The stalemate was finally broken only Thursday, July 28, when a few of the Republicans on the committee surrendered and agreed to let the whole House of Representatives vote on housing measures. The housing bill finally adopted was better in many of its provisions than President Eisenhower's proposals—and Republicans fought it both because of that and because of its authorization of 45,000 new public housing units this year. The Democratic Senate bill would have authorized 145,000 units per year, but the Republican opposition in the House blocked this figure. Even so, we boosted the President's request by 10,000 units—above the 35,000 he asked—and got rid of some old restrictions that had the effect of crippling execution of public housing programs.

The highways bill eventually fell by the wayside, but it will be brought up

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again next year in the second session, and I am sure a sound bill, with adequate provision for financing a great new highway network by pay-as-we-go revenues, will be passed.

The key fact is that both the House and the Senate this year rejected President Eisenhower's insistence on "gimmick" financing, through a 30-year bond issue outside the so-called national debt and with the taxpayers burdened with a tremendous interest load of $11.5 billion to carry the 30-year bonds. We in Congress were unwilling to authorize a so-called highway program in which 55 cents would have gone for interest charges in payment for every dollar actually invested in roads.

It is costing the people a great deal less to wait for a few months for new highways, unpleasant though the wait may be, than if Congress had adopted the "gimmick" financing proposed by the White House.

The record of Congress in the public-health field is spotty—but once again the results arise principally from the shortsighted proposals the administration insisted on. President Eisenhower's inadequate program of health reinsurance involving private insurance companies was firmly rejected. It never came out of either House or Senate committees.

A sharp issue was the handling of the Salk polio-vaccine program. Here again the Eisenhower-Hobby proposals were inadequate and lacking in generosity and humanitarianism. Our great neighbor to the north, the Dominion of Canada, handled the inoculation of Canadian children with a minimum of fuss and error and a maximum of efficiency. One of our Atlantic neighbors, the small country of Denmark, gave all Danish children practically complete immunity from polio by using the Salk vaccine technique wisely. But Mrs. Hobby claimed that she could not possibly have foreseen the demand of American parents for protection of their children.

On unemployment compensation, a necessary part of our modern system to safeguard families from temporary industrial layoffs and to protect purchasing power, Mr. Mitchell's Labor Department opposed Federal action. But hearings were held which will form a groundwork for progress in the future by Congress.

The House passed a bill to repeal Agriculture Secretary Benson's so-called flexible farm price support plan passed last year by the Republican 83d Congress. We Democrats do not believe that the way to handle the problems of farmers is to cut their support prices ruthlessly by calling the new plan "flexible." I have no doubt that the Democratic Senate will move in the same direction as the House next year.

The House this year passed a bill to override the common Eisenhower practice of granting most tax relief to corporations and corporation stockholders. Corporations and stockholders deserve fair and equal treatment, but no more. The House tax bill, enacted after Speaker RAYBURN made a dramatic personal appeal, would have chopped a flat $20 a year from the payable taxes of everybody. If anyone thinks this is trivial, let him remember that even a well-paid factory worker with 3 children may make only $3,700 a year. To him, a tax benefit of $100—$20 each for himself, his wife, and his 3 children—would be a welcome gain in what he is able to spend for food, housing, and clothing. Once again, I have no doubt that the Senate will join the House in moving in this direction next year.

One other matter should be mentioned about the relations of President Eisenhower and Democrats in Congress. Most of us have given strong support to the President on many issues. I myself am listed by Congressional Quarterly, an independent research group dealing with Congress, as having supported Mr. Eisenhower much more frequently than the average of Illinois Republican Members of the House.

It is necessary to say frankly, however, that many Democrats were infuriated by President Eisenhower's stern schoolmaster attitude toward us after we had saved one after another of his foreign-policy programs.

The very day the President chose to pull out of his pocket an obviously prepared list of measures, and to complain to a news conference that we were stalling about these measures, was the day when his own housing bill was blocked in the House Rules Committee by the votes of all four Republicans on that committee. The Democrats voted 6 to 2 in the committee to send the housing measure to the floor; all 4 Republicans voted to stall.

It is all very well for President Eisenhower to pay frequent tribute to Senator GEORGE's kindness to him. Speaker RAYBURN of the House has also been kind—kinder than the President seems to realize. It was SAM RAYBURN who saved Mr. Eisenhower's foreign-trade bill in the House, against the opposition of most Republicans. We Democrats have no apology, I repeat, for liberalizing Mr. Eisenhower's domestic programs or at least blocking them in the shortsighted form he proposes.

As many of you know, much of the work of Congress is done in committees. That is how we divide up the tasks and try to become well-informed in the fields to which we are assigned. I am fortunate in my committees—Armed Services, which covers the defense of our country, and the Joint Congressional Committee on Atomic Energy, which has jurisdiction over and responsibility for all our programs on atomic energy for defense and for peaceful use of the atom. I am chairman of the Atomic Energy Subcommittee on Research and Development.

All through a session of Congress, and particularly toward the end, the burden of the important committees is a serious one. On last Thursday, for example, when the House itself held a long session involving important bills, I was in five separate committee and subcommittee meetings.

My own Subcommittee on Research and Development was given the last-minute task of devising ways and means to end the stalemate over President Eisenhower's proposed atomic-powered merchant ship. The President's original proposal was not a sound one, and most of us on the Atomic Energy Committee recognized it—both Republicans and Democrats. But we also realized that we had a responsibility to work out the soundest substitute we could, so that we could both demonstrate America's good intentions regarding the atom and advance the development of practical atomic engines for merchant vessels. This is the kind of purpose for which our Subcommittee on Research and Development was created, and we accepted our job.

At the same time the work of the House as a whole is important, and we had to leave our committee work occasionally to go to the floor and cast our votes, on rollcalls, on measures of intimate concern to the people of our districts. I was present to vote against the natural gas bill, which would reduce Federal regulation of gas prices and eventually lead to the piling up of new charges to people who heat their homes and heat their water or cook their meals with natural gas.

As this report is written I am preparing to leave for Geneva, Switzerland, to participate in the first international conference on the creative, civilized use of atomic energy for the benefit of men everywhere. This conference will be held under the auspices of the United Nations.

I will be back in the 24th District of Illinois as soon as my duties in Geneva permit, and I will be available for many months, before the next session of Congress convenes in January, for reports to the people of our district.

Hoover Commission Report

EXTENSION OF REMARKS

OF

HON. THOMAS G. ABERNETHY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1955

Mr. ABERNETHY. Mr. Speaker, the Hoover Commission among its surveys made one covering the field of transportation. It came, in some instances, to strange conclusions.

It was the purpose of the Hoover Commission to improve the operations, the efficiency, of the executive branch of the Government. Yet, one of its recommendations, if put into effect, would have merged the traffic management operations of the TVA into those operated at far greater cost to the taxpayer by the General Services Administration.

The report itself shows that the payroll costs for TVA traffic management are only 1 cent per ton of freight. This is the lowest cost for any governmental agency. On the other hand, the Central Traffic Management's payroll costs run to 98 cents per ton, or nearly 100 times as much.

As a matter of fact, the costs of the Central Traffic Agency are $11.39 per

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$100 of freight charges, which appears to me enormously high.

The Hoover Commission itself declared that the TVA has done an extremely good job of traffic management, a job beyond criticism. It is clearly faulty reasoning to turn a job which has been done so well and so cheaply over to an agency which is less efficient and far more costly.

"Blind Spot" in American Education

EXTENSION OF REMARKS
OF
HON. LEE METCALF
OF MONTANA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1955

Mr. METCALF. Mr. Speaker, a letter to the editor of the Washington Post and Times Herald calls attention to a most unfortunate and longstanding "blind spot" in American education.

Mr. Frederick D. Eddy, of the Institute of Languages and Linguistics, School of Foreign Service, Georgetown University, Washington, D. C., uses these words to describe the absence of foreign languages from the curriculums in our elementary schools.

Such courses, he says in the letter which follows, would "give an increasing number of our citizens the linguistic equipment to live with and to understand foreign peoples":

"BLIND SPOT" IN AMERICAN EDUCATION

News items such as President Eisenhower's appeal in Geneva for a free international flow of visitors, your July 20 article on Briefing To Mend Ways of Yanks Abroad and the report by Miss Emilie M. White on Languages in the District Schools in your June 13 edition keep bringing up a most unfortunate and longstanding "blind spot" in American education.

I mean a blind spot for the teaching of foreign languages in the elementary schools, for giving an increasing number of our citizens the linguistic equipment to live with and to understand foreign peoples.

Why, it may be asked, should foreign languages be started in elementary school? The answer, put very briefly, is that understanding and speaking a foreign language is not learned; it is blotted up with ease by youngsters under 13 or 14. After puberty it becomes increasingly more difficult to learn a new language well.

In other parts of the world, including the U. S. S. R., it has long been realized that putting off foreign language learning until high school is an obvious case of "too little and too late," and so outside our borders most spoken languages are started in grade school, and are continued for 6 to 10 years.

Inside the United States there is a young but rapidly growing trend in this direction, and Washington, D. C., can indeed take pride, as Miss White says, in being one of the pioneer cities in the movement. Let's put it more accurately: Washington can take pride in having school personnel with the vision, competence, and devotion shown by the two heads of the department of foreign languages, by other administrative officers, and by some parent groups; Washington can take pride in a civic-minded and world-minded station like WRC-TV that has cooperated so effectively in the citywide grade school foreign language program.

But little pride can be taken in the facts behind some telling phrases in Miss White's report—"the program * * * is being conducted without financial support; * * * regular elementary classroom teachers * * * offered to do the language teaching on a purely voluntary basis * * *; we might hope for the kind of community support which would lead before too long a time to the inclusion of provision for a continuing program of languages taught by trained teachers in the regular school budget."

Commissioners of Washington, a world Capital, please take note. Citizens of Washington, speak up to your Commissioners.

In the suburban areas near Washington a situation exists that, far from arousing any kind of pride, should make world-minded citizens in these parts sit up and take alarmed notice.

In Maryland—specifically, in Montgomery and Prince Georges Counties—there is no official plan whatever to introduce foreign-language study into the elementary schools—in spite of real personal interest in the matter shown by many school officials from the highest ranks to the lowest.

The Maryland State Department of Education committee report, The Place of Foreign Language in the Total School Program, offers a promising and forward-looking plan. A few tentative steps have been taken by the education department to explore ways and means of implementing it. In short, the blueprint for Maryland schools is there, but action on it seems to be very slow.

Action will almost certainly come faster if the citizens of Maryland, aware of the linguistic provincialism in their elementary schools, will make their voices heard by local and State school officials.

For further information on this subject, interested persons or groups may contact their district, State, or county education department, or the Office of Education Committee on Foreign Language Teaching, United States Department of Health, Education, and Welfare, Washington, D. C., or they may write to the Foreign Language Program, Modern Language Association, 6 Washington Square North, New York 3, N. Y.

FREDERICK D. EDDY,
Associate Professor, Institute of Languages and Linguistics, School of Foreign Service, Georgetown University, Washington.

WASHINGTON.

Our colleague from California [Mr. ROOSEVELT] has introduced a resolution which would eliminate this "blind spot." House Joint Resolution 305 would make it United States policy to encourage the study of foreign languages by citizens of the United States.

The present position of the United States in world affairs necessitates greater contact between our citizens and those of other nations. Increased knowledge of foreign languages will help our peacetime policy and will be invaluable in event of war.

The Small Family Farmer

EXTENSION OF REMARKS
OF
HON. HOWARD H. BAKER
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1955

Mr. BAKER. Mr. Speaker, in the days of our fathers a certain type of hired man on the farm was described as "a great woodchopper in summer, a great hand with a scythe in winter."

The majority party in this session of Congress professes great concern for the welfare of the family farm. They almost seem to resent the idea that anyone, other than they, can, or will, or should help the low-income farmer.

They have blithely tried to restore the high, rigid price supports which have been clearly seen to help most of the larger and more prosperous farmers. Their motto seems to be: "Billions for the rich, not even millions for the poor."

The request for $30 million, plus certain enabling legislation, to start a rural-development program has fallen upon deaf ears. Truly, there are those who are "woodchoppers" for the small family farmer in the summer of helping the large farmer. They, too, can "swing a scythe" for the small family farmer in the winter of economy or the rush of adjournment.

Interview for Everybody's Daily

EXTENSION OF REMARKS
OF
HON. CLEMENT J. ZABLOCKI
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1955

Mr. ZABLOCKI. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include a copy of the interview which I granted to Everybody's Daily and which appeared in the July 27, 1955, edition of that Buffalo newspaper:

AS MEMBER OF FOREIGN AFFAIRS COMMITTEE CONGRESSMAN ZABLOCKI PRESENTED MANY ANTI-RED BILLS

(Exclusive interview with Congressman CLEMENT J. ZABLOCKI, of Wisconsin)

Question. Undoubtedly, this has been one of the most interesting sessions you have ever attended. How many years have you been serving as a Congressman?

Answer. I am presently serving my fourth 2-year term in the House of Representatives. Prior to my election to Congress, I served two terms in the Wisconsin State Senate.

Question. Inasmuch as the important work of Congress is done through the committee system, of what committees are you a member, and what are their special purposes?

Answer. I am a member of the Committee on Foreign Affairs, and chairman of the Subcommittee on the Far East. The Committee on Foreign Affairs is in charge of legislation dealing with our foreign policy—with such measures as the mutual-security program, the point 4 program, and so on.

Question. As one of the ranking more important members of these committees, and because legislation is always introduced through the committee function, what legislation have you been responsible for, and why?

Answer. That is a very broad question. I have sponsored, among others, bills calling for the establishment of a United States Foreign Service Academy, for the investigation of Communist atrocities in Korea, for the condemnation of the Soviet domination of Poland, for the admission of Spain into the North Atlantic Treaty Organization, for the creation of a Pacific pact union on the style of NATO, and a number of others.

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Question. Undoubtedly you are planning to introduce other legislation. Would you want to tell us what it will be and the purpose of it?

Answer. I have no immediate plans for the introduction of new legislation dealing with foreign policy issues. As you know, the present session is rapidly approaching an end and for that reason it would not be feasible to introduce new legislation at this time. Further, I have a number of bills pending and pertaining to other fields, and I will try to secure consideration for those measures before Congress adjourns.

Question. Would you say that the present session, which is considered an off-year as far as elections are concerned, is going to be as productive of good work for the country and American people as some of the other ones you have been a member?

Answer. I believe that this session will go down into history as a constructive and productive session. Congress has done a considerable amount of work on various important measures. A comprehensive defense budget has been approved; the reciprocal trade-agreements program has been extended; a number of vital treaties have been approved, the mutual-security program is in the process of being continued, and so on. In addition, progress has been made on social-security revisions, on increases in the minimum wage, on hospital and school construction assistance program, and the reorganization of the military Reserves, and on the housing legislation. This, in my estimation, is a considerable record of achievement in an off-year session.

Question. As a member of the majority party, would you say that the average Congressman is first concerned with the political significance of everything that comes before him, or is he more interested in the overall legislation to be considered, with the effect on his own constituents, or his country as a whole?

Answer. I would say—and I am very sincere in saying this—that by and large, the average Congressman is primarily interested in seeing that the legislation he supports is sound, and in our national interest. There are, of course, exceptions to this rule. In some cases, individual Representatives will fight for bills which would benefit some segments of the country and particular groups, even though such bills may not be consistent with the overall interests of the Nation. Generally, however, they look first to see if a particular bill will serve the interests of the country, and vote for the bill if that is the case—even though their vote may not be fully understood or appreciated by some of the people back home in their district.

Question. Inasmuch as your own constituents elected you to Congress, would you say your first consideration on all legislation, or the majority of legislation, is to your constituents or your country as a whole? What are good examples of this type of consideration on your part?

Answer. Now to logically answer your question, I must first point out that what is good for our Nation, at the same time benefits each and every one of us. In other words, there is very seldom any clash between a local and a national interest. Legislation which is good for the Nation as a whole is not harmful to the people of a given locality, because the people of that locality benefit from the healthy state of the Nation.

There are, of course, times when local and national interests do not appear to be identical. We had an issue of this type arise recently in conjunction with the reciprocal trade-agreements program. Now our trade program has definitely benefited our Nation during the past two decades. There is little doubt about it. Nevertheless, there are some firms which are hurt by foreign competition. In order to ascertain to what extent the people of the Fourth District of Wisconsin are affected by foreign trade, I asked the Library of Congress to conduct a thorough study of this subject. With the cooperation of my office, the Library of Congress for 8 months studied the impact of foreign trade on Milwaukee. The results of the study surprised many people. The study showed that the majority of our manufacturing industries, employing a vast majority of our industrial workers, are deeply interested in foreign trade and benefit from it to a large extent. To vote against the reciprocal trade-agreements program, therefore, would be against the interests of the majority of our workers—even though one company felt that it would not benefit from such a vote. For that reason, I voted for the program.

Question. What do you think is the most important legislation matter that has come before you in this session, and has it been worked out correctly and constructively?

Answer. I feel that some of the important pieces of legislation have not been worked out as yet during the present session. The issue of aid to school construction, the question of the highway program, the minimum wage increase, the subject of social-security revision—these and other vital measures are still being worked on. We will not be able to accurately evaluate the fruits of this session until final action will be taken on these bills.

At this point, however, I would say that the action on the defense budget, on the trade program, on the mutual-security program, and the plugging up of the loopholes in the Republican Revenue Act of 1954, constitute constructive actions on the part of this Congress.

Question. Being a member of the opposition party of the President, would you say the present handling of the Far East and European situation has been in the best interests of the country. If not, what suggestions do you offer?

Answer. This again, is an extremely broad question, and it is difficult to answer it briefly. Generally, I would say that the present handling of the European situation has been much more constructive and sensible than our country's actions with regard to the Far East. In that area, we have been, in effect, retreating for 3 years. The Korean truce was not satisfactory, as the subsequent events have clearly shown. The Indochina truce gave the Communists a new conquest to boast about, and consigned several million peoples to Communist domination and slavery. In addition, it has imperiled the rest of Indochina and Southeast Asia in general. Neither has much progress been made in resolving the critical issues between Formosa and Red China.

As to the suggestions that may be offered on this subject, I would like to refer you to the two reports issued by the Special Study Missions to the Far East, of which I was a member. Some of the actions recommended by my committee have been taken by the administration—unfortunately, these actions came late, and fell far short of our recommendations. The problem of doing "too little, too late" has been at the bottom of the difficulties which had to be faced in that area today.

Question. Do you agree with a recent survey that 91 percent of the Americans are willing to risk war, if all peaceful means of releasing our prisoners of war in China fail?

Answer. The thought of an all-out war is, to borrow a phrase from one of the statesmen of our times, "unbearable." A nuclear war may actually destroy our entire civilization. There is no doubt about this—the unleashing of the deadly weapons which we possess, as well as those which the Communists possess, may bring about such destruction that it may take centuries to rebuild the world.

Knowing this, I do not believe that our people would lightly recommend that our Government plunge our Nation, and the entire world, into an all-out conflict with the Communists. I firmly believe that we must leave no stone unturned to secure the release of our men held by the Communists in China. I have repeatedly urged that this be done, and I am confident that our Government is doing everything possible in this respect. Whether an all-out war should be started if these peaceful efforts fail is something that cannot be decided on the strength of a public-opinion poll. This is an issue of the utmost gravity, and can only be resolved—if the occasion for it arises—by Congress and by our Chief Executive.

Question. Include all suggestions you may have that President Eisenhower should discuss at the forthcoming Big Four meeting concerning all of the captive countries.

Answer. In reply to this question, I wish to call to your attention the enclosed copy of the remarks which I have recently made on the floor of the House, urging the President to exert every effort during the forthcoming Big Four meeting to secure the withdrawal of Soviet troops from the captive nations of Eastern and Central Europe.

In addition, I would like to mention that I have joined with other Members of Congress in urging the President to discuss, during the conference, the possibility of initiating an exchange of visitors between the free world and Communist-dominated nations. Such an exchange of people and of views could greatly help in lessening the tensions presently existing in the world.

Irresponsible Criticism of Social Security

EXTENSION OF REMARKS

OF

HON. CECIL R. KING

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1955

Mr. KING of California. Mr. Speaker, I have recently received a letter from Mr. Carl P. Miller, president, Los Angeles Chamber of Commerce, in which Mr. Miller purports to speak for the membership of his organization in opposition to the social-security system.

The tenor of Mr. Miller's observations on social security are set forth in the first paragraph of his letter which reads as follows:

> The Los Angeles Chamber of Commerce has consistently withheld endorsement of the social-security system, and has, in the past, opposed broadened coverage, liberalized benefits, and a widened tax base. We are deeply concerned over fundamental defects of the system and the philosophy on which it rests.

Mr. Speaker, I view with some concern such attacks on social security based on unfounded and false grounds. The reactionary opposition to the system that has existed since the inception of the program has continually resorted to misinformation and unwarranted criticism in a futile attempt to defeat a program that 20 years of experience and careful actuarial study have proved is sound.

Because I doubt that Mr. Miller was expressing the views of all the members of the Los Angeles Chamber of Commerce in his letter and because I believe the time to set the record straight is long past, I answered Mr. Miller at some length.

I am, Mr. Speaker, at this point in the RECORD inserting my reply to Mr. Miller

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and the text of Mr. Miller's letter to me for the information of any interested persons:

AUGUST 1, 1955.

Mr. CARL P. MILLER,
President, Los Angeles Chamber of Commerce, Los Angeles, Calif.

DEAR MR. MILLER: I have your letter of July 14 in which you once again attack the fundamental concept and philosophy of the Federal old-age and survivors insurance system. Your letter repeats the absolutely false statements you previously have made regarding this great humanitarian endeavor.

It is positively incredible that you and the great business organization for which you presume to speak still do not accept the basic tenets of social security. Millions upon millions of people, young and old alike, look upon this great program as the solid rock upon which they can fasten their hopes for the future; yet the Los Angeles Chamber of Commerce views it as fundamentally defective and philosophically unsound.

You are entitled, of course, to express your opinion regarding social security. However, I call your attention to the fact that even the Republican Party, including some of the most reactionary of the Old Guard elements, has at last recognized in the social security system a sound program that is not only good, but is here to stay. President Eisenhower made this quite clear in a message to Congress in 1954 in which he described the old-age and survivors insurance system as "the cornerstone of the Government's programs to promote the economic security of the individual." The President further stated: "The system is not intended as a substitute for private savings, pension plans, and insurance protection. It is, rather, intended as the foundation upon which these other forms of protection can be soundly built. Thus the individual's own work, his planning, and his thrift will bring him a higher standard of living upon his retirement, or his family a higher standard of living in the event of his death, than would otherwise be the case. Hence the system both encourages thrift and self-reliance, and helps prevent destitution in our national life. In offering, as I here do, certain measures for the expansion and improvement of this system, I am determined to preserve its basic principles. The two most important are: (1) It is a contributory system, with both the worker and his employer making payments during the years of active work; (2) the benefits received are related in part to the individual's earnings. To these sound principles our system owes much of its wide national acceptance."

I trust that your constantly repeated criticism of this program will be to no avail. I assure you that I shall do everything within my power to see that social security continues to serve the great humanitarian purpose for which it was designed. It is operated at an administrative cost ratio of 2¼ percent (far less than that of any private insurance company) and provides protection against loss of income due to old age or premature death to 90 percent of the workers in this country, including not only employees but self-employed persons such as farmers, small-business men, and professional groups—7½ million elderly persons, widows, and orphans already are drawing monthly benefits (600,000 in the State of California). These benefits are coming not from the general revenue fund created by the taxpayers, but from the trust fund to which the self-employed and employees and employers alike have contributed.

I have served on the Committee on Ways and Means for 9 years. I participated in extensive hearings conducted by our committee for almost 6 months in 1949, during which many of these ridiculous charges were made and successfully refuted. I participated again in the consideration of the social security amendments of 1952. Once again, in 1954, I participated in consideration of social security amendments, and in 1955 I played a part in the formulation of H. R. 7225, which, incidentally, was approved not only by the majority but by all but four of the minority members. As a result of these many years of study of the subject I am convinced, as are most Americans, that the OSAI system is sound. As a Democrat, I share the belief that improvements in the coverage and benefits of the system can be made without impairing its soundness. The Los Angeles Chamber of Commerce is completely out of step with the times in being against social security.

As I have said, you are entitled to continue your opposition to social security, futile and misguided as it is. But I maintain you have no right to spread the fallacy that this great social insurance system is unsound financially. The facts on this are readily available to you, as they are to any American who is broadminded enough to seek the truth. Actuarial estimates presented to the Committee on Ways and Means of the House of Representatives, of which I am proud to be be a member, and to the Senate Committee on Finance, show that the contribution rates now in the law make the system wholly self-supporting. These actuarial estimates do not take into account the probability of a continuing rise in wage levels as has occurred throughout all American history. An increase in wage levels would have the effect of increasing income in relationship to outgo in the future.

There similarly is no excuse for your repeated fallacious assertion that there is no real reserve fund. This misstatement has been refuted time and again by such authorities as the American Life Convention, the Life Insurance Association of America, the National Association of Life Underwriters, the Advisory Council to the Senate Committee on Finance of 1938, the Advisory Council to the Senate Committee on Finance of 1948 (appointed by the Republican chairman of the committee, Senator MILLIKIN), and more recently by the Secretary of the Treasury, George M. Humphrey. Secretary Humphrey has specifically endorsed the investment of the reserve trust fund in Government bonds, saying "I'm sure it's a good way, and in fact I think it's the only way to do it." (NBC television program Meet the Press of May 24, 1953, and pp. 18, 19, and 20 of the House Appropriations Committee hearings on the Treasury and Post Office appropriations bill for 1955.)

The bonds in the trust fund, like all other United States Government bonds, represent the safest investment in the world. In fact, they are the only practicable investment for the funds of the program. In this connection I hope that you and your colleagues will study carefully the section on Reality of the Trust Fund in the enclosed copy of the 15th Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance Trust Fund which was signed by George M. Humphrey, the present Secretary of the Treasury and a former businessman. This report completely repudiates your contention. (S. Doc. No. 39, 84th Cong., pp. 7–9.)

The charge that benefits and contributions are badly out of balance usually rests on illustrations that in individual cases the value of the benefits paid may greatly outweigh the value of the individual's contributions, or even of those paid by him and by his employer in his behalf. It is, of course, true that for individuals near retirement age in the early years of the program, and for workers with large families, the value of the benefits paid may greatly exceed the value of the contributions. I'm sure you know that this is so, also, in retirement plans established by private industry. If it were not so in OASI, the program could not be effective in preventing need, and in relieving the general taxpayers of much of the burden of support of the aged and widows and orphans for many years. In general, the payment of benefits in excess of the contributions received in individual cases is possible because workers who are now young, and who will contribute to the program over most of their working lifetimes, will as a group very nearly pay for their benefits out of their own contributions. The contributions paid by employers with respect to their wages can therefore be used in large measure to finance the excess of the benefits paid to workers now old and those with large families.

I am proud to say that the Ways and Means Committee, in its consideration of social security, has always taken the position that the benefits provided should be based on a sound system of financing. In the words of the committee report on H. R. 7225, "Your committee has always very strongly believed that the system should be actuarially sound. Your committee continues to believe that the tax schedule in the law should make the system self-supporting as nearly as can be foreseen, or 'n other words, actuarially sound."

In 1955, as in all previous years, the committee was very careful to provide adequate financing for the new benefits provided. Actuarial testimony presented to the committee indicated that the system would be actuarially sound if the contribution rate was increased beginning with January 1, 1957. The committee nevertheless concluded that in order to be absolutely certain of the fund's actuarial soundness the increase in the rate should go into effect on January 1, 1956. As stated in the committee report on the bill, "the old-age and survivors insurance program as amended by this bill would be actuarially sound, and in fact its actuarial status would be improved since the cost of the liberalized benefits is more than met by the increased contributions scheduled (with such rise going fully into effect immediately with the inauguration of the new benefit provision)."

Since the contribution rates are being increased to pay for the additional protection, your statement is not true that funds committed to pay for the protection already provided are being diverted to another purpose.

With regard to your criticism of the current plan to provide benefits to the totally and permanently disabled and to reduce the retirement age for women from 65 to 62, my reaction is this: You have consistently opposed social security; it is to be expected that you would oppose any improvements. I predict that despite your opposition these improvements will be enacted into law next year, the House of Representatives having already approved them.

I realize that this letter will not alter your attitude with respect to social security; you will continue to preach your philosophy of "ragged individualism"; you will continue to argue that, as a wry humorist put it, everyone should be permitted to work out his own destitution. I must demand, however, that you desist in making false and misleading statements, which can only have the effect of causing needless worry for thousands of present and future beneficiaries of this great and beneficent law.

In my opinion the OASI system is specifically designed to prevent the kind of dependency and loss of initiative you fear. The Los Angeles Chamber of Commerce doesn't seem to recognize the facts of life that the social-security program helps to preserve our system of individual initiative. In this connection I would like to quote the findings of the Ways and Means Committee in 1949 as expressed in its report on the bill which became the Social Security Act Amendments of 1950:

"The time has come to reaffirm the basic principle that a contributory system of social insurance in which workers share di-

rectly in meeting the cost of the protection afforded is the most satisfactory way of preventing dependency. A contributory system, in which both contributions and benefits are directly related to the individual's own productive efforts, prevents insecurity while preserving self-reliance and initiative.

"Under social insurance, benefits are computed individually in each case, on the basis of earnings in covered employment. Because benefits are related to average earnings and hence reflect the standard of living which an individual has achieved, ambition and effort are rewarded; since they are also related to length of service in covered work, individual productivity is encouraged and the Nation's total production is increased.

"Because benefits under the insurance system are paid as a matter of right following cessation of substantial covered employment, the worker's dignity and independence are preserved."

The mistaken charge that OASI is not an insurance program generally rests on either the fact that there is no contract involved or the fact that there are differences between OASI and individually purchased private insurance. To conclude from this, however, that OASI is not insurance is not sound. It fails to take into account, for example, the basic similarities between old-age and survivors insurance and private group insurance. It ignores the facts that the social-security insurance system, like other insurance systems, is a means of pooling risks; that the risks covered—loss of family income at death, retirement between the ages of 65 and 72, and attainment of age 72—are insurable; that, just as in group insurance, contributions are made by workers and employers and that they are made regularly and beforehand; that there is a definite overall relation between contributions and benefits.

I am convinced that the changes provided in H. R. 7225 are sound and desirable. I am proud to have been a member of the committee which saw the need for this additional protection and took steps to provide it. I am proud to have helped improve the social-security benefits for millions of persons. I hope that this explanation of the real facts about the program will persuade the Los Angeles Chamber of Commerce to reexamine the provisions of H. R. 7225 and to endorse the bill. There are many Americans in the Los Angeles area who will benefit by the bill. I hope the Los Angeles Chamber of Commerce will see the light and try to support measures for the betterment of our senior citizens of Los Angeles.

Since I have little confidence that you will actually cease presenting these falsehoods to the public, I am having this exchange of correspondence inserted in the CONGRESSIONAL RECORD. It then will be a public record for one and all to see—an unpleasant monument to what should be a great organization.

Sincerely yours,

CECIL R. KING.

LOS ANGELES CHAMBER OF COMMERCE,
July 14, 1955.

Hon. CECIL R. KING,
Member of Congress, Representative, 17th District, California, House Office Building, Washington, D. C.

DEAR CONGRESSMAN KING: The Los Angeles Chamber of Commerce has consistently withheld endorsement of the social-security system and has, in the past, opposed broadened coverage, liberalized benefits, and a widened tax base. We are deeply concerned over fundamental defects of the system and the philosophy on which it rests.

It is our opinion that the responsibility to provide for future personal needs rests primarily with the individual. This concept must be constantly fostered if the individual is not to become more dependent upon the Federal Government to solve all his problems—a trend which we believe could lead to the destruction of our tradition of individual initiative.

In addition, the entire social-security structure is based on unrealistic financial concepts. Major defects of the system are summarized as follows: OASI is not an insurance program; there is no real reserve fund and no program for protecting future excess income; benefits and contributions are badly out of balance, and future costs are sure to rise sharply.

With respect to the proposals under consideration which would broaden coverage, lower the benefit age for women, and add coverage for permanently and totally disabled workers, we wish to point out our belief that broadened coverage and heavier benefit commitments are dangerous and could well be disastrous to the system. Lowering the benefit age for women would result in unanticipated cost increases and, therefore, less adequate benefits for those in need. While we are sympathetic with the plight of disabled persons, we believe it would be wrong to divert to this purpose social security tax revenues and trust funds which have been collected for and previously committed to old-age benefits.

These changes would compel Congress to increase taxes on the productive workers and employers in order to protect the benefits now being paid to some 7 million individuals, as well as the many millions who look forward hopefully to receiving social-security benefits in their old age.

We believe sincerely that coverage and benefits should not be further liberalized until the commitments and implications involved are fully understood by all. We respectfully urge your opposition to these broadening amendments.

Sincerely yours,

CARL P. MILLER,
President.

The President Should Appoint a Special Advisory Commission on the Arts and Cultural Exchange Now Because the Idea War Needs More Firepower—I

EXTENSION OF REMARKS
OF
HON. FRANK THOMPSON, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1955

Mr. THOMPSON of New Jersey. Mr. Speaker, I include as part of my remarks the brilliant speech made by Theodore S. Repplier, president of the Advertising Council, at the Hotel Pierre, New York City, on June 30, 1955, at a meeting of the Advertising Council's board of directors and guests.

Mr. Repplier recently returned to this country after a 6 months' study of United States information and propaganda methods in the Orient, the Near East, and Europe under the auspices of the Eisenhower exchange fellowships. He is the first non-Government American to study our information activities abroad.

The conclusion reached by Mr. Repplier as a result of his study was that our propaganda offensive needs to sharpen its ideas. Also, we need to draw into our propaganda program more of the skills and talents of America. Mr. Repplier is convinced that no group of professional propagandists, however able, can project a true image of the country, at an art exhibit, a trade fair, or anywhere else. "In America, we have private organizations—from the Philadelphia Symphony to the Advertising Council—whose weight must be added to the idea war," declares Mr. Repplier. I agree with him completely.

We can win the cold war. But we cannot win it in a walk. It is time we started running. As Mr. Repplier says:

> The idea war needs more firepower. We are terribly outgunned. We now spend less than two-tenths of 1 percent of our military budget on propaganda. How can we possibly expect that truth can triumph over falsehood with that sort of niggardliness? The propaganda appropriation should be greatly increased.

In a memorandum presented to the White House on April 5, 1955, General Sarnoff, chairman of the board of the Radio Corporation of America, urged the expenditure of up to $3 billion a year for the kind of propaganda offensive which Mr. Repplier has in mind. And, in an historic speech at the National Press Club in Washington, D. C., on February 26, 1955, William Randolph Hearst, Jr., said that our reliance upon armed strength alone as our primary concern is permitting communism to take long strides forward in those fields which we have largely neglected. He pointed out that in Russia and the satellite countries—

> Sports, ballet, the theater, literature—all are shaped toward aiding communism's long-range scheme of world domination. Top artists know they are not only expected to perform, but to give their services at clinics where the plastic minds of youthful visitors can be influenced.

The U. S. S. R. not only subsidizes its theater, music, and other cultural programs but it has spent nearly $2 billion on international theater exchange alone since the end of World War II. While other countries subsidize the arts the United States imposes discriminatory and burdensome taxes on our cultural programs.

Sending our artists abroad for the sole purpose of selling American culture and combating the Russian propaganda offensive has been decried by our cultural leaders who have urged, instead, the sharing of our cultural heritage with other countries. The growing recognition by Mr. Repplier and others of the great contribution which the Philadelphia Symphony Orchestra and other leading groups and individuals in the cultural arts field can make in winning friends and allies for our country is heartening indeed. Perhaps this heralds a new period in our history when the poet, the dramatist, the painter, and the musician will be recognized as being as important to our civilization as the engineer and the scientist.

In his message on the state of the Union last January President Eisenhower said that—

> In the advancement of the various activities which will make our civilization endure and flourish, the Federal Government should do more to give official recognition to the importance of the arts and other cultural

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activities. I shall recommend the establishment of a Federal Advisory Commission on the Arts within the Department of Health, Education, and Welfare to advise the Federal Government on ways to encourage artistic and cultural endeavor and appreciation.

The 84th Congress has taken more interest in the cultural arts than any previous Congress in our history. It appropriated $5 million for the President's Emergency Fund for International Affairs. Through this new fund we have participated in some 15 trade fairs. We have also sent abroad such things as the Philadelphia Symphony Orchestra, the Symphony of the Air, the New York City Ballet, Porgy and Bess, and many individual artists. These have achieved results out of all proportion to the amount of money involved. Senator WILEY and I led the fight in the Congress for the continuation of this fund in which the President is so vitally interested. The Congress also established a 21-member commission to plan for a civic and cultural center in the Nation's Capital when it adopted Public Law 128.

The Congress also held hearings on H. R. 6874 and some 15 related bills which would, among other things, carry out the President's recommendations in the cultural field and make the President's Emergency Fund activities a permanent part of the armament of this country in this cold war period. It is expected that this legislation will be enacted into law early in the 2d session of the present Congress.

As a result of these concrete steps the conception held abroad in almost every country that the United States is undoubtedly a fabulously wealthy nation but that it lacks any of the cultural aspects of a great nation is rapidly disappearing. That this misconception has lasted so long has been our own fault, for until this year we have done little or nothing to put an end to it.

The New York Times of August 1 carried a signed article by Harrison E. Salisbury reporting that the State Department is preparing special facilities for handling the anticipated two-way expansion of cultural, scientific, and social contacts with Russia and her satellites. Five Republican and four Democratic Members of the House joined with me on July 7 in urging that President Eisenhower gave serious consideration to discussing exchange visits between the United States and the Soviet Union at the Big Four Conference in Geneva. Earlier Senator KARL E. MUNDT had made the same suggestion to the President. President Eisenhower wrote me on July 11, 1955, that—

> When Senator MUNDT made this suggestion to me a few days ago, I assured him that we would give the proposal our earnest consideration. To you and your colleagues I gladly give the same assurance, and am grateful to each of you for giving me your thoughts on this important matter.

It is my earnest hope that the President will take the initiative and appoint immediately the Federal Advisory Commission on the Arts and Cultural Exchange which he discussed in his message on the state of the Union on January 6 of this year. Such a special Commission would be of incalculable assistance to the Federal Government and to the Department of State in the two-way expansion of cultural, scientific, and social contacts with other countries which is now developing. This expansion of cultural interchange was the most important thing that came out of the Geneva Conference. Every step that will assist this expansion of cultural interchange to grow as it must should be taken at this time. Leaders in the fields of the cultural arts would undoubtedly make a significant contribution to this expansion and should be appointed to a special Presidential Commission so that full advantage can be taken of their special abilities, knowledge, and skills. Scientific leaders and representatives of the Advertising Council should also be members of such a special Commission on the arts and cultural interchange. With leaders like General Sarnoff and William Randolph Hearst, Jr., calling for the establishment of a planning board commissioned to formulate a strategy on all fronts for meeting the challenge of competitive coexistence now is the time to take bold action in this field. Delay can only imperil a unique opportunity for securing a significant advantage to our side in this cold war.

I include here the report by Theodore S. Repplier which may well prove to be a turning point in national recognition of the important contributions the arts can make in our relations with foreign countries. I also include a short report from the New York Times on a meeting of cultural leaders held in New York City on April 19, 1955.

[From the New York Times of April 20, 1955]

UNITED STATES POLICY SCORED ON ART MISSIONS—SELLING CULTURE DECRIED BY PERFORMERS AND ANTA AID—HERITAGE SHARING URGED

Sending performing artists abroad for the sole purpose of selling American culture and combating propaganda was decried here yesterday.

Such performances should be promoted rather to share our cultural heritage with others and to show samples of our talent, speakers said at a luncheon at the Women's City Club, 277 Park Avenue, on the assets and drawbacks of Federal subsidies for the arts.

The speakers were Blanche Yurka, actress; Isaac Stern, violinist; and Robert Schnitzer, general manager of the international exchange program of the American National Theater and Academy.

Asserting that a Government subsidy does not, as many fear, lead to Government control, Mr. Schnitzer described the independence of the French Comédie Française, and the Arts Council of Great Britain. He added that the judging panels of music, drama, and dance of ANTA, which chose those artists to go abroad under State Department subsidy, had not been coerced in any of their decisions.

Mr. Stern said that any pressure arising from Government subsidies would probably never exceed that kind of influence exerted by members of the boards of symphonic orchestras or opera companies.

"The era of great individual support for wealthy institutions is just about over and consequently the broad base of support has increased," Mr. Stern said. "We now look for a thousand persons to contribute $10 rather than one to give it all."

Discounting the merit of sending artists abroad to combat the effective efforts of another country, Mr. Stern suggested that art be used as a common meeting ground. The universal rapprochement of individuals in their sharing of art does not exclude the artist or place him above politics, Mr. Stern said. The artist, he observed, is automatically enmeshed in the international conflicts and tensions and must, therefore, accept his rseponsibility in understanding them.

The establishment of a Government-subsidized theater would come if the Government was convinced that the theater was as important as museums and libraries, Miss Yurka declared.

Only a few persons in the last 10 years have been able to produce good plays without taking personal losses, she said. The financial drawbacks invariably oblige backers to invest in lesser works that border on the trivial.

"If we could persuade our Government that the theater is as important as museums or libraries, we would have a new and vibrant intellectual life," she added.

A national theater should start with a chain of traveling companies that would reach those sections of the United States not visited by existing road companies, Miss Yurka proposed, adding that traveling groups might later be replaced by subsidized theater chains.

TRANSCRIPT OF REPORT ON UNITED STATES PROPAGANDA OVERSEAS

(By Theodore S. Repplier, president, the Advertising Council, June 30, 1955)

Directors of the council and friends, I think the first thing I should tell you is that in the far corners of the world, for the past 6 months, come around 8 or 9 o'clock (because we continentals dine late), a toast has been regularly drunk to the Eisenhower exchange fellowship and board of directors of the Advertising Council.

Actually, I think I have returned just about the most grateful traveler since the invention of the nylon shirt. I am tremendously grateful to the Eisenhower exchange fellowship, and to the council for making this trip possible. I hope that some benefit will accrue to both organizations.

I think the best thing I can do, since it would probably be an undue burden to drag you screaming around the world in 30 minutes—you might emerge somewhat bruised—is to restrict this talk mostly to whatever I can tell you about Asia.

JAPAN

We left home the first of January 1955 and flew directly to Japan. We were fortunate to arrive at the time of the New Year's season, which apparently lasts in Japan from the 1st of January to about the 20th.

At this time we had a chance to see the famous Japanese courtesy in full swing. When a Japanese meets a friend he hasn't seen since the first of the year, he bows, and I mean really bows—a right-angle bow—and wishes him a very happy New Year. Whereupon his friend, Mr. B, also bows at right angles and returns the greeting. Thereupon Mr. A says that the chief joy of his life during the past year has been Mr. B's friendship. Mr. B then bows and says that his friendship is as nothing compared with Mr. A's. Then Mr. A bows again and says he hopes that in the coming year, Mr. B will continue to honor him with his respected friendship. This goes on for a period of 4 or 5 minutes. For the first several weeks I was there, I began to think the entire Japanese nation lived in a right-angle position.

I think the first thing a propagandist needs to do on arriving in a strange country is learn something about the people, something about their basic character in order to get himself oriented so he will be able to draw a few conclusions.

You notice at once that the Japanese are a very industrious people. Both officework-

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ers and the people in the country work terrifically long hours and seem to stop only long enough to get a few hours' sleep.

Japan also has an enormously paternalistic society. This paternalism goes to fantastic lengths. For example, the president of a large Japanese corporation actually gets a very small salary. But his house is usually provided by his company and a company car and chauffeur pick him up every morning. He gets a large expense account for entertainment. And, every so often, the company comes around and says, "Look, George, it's about time you got a new suit." When he is sick, his company takes care of him, and when he dies, his company buries him.

Excess employees are kept on the payroll even when the company is in the red. A firm will borrow money from the bank repeatedly rather than discharge anyone.

This paternalistic psychology is a part of the Japanese code, and takes a little special understanding on our part.

The most remarkable characteristic of the Japanese is, I think, their immense sense of responsibility, known as "on." A Japanese is born with an "on" to many people, and as he grows up, he acquires more and more "ons." In fact, there is a phrase: "So-and-so is my 'on' man" which means you have an obligation to him. You have obligations to teachers who have been particularly helpful to you, certainly to your parents, to the Emperor—though less so now than before—and so on.

The worst thing, perhaps, that you as an American could do in Japan would be, say, to rescue a stranger's hat from rolling under a car because the Japanese would then be under an obligation to you. Since you are a stranger and he can't pay the obligation off, he would have to stagger along under this debt.

It is significant that the word in Japanese for "thank you" is "arigato" which literally means "Oh, this difficult thing"—a reflection of an obligation. It is this extreme sense of duty which has led Japanese to plunge knives into their stomachs for generations, when they feel they have failed in their duty.

And, of course, the Japanese are a people who respect strength and authority, power and discipline.

As to what's going on in Japan—I think many of the changes taking place there at present are social changes.

For example, America's popular music has become popular in Japan as it has around the world. This means that the Japanese now occasionally go dancing with their wives, which is a staggering revolution in Japanese society. Men never did any such thing before; the wives always stayed meekly at home. The whole social system is changing.

Insofar as our propaganda in Japan is concerned, I think it has in the main, been quite successful. One of the things I tried to do in the course of this investigation was to interview anyone who I felt might have a useful opinion. I realized that I could have no valid opinions of my own on such a brief stay, and, therefore, that the best thing I could do was to become a collector of the observations of wiser men.

I soon found the American newspaper and radio correspondents around the world are a highly intelligent, well-informed group. They frequently know much more than the official crowd, they are trained observers, and they usually have valid opinions on political topics. I talked to many of them.

However, it seemed to me that their evaluation of our American propaganda program—and they all had a relatively poor or indifferent opinion of it—was not valid. I felt they were judging it on a wrong basis, and I believe this accounts for most of the criticism of the propaganda program which is given by returning tourists and other travelers.

Either consciously or unconsciously, both resident Americans and travelers tend to judge the success of the program by how well Americans are liked in a country. If America is liked, something else usually gets the credit. But if America is disliked, it is always because our propaganda program is a failure. To my mind, this is a completely wrong process of reasoning.

I soon came to the conclusion, which I am sure all of you have reached, that it is an absolute absurdity to try to buy love with propaganda. No amount of money is ever going to succeed in doing that, nor is it fair to American taxpayers to expect it to.

This misconception about the object of our propaganda accounts for much of the criticism of the propaganda program which you hear in many places.

Another things which accounts for it is that the average person has no way, really, to judge it. He gets a few fragmentary indications, and from these, leaps to a conclusion which is almost inevitably wrong.

For example, he decides that in Japan the Voice of America doesn't come in very well. He listened to it once or his local manager listened to it once, and if it didn't say what he felt it ought to have been saying—maybe it was playing some music—the whole thing, therefore, was no good.

I don't think the average person can form a true evaluation of the program. It is somewhat like an iceberg; there's more under the surface than can be seen. For example, considerable of the material that gets into the Japanese newspapers originates with the United States Information Service. It comes over the wireless file, and eventually appeals to an editor who picks it up and uses it. But people who read these stories do not connect them with USIS; there is nothing which indicates the connection.

I believe that the only test of our propaganda program, the only sensible basis of judging it, is: Is it helping to win the cold war? Certainly the supreme fact of our time is that we are engaged in a gigantic struggle, with one half of the world against the other. We are staging a considerable propaganda program, although it is only a fraction of what it should be, and the only possible excuse for it is that we are in a crisis and are trying to use this instrument to help get us out of it.

With that test in mind, which I satisfied myself fairly early in the game was valid, and which I believe is also the sense of the Presidential directive on this subject, I feel we are doing pretty well in Japan.

Actually, the percentage of Communists in Japan is quite low, according to a poll taken while I was there which asked: What do you believe in, which party do you favor, and so on? Communists and left-wing Socialists together amounted to less than 5 percent.

Now this, I think, is quite an achievement in an area where the standard of living is very low, and where life is pretty grim for the majority of the people. Despite its newness as a democracy, Japan has been kept safely in the free-world column.

I believe myself that in Japan the propaganda problem is really inside the economic problem. The supreme facts in Japan are economic ones.

Japan numbers 87 million people in an area the size of California. They can raise only 80 percent of their foodstuffs. They have to import most of their raw materials, including cotton, from high-wage countries, and they sell mostly to low-wage countries. It is true that they have cut down very considerably on their unfavorable balance of trade, and it isn't a hopeless situation.

But I came away feeling that if they succeed in solving their economic problems, we really don't have anything much to worry about in Japan.

From a propaganda standpoint, there are only two things that particularly disturb me there. As Ted Streibert (Chief, United States Information Service) perhaps will remember, I recommended that we should step up our work on two groups: labor and the intellectuals. Neither phase is good in Japan. The majority of the unions belong to a Communist federation called SOHYO. There is also an anti-Communist federation called ZENRO which has a smaller number of unions. And there is a body of unions which is sitting on the fence. I think we ought to go strongly to work on the fence sitters.

The other situation which bothered me was the extent to which the intellectuals are still what an old Japanese friend of mine calls "mystical Marxists." Although many of them are not actual Communists, they are very close to it.

The largest Communist bookstore in Tokyo is right opposite Meiji University, and this follows a typical pattern. The Communists try to infiltrate the intelligentsia, usually with considerable success. They do the same thing with labor. They capture student bodies and use them as agitators. They infiltrate the organs of public opinion. The pattern is now fairly well known to us.

But on balance, I would say that we have done pretty well in Japan. The biggest hurdle of our propaganda program has been the achievement of practical things. One of these was to get the Japanese to agree to rearm. There was a tremendous pacifist sentiment in Japan at one point, and it took a good deal of hard work to bring the Japanese around to agreeing to rearm. However, a good job has been done there.

The President Should Appoint a Special Advisory Commission on the Arts and Cultural Exchange Now Because the Idea War Needs More Firepower—II

EXTENSION OF REMARKS

OF

HON. FRANK THOMPSON, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1955

Mr. THOMPSON of New Jersey. Mr. Speaker, I include herewith the concluding portion of a historic report made by Theodore S. Repplier, president of the Advertising Council, of a 6 months' study of United States information and propaganda methods in the Orient, the Near East, and Europe under the auspices of the Eisenhower exchange fellowships:

HONGKONG

We are going to jump now to Hongkong, down in southern China. The principal value of Hongkong is that it is a listening post for Communist China. Communist China is about 15 miles up the Kowloon Peninsula. You sit at the bottom of this peninsula, with the island of Hongkong, a mountainous island, before you, and this purple water in between, and it is hard to believe that Red China is breathing down your neck.

Everybody in Hongkong knows that he is living on borrowed time. Everybody knows that the Communists could take the crown colony any Friday evening if they wanted to. But that doesn't prevent Hongkong from having a tremendous boom. Capital is flowing in there at a great rate. It is mostly scared money coming from Chinese merchants in other areas. It is a rather ironic commentary that Chinese merchants from Singapore and Indonesia are investing their money in Hongkong, which is 15 miles away from the Communist zone.

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New docks are being built in Hongkong. Big new buildings are being built. Everybody is acting as though the situation were completely normal even though everybody realizes that it is going to end someday with a bang. The moment it becomes disadvantageous to the Communists to permit this little free island in the great land mass of Communist China to remain, it will disappear overnight.

COMMUNIST CHINA

As far as I can find out, Communist China is making real progress, and this, I think, is the most alarming fact of Southeast Asia.

Actually, there have been a great many minor revolts. At one time, inside of China, anyone who had his window open was arrested, because it was assumed that he was going to jump out. And the executions have been terrific. There have been the usual police state methods of whipping people into line, but insofar as I can tell, they have been successfully whipped into line. Apparently the Communists are convincing the majority of the people that this is a revolution which is beneficial to China.

A great many people from other Asian countries go in and out of China, and over in the Southeast Asia area you read a lot more about what's going on in China than you do here. I read a series of articles in the Illustrated Weekly of India, which is certainly no Communist paper, by an Indian named Jain who had just been in China.

This is a quote from it: "Through press, radio, movies, dance, drama, billboards, wall posters, and, indeed, through every conceivable means of mass communication, a single idea has spread. It is that a long, gloomy chapter in China's history filled with stories of a few exploiting the millions, of foreigners exploiting the nation, and poverty and filth, has ended, and a new one has begun, bespeaking an era when there will be no exploitation of man by man, and each person will get his due share."

Well, this sort of incessant propaganda is, of course, most effective, as I had a chance to see over in the East Zone in Berlin behind the Iron Curtain. You are exposed to propaganda on every side. You cannot go a block without seeing large streamers carrying slogans and messages. It is extensive and never ceasing, and it is bound to have an effect.

So I think that China is going to be a power to be reckoned with in Southeast Asia, and this seems to me a fact we should not forget.

There is no doubt that the Chinese have been apt pupils. The propaganda which they send out is good. For example, the magazine which they edit on Red China, and which is distributed throughout Southeast Asia, is a creditable publication. It is on good slick paper and is very well done. The Chinese propagandists know what they are doing. They have been going to Red schools since 1932. China is really on the march. This is something we will ignore only at our peril.

PHILIPPINES, SINGAPORE, LAOS, CAMBODIA

Down in the Philippines things are pretty well in hand, and a most effective job has been done in which the United States Information Service has played an important part.

Down in Singapore, where 80 percent of the population is Chinese, as are many of the populations of Southeast Asia, the people are constantly subjected to a drumfire of propaganda from Red China. The result is widespread disaffection among the Chinese.

Some of the heaviest contributors to the whole Communist movement are the wealthy Chinese merchants. The Chinese are, of course, the merchant class of the Orient, and they are important either from a numerical standpoint or from an influence standpoint in most of the countries of Southeast Asia.

I think it is likely that communism will filter down into some parts of Laos. I don't know how Cambodia is going to go. There is still a chance that we will hold a part of Indochina. But it's a pretty good guess to assume that there is considerable danger of communism swinging westward toward India.

BURMA

That leaves Burma, which is largely an impotent power at the moment. It's a republic and has a very able, idealistic Prime Minister. But he is surrounded by a bunch of politicians and he has a hard job. His country is constantly subjected to the activities of Communist bands who delight in putting dynamite on the railroad tracks, and coming down into the teak forests, killing the elephants and stealing the teakwood. He needs a really good army to help him as General Templer, the British general, had in Malaya. But he hasn't got much of an army and he's having a difficult time. He sits at the bottom of that particular end of the continent with solid Communist territory north of him to the Arctic Circle.

INDIA

Now we come to India. I would like to add something to your understanding of the Indian problem in Asia because I think it is so terribly important.

The leading authority on this part of the world is Professor Brown, who, I think, has done the best book on this subject. It is called United States, India, and Pakistan, published by the Harvard University Press. He says that there are less than a hundred people in the United States who are really expert on one phase or another of this whole area.

I agree with his belief that lack of knowledge of the Asian opinion, and lack of sympathy with Asians brought about the downfall of the British Empire there.

India consists, as you know, of a land mass of over a million square miles. It has a population close to 400 million. It is largely flat with mountains mainly in the north.

India won its independence in 1947 after a long struggle during which its leaders made martyrs of themselves, going to jail for periods of up to 10 years—which is one up on George Washington.

The Indian Independence Act was passed about 30 days ahead of the actual date on which India won its independence. A month after that notice, 28,000 British civil servants walked out of India, leaving only about 500 Indians who were in any way trained to govern this vast subcontinent.

They found themselves with a country which was probably the most divided of any on record. There were then about 450 separate states in India. There were 25 different languages spoken. There were 5 separate castes and 2,000 subdivisions of these castes. The Hindus and Moslems were at each other's throats, and there was endless bloodshed and civil war.

All in all, if ever there was a country ripe for dictatorship, it was India. But it had the courage to become a democracy.

This is a remarkable thing when you consider that most of the countries of the world newly freed from colonialism haven't dared to give their people the franchise. India is 85 percent illiterate, yet it gave its citizens the vote.

India's constitution starts with "We, the people." And most of India's people can't even read.

This resulted in a curious situation at the first election. The symbol of the Congress Party—Nehru's party and the leading party of India—is a pair of yoked bullocks. Many peasons voted for this symbol because they reasoned: The bulloik helps me with my work; therefore I will vote for the bullock.

Despite all obstacles, India has carried on as a democracy. It has probably made the boldest plans of any country in the world. A commission was established to draw up the first 5-year plan. It surveyed the landscape and decided that the primary job was to grow more food with the secondary job one of improving the transport. Some $440 million was appropriated to try to accomplish these ends.

Now 85 percent of the people of India live in about 550,000 Indian villages. These villages are scattered throughout the length and breadth of the country. Consequently, if anything were going to be done, the improvements had to start with these villages.

The villagers live in a state which is impossible to imagine unless you have visited them. They live in mud huts, their streets are not paved, and they are surrounded by dirt and squalor. Women wander up and down collecting camel dung and making it into large pats which are put on the sides of the walls to dry. This becomes their principal fuel. By and large, things in the villages are pretty much as they were back in Biblical times.

Nevertheless, the thing which really typifies India is the city of Chandigar, the new capital of the Punjab, which is probably the most modern city in the world. Le Corbusier, the famous French architect, headed up its construction, and it looks almost freakishly modern rising up from the plains, with mud huts to the right and left of it.

I think, the net net of India is that it is trying to compress about 2,000 years into 50 and has made enormous progress at it. About 19 huge dams are being built, the biggest of which would make our TVA look small. A network of canals is being constructed, and most importantly, men are being trained, with the aid of the Ford Foundation, as "gram Sevaks" or "village servants." They are being trained in agriculture, public health, and so on, so that they can go to live in the villages and try to elevate the standard of living.

I walked through one of these villages after some of the improvements had been made and some of the dams had been put into operation. We were met by the village headman and escorted with much ceremony through the village. The inhabitants were terribly proud because they now had a tube well, run by an electric pump. It supplies a steady flow of water which formerly had to be drawn up laboriously by bullocks turning round and round an axis. As a result of the increased water, the people get 3 crops of wheat per year instead of 1.

The streets of this little village, which wind up these mud hills about 8 or 10 feet wide, are being paved with bricks by the villagers on their own time. They put up half the money themselves and the state puts up half, and slowly but surely the village is on the march toward better things.

I think the significant point is that India is the largest democracy in the world in terms of population, and that just to the north of it is the tremendous land mass of China. What really is going on in Asia is a great backward country sweepstakes, and this is the thing that all Asia is watching.

Which way of life can most quickly transform a backward country, and make it into something which gives its people a better break?

The Communists of China have made great headway with the theory: Go Communist and all your troubles will be over. Look at us. We have subdued the black market. We have honest government for the first time in ump-teen years. We are making enormous progress.

This argument carries tremendous weight with Asians because they too are Asians. They are all people of darker skins. Consequently, the influence of India as the democratic entry in the backward country sweepstakes is something we should never underestimate.

I myself feel that, regardless of what Mr. Nehru says, we must never forget that he is sitting virtually unarmed at the bottom of a continent which is Communist to the Arctic Circle. If Mexico were in the same position

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and we were inclined to be pugilistic, I fancy it would keep a civil tongue in its head also.

Consequently, I think that when you take what Mr. Nehru does instead of what Mr. Nehru says, you can be quite reassured. He is far from naive about communism. He has disinfected a zone south of Communist China. No foreigners are allowed into it. All traffic into Tibet is very carefully scrutinized for any material which might be of warmaking value. Inside of India, Nehru fights the Communist Party tooth and nail, and licks it. The Congress party badly defeated the Communists recently in the Andhra elections in the south of India.

So I feel that our propaganda in India needs to say over and over to the Indian peasant, whose life is very grim: Hang on, boys. Help is on the way.

On balance, I think you can add it up like this. In Japan, despite rather grim conditions, we've done better than hold our own. Communism has been kept down to a small percentage of the voters. In the Philippines we really have nothing to worry about at the moment; communism is contained in various pockets there. In the Malay Peninsula and on through to Indochina, it's touch and go. In India, the situation is as I have described, not forgetting that a considerable victory has just been won in the south of India.

Going on to Europe, the principal fact is, I think, that in northern Italy, communism is on the wane. I drove all through the Communist belt in the north. I talked to political leaders and people in all of the Communist-held towns and villages. I think communism has really reached high tide in the north. I don't think it has hit its high-water mark in the south of Italy, and about 15,000 Communist agitators have just been transferred from the north of Italy to the south. But in north Italy, I think we are over the worst of it.

In France, there is no visible decline of Communist voters as yet, but the signs are good. The circulation of the Communist newspaper is down. Their party membership is off, and their long-range outlook is not good.

Well, does that mean we can relax? I don't think so. I think it means merely that we are over the learning period and that we ought really to begin to have at it.

The ominous signs are still many. You cannot even relax in a country like Italy because there are too many factors there that are unsound and unfavorable. Their economic ideas are still not too modern, although they are beginning to show some glimmer about such things as productivity. But as long as you have largely family-owned businesses which want to hang on to everything they have, as long as you have the intermixture of church and politics, as long as you have the Democratic Christian party which is as indecisive and badly split as it is, it would be unwise to grow complacent.

I am going to close with a few observations which I have taken the liberty of writing out.

In hotel rooms around the world I had plenty of time to think about this baffling problem of the idea war in which we are engaged. For what they are worth, here are a few conclusions:

On the positive side, we are making progress. We are over the worst of the learning period, and have profited by our mistakes. Here and there we have developed some excellent field generals in the idea war—men who have some of the skills of advertising and public relations and who also know the host country and its people, and have experience in foreign policy. This is a new breed and we do not have enough of them.

If you take a cold war inventory, country by country around the world I believe our gains at least balance our losses.

There is reason to be encouraged. And yet there is also reason to be alarmed.

In far too many minds throughout the world—and some very important minds—communism is still the white knight and capitalism is still the dragon. Communism is still the wave of the future and capitalism is still the dying way of life.

We in America know it to be the truth that since World War II we have bound up the wounds of the world. Yet millions think of the Soviets as the idealists and the United States as the dollar-mad materialists.

Too often, in too many countries, the situation is looked at in an upside-down mirror by two key groups: labor and the intellectuals.

In short, our propaganda offensive, in my opinion, still has several critical needs.

First, it needs to sharpen its ideas. There still exists an urgent need to make clear that a new economic system has been born—a system which gives more benefits to more people than any yet devised—a system I should like to call people's capitalism. In my view, experts from various disciplines should define the ingredients of this system, and a popular writer should synthesize their conclusions in the free world's "Das Kapital."

Second, we desperately need a crusade. The lack of a crusade could cost us the cold war. To many, the Communists are the champions of the common man. America appears to champion nothing but its own safety. In those areas in which we have failed, I think this largely explains our failure.

Third, the idea war needs more firepower. We are terrible outgunned. We now spend less than two-tenths of 1 percent of our military budget on propaganda. How can we possibly expect that truth can triumph over falsehood with that sort of niggardliness? The propaganda appropriation should be greatly increased.

Fourth, we need to draw into our propaganda program more of the skills and talents of America. No group of professional propagandists, however able, can project a true image of the country, at an art exhibit, a trade fair, or anywhere else. In America, we have private organizations—from the Philadelphia Symphony to the Advertising Council—whose weight must be added to the idea war.

We can win the cold war. But we cannot win it in a walk. It is time we started running.

The President Should Appoint a Special Advisory Commission on the Arts and Cultural Exchange Now Because the Idea War Needs More Firepower—III

EXTENSION OF REMARKS
OF
HON. FRANK THOMPSON, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1955

Mr. THOMPSON of New Jersey. Mr. Speaker, practically every major country in the world provides some direct aid in the form of subsidy to cultural programs. The United States, on the other hand, imposes discriminatory and burdensome taxes on these programs. This has provided a propaganda bonanza to the Russians who have busily spread the lie that while the United States is a fabulously wealthy nation it lacks any of the cultural aspects of a great nation.

That this misconception has lasted so long has been our own fault, for until recently we have done little or nothing to put an end to it. The Russian Government not only subsidizes its theater, music, and other cultural programs but has spent nearly $2 billion on international theater exchange alone since the end of World War II, an amount 700 times greater than the $3 million which the United States has spent on sending our cultural programs abroad.

It is becoming crystal clear that unless we do something concrete to aid our theater we will not have any cultural programs to export. The number of plays and concerts has declined sharply in recent years due to the high costs involved and, particularly, because of burdensome Federal taxes. Studies made by Actors' Equity Association and by Prof. O. Glenn Saxon, Yale University, show the extent of the serious unemployment existing among musicians, actors, and performing artists in general.

We have prided ourselves on having the highest standard of living in the world. In view of this standard of living we should be interested in what repeated surveys in the fields of the cultural arts show.

The 32 major symphony orchestras in the United States and Canada employ fewer than 2,270 musicians. These musicians work an average of only 22.4 weeks per year at an average weekly pay of $81, and an average annual wage of $1,814. Not more than 2,200 musicians in the 2,636 radio stations in the United States—less than 1 musician per station—enjoy a full year's employment. Dr. Howard Hanson, president of the National Music Council, testified at hearings held by the 83d Congress that—

> There are some patrons of orchestras who prefer to support their orchestras without governmental assistance. They are, of course, entitled to their belief, but I say that in any situation where a skilled performer is guaranteed a $1,500-a-year salary that orchestra is supported not by philanthropists but by the idealism and devotion of the underpaid musician who serves them.

Over 80 percent of the membership of the American Guild of Musical Artists, the American Federation of Labor national union with collective bargaining and other contractual relations with all the professional opera and ballet companies in the United States as well as with the concert managements who present the concert artists appearing in our country, earn less than $2,000 a year. This union represents soloists, choristers, dancers, stage directors, stage managers, and choreographers in the fields of opera, dance, ballet, and the concert stage.

The employment picture in the field of the living theater is no better. According to the study made by Professor Saxon, professor of economics at Yale University, on a research grant from the National Theater Arts Council and Theater Arts magazine, the total employment of actors and actresses was only 991 in 1953. This was less than 15 percent of the number employed in the 1927–28 season. The average income of all professional actors and actresses for the 1952–53 season was only $800 per person. It is clear that incomes like this will purchase little food, shelter, clothing or the other necessities of life. It will hardly buy milk for the baby, let alone

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pay for his medical attention. It will certainly buy no Cadillacs, the favorite car in Washington these days.

The gentleman from New York, EMANUEL CELLER, and I have, after considering these facts, introduced legislation to repeal the 10-percent tax on concerts and legitimate theater productions. We believe that repeal of the tax is essential to the survival and growth of the living theater and concert stage in America. We believe that this is but one of a number of steps that must be taken to assist the arts in our country. We have introduced in this Congress a number of bills to encourage the growth of the arts in our country including President Eisenhower's bill to establish a Federal Advisory Commission on the Arts in the Department of Health, Education, and Welfare. I include as part of my remarks the text of the bills, H. R. 7609 and H. R. 7851, we have introduced to exempt fine arts programs from the admissions tax. A short explanation of our bill is also included together with an article by Herman Shumlin, distinguished theater producer, which appeared in the New York Herald Tribune.

A bill to exempt fine arts programs from the admissions tax

Be it enacted, etc., That section 4233 (a) of the Internal Revenue Code of 1954 (relating to exemptions from the tax on admissions) is hereby amended by adding at the end thereof the following new paragraph:

"(10) Fine arts program: Any admission to a program the principal part of which consists of—

"(A) a lecture;

"(B) an opera, symphony, ballet, concert, or musical performance;

"(C) a drama or theatrical presentation; or

"(D) any combination of the foregoing—performed in person within the place of admission. This paragraph shall not apply to an admission to a roof garden, cabaret, or other similar place, or to an admission to which paragraph (1) (C) of this subsection applies."

SEC. 2. The amendment made by the first section of this act shall apply only with respect to amounts paid on or after the 1st day of the 1st month which begins more than 10 days after the date of the enactment of this act for admission on or after such first day.

MEMORANDUM ON H. R. 7609 (THOMPSON) AND H. R. 7851 (CELLER), BILLS TO EXEMPT FINE ARTS PROGRAMS FROM THE ADMISSIONS TAX

H. R. 7609 (introduced by Representative THOMPSON of New Jersey) and H. R. 7851 (introduced by Representative CELLER, of New York) would exempt from the 10 percent admissions tax any admission to a lecture, ballet, opera, or play which is presented in person. It would thus exclude the living theater and musical performances from the existing burdensome taxes.

The urgent need for repeal of the Federal taxes has become apparent in the light of a diminishing number of concerts and plays which are being presented in the country, and the serious condition of unemployment which exists among actors, actresses, musicians and other performing artists. In the field of the legitimate theater, the number of theaters and play productions has declined sharply since the 1920's. This condition has continued and has reached even more acute stages in recent years. In many parts of the country, legitimate theatrical productions have become a rarity due to the high cost of operations, including the 10 percent Federal tax.

Competition from tax-free television and radio places the living stage at a serious economic disadvantage. The present tax laws unjustly discriminate against live musical and theatrical productions performed in the concert hall or theater.

The number of actors and musicians employed in various segments of the theater, such as musical plays, operas, concerts, and ballet, has continuously declined for the past 20 years. Many members of the actors' and musicians' unions are employed only a few weeks out of the year in their professions. The majority of the performers are forced to supplement their income from noncreative fields in order to maintain a minimum standard of existence.

Certain fine arts programs, such as opera and symphony, have already received sympathetic attention from the Congress in the way of tax relief, but the present exemptions are confined to certain types of charitable organizations receiving funds from public institutions or soliciting contributions from members of the public. The bill recognizes the important fact that there is no proper distinction in the cultural field between programs presented by charitable organizations and other groups. The existing laws unjustly discriminate against those presenting plays and musical productions on a paying basis.

It is reliably estimated that the revenue from admissions taxes on fine arts programs at the present time does not exceed more than $7 million annually. A reduction in the admissions tax would be more than made up by substantially increased employment of musicians, actors, and others once the heavy burden of the admissions tax is removed.

The present tax on fine arts programs is a serious hindrance and impediment to the element of cultural life in many communities throughout the Nation. The tax is a substantial addition to the already high cost of presenting concerts, lecture programs, and plays. Removal of the tax would be of inestimable benefit to many community projects throughout the country which seek to become established on a paying basis. The increased employment of talented performers will also stimulate creative activity. The ultimate beneficiary, however, will be the American people who would be able to participate more fully in an important phase of cultural life.

[From the New York Herald Tribune]

WANTED: OLD-FASHIONED PATRONS OF THE ARTS

(By Herman Shumlin)

(Today's columnist, Mr. Shumlin, is the producer of the drama Inherit the Wind. His subject is backers.)

I've got a million words I want to say. What subject should I choose? I could write a piece about my wonderful production, Inherit the Wind, and that would be useful to do. I could write a piece about the man I love, Paul Muni. And a piece about Ed Begley, gifted, sincere, clean-hearted Ed Begley. And a piece about the contributions of many, many people to the whole vast mural that is Inherit the Wind.

Or I could write something about the modern chautauqua stage, or, as it is now called, the Paul Gregory Theater. I could say something about the hollow impact of walking into a theater with the curtain up and then watching an actor in a tuxedo jacket craftily, cunningly, brilliantly, pick up a stool from one place and put it in another. What lecture hall memories it brings back to me. Isn't it artistic? And just look at all those microphones, hanging, standing, nestled in the footlights. How honest, how pure it all is. But I don't want to do that, because then I would be acting like a critic, and heaven knows I wouldn't want to do that.

A FEW WORDS ON CRITICS

I could do a piece about critics, too, of course, and that is very tempting. I have a lot to say about critics, about the good ones, the able ones, and the others. But then I ask myself if that is not the swift road to trouble. And I answer that it is. And then I ask myself if that should make any difference to me, and I answer that it shouldn't. And it won't. (I have many such interesting conversations with myself.) But not today.

So what I am devoting this column to is this: Backers, and what they are not.

Last night on my way to the National Theater I stepped into a store on 42d Street that sold books for 19 cents. Any book in the store, 19 cents. The best I could come out with was a small book picturing some of the paintings of an early 16th century artist named Cranach. There is a picture of a naked woman with a dagger in her hand on the cover, but that had nothing to do with my buying it, of course.

And that's why I decided to write about backers. For in this little book there is some text which informed me that Cranach, who was born in 1472, got a job in 1505 with the Elector of Saxony, who was called Frederic the Wise.

HE WAS A BACKER

Frederic was a backer. He backed Cranach. He also started a university in Saxony, and he hired another fellow, a fellow named Martin Luther. Now, every one knows that Luther got into a peck of trouble. He said a lot of things that a lot of powerful people didn't like. The point about Frederic is that, and I quote: "He never withdrew his protection in spite of the immense difficulties it caused him as time went on." That's what I call a backer.

Down in Florida 2 weeks ago I found a perfectly beautiful library called the Johan Fust Memorial Library. And who was Fust? Well, Fust was the man who backed Gutenberg in his invention of movable type, which in importance is probably only second to the invention of the wheel. And when the experimenting didn't go so well, and Gutenberg quit for one reason or another, Johan Fust carried it through. Fust was a man of finance and a merchant. That's what I call a backer. And no royalties, either.

There used to be a fellow named Otto Kahn. He liked the theater, and he put up hundreds of thousands of dollars for Max Reinhardt's marvelous productions, and for Morris Gest, who produced great big musicals.

There are lots of investors in show business now; there are 49 of them, all very fine folks, in Inherit the Wind. Some of them put up their money regardless of the possibility of success, because they liked what the play said. But where are the real backers? The country is full of foundations; foundations for taking care of old sailors; foundations for preserving bird life, printing Bibles, teaching Yoga, helping musicians, sending missionaries to Africa; foundations for anything you can think of.

We have great big art museums and they're fine institutions. But why is it no one ever sets up a foundation for the theater? Will somebody answer that one for me? Americans did put up most of the money for the Shakespeare Theater at Stratford in England. I guess it means more when you do it in England. What art has contributed more than the theater? Does Beethoven come anywhere near Shakespeare? Does Goya?

Why aren't there some real old-fashioned backers in the theater? I don't mean to put up money for a show. I mean to set up, and build, and endow institutions. What art is more living, more meaningful? What

a bang I would get from putting up the cash for a fine theater, the Herman Shumlin Theater, and cash to keep it going forever, nonprofit, a part of the community and national life. What greater joy while I was still alive, and what greater memorial after I have gone?

One fellow has struggled 7 years or so to set up a theater in Connecticut. No one believed he could do it when he started. And the Rockefeller money helped him. Langner is his name: Lawrence Langner. He broke the ice.

Let others emulate the Rockefellers. Let them do even better. Backers, that's what I'd like to see, like the backers of yesteryear.

Mutual Security Appropriation Act

EXTENSION OF REMARKS
OF
HON. BARRATT O'HARA
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1955

Mr. O'HARA of Illinois. Mr. Speaker, by unanimous consent, I am extending my remarks to include a detailed analysis of Public Law 206, providing appropriations for mutual defense assistance. This was prepared for my study by Elizabeth Elward, American Law Division of the Library of Congress. I think it will prove of value for reference to my colleagues.

The analysis follows:

Public Law 208, 84th Congress

(Mutual Security Appropriation Act, 1956)

MUTUAL DEFENSE ASSISTANCE	
Military assistance:	
Appropriation	$705,000,000
Unobligated and unreserved balance	33,900,000
Total, military assistance	738,900,000
Direct forces support	317,200,000
Defense support:	
Europe	85,500,000
Near East and Africa	113,700,000
Asia:	
Appropriation	800,000,000
Unobligated balance	25,000,000
Total, Asia	825,000,000
Total defense support:	
Appropriation	999,200,000
Unobligated balance	25,000,000
Total	1,024,200,000
Total mutual defense assistance:	
Appropriation	2,021,400,000
Unobligated balance	58,900,000
Total	2,080,300,000
DEVELOPMENT ASSISTANCE	
Near East and Africa	$73,000,000
South Asia	51,000,000
American Republics	38,000,000
Total, development assistance	162,000,000
TECHNICAL COOPERATION	
General authorization	$127,500,000
United Nations program	24,000,000
Organization of American States	1,500,000
Total, technical cooperation	153,000,000
OTHER PROGRAMS	
Special Presidential fund	$100,000,000
Special assistance in joint control areas	21,000,000
Intergovernmental Committee for European migration: Appropriation	12,500,000
United Nations Refugee Fund	1,200,000
Escapee program	6,000,000
United Nations Children's Fund	14,500,000
United Nations Relief and Works Agency:	
Appropriation	58,366,750
Unobligated balance	3,633,250
Total	62,000,000
North Atlantic Treaty Organization	3,700,000
Ocean freight charges:	
United States voluntary relief agencies	2,000,000
Surplus agricultural commodities	13,000,000
Total	15,000,000
Control act expenses	1,175,000
Administrative expenses	33,500,000
President's fund for Asian economic development	100,000,000
Total other programs:	
Appropriation	366,941,750
Unobligated balance	3,633,250
Total	370,575,000
Total, mutual security appropriation	2,703,341,750

GENERAL PROVISIONS

1. Authorizes the use of funds for (a) rents in the District of Columbia, (b) expenses of attendance at meetings, (c) employment of aliens, by contract, for service abroad, (d) maintenance, operation, and hire of aircraft, (e) purchase of automobiles, (f) entertainment with in the United States up to $15,000, (g) exchange of funds, (h) expenditures up to $50,000 of a confidential character other than entertainment, (i) insurance of official motor vehicles in foreign countries, (j) rental, lease, repair, and alteration of quarters outside of the United States to accommodate Government employees, (k) expense of preparing and transporting to their former homes the remains of persons or members of families of persons who may die while participating in activities under the Mutual Security Act or other act directly related to the purposes theerof, (l) purchase of uniforms, (m) employment of chauffeurs, (n) medical examinations of dependents of overseas personnel or candidates for overseas positions on the same basis as for employees or candidates, (o) per diem in lieu of subsistence to persons participating in any program of furnishing technical information and assistance while in countries other than their own and other than the continental United States, (p) expenses authorized by the Foreign Service Act, (q) ice and drinking water for use abroad, (r) services of commissioned officers of the Public Health Service and of the Coast and Geodetic Survey with certain limitations herein prescribed, (s) travel expenses with certain restrictions herein prescribed.

2. Requires a semiannual report to Congress of engineering fees in excess of $25,000 to any one firm on any one project.

3. Limits to $25 million the amount of foreign currencies or credits owed to or owned by the United States which shall remain available until June 30, 1956, without reimbursement to the Treasury, for liquidation of obligations incurred against such currencies or credits prior to July 1, 1953, pursuant to authority contained in the Mutual Security Act and other acts pursuant to which funds were authorized.

4. Directs that foreign currencies generated under the provisions hereof shall be utilized only for the purposes for which the funds providing the commodities which generated the currency were appropriated.

5. Prohibits the use of funds generated as a result hereof for payments on account of the principal or interest on any debt of any foreign government or on any loans made to such government by any other foreign government.

6. Prohibits the obligation and/or reservation of more than 20 percent of the funds made available hereby during the last 2 months of the fiscal year.

7. Makes funds available from July 1, 1955.

8. Requires an accounting of funds allocated to the Department of Defense for military assistance.

9. Continues antistrike provisions.

He Fights for Conservation

EXTENSION OF REMARKS
OF
HON. LEE METCALF
OF MONTANA
IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1955

Mr. METCALF. Mr. Speaker, the current article in the He Fights for Conservation series in Sports Afield magazine is devoted to our colleague from Wisconsin [Mr. JOHNSON].

LESTER JOHNSON is a fighter for conservation of land, water, fish, and wildlife. I am pleased to see this well-deserved recognition of his devotion and ability.

The article, by Michael Hudoba, Washington editor of the sportsmen's magazine, follows:

HE FIGHTS FOR CONSERVATION

(Eleventh in series of profiles of men in Congress leading fight for vital laws to help sport, conservation)

Representative LESTER JOHNSON, Democrat, from Black River Falls, Wis., has only been in Congress since 1953 but he's working hard for conservation of land, water, fish, and wildlife.

An original member of the growing bipartisan conservation bloc in the House, Representative JOHNSON studies the complex conservation issues, and is right on the frontline in hearings and on the floor when fights for these resources are impending.

He has introduced bills for land, water, fish, and wildlife conservation, and was the first to put in the measure for the multiple-purpose use of national forests to assure that all the public values would be protected and used wisely.

Representative JOHNSON dug deeply into the duck-stamp and waterfowl refuge program to come up with data on what has happened to the sportsmen's duck-stamp dollars. He used these facts in testimony before the House Merchant Marine and

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Fisheries Committee on bills to make sure the duck-stamp money was used for its original purpose. He also carried this question to the floor of the House where he spoke at length to bring it into focus for Congress.

Peace With Prosperity, a Reality

EXTENSION OF REMARKS
OF
HON. HAROLD H. VELDE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1955

Mr. VELDE. Mr. Speaker, I am very happy and proud that I stand here today as a member of the great Republican administration that has after better than 2½ years lived up to the pledge to give the people peace with prosperity.

We are so prone to forget that the peace we enjoy today did not just happen. It had to be worked for and it will require even harder work to maintain it.

We promised the people 3 years ago to wage peace first and then go to work on building a sound prosperity based on that peace. Today under a Republican administration we enjoy them both simultaneously—something no Democrat administration has ever been able to do.

After ending the fighting in Korea, we seized the initiative for peace with a new foreign policy based on firmness and strength.

We strengthened our collective security throughout the world with membership in the Southeast Asia Treaty Organization — SEATO — achieving West German sovereignty and NATO membership; signing of the Austrian peace treaty calling for withdrawal of Soviet troops; we helped solve the Trieste, Suez base, and Iranian-oil problems; supported the defense pacts between Middle East countries; and entered into mutual-assistance agreements with Latin American countries and Panama.

In the last 2 years our Republican administration has built up our defenses at lower cost with greater effectiveness through increased emphasis on airpower and new atomic weapons. We have established an Air Force Academy.

President Eisenhower's atoms-for-peace program has been launched. The atomic-energy law has been revised to promote sharing of atomic-energy data with private industry and 27 other friendly nations. The President has appointed a Secretary for Peace with Cabinet status established to plan world disarmament.

Our world trade relations have been improved through genuinely reciprocal agreements. The Trade Agreements Act has been extended and customs rules simplified.

Our Republican administration has accomplished the transition from war to a peace economy without sacrificing prosperity.

The confidence, foresight, and determination of President Eisenhower, and our Republican administration have lifted this Nation's economy to a record-breaking pinnacle of prosperity.

Never before in history have so many people been working, investing, building, and producing. Beginning in 1953, when the American people became certain that an era of good government was at hand, the Nation's progress steadily increased to the historic peak that has been reached in the year 1955.

The future holds greater promise. By taking speedy action in freeing the economy from the shackles of wartime controls, the Republican Party laid a firm, progressive base for the rapid and continuing expansion of the American economy.

Business, industry, and labor alike, despite the outcries of phony doom-predicting political economists, shed their fears of the future when the new administration revealed its realistic program for the good of all the people.

Factory wheels have been set spinning, industries expanding and new businesses booming by the partnership in prosperity created by vast and immediate cuts in Federal spending and waste, by across-the-board tax cuts totaling $7.4 billion and by the restoration of the people's faith in honest government.

The faith of the American people in our Republican administration is being demonstrated every day. Once unshackled the economy of America responded to the wise leadership that has been available in the Nation since 1953.

Mr. Speaker, the Republican administration is dedicated to keeping the peace and continuing the progress and prosperity, and I am sure a vast majority of the American people have full confidence in our ability to live up to this pledge.

"The Catholic Gift to the Public Schools": Editorial by the Most Reverend John F. O'Hara, CSC, Archbishop of Philadelphia, Discusses How Catholics, in Addition to Their Federal, State, and Local Tax Payments, Contribute More than $1 Billion a Year in "Grants" to the Nation's Public Schools

EXTENSION OF REMARKS
OF
HON. WILLIAM T. GRANAHAN
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1955

Mr. GRANAHAN. Mr. Speaker, in view of the widespread interest among Members of Congress in the problems of our schools, and in view of the fact that there is now pending on the calendar of the House a bill for Federal aid to education, I would like to call the attention of the Congress to a very important discussion of this matter by a very distinguished constituent of mine, the Most Reverend John F. O'Hara, CSC, Archbishop of Philadelphia.

From time to time Archbishop O'Hara has commented editorially in the Catholic Standard and Times of Philadelphia on some of the broad aspects of the problems of education. I was pleased and honored to place in the CONGRESSIONAL RECORD an editorial of his which appeared in the Catholic Standard and Times earlier this year. I was gratified by the comments of so many of my colleagues in the House who expressed their appreciation to me for having placed this material in the RECORD.

The latest editorial by Archbishop O'Hara on this matter, entitled "The Catholic Gift to the Public Schools," appeared in the Catholic Standard and Times of Philadelphia on last Friday, July 29. It discussed in detail some facts which are not generally known in connection with what might be called the subsidy—or rather, subsidies—which Catholics in the United States, through the Catholic schools and otherwise, provide for public schools. In this editorial, Archbishop O'Hara places those facts on view in a clear and impressive manner.

CATHOLIC SUBSIDY OF $52 PER PUPIL IN NORTHEAST PUBLIC SCHOOLS

For instance, he shows that through the very operation of the Catholic schools, the States of the Northeast are able to spend $247 per year per pupil in the public schools. If there were no Catholic schools in those States, the same amount of public-school funds would provide only $195 per pupil. As the archbishop points out, this amounts to a Catholic subsidy of $52 per pupil per year in the public schools in the Northeast—the States from Maine to Pennsylvania.

For the North Central States—Ohio to Kansas—this subsidy is $29 per pupil per year. In the West—Rocky Mountains to the Pacific—it is $17 per pupil in the public schools per year. In the South—Delaware to Oklahoma—it is $6 per pupil. As the archbishop analyzes these figures, it comes to a total of $620,692,000 per year in this particular Catholic gift to the public schools.

Another Catholic gift to the public schools, the archbishop declares in this editorial, is in the $500 million of Catholic school construction per year. The other subsidy referred to school operating costs; this one refers to construction of buildings. If the $500 million of Catholic school construction were not put into place each year, the same amount would have to be spent out of public tax funds to provide public-school facilities for the children now going to Catholic schools. Added to the $620,692,000 previously referred to, that makes a total of $1,120,692,000 in annual Catholic grants, if you will, to the public-school system.

A TOTAL CATHOLIC SUBSIDY TO PUBLIC SCHOOLS EACH YEAR OF $1,120,692,000

These figures do not, of course, take into consideration the State and local taxes which Catholic citizens pay for the support of the public schools, or the Federal taxes which they pay which help to support any Federal program of aid to education, including the present program for aid to the so-called impacted areas. The total of $1,120,692,000 refers only to amounts which the public schools would have to spend each year in addition to present expenditures if the Catholic schools did not exist; that is, assum-

ing the States would be making the same effort per pupil as they do now.

In legal terminology, this is a grant-in-aid.

The editorial declares.

Nothing is expected back. There are no bonds, there is no interest to pay. This grant for operating expenses frees other moneys for school construction. The total present grant for the public schools, then, is the annual expenditure of $500 million for Catholic-school construction, plus the $320,692,000 for operating expenses, or a grand total of $1,120,692,000.

The editorial also states this interesting fact:

Turning back to the table which shows the cost per pupil for current operations, we find that the South presents the acute problem. The small Catholic population in that section makes a magnificent gift—$56,466,000—to the public schools, and this is more than the total expenditure for operating public schools in 19 of the States of the Union. But it spreads thin over the almost 10 million pupils in that section.

If the Catholic-school population of the South were sufficient to provide for that section the bonus the Northeast enjoys ($52 per pupil) the expenditure in the South, with no additional taxation, could be $190 per pupil, or only $5 less than the expenditure in the Northeast and $4 more than the expenditure in the North Central States.

CATHOLIC GIFT TO PUBLIC SCHOOLS EXCEEDS PROPOSED FEDERAL AID

Mr. Speaker, I believe these facts shed needed light on an important problem, helping to bring understanding of the magnificent contribution to American education now being made by Catholics and the Catholic schools.

Since there is to be, this November, a White House Conference on Education for which the Congress has appropriated funds, and since there is pending legislation to adopt a Federal aid program which would include $400 million a year of direct Federal grants, it is worth noting, as this editorial by Archbishop O'Hara points out, that:

The Catholics of this country, by the construction and operation of their own schools, are doing considerably more for the public schools than the Federal Government proposes to do.

Reluctance To Employ "Middle-Agers" Is Becoming a National Crisis

EXTENSION OF REMARKS
OF
HON. HAROLD D. DONOHUE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1955

Mr. DONOHUE. Mr. Speaker, one of the most disturbing problems increasingly affecting our American society, from the humane as well as economic standpoint, is that of providing employment opportunities for our older citizens.

Paradoxically and unfortunately, although the blessings of advancing medical research and science serve to bestow longer lives in our times, we nevertheless have fallen into the custom, particularly in industry, of classifying men and women of 40 as "too old." When we realize that a wartime draft embraces men up to 42 years of age, it would be thought perhaps a little humorous to conceive the maturity of 40 as too old for ordinary employment, if it were not so tragic.

There are, of course, a great number of varied and practical reasons why business, industry and even the Government itself feels that those citizens entering middle age are too told to begin any new employment. Probably first of all, these older people, often with families, cannot support themselves and their families decently at a salary acceptable to a younger beginner; pension systems developed as modern blessings too often prevail upon employers to deny positions to the middle-agers; industrial insurance programs also often serve as a bar, as well as a host of other prejudices.

The closed employment door has developed through no fault of the great legion of mature Americans in the prime of their lives. It is pathetic to think that while the technological advantages of God's providence permitting ever-increasing machine production through replacement of human beings and the developments of modern medicine are adding fruitful years to the average life term, together with the greatest population increase in our history, we are, nevertheless, being unconscionably forced by bewilderment to visit severe and extreme economic hardships upon an age bracket, and their dependents, who could contribute the most to all phases of American development. The seriousness of this situation is further frightening when we reflect that we have not yet really entered into the promising era of peaceful production through the use of atomic science developments.

Mr. Speaker, our learned psychologists and psychiatrists repeatedly testify that experience and statistics clearly demonstrate that the best employee is one of maturity and stability and possessed of a high sense of responsibility. This is a summarized but exact description of the economic value of our middle-aged citizens without reference to their greater values.

This is not, indeed, the time and place to develop an extended discussion of this grave problem. I will not pretend to have any complete solution. There have been many studies made and there are more being made now. The challenge is being increasingly recognized. It is my simple purpose here to emphasize the concern we must all have and the continuing thought we must devote to the solution of the middle-age crisis.

Ways and means to help these mature employable citizens, men and women, to find gainful employment to support themselves and their dependents must be found through encouraging the cooperation of industry, labor, and government units at all levels.

We call ourselves a Christian country. This is primarily a moral obligation upon all of us to insure that no group of citizens in this great country is denied the opportunity to work.

I would like to compliment those conscientious persons in the United States Department of Labor who are giving constant attention to this matter, as well as the great many religious, social, industrial, and labor leaders who are earnestly searching for the corrective answer. As a nation we have met and reasonably resolved many difficulties through our growing generations. We can and will find the right way to utilize the great productive resources residing within our middle-age brackets. We can only do it by persevering study and effort. Under God's guidance and inspiration, let us keep trying.

Justice and Peace

EXTENSION OF REMARKS
OF
HON. PHILIP J. PHILBIN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1955

Mr. PHILBIN. Mr. Speaker, the 10th anniversary of the signing of the Potsdam agreement brings forcibly to mind the principle that there can be no lasting peace without justice.

Americans have always been particularly proud of our love of justice. We have manifested this pride in many ways in the organization and conduct of our Government. The principle of justice is enshrined in the hearts of our people. It is exemplified in our oath of allegiance, "One Nation, under God, indivisible, with liberty and justice for all."

Should we wonder, therefore, that hundreds of millions of people throughout the world look hopefully toward us to manifest and implement justice in our international dealings. Should we wonder, in the light of the various conferences during and after the war and some of the unjust agreements arrived at, that many of these people should feel a sense of disillusionment in the sincerity of allied professed ideals.

Many people aspiring to enjoy the fruits and blessings of liberty bitterly protest the Potsdam agreement. Even a brief survey of the consequences of this and other agreements vividly illustrates the opportunism, the compromise, yes, the appeasement of organized world communism that pervaded these conferences and agreements.

In Western Europe and in the Orient, most unwise and unjust concessions resulted in a Marxist Iron Curtain for millions of Germans, Poles, Lithuanians, Latvians, Estonians, Rumanians, Bulgarians, and oriental peoples, whose zeal for freedom and reliance on the principle of justice deserved a better fate.

Many reasons were advanced for these concessions but none of them exemplify spiritual or democratic ideals. The sad, stark fact is that world communism secured the real substantial advantages that came out of these conferences. In the intervening years we have witnessed, not only the tragic Iron Curtain, but the fall of China to communism and the growth of an international Frankenstein, suppressing human freedom and fostering and spreading Marxism in practically every nation.

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I have never felt, and I do not feel now, that the Soviet is the formidable military power many would have us believe. I think that both in military strength and war potential—economic, political, and spiritual—it is not nearly so great and powerful as it has been represented by those who are seeking to intimidate the free nations into further appeasements. Its overall potential does not compare with that of the free nations. We should not, however, underestimate any potential enemy. Neither should we permit ourselves to be terrorized by threats of atomic destruction into further concessions.

We earnestly and prayerfully seek honorable peace and we seek to avoid war by every just and honorable means. Above all, we seek to preserve our freedoms and the freedoms of the free world, our beliefs in the Almighty, our spiritual values, our free enterprise, our way of life and culture, and our profound faith that human existence is inextricably related to the spirit and is something more than the fleshpots and technology of Marxist materialism. Our free society is based on belief in the Divine Master and freedom of the individual. We reject atheism and political tyranny.

The Soviet now has its chance. It can choose peace or it can choose war. If it sincerely wants peace based on justice, it can have it. But if it still seeks by subterfuge and design, trickery, chicanery, and force to carry out further ideological penetration of free nations, incite insurrection and revolution throughout the world, and threaten aggression against free men and women there can be but one result.

Such a result is certainly not sought by any thinking American or indeed by any thinking human. To those who love liberty, death is preferable to slavery. Though atomic war, if it comes, may bring widespread death and devastation, in the end Marxist communism will never triumph over human freedom.

Neither blandishments, nor threats, nor aggressive action will ever deter liberty-loving peoples from successfully defending their precious heritage.

I hope and pray that the Soviet leaders will choose the path of peace rather than the path of war because in the peaceful path lies a better world for all.

Necessity To Meet the Nation's Health Needs

EXTENSION OF REMARKS
OF
HON. CHARLES A. WOLVERTON
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1955

Mr. WOLVERTON. Mr. Speaker, a recent study conducted by the Ford Foundation, based on numerous individual personal interviews, indicates that Americans of all income groups are greatly concerned over health problems and how to meet the cost of illness. This concern also finds expression in the steadily climbing sales curve for health insurance policies and the increasing number of labor agreements which include health insurance at fringe benefits. Obviously, this great demand on the part of the American people for protection against the cost of illness must be recognized by State legislatures and the Congress.

During the 83d Congress, the Committee on Interstate and Foreign Commerce, under my chairmanship, conducted extensive hearings into health problems and voluntary health insurance. Throughout these hearings emphasis was placed on the present outlook for the treatment and cure of major diseases and how individuals may protect themselves against major medical expenses through voluntary rather than compulsory insurance arrangements. The hearings also highlighted the great need which exists for increased health facilities—including research into and treatment of diseases—and health personnel including physicians, research staffs, and nursing personnel.

There is no simple answer to our health problems. Rather, the answer must be sought in a multitude of measures. Individual health insurance is exceedingly costly and offers comparatively little protection. New ways must, therefore, be found of expanding group coverage. There is some hope that title I of the omnibus health bill now pending before the House Committee on Interstate and Foreign Commerce—the reinsurance title—may speed up experimentation with new group coverage in the health-insurance field and particularly with regard to major medical expenses. It is gratifying to learn that the Prudential Insurance Co. of New Jersey has shown commendable interest in this field by recently announcing a plan applicable to those of advanced years. This is a field in which there is great need for a workable plan.

Increasing amounts of private capital must be channeled into the construction of health facilities. I am greatly pleased that the administration has adopted in its proposed omnibus bill the principle of mortgage loan insurance for health facilities which was developed in the course of the hearings during the 83d Congress conducted by the Committee on Interstate and Foreign Commerce. This approach is not dissimilar to the plan that has proved an outstanding success in stimulating residential housing construction. There is every reason to believe that this approach might also be useful in providing additional privately financed health facilities.

In several communities, we have seen competition between health plans sponsored by State or local medical societies on the one hand, and lay-sponsored health plans on the other hand. Competition among these plans has resulted in more extensive coverage, thus greatly benefiting the members of these plans.

Industrial and labor health plans have been inaugurated under numerous collective-bargaining agreements. While many workmen are thus benefited with increased protection against the cost of illness, sight must not be lost of the fact that similar protection must be secured for individuals not employed in these industries.

Legislation now pending in the Congress would provide some Federal assistance for the construction of medical schools and non-Federal research facilities. Availability of these facilities would make possible the graduating of additional physicians and would provide space for additional research workers.

Finally, Congress has adopted legislation to assist in the financing of a study of present methods of treating mental illnesses. This study amounts to a critical self-examination conducted jointly by those who are primarily concerned with the treatment of mental diseases. The undertaking of this study holds out some hope for the future that we might be able substantially to improve treatment methods now employed. It also may result, I trust, in the improved utilization of available health personnel in the field of mental health.

In conclusion, the health needs of the Nation are so varied and complex with regard to different geographical areas and different diseases that no single answer will be able to meet all legitimate needs. In the case of many diseases, as for example in the case of venereal diseases and tuberculosis, the discovery of new remedies has radically changed our needs with regard to treatment of these diseases. I am hopeful that new discoveries will similarly ease the burden that other diseases have placed on individuals, communities, and governments—local, State, and Federal—but I also hope that the Federal Government will become increasingly active in sponsoring and supporting voluntary methods by which increased protection can be given to individuals against the cost of illness.

Selective Military Service

EXTENSION OF REMARKS
OF
HON. BARRATT O'HARA
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1955

Mr. O'HARA of Illinois. Mr. Speaker, since the enactment of Public Law 118, I have received many letters of inquiry from young men as to how they are affected by this legislation. I presume such has been the case with many of my colleagues.

By unanimous consent I am extending my remarks to include the analysis of Public Law 118 prepared on my request by the Library of Congress and which I hope will prove as helpful to my colleagues as it has been to me. The analysis follows:

PUBLIC LAW 118, 84TH CONGRESS (AMENDMENTS TO THE UNIVERSAL MILITARY TRAINING AND SERVICE ACT)

Section 101:

(a) Exempts from training and service under provisions of the Universal Military Training and Service Act any person who serves on active duty subsequent to June 24, 1948, for not less than 18 months in the armed forces of a nation with which the United States is associated in mutual defense

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activities. Denies this exemption to nationals of country having no such reciprocal provisions for United States citizens. Credits active duty prior to June 24, 1948, in the armed forces of World War II allies with whom the United States is associated in mutual defense activities in the computation of the 18-month service period.

(b) Exempts from training and service under the Universal Military Training and Service Act one who (a) has served honorably in the Armed Forces for a minimum 1-year period on active duty after September 16, 1940, or (b) subsequent to September 16, 1940, was discharged for the convenience of the Government after having served honorably on active duty in the Armed Forces for a 6-month minimum period, or (c) served a minimum 24 months as a commissioned officer in the Public Health Service, or in the Coast and Geodetic Survey except during time of war or national emergency. Subjects this provision to provisions relating to medical, dental, and allied specialist categories (U. S. C. 50 App.: 454 (i)).

(c) Exempts from training and service in the Armed Forces persons who enlist in the State National Guard prior to attaining age 18½ after such persons having reached age 28.

(d) Prohibits consideration of the shortage or surplus of an agricultural commodity in determining where a person should be granted a deferment on the grounds that such person's employment is necessary to the maintenance of national health, safety, or interest.

Section 102: Extends the regular draft for 4 years (until July 1, 1959).

Section 103: Extends the Dependents Assistance Act for 4 years (until July 1, 1959).

Section 201: Extends the Doctors Draft Act for 2 years (until July 1, 1957).

Section 202: Exempts from induction under the Doctors Draft Act: (a) medical, dental, and allied specialists over age 35 who have applied for a commission in one of the Armed Forces in any such categories and have been rejected on the sole ground of physical disqualification; or (b) medical, dental, and allied specialists upon reaching age 46.

Section 203: Continues existing law which authorizes additional pay for commissioned officers in medical, dental, and veterinary corps of the Armed Forces serving on active duty.

The President of the American Bar Association Supports Proposed Study of Archaic Copyright Law of 1909 by a Bipartisan, High-Level Commission—I

EXTENSION OF REMARKS
OF
HON. FRANK THOMPSON, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1955

Mr. THOMPSON of New Jersey. Mr. Speaker, on January 20, 1955, I introduced a bill, H. R. 2677, creating a bipartisan, high-level commission to study the copyright law and make recommendations for its revision. I am happy to be able to say that my plan has been widely supported. Loyd Wright, president of the American Bar Association, for instance, is "of the opinion that in view of the frustrations that have attended attempted revisions in the past, a thorough study of the copyright laws by an impartial and qualified commission would do much to bring this subject to the attention of Congress for appropriate action." Support was also expressed for the plan I have in mind in a brilliant, hard-hitting speech at the April 1955 convention of the Music Operators of America, held at the Morrison Hotel in Chicago, by Hilmer Stark, general manager of the Billboard magazine's coin-machine division.

On June 7, 1955, Dr. L. Quincy Mumford, Librarian of Congress, and Arthur Fisher, Register of Copyrights, Library of Congress, requested an appropriation sufficient to undertake a 3-year study looking toward revision of the domestic copyright law of 1909 which they described as "archaic." This appropriation was voted by the Congress shortly before adjournment. Although the study has just been authorized, some industry spokesmen are already charging that the study, when completed, will be biased. The Billboard magazine of August 6, 1955, reported that—

Telegrams protesting the (proposed) Copyright Office study as "biased" were sent to chairmen and members of the Appropriations Committee and subcommittee by top officers of Music Operators of America, George Miller and Hirsh De La Viez (Billboard, July 23). Other protests were wired by members of the industry and the Music Guild of America. A committee spokesman acknowledged receipt of the telegrams and said they had been called to the attention of the committee.

That the Music Operators of America, which lodged the protest, is one of the most powerful and representative organizations in the music field is shown by the fact that over 3,000 representatives of the music industry attended the fifth annual convention in April. Over a dozen record companies, 4 jukebox manufacturers, and approximately 80 distributors, leading recording artists in every category from both major and independent labels, song writers, song publishers, and other firms allied with the automatic phonograph industry got together with music operators from every State in the country to iron out common problems and discuss ideas to improve the business on every level. George A. Miller, national president and business manager, advises me that there are some 11,000 music operators in the Nation, plus many thousands of employees. Any charge of bias made by this organization must, therefore, be given considerable weight.

I hope that the Librarian of Congress will take steps to see that the 3-year study is not biased and that the fears expressed by the spokesmen for the music operators are unjustified. I can think of nothing that would be more disastrous both to the Library of Congress and the powerful industries involved than a "biased"' study of the very complex subject of copyright law.

I include as part of my remarks two of the many letters I have received, articles from Billboard magazine, and the text of my bill, H. R. 2677, creating a Federal commission to study the copyright laws and to make recommendations for their revision:

[From the Billboard magazine of July 23, 1955]

COPYRIGHT OFFICE'S PROPOSED STUDY DRAWS MOA FIRE

WASHINGTON, July 16.—Strong objection to the Copyright Office's proposed study of the copyright laws with a view to revision was voiced by the Music Operators of America this week. In telegrams to CARL HAYDEN, Democrat, Arizona, chairman of the Senate Appropriations Committee, and EARLE C. CLEMENTS, head of the Senate Subcommittee on Legislative Appropriations, MOA's vice president, Hirsh De La Viez, characterized both Dr. L. Quincy Mumford, the Librarian of Congress, and Arthur Fisher, Register of Copyright, as biased. De La Viez added that the study could not be impartial.

In addition to wiring his own protests, the MOA vice president also stated that George Miller, president of MOA, is contacting the Phonograph Manufacturers' Association in Chicago in an effort to enlist further objection against the Copyright Office move.

The Copyright Office plan to conduct its study got quietly underway recently (Billboard, July 7), with a request for an appropriation for additional personnel to help with the proposed 3-year investigation of copyright law. The Fisher request followed on the heels of an exhaustive study of the history of copyright revisions which Representative FRANK THOMPSON, JR., Democrat, New Jersey, presented to the House June 23. The Thompson 80-page report is background for his bill of January 20, which would set up an impartial fact-finding commission to investigate the whole Copyright Act and make recommendations for its revision.

Sections of the detailed history made by the American Law Division of the Library of Congress, at THOMPSON'S request, are being read into the CONGRESSIONAL RECORD in installments. The July 12 reading by THOMPSON included mention, without comment, of the Copyright Office request for funds, and added that the House had voted $20,000 for this study.

Fisher's original request for $40,000 was cut to half by a House subcommittee, and has already been considered by a Senate Appropriations Committee. The appropriation request is not expected to meet opposition when it reaches the Senate floor.

De La Viez's telegram to the Senators on the Copyright Office study read: "I would like to voice my objection to the section of the appropriations bill (H. R. 7117) for the Library of Congress regarding increased appropriation for a study of the copyright law, as I feel that both Dr. L. Quincy Mumford, the Librarian of Congress, and Arthur Fisher, Register of Copyright, are biased. It could never be an impartial study of the copyright law."

LAW OFFICES OF WRIGHT,
WRIGHT, GREEN & WRIGHT,
Los Angeles, July 19, 1955.

The Honorable FRANK THOMPSON, JR.,
House of Representatives,
Washington, D. C.

SIR: This is in response to your note to Loyd Wright asking whether he cared to comment on your three statements published in the CONGRESSIONAL RECORD on the subject of your bill to create a Federal commission to study the copyright laws and to make recommendations for their revision.

Mr. Wright and I discussed your statements just before he left town last night. We are both of the opinion that in view of the frustrations that have attended attempted revisions in the past, a thorough study of the copyright laws by an impartial and qualified commission would do much to bring this subject to the attention of Congress for appropriate action.

Very truly yours,
RICHARD M. GOLDWATER.

ROCHESTER, N. Y., *August 2, 1955.*

Hon. FRANK THOMPSON, JR.,
House Office Building,
Washington, D. C.

MY DEAR THOMPSON: With a great deal of interest, I have learned of your extension

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of remarks in the CONGRESSIONAL RECORD of June 23, 1955, pages 9142–9146; June 28, 1955, pages 9424–9427; and July 12, 1955, pages 10364–10369. All of this material relating to copyrights is interesting, especially the text of the study of techniques employed in efforts at major copyright law revision since 1909, which was prepared for you by the Library of Congress. All of us who are interested in copyright legislation are certainly indebted to you for making this text available to the public through the CONGRESSIONAL RECORD.

I wonder whether you have an extra copy of the pages containing your remarks. If so, I would be very happy to receive them, as I would like to preserve this material in my files for future reference.

Also, if you have any mailing list of lawyers interested in copyright matters, to whom you send material of this kind from time to time, I would be grateful if you would add my name to such list. Thank you very much.

Yours truly,

CHARLES SHEPARD,
Chairman, Committee on Copyrights,
American Patent Law Association.

H. R. 2677

A bill creating a Federal commission to study the copyright laws and to make recommendations for their revision

Be it enacted, etc., That there is hereby established a commission to be known as the Commission on the Copyright Laws (hereinafter referred to as the "Commission").

SEC. 2. (a) The Commission shall be composed of 13 members appointed as follows:

(1) Seven persons appointed by the President of the United States;

(2) Three appointed from the Senate by the Vice President of the United States; and

(3) Three appointed from the House of Representatives by the Speaker of the House of Representatives.

(b) Of the first class of members specified in subsection (a), no more than four members shall be from the same political party. Of the second and third classes of members specified in subsection (a), no more than two members from each class shall be from the same political party.

SEC. 3. The President shall designate the member of the Commission who shall be the chairman, and the member who shall be the vice chairman.

SEC. 4. Seven members of the Commission (including at least three who are Members of Congress) shall constitute a quorum.

SEC. 5. (a) Members of Congress who are members of the Commission shall serve without compensation in addition to that received for their services as Members of Congress; but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(b) Members of the Commission who are in the executive branch of the Government shall each receive the compensation which he would receive if he were not a member of the Commission, but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(c) Members of the Commission from private life shall receive not to exceed $25 per diem when engaged in the performance of duties vested in the Commission, plus reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of such duties.

SEC. 6. The Commission is directed to examine, study, and make recommendations for the revision of all laws pertaining to both domestic and foreign copyright.

SEC. 7. (a) The Commission, in carrying out its functions under this act, may appoint such personnel as it deems advisable, without regard to the civil-service laws, and shall fix the compensation of such personnel in accordance with the Classification Act of 1949, as amended. The Commission may procure temporary and intermittent services in accordance with section 15 of the act of August 2, 1946 (5 U. S. C., sec. 55a), but at rates not to exceed $25 per diem for individuals. The Commission may reimburse employees, experts, and consultants for travel, subsistence, and other necessary expenses incurred by them in the performance of their official duties and make reasonable advances to such persons for such purposes.

(b) Service as a member of the Commission (except service of a member appointed by the Vice President or the Speaker of the House or appointed by the President from the executive branch of the Government), employment of an individual pursuant to the first sentence of subsection (a), and service by a person pursuant to the second sentence of subsection (a), shall not be considered as service or employment bringing such person within the provisions of section 281, 283, 284, or 1914 of title 18 of the United States Code, or section 512 of the Mutual Security Act of 1954, or section 190 of the Revised Statutes (5 U. S. C., sec. 99).

SEC. 8. There is hereby authorized to be appropriated out of any money in the Treasury not otherwise appropriated, so much as may be necessary to carry out the provisions of this act.

SEC. 9. (a) Within 30 days after the commencement of the first regular session of Congress convened more than 1 year after the date of the enactment of this act, the Commission shall make a report of its findings and recommendations to the President and to the Congress.

(b) Sixty days after submission to the Congress of the report provided for in subsection (a) of this section, the Commission shall cease to exist.

SEC. 10. The Commission or, on the authorization of the Commission, any subcommittee or member thereof, shall have power to hold hearings and to sit and act at such times and places, within the United States or elsewhere, to take such testimony, and to make such lawful expenditures, as the Commission or such subcommittee or member may deem advisable.

[From the Billboard magazine of April 9, 1955]

WHY FACTFINDING: STARK MOA SPEECH

(EDITOR'S NOTE.—Because of the unusual interest in the address made at the convention of Music Operators of America by Hillmer Stark, general manager of the Billboard's coin machine division, the complete text of his speech follows.)

Copyright legislation is one of the uppermost thoughts in your mind. Since I represent the Billboard, you will want to know why the Billboard has proposed factfinding.

Let me preface my remarks by stating that we on the Billboard cannot disagree with the stand taken by your MOA officers and by the phonograph manufacturers since obviously the current exemption, in effect since 1909, is a law which is on your side. And, equally obviously, to endorse factfinding or to take any other stand would be an admission that the law should be changed.

Why, then, does the Billboard propose factfinding? One good reason is that we believe it's time to settle this problem. We can and have placed ourselves in a position where a sincere and honest conviction may lead to a solution of this controversy.

It is interesting to note that the stand we have adopted has had two results:

1. We are charged by those who seek to obtain a performance right from the jukebox industry that we have instituted a delaying action—that a Presidential Factfinding Commission could take 2 or 3 years to study copyrights and reach some conclusions.

2. On the other hand, there have been charges that we seek to lead the jukebox industry down the primrose path to excessive performance royalty payments to ASCAP and BMI.

UNPOPULAR STAND

In other words, the stand we have taken is not popular with the leaders in either camp. By setting aside any commercial impulses to sell advertising, we prove we are sincere in the concept of solving this problem that I will unfold to you today.

Just why did the Billboard propose factfinding. Development of this policy came after years of study and deliberation. A policy for the good of our readers, not only jukebox operators, but every segment of the music industry—authors, composers, publishers, record companies, and others.

The Billboard believes that the 1909 exemption is wrong.

But two wrongs do not make a right. The Billboard recognizes that it would be an even greater wrong if the exemption were removed, exposing jukebox operators to the mercies of a virtual monopoly.

NO CHANGE

We do not believe that any change should be made in the existing law until such time as guaranteed safeguards have been erected so that you as users of music can deal as equals, individually or collectively, with the immensely powerful licensing organizations, and that these safeguards must protect you from indefinite and unreasonable fees, present and future.

That is an oversimplification of the thinking and the answering of a myriad of questions which led to our conclusion for factfinding.

Here's why, in capsule form:

1. While recognizing performance rights and, too, the unfairness of exposing jukebox operators to a monopoly, we also could not see how any conceivable solution could be reached by congressional committees who for many years have not been able to reach a solution.

2. We believe that the yearly battle is taking thousands of dollars which might more properly be devoted to building the jukebox business, and it certainly hamstrings your development into background music—music service without coin-operated mechanisms—which is subject right now to payment to the licensing organizations.

BITTERNESS OF FEUD

3. The bitterness of the yearly feud has made it impossible for either side to even recognize a valid offer by either side. The battle is waged along strict lines of either being pro- or anti-exemption.

4. We feel that while a copyright is a thing of value, it is equally valid to say that no jukebox operator should pay more for that music than it is worth to him.

If you're thinking this was a pretty big chaw, you're so right. In seeking the answers, we found that despite our years of contact with you and every other segment of the music business, we didn't know the answers. But we did have one opinion on how the answers might be found.

We don't believe that congressional committees can arrive at a conclusion that would satisfy all segments of the music industry—primarily the jukebox operators—because they are the smaller group, composed of individuals, who might well be subjected to attack as individuals by a powerful licensing organization.

OTHER SIMILAR BODIES

We believe that one form of investigation—that of presidential fact-finding committees—is probably the most free and unbiased way of seeking answers to problems of this kind. It has been done on tariffs, on juvenile delinquency, and on many other lively ques-

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tions which faced even larger groups of contestants.

It is our sincere belief that such a group, composed of Congressmen, lay neutral persons, and economic experts might arrive at some way of settling this dispute, which, if allowed to continue, might damage irreparably the music industry, and I speak not only of jukebox operators and authors, but also of record manufacturers, music publishers and others in the music industry.

We hesitate to recommend anything beyond this one point to a fact-finding commission.

Find a way in which to solve this dispute; recognize not only the right vested in a copyright, but also the right of the purchaser to pay only in relationship of value. But, above all, find some way in which the user of music can deal on an equal basis with a virtual monopoly.

EQUAL BASIS

The last point is terribly important. If you and I were dealing in a tangible product which was made by 5 or 6 other producers, we would be free to tell 1 seller to go to blazes and buy from the other seller. But the product which you as jukebox operators use is pre-eminently currently popular music of which better than 90 percent is controlled by the licensing organizations, and you can't make money with Jeanie With the Light Brown Hair.

Yes; you could argue that you've fought it out for years and that there has been no change in the law. Here we enter into an area of opinion on whether this was the year in which the bill—this year called the Kilgore bill—might have passed—and still might pass.

Knowing you—and many of those authors who furnish today's popular music—we don't believe you are very far apart. Perhaps we have partially alienated both groups, but the role of peacemaker invariably finds that person in the way of the barrage. If we can in some small way help to end the copyright difficulty, we will be content. But, mind you, never until it is an equitable settlement that is mutually satisfactory.

PAY OR NOT PAY

Factfinding committee action could well find that you cannot pay additional fees, or that you can. It might find some way of coupling the mechanical royalty to a performance royalty, basing it on the number of records purchased, but it could be decided fairly. It is our contention that the jukebox operator has nothing to fear from such an appraisal of the situation.

I can promise you this: That just as we have called for stopping action on all proposals that seek to end the exemption—we're outspokenly and categorically against them—so will we maintain a vigilant watch over any straying from the path on the rights of the jukebox operator.

And if you should be thinking that the Billboard is risking your future, just hold these points in mind:

We were convinced all along that another attempt would be made by ASCAP to remove the exemption in this session of Congress. In this respect we were right.

We were mighty sure your leaders would fight this bill as openly and effectively as they have in the past. In this respect we were right.

ASCAP OFFENSIVE

But we have also been sure the offensive by ASCAP would be better organized than ever before, and thus the chances of passage were better in this session. Here again you can say we were right in view of the number of Senators sponsoring the bill.

Our proposal for factfinding does not in any way hinder your leaders in their defense. The Billboard is opposed to the Kilgore bill as strongly as they are.

And we sincerely feel factfinding may wind up your substitute safeguard if the Senate passes the Kilgore bill. It has already virtually assured your industry of fair hearings in the House, if not the Senate, whereas there was a danger that the Kilgore bill would be passed without a hearing.

The Billboard's proposal for factfinding is being heard in Washington. It may never seriously be considered, but it has already been effective in warning Congressmen and Senators alike that there is more to this problem than simple removal of the exemption.

We don't expect you to support factfinding as long as the law is on your side. Neither do we expect ASCAP nor BMI to support it. But factfinding pushed by the Billboard may very well be your refuge in case the Senate passes the Kilgore bill.

And we feel certain that you prefer factfinding to the Kilgore bill.

The President of the American Bar Association Supports Study of Archaic Copyright Law of 1909 by a Bipartisan, High-Level Commission—II

EXTENSION OF REMARKS

OF

HON. FRANK THOMPSON, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1955

Mr. THOMPSON of New Jersey. Mr. Speaker, I include as part of my remarks excerpts from a study prepared for me by the American Law Division of the Library of Congress of the major attempts to modernize the copyright law of 1909:

VIII. THE DUFFY BILL, 1936

Preliminary to considering the Duffy bill, S. 3047, 74th Congress, certain events which had occurred in the preceding Congress should be mentioned:

1. June 10, 1933, Senator Cutting introduced a bill in the Senate (S. 1928) entitled "To enable the United States to enter the International Copyright Union."

2. May 31, 1933. Mr. Luce introduced the same bill (H. R. 5853) in the House.

3. February 19, 1934. The President sent the Bern Convention as revised at Rome in 1928 to the Senate for ratification of United States adherence.

4. March 28, May 28–29, 1934. Hearings were held by a subcommittee of the Senate Foreign Relations Committee on the Cutting bill and the convention.

5. Opposition to adherence to the convention developed at the hearing and some witnesses even urged that efforts to revise the law completely be renewed. It was suggested that the Secretary of State confer with the various conflicting interests, obtain their viewpoints and report to Senate committee.

6. Accordingly an interdepartmental committee was created composed of Dr. Wallace McClure and Mr. Joseph T. Keating, of the State Department, Mr. William L. Brown, Register of Copyrights, and his Assistant Register, Mr. Richard C. De Wolf, and Mr. James L. Brown, of the Department of Commerce, who was later replaced by Mr. L. G. Koebfle, of that Department. This committee drafted a bill which became known as the first Duffy bill.[1]

On April 1, 1935, in the 74th Congress Senator Duffy introduced the first Duffy bill as S. 2465. The bill was referred to the Senate Committee on Patents which appears to have held hearings on it which do not seem to have been printed. No further action was taken on S. 2465. On June 17, 1935, Senator Duffy introduced a revised bill as S. 3047. Senator Duffy described the background of the bill starting with the hearings on the Cutting bill and the convention in the 73d Congress:

"It soon became evident from the testimony before our subcommittee that there was a very decided difference of opinion prevailing among those who might be affected by such action. There was a very marked conflict of interest as it appears here today from the discussion so far had. If this committee were to join with almost 50 other countries and become a party to the International Convention of the Copyright Union it was generally agreed that some enabling legislation would be necessary in order to adjust the provisions of our law to the provisions of the treaty.

"It was generally recognized that for a quarter of a century there had been no comprehensive revision of the copyright law and that greatly changed conditions had occurred in the means whereby artistic works are communicated to the public. Almost everyone who has given study to the question agrees that many changes in our copyright law are highly desirable by reason of these changed conditions.

"Our subcommittee of the Foreign Relations Committee reported to the full committee. We reported that there was this wide difference of opinion. The entire committee then decided to request the State Department to organize an informal interdepartmental committee to confer with the various conflicting interests in an endeavor to reconcile as far as possible such divergent viewpoints. Such a committee was formed. I desire the Senate to know the membership of this committee because it is very important in the discussion of this question.

"Two of the members of the committee were from the Department of State. Two of the members of the committee represented the copyright office itself. They would be certainly as well acquainted with this subject as any man who could be chosen. The fifth member of the committee represented the Department of Commerce.

"When the bill finally took shape as a result of these hearings I introduced it in the Senate and it was referred to the Committee on Patents. The Committee on Patents then held hearings and had conferences on it [committee hearings referred to are not available in the Library of Congress and it would seem that they were not printed]. The bill was cut up to a considerable degree and revised and I then, at the request of several members of the Committee on Patents, introduced into the Senate the revised bill which is now before the Senate for consideration."[2]

Senator Duffy also indicated that the treaty had been favorably reported to the Senate on April 18, 1935.[3] It was unanimously ratified by the Senate on April 19, but on his request and by unanimous consent such action was reconsidered and the treaty was placed back on the Executive Calendar to await action on the revised Duffy bill.

The Senate Committee on Patents then considered Senate 3047 and reported the same favorably to the Senate (S. Rept. 896, 74th Cong.). After considerable debate on the Senate floor the bill was passed in the closing days of the session with an amendment, known as the Vandenberg amendment, providing for design copyrights, and another restoring the manufacturing clause.

In the House the Committee on Patents held hearings during the second session on the Duffy, S. 3047; Daly, H. R. 10632; and

[1] Cf. U. S. Congress, House Committee on Patents, hearings on revision of copyright laws, 74th Cong., pp. 1175–1176.

[2] Senate Foreign Relations Committee. Ex. Rept. E, 73d Cong., and Ex. Rept. No. 4, 74th Cong.

[3] CONGRESSIONAL RECORD, vol. 79, p. 12188.

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Sirovich bills, H. R. 11420. These hearings were held on February 25, 26, 27; March 3, 4, 5, 10, 11, 12, 17, 18, 19, 24, 25, 26, 27, 31; and April 1, 2, 3, 7, 8, 9, 10, 13, 14, 15, all in 1936. Some of the difficulties with which the House committee was beset are indicated by an interchange between the chairman and other members of the committee occurring during the first day of the hearings as follows:

"The CHAIRMAN. I have consulted with both the people who are in favor of copyright legislation, in favor of the Duffy bill, and other legislation, and those opposed to it, and we are giving every side an opportunity to present their side, either for or against. Every individual who is interested in copyright legislation will have his opportunity to present his side. Four or five years ago we gave every side a fair and square deal, and the opportunity to present their matter. In fact, the bill was reported out by the committee and brought on the floor. A few Members of the House objected that we had not given all the time necessary to people who wanted to be heard, and the bill was recommitted to the committee just for that purpose. We do not want to conduct the hearings in the way that the committee did 5 years ago, so we are going to give everyone an opportunity to present any views that they have for or against on the subject so that they can have a fair and square deal on both sides.

"Mr. LANHAM. May I say just a word there in explanation?

"Of course, my colleague, Mr. Church, is relatively a new member of the committee, as are most of the members. Many years ago we started in on this matter of copyright. We had 8 years of hearings, and after years of reconciliations that were effected among the divergent interests during that time, this committee was able to report a bill to the House.

"Mr. PERKINS. You refer to the Vestal bill?

"Mr. LANHAM. I refer to the Vestal bill, which passed the House with one very slight amendment.

"That bill went to the Senate. At that time the session of Congress adjourned on the 4th of March. The bill was under consideration at the time of adjournment and the filibuster with reference to another measure prevented the conclusion of the consideration of the copyright bill. The hearings during those 8 years were quite voluminous, and covered every aspect of this important subject of copyright. Those hearings are available.

"I understand that it is the desire of those who are sponsoring this legislation, the various bills, to try to get legislation at this session of Congress, if possible. From the experience we have had in this committee heretofore, knowing what a complex subject this is, if we should hear the proponents of this measure and then hear the opponents of the measure the bill would be dragged along indefinitely, because I know the ramifications of such a discussion by experience.

"My thought is, though I have nothing to do with the control of the procedure, that perhaps a more expeditious way of considering this is to hear those who object to this bill, assuming that the proponents of the bill are for it, and direct our attention to those features which are in conflict, giving the proponents the opportunity for rebuttal. It seems to me if we do not adopt some such policy as that, the hearings will just drag on and on indefinitely.

"Mr. CHURCH. Mr. Chairman, the point I make is that the public who have come from so many miles to be heard ought to know generally from the chairman your plan of dates for their hearings.

"The CHAIRMAN. We have done that already.

"Mr. CHURCH. I certainly as one member would insist that persons introducing a bill be first heard, because you have the whole world to resist and oppose until you hear the promoter of a bill.

"Mr. KRAMER. Mr. Chairman, I do not see that it makes any great difference whether we start in the middle of the hearing or not.

"Mr. CHURCH. The gentleman has intimated that I am not familiar with this procedure. I am familiar with the past hearings. I am familiar with the 16 years of legislative experience. I have never sat in a committee before where you hear the opponents first. I appreciate the statement in every way here today. There is no reflection against Mr. Buck for that information. But I do think that this committee should hear the people interested in the passage of this bill first.

"The CHAIRMAN. The Chair will recognize Mr. Perkins.

"Mr. LANHAM. May I say that I have interrupted to add that my suggestion was made merely in the interest of conserving time, because the reference in this bill is not objectionable to anyone. I think it is unnecessary to have long and tedious explanations of those passages.

"The CHAIRMAN. The Chair will recognize Mr. PERKINS.

"Mr. PERKINS. Mr. Chairman, several of the members of this committee, particularly Mr. LANHAM and myself, have been sitting on these hearings for the past 16 years. The matter of copyright legislation is now on the books. The bills before us propose changes in that legislation. I am inclined to agree with Mr. LANHAM that the more practical way is first to hear the objections to the changes and give the benefit of reply to those who suggest the changes.

"This is not exactly as if it were entirely new legislation where proponents would come in and make suggestions or would come in with a new bill. The bills before us are merely changes in the copyright law, and for the sake of conserving time and narrowing the issues and giving those who propose the changes the opportunity of hearing the objections, I think the method the committee is proceeding with is much better than to hear the proponents first.

"Mr. CHURCH. Let us hear the program of dates of hearings, then, at this first meeting before we go into the House.

"Mr. PERKINS. Of course, for the benefit of those who are here to testify before the committee and to save their time, it would be well if the committee could outline the days and the hours when the various witnesses could be heard.

"Mr. DALY. May I be heard on that, Mr. Chairman?

"The CHAIRMAN. Mr. Daly.

"Mr. DALY. I want to say in reply to Mr. Church particularly that as I understand the situation here, the copyright law of 1909 is not satisfactory to anybody. With the many inventions and various changes since 1909, I think everybody agrees there should be new copyright legislation. That assumed tangible form in the Duffy bill and was introduced and passed. There were a number of protests, particularly from the society represented by Mr. Buck, who are vitally interested in it. They have serious objections to the Duffy bill, they being of the opinion that it did not give the protection that should be given to various artists of various kinds.

"To endeavor to get really at the matter, two other bills were introduced in the House. Dr. Sirovich introduced one and I introduced the other. So we practically have before us first the copyright bill of 1909, second, the Duffy bill, and third, these two bills.

"In order that everybody might get a hearing and the committee might be enlightened on all the aspects of this case, Dr. Sirovich outlined a program covering 4 weeks, 3 days a week for 4 weeks. All those who opposed the Duffy bill were asked to come here. All those who favored the Duffy bill were asked to come here. There may be serious objections to either the bill Dr. Sirovich introduced or the bill I introduced, before we get through. But he has, Mr. Church, outlined a program outlining the 4 weeks.

"Mr. CHURCH. I am familiar with that, as to the dates.

"The CHAIRMAN. You have been given the dates.

"Mr. CHURCH. You refer to the fact that we have hearings scheduled for 3 days a week for the next 4 weeks. But my people from Illinois cannot come down and spend their time here 3 days a week for 4 weeks, in addition to their mileage. I have asked the chairman to outline a plan whereby these people may get together today or tomorrow and determine the dates when they may want to be here.

"The CHAIRMAN. Let me explain that, if you will permit me to explain it:

"The program that we have outlined is to have the American Society of Composers, Authors, and Publishers, the Authors' League, and the Dramatists' League present their side. After they have finished, which will be within the next week or the following week, we are going to have the hotel owners, the department stores, the radio people, the motion-picture exhibitors and distributors, and the various other organizations who have come to our committee and who have received their turn. We wrote a letter to about 200 individuals and organizations, asking what time would be convenient for them, and we have had to establish the time that would be convenient for all.

"Mr. MCLEOD. Right there, all of these hearings and all of these dates are not centered on any one bill but on the question of copyrights." [4]

It would be too confusing to attempt to show the proponents and opponents of these three bills. Needless to say, the witnesses were not in agreement on any one bill. The following is therefore based upon whether the witness was in favor of or opposed to the Duffy bill.

Those in favor of the Duffy bill were:

F. Ryan Duffy, United States Senator from Wisconsin.

Wallace McClure, Assistant Chief, Treaty Division, Department of State.

James W. Baldwin, managing director, National Association of Broadcasters.

Sydney M. Kaye, attorney, National Association of Broadcasters.

Louis G. Caldwell, attorney, National Association of Broadcasters.

H. B. Somerville, chairman, national legislative committee, American Hotel Association.

Carl L. Cannon, Yale University Library.

Henry Jaffe, of the firm of Whitman, Ranson, Coulson, & Goetz, New York.

Thorvald Solberg, former Register of Copyrights.

Homer E. Capehart, the Automatic Musical Instrument Association.

John E. Dowsing, tariff council, United States Potters Association.

A. D. Haake, the National Association of Furniture Manufacturers.

Harvey Willson, general manager, National Upholstery and Drapery Textile Association.

Miss Mary Vendelari.

E. L. Kuykendall, president, Motion Picture Theater Owners of America.

William G. Viederman, the Christian Science publishing interest.

Those opposed to the Duffy bill or certain features of it were:

Gene Buck, president, the American Society of Composers, Authors, and Publishers.

Deems Taylor, director, American Society of Composers, Authors, and Publishers.

William Joseph Hill, composer.

Rudy Vallee, orchestra leader.

E. C. Mills, general manager, American Society of Composers, Authors, and Publishers.

[4] Hearings, revision of copyright laws, op. cit., pp. 23–25.

George M. Cohan, playwright, actor, and songwriter.
Elmer Davis, vice president, Authors' League of America.
George Creel, manager, Authors' League.
Thyra Sampter Winslow, authoress.
Ben Lucien Berman, author.
Mary Heaton Vorse, authoress.
Manteel Howe Farnham, authoress.
Chester Crowell, author.
William Hamilton Osborne, the Authors' League.
Louise Silico, secretary, Authors' League.
George Middleton, playwright.
John Howard Lawson, playwright.
John G. Paine, Music Publishers Protective Association.
William Arms Fisher, Boston Music Publishers Association.
James Francis Cook, president, Theodore Presser Co., and editor of Etude.
Francis Gilbert, attorney, the Music Publishers Protective Association.
The Honorable Karl Stefan, Representative in Congress from Nebraska.
H. A. Huebner, the Brunswick Record Corp. and Columbia Phonograph Co.
R. W. Ultschuler, president, American Record Corp.
Isabell Marks, Decca Records, Inc.
Fulton Brylawski, Motion Picture Producers.
Fred Waring, president, National Association of Performing Artists.
John O'Connor, National Association of Performing Artists.
Samuel Tabak, Local No. 802, New York City, American Federation of Musicians.
Frank Crumit, singer.
Louis James, member of the Revellers Quartet.
Arthur Bryant, composer.
Gen. Samuel T. Ansell, general counsel, American Federation of Musicians.
Guy Lombardo, conductor.
Maurice J. Speiser, general counsel, National Association of Performing Artists.
Miss Mary Bendelari, National Council on Design.
Marvin Pierce, the National Publishers Association.
Melvin H. Coulston, Eastern Railroad Association.
Edward A. Brand, attorney, Tanners' Council of America.
Harry Leeward Katz, general counsel, Music Users Protective Association.
R. B. Fletcher, counsel, the Association of American Railroads.
Karl Fenning, patent attorney.
S. G. Nottingham, patent attorney.
Sylvan Gotshall, attorney.
Weil Gotshal and Manges, attorneys.
Miss Irene L. Blunt, secretary, the Industrial Design Registration Bureau.
Irwin C. Fox, National Dry Goods Association.
U. Forest Walker, R. H. Macy & Co., New York.
Henry W. Carter, the Glass Container Association of America.
Charles Ballon, the Popular-Price Dress Manufacturers' Group Inc.
Mr. Golby, executive secretary, Fashion Originators Guild.
William Cheney, eastern managing director, National Retail Furniture Association.
Hugh F. Hall, American Farm Bureau Federation.
Charles E. Boyd, the Retail Merchants Association.
Milton Tibbetts, vice president, Packard Motor Car Co.
Louis Rothschild, the Retailers National Counsel.
Henry D. Williams, attorney, the firm of Williams, Rich & Morse.
Thomas E. Robertson, formerly Commissioner of Patents.
Frederick G. Melcher, National Association of Book Publishers.
William O. Tufts, Rand-McNally Co. and National Association of Book Publishers.
Hon. Conway P. Coe, Commissioner of Patents.
Edwin P. Kilroe, attorney, Twentieth Century Fox Film Corporation and Movietone News, Inc.
Fulton Brylawski, counsel, Copyright Committee of the Hays Organization.
Gabriel L. Hell, general counsel, attorney for Hays Organization.
Henry C. Harding, the Independent Songwriters of America.
Nathan Burkan.
R. S. Ould, patent attorney.

The fact that the hearings ran to some 1,560 pages and that the Vandenberg amendment for design copyright had brought in many commercial firms as witnesses made the picture even more confusing than usual. In fact, the situation generally would appear to have been summed up at the beginning of the testimony of Federick G. Melcher, the National Association of Book Publishers:

"We are appearing in this hearing to comment on the Duffy and other bills, and in doing so I am aware of the long years of discussion in which many of the opinions we might express are already recorded and have been studied by ourselves and other members of the committee, and we do not want to take your time to repeat on things which do not need new emphasis. We are aware, also, that as the years go by it does show, shall I say, our national incapacity to legislate on a very important fundamental issue. This incapacity to legislate, which is clear in my mind, having represented this industry for a dozen years and because my partner was active in the hope of our making such progress for many years before—Mr. Bowker—is not due to the partisan character of the legislation, which I think we all appreciate, as we have had equal consideration under the different administrations; and it has not been due to any lack of application on the part of the legislators, but has been due to our inability to compose urgently expressed points of view, particularly from the point of view of our new entrants into the field of copyright, and not so much on the part of book publishers, who even precede, I think, the authors in point of protection."[5]

The inability to compose urgently expressed conflicting views as indicated by Melcher seems to have been the stumbling block in each of the several attempts by legislative committees to achieve a major copyright revision. The committee did not report any of the bills to the House and they died with the close of the 74th Congress.

[5] Hearings, revision of the copyright laws, op. cit., p. 966.

The President of the American Bar Association Supports Study of Archaic Copyright Law of 1909 by a Bipartisan, High-Level Commission—III

EXTENSION OF REMARKS
OF
HON. FRANK THOMPSON, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. THOMPSON of New Jersey. Mr. Speaker, I include as part of my remarks the concluding portion of a study prepared for me by the American Law Division of the Library of Congress of the major attempts to modernize the Copyright Law of 1909. Charles Shepard, chairman of the Committee on Copyrights, American Patent Law Association, has written to me in support of this brilliant study, saying:

With a great deal of interest, I have learned of your extension of remarks in the CONGRESSIONAL RECORD of June 23, 1955, pages 9142–9146; June 28, 1955, pages 9425–9427; and July 12, 1955, pages 10364–10369. All of this material relating to copyrights is interesting, especially the text of the study of techniques employed in efforts at major copyright law revision since 1909, which was prepared for you by the Library of Congress. All of us who are interested in copyright legislation are certainly indebted to you for making this text available to the public through the CONGRESSIONAL RECORD.

I include here, also, a letter I have received from Charlotte E. Gauer, executive secretary, American Patent Law Association, expressing the gratification of the members of that organization for the information made available in the able study made by Freeman W. Sharp, American Law Division, Library of Congress:

AMERICAN PATENT LAW ASSOCIATION,
Washington, D. C., August 2, 1955.

Hon. FRANK THOMPSON, Jr.,
House of Representatives,
Washington, D. C.

DEAR MR. THOMPSON: Your comments which appeared in the CONGRESSIONAL RECORD with respect to the creation of a Federal commission to study the copyright laws and to make recommendations for the revision thereof were referred to our committee on copyrights, of which Mr. Charles Shepard, of Rochester, N. Y., is the chairman. As a result, I am pleased to advise you that the members of this association who practice in the copyright field show great interest in this study and wish to commend you for making the results of this study available to the people through its publication in the CONGRESSIONAL RECORD. This is the sort of information that is not generally available in one package and it is very gratifying to have it in this form.

We will, of course, follow these matters with interest.

Sincerely yours,
CHARLOTTE E. GAUER,
Executive Secretary.

IX. THE SHOTWELL COMMITTEE AND THE LEAGUE OF NATIONS, 1937–40

One final attempt at copyright revision was made during the period under discussion, this time by a private organization, the National Committee of the United States of America on International Intellectual Cooperation. This committee was formed by the League of Nations in the early twenties. Since the United States failed to join the League at the conclusion of World War I, the committee was an unofficial body with respect to the Government of the United States. The League established an International Committee on Intellectual Cooperation under which a number of regional committees functioned. The national committee was one of the regional committees.[1]

[1] League of Nations, Secretariat, Information Section. Essential Facts About the League of Nations, 10th edition, revised. Geneva 1939, p. 265, etc. "As soon as the League was founded efforts were begun for improving the International Organization of Intellectual Workers. On December 18, 1920, the first assembly requested the council to associate itself as closely as possible with all such efforts. The assembly had in view the

A subcommittee entitled "Committee for the Study of Copyrights" was established by the national committee for the purpose of solving the various existing problems in achieving international copyright protection. The subcommittee also attempted to solve the United States domestic legislative problems respecting copyright protection in order to facilitate its entrance into the Bern Convention or a modified form thereof. Prof. James T. Shotwell, of Columbia University, then chairman of the national committee, also became chairman of the Committee for the Study of Copyright.[2] Professor Shotwell was succeeded by Dr. Waldo G. Leland,[3] director emeritus of the American Council of Learned Societies. Through the courtesy of Dr. Leland, permission has been granted to quote from a manuscript history of the National Committee on International Intellectual Cooperation, written by Edith E. Ware, who was executive secretary of both the national committee and the Committee for the Study of Copyright.[4] Miss Ware describes the copyright revision effort:

"Until 1938, the national committee had never made any attempt to understand the copyright situation. It had accepted the opinion of Herbert Putnam in 1926, and in 1933 had received a memorandum from Llewellyn Raney, director of the University of Chicago libraries, protesting the manufacturing clause of the United States copyright law and urging adherence to the International [Bern] Convention for the Protection of Literary and Artistic Works. In 1935, after asking for a specific provision in the Duffy bill designed to facilitate the use of microcopy for purposes of research, the national committee, without specific knowledge of all the issues involved, went on record as prepared to testify in support of the Duffy bill and the Bern Convention. But in December 1938, the national committee had another story to tell. Its committee for the study of copyright, which had been in existence for a little less than a year, had formulated a program whose influence persisted for over a decade.

"On January 1, 1938, when the Committee for the Study of Copyright began its investigations, the International Convention for the Protection of Literary and Artistic Works was on the Senate Calendar, and several bills to amend and consolidate the copyright law, including the Duffy bill, reintroduced as S. 7, were before the Patents Committees of both Houses of Congress. But there appeared to be little likelihood of any action being taken on the subject of copyright protection, national or international. Two interesting facts appeared to be responsible for this stalemate. First, on account of an inherent opposition to legislation by treaty or to the obligation to legislate according to terms of a treaty, there was universal demand that revision of copyright legislation must precede any affirmative action in relation to international copyright protection as embodied in the Bern Convention. Second, there was quite general and determined opposition to a number of important provisions in the bills then before Congress, which were designed to amend the existing copyright legislation of the United States with a view to entrance into the Bern Union for the Protection of Literary and Artistic Works. In addition, there was divergent opinion as to the merits of the Bern Convention itself, and a shocking absence of information and interest in inter-American copyright relations.

"In view of this situation, the Committee for the Study of Copyright, at its meeting with experts and consultants on February 22, 1938, committed itself to the principle of universal protection of literary and artistic works. It did not, however, define its position in relation to proposed conventions designed for international copyright protection. Instead, it proposed to study existing laws and treaties.

"This was imperative in the face of the domestic situation, the forthcoming conference at Brussels for the revision of the Bern Convention, and the draft conventions which were being circulated to American States preparatory to their discussion at the inter-American Conference at Lima in December 1938.[5]

* * * * *

"However, in view of the forthcoming Brussels Conference which hoped not only to revise the Bern Convention but to draft a universal convention, the Committee for the Study of Copyright, as a subcommittee of the National Committee on International Intellectual Cooperation and therefore within the International Cooperation Organization, sent a representative to the meeting of the committee of experts that was to confer at Paris and Brussels, October 19 to 21, 1938, on the agenda for the Conference for the Provision of the Bern Convention. Francis Deak, because well informed through the good offices of the Committee for the Study of Coypright concerning opinion in the United States with respect to the Bern Convention, and because of previous association with the institutions sponsoring the meeting and with its individual members, was able to clarify reasons for the nonaffirmative action on the part of the United States with respect to the Bern Convention and to win restatement of certain important proposals. His Report on the Status of International Copyright Protection and on the Brussels Meeting of the Committee of Experts, published by Columbia University Press in 1938, was an important contribution to the understanding of the work of the committee of experts.

"The chairman of the national committee, at its meeting on December 10, 1938, informed the members present that Edith E. Ware, the executive secretary of the Committee for the Study of Copyright, and the committee's consultant on Latin American Copyright Relations, William Sanders, chief of the Juridical Division of the Pan American Union, were at the Eighth International Conference of American States at Lima, Peru (December 9–27, 1938), on behalf of the recommendations of the Committee for the Study of Copyright with respect to inter-American copyright relations.[6]

* * * * *

"The Committee for the Study of Copyright also attempted, in 1938, to resolve the domestic legislative problems of international copyright protection. Representatives of authors, publishers, labor, motion-picture producers, broadcasters, mechanical recorders, libraries, and scholars were invited to roundtable consultations, where in daily meetings of small committees and later of the committee of the whole that continued through 1939, a new copyright bill was drafted. It was introduced into the Senate, as S. 3042, on January 8, 1940. France fell in May.

"The Brussels Conference for the Revision of the International Convention for the Protection of Literary and Artistic Works was postponed because of the war. When it did meet in July 1948, it did not attempt to draft a universal convention, for in 1947 UNESCO had begun a study of international copyright laws and relations with a view to improving international copyright relations on a basis more inclusive than that of the Bern Convention."[7]

During the course of 1938 and 1939, many studies were made by the Committee for the Study of Copyright, and a considerable number of meetings and conferences were held with the various interests concerned in the problem of domestic copyright revision. At these meetings the following were represented:

Authors' League of America: Mrs. Louise Silcox, Mr. John Elliott.

Labor: Mr. Michael J. Flynn, Wage Earners Protective Association; Mr. Clyde Mills, Typographical Union; Judge J. Raymond Tiffany, general counsel, Book Manufacturers Institute.

The American Society of Composers, Authors, and Publishers: Mr. John G. Paine, general manager; Mr. Gene Buck, president; Mr. C. E. Mills, chairman, board of directors; Mr. Schwartz, general counsel.

Book Publishers Bureau: Mr. Frederick G. Melcher, chairman of the Copyright Committee, Book Publishers Association (magazines); Mr. Marvin Pierce, chairman of the copyright committee; Mr. George Lucas, radio (National Association of Broadcasters); Mr. Sydney M. Kaye, motion picture producers and distributors; Mr. Edwin P. Kilroe, chairman of the copyright committee; Mr. Gabriel Hess, general counsel; Mr. Robert W. Perkins, general counsel for Warner Bros.

Scholarship: Mr. Robert C. Binkley; Mr. Richard Manning, small committee (originally invited), chairman of the copyright committee which already existed; Mr. Melcher, book publishers; Mr. Kilroe, motion pictures; Mr. Pierce, magazine publishers.

Radio: Mr. Sydney M. Kaye.

ASCAP: Mr. John Payne.

Labor: Mr. Michael J. Flynn.

Authors: Mrs. Louise Silcox.

The Committee for the Study of Copyright worked very hard to achieve a general revision. Its papers, now in the possession of the Copyright Office, Library of Congress, occupy some seven file drawers. It should be noted that the Register of Copyrights did not participate in the work of the Shotwell committee. In fact, he later expressed his opposition to many features of the bill drafted by that committee. The committee completed its final draft of a proposed bill on

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possible setting up for this purpose of a technical organization attached to the League."

This organization now exists in the Intellectual Cooperation Organization of the League of Nations, which forms one of the League's four technical organizations side by side with the Health, Communications and Transit, and Economic and Financial Organizations. Its constitutions received the formal approval of the assembly on two occasions, in 1926 and in 1931. It is composed as follows:

1. International Committee on Intellectual Cooperation. An advisory organ of the council and the assembly. It consists of 19 members appointed by the council. It directs the work of intellectual cooperation.

2. Committees of experts to answer special questions. Some of these are permanent while others exist only for a limited period. This organization has three working bodies (a) the Intellectual Cooperation Section which is its administrative secretariat and the (b) International Institute of Intellectual Cooperation (Paris) which is its executive organ. The institute prepares for meetings of expert committees, it arranges for inquiries that have been ordered and publishes the results. There are 44 national committees established in various countries including the United States where the committee is known as the National Committee of the United States of America for International Intellectual Cooperation.

[2] See Who's Who in America, vol. 28, 1954 through 1955, p. 2438.

[3] See Who's Who in America, vol. 28, 1954 through 1955, p. 1580.

[4] Ware, the National Committee on International Intellectual Cooperation, 1926–48.

[5] Ware, op. cit., pp. 79–80.

[6] Ware, op. cit., p. 81.

[7] Ware, op. cit., pp. 83–84.

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December 16, 1939. This bill, known as the Shotwell bill, was introduced in the Senate on January 8, 1940, by Senator Elbert D. Thomas, of Utah, as Senate 3043.[8]

The text of the bill together with an explanatory statement appears in the CONGRESSIONAL RECORD of that date. No action was taken on the bill during the year 1940. The outbreak of World War II in Europe during 1939 had focused attention on other and more pressing problems. At the conclusion of World War II the League of Nations expired and the United Nations was established. Dr. Leland liquidated the remnants of the national committee and the Committee for the Study of Copyright. Thereafter efforts to secure universal cooperation in copyright were continued under the UNESCO organization of the United Nations.

Since World War II the effort to secure a new international copyright convention has been successful. No general revision of the United States copyright law has been undertaken, and efforts to have the United States adhere to the Bern Convention were abandoned. Instead, the United States participated in preparing the Universal Copyright Convention which was completed in 1952 and signed by the United States and 39 other countries, including both members and nonmembers of the Bern Union. In 1954 the United States ratified the convention and implementing changes in the copyright law were enacted by Congress in Public Law 743, 83d Congress.

In reporting the bill, H. R. 6616, 83d Congress, for compliance with the Universal Copyright Convention the House Committee on the Judiciary explained its effect on the present copyright law:

"The principal amendments to the United States copyright law which are necessary are the relaxation, as to foreign works, of the requirement of United States manufacture, a slight modification of the form of copyright notice, and the elimination of the requirement of deposit of two copies of foreign works in the United States Copyright Office.

* * * * *

"The Universal Copyright Convention, in order to overcome the objections of the United States and other nonsignatory nations to the features of the Bern Convention, is based on the concept of national treatment. In other words, instead of seeking to establish uniform international standards of copyright, or, in effect, establish an international copyright law, this convention merely seeks to guarantee to works first published in any signatory nation the same copyright protection in other signatory nations as is given to works first published in such other nations or of nationals of other signatory nations. It does not seek to eliminate differences in copyright theory which exist throughout the world or to harmonize national laws, but instead recognizes existing differences. Also, it has no retroactive effect on works already in the public domain in any contracting states and does not provide for automatic copyright without formalities which rendered the Bern Convention incompatible with American copyright law." [9]

In order for the Universal Convention to become effective 12 countries must deposit their ratifications. Ten have done so to date, including the United States. The necessary additional deposits of ratifications are expected to be received soon.

Since the statement, supra, concerning the ratification of Universal Convention was written the following information has been received:

"UNIVERSAL COPYRIGHT CONVENTION RATIFIED

"Word has been received from the Director General of UNESCO that the Universal Copyright Convention will come into force on September 16, 1955, by virtue of the deposit of the ratification of the required 12 countries. The principality of Monaco deposited the 12th ratification on June 16, and the convention comes into force, according to its terms, 3 months thereafter.

"Public Law 743 (approved August 31, 1954), the recent amendment to the copyright law that implemented the United States ratification of the treaty, also becomes effective on September 16, 1955. Accordingly, on and after that date, works first published in the following countries or works by nationals of these countries will receive the benefit of the new law: Andorra, Cambodia, Chile, Costa Rica, German Federal Republic, Haiti, Israel, Laos, Monaco, Pakistan, and Spain. In essence, such works will receive automatic copyright protection in this country without the necessity of complying with the formalities of the United States law. Likewise, works by United States authors, or those first published in the United States, will receive protection in these 11 countries merely by the fact that they were published in the United States." [10]

X. CONCLUSION

The foregoing résumé discloses a variety of methods employed in the attempt at copyright revision. Briefly, they may be characterized as follows:

1. The first attempt, that of the Dallinger bill, might roughly be termed the "employment of counsel method" in that after many conferences by an industry group, one of the interested parties retained counsel to draft a bill which was then introduced by a sponsor, Representative Dallinger.

2. The second method might be termed the "expert method" in that the Register of Copyrights, Mr. Salberg, as a one-man expert, drafted a bill, then introduced by Representative Perkins.

3. The next effort might be termed the "agreement within industry method" in that one of the groups within the industry attempted by conferences with interested parties to draft an acceptable bill (the Vestal bill).

4. This was succeeded by what might be termed the "legislative investigation method" in that the congressional committee, without considering a specific bill, held hearings to determine for itself the views of all the interested parties, and on the basis of these hearings drafted a bill (the Sirovich bill).

5. The next effort might be termed the "interdepartmental committee method" in that an interdepartmental committee attempted to draft a bill (the first Duffy bill) with limited objectives. Opposition, however, forced an extension of the objectives to greater areas of revision resulting in the second Duffy bill.

6. The final effort might be termed the "private party method" in that the National Committee of the United States of America on International Intellectual Cooperation through its subcommittee, the Shotwell committee, drafted a bill (the Thomas bill) which attempted to reconcile the various conflicting interests.

It should be borne in mind that while our entry into the Universal Copyright Convention did not involve a comprehensive or even a major revision of the American copyright laws it did constitute an important achievement in copyright procedure. This was done by treaty and implementing legislation. The details for the United States were worked out by the Librarian of Congress, the Register of Copyrights, and the State Department in a series of conferences involving all major interests.

Instead of utilizing any of the techniques or methods utilized the Thompson bill (H. R. 2677) proposes a Federal Commission—comprising, as already indicated, both Presidential and congressional appointees—to "examine, study, and make recommendations for the revision of all laws pertaining to both domestic and foreign copyright."

[8] CONGRESSIONAL RECORD, vol. 86, pp. 68–78.
[9] H. Rept. 2608, 83d Cong., pp. 1–2.
[10] Library of Congress, Information Bulletin, vol. 14, No. 25, June 20, 1955, p. 7.

Politics Hurt Duck Shooting

EXTENSION OF REMARKS
OF

HON. LEE METCALF

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1955

Mr. METCALF. Mr. Speaker, I am gratified that the fine production of ducks in the Canadian prairie provinces permitted the Fish and Wildlife Service to allow Montana duck hunters an additional 15 shooting days this season.

With the increase, Montana will have a 75-day season on ducks, with bag and possession limits of 5 and 10, the same as last year.

Early this year, the duck hunters of western Montana asked for a migratory waterfowl season that would give them some shooting and, at the same time, be fair to eastern Montana hunters.

More than 4,000 signed petitions asking that that part of Montana west of the Continental Divide be taken from the central flyway and placed in the Pacific flyway. The request was based on the fact that mountainous wooded western Montana is much more like the area in the Pacific flyway than it resembles the plains of the central flyway and that the 80-day season of the Pacific flyway should apply to western Montana instead of the 60-day season of the central flyway.

These sportsmen of Montana are dedicated to the sound principles of conserving our waterfowl resource. They felt that a change would give hunters a reasonable opportunity to harvest this resource.

The senior Senator from Montana, Senator MURRAY, the junior Senator from Montana, Senator MANSFIELD, and I worked closely with the Montana Fish and Game Department and the Fish and Wildlife Service on this problem.

We met with Mr. John L. Farley, Director of the Fish and Wildlife Service.

Out of these meetings came a recommendation for an 80-day season for Montana, depending of course on the production of ducks, with a decrease in bag and possession limits if necessary. With the help of the ducks, we got a 75-day season, an increase of 15 days, with no decrease in bag and possession limits.

The June issue of Sports Afield magazine carried a discussion of proposals to liberalize waterfowl regulations. Michael Hudoba, the magazine's Washington editor, said that if there is to be liberalization of waterfowling rules, it should be in longer seasons—because that is where the average hunter gets a better break.

Since Mr. Hudoba wrote his article, the information has come in on this year's waterfowl population. And it is good. The breeding grounds of the

prairie Provinces—Alberta, Saskatchewan, and northern Manitoba—produced a crop of ducks large enough so that the seasons could be lengthened. The article follows:

POLITICS HURTS DUCK SHOOTING

Will waterfowl regulations this fall be set to the whim of political expediency?

This is a question that your reporter can treat only from straws in the wind, with the hope that—for the sake of waterfowling's future—later developments may prove him wrong.

This issue was thrown wide open back when the Eisenhower administration lifted the directorship of the United States Fish and Wildlife Service out of career civil service status and made it a political appointment. As this report predicted, that move made the United States Fish and Wildlife Service of the Interior Department vulnerable to political pressures and recriminations, which always had been present, but not have substance of political meaning.

As a result, most potent pressures about waterfowl regulations are piling up on the higher echelon of the politically conscious Interior Department. Even though no information is yet practical on the status of this year's waterfowl populations or breeding-ground results, there are demands for baiting of waterfowl and for relaxation and zoning—types of measures that would add to expanded waterfowl kill.

Also facing a crisis is the enforcement of waterfowl regulations. The outcome will determine the future effectiveness of waterfowl rules. This is another political issue.

Senator JOHN BRICKER, Republican, of Ohio, had John Farley, Director of the Fish and Wildlife Service, in his office to discuss the waterfowl program. While no details of the talks are available, the effective activities of a Federal game agent in enforcing waterfowl regulations in northern Ohio, as reported in the Toledo Blade, did come under heavy fire.

Director Farley finds himself on the spot by the potency of a Senator and Assistant Secretary Orme Lewis, the top-level Interior Department Administrator of the Fish and Wildlife Service. Mr. Lewis, as well as Mr. Farley, has to answer to politics. If the enforcement activities of Federal game agent Fred L. Jacobson are affected, the resulting blow to the morale of the Fish and Wildlife Service enforcement staff would be disastrous.

And what of ducks, geese, doves, and migratory birds in such a mire of political currents? That's up to the sportsmen of our country. Either we can let the matter drift to an inevitable debacle, or we can demand that the best interests of a continuing migratory-bird population be served first.

It had been a long-standing policy of the Fish and Wildlife Service to resist zoning of a State for waterfowl shooting. Yet, the concern of early and late season waterfowlers is a pressing issue, accentuated by shortened seasons because of waterfowl declines.

The frustrations of the annual weather guessing game to get a good season for both early and late waterfowlers has developed a climate of impatience to zone. Until waterfowl populations are up enough to warrant extending the season to its previous long terms, the tug of war and weather guessing will continue.

But the Department of the Interior and its Fish and Wildlife Service have given in to zoning in one State (Long Island, N. Y.). As a result, at least eight States are strongly demanding a zoned waterfowl season.

The toughest issue, as far as political pressure is concerned, is baiting. While most of the States indicated they did not want waterfowl baiting, there are powerful demands piling in from at least three States for legalized baiting. This is the kind of pressure that politically vulnerable agencies find hard to resist.

Both zoning and baiting raise the basic question of what about waterfowl populations since these birds haven't shown any marked improvement. Yet both demands can only lead to increased kills of ducks and geese. And once zoning and baiting were set up as policies, they would be hard to get off the books in case of a sharp decline in migratory bird numbers. If that should happen, the average waterfowler, without club facilities, is certain to be squeezed out of his traditional sport.

If there's to be a liberalization of waterfowling rules, let it be in longer seasons. There is where the average waterfowler can expect his better break. But the average waterfowler is faced with the need to speak up strongly now, or subtle currents are likely to take his sport out of range.

Appraisal of the 1st Session of the 84th Congress

EXTENSION OF REMARKS

OF

HON. HAROLD H. VELDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1955

Mr. VELDE. Mr. Speaker, the 1st session of the 84th Congress is drawing to a close, and the time has come for an appraisal of the work done. There was much conjecture at the beginning of the session as to just how President Eisenhower and our Republican administration would fare with a Democrat-controlled Congress.

I suspect that when every Member has had his say there will be just about as many varied opinions registered as there are Members of this distinguished body, all colored by individual tastes, political affiliation, and peculiar interests.

As I see it, this 1st session of the 84th Democrat-controlled Congress left more undone than it accomplished except in the field of foreign affairs and national defense.

The following major legislative proposals of President Eisenhower were not enacted by the Democrat Congress:

First. Expanded highway program.

Second. Federal aid to school construction.

Third. Federal grants to needy school districts.

Fourth. Atomic peace ship. Authorized but not enacted.

Fifth. Customs simplification bill. Passed House, pending in Senate.

Sixth. Hawaiian statehood.

Seventh. Legislation strengthening internal security of United States.

Eighth. Amendments to Taft-Hartley law.

Ninth. Work-hours legislation.

Tenth. Aid to low-income farmers.

Eleventh. Strengthened Federal program of drought aid.

Twelfth. Constitutional amendment lowering voting age from 21 to 18.

Thirteenth. Comprehensive program of water resources.

Fourteenth. Immigration and refugee law amendments.

Fifteenth. Federal health reinsurance program.

The record of actual accomplishment except in the field of foreign affairs and national defense is disappointing particularly in domestic affairs. The box score of major legislation enacted is as follows:

First. Authorized President Eisenhower to use the Armed Forces in defense of Formosa and the Pescadores.

Second. Extended to July 1, 1959, authority to draft men 18½ to 26.

Third. Extended to July 1, 1957 authority to draft doctors, dentists, and allied specialists.

Fourth. Extended provisions of the Dependents Assistance Act.

Fifth. Established a national program for Military Reserves.

Sixth. Provided rewards for information on illegal importation, manufacture or acquisition of nuclear material or atomic weapons.

Seventh. Extended to June 30, 1958, President's authority to make reciprocal trade agreements, reduce tariffs 5 percent a year for 3 years.

Eighth. Authorized and appropriated $2.7 billion for program of economic and military aid to foreign countries under the Mutual Security Act.

Ninth. Increased pay for Federal classified workers, postal employees, Federal judges, district attorneys, and Members of Congress.

Tenth. Extended to April 1, 1956, existing excise tax schedule, and the 52 percent corporate income tax.

Eleventh. Increased minimum wage from 75 cents to $1 an hour effective March 1, 1956.

Twelfth. Authorized 3-year program to complete the Inter-American Highway.

Thirteenth. Approved sale of 25 synthetic rubber plants owned by the Government.

Fourteenth. Extended Reorganization Act of 1949 to June 1, 1957.

Fifteenth. Extended for 2 years the period for making emergency loans to farmers and stockmen.

Sixteenth. Repealed the penalty that withholds soil conservation payments from farmers who exceed planting allotments.

Seventeenth. Granted $63 million in Federal aid to airports.

Eighteenth. Authorized free polio shots for 33⅓ percent of unvaccinated children between the ages of 1 and 19, and for expectant mothers, the program to end February 15, 1956.

I realize that it is not fair to compare the record of a single session with that of an entire Congress but on the basis of what little was done during this 1st session of the 84th Congress all the stops will have to be pulled out during the next session if the 84th Congress is to come anywhere near matching the enviable record of the Republican controlled 83d Congress.

As a parting word I would just like to say that I am sure many of our friends on the Democratic side of the aisle will find while home in their constituencies

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that the President's program is favored by the majority of the people the country over, and they ought to firmly resolve to join with our side in getting the entire program enacted into law next session.

Legislative Powers of Congress Usurped by United States Court of Appeals

EXTENSION OF REMARKS
OF
HON. CECIL R. KING
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1955

Mr. KING of California. Mr. Speaker, "eternal vigilance is the price of liberty," is an age-old maxim being proven again and again in our expanding national economy.

The inquiries made by investigating committees of Congress have uncovered rank abuse and misapplication of well-meaning laws. Laws enacted by Congress to enhance the general welfare and promote the national economy.

Usually these abuses arise by a creeping expansion of Government agencies' power, and are often not immediately apparent.

Such has been the case of the Home Loan Bank Administration. Commencing in 1937, rules and regulations were changed slightly here and there, which eventually provided a means of confiscating the peoples' savings. A plan of confiscation which has prohibited the aggrieved citizens—the savings depositors—from having prior notice, or court trial, for the seizure and confiscation of their property.

By the creeping agency changes in regulations, expanding its own power, the agency assumed a purpose foreign to, and destructive of, the congressional intent. Congress, in its enactments of 1932–34, specifically stated the primary purpose of such laws were to promote the general welfare and provide a safe place for the citizens to place their savings.

It is obvious from the language and legislative history, Congress never intended to provide an entity, through which the citizens' savings could be seized and confiscated. There is nothing in the act that indicates the citizen's right to redress to the United States courts, should ever be cut off. Nevertheless, the agency expanded its power by its self-made regulations, and by such self-enacted regulations, cut off court redress.

Such agency managed to concentrate the whole diabolical scheme into one man's hands. When the 5-man bipartisan Board, created by Congress, was abolished, the resulting 1-man Commissioner, claimed he was responsible to no one.

Armed with their own self-expanded regulations, the agency, in 1946, seized a solvent and prosperous $26 million savings association. Congress, through its special committee, headed by the Honorable HOWARD SMITH, unanimously condemned such action. The congressionally created agency blatantly defied Congress and claimed the United States courts were without power or authority to intervene.

To this day the seized $26 million of cash, United States Government bearer bonds, and other negotiable assets, have not been fully accounted for.

Every citizen may justly ask, How can such infringement of human rights happen here? The answer is simple. The United States appellate court—circuit court—has failed, on numerous occasions to perform their functions. Such failure has perpetuated the agency frauds.

Specifically, in 1952, the United States Circuit Court of Appeals for the Ninth Circuit, upheld the self-enacted agency regulations, which denied the jurisdiction of the United States courts to intervene or grant relief to the thousands of stricken homeowners, and the multithousands of savings investors, who were victims of the agency confiscation.

Congress, when it became fully convinced the courts had, in their ruling, disregarded the purpose and intent of the congressional enactment, attempted to correct the evil by adopting the Housing Act of 1954. Such act granted remedial and procedural rights to all aggrieved citizens. Such new enactment specifically granted jurisdiction to the United States district courts throughout the United States, to hear the claims of aggrieved citizens, and to enforce the laws of the United States.

The Government agency asked, but Congress refused, to limit this sweeping grant of remedial and procedural rights to new causes of action, and struck from the proposed bills all restrictive language. Thus, under the new law, old depositors as well as new, are given like protection under the law.

Congress, in its endeavor to protect its citizens against the misapplication of agency power, subordinated all conflicting laws in clear and specific language, as follows:

> Insofar as the provisions of any other law are inconsistent with the provisions of this act, the provisions of this act shall be controlling.

This 1954 congressional enactment clearly subordinated prior United States circuit court rulings inconsistent therewith, and specifically granted to the aggrieved savings depositors and homeowners a right to a trial on the merits in the United States district courts, on their claims of fraud and confiscation against these Government agencies.

Nevertheless, the United States circuit appellate court, in defiance of the clear language of the congressional enactment and its legislative history, held, in July 1955, that such congressional enactment was inapplicable to the defrauded Long Beach citizens, and purely prospective. Thus, the circuit court denied our aggrieved citizens the protection of the laws enacted by Congress, and made applicable the language rejected by Congress. Thereby the circuit court has perpetuated the frauds and injustices perpetrated upon our citizens by a Government agency. The injustices and frauds of these Government agencies in the Long Beach seizure precipitated the remedial and procedural enactments by Congress in specifically granting jurisdiction to the United States district courts.

Congress did not create such appellate courts to supplant the wisdom of Congress in the enactment of laws. Congress, in creating the United States circuit appellate courts, did so with the intention, among other things, of upholding the constitutional guaranties to our citizens against fraudulent and capricious actions of agencies and bureaus.

Such courts, however, have not always proven capable. Congress recognized the fallibility of these appellate courts when it restricted such courts' power to hold unconstitutional congressional enactments by injunction.

Here, the United States circuit appellate court specifically denied our citizens the procedural and remedial benefits of laws enacted by Congress, and by injunction cut off the citizen's right to court protection and trial under the law. The citizen's constitutional guaranties against confiscation and seizure of their savings and property, are nullified. Self-expanded and self-created agency regulations are substituted for right and justice, and are sustained by the United States appellate court injunction.

The failure of the United States circuit appellate court to uphold the citizen's constitutional guaranty is plain. A full investigation of the congressionally created United States appellate courts is here indicated as a necessity. Perhaps a reorganization of such appellate judicial system may be a necessity in the light of its defiance of acts of Congress.

The example here emphasized is only one instance of the ever-mounting disregard of justice and equity by such courts.

Major Actions of 1st Session of 84th Congress in International Affairs

EXTENSION OF REMARKS
OF
HON. BARRATT O'HARA
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1955

Mr. O'HARA of Illinois. Mr. Speaker, I am extending my remarks to include my report to my constituents in the Second District of Illinois on the actions of the 1st session of the 84th Congress in the field of our relations with other nations.

The report follows:

BARRATT O'HARA'S REPORT FROM CONGRESS

DEAR FRIEND: As a world power, our relation with other nations is of importance. I will try to give you the complete picture of what the Congress did in this field in the year 1955.

Major legislative actions of the 84th Congress in the field of international affairs were eight public laws (66, 86, 91, 129, 138, 196, 285, and 350), 2 House concurrent resolutions, 2 Senate resolutions, and 7 treaties ratified by the Senate.

Public Law 66, continued to July 1, 1956, suspension of duties and import taxes on metal scrap. The others I will cover in order.

PUBLIC LAW 86

H. R. 1, reciprocal trade agreements

Public Law 86 extends the Reciprocal Trade Agreements Act from June 12, 1955, the date of its expiration, to June 30, 1958. It probably is the most important enactment of the 1st session of the 84th Congress. Failure to extend the trade agreements would have been a serious blow to our economy and, I am afraid, to our national security. Chicago, in the center of a large industry area, would have felt the full force of the blow.

Nevertheless, Public Law 86 was enacted only after the bitterest of fights. The debate in the House was colorful and dramatic. Members sat motionless in their seats in rapt attention. On an early vote on a parliamentary move we actually were defeated by 29 votes, 178 to 207.

The reversal came only after Speaker RAYBURN had taken the well (where Members stand when addressing the House) on one of the few such occasions and threw everything that he had in eloquence and prestige into the scales. The result was we won the next rollcall by 2 votes, 193 to 191. At another critical stage, when defeat seemed imminent, former Speaker MARTIN took over for the minority leadership. This time we squeezed through by 1 vote, 193 to 192. There were 49 absentees—illustrating the importance of attendance. So with the full force of (1) the administration, (2) the majority leadership, and (3) the minority leadership, the victory was won only by an eyelash.

On the motion to recommit, the vote was 199 yea, 206 nay, and on the final passage 295 to 110.

Reason for strength of opposition was that old-school protectionists had teamed up with Members from the coal and other areas where unemployment was attributed to the importation of fusel oil, glassware, and some other articles.

The intensity of the Members from hard-hit West Virginia and the mining districts of Pennsylvania heightened the emotional atmosphere in which the battle was waged. They felt that they were fighting for home and fireside. (Major cause for decline in use of coal actually was dieselization of railroads. Another: We cut our importation of blue cheese from Denmark, and Denmark canceled her orders for United States coal and transferred them to Poland. World trade is not a one-way street.)

The bill passed by the House was the bill recommended by President Eisenhower on the Cordell Hull pattern. Senate amendments watered it down. This watering down was made primarily by changes in the "escape clause," the "peril point," and "national security" provisions. The escape clause previously applied to an industry adversely affected by foreign imports. It now applies to specific commodities produced within the industry.

Reciprocal trade agreements were inaugurated in 1934. The United States now has agreements with 42 nations carrying on 80 percent of world trade, totaling over $40 billion a year. The United States exports 20 percent of the goods in world trade, imports 15 percent. That means that while we furnish a rich and necessary market for friendly foreign countries, they actually buy 5 percent more from us than we sell to them. Furthermore, but for the reciprocal agreements these foreign nations would not have the dollar buying power to do business with us.

It is estimated by the Department of Labor that 4½ million jobs in the United States are dependent on the foreign market, both export and import. In 1951 agricultural exports reached $4 billion, representing the production of from 50 to 60 million acres of cultivated American farms. Since then the falling off of farm exports has resulted in lower farm prices, increased surpluses, acreage restrictions. Similar repercussions would attend the decline of our industrial exports.

But even more important: the surest path to security and peace is trade on a fair and equitable basis. During the past year Russia has negotiated many new reciprocal trade agreements with her satellites, some with neighboring European countries. We have entered into no new agreements. Meanwhile Red China flirts with Japan, knowing that Japan to eat must have imports and to exist industrially must have a market for her manufactured wares. I think you will approve my casting of your vote for Public Law 86.

PUBLIC LAW 91

H. R. 5695, import tax on copper

This continues to June 30, 1958, the suspension of the copper import tax. While the United States is the world's largest copper producer, it consumes (thanks in part to the auto industry) more than it produces. Countries that benefit from a duty-free market for their copper are Chile, Canada, Mexico, Peru, and Africa.

PUBLIC LAW 129

H. R. 5923, Inter-American Highway

This I rate among the constructive accomplishments of the first session of the 84th Congress. It authorizes the immediate appropriation of money sufficient to complete the construction of the Inter-American Highway (from the Mexican border clear through to the Panama Canal) within 3 years.

Total cost will be $112,470,000. The United States assumes $74,980,000 as its share. Combined share of cooperating countries is $37,490,000 on a 2-to-1 matching basis. A wise investment, I think, having in mind (1) hemispheric security and solidarity, (2) development of neglected and heretofore isolated areas, and (3) the closer knitting together of the peoples of Pan America in understanding neighborliness. It is to our own mutual interest that we should live with our neighbors south to the canal on the basis of real personal friendship.

Hence I regard the decision to hurry the Inter-American Highway to completion as a heartening advance in good international relationships. Moreover, to complete the project in 3 years will require an enlarged fleet of road building equipment with skilled operators and personnel from the United States, meaning jobs for workers here in our factories and on the site of the project.

I was interested in learning from the debate of the progress already made. In answer to a question Congressman CLARE HOFFMAN was assured that today he could drive from his district in Michigan to the northern part of Guatemala without leaving a good hard road. (Later I heard that the road approaching Guatemala is not too good, almost impassable during the rainy season from May through October.) It seems that Mexico completed her own road to the Guatemalan border entirely at her own expense, and that Guatemala extended a portion of the highway from her border at her own expense.

In all, Mexico has built 1,600 miles of highway. That left 1,590 miles to complete the highway to the Panama Canal. On this the United States has been working in cooperation with Central American republics since 1934, has spent $57.7 million to date. There remains to be completed 25 miles in Guatemala, 134 miles in Costa Rica, and 14 miles in Panama, which are now impassable.

Three years more and you can pack the family in your automobile and go sightseeing all the way to the Canal. Look for mobile home settlements multiplying in tropical scenic locations in Central America. With the present blockstops removed, the highway will open up a new era for the Central Americans and our relations with them. It will stimulate development of new agricultural areas and of natural resources. New possibilities will be opened to United States capital and the promotion of trade.

Here are some interesting figures cited in the debate: In the year we started on the highway program our exports to Central America totaled $116 million. In 1954 our exports to those countries totaled $950 million. Imports grew in value from $78 million to $560 million. In 1954 American tourists in the Caribbean area spent over $1 billion.

Public Law 129 passed the House by a vote of 353 to 13. I think I used your vote wisely and as you would have approved in supporting the measure and opposing all delaying and weakening amendments.

PUBLIC LAW 138

S. 2090, Mutual Security Act

Public Law 138 is the basic legislation (the authorization, not the actual appropriation) for (1) military assistance and (2) technical aid to other countries in the fiscal year 1956. It also authorizes contributions (among others) to United Nations Technical Assistance Program ($24 million), Organization of American States ($1.5 million), United Nations Refugee Fund ($1.4 million), for CARE and surplus foods transportation ($15 million), for resettlement of refugees ($6 million), to U. N. Agency for Palestine Refugees ($65 million), to U. N. Children's Fund ($14.5 million).

Authorizations total $3,252,868,000. This is $486,993,000 more than similar authorizations for the fiscal year 1955, an increase of about $0.5 billion.

Briefly, this is the world picture as reflected in Public Law 138 and as presented in the debate:

Europe

Grants and technical assistance practically at an end. Present drive is to make friendly nations militarily strong. Please note this language: "The Congress believes it essential that this act should be administered * * * to promote greater political federation, military integration, and economic unification in Europe." Something in the nature of a United States of Europe would seem to be the indicated objective.

Further reason for military assistance to friendly nations is given in the statement of congressional policy (sec. 549): "To defend themselves against aggression and contribute to the security of the free world" and "to assume an equal station among the free nations * * * and to fulfill their responsibilities for self-government."

Under Marshall plan, inaugurated in 1948 exclusively as economic-aid program, $17 billion was distributed in 4 years, the peak being reached in 1950. This put our European allies on their feet economically. The 1956 authorizations for defense and military assistance exceed $1 billion, only $98 million for grants and direct technical assistance.

Spain, Yugoslavia, and the city of Berlin are the beneficiaries of the latter. Spain, now furnishing large military bases to the United States, needs improvement of railroad lines and powerplants, also irrigation and reclamation to bolster her agricultural economy. Yugoslavia, flirting but in her way holding the line in Eastern Europe in alliance with Greece and Turkey, will get some $46 million for technical assistance and machinery imports. A gesture with a calculated risk—keeping Tito independent of Moscow by giving him some United States help.

Asia

Aim is to help in development of resources and raising of living standards, to offset Soviet technique of conquest by infiltration and subversion. In this area (771 million people, third of world population) money so ear-

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marked, no military assistance except for Korea and Formosa.

Illustration of tentative projects: development of Mekong River (of potential value to Cambodia, Laos, and Thailand), fisheries, minerals, transportation.

Providing for nonmilitary assistance to Asia is $1.4 billion. Loans rather than grants, wherever possible, is emphasized. Chairman Richards pinpointed the reasoning: "The people of India have blamed their lot on the British. Now the British are gone they are finding the problem of raising their standard of living both difficult and complex. If they cannot show results their ears will be turned to Moscow."

Near East, Africa, Latin America

Drive in these areas is on the development front. For assistance in building dams, powerplants, and other works to accelerate the fight on poverty and meager living conditions $73 million is earmarked for the Near East and Africa, $38 million for Latin America. In addition they will share in the technical cooperation and crop improvement program, $127.5 million direct United States aid, $153 million through U. N. This I think is a sound program. A world without poverty is a world without the tensions that breed wars, also a world of buying markets for our wares.

Red China

Section 12 of Public Law 138 declares it the continuing sense of Congress that Red China should not be admitted to the United Nations.

PUBLIC LAW 196

H. R. 6059, Philippine trade agreement

Until 1946 the United States had no experience in granting independence to a part of its territory. Trade with the Philippines had been on an inter-American basis. When we granted independence trade had to be transferred to the basis of one sovereign nation dealing with another sovereign nation. But economic relationships do not change spontaneously with those of a political nature. There must be a period for readjustments. So in 1946 we entered into a reciprocal free-trade agreement with the Philippine Republic. It provided (among other items) for gradual imposition of customs duties, beginning with 5 percent a year and reaching 100 percent by 1974.

In 1953 the new Republic, making real progress but having its own problems in rebuilding from the war, requested a revision of this agreement. Representatives of both countries met in Washington in the fall of 1954 and worked out the revisions covered in Public Law 196.

What Public Law 196 does is to give the Philippines a needed assist in building up her economy.

Importance of this legislation is, it (1) strengthens our friendship with the Philippines; (2) butresses a cathedral of democracy in the Far East; and (3) highlights the policy of our Government to help other peoples attain political independence and economic stability. The story of our treatment of the Philippines and our continuing friendship is the best answer to evil propaganda.

PUBLIC LAW 285

H. R. 6382, international claims settlement

American citizens have claims against Russia (dating back to the czars), Bulgaria, Hungary, Rumania, and Italy that total possibly more than $1 billion. They are based upon war damage, nationalizations, and prewar governmental debt (bonds). On hand to pay these off is $41 million; $9 million received from Russia in 1933; $5 million from Italy in 1947; and $27 million realized from the blocked assets of Bulgaria, Hungary, and Rumania.

Public Law 285 authorizes the Foreign Claims Settlement Commission to proceed with the distribution. Purpose of the legislation, recommended by the President, is to get the money (little in proportion as it is) to the claimants without further delay. There is only a slim chance, if any, of anything further being realized. A matter of clearing up the bankrupt estate of war and fallen dynasties.

PUBLIC LAW 350

S. 1894, International Finance Corporation

Presently there are two banks supplying capital for the development of backward areas under the point 4 programs: (1) The International Bank, to which the United States makes the largest contribution of any of the participating nations, and (2) our own Export-Import Bank. The latter has made an enviable record, with tremendous results achieved and at a substantial profit to the Federal Government.

Public Law 350 authorizes United States participation (with 42 other nations) in a third bank, the International Finance Corporation, to make risk loans not acceptable to the existing 2 banks. Capital of IFC, $100 million; our contribution, $35.1 million.

IFC concept was endorsed in 1954 by U. N. by a 50 to 0 vote, met with favor at recent Pan-American Conference in Brazil. Venture (risk) capital badly needed in countries south of us. Possible forerunner of consumer credit in Latin America, now under serious consideration to bolster buying power of those countries.

This measure was cleared through the Banking and Currency Committee, of which your representative is a member. In committee and on the floor of the House I gave it my full support, but only with the assurance that IFC would not compete (and ultimately undermine) the Export-Import Bank.

In committee I asked Secretary of Treasury Humphrey if it was the intention of IFC to raise additional capital by the marketing of its debentures. He replied he hoped IFC could be as successful in that regard as the International Bank.

In my remarks on the floor of the House (CONGRESSIONAL RECORD, August 1, 1955, p. 12661) I stressed the advisability of caution against excessive offerings of bond issues since, in the case of the International Bank, about 85 percent of its debentures had been marketed in the United States. IFC is to make risk loans. Until we see how it works out, with the contribution our Government is making, I hope the risk will not be passed on to individual American investors. It is so easy for persons with modest savings and no financial advisers to get hurt.

RESOLUTIONS

Senate Resolution 93, disarmament

Creates a bipartisan committee of 10 Senators to make study of proposals for disarmament and control of weapons of mass destruction.

Senate Resolution 127, captive nations

Proclaims the hope of the Senate that peoples in "captivity of alien despotisms shall again enjoy the right of self-determination * * * and that the sovereign rights of self-government shall be restored to them all in accordance with the pledge of the Atlantic Charter."

House Concurrent Resolution 149, communism and colonialism

Declares that 'Communist imperialism and other forms of colonialism constitute a denial of the inalienable rights of man." Expresses the sense of Congress that foreign policy and influence of United States "support other peoples in their efforts to achieve self-government or independence under circumstances which will enable them to assume an equal station among the free nations of the world."

House Concurrent Resolution 157, reaffirms hope for peace

This is the resolution adopted unanimously by House and Senate on the occasion of the meeting at San Francisco commemorating the 10th anniversary of the United Nations. It "reaffirms the deep desire of the people of the United States for an honorable and lasting peace, and expresses the hope that the people of all the nations of the world join with the people of the United States in a renewed effort for peace." The President is requested by the Congress to convey an expression of such reaffirmation and such hope to the assembled nations.

TREATIES

Article II, section 2, paragraph 2 of the Constitution states that the President "shall have power, by and with the advice and consent of the Senate, to make treaties, provided two-thirds of the Senators present concur."

During the first session of the 84th Congress by the required two-third votes the Senate ratified the following treaties:

1. Treaty for collective mutual defense of southeast Asia signed by United States, Australia, New Zealand, Philippines, Thailand, Pakistan, Great Britain, and France. Ratified February 1, 1955, by vote of 82 to 1.

2. Treaty for mutual defense signed by United States and Republic of China. Ratified February 9, 1955, by vote of 64 to 6.

3. Treaty signed by United States, England, France, and West Germany terminating occupation of West Germany and recognizing sovereignty of Federal Republic. Ratified April 1, 1955, by vote of 76 to 2.

4. Protocol to North Atlantic Treaty signed by 14 nation members of NATO admitting West Germany. Ratified April 1, 1955, by vote of 76 to 2.

5. Protocol of International Telecommunication Convention at Buenos Aires signed by United States and 82 other countries cooperating in regulation of radio frequencies. Ratified April 1, 1955, by vote of 63 to 3.

6. Treaty for the reestablishment of an independent and democratic Austria signed by the United States, Great Britain, France, U. S. S. R., and Austria. Ratified June 17, 1955, by a vote of 63 to 3.

7. Conventions governing treatment of prisoners of war and protection of civilians in time of war, signed at Geneva, August 12, 1949. Ratified July 6, 1955, by vote of 77 to 0.

As your representative, I have had no part in treatymaking. I have added them merely to complete the picture of international affairs.

NOTE.—There is much talk in Washington of the growing national stature of Senator WALTER F. GEORGE and Congressman JAMES P. RICHARDS, chairmen, respectively, of the Senate and House Committees on Foreign Affairs. RICHARDS' handling of bills on the floor of the House was masterful, attracted favorable comment of Members and observers. Congressman THOMAS GORDON, Chicago, is No. 2 man on the committee, next to RICHARDS. He is quiet, effective, a very valuable aid to the chairman.

Cordially and sincerely,

BARRATT O'HARA,
Member of Congress.

Report to the Constituents of the 12th Congressional District of New York

EXTENSION OF REMARKS

OF

HON. FRANCIS E. DORN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1955

Mr. DORN of New York. Mr. Speaker, I have endeavored to remain in close contact with the people of the 12th Congressional District of New York, whom I

have the honor to serve. I have attempted to let all of its residents know that the office here in Washington and the Brooklyn office in the Federal Building have been open to them at all times. It has been my aim to assist them in their problems with the Federal Government. At the same time I have attended, congressional duties permitting, meetings, functions and gatherings in order that I may know more intimately the people I represent in Washington. My aim is to cement a close relationship between the Congressman and his constituents.

On Saturdays I have been in my Brooklyn office to receive all who wished to discuss their problems with me personally. During the week, it was my pleasure to receive in Washington, the Brooklyn visitors who called on me.

I have made every effort to have some contact with as many of my constituents as possible. To this end, and shortly after President Eisenhower delivered his state of the Union message, I mailed a questionnaire to the voters of the district requesting that they express their opinions concerning the legislative program outlined by the President.

I deeply appreciate the assistance I received from the thousands of voters who replied. And in that connection, I should like to call attention to the wisdom of the great Irish statesman, Edmund Burke, who in stating what a Representative should be and what a constituent should expect of his Representative, once wrote:

> A Representative should live in the strictest union, the closest correspondence, and the most unreserved communication with his constituents. Their wishes ought to have great weight with him; their opinions high respect; their business unremitting attention * * * but a Representative's unbiased opinion, his mature judgment, his enlightened conscience, he ought not to sacrifice to any man, or to any men living. * * * Your Representative owes you not his industry only, but also his judgment.

Now that the first session of the 84th Congress has wound up its work, I consider it both fitting and proper that the people of my district should know how I have served them. I have therefore drawn up this report which I now submit to the House. It is my intention to have it circulated as widely as possible throughout the 12th Congressional District of New York so that the people may know of the activities of their Representative.

In the short span of 7 months, the length of the congressional session this year, my office has sent out a total of 163,000 pieces of mail. Of this, 150,000 were the questionnaire. The remaining 13,000 letters were in direct reply to mail received from the district, and my communications with the executive agencies. This total, when broken down further shows that an average of 86 letters per workday go out to and in behalf of the people I am privileged to serve.

During this session I have personally introduced numerous pieces of legislation. A vital measure which I am firmly convinced should be enacted is one to revise the Status of Forces Agreement and certain other treaties and international agreements, so that foreign governments will not have criminal jurisdiction over American Armed Forces personnel stationed within their boundaries.

Another very important piece of legislation which I have sponsored is an amendment to the Social Security Act to reduce from 65 to 60 the age at which wives and widows may qualify for benefits under the law.

Still another important bill I have introduced is an amendment to the Civil Service Retirement Act of 1930, to increase the annuities of retired Federal employees. This did pass the Congress and was signed by the President. The House bill did not carry my name, but rather a committee bill was acted upon; however, the provisions were identical.

Another bill I introduced is designed to prevent the pollution of waters in nearby regions. The passage of this legislation would make it unlawful to dump in the ocean chemicals and other materials harmful to fishing.

As a result of a bill introduced by me, President Eisenhower was authorized and gave to Irving Berlin in January 1955, a gold medal in recognition of his services in composing many patriotic songs, including God Bless America, which became popular during World War II. This was following a precedent created by a similar act in 1936, authorizing the presentation of a medal to George M. Cohan.

Among other legislation introduced by me and now pending before their respective committees are: An act calling for the erecting of a monument in honor of Capt. Samuel Chester Reid—through extensive research I have found that this famous naval hero is the actual designer of the American flag as it is today—he is buried in an unmarked grave in our own Green-Wood Cemetery in Brooklyn; an amendment to the Communications Act of 1934, which would increase the penalty for transmitting false distress signals by radio—I am sure everyone recognizes the necessity for the tightening of the present law, because of the recent hoax.

An accomplishment of which I am very proud is one involving the religious designation placed by the armed services on members' "dog tags." Formerly, any religion other than "C," Catholic; "J," Jewish; and "P," Protestant, was designated by a mere "X." Members of the Eastern Orthodox faith felt that this made them second-class personnel in the Armed Forces, and asked my assistance in getting the Department of Defense to permit the addition of "E. O.", Eastern Orthodox, as authorized initials for the tags. Though I introduced a bill to provide for this, it was not necessary to be acted upon, for I was able to persuade the Secretary of the Army that this was a reasonable request. The necessary regulations have now been issued providing that all religious denominations have a letter designation on the "dog tags" of the armed services personnel.

During this past session also, I was pleased that the culmination of my 3 years of work in behalf of the tenants of Vanderveer housing which resulted in the recent replacement of the old board of directors by members of the Federal Housing Administration. It is hoped that this will eventually improve the living conditions and lower the rents for the tenants of Vanderveer.

Although the 84th Congress was under the control of a Democrat majority, the Republicans have managed to get enacted much of the program requested by the President. The bulk of the administration's defense program was approved. So, too, was its housing program. We were able to defeat a Democrat-sponsored measure to restore the 90-percent-of-parity agriculture support bill. Its passage would have increased food prices to the consumers and in turn raised the cost of living.

The President's program for the distribution of the Salk vaccine to eligible children and expectant mothers was passed. Additional funds for the construction of schools were appropriated, for areas affected by Federal activities. Many measures for the benefit of veterans were enacted with bipartisan support. By this means also, we were able to obtain pay raises for Federal employees, postal employees, and an increase in the annuities of retired Federal employees.

It is pleasant at this point to note that the Republican administration has continued to wage the peace. This has been done by the initiation and persistence of a strong foreign policy based on firmness and strength.

On the domestic scene the Republican administration has helped to produce the greatest era of prosperity that the world has ever known. The transition from the war economy of the Korean conflict to a peacetime economy has taken place without sacrificing prosperity. Government wage, price, rent, and materials controls have come to an end. The cost of living has been stabilized.

In the preceding paragraphs I have tried to show you, the people of the 12th Congressional District of New York how I have personally tried to serve you. You are the people who elected me to represent you in the Congress of the United States. If there is any way in which I can be of service to you in my congressional capacity, please do not hesitate to call upon me. Both my Washington and Brooklyn offices remain open. I have a competent staff, and my services and theirs are yours. I want you to know that even when the Congress is not in session, I am on the job.

Responsible and Constructive Opposition

EXTENSION OF REMARKS
OF
HON. HENRY S. REUSS
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1955

Mr. REUSS. Mr. Speaker, the record of this Congress has given America good government, and the prediction of a "cold war of partisanship" between Congress and the White House has failed to materialize. There is still much important work remaining for the next session—aid for highways and school construction are two big musts for 1956—but the accomplishments so far are im-

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pressive. Below are listed my stand on key issues before this Congress:

Voted for extension of selective service and strengthening Reserves; stepped up production of jet bombers and fighter planes; special funds to prevent 22,000-man cut in Marine Corps; mutual-security program to strengthen free world defenses; resolution calling for United States aid to defense of Formosa; resolution opposing admission of Red China into U. N.; 3-year extension of reciprocal trade agreements program; Government Reorganization Act of 1955; salary revisions for Federal employees, judges, and officials; code of fair practices for congressional committees; improvements in Federal employees' retirement system; aids to absentee voting for GI's and Government workers; railroad retirement system improvements; plugging loopholes in 1954 tax law; increase in minimum wage from 75 cents to $1 per hour; increased penalties for violations of antimonopoly laws; continued renegotiation of Government contracts to eliminate excess profits; bill to provide United States currency with inscription "In God We Trust"; continued accumulation of GI school benefits by servicemen; incentive pay increases and allowances for the Armed Forces; extension of VA direct-loan program; greater control over commodity speculation and manipulation; assistance to States for Salk polio-vaccine program; increased authority for FHA home mortgages; surplus Government material for schools and civil defense; increased penalties for narcotic violations; prohibition on use of mails to transport obscene literature; aid to States for airport construction; and life of Small Business Administration extension.

Voted against exemption of natural gas producers from regulations and the Chicago "water steal" from Lake Michigan.

Unfinished business: The Senate has still to pass legislation, which I voted for in the House, to broaden social security and to provide income tax reductions for low- and middle-income families. The urgently needed highway bill, for which I voted, needs action at the next session. So does other legislation which I favor, but which never reached the floor, such as a liberalized immigration law, aid for school construction, statehood for Hawaii and Alaska, home rule for the District of Columbia, and a new veterans' hospital at Wood.

1957 World's Conservation Exposition and Plowing Contests To Be Held in Adams County, Ohio

EXTENSION OF REMARKS

OF

HON. JAMES G. POLK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1955

Mr. POLK. Mr. Speaker, as a result of the untiring efforts of a small group of farmers and business and professional men of Adams County, Ohio, the 1957 world's exposition and plowing contests will be held in Adams County, Ohio.

Mr. Earl K. DeVore, a prominent farmer and businessman of Winchester, Ohio, has been the leader in bringing this outstanding international event to Adams County, Ohio.

The officials of the 1957 World's Conservation Exposition and Plowing Contests, Inc., are Mr. Earl K. DeVore, Winchester, Ohio, general chairman; Mr. Robert C. Miller, farm program director, Radio–TV Station WLW, Cincinnati, Ohio, cochairman; Mr. Ellis Dorton, Peebles, Ohio, vice chairman; Mr. Carey W. Richey, Peebles, Ohio, secretary-treasurer; and Mr. Paul Wilson, Peebles, Ohio, assistant secretary-treasurer.

THE AIMS OF THE WORLD PLOWING ORGANIZATION

The purpose that inspires the World Plowing Organization is twofold and may be defined as the material and moral betterment of society as a whole. Unquestionably the fundamental problem that faces the world today is that of growing enough food for all, and anything and everything that tends to the betterment of agriculture adds to the betterment of mankind. The plow, now as always, is the basic instrument of food production and improved plowing methods mean more food. The World Plowing Organization believes that by stimulating world interest in the most ancient of all human crafts and by raising the standard and dignity of the plowman, the world contests organized by it will, by their influence, increase the fertility and yield of the soil of every continent.

Every entrant for the world championship contest has won his place as a result of a series of elimination contests in his own country—local, provincial, and national—in which hundreds of plowmen have taken part and every single one of these contests has aroused considerable local interest in the plowman's craft. When the competitors for the championship enter the field their progress is followed with interest by many thousands of enthusiasts from all over the world.

As regards the moral betterment for which the World Plowing Organization strives, this must necessarily be brought about by the friendly association in a common and basic endeavor of so many men and women from so many different countries. Better living and happiness for mankind are to be found in the discovery of the innumerable ties that unite us rather than in emphasizing the relatively few and, for the most part, artificial barriers that separate us. Men of good will of all nations cannot but find community of interest and understanding in the development and improvement of an art that is as old as history and as widespread as the human race itself.

The World Plowing Organization has a governing board which at the present time consists of John A. Carroll, honorary president, Canada; J. D. Thomas, president, chairman, Canada; J. J. Bergin, vice president, Ireland; G. T. Weir, treasurer, England; Vaino K. Neuvonen, Finland; Arie C. Stehouwer, Holland; Alf. Larsen, United States of America; Bengt Svensson, Sweden; Tore Wiig, Norway; Paul-Bildsoe Hansen, Denmark; Walter Feuerlein, Germany; Stanley G. Powell, Great Britain.

This organization has as its objectives:

First. To foster and preserve the art and improve the skill of plowing the land.

Second. To promote world championship contests.

Third. To provide facilities for demonstration work and trade displays.

Fourth. To urge the development and adoption of improved techniques and aids to man in all branches of agriculture.

Fifth. To foster a vigorous spirit of cooperation and enterprise in producing food for an increasing world population.

Sixth. By these means to encourage fellowship and understanding amongst the peoples of all nations.

Seventh. To support and cooperate with other bodies or associations in the furtherance of these objectives.

The first world event was held at Toronto, Canada, in 1953.

The schedule of other world events is as follows:

1954: Ireland.

1955: Sweden, University College Farm, Uppsala, October 8 and 9.

1956: England, Cambridge.

1957: United States, Peebles, Ohio, September 19 and 20.

1958: Germany.

The statement of Mr. J. D. Thomas, of Canada, president of the World Plowing Organization, follows:

This year over 1 million plowmen are getting ready to compete in organized plowing contests. Their ultimate goal is to be crowned the champion plowman of the world at the third annual world plowing matches to be held at Uppsala, Sweden, on October 8 and 9.

Mr. Thomas said that contestants will represent 13 countries which include Belgium, Canada, Denmark, Finland, France, Germany, Great Britain, Holland, Northern Ireland, Norway, Pakistan, Sweden, and the United States; also observers will be present from Australia, Austria, India, and South America.

He added:

In order that as many people as possible from the United States and Canada may attend this year's matches in Sweden, Thomas Cook & Son, travel agency, has been appointed to handle all travel arrangements. The first world champion was J. Eccles of Canada; last year in Ireland, Hugh Barr of Northern Ireland was proclaimed world champion.

The world match is scheduled to be held in England at Cambridge in 1956, and at Peebles, Ohio, in the United States in 1957.

INVITATION OF YOUR HOSTS IN 1957

The statement of invitation from the farmers providing the land for the event follows:

Inviting the world to our humble community to participate in and to view the 1957 World's Conservation Exposition and Plowing Contests, we, the citizens of Adams County, Ohio, offer you this statement of our belief.

We believe that the fathers and mothers of every nation in this world desire in their hearts world peace that their children might enjoy freedom from the hell of wars. Yet world peace is too great a price for them to pay if their children are to face starvation,

disease, and complete poverty. If war and conquering can offer any relief of these three destroyers of the desire to live, then parents are willing to use it and sacrifice peace in their day.

Wars are built upon starvation, disease, and poverty. The soil is the provider of the answer to these three wants. Ordinary citizens of America, people of the land, recognize the need for meeting the peoples of other lands on a common level, through the presentation of an event which fosters a frontal attack upon poverty, disease, and malnutrition. Here in America, Government is responsive to the will and the needs of the people. The governmental agencies of a Government springing directly from the people are tools designed and built for use by ordinary citizens. In preparing this gift of "get acquaintance" and of "know how" for the world, we will put to use as the tools they are these governmental servants. Extension specialists, soil conservationists, foresters, members of the United States State Department, and others are used just as a plow is used for the job for which it was designed—tilling the soil.

In America industry is of, by, and for the people; and thus it, too, knows that it must serve people to survive. Here in this great land the people have built industry by learning to till the soil properly. Agricultural advancements have destroyed hunger and the racking diseases of malnutrition, and they have released men's minds and bodies to build industries for the creation of higher standards of living.

Working the soils of the world will build the industries of the world. Working the soils of the world will build the peace fathers and mothers of every land so desperately want.

The fathers and mothers, grandfathers and grandmothers, of Adams County, Ohio, United States of America, offer this humble contribution of illustration (the 1957 World's Conservation Exposition and Plowing Contests) to the peoples of the world in our mutual struggle against poverty, disease, and malnutrition.

To assist in financing the 1957 World's Conservation Exposition and Plowing Contests, I have introduced a bill H. R. 7815 authorizing an appropriation of $300,000, as follows:

A bill to authorize the appropriation of funds to assist in financing the 1957 World's Conservation Exposition and Plowing Contests to be held in Adams County, Ohio, in September 1957, and for other purposes

Be it enacted, etc., That the sum of $300,000 is hereby authorized to be appropriated to the Secretary of Agriculture, to remain available until expended, for the purpose of aiding in the defraying of certain expenses of the World's Conservation Exposition and Plowing Contests of 1956, 1957, and 1958.

SEC. 2. The Secretary of Agriculture may utilize the funds appropriated pursuant to the authorization contained in this act to make grants to private nonprofit organizations to assist them in providing necessary facilities for the 1957 World's Conservation Exposition and Plowing Contests to be held in Adams County, Ohio, in 1957, including water lines for fire protection, sanitary facilities, temporary power and light systems, temporary sewage disposal units including necessary plumbing fixtures, and the construction of roads, and such other facilities as may be considered necessary by the Adams County Soil Conservation District.

SEC. 3. The Secretary of Agriculture shall reimburse the 1957 World's Conservation Exposition and Plowing Contests, Inc., a nonprofit organization of Peebles, Ohio, and the Adams County Soil Conservation District for necessary expenses incurred by them prior to the date the appropriation authorized by this act is made.

SEC. 4. Funds appropriated pursuant to the authorization contained in this act which are not needed for the purposes of section 2 may be used by the Secretary of Agriculture to defray the expenses of the United States participants in the 1956 world's championship plowing contests in England in 1956 and the 1958 world's championship plowing contests in Germany in 1958.

I shall request a hearing on H. R. 7815 when Congress reconvenes in January. The subject is very meritorious and I believe merits favorable consideration by the Congress.

Philadelphia Scientists Have Been Pioneering in the Field of Space Satellites and in Urging Official Attention to the Significance of Satellite Experiments

EXTENSION OF REMARKS
OF
HON. WILLIAM T. GRANAHAN
OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1955

Mr. GRANAHAN. Mr. Speaker, the announcement on Friday, July 29, that the first artificial satellite project had been authorized was the herald of a new age—one which conjures up pictures of space travel, and interplanetary communication. We have every right in the world to feel proud of what our country is doing and to celebrate the fact that we live in a time when men have the courage and the vision to "set their hearts on the stars." Yet we should also remember that this new advance will bring new problems and new responsibilities.

Earlier this year, members of the Philadelphia Astronautical Society wrote to me to enlist my interest in this matter of artificial satellites, suggesting that the time had come for the United States seriously to consider work of this nature. Mr. Thomas Purdom, secretary of the Philadelphia Astronautical Society, asked my opinion on the subject and wanted to know if I thought work of this nature was practical. I replied that I thought it was a situation wherein the scientists should tell us what is involved and how practical or impractical it might be. I suggested that asking a Member of Congress whether the satellite projects were practical was a little like asking a Member in 1938 his views about the practical aspects of an atomic bomb.

THE LEVITT PROJECT: "MINNIE"

Subsequently, I was pleased to receive from Mr. Purdom a short description or outline of a satellite project proposed by Dr. I. M. Levitt, of the Franklin Institute at Philadelphia, one of a number of projects which had been capturing the interest of the scientific world. His project was given the nickname "Minnie." This is not the project finally decided upon by the Federal Government, but the work and thought which went into it are certainly worthy of note, and the members of the Philadelphia Astronautical Society have long felt that it is a very practical approach. I am including the outline of the Levitt project—"Minnie"—at the end of these remarks under unanimous consent of the House, since I think it will be of great interest to all Members, and particularly in view of the announcement of last Friday at the White House.

As to the significance of the satellite project we are undertaking, the scientists who have devoted so much study to this problem believe it is most important for us to understand what is involved.

For, as they point out, within 24 hours after the announcement, a controversy was developing over whether or not to share the satellite's data with the entire world. This is not the place to offer any opinions on that controversy, because as the scientists tell us, there are good arguments on both sides, but it is the place to point out that such a controversy exists and that there will be other and greater controversies in the years to come, as we reach farther and farther into space.

THE MOST AWESOME INSTRUMENT OF POWER EVER DEVISED

The secretary of the Philadelphia Astronautical Society, Mr. Purdom, wrote me that beyond this first unmanned satellite looms the first manned space station, an achievement which reputable scientists have said could be as close as 10 to 15 years away. When that station is established, barring unforeseen solutions to the tensions between nations, we will be faced with the problems of controlling the most awesome instrument of power ever devised by man.

The manned satellite, we are told, would be the ideal launching platform for guided missiles with hydrogen bomb warheads. Its owners would be able to destroy any spot on the earth they chose, any time they wanted to. Its construction would mean nothing less than military domination of the earth.

All of this means, according to our scientists, that we will one day in the future be faced with the same problems the atomic bomb and the hydrogen bomb have brought us—the problem of controlling the new and frightful and unbelievably destructive instruments of power which the scientists are placing in our hands. They say that as of last Friday, July 29, this new problem we face is no longer academic. We are living in the dawn of the interplanetary age, and the problems that age will raise, our scientists tell us, will demand the fullest capacities of our minds and hearts. The consideration of these problems is the job of statesmen everywhere and of all politically aware citizens.

Science has now again impressed us with the fact that we are living in a larger world in a different time than we had realized a few years ago or a few days ago. To the scientists must go the credit and the thanks for giving us the powers to expand our horizons. Few of us will be so timid as to want to turn back and to hide from the advances which science makes possible. But as the secretary of the Philadelphia Astronautical Society put it:

We must now reach within ourselves and find that courage and wisdom which will give us the right to say we are large enough men to live in this vastly enlarged world.

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Mr. Speaker, on that sobering note, I include here as part of my remarks a fascinating outline of an imaginative pioneering effort in the field of space satellites, a discussion of the project "Minnie," proposed by Dr. I. M. Levitt, of the Franklin Institute, as follows:

THE LEVITT PROJECT: "MINNIE"

DESCRIPTION

Dr. Levitt's proposed satellite project, nicknamed "Minnie," consists of a four-stage liquid-fuel rocket. The bottom stage will be the improved version of the V-2 and the upper three stages will be smaller rockets of types which already exist. Stage four would contain a balloon covered with aluminum foil and weighing about 10 pounds. When the last stage had taken up orbit about 200 miles above the earth, the balloon would be released and inflated to a diameter of 15 feet by a small CO_2 cartridge. Then it would circle the earth like a new moon, balancing the centrifugal force caused by its terrific speed against the pull of earth's gravity.

COST OF THE PROJECT

"Minnie" will cost less than $10 million. This is less than the cost of a B–52 bomber. It is also less than 1 percent of the entire 1953 guided missile program. And in many ways "Minnie" will be one of the most important single missiles in our entire development program. She will pay for herself in money saved.

SIGNIFICANCE TO NATIONAL DEFENSE

"Minnie" will fit into the defense picture in several ways:

1. By using the moving satellite to triangulate the entire earth and parts of it, more accurate maps will be made at less expense (the ultimate savings will be several times the cost of the satellite). In this way the problems of accurately guiding missiles over intercontinental distances will be simplified and the accuracy of such missiles will be increased.

2. By similar techniques, the satellite will be used to determine the average value of the gravitational constant of the earth. This seemingly abstract value is of great use in the search for oil. Many field surveys into fruitless areas could be eliminated and many untapped fields opened if we knew the value of this constant. Once again the money saved will be several times the cost of the project.

3. As a propaganda device. Visible as a bright new star every evening, racing across the sky in a few minutes, the satellite would be a symbol of our strength and a warning to aggressors of what we are capable of developing.

DETERMINING THE ORBIT

Calculating the satellite's exact orbit will be as easy (to the astronomers) as calculating the orbit of a new comet. The satellite will be photographed against a background of stars and these photographs will show us its position in terms of what the astronomer calls right ascension and declination. This information will uniquely determine the path of the satellite's orbit around the earth. The hard part of the job will be tracking the beacon—it will cross from horizon to horizon like a plane 3 miles up moving at 225 miles per hour—but modern instruments in use at White Sands can do the job with only a few modifications.

TRIANGULATING

Since the observer will know the satellite's position at any time, three observations will allow him to determine his own position. Surveying nowadays, particularly in flat, featureless lands, often calls for expensive installations and highly paid crews. The satellite would not only save us a good deal of money but would increase the accuracy of our meaurements. The Atlantic Ocean, for instance, has been measured to within a thousand feet, using the moon and the same methods that would be used with the satellite. With "Minnie" lending a hand, the width of the Atlantic could be measured to within a hundred feet—which is particularly significant when firing guided missiles over intercontinental distances where an error of a thousand feet could mean much wasted time and money.

THE GRAVITATIONAL CONSTANT

With the aid of gravity meters, the modern geophysicist is able to explore the surface of the earth and map its gravitational field. Variations in this field are sometimes due to light deposits of oil under a salt dome. If the explorer knew the precise value of the average gravitational constant for the earth, he would be able to determine whether these variations are truly significant. Field surveys into doubtful areas could be eliminated and a part of the $5 million per year now spent on exploratory diggings in the United States could be saved. The effects of gravity on "Minnie's" orbit could be used to determine this important constant, which cannot be accurately measured by present methods.

SOME MISCELLANEOUS QUESTIONS

What about meteors?

If the satellite is struck by a meteor, nothing of any importance will happen. The carbon dioxide will leak out but the satellite will not be deflated. In space there is no external pressure to force it out of the shape it has already attained.

What will "Minnie" lead to?

Though there are practical reasons for the project, and though it will pay for itself in a few years, "Minnie" is also important for the things to which she will lead. The knowledge of missile design gained will enable us to put instrumented rockets into space. These more complex satellites will not only have value to the military and to persons interested in weather forecasting, but will also give us information about conditions beyond the atmosphere. Such information, eventually, will lead to the establishment of a manned space station. And from there the future is wide open.

How much work is being done now?

We don't know, but there is as much reason to believe no project is underway as there is to believe one is. Despite the logical reasons for building an unmanned satellite, many rocket engineers seem to be hesitant about the idea, a reaction which is almost traditional when dealing with great technical developments. The position was best summed up by Dr. Levitt in his original paper on the satellite delivered before the International Astronautical Federation Congress at Innsbruck: "In time the [satellite] beacon could be a natural evolution of the guided-missile program but the time can be shortened if a directive is issued for the establishment of a beacon."

SENATE

TUESDAY, AUGUST 2, 1955

The Senate met, in executive session, at 10 o'clock a. m.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal Spirit, Thou hast written Thy law in our hearts. In Thy fellowship alone we find peace for our spirits and power for our tasks. In the brooding silence of this still moment, may open windows of faith flood our gloom with light that in Thy sunshine's blaze our day may brighter, fairer be.

We come with hearts grateful for freedom's glorious light. Dowered with privileges as no other nation, may the richness of our heritage be to us Thy call to protect the weak and exploited, to unshackle the enslaved, to clear the way for freedom, that through the potent ministry of our dear land all people of the earth may be blessed. We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

Mr. CLEMENTS. Mr. President, I ask unanimous consent, as in legislative session, that the reading of the Journal of the proceedings of yesterday, Monday, August 1, 1955, be dispensed with.

The VICE PRESIDENT. Without objection, it is so ordered.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. BIBLE, and by unanimous consent, the Permanent Subcommittee on Investigations of the Committee on Government Operations was authorized to meet during the session of the Senate today.

SECURITIES AND EXCHANGE COMMISSION—HAROLD C. PATTERSON

The Senate resumed the consideration of the nomination of Harold C. Patterson to be a member of the Securities and Exchange Commission.

Mr. CLEMENTS. Mr. President, it is my understanding that the unfinished business is the nomination of Mr. Harold C. Patterson to be a member of the Securities and Exchange Commission. I do not see present on the floor the Senator who desires to address the Senate this morning, so I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. CLEMENTS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. LEHMAN. Mr. President——

The PRESIDING OFFICER (Mr. SCOTT in the chair). The Senator from New York.

Mr. LEHMAN. Mr. President, the pending question is on confirmation of the nomination of Mr. Harold C. Patterson, of Virginia, to be a member of the Securities and Exchange Commission, to succeed Mr. Paul R. Rowen, a member appointed by the last administration, whose term has expired.

Mr. President, I shall not confine my remarks to the nomination before us, because I believe the time has come to take a long and measured look at the emerging pattern of presidential nominations to the independent boards, commissions, and agencies created by Congress for the performance of functions delegated by Congress.

There is an odor arising in Washington, Mr. President; it is the odor of decay

of the precious principle of government which holds that public office is a public trust. A picture is clearly developing, Mr. President, of a steady takeover of key Government positions created by Congress to protect the public against abuse by special, vested interests—a takeover, Mr. President, of those key positions by persons representing, in fact or in viewpoint, the very special interests against whom the public was intended to be protected.

The independent and quasi-judicial boards, commissions, and agencies of Government, established to police the various sectors of our economic life, are being assiduously manned by individuals lately engaged in the very industries and enterprises which the law intended to be policed and regulated by these boards, agencies, and commissions. The policed have become the police. The regulated have become the regulators. The judged have become the judges.

This trend merits our earnest attention, consideration, and our sober reflection. This trend is nowhere more clearly illustrated than in the pending nomination of Mr. Patterson to the Securities and Exchange Commission. Therefore, Mr. President, I propose to discuss this nomination at some length.

As chairman of the Banking and Currency Subcommittee to which was originally referred the nomination of Mr. Patterson, I conducted the first hearings on the nomination on June 8.

On July 22, I participated in the hearings held on July 22 by the full committee because so many grave questions arose in connection with the nomination that it was felt desirable to give the full committee the benefit of hearing Mr. Patterson in person, and an opportunity to question Mr. Patterson before voting on his nomination.

Mr. President, no vote was taken in the Securities Subcommittee of which I am chairman. We held no executive session. But on the basis of the vote in the full committee, the subcommittee vote would have been adverse to this nomination, 4 to 3. The subcommittee would have recommended to the committee that the Senate decline to consent to the nomination.

As it turned out, the full committee did, indeed, recommend the confirmation of the nomination of Mr. Patterson by a vote of 8 to 6, with 1 member of the committee not recorded. All of those who voted against the nomination were Democrats, members of the majority party in the Congress—or the minority party, so far as the administration is concerned.

Bear in mind, Mr. President, that this nomination is to fill a so-called minority vacancy on the Securities and Exchange Commission—a position which, by law, must be filled by a member of the Democratic Party. There are already 3 Republicans on the Commission, and the law says that no more than 3 Commissioners shall be members of the same political party. I want to emphasize to the Senate and to the country that this post is supposed to be filled by a Democrat; yet the majority of the Democrats on the Banking and Currency Committee—all but 1, in fact—voted against confirmation of the nomination.

The one Democratic member of the committee who voted in favor of this nomination is a representative of the State from which Mr. Patterson comes. His vote, that of the distinguished junior Senator from Virginia, is a natural one, and a compliment both to himself and to his State—but that one Democratic vote for Mr. Patterson does not, I submit, modify or alter the fact that the Democratic members of the Banking and Currency Committee voted overwhelmingly—virtually unanimously—against a man appointed to fill a Democratic vacancy on this Commission.

Now Mr. President, I do not wish the Senate to think that my opposition to this nomination is based on partisan or political grounds. There is a major principle involved here—a principle that must appeal to us all, Democrats and Republicans—a principle that we disregard at our hazard. Republicans in this body, if they disregard that principle—the principle of genuine bipartisan representation on bipartisan boards and commissions—may well regret the precedent.

I will speak more of this in a few moments.

But Mr. President, there is another principle involved here which is even more important to the country and to the general public than the question of bipartisan political representation.

I refer to the principle of public representation on independent quasi-judicial agencies, such as the Securities and Exchange Commission.

I charge that the President and his administration have consistently disregarded and violated this principle in respect to these agencies.

I charge that the President and his administration have treated and sought to regard these independent and quasi-judicial agencies as mere tools and implements of the administration's will, policies, and strategems.

I charge that many of the individuals appointed to these independent quasi-judicial agencies since January 1953 have been imbued not with the spirit of the laws they have been appointed to administer, but rather with the spirit and viewpoint of the administration to whom they owe their appointments.

I charge the President and his administration with having disregarded and violated the legal requirement that these quasi-judicial agencies should represent the law and the public interest rather than the very economic enterprises and interests these agencies are directed to supervise and police.

I charge the President and his administration with having disregarded and violated all these requirements with specific reference to the manning of the Securities and Exchange Commission.

I charge that the pending nomination, that of Mr. Harold C. Patterson, to the Securities and Exchange Commission is a part of the consistent pattern I have described.

I believe that it is not only the Senate's right, but the Senate's duty to take this pattern into account in the discharge of its statutory function to advise and consent to the pending nomination.

I believe that the Senate should decline to consent to this nomination, pending further study and review of the entire pattern I have described as far as the Securities and Exchange Commission is concerned.

Mr. President, I find no personal fault with Mr. Harold C. Patterson as an individual. There was no evidence or testimony before the committee reflecting upon his integrity of character, nor his qualifications for an office of public trust. But membership on the Securities and Exchange Commission does not seem to me to be the right office, in the light of the present makeup of the Securities and Exchange Commission. I would have some reservations upon Mr. Patterson's nomination to this Commission, in view of his background, at any time. But in view of the makeup of the Commission, as it stands, I am irrevocably opposed to Mr. Patterson's confirmation.

It may be claimed that the only question before us is whether Mr. Patterson is an honorable individual, of tolerable character and attainments, and that if he is, we have no choice but to confirm him.

It may even be claimed that the President has the nominating power, and that we must not impinge upon that authority by sitting in judgment on the wisdom of the President's choice—provided that the nominee is not obnoxious, reprehensible, or unworthy of public trust.

I will not go along with that narrow view of the authority of the United States Senate. The law says that this appointment is to be made by the President, with the advice and consent of the Senate.

As a general rule, I believe—and have always believed—that the appointing authority—in this case the President of the United States—should enjoy the widest possible latitude in the selection of the individuals who are to assist him in carrying out his policies.

The Senate must still advise and consent, but in regard to positions directly responsible to the President, I would not withhold my consent except for clear and major cause of impropriety or defect in character.

But the question to which I am addressing myself today is different. Today I am discussing appointments to the independent boards, commissions and agencies, which are responsible to Congress and which do, in fact, report to Congress—the agencies which are defined by law as independent, quasi-judicial and bipartisan.

With specific reference to the pending nomination of Mr. Patterson to the SEC, we must advise. We must consent. It is within our jurisdiction—nay it is our duty—to consider not only whether Mr. Patterson personally merits our consent but also—and more importantly in this case—what the effect of our action will be on the Securities and Exchange Commission.

We have an opportunity here to pass judgment not so much upon Mr. Patterson personally, but upon the events involving the SEC which have lately been

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disclosed to public view through the hearings of the Kilgore-Kefauver subcommittee of the Judiciary Committee.

But more of this, too, in a moment. First let us review the record—the record of hearings in which the sole witness was Mr. Patterson.

He testified, among other things, that he was a partner in the firm of Auchincloss, Parker and Redpath, an investment house dealing in securities, until June of last year, when he severed his business connections to become Director of the Division of Trading and Exchanges in the Securities and Exchange Commission, a schedule C position, exempt from civil service, and therefore a political position.

He was appointed to that position, without a civil service examination, by the Republican Chairman of the SEC.

Prior to that, for something over 30 years, Mr. Patterson had been in the securities business, having served at various times as a member of the board of governors of the New York Curb Exchange, and of the National Association of Securities Dealers, of which he was also treasurer, until he became Director of the Division of Trading and Exchanges of the SEC in June of last year.

Mr. President, I want here and now to express my sense of utter shock that Mr. Patterson should have been appointed to this vital position of the SEC staff in the first place, last year. This office in the SEC—that of Director of Trading and Exchanges—exercises direct supervision over all the stock exchanges, including the activities of the National Association of Securities Dealers. Yet, until he took the SEC job in June of last year, Mr. Patterson was a high ranking official of this very same organization whose activities Mr. Patterson, in his new job, is supposed to regulate.

At any rate, after serving for somewhat less than a year as Director of the Trading and Exchanges Division in the SEC, Mr. Patterson was selected by the President for nomination to the Commission, itself. So in the year Mr. Patterson was employed as a Director of the Division of Trading and Exchanges of the SEC, he was actually serving a sort of apprenticeship—a brief apprenticeship—prior to his nomination as a Commissioner. Of course, Mr. Patterson did not really need much of an apprenticeship. He had spent 30 years in the securities business which has been regulated, for the last 20 years, by the SEC. He must have known the ropes—I will grant him that.

I suggest, Mr. President, that this is an astounding case of direct transfer from governed to governor—from membership of the board of directors of the National Association of Securities Dealers to membership on the Securities and Exchange Commission. It strikes me as being not only improper, on the part of the appointive authorities, but outrageous.

Mr. Patterson testified further before our committee that he was sponsored for the pending nomination by the mayor of Alexandria, Mayor Beverley, a personal friend.

He testified also that he was cleared for this position—as a minority member of the SEC—a Democratic post—by the Republican National Committee, by a certain Mr. Potter, who is assistant to the chairman of the Republican National Committee.

To do him justice, he testified that he was cleared also by the two distinguished Senators from Virginia [Mr. BYRD and Mr. ROBERTSON].

Finally, he testified before the full committee that he had voted for President Eisenhower in 1952. I believe it to be a fact that his original sponsor, Mayor Beverley, of Alexandria, was a strong and outspoken supporter of the candidacy of General Eisenhower in 1952.

How could anyone claim that this man would represent the Democratic philosophy of life on a bipartisan, quasi-judicial board, which reports to Congress, not to the President? I will say, in order to do justice to Mr. Patterson, that he has voted the Democratic ticket consistently since moving to Virginia in 1931, although he is not a registered Democrat, and has never been active in Democratic politics or in any kind of politics, he said.

Before 1931 he lived in Rhode Island, was not registered, and did not vote.

Mr. MORSE. I should like to comment briefly on the point the Senator from New York has made about the sponsorship of Mr. Patterson. I have before me a copy of the Washington Post and Times Herald of yesterday, Monday, August 1. I should like to read into the RECORD at this point, with the permission of the Senator from New York and of the Senate, an interesting article. It is not very long. It is headed "Alexandria Democrats Band for Ike." It reads as follows:

ALEXANDRIA DEMOCRATS BAND FOR IKE—MARSHALL BEVERLEY, CITY'S FORMER MAYOR, LAUNCHES MOVEMENT

Alexandria's former mayor, Marshall J. Beverley, who did not seek reelection this year, is back in politics.

He announced yesterday he has organized a Democrats for Reelection of Eisenhower Club to ask the President to seek reelection and pledge to support him if he does.

Beverley says he has signatures of 60 Alexandria Democrats on a petition, circulated while he was on vacation from his job as bank vice president. He hopes to get 1,000 signatures and present the petition to the President in person.

On the list already, Beverley said, are four former Democratic committeemen of Alexandria, a former member of the State central committee, the general chairman of Gov. Thomas B. Stanley's last campaign, and the Alexandria manager of Senator HARRY F. BYRD's last reelection campaign.

Only one Democrat approached refused to sign the petition, Beverley said.

Beverley said headquarters for his new organization, of which he is chairman, would be at his new home, 1212 Quincy Street, Alexandria.

On the basis of that news story, I should like to ask the Senator from New York several questions:

First, is it not correct to say that the records before our committee show that the mayor of Alexandria was the man who sponsored Mr. Patterson and who first suggested that he permit his name to be advanced for appointment to the Securities and Exchange Commission?

Mr. LEHMAN. The Senator from Oregon is completely correct in his recollection of the testimony. That can be shown, of course, by the record. Mr. Patterson testified that his first and chief sponsor was Mayor Beverley, of Alexandria.

Mr. MORSE. Is it not correct to say also that the two Senators from Virginia did not in the first instance sponsor Mr. Patterson, and that the only part they played in the matter was that after Alexandria's mayor, who was one of the principal Eisenhower supporters in Virginia, proposed Patterson, the two Senators were then in effect asked if they would give him clearance. The Senator from New York and I know that when it comes to the matter of clearance, Senators frequently give clearance to people whom they do not sponsor. Neither the senior Senator [Mr. BYRD] nor the junior Senator [Mr. ROBERTSON] were mentioned as sponsors of Mr. Patterson, but as Senators who had given clearance to him. Is not that the fact on the record of the committee?

Mr. LEHMAN. I may say to the Senator from Oregon that, as usual, he is completely right. According to my recollection, neither of the Virginia Senators appeared in his behalf before the committee when he testified. In support of what the Senator from Oregon has said, I shall read the following testimony:

Senator MORSE. You said that as far as you know, you were first sponsored by the mayor of Alexandria.

Mr. PATTERSON. Yes, sir.

Senator MORSE. You were not first sponsored by either one of the Democratic Senators from Virginia.

Mr. PATTERSON. Well, the mayor of Alexandria spoke to the Democratic Senators on my behalf.

Mr. MORSE. That is my understanding. I may say to the Senator from New York that when the nomination was before the full committee, the Senator from Virginia [Mr. ROBERTSON], who is a member of the committee, did appear and made clear at that meeting that he had given clearance to Mr. Patterson. I believe the RECORD is perfectly clear that the sponsorship came from neither of the Virginia Senators in the first instance, but that the sponsorship came from the mayor of Alexandria, who was one of the leaders in the elect Eisenhower movement. As the Senator from New York has already pointed out, and I shall dwell on in some detail in my own speech later, this candidate himself was an Eisenhower Democrat.

Mr. LEHMAN. I wish to emphasize with all the force at my command that before the nomination of Mr. Patterson was sent to the Senate it was cleared by the Republican National Committee.

Mr. MORSE. The nomination was cleared by the Republican National Committee, but it was never presented to the Democratic National Committee.

I wish to commend the Senator from New York for making this record. We know that making a record is all we are doing today. However, it is a record which will live on, and people will review the record in the future with regret that they did not pay attention to it

today. We are making the record today that what is happening under the Eisenhower administration is a breakdown in the two-party system with respect to independent agencies. The administration is not filling them with Republicans and Democrats. It is filling them with Republicans and Eisenhower Democrats.

Mr. LEHMAN. I thank the Senator from Oregon.

Mr. President, since he testified that he is a Democrat, I suppose we must accept the statement that he is a Democrat, but only by his own definition. By no other logical definition could he be considered eligible for appointment as a member of this quasi-judicial, independent, regulatory body.

How can anyone tell whether he is a Democrat of such identification with the views and principles of the Democratic Party as to justify his being named to the Securities and Exchange Commission to represent the minority political viewpoint on that Commission? His support of Eisenhower in 1952 does not so qualify him. Certainly, his clearance by the Republican National Committee before his name was submitted does not qualify him. Certainly, his long experience in connection with the securities business, but not at all in any public capacity, does not entitle him to be considered a representative of the public.

Mr. President, the Association of Securities Dealers, and the various stock exchanges with which Mr. Patterson has been associated through the years fought tooth and nail against the Securities and Exchange Act, against the Utility Holding Company Act, and, indeed, against every piece of legislation advocated by the Democratic Party for the reform of the stock exchanges, the investment business, and the financial community—against, in fact, every major program which the SEC administers today.

I do not charge—because I do not have the evidence—that Mr. Patterson took a leading part, or any personal part at all, in these efforts. But the record of the industry of which we was a part and with which he was identified for more than 20 years is perfectly clear with regard to the SEC and all its programs of the past. Today the industry has made its peace with the SEC and praises the Securities and Exchange Act and all the major programs of the Securities and Exchange Commission. Mr. Patterson testified that he believed in those programs and in the present functions of the SEC.

Can it be that this is due to the fact that the SEC has been taken over and is administered now in a manner quite satisfactory to the industry which SEC is supposed to regulate? I do not know the answer to this question.

Of course, Mr. President, I am glad that the industry under regulations sees eye to eye today with the Government body doing the regulating. But it is vital for us to understand that there is a clear separation of interest between the SEC, whose duty it is to protect the public—both the investing public and the general public—and the investment companies and the exchanges, whose purpose it is to make profits and provide a profitable market for the financial community.

Let us see what the United States Government Organization Manual, the official publication of the Federal Government, has to say about the functions of the SEC:

> The general objective of the statutes administered by the Commission is to protect the interests of the public and investors against malpractices in the securities and financial markets.

The function is to protect the public and to police the industry. This cannot be done, in the nature of things, by representatives of the industry or exclusively by individuals associated with the industry, or who reflect the psychology of the industry.

Yet in Mr. Patterson, we have an individual who comes to the SEC directly from a partnership in a brokerage house, and from being an officer of the National Association of Securities Dealers.

Mind you, Mr. President, the National Association of Security Dealers is one of the very important organizations which must be supervised and regulated by the SEC. Yet, without any intervening period of time to concern himself with the public interest, he goes from this important position in the National Association of Security Dealers into this governmental agency, where the responsibility is his to regulate and supervise the securities business.

But, Mr. President, this is not the whole story by any means. It is only the beginning of the story.

The Securities Exchange Act establishes the qualifications of Commissioners of the SEC. After providing for a commission of five members, it further provides:

> Not more than three of such Commissioners shall be members of the same political party, and in making appointments, members of different political parties shall be appointed alternately as nearly as may be practicable. No Commissioner shall engage in any other business, vocation, or employment than that of serving as Commissioner, nor shall any Commissioner participate directly or indirectly, in any stock-market operations or transactions of a character subject to regulation by the Commission.

The act thus attempts to assure the independence of the Commission—independence from business interests which the Commission is established to regulate—and independence from executive pressure.

It is this independence both from executive control and the financial community which was the inspiration of the SEC's creation. It will be remembered that at the time of the enactment of the Securities Exchange Act in 1934, it was the House bill which was enacted into law, with one significant exception—the establishment of an independent commission, a concept adopted from the Senate bill.

Mr. MORSE. Mr. President, will the Senator from New York yield?

Mr. LEHMAN. I yield.

Mr. MORSE. I am very much gratified that the Senator from New York is stressing the matter of maintaining independent agencies. I intend to go into the subject in some detail in my speech on this nomination, but I do think a record should be made, and for that reason I should like to ask the Senator a few questions.

Is it not true that the law establishing the Securities and Exchange Commission sought to make the Commission free and independent from executive control?

Mr. LEHMAN. That is absolutely correct. The entire law was based on that concept.

Mr. MORSE. Is it not true that the whole development of administrative law in our country was brought about in part because of a recognition of the need of having quasi-judicial agencies which would be independent of the Executive, and also, for that matter, independent of the Congress, when it comes to the performance of their judicial functions?

Mr. LEHMAN. The Senator from Oregon is eminently correct. The whole concept was that the Commission should be actually a bipartisan and independent agency—independent of control by the Executive or by the Congress, except that Congress might write appropriate legislation.

Mr. MORSE. Is it not a fact that in the subcommittee and, again, in the full committee hearings, when we were discussing the question of maintaining the integrity of an independent agency, it was brought out that the present 4 members of the Securities and Exchange Commission were really taken from the industry, or, in the case of 2 of them from 2 corporation law firms which frequently represented clients in connection with Securities and Exchange matters, and their representations, in fact, have been in opposition to attempted controls on the part of the Securities and Exchange Commission, and, therefore, would have to be classified as men who were taken from industry rather than men who were neither from within the industry nor men who had been representing brokers within the industry?

Mr. LEHMAN. There is no question that the record will clearly show the accuracy of the statement just made by the Senator from Oregon. Under the questions which were addressed to the witnesses by the senior Senator from Oregon and the junior Senator from New York, it was made amply clear that there was no public representation whatsoever on the board; and that, I may add, is true of virtually every quasi-judicial, bipartisan, independent agency at the present moment. There has been a complete change from what the situation was a few years ago.

Mr. MORSE. Does the Senator from New York recall that some of our colleagues on the committee, who do not share our position about the Patterson nomination, sought to answer our contention that men ought to be selected from outside the industry to serve on bipartisan commissions? The argument used by some of our colleagues was that it was necessary to have men from within the industry, so that the public could be assured of having as members of commissions men who had the professional and expert knowledge needed

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for the operation of the commissions? Does the Senator recall that argument?

Mr. LEHMAN. Yes; I remember it very well indeed.

Mr. MORSE. Does the Senator share the point of view that only stockbrokers and men in the securities business or lawyers representing stockbrokers and others engaged in the securities business are men who have knowledge of the securities business? Or does the Senator agree with me that there are simply legions of qualified persons in the United States with an understanding of the securities business who could be appointed to such a Commission as this, and who themselves have not had a past or a present financial interest in the brokerage business?

Mr. LEHMAN. I fully agree with the Senator from Oregon. What he has just said is clearly demonstrated by the record of the SEC in previous years, which shows that men were not appointed exclusively by reason of their knowledge and experience in the stock exchange business, but because they represented a public interest—the interest of the investor and the interest of the public generally.

Mr. MORSE. Does the Senator from New York agree with me that we have cause to be disturbed and somewhat alarmed over what seems to be the philosophy of the President of the United States when it comes to the filling of these positions, namely, that only men from big business, apparently, are qualified to sit on boards which have the responsibility of regulating big business?

Mr. LEHMAN. I am very deeply disturbed over that situation. Like the Senator from Oregon and some of my other colleagues, I have sought to raise my voice, and I have raised my voice frequently, in protest. But the situation has now reached such a point that it is essential that Members of Congress and the public generally realize what the conditions are and how the administration has departed from the concept on which these agencies were created.

Mr. MORSE. To illustrate the point the Senator from New York and I are trying to bring out, and I think it is a point which the American people ought to reflect upon—namely the tendency on the part of the President to put big businessmen on regulatory bodies which have the public responsibility of regulating big business—let us suppose this hypothetical situation: Suppose we were to set up an arbitration court in the field of labor relations, and the President should appoint as the members of that court the heads of three major unions in the United States. Does the Senator have some idea of the barrage of furor, hysteria, and criticism which would sweep the country with respect to such appointments?

Mr. LEHMAN. I do visualize it. Such a barrage of criticism would be fully justified, under those circumstances.

Mr. MORSE. Absolutely. I would be just as much opposed to the appointing of the head of a union to a quasi-judicial tribunal whose purpose was to regulate labor practices in the United States as I am opposed to appointing exstockbrokers and high financiers to the Securities and Exchange Commission to regulate high finance.

Mr. LEHMAN. I thank the Senator from Oregon.

At the time the creation of the Commission was under discussion, the House was considering a commission on which the stock exchanges and the securities dealers would be represented. The Senate took a strong stand against such a commission, and in favor of a completely different body. The law which was finally enacted wisely followed the Senate version in this respect.

I should now like to refer to the debate which took place in the Senate in 1934, when the Securities and Exchange Commission Act was passed. I wish to quote the words of the great chairman of the Committee on Appropriations of that time, the father of the Federal Reserve System, Senator Carter Glass, of Virginia—of Virginia, mind you, Mr. President. Listen to what Senator Glass had to say, in 1934, about the proposal that the stock exchanges and the security houses be represented on the Securities and Exchange Commission. Said Carter Glass—and he was referring to the Securities and Exchange Commission:

> The commission proposed by the stock exchange was as different from the Commission embodied in this bill as the day is from night. The stock exchange was to have material representation of its own upon the commission it proposed, and on this Commission (as established by the SEC Act) there is to be no member of the stock exchange, and the members of the Commission are textually prohibited from having any connection whatsoever, direct or indirect, with any of the stock exchanges.

That is what Carter Glass said in 1934—"The members of the Commission are textually prohibited from having any connection whatsoever, direct or indirect"—I repeat "direct or indirect"—"with any of the stock exchanges."

This was the view of the Securities and Exchange Commission generally held by the framers of the Securities and Exchange Act. It was the view held by President Roosevelt and President Truman, and it guided them in making their appointments to this Commission.

This is, in fact, a basic and unchallenged view, not only of this Commission, but also of all the quasi-judicial boards, agencies, and commissions of the Government—that they should be completely independent of the industry or the sector of the economy which such boards, agencies, and commissions supervise and regulate.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. LEHMAN. I am glad to yield.

Mr. BUSH. Would the Senator consider that the appointment of Joseph P. Kennedy, the first chairman, or an early chairman, of the SEC, and later Ambassador to Great Britain, was an appointment of one who was completely dissociated from the industry?

Mr. LEHMAN. I do not know enough about Mr. Kennedy's experience prior to his service on the Commision.

Mr. BUSH. At the time the appointment was made, all the recommendations concerning Mr. Kennedy were very favorable. There was no opposition. In fact, there was a great deal of enthusiasm about the appointment on the part of both Republican and Democrats, although to a somewhat lesser extent by Republicans. But I do not believe there was any opposition to it.

However, Mr. Kennedy's credentials were largely based on the fact of his great familiarity with the securities markets and his great activity in those markets. Mr. Kennedy really put the SEC on the map and gave it a good start.

I ask the Senator, too, if his arguments are consistent with President Roosevelt's appointment of John W. Hanes to the Securities and Exchange Commission in the 1930's. I cannot remember exactly when Mr. Hanes became a member, but I think it was in 1936 or thereabouts. At any rate, it was in the 1930's. Mr. Hanes had spent his entire business life in the securities business, in the brokerage underwriting field.

President Roosevelt, I think very wisely, appointed him to the SEC, and he was so successful and so well thought of in that capacity that the President later appointed him Under Secretary of the Treasury, when Mr. Morgenthau was Secretary, as I am sure my good friend from New York will remember.

Mr. LEHMAN. I am perfectly willing to accept the statement of the Senator.

Mr. BUSH. I wish to say to the Senator that the other Presidents referred to ignored the professional and the industrial background—if we can call it industrial—of some of the appointees they chose, who were among the very best men appointed.

Mr. LEHMAN. I may say to the Senator from Connecticut that I think former Ambassador Kennedy was certainly a very excellent administrator. I do not recall exactly what his business connections were prior to 1934. My recollection is that he was not an investment banker or a securities dealer. He undoubtedly was familiar with the problems of finance, but I do not believe he was actually connected with any investment firm or any firm dealing directly with securities.

So far as Mr. Hanes is concerned, I know very little about him. I know he had been very much interested in many industrial concerns. He undoubtedly was a very able man. Whether he was connected with any stock exchange firm or not, I do not know. His main interest was in industrial development.

Mr. BUSH. My statement to the Senator was with full knowledge of the fact that Mr. Hanes was in the brokerage and underwriting business virtually exclusively up until the time he went to the SEC. Up to that time he had devoted his whole business life to that activity.

With reference to Mr. Kennedy, I am not sure of the details of his background, but I know his whole background was connected with securities.

Mr. LEHMAN. I am sure it was, but I am also quite sure he was not connected with any investment banker.

Mr. BUSH. I am not certain, but I do not dispute the Senator. However, I know he was regarded as a professional who thoroughly understood all aspects

of the market, and for that reason his appointment was regarded as an excellent one, and the President was congratulated for making the appointment, and I do not think there was any opposition to it.

Mr. LEHMAN. What I have said about the public interest concepts of the law when it was originally enacted in 1934 applies as a basic and unchallenged view applicable not only to the Securities and Exchange Commission but to all quasi-judicial boards, agencies and commissions of the Government—in other words, they should be completely independent of the industry or the sector of the economy which the boards, agencies, or commissions supervise and regulate.

This independence is achieved by staggering the terms of the members and by making the boards bipartisan. Let us never forget that the boards are supposed to be bipartisan in spirit as well as in letter. That is also achieved by selecting commissioners or board members from among individuals who have no direct connection—or at least no recent connection—with the industries in question. Board and commission members have been thus selected from the civil service, from analogous State commissions, from among retired Members of Congress, and from the universities—from among men and women with public backgrounds and experience in representing the public.

It is all very well to say that these individuals should know something about the industries they are named to regulate—and to ask where better they could be gotten than from the ranks of the industry itself. There is such a thing, however, as knowing too much—from the wrong point of view.

I wish to say parenthetically, Mr. President, that I do not object to an appointee's being familiar with the industry concerned, but I do object very seriously to entire commission being picked from that industry, and that is exactly what has happened in the case of the SEC and of many other agencies of the Government, which aspect I shall develop in a few minutes in the course of my remarks.

That is a dangerous thing—as Congress has specifically recognized through the years, ever since the first quasi-judicial independent agency was established—and as far as I know that was the Interstate Commerce Commission, established in 1887.

It is perfectly obvious that these commissions cannot be independent and they cannot be quasi-judicial if their members come from the industries which are supposed to be regulated. This does not mean that there are not individuals from a particular industry who, if appointed to a public regulatory body with police powers over that industry, would not faithfully serve the public interest. But ordinary common sense has dictated that to insure the independence of these regulatory bodies, it is wise to refrain from appointing men having any connection—direct or indirect—with the industry in question.

This commonsense was reflected in the statement by the late Senator Carter Glass which I have already quoted. And when he said there should be no connection—direct or indirect—he meant, I am sure, just such individuals as Mr. Patterson, the nominee before us, the Senate—a man who came to the SEC directly from the industry policed by the SEC, from a position as treasurer of the National Association of Securities Dealers to the position of chief regulator of the Association of Securities Dealers.

This is subversion, indeed—subversion of the intent of Congress, subversion of the independence and the quasi-judicial character of the SEC.

Let us see, now, what has happened to the SEC in the last 3 years.

There is only one holdover member appointed by the last administration—a Republican, Mr. Adams, a former commissioner of securities for the State of Connecticut. Mr. Adams was, at one time, connected with the securities business, but that was some years ago.

The present Chairman, Mr. Armstrong, before he was appointed to the SEC, was a member of a large Chicago law firm which had a considerable securities practice, representing investment banks and brokerage houses. Mr. Armstrong had appeared frequently before subordinate offices of the SEC, in connection with the filing of SEC registration statements. Mr. Armstrong certainly had an indirect association with the securities and investment business, although there is no question that he severed his connections with his law firm, prior to assuming office as a member of the SEC. Mr. Armstrong is, of course, a Republican.

Now, let us take a look at Mr. A. Jack Goodwin. Mr. Goodwin is a Democratic member of the Commission. He comes from the Democratic State of Alabama, and was spoken for, when his nomination was presented to the Banking and Currency Committee in July 1953, by my two eminent, distinguished, and beloved colleagues, the Senators from Alabama [Mr. HILL and Mr. SPARKMAN]. Mr. Goodwin, before he went to Alabama, to become associated with a banking firm as an investment officer, was employed by Dillon, Read & Co., the great investment banking house of New York City. But that was some years ago. From 1946 to 1953, Mr. Goodwin was a banker in Alabama.

Now, let us look at the fourth member of the Commission, Mr. Andrew D. Orrick. Mr. Orrick is from California, and was associated with a very prominent firm of lawyers, headed by his father, which represented, among other firms, a number of banks, brokerage houses, and holding companies subject to SEC regulations. In February of 1954, Mr. Orrick was appointed Regional Administrator of the Securities and Exchange Commission; and in May of 1955, he was named to the Securities and Exchange Commission. Mr. Orrick is a Republican.

Here we have four members of the Securities and Exchange Commission, all of whom have had at least some connection with the banking and securities business. Some of them had a closer connection than others. But only one of them has any kind of a public-service background, and that is the one holdover appointment, Commissioner Adams, a Republican member, a former State commissioner of securities in Connecticut. All the rest went directly from business or from the private practice of law to the SEC.

From a Commission which was originally designed to be entirely representative of the public interest, it has become an agency whose members have, for the most part, backgrounds of private representation—representing banks, brokerage houses, and great industries which are, to one extent or another, subject to regulation by the SEC. How could these members of the SEC help but be influenced by their backgrounds? How could they be expected to reflect the public viewpoint and the spirit of the SEC Act, as intended by Congress when that act was passed in 1934?

I have nothing against any of the individual members of the SEC. They are all, I am sure, even like Mr. Patterson, honorable men. I did not oppose the confirmation of a single one of them. Individually, they are, I am sure, men of ability and quality. But collectively, Mr. President, they represent a slant wholly different from that intended to be given to the SEC—a private industry slant, and a proadministration slant, a subservience to the wishes of the Executive, rather than an unyielding loyalty to the spirit of the law.

I believe, personally—and I cannot document it today but I think it should be looked into—that the SEC has favored the interests of business over the public interest. That is my general impression.

But I do know—and this can be documented—it has been documented by the Kefauver committee—that the SEC has knuckled under to administration pressure. It has not even resisted such pressure, as far as I know. It willingly accepted suggestions from the White House that SEC proceedings in the Dixon-Yates case be postponed—in support of administration strategy on Capitol Hill. The assistant to the President, Mr. Sherman Adams, felt free to make such a suggestion. The Chairman of the SEC felt free to act upon it. This was not only highly improper on both sides, but, even worse, it reflected the deeply mistaken assumption that the SEC is an agency of the executive branch of Government, subject to the directions of the Executive.

But the SEC is, in fact—and, Mr. President, I cannot repeat this too often or emphasize it too strongly—an independent quasi-judicial agency, an agent of Congress, and at the same time an adjunct of the courts, and hence was deliberately safeguarded, by law, against executive interference or direction.

Who among us would think of calling up a judge and asking him to postpone a trial because it might prejudice a vote on our favorite bill? Yet that is what Mr. Adams did from the White House; and Mr. Armstrong, Chairman of the SEC, faithfully complied with the request.

Mr. President, I am aware that we face a somewhat anomalous situation here. The present administration, generally speaking, has a probusiness attitude and policy. The SEC Act is aimed against abuses by business interests.

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We might expect that appointees of the present administration, representing the Republican Party, would be a little soft toward business. That is all the more reason, then, for the Senate to scrutinize carefully every nomination made by the administration to each of these independent quasi-judicial boards and commissions, whose job it is to administer laws and programs which may run counter to the prevailing spirit and philosophy of the administration.

Congress must insist that the administration refrain from overt forms of pressure, on these independent agencies, and from overt exercise of influence in regard to specific matters pending before them.

Certainly Congress must insist that these agencies resist administration pressure and influence. One way Congress can do this is by carefully screening the nominations to these independent agencies in order to insure that they are not being packed with individuals subject to administration pressure and influence.

It is all the more important, then, that minority members of these independent agencies should be truly minority members, truly representative of the minority point of view. They should not be Eisenhower Democrats. They should not be spokesmen of the industry they are assigned to regulate.

Mr. Patterson violates both of these requirements. His nomination should not be confirmed.

Moreover, I believe it vital that there be a thorough inquiry—a fact-finding inquiry—into the record of the SEC under its present management and membership. As chairman of the Securities Subcommittee of the Banking and Currency Committee, I shall propose the making of such an inqury, to the extent justified by the facts developed.

But, Mr. President, the SEC is not the only agency involved in my protest against the administration. It is not the only independent quasi-judicial agency which the administration has captured by nomination and has made into an instrument of administration strategy and policy—in defiance of basic law.

We know that the Atomic Energy Commission has been so taken over and so used. We know that the same effort was made with the TVA. We suspect it of other independent agencies. We do know, in regard to some of these other agencies, that they have been packed, in many cases, and to the extent possible, with individuals not only responsive to administration will, but, in fact, representing the very industries and sectors of the economy they are supposed to regulate.

On July 16, I testified before the Interstate and Foreign Commerce Committee of the Senate in opposition to confirmation of the nomination of William Kern, to be a member of the Federal Trade Commission, to replace Commissioner James Mead, a distinguished citizen of my State, and a former Member of this very body, as well as of the House. I said on that occasion:

> Time and time again during the past 2 years, tried and true defenders of the public interest have been replaced on the regulatory agencies established by Congress with individuals who, by background and past association, might be expected to be directly opposed to the purpose of the laws they are appointed to administer.

That is completely true, Mr. President. The case of Jim Mead is actually less of a case in point than others, although it was a great shame to lose Jim Mead, a valiant defender of the public interest, from the Federal Trade Commission.

The present Chairman of the Federal Trade Commission is an even more outstanding case. Mr. Edward F. Howrey had spent 25 years as a lawyer in Washington, practicing before the Federal Trade Commission on behalf of the great firms and corporations brought before the FTC on charges and complaints. Mr. Howrey spent a quarter of a century directing legal assaults against the Federal Trade Commission, and this was the man appointed by the President to be Chairman of the FTC.

Then there is the case of Mr. Albert M. Cole, an untiring enemy of public housing while he was a Member of Congress, appointed as Administrator of the Housing and Home Finance Agency.

There was also the case of Mr. Allen O. Hunter, also an ex-Member of Congress and also an inveterate crusader against housing, appointed general counsel of the Housing and Home Finance Agency.

Then there was the case of Mr. George C. McConnaghey, a utilities lawyer, and special counsel for the Bell Telephone Co., appointed to head the Federal Communications Commission.

There was the case of Mr. Albert C. Beeson, appointed to the National Labor Relations Board, directly from industry, from a position as industrial relations director for a large California corporation, a vice president and director of the Employers Council of Santa Clara, Calif. Mr. Beeson did not even leave his firm to take the appointment. He merely took a leave of absence for a year—until the labor committee caught up with him. He was confirmed by a vote of 45 to 42. He served on the Commission for a year. Now he is back with his firm, as far as I know.

The present Chairman of the National Labor Relations Board, Mr. Guy Farmer, was an industrial relations lawyer, frequently representing management before the NLRB. And he was appointed Chairman of the NLRB.

And then there was Mr. Theophil C. Kammholtz, appointed General Counsel of the NLRB, also a labor relations lawyer who practiced extensively—almost 90 percent of his practice, I am told—representing management in labor matters, including many cases before the NLRB.

I could go on, Mr. President. There are many other such cases—almost as many as there have been appointments.

The whole pattern consists of three main motifs. Appointees must:

First. Be subject to administration control and influence, whether they be Republicans or nominal Democrats;

Second. Reflect the viewpoint of the industries and special interests being regulated and policed;

Third. Be directly out of the ranks of business or the private practice of law, without experience or background in public service or public administration.

In almost every appointment made by this administration, at least one of these criteria has been served; in many cases, two; and in some cases, all three. There may have been one or two exceptions. They have been as rare as snow in August.

I say to Members of the Senate, and to the country, that notice must be served on the President and the administration that this process must be restrained; this trend must be halted and reversed.

Let me emphasize that I am not referring to the President's appointments to his own immediate official family. I am not referring to his appointments to purely executive agencies and bureaus. I am not referring to diplomatic and other appointments. That is another matter.

I am referring principally to his appointments to the independent bi-partisan quasi-judicial agencies.

I am referring to the subversion of the independence of these agencies, and of both their quasi-judicial and bipartisan character.

I am referring to the undermining of the purpose of the basic laws under which these agencies are supposed to operate by manning them with individuals either basically unsympathetic with the purpose of these laws, or utterly unaware, because of a lack of public service experience, of the high requirements of public representation and quasi-judicial determination.

Mr. President, I do not think the people of this country are, as a whole, clearly aware of what has been going on. But they are becoming aware.

Now is the time for us, here in the Senate, to take notice of what has been happening. We can take such notice by refusing to confirm the nomination of Mr. Patterson to the Securities and Exchange Commission, an appointment which illustrates the worst features of the practices I have been talking about.

Mr. Patterson is not a true representative of the minority political viewpoint.

Mr. Patterson is not a public representative.

Mr. Patterson is primarily beholden to this administration.

Mr. Patterson has been an integral part of the industry which he is being appointed to police and regulate.

I urge the Senate to return this nomination to the Banking and Currency Committee for further consideration, including a study of the manner in which the SEC, as presently constituted, has been carrying out the intent of the laws under which that organization operates.

Mr. CLEMENTS. Mr. President, last night there was considerable discussion about the procedure today in connection with the consideration of nominations on the Executive Calendar. At that time there was discussion on the

floor about the time which would be needed by Senators on both sides of the aisle who wished to express themselves on these nominations.

I have discussed the subject today with several Members on this side of the aisle, particularly with the Senator from Oregon [Mr. MORSE]. He is agreeable to a limitation of time in the consideration of the nomination of Mr. Patterson. The Senator from Oregon is present in the Chamber. I should like to have him hear what I am about to say further with regard to the presentation of a unanimous-consent request.

Mr. MORSE. Mr. President, will the Senator allow me time enough to send for the chairman of the committee, the Senator from Arkansas [Mr. FULBRIGHT], who is just outside the door? He desired to be consulted.

Mr. CLEMENTS. I am glad to accede to the wishes of the Senator from Oregon.

Mr. MORSE. I have sent for the Senator from Arkansas.

Mr. FULBRIGHT entered the Chamber.

Mr. CLEMENTS. Mr. President, I have just made the statement that I have had a conversation with the Senator from Oregon. There was a colloquy last night in which the Senator from Oregon stated, in a very positive way, that he thought some limitation was satisfactory, and that a long delay would be unwise and unnecessary. He might not have used those exact words, but he left that impression with me.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. CLEMENTS. I yield.

Mr. MORSE. I will say that in view of the able presentation made by the Senator from New York [Mr. LEHMAN], so far as I am concerned, my speech will be cut down considerably, and I shall be relatively brief.

Mr. CLEMENTS. Let me repeat my statement in the presence of the chairman of the committee, the distinguished Senator from Arkansas.

I stated that last night there was considerable discussion relative to a limitation of time in the consideration of the nomination of Mr. Patterson to be a member of the Securities and Exchange Commission. At that time 2 hours on each side was mentioned. This morning we have had about an hour and 10 minutes of debate on the subject before the Senate. The unanimous-consent request I am about to present to the Senate would limit debate to 2 hours to each side. We are in the closing hours—I wish I could say in the closing minutes—of the session.

I take it that what each Member wishes to do is to make clear on the RECORD his position with reference to the Patterson nomination. I send to the desk a proposed unanimous-consent agreement and ask that it be read for the information of the Senate.

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). The clerk will read the proposed unanimous-consent agreement.

The legislative clerk read the proposed unanimous-consent agreement, as follows:

Ordered, That on the question of advising and consenting to the nomination of Harold C. Patterson, of Virginia, to be a member of the Securities and Exchange Commission for the term expiring June 5, 1960, including any motion relating to said nomination, further debate shall be limited to 2 hours, to be equally divided and controlled by the acting majority leader and the minority leader.

The PRESIDING OFFICER. Is there objection?

Mr. FULBRIGHT. Mr. President, how much time does the Senator from Oregon wish?

Mr. MORSE. After listening to the Senator from New York [Mr. LEHMAN] make his fine speech, I plan to cut my speech down to 30 minutes. I shall be open to a suggestion that I cut it down even more after I have listened to the Senator from Arkansas speak. I am sure he will cover many of the points I would cover in my speech. I suggest that the chairman of the committee take as much time as he desires to take. Then I shall work my speech into the remaining time. There may be 1 or 2 other Senators on this side of the aisle who may desire to speak. I believe the Senator from Illinois [Mr. DOUGLAS] wishes to say something on the nomination. I am not sure whether the Senator from Alabama [Mr. SPARKMAN] desired to say something about it.

Mr. CLEMENTS. I am confident we can provide for a fair division of time. I should want it done on a basis which would be satisfactory to the chairman of the committee.

Mr. FULBRIGHT. I do not know whether any Senator on the other side of the aisle wishes to speak on the nomination. I estimate that my remarks will not take more than 40 minutes and I would be willing to bind myself to that time. I have prepared a statement, which I hope is an objective statement, and I am anxious to make it for the RECORD.

With the reservation that I do not know whether other Senators wish to speak on the subject, I am perfectly willing, so far as I am concerned, to bind myself to the time I stated.

Mr. CLEMENTS. I can assure my friend from Arkansas that I would be willing to yield such time to him as he may need, and that I would consult with him on the division of the remainder of the time.

Mr. FULBRIGHT. I wonder whether an hour and a half might be allowed to each side. I believe that would give other Senators an opportunity to speak if they desired to do so. In other words, what are we going to do about absent Senators?

Mr. CLEMENTS. Two hours to each side are provided under the unanimous-consent agreement.

Mr. FULBRIGHT. I thought it was 2 hours altogether.

Mr. MORSE. I believe the Senator from Kentucky misspoke himself.

Mr. FULBRIGHT. An hour and a half on each side would be satisfactory.

Mr. CLEMENTS. I was proposing 2 hours to each side. I want to make certain that the proposed unanimous-consent agreement calls for 2 hours to each side.

Mr. FULBRIGHT. Mr. President, may I inquire how the proposed unanimous-consent agreement reads?

The PRESIDING OFFICER. The clerk will again read the proposed unanimous-consent agreement.

The legislative clerk read as follows:

Ordered, That on the question of advising and consenting to the nomination of Harold C. Patterson, of Virginia, to be a member of the Securities and Exchange Commission for the term expiring June 5, 1960, including any motion relating to such nomination, further debate shall be limited to 2 hours——

Mr. CLEMENTS. Mr. President, I ask that the agreement be modified to provide for 4 hours, with 2 hours to each side, to be controlled by the acting majority leader and by the minority leader. That was my intention.

Mr. KNOWLAND. If that is the only agreement we can get, of course I shall support it. However, I wonder whether the distinguished Senator from Oregon and the distinguished Senator from Arkansas would not agree to 3 hours, which would give an hour and a half to each side. Might not that take care of the situation? I point out to the distinguished Senators that the Senator from New York has already made his remarks beginning at 10 o'clock this morning.

I doubt that we would use the full time on our side, and under the circumstances I thought perhaps 3 hours would suffice.

Mr. CLEMENTS. I join the Senator from California in suggesting that my friends give consideration to limiting the debate to an hour and a half to each side.

Mr. FULBRIGHT. So far as I am concerned, that would be satisfactory. I do not know whether the Senator from Illinois and other Senators wish to speak on the subject. I am willing to accept the hour and a half limitation. I have indicated the time I need, and I need no more than that. I am perfectly willing to accept that limitation. Does not the Senator from Kentucky believe we should have a quorum call before the unanimous-consent agreement is entered into?

Mr. CAPEHART. Mr. President, as the ranking Republican member of the committee which reported the nomination, I believe I am the only Senator on this side of the aisle who will speak on it. I do not believe we will need more than 30 minutes to defend a good Democrat. He is a Democrat, and we are going to defend him. It will take only about 30 minutes for us to defend a good Democrat.

Mr. CLEMENTS. In order to save time, I suggest that the original suggestion, limiting debate to 2 hours to each side be accepted. If the full time is not needed, I am sure Senators will yield back the remaining time.

Mr. MORSE. That is exactly the suggestion I was about to make. I shall speak to the other Senators to determine whether we cannot cut the time down to an hour and a half to each side. The

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Senator from Illinois [Mr. DOUGLAS] and the Senator from Alabama [Mr. SPARKMAN] may wish to say something on the subject.

Mr. CLEMENTS. I suggest that the 4-hour limitation be agreed to. Otherwise, we will take more time in discussing it than would be taken by debate on the nomination.

The PRESIDING OFFICER. Is there objection to the unanimous-consent agreement? Without objection, the order as modified, is entered.

Mr. BUSH. Mr. President, may I inquire what the agreement now is?

Mr. CAPEHART. It provides 4 hours of debate, with 2 hours to each side.

Mr. CLEMENTS. Mr. President, I yield to the Senator from Arkansas such time as he may desire.

Mr. FULBRIGHT. May we have a quorum call first?

Mr. CLEMENTS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CLEMENTS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CLEMENTS. Mr. President, I yield to the Senator from Arkansas [Mr. FULBRIGHT] such time as he shall suggest.

Mr. FULBRIGHT. Mr. President, I should like to have 30 minutes.

Mr. CLEMENTS. I yield 30 minutes to the Senator from Arkansas.

Mr. FULBRIGHT. Mr. President, the Patterson nomination to the SEC points up a basic issue, namely, what shall be the role of the independent regulatory Commission.

THE PURPOSE OF INDEPENDENT REGULATORY COMMISSIONS

The independent regulatory commission is the method we have developed to regulate complex and ever-changing industrial forces. It was impossible for Congress to enact detailed legislation with sufficient flexibility to meet the demands of a growing and changing economy. No law or group of laws could possibly anticipate the changing structure and practices of an industry. Nor could we allow the courts to bog down in a maze of conflicting economic evidence or let a multitude of such cases clog dockets.

The only answer to these problems, or at least the best we have so far been able to devise, is the independent regulatory commission. These commissions have been charged with the power to make rules based on legislative standards and fair procedures. The power to make rules supplementing legislation is a legislative or, as it is commonly called, a quasi-legislative power. Since our constitutional principle of separation of powers does not admit the exercise of the legislative function by the executive branch, the regulatory commission, independent of direct control by the executive, came into being.

Commission regulation also involves the resolution of disputes over the application of the law which involves the use of quasi-judicial powers. Neither Congress nor the Executive may constitutionally exercise such powers. The regulatory commissions were thus made independent of both executive and legislative branches.

The idea of the independent regulatory commission has been attacked by some students of government. They have been called the fourth branch of the government and criticized as resulting in the creation of a "hydra-headed government" with a host of independent agencies responsible to no one. I shall not deny that their existence creates problems, but to date I have seen no proposals for a better system to meet the problem of industry regulation in the public interest.

INDEPENDENT COMMISSIONS SUBJECT TO CHECK

The independent commission is not completely independent. The President has the power of original appointment to membership, the power to remove members for cause, and its appropriations requests must clear through the Bureau of the Budget. The Senate has the power to confirm appointments to membership, and Congress has absolute control over their expenditures, the right to investigate, and finally the power to alter their rules and organization, or even abolish the commissions by legislation.

Thus, if these commissions carry out policies contrary to the public interest, it is not because they are responsible to no one. It is because we in Congress fail to do our duty, or the Executive fails to discharge its responsibility properly.

Students of government did get Congress to accept one of their proposals via the recommendations of the old Hoover Commission. Their theory was that a commission as a body should operate independently on quasi-legislative and quasi-judicial functions, but that the chairman shoud be charged with sole administrative and procedural powers. The chairman would be designated by the President, and, possessing such powers, could harmonize the administrative policies of the commission with those of the administration. The proposal seemed wise and was adopted for some of the commissions. After all, why should the commission be concerned with petty procedural matters?

The only trouble with this system is that procedural and substantive problems are all too often intertwined. What complaints and cases the staff should pursue, how much money should be spent and for what, how many experts should be hired, and what should be assigned to them, are considered to be administrative matters. Yet it is obvious the actions taken on these matters have a profound effect on policy.

Since Congress has accepted Executive Reorganization Plan No. 10, so as to give these administrative powers to the chairman of the SEC, the President already exercises tremendous influence over the policies of the SEC. To go beyond even these powers by loading the commission with his political supporters will utterly pervert the purposes in creating an independent commission in the first place.

ORIGINS OF THE BIPARTISAN INDEPENDENT COMMISSIONS

The principle of the bipartisan independent commission did not suddenly spring into the structure of our Government. It grew gradually out of our experience with attempts to protect the public interest. The first such commission to be established by the Federal Government was the Interstate Commerce Commission, created in 1887.

When Congress approached the task of creating the first Federal regulatory commission, it had before it the diversified experience of some 20 States which had somewhat similar types of commissions in operation. It had also some impressions of the English experience in railroad control. One of the Nation's foremost authorities on independent commissions, Robert E. Cushman, has said, however, that—

> It is a fallacy to assume that lawmakers and statesmen always benefit from past experience and that existing precedents are fully known and properly evaluated by them. It is hard to prove that any particular body of experience influenced legislators to pass a particular law; difficult to judge how much weight to attribute to past experience as against current ingenuity in the solution of any legislative problem. (The Independent Regulatory Commissions, pp. 19–20.)

Thus Congress, at the time of the establishment of the ICC, had no fixed notions as to any precise formula for the operation of such an agency. It was only certain, as pointed up in the report of the Cullom committee—Senate Report No. 46, 49th Congress, 1st session, 1886—that abuses in the railroad industry needed regulation.

Cushman has said that, during the debates on the act, "freedom from Presidential domination was probably assumed." Although, as he says, "The word independence does not appear in the debates," he states that "independence, if it meant anything, appears to have meant bipartisanship as a guaranty of impartiality."

Certainly, bipartisanship was a talking point in favor of the legislation. Representative Herman, for example, cited the broad powers of the proposed commission, but said:

> I express my confidence in advance as to the integrity and ability and fidelity of the commission. They are appointed by the President of the United States presumably from its best known, oft tried, and capable citizens. They pass through the critical ordeal of a senatorial confirmation. The life record of each one is passed in review. They are appointed from different political parties, and thus partisan bias is largely disarmed. (CONGRESSIONAL RECORD Appendix, vol. 18, p. 35.)

It is obvious, then, that even though The next bipartisan independent regulatory commission was not firmly fixed with the creation of the ICC, bipartisanship was, from the first, an established principle, along with an assumed freedom from Presidential domination.

PRINCIPLE OF INDEPENDENCE OF REGULATORY COMMISSION FIXED AT TIME OF CREATION OF FTC

The next bipartisan independent regulatory commission to be created was the Federal Trade Commission, in 1914. By

this time, the principle of bipartisan membership was firmly established and the idea of independence had taken root. The House report on the measure said:

One of the chief advantages of the proposed commission over the Bureau of Corporations lies in the fact that it will have greater prestige and independence, and its decisions, coming from a board of several persons, will be more readily accepted as impartial and well considered. For this reason also it is essential that it should not be open to the suspicion of partisan direction, and this bill provides, therefore, that not more than three members of the commission shall belong to any one political party. (H. Rept. 597, p. 11 (51 CONGRESSIONAL RECORD 11089).)

During the Senate debate on the bill, Senator Norris, of Nebraska, stated:

I think that is right—that it would be a permanent commission, one that would not be dependent upon the success of any political party or any administration to continue it in power, and therefore would feel like enforcing the law without reference to what effect it might have on politics. I am not saying that that is true. I am not offering any suggestions in defense of this bill; I wanted to call the attention of the Senate to the statement made by the Senator from Nevada, founded, as I believe, upon a proper statement of the conditions that have existed in the past which make it necessary for Congress to protect the country from the evils of our partisan administration. (CONGRESSIONAL RECORD, vol. 51, p. 12648.)

Although independence of the executive was not stressed during debate on the Interstate Commerce Act, such independence, based on the principle of bipartisan commission membership, came to be a recognized asset of the ICC. In fact, the ICC experience was cited by Senator Newlands, of Nevada, to justify the independence of the FTC. For example, he stated:

In reply to the Senator from Minnesota [Mr. Nelson], I have to say that the Interstate Commerce Commission always has been a bipartisan board. That is one of its chief virtues. A majority only of that Commission can belong to one political party. It is provided in the trade commission bill that a majority only can belong to one political party. Unfortunately, when the Federal Reserve Board was created such a provision was not put into the law. In my judgment it ought to have been put into the law, and the correction should be made as early as possible.

I can understand very easily how that board can drift into partisan administration if it is composed entirely of the members of one party.

Senator Newlands was stressing bipartisan membership as a means of preventing partisan administration of the law. But the debate on the FTC Act went even further, actually stressing the independent nature of the Commission in and of itself. In this regard, Senator Newlands cited the ICC as "a nonpartisan organization, which moves absolutely free from the influence either of Congress or the President, an independent organization." (51 CONGRESSIONAL RECORD, 11235.)

Senator Morgan stated:

Whatever we do in regulating business should be removed as far as possible from political influence.

It will be far safer to place this power in the hands of a great independent commission that will go on while administrations may change. That is one reason why I believe in having all these matters place, so far as they can be, in the hands of a commission, taking these business matters out of politics.

Mr. Covington, of Maryland, speaking in the House, not only desired a commission similar to the Interstate Commerce Commission, but went on to explain that—

the great value to the American people of the Interstate Commerce Commission has been largely because of its independent power and authority. The dignity of the proposed commission and the respect in which its performance of its duties will be held by the people will also be largely because of its independent power and authority. Therefore, the bill removes entirely from the control of the President and the Secretary of Commerce the investigations conducted and the information acquired by the Commission under the authority heretofore exercised by the Bureau of Corporations or the Commissioner of Corporations.

If the debate on the ICC Act did not directly disclose the intent of independence of the Commission, the experience of the ICC was relied on heavily in creating an independent Federal Trade Commission. By this time, the independence of the ICC seemed firmly established, and there were numerous references to the value of independence in establishing the FTC on this basis.

The Federal Power Commission, as originally created, was composed of the Secretaries of War, Interior, and Agriculture. Thus, there was no bipartisan provision in the original act, and the body was not independent of the executive branch. The act creating the Commission was amended by Public Law 412, 71st Congress, Forty-sixth United States Statutes at Large, page 797, which provided for an independent 5-member appointive commission, no more than 3 of whom shall be of the same political party.

SEC CREATED AS INDEPENDENT AND BIPARTISAN COMMISSION

By the time the SEC was established, the principle of independent, bipartisan regulatory commissions was so thoroughly accepted as not even to warrant debate.

The Securities and Exchange Act of 1934, 48th United States Statutes at Large, page 881, provided for the creation of a five-member commission to administer the act. It further provided that not more than three of the Commissioners shall be of the same political party, and that in making appointments members of different political parties shall be appointed alternately as nearly as may be practicable. The House bill, H. R. 9323, which on enactment became the Securities and Exchange Act of 1934, provided for the administration of the act by the Federal Trade Commission. The Senate bill, S. 3420, provided for the Commission of five members as finally adopted. The provision concerning the five-member Commission was retained in the conference bill and ultimately enacted. Although considerable debate took place on the question of administration by the Federal Trade Commission or by a separate commission, no specific debate was found, nor did the reports on the two bills comment on independence or bipartisanship. These were accepted without the necessity of debate.

Another important feature of the SEC, and virtually all regulatory commissions, is that members are appointed with overlapping terms. This had the twofold purpose of assuring continuity of regulatory policies and preventing a new administration from suddenly and violently reversing such policies by completely new memberships on the commission. It is still a further safeguard against executive domination of the independent commissions. This is further, and, I believe, conclusive, evidence of the fact that Congress intended this agency to be independent—free from the danger of domination by any particular administration or any one political party.

CONGRESSIONAL INTENT CLEAR

Mr. President, I have shown congressional intent in creating the independent bipartisan regulatory commissions. I think Cushman summed it up pretty well when he wrote:

Congress has made the commissions independent in order to place the regulatory tasks assigned to them outside the range of partisan control. During the early period especially, "independence" meant to the average Congressman "bipartisanship" and the detachment naively supposed to result from it. This kind of independence was regarded as vitla. Later on, after the Interstate Commerce Commission had grown up, independence came to be associated in the congressional mind with the highly creditable achievements of this first great commission. It stood for a measure of impartiality and efficiency rarely prevailing in an executive department, and greatly to be desired.

We may conclude, then, that Congress has had two general aims in creating independent regulatory bodies: first, to secure reasonably impartial and nonpartisan handling of quasi-judicial tasks; second, the honest and efficient handling of tasks too big to be entrusted to the politicians in the executive departments.

There cannot be the slightest doubt of congressional intent in establishing independent, bipartisan commissions.

Now, let me take up the specific issue before us, namely, the nomination of Mr. Harold C. Patterson to membership on the SEC. His nomination is to fill a Democratic vacancy on the SEC.

THE PATTERSON NOMINATION EVADES INTENT OF LAW

Mr. Patterson testified at the hearings that his nomination was cleared by the Republican National Committee. This procedure for Democratic appointments perverts the very purpose of bipartisan commissions. Obviously clearance with the Republican National Committee cannot have reference to anything other than politics. If the Republican National Committee is to clear nominees for appointment to bipartisan commissions, these agencies can and will be completely dominated by the administration in power through its political agency.

Mr. Patterson says he is a Democrat. However, he stated that he did not support the Democratic candidate in the last presidential election. His original sponsor was also an Eisenhower supporter. Mr. Patterson was appointed to a position as Director of the Division of Trading and Exchanges by the new administration, a position recognized as a pa-

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tronage position. In short, there can be no question that his political loyalties lie with the present administration, regardless of what he says about the nomenclature under which he operates. Indeed, that can be the only purpose of his clearance by the Republican National Committee.

The Patterson appointment may or may not comply with the letter of the law, but it certainly evades its spirit and intent. If the bipartisan requirement can be circumvented by a Republican President appointing a man who is his political supporter to a position reserved by law for the opposition party, the bipartisan provision become meaningless verbiage.

If we permit the nomination of Mr. Patterson to be confirmed, Congress should do 1 of 2 things. Either we should abolish the bipartisan requirement to avoid making a mockery out of the law, or we should amend the law to provide that "not more than three of such commissioners shall be members of the same political party, or political supporters of the President, or sponsored by political supporters of the President." In addition, perhaps we should establish clearance facilities for minority appointments, either by the respective party leaders in Congress or the affected national committee.

It should not be necessary for us to do this, however. I strongly urge the rejection of the Patterson nomination, so that the President will know that he will encounter opposition every time he attempts to evade the spirit and purpose of the law.

EXECUTIVE DOMINATION OF INDEPENDENT AGENCIES SHOULD STOP

Mr. President, I should like to add one or two words. As a result of the recent hearings which were held regarding a study of the stock market, it has become quite evident that already in this administration there has been achieved a great degree of centralization stemming from the White House and the Treasury. This is significant when one recalls the criticism of the Secretary of the Treasury to a mere study of the market. He did not criticize so much what was said, but he characterized the study itself as being similar to the shouting of "fire" in a crowded theater. So it can be seen that already there is an effort—and I would say successful effort—to dominate what are supposedly and what were intended to be independent agencies. I think it would be a very long step backward if we further subjected the SEC to the domination of the now prevailing political party in the executive branch of the Government.

Mr. BIBLE. Mr. President, I yield 30 minutes to the distinguished Senator from Oregon.

The PRESIDING OFFICER (Mr. ALLOTT in the chair). The Senator from Oregon is recognized.

Mr. MORSE. Mr. President, I wish to commend very highly the Senator from New York [Mr. LEHMAN] and the Senator from Arkansas [Mr. FULBRIGHT] for the very able speeches and arguments they have presented this morning on a serious problem of government, so serious that I am greatly concerned that so few of our colleagues seem, in these hurried days, to be giving it the attention it deserves. But this is not the first nomination which has been discussed in the Senate in the last 2½ years that has involved a threat to good government. One would think that our colleagues would have learned from past experience.

Two and half years ago some of us discussed the Talbott nomination, and we warned then that the confirmation of the nomination would come home to plague the Senate. I can count noses, and I know its opponents are not going to prevent confirmation of the nomination of Patterson today, but I want the record to show that this nomination will come home to plague the Senate of the United States.

What I am sad about, Mr. President, is that the Senate is not rising in unanimity, Republicans and Democrats alike, to protect the independence of the bipartisanship of administrative tribunals, such as the Securities and Exchange Commission which have been created by Congress. That is the question which is at stake today.

I remind my colleagues most respectfully that the President of the United States has had much to say about ethics. I venture to suggest that he should practice what he preaches. I wish to say, and I say this with a full realization of the import of the statement, that from the standpoint of political ethics, it is unethical for the President of the United States to appoint an Eisenhower Democrat to a bipartisan commission, because the President of the United States cannot square that appointment with political ethics.

It is not ethical for the President of the United States to appoint a non-Democrat to a commission when a Democrat within the meaning of the law Eisenhower Democrat is not a Democrat within the meaning of the law which established bipartisan commissions. The purpose of the law was to assure the American people that such commissions would be manned by representatives of the two major parties, not by representatives of one major party. What is there in a name if in fact the man the President selects for appointment is not a man from the opposition party, but a man from his own political camp? That is what the President has done, and I charge him this morning on the floor of the Senate with bad political ethics. Any sophomore in college would tell the President, if the President would but ask him, that the appointment of a man from the President's own political camp is not in keeping with the spirit and intent of the law which provides for bipartisanship membership of these independent agencies; indeed, in my judgment, there is a serious question as to whether or not the appointment of Mr. Patterson meets the legal requirements for appointments to these bipartisan commissions.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. CARLSON. I merely wish to mention that I have been in Washington for some time, as has the Senator from Oregon, and I can well remember Roosevelt and Truman Republicans being appointed to commissions. I wonder if the Senator from Oregon would care to comment on that.

Mr. MORSE. The Senator from Kansas cannot remember a case of that kind which was supported by the Senator from Oregon. If the Senator can, I ask him for his bill of particulars. The Senator ought to be willing to stand up and present a bill of particulars on that allegation, and point out where the Senator from Oregon supported any such conduct. I never have done so, and I never will.

Mr. President, I wish to repeat that I am disappointed and saddened by the fact that we have a President of the United States who would unbalance independent agencies of the Government which are quasi-judicial in nature, by putting one of his partisans on a bipartisan commission—an action which he is asking the Senate to confirm this morning—and calling him a Democrat despite the bipartisan requirements of the law.

The President of the United States cannot square that with decency in Government, and I am saddened that he stooped so low in cheap party politics as he has in this matter. We are talking now not about individuals, but about the need for preserving what I think is a very important feature in our Government, of checks and balances.

As the Senator from Arkansas has so brilliantly demonstrated this morning, the reason why throughout our history we have established bipartisan independent agencies has been to strengthen our governmental system of checks and balances. The confirmation of the pending nomination would undermine our system of checks and balances, and the responsibility for doing so must be placed on the very steps of the White House.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. FULBRIGHT. With respect to the inquiry of the Senator from Kansas, I should like to say that I do not know whom he had in mind, because he did not say, but I can think of many appointments by Democratic administrations of Republicans who were not Truman Republicans or Roosevelt Republicans to positions not required by law to be bipartisan. I can think of appointments of persons like John Foster Dulles, Robert Lovett, Warren Austin, Frank Knox, to important positions which were not required by law to be bipartisan. To me that would indicate that those administrations did not pervert the law which required Republicans on bipartisan commissions.

Mr. MORSE. I might mention Henry Stimson.

Mr. FULBRIGHT. And Henry Stimson. I should like to have the Senator from Kansas particularize. I am not aware of any to whom he referred. There may have been some minor appointments, but the fact is that Democratic administrations went very far in preserving the spirit of bipartisanship

in some of the highest positions in the Government.

Mr. MORSE. I wish to speak on some basic principles of government of which I think we should not lose sight, because, after all, we have a solemn obligation, under our oath of office, to protect the constitutional form of government.

The role of government is to balance conflicting interests, and not to have one group or faction represented in preference to another. Only government can play this role, because it is not identified with the desires or the ends of any one group. Whenever government is used to foster selfish ends of some particular pressure group, the government fails in its responsibility to the people to protect the public interest.

We call the principle of the balancing of conflicting interests, which I have just mentioned, "representing the public interest" in a manner which truly represents and protects the public interest. We have traditionally pictured our Government as a balance wheel. Its role has been to make it possible for all factions or groups to compete on as nearly an equal basis as possible. We have preferred this competitive type of interchange to stringent government controls. History has proved the wisdom of this approach.

Very frequently we have described a government to which this principle is applied as a government of law, not a government of men. All too frequently this very important democratic principle has become a political cliché on the lips of politicians, but I wish to stress the point that the principle that ours is a government of law, not a government of men, is one which in its application will determine whether the Government fulfills its primary responsibility of representing the public interest and protecting the public against selfish interests on the part of those who would despoil the governmental processes.

The success of this type of government rests directly upon the degree of faith the various elements of the society have in government.

In order to make it possible for the Government better to fulfill its function, the Congress has created, from time to time, independent commissions vested with quasi-judicial and legislative functions. Congress intended these commissions to be independent, and an indication of the intention of Congress is the fact that we call them "independent commissions," as was pointed out by the Senator from Arkansas [Mr. FULBRIGHT]. These commissions were never meant to be an appendage of the executive branch; in fact, legislative history will show that Congress intended them to be more closely connected with the Congress itself, rather than with the executive branch.

The Securities and Exchange Commission is one of these independent regulatory bodies. The Securities and Exchange Act of 1934 created this five-man Commission. Among other things, the act provides that "not more than three of such Commissioners shall be members of the same political party." The obvious reason for this provision is that it gives a bipartisan flavor to the Commission. It also was meant to ensure that no more than three members of the Commission would reflect the political philosophy of the administration in power. Let us note, Mr. President, that this is fully in line with our concept of balancing the conflicting interests.

The present membership of the Commission is 3 Republicans and 1 Democrat. By law the next appointee, then, has to be a Democrat. If the President is anxious to carry out not only the spirit and intent of the law, but also the letter of the law, he should appoint a Democrat to this office.

Mr. Harold C. Patterson has been nominated for this position. Mr. Patterson was sponsored by a supporter of President Eisenhower. Earlier today, I pointed out to the Senator from New York [Mr. LEHMAN] that the sponsor of the appointee was the mayor of Alexandria, Va., an Eisenhower Democrat, and a person active in the Eisenhower campaign. In fact, as was stated yesterday in the Washington Post and Times Herald, in an article which I have already today placed in the RECORD, in the course of my colloquy with the Senator from New York, the mayor is now sponsoring for the next election an Eisenhower-for-President movement among Democrats.

I believe it important that the record show the sponsorship of the nominee for membership on the Securities and Exchange Commission. It seems to me that I have some right to speak on the matter of political independence and on the matter of what I consider to be the duty of an individual when it comes to bipartisanship, because in 1952 I found myself in a position where I became so dissatisfied with the political standards of the Republican Presidential candidate that, in good conscience, I could not support him. Not only that, but I felt that the situation was so serious that it was my public duty publicly to oppose him; and I felt that when I publicly opposed him, I was under the ethical obligation to leave my party. So I resigned from my party, as a matter of conscience, because I felt I had no right to remain within any party and oppose its candidate. So I have very strong feelings on the question of political morality and the responsibility of any President—be he Republican or Democrat—when he fills vacancies on bipartisan commissions, to make certain that in filling a particular post he strictly observes the bipartisan requirement by appointing a man who is not a member of a party which shares his political point of view.

However, at the hearings before our committee, Mr. Patterson admitted that he was a supporter of the Republican candidate for President in 1952; and I believe that anyone who listened to Mr. Patterson testify in committee came away with the understanding that the nominee still shares the point of view of and supports the Republican President.

I repeat, Mr. President, that the selection of a person with that political philosophy does not keep faith with the spirit and intent of the bipartisan commission law which was passed by Congress in order to provide for bipartisan commissions.

Furthermore, the record shows that Mr. Patterson was cleared by the Republican National Committee. That is a remarkable political procedure and one should not need to say more about whether the President of the United States picked a Democrat for this post. I think we should take judicial notice of the fact that the President picked a political henchman for the post, not a Democrat, and I think it is a sad reflection upon the administration of our law in regard to bipartisan commissions that the name of a person nominated for a bipartisan post is submitted to the Republican National Committee for clearance.

So, Mr. President, my conclusion in the committee was that Mr. Patterson is not a Democrat, in fact, and that confirmation of his nomination would even be questionable as regards its legality under the Securities and Exchange Act.

I believe it is also notable that the nominee was in the brokerage business, and then was selected by the Chairman of the Securities and Exchange Commission, Mr. Demmler, to fill a supergrade position on the staff of the Securities and Exchange Commission. That fact is indicative of political patronage in the filling of the office. Mr. Patterson served for 1 year in that post and now has been nominated for elevation to membership on the Commission itself.

I think that procedure is subject to the interpretation that the administration was very careful to see to it that the economic interests of Mr. Patterson were taken care of during the interim year when he moved from the brokerage business into a Government job, and now from that Government job into membership on the Commission itself.

Mr. President, I believe that this appointment raises a serious question of executive interference with an independent regulatory commission. I think it endangers good government and endangers the whole administrative law procedure, insofar as the administration of these quasi-judicial bodies by bipartisan commissions is concerned, and it also sows the seeds of suspicion as to their independence.

Above all else, Mr. President, the Securities and Exchange Commission must, as in the case of any other governmental agency, represent the public interest. But, in my judgment, Mr. Patterson's nomination, if confirmed, would not in any way be representative of the public interest. Instead, his background is that of experience in the brokerage business. Confirmation of the nomination of Mr. Patterson would mean that all five members of the Securities and Exchange Commission would have come from the very industry the Securities and Exchange Commission is supposed to regulate in the public interest.

The Senator from New York covered this item in great detail. I shall not go into it, other than to repeat the premise that the four present members of the Commission are men who, either as lawyers, have represented powerful clients in the brokerage industry who have found themselves in conflict with the

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Securities and Exchange Commission, or who themselves have been taken directly from the industry. Not a single one of them meets the qualifications of what I would consider to be a public representative, in that not a single one of them has come from outside the industry itself.

As to the nomination of Mr. Patterson from the standpoint of the tests which I have laid down as my guide for 10 years in casting my votes on Presidential nominations, I must answer—and I am happy to answer—the question as to which one or which ones of the criteria Mr. Patterson fails to meet.

One of those criteria is, of course, that he must meet the qualifications of the law. In my judgment, Mr. Patterson does not meet them. In my judgment, Mr. Patterson does not meet the qualification of being a Democrat. In my judgment, he is not a man who is qualified to fill a Democratic post on a bipartisan commission, for the reasons I have already set forth.

The second criterion goes to the question of competency. When a member of a committee in a hearing cross-examines a nominee, listens to his answers, and studies him as a witness, he must reach a judgment as to whether or not he thinks the nominee is competent to fulfill the responsibilities of the job. I think all doubt should be resolved in favor of the nominee. I leaned over backward in an endeavor to resolve doubts in favor of Mr. Patterson, but as I listened to him answer questions, as I judged the nature of his answers, I came to the conclusion that this man effuses mediocrity. In my 10 years in the Senate I have never observed a nominee for a high post who in my judgment was so mediocre in his obvious abilities. I do not believe that this man possesses the competency which should be possessed by a man appointed to fill this very responsible post. Therefore I reject him on the ground of incompetency, as the second ground of rejection.

I reject him on a third ground. I reject him on the ground of self-interest. I came to the conclusion, as I listened to this man's testimony and adjudged him in the committee hearing, both before the subcommittee and the full committee, that he will not rise above his interested background in the field of securities. I cannot bring myself to vote for the nomination of a man who I think will not rise above self-interest.

Lastly, I think we have a solemn duty in the Senate to protect the congressional interest in maintaining a bipartisan regulatory commission system in our country. I am sad to say that I think the President, by this nomination, as well as by some others, shows an increasing tendency to break down the bipartisanship of our regulatory bodies.

I invite the attention of Senators to some of the other appointments the President has made.

He appointed Mr. William E. Dowling to the Tariff Commission. On July 29, 1955, the Detroit News commented that "he was described by the White House as an 'Eisenhower Democrat'."

On the Federal Trade Commission he appointed Mr. Robert T. Secrest, a Democrat; but Secrest testified last week that he was selected and approved by the Republican National Committee.

On the Federal Power Commission he appointed Mr. Seaborn L. Digby; and there is grave doubt as to whether or not he is, in fact, a Democrat. There is good reason to believe that he is a supporter of Eisenhower. In my judgment the appointment of Democrats who are supporters of Eisenhower is not keeping faith with our bipartisan regulatory system.

I realize that honest and sincere men differ with me in this point of view. However, as I have studied the legislative history of the regulatory bodies, as brought out by the Senator from Arkansas [Mr. FULBRIGHT] earlier in the day—he was assigned to cover that subject, and did it in a brilliant manner—I reached the conclusion that what we are dealing with here is an attempt on the part of the President of the United States to break down the bipartisanship of our quasi-judicial regulatory bodies.

Therefore, for the three reasons I have set forth, I think this nomination should be rejected.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point, as a part of my remarks, a joint statement issued by those of us in the committee who are opposed to the nomination.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

We oppose the nomination of Harold C. Patterson to membership on the Securities and Exchange Commission because it is out of harmony with the spirit of the law which created the Commission and because we do not believe it to be in the public interest.

The Securities Exchange Act of 1934 creates a Securities and Exchange Commission composed of five Commissioners. The act specifically states that "not more than three of such Commissioners shall be members of the same political party." The purpose of this provision was to preserve the SEC, an independent regulatory Commission, free from the complete domination of the executive branch of the Government.

The SEC was created by law as an independent agency. It possesses legislative and judicial powers. It was never intended that it be an arm of the executive branch of the Government. In fact its responsibilities lie closer to the Congress than to the Executive.

Mr. Patterson testified at the hearings that his nomination was cleared by the Republican National Committee, although it was admittedly for a Democratic vacancy. This apparently normal procedure for Democratic appointments perverts the very purpose of bipartisan commissions. Obviously clearance with the Republican National Committee cannot have reference to anything other than politics. If the Republican National Committee is to clear nominees for appointment to bipartisan commissions these agencies can and will be completely dominated by the administration in power through its political agency.

Mr. Patterson says he is a Democrat. However, he stated that he did not support the Democratic candidate in the last presidential election. His original sponsor was also an Eisenhower supporter. Mr. Patterson was appointed to a position by the new administration which was recognized as a patronage position. In short there can be no question but that his political loyalties lie with the present administration. Indeed that can be the only purpose of his clearance by the Republican National Committee.

Another equally compelling reason compels our opposition to this nomination. If the Patterson nomination is confirmed, all five Commissioners will reflect the point of view of the industry they are entrusted to regulate.

The present Chairman, Mr. Armstrong, comes from a large Chicago law firm, a great many of whose clients are subject to Commission rules and regulations.

Another member, Mr. Orrick, comes from a large San Francisco law firm which represented many clients affected by the SEC regulations.

Another Commissioner, Mr. Goodwin, was formerly a partner in Dillon Reed & Co., an investment banking firm.

The fourth Commissioner, Mr. Adams, a holdover, was formerly State securities commissioner of Connecticut, but even he was a member of an investment banking firm in Hartford.

And now the nomination of Mr. Patterson makes industry representation on the SEC unanimous—not a single representative of the public interest among them. For Mr. Patterson, until a year ago, was a partner in Auchincloss, Parker & Redpath, members of the New York Stock Exchange. He has also been an officer and member of the board of governors of the National Association of Securities Dealers, a member of the board of governors of the American Stock Exchange and of the Washington Stock Exchange.

Perhaps something can be said for having 1 or 2 Commissioners drawn from the industry regulated. But to have all five in that category is unthinkable.

We oppose the domination of independent regulatory commissions by the executive branch of the Government, and Congress will be failing in its duty if it permits this to take place.

We condemn the turning over of an independent regulatory commission to complete domination by representatives of the industry it is supposed to regulate. This is like making a quarterback the referee in a game played by his own team. Regulation of the securities laws cannot be compared to refereeing a football game, however. Billions of dollars of investments by millions of trusting investors depend on the unbiased judgment of the SEC, as does the smooth functioning of our capitalistic economy.

The Patterson appointment does violence to the spirit of the Securities Exchange Act and puts the regulated industry into the role of the regulator.

Mr. MORSE. Mr. President, I yield back the remainder of my time.

Mr. HUMPHREY. Mr. President, how much time is left on the side of the opponents?

The PRESIDING OFFICER. The opponents of the nomination have 51 minutes.

Mr. HUMPHREY. Mr. President, I yield to myself 5 minutes. I understand that other Senators desire to be heard on the side of the opposition to the nomination of Mr. Harold C. Patterson to be a member of the Securities and Exchange Commission.

I wish to associate myself with the statements of the Senator from New York [Mr. LEHMAN], the Senator from Arkansas [Mr. FULBRIGHT], and the Senator from Oregon [Mr. MORSE], in opposition to this nomination. I think the Senator from Oregon has made a very penetrating analysis as to his own observations on the qualifications of Mr. Patterson, and upon the question of whether or not this nomination complies with the spirit and intent of the law.

I think it is fair to say that from time to time Presidents appoint persons to various positions who may be more or less sympathetic with the point of view of the Presidents. This is particularly true with respect to study commissions and advisory commissions. It is particularly true, at times, when the appointee is a personal representative of the President, such as one who may be appointed as a roving ambassador, or even in the field of the Diplomatic Service, because the nomination is the President's own personal nomination. The individual is to represent him, and to report back directly to the President. He is to be responsible only to the President.

At times Presidents may appoint "Truman Republicans," "Roosevelt Republicans," or "Eisenhower Democrats." But this is a different situation, and it ought to be so noted. This is a situation in which the Congress of the United States has established a Securities and Exchange Commission as a quasi-judicial body. It is separate from the legislative branch of the Government, and separate from the executive branch. If it has any connection with either branch of the Government, the connection is more direct with the legislative branch.

I think it is very important that the Congress of the United States jealously guard the regulatory agencies which have been established under public law. These regulatory agencies were designed to meet a specific need. The Securities and Exchange Commission came into being because of open corruption on the stock market. It came into being because of open fixing of the market. It came into being because of open collusion in the market between the operators in the market. It came into being because at one time there was far too much connection between the operations of the stock market and the operations of the Government of the United States.

I shall not review all the history of the sordid picture that once existed in the country, in which the free market, the stock market, was literally made an area of corruption and collusion and nefarious kinds of business practices, where millions and millions of dollars were lost, and billions and billions of dollars in assets were liquidated.

As a result of that dismal picture, Congress established what is known as the Securities and Exchange Commission. That Commission is supposed to be bipartisan. Not only is it supposed to be bipartisan, but the members of the Commission are supposed to be persons who have no direct interest in securities as such. They are supposed to represent the public interest, and to regulate securities and exchanges in the public interest.

Recently, in connection with the Dixon-Yates contract—I shall not call it a contract, the Dixon-Yates deal—we had the picture of a Presidential assistant calling from the White House to the Securities and Exchange Commission asking the Commission to withhold its hearing upon certain bond issues until a vote had taken place in the House of Representatives.

That in itself was unethical. I say to the self-styled ethical administration that the spectacle of an assistant to the President of the United States interfering with the independent jurisdiction of the Securities and Exchange Commission cannot be defended in any way. It is an indefensible action for the Commission to be loaded, so to speak, with persons who are strictly sympathetic with the point of view which may be exercised from the mysterious place called the White House. That is a further departure from what we call ethical practices, and from the spirit of the law.

I make note of the term "White House." Every time I pick up a newspaper I see the term "White House." I have never known of any house being able to speak or to be endowed with human faculties. I have never known of a house to have a spirit or a soul or tissue or blood. However, I find that the White House does have all. It is a sort of disguise, an apparatus, a mechanism, a machine, with which we cannot identify individuals. It is a kind of concept, a system, a mechanical proposition, rather than any particular individual.

Mr. President, I say that the nominee does not meet the qualifications prescribed by the law. I believe it to be important to call the attention of the Senate to page 22 of the hearings. When Mr. Patterson was asked by whom he had been consulted, he said he had been consulted by the members of the Commission. When did the members of the Commission start selecting their own members? That is a most unusual picture.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MORSE. When we add to that the fact that the Chairman of the Commission over a year ago selected him for——

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Mr. HUMPHREY. I yield myself an additional 5 minutes.

Mr. MORSE. When we add to that the fact that the Chairman of the Commission about a year ago selected Mr. Patterson to head one of the divisions, we see again the direct connection between the Chairman and the nominee. That is a serious mistake. It creates the danger the Senator from Minnesota is referring to. It will not lead to an independent Commission. It will create the temptation to appoint a man who will be under obligation to the Chairman of the Commission and under obligation to every Commissioner who has interviewed him. For what purpose did they interview him? It was brought out in the hearing. It was to determine whether they would support him.

It is none of their business who is appointed to the Commission. It is none of the business of a member of an independent agency who is appointed to fill a vacancy on the Commission. In fact, they should keep their hands off, just as a Federal judge must keep his hands off when it comes to making an appointment to a judicial position.

Let us suppose that the individual judges of a circuit court were to select the successor to fill a vacancy on the court. We can imagine what would happen to them. They would be subjected to charges of unprofessional conduct as judges, and they would be subjected to discipline so far as the canons of the legal profession are concerned.

Mr. HUMPHREY. I thank the Senator from Oregon. I may add, as a supplement to his comment, that this sort of thing will lead to political inbreeding. It is a sort of regulatory nepotism. In other words, the Commissioners are selecting their own kind, and keeping the appointment within their own family, so to speak.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MORSE. The Senator may wish to call it political inbreeding. I call it political prostitution.

Mr. HUMPHREY. The Senator uses different terminology, but the meaning of what we have in mind is not at all dissimilar. I wish to say that this pattern of appointment is being adopted in agency after agency. Only recently, the representative of the small-business men, the American Federation of Independent Business, called upon the chairman of the Small Business Committee, as well as on the Committee on Banking and Currency, to look into the activities of the Federal Trade Commission. I can announce today that, as chairman of the subcommittee handling the matter, the subcommittee will look into it. There again we witness the appointment of people to a Commission who at one time had an interest directly opposed to the purposes of the law which the Commission is supposed to administer, and from which law it derives its authority.

On the Federal Power Commission we have witnessed the same kind of appointments being made, whereby the purpose and intent of the law have been set aside by the clever device of using selected appointments.

The junior Senator from Minnesota said in 1953 that the administration would give to the American public the picture of what one might call progressive government, and that that would be the front porch kind of political picture, but that in the regulatory agencies something else would take place, namely, that those agencies would be sterilized, so to speak, from their regulatory functions. That is precisely what is beginning to happen.

Mr. President, I object to this nomination on two grounds. First, I object to it on the ground that the President is appointing a person who does not qualify under the terms of the bipartisan spirit and intent and letter of the law as written by Congress when it established the Securities and Exchange Commission.

Secondly, I object to the appointment because, I repeat, there is a kind of inbreeding going on in the regulatory agencies which is anything but in the public interest.

The Securities and Exchange Commission has a vital role to perform in the American economy. In the light of what has been happening on the stock market, in light of the fact that this administration shows a tendency toward inflation, and in light of the tremendous oppor-

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tunities which exist in the market for all kinds of economic practices which could lead to trouble, it appears to me that we ought to very careful indeed with appointments to the Commission.

Congress has a special responsibility in connection with the regulatory bodies. The Congress is responsible to make certain that the appointments are, in accordance with the law, bipartisan in the full meaning of that term.

Secondly, it is the responsibility of Congress to make certain that the appointments are in the public interest. We have had too much violation of the so-called conflict-of-interest statutes during this administration. I shall not take time to go into the most recent instance. The former Secretary for Air has resigned, as he well should have. I wish to pay a special tribute to the Senator from Oregon [Mr. MORSE] for having had the courage to stand on the floor day after day and to point out what was taking place in that particular instance.

I do not wish to burden the RECORD or in any way do injury to Mr. Talbott. However, I say again that the administration found itself in a very difficult position because it did not adhere to the provisions of the so-called conflict-of-interest statutes.

All of us remember that when Mr. Wilson came before the Committee on Armed Services he had to be reminded of the provisions of the conflict-of-interest laws. He, too, had to tell us of the sacrifices he made. Instance after instance can be pointed out of the full purpose and intent of the regulatory bodies and departments, as prescribed by law, having been diluted and weakened by the nature of the appointments that have been made.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MORSE. I am glad the Senator has made that point. It involves one of the criteria which Mr. Patterson has not met. The Senator will recall that earlier in this administration, when we blocked the nominations for the Cabinet until there could be time to discuss the qualifications of the nominees, we found that a number of them showed a lack of sensitivity to the conflict-of-interest principle. They did not see why they should not be exempt; they did not see why they should have to sell their stock. One of them was the Secretary of the Army, Mr. Stevens. I was subjected to a great deal of criticism because of my stand on his nomination. As we read his testimony before the Armed Services Committee, it is evident that he did not appreciate the necessity of the people of the United States being protected from men who had a conflict of interest by requiring them to place themselves in a position where there was not a conflict of interest.

It is not pleasant to say these things. When I say them, I say them with a heavy heart. The fact of the matter is that this administration has not protected the American people from the conflict of interest on the part of many of its nominees.

Mr. HUMPHREY. Mr. President, I close my remarks on this issue by saying that the point was made this morning that there was a long list of persons who had a conflict of interest. I would add to the list of those who were appointed Mr. Charles Wilson. I do not know whether he was a Roosevelt Republican or a Truman Republican. I do not know whether he was an Eisenhower Republican, but he was a Republican. He was appointed to an important post. Time after time in the past there were men appointed in the spirit of real bipartisanship. This administration talks about bipartisanship, but it is the most partisan administration we have had for years. It is partisan to the last degree. We cannot name more than 2—I can think of 1, but to be most generous, we cannot name 2 men with bipartisan backgrounds who have been appointed to any major position in any major agency, in this administration.

We have been told time after time, particularly in the field of foreign policy, that the nominees were bipartisan. I would like to have the names of the bipartisan persons who have been appointed to these Government agencies. I cannot forget how a former United States Senator, James Mead, of New York, was dropped from a Government agency.

Mr. MORSE. It raises a question of whether he was not dropped because he was a true Democrat.

Mr. HUMPHREY. I will let the facts speak for themselves.

Mr. KNOWLAND. Mr. President, I yield 10 minutes to the distinguished Senator from Connecticut [Mr. BUSH].

Mr. BUSH. Mr. President, I rise to say a few words in support of the nomination of Mr. Patterson. One hardly knows where to begin, because so many unkind things have been said about this very amiable, mild gentleman, who has an excellent record in life for which he need apologize to no one. It is one which has not been under attack, so far as I know.

One of the worst things said about him was that he voted for President Eisenhower. A great many people did that, Mr. President. A great many members of the Democratic Party did that. There were people from this gentleman's own State of Virginia who did that, and there were people in other States which are customarily Democratic States who did that. I do not believe it is considered any crime, if a man is a Democrat, to vote occasionally for someone in the opposing party, if he thinks it is time for a change. I believe many persons did think that in 1952.

Mr. President, I do not believe the two-party system is in danger of breaking down as has been suggested. I see no evidence whatever in the Senate or in the House of Representatives that the two-party system is breaking down, especially in view of the fact that the Democrats control both the Senate and the House. They captured that control less than a year ago, despite the fact that we have a very popular President of the United States, who is a Republican and who enjoys a very wide degree of approval by members of both parties. In fact, the degree of approval which he enjoys after 2½ years in office is almost unprecedented. It is one of the most remarkable things in our political history.

Mr. President, Mr. Patterson, who has been nominated for the Securities and Exchange Commission, is, as I have said, a man of high character, a man of good reputation, a reputation which has not been questioned; nor have his integrity, his honor, and his professional ability been questioned, even by those who are so strongly opposed to his nomination. He knows the business. I suggest that when a man has dealt with a particular industry, business, or profession, he can better represent the public, because he knows something about the business or profession or industry. This gentleman, Mr. President, does indeed know about the securities business, the brokerage business, the exchange, underwriting and distributing business. He spent 25 years in it.

Only last week I asked one of the partners in the firm of Auchincloss, Parker & Redpath—I think that is the name of the firm with which Mr. Patterson was associated—how long Mr. Patterson had been with the firm, and I was told that he had been with it 25 years.

I asked, "Did he have a good record?"

The reply was, "It was excellent." I asked, "Do you think he is a good man?" He said, "I do."

I asked, "Do you think he would be a good member of the Securities and Exchange Commission?" He said, "I certainly do."

Mr. President, when we select a governor of a Federal Reserve bank we do not consider it disadvantageous for the candidate to have had a banking career, either as an officer or a director. If we are selecting a Secretary of Agriculture we do not select someone who knows nothing about farming. I remember how Secretary Benson's appointment was applauded because of his broad background in the field of agriculture. So, when it comes to appointing a lawyer for the Department of Justice or someone to be Attorney General, we do not select a farmer or a scientist. We select a lawyer, someone who is competent to deal with the law. If a Secretary of the Treasury is to be chosen, we do not pick a scientist; we choose someone who has had such a background as to enable him to understand the monetary and financial problems which are presented to the incumbent of that office.

In the case of Mr. Patterson, I submit, Mr. President, that he has a background which will enable him to understand the problems with which he will be confronted. He is a man whose integrity has never been questioned. I submit that with his background of experience, he is qualified indeed to represent the public interest. It has been said that we should have someone who would represent the public. Of course we should have someone who would represent the public. All the Commissioners should represent the public. That is their job. But my contention is, and I believe it is the belief of the President, or he would not have nominated this

man, that he is better qualified to represent the public if he is familiar with the subjects he is called upon to consider and if he knows something about the problems which come before the Securities and Exchange Commission.

So I say, Mr. President, that I think this man has qualifications which justified the President naming him to be a member of the Securities and Exchange Commission.

I go back a few years, and I remember the first Chairman of the Securities and Exchange Commission, the Honorable Joseph P. Kennedy, of Boston.

What was his background? Incidentally, he was an excellent chairman of the SEC. He started off with a bang and got everyone behind him. He did an excellent job. What was his background? I took this information from Who's Who this morning.

From 1912 to 1914 Mr. Kennedy was a bank examiner. From 1914 to 1917 he was president of the Columbia Trust Co., a banking organization. From 1919 to 1924 he was manager of Hayden Stone & Co. That is a brokerage and underwriting firm, one of the largest in the business, with offices in Boston, New York, and other cities at that time. From 1930 to 1934, he was engaged in corporation finance. I do not know exactly what that means, but certainly it was in a financial field, and no doubt Mr. Kennedy was very active in that field.

Mr. Kennedy was well known in those days as a man who invested and reinvested and made money trading securities in the market. That was one of the reasons why he was so highly respected when he went to the SEC. The public felt that he understood the subject thoroughly, and would therefore be able to represent the public well, because he was a man of honor and integrity. He served with great distinction. He was President Roosevelt's first appointment to the Securities and Exchange Commission.

Another man whom President Roosevelt appointed to the Securities and Exchange Commission was John W. Hanes. John Hanes was then a partner in a firm named Smith, Barney and Company, which was a merger of two brokerage firms that were very active in the underwriting and distributing business, too. Mr. Hanes was appointed by President Roosevelt because of his knowledge of the securities market and the distributing business, the industry which is so important in financing corporations and the great enterprises of the United States.

The PRESIDING OFFICER. The time of the Senator from Connecticut has expired.

Mr. KNOWLAND. I yield an additional 10 minutes to the Senator from Connecticut.

Mr. HUMPHREY. Mr. President, will the Senator from Connecticut yield on my time?

Mr. BUSH. In a moment; not now.

Mr. Hanes served with such distinction on the Securities and Exchange Commission that President Roosevelt later appointed him to be Under Secretary of the Treasury to Secretary Morgenthau. In that post also Mr. Hanes served with distinction.

Who else was appointed to the Commission? I observe the name of Edward T. McCormick, who is now the president of the American Stock Exchange. He was formerly Chairman of the SEC, and before becoming Chairman he was a member of the Commission. What was his background? Who's Who, which is my only source of information on this subject, lists his background as that of securities analyst. In other words, he worked for the firms which were in the underwriting and distributing business, handling securities of the investment-banking fraternity. That was where he grew up. From there he went to the Commission, of which he became Chairman, and later he became president of the American Stock Exchange.

So, I submit that the record shows that my good friends in the Democratic Party and the Presidents under the Democratic regimes selected for service on the Securities and Exchange Commission men who knew what the securities business was all about. I think the fact that both President Roosevelt and President Truman appointed men with backgrounds such as I have outlined is an indication that they felt it was desirable to have men with some professional competence serve on a specialty organization like the Securities and Exchange Commission.

Does the Senator from Minnesota wish me to yield now?

Mr. HUMPHREY. I thank the Senator. I may say that any time I use will be taken from the time allotted to our side, so there will be no difficulty on that point.

My only question, merely for the accuracy of the record, is this: During the time when Mr. Kennedy, for example, was Chairman of the Commission, can the Senator from Connecticut assure the Senate that all five Commissioners were members of the very business they were called upon to regulate? Or were there some members of the Commission who were noninvestment specialists, nonbrokers, nonstockholders?

Mr. BUSH. I do not remember who the other members of the Commission were at that time. I remember that Mr. Kennedy was such an outstanding personality that he rather dominated the Securities and Exchange Commission, and I am very glad he did, because he performed outstanding service.

Mr. HUMPHREY. I, too, am very happy that he did. I think he did an outstanding job. But I think the Senator from Connecticut would recognize and agree that it is somewhat unusual to have all five members of a regulatory body come from the very business they are supposed to regulate.

Mr. BUSH. I would not accept the Senator's statement that they all come from the business they are called upon to regulate. At least one of the opponents of the nomination cited the fact this morning that the present Chairman of the Commission is Mr. Armstrong, who is an attorney from Chicago. I think he said also that the gentleman from California——

Mr. HUMPHREY. Mr. Orrick.

Mr. BUSH. Mr. Orrick, yes—who has recently been appointed, also is an attorney.

Mr. HUMPHREY. But their clients are people who are in the securities business.

Mr. BUSH. Not all of their clients are in that category.

Mr. HUMPHREY. I understand, for example, that Mr. Armstrong comes from a large Chicago law firm and represents many clients who are affected by SEC regulations.

Mr. BUSH. I have no doubt that Mr. Armstrong's law firm serves clients who issue securities as a corporation; or perhaps the firm has clients who are in the underwriting and distributing business or the brokerage business. I believe, though, that his firm is not exclusively devoted to that practice by any means.

Mr. HUMPHREY. Would not the Senator from Connecticut agree that it might be well to have at least 1 or 2 members of the Commission who are particularly interested in the overall nature of the American economy, and who are not specialists and are not particularly or directly connected with the securities business itself?

Mr. BUSH. I do not know exactly what the Senator has in mind when he speaks of someone who is interested in the overall picture of the American economy. Does he mean scientists or farmers?

Mr. HUMPHREY. It is not necessarily a credential for the position that one have an intimate working knowledge of the details of the profession. I think, for example, that Justice William O. Douglas once was the Chairman of the Securities and Exchange Commission; was he not?

Mr. BUSH. He was, indeed.

Mr. HUMPHREY. He was a pretty good commissioner.

Mr. BUSH. And he was a lawyer.

Mr. HUMPHREY. He was a lawyer who represented what I consider to be the public interest.

The Senator from Connecticut is familiar with regulatory agencies. He knows that in many States the statutes provide that certain persons may not be members of agencies or commissions if a majority of the members of the commission are engaged in the business which is to be regulated. That is not at all uncommon. Sometimes there are prohibitions in the law denying a person the right to be appointed, or denying the privilege of appointment, if he is intimately connected with the business he will be expected to regulate.

I think that is going too far. I think men are needed on the Securities and Exchange Commission who know the securities business; but I believe there is a point where it is necessary to draw the line, where a balance is needed. I do not think the Senator will disagree with me as to that.

Mr. BUSH. I do not entirely disagree with the Senator. I do not mean to say that someone should not be placed on the commission who might have a background as a professor of economics, as a professor of law, as an educator, or something of that sort. I would not neces-

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sarily say that membership on the commission needs to be 100 percent comprised of persons who have been active in the securities business; no.

But the Senate has before it the nomination of a good man, an honest man, a decent man, one who has a background in the business of securities, and a good and honorable background.

It seems to me that when the President of the United States has selected a person having such attributes, the arguments made against his nomination are not really of much force and effect.

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The Senator from Connecticut has yielded back the remainder of his time. Are there any other speakers on the nomination?

Mr. HUMPHREY. Mr. President, I understand the junior Senator from Oregon [Mr. NEUBERGER] would like to be heard. I yield 5 minutes to the junior Senator from Oregon.

Mr. NEUBERGER. Mr. President, I desire to speak only very briefly on the nomination. As a new Member of the Senate, I am somewhat puzzled by the fact that some Government commissions require bipartisan membership and others do not. This seems to be a practice which, like Topsy, has just "growed." For example, I do not understand why the Securities and Exchange Commission should be bipartisan and the Atomic Energy Commission, which, in my opinion, is perhaps the most important commission in the entire Government at the present time, need not be bipartisan. Nor do I understand the practice of requiring bipartisanship, and then allowing so-called captive members of the minority to be appointed.

It seems to me that we must make some kind of reform if this practice of bipartisanship is to be successful. We all know that there is nothing at all to prevent a President of the United States who is a Republican from appointing a so-called captive Democrat. That is apparently what has been done in this instance. Nor is there anything to prevent Democratic President of the United States from appointing captive Republicans.

If we are to perpetuate this method of requiring minority representation on Government commissions, I believe we must institute a reform. I think, for example, it should be required that when the President of the United States names so-called minority members to a commission—that is, persons in the opposite political party from himself—the nomination should have the approval of the leader in the United States Senate of the political party whose member has been appointed. Otherwise, Mr. President, I think we have absolutely no safeguard to carry out this bipartisanship in spirit.

Anybody can find a nominal Democrat who is not a Democrat at heart, and I suppose anyone can find a nominal Republican who is not really a Republican at heart.

For example, just to be absolutely candid, if I ever reached the position where I would make appointments—and I never expect to do so—I might name to a commission the distinguished senior Senator from North Dakota, who very often votes with the Democrats on many economic issues, and I wonder if the Republican Party would regard the appointment as complying with the law.

Without mentioning any names, I suppose if some Member on the other side of the aisle were required to appoint a nominal Democrat, he might, if he looked hard, find some Democrat on this side of the aisle who did not always vote with the Democrats on economic and social issues.

I think such appointments, while complying with the letter of the law, certainly would not be complying with the spirit of the law. Such appointments would be creating what a famous poet once described as hostages to fortune—a person who seemingly was on this side of the aisle, but was really in the control of the person who had appointed him, because while nominally a Democrat, he would not agree with the Democrats, or, while nominally a Republican, he would not agree with the prevailing Republican policy.

So it would be my suggestion that if we are to continue this practice of bipartisanship in Government commissions, the Senate leader of the party whose member was appointed should be consulted before the appointment is made, lest we have only so-called captive Republicans or captive Democrats on commissions.

In conclusion, I again wish to call to the attention of the Senate the fact that there is very little consistency in these appointments at the present time. Why is it that some Government commissions require bipartisan representation and others do not? Again I repeat, if it is sound to have bipartisan representation on the Securities and Exchange Commission, on the Federal Trade Commission, and on the Federal Power Commission, then why not, for example, on the Atomic Energy Commission?

It seems to me we should have one rule which would affect all commissions alike. I can see no reason why we must continue a practice which, like Topsy, has just "growed."

The PRESIDING OFFICER (Mr. MORSE in the chair). The Chair recognizes the Senator from Arkansas.

Mr. FULBRIGHT. Mr. President, I do not believe any other Senator desires to be heard. I suggest the absence of a quorum.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the time taken for the call of the roll be charged equally to each side.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is, Will the Senate advise and consent to the nomination of Harold C. Patterson, of Virginia, to be a member of the Securities and Exchange Commission?

Mr. FULBRIGHT. Mr. President, on this question, I ask for the yeas and nays.

Mr. KNOWLAND. Mr. President, I join in the request for the yeas and nays.

The yeas and nays were ordered.

Mr. KNOWLAND. Mr. President, I yield 10 minutes to the distinguished senior Senator from Indiana [Mr. CAPEHART].

The PRESIDING OFFICER. The Senator from Indiana is recognized for 10 minutes.

Mr. CAPEHART. Mr. President, I do not think I shall speak for 10 minutes.

I am a member of the Banking and Currency Committee which considered the nomination, and in the committee I voted to report the nomination, with a recommendation that it be confirmed.

The name of the nominee is Patterson; he comes from Virginia; he is a Democrat. When he was before our committee, I asked him point blank what his politics was. He said he was a Democrat, but he added that he voted for Eisenhower in 1952. Of course I congratulated him for doing so, because I think that shows excellent judgment on the part of a man, and shows that he would make a fine member of the Securities and Exchange Commission.

One of the arguments against the nominee is that he did vote for Eisenhower, and that the nominee is not a good Democrat. Mr. President, I do not know when it became illegal or disgraceful to vote for the candidate of a party to which one does not belong. I know Members of the Senate who have voted for both Democrats and Republicans. I believe I know Democratic Members of the Senate who supported President Eisenhower, and yet retained their seats on the Democratic side of the aisle in the Senate. I know other Democrats who publicly supported Mr. Eisenhower, even though I do not know whether they voted for him.

However, it is argued against confirmation of the nomination of Mr. Patterson that he is an Eisenhower Democrat, and that the position to which he has been nominated requires, under the law, that it be filled by a Democrat. This agency is one of the bipartisan agencies, and in this case not more than three of the Commissioners can come from any one political party.

As I have said, the nominee comes from Virginia. His nomination was endorsed by both the Virginia Senators. The nominee is a lawyer, and he has also been in the investment business. He has likewise been a member of the staff of the Securities and Exchange Commission for several years, or perhaps longer. Therefore, he has had considerable experience with the Securities and Exchange Commission. So we are following a principle I rather like, namely, that of promoting staff members to be Commissioners. I always liked to follow that principle in business—namely, to promote men from the ranks to the higher positions—if I could do so.

It is argued against confirmation of the nomination that the nomination was

cleared by the Republican National Committee. Well, I suspect it was. I think that is as it should be, because when the Democrats were in control of the administration—during the terms of President Truman and President Roosevelt—the Democratic Party cleared all the nominees, both Republican and Democrats. I have no quarrel with that; I think it is as it should be. I believe it is a good thing. There must be some place where such matters are to be cleared. So I see nothing at all wrong with it.

I remember a nomination for a position on the RFC; the name of the nominee was Dunham. When we asked him whether his nomination was cleared with the Democratic National Committee, he said, "Why, yes; I was not only cleared, but they invited me there for a talk, and they asked me whether I could go along with the other Democrats on the committee." He said he told him that he could.

I find absolutely nothing in the record, absolutely nothing in the testimony, absolutely nothing in any speeches made in the Senate against the nominee by Senators who are opposed to his nomination, against his character. The only thing I find that Senators who are opposed to him have against him that it is alleged that he is not a good Democrat; that he voted for Eisenhower; and that he comes from the industry rather than from public. That is about all I have found against the nominee.

Are those valid reasons for rejecting the nomination? Should we reject a nomination which the President sends to the Senate on the ground that the man is not a good Democrat? How do we know whether or not he is a good Democrat? Only he knows that. We have no way of knowing.

We certainly cannot criticize the gentleman because the Republican National Committee cleared him, if it did—and I believe it did. That is certainly not his fault. If they telephoned him and asked him to come in, if he wanted the position he would have to come in. I will not criticize him for that. I will not criticize either the Republican or Democratic National Committees for clearing appointments in this manner.

I find nothing against the nominee. I do not know too much about his ability; but I do not know that that is our province. We are asked to advise and consent. We are not in a position to look up the history of nominees. We leave that to the executive branch.

It seems to me that the arguments made against the nominee do not hold water. I do not think they are valid. It is said that some of the members of these commissions should be chosen from the public, some from business, and some from some other place. There is nothing in the law requiring such a practice. So far as I know, it has never been followed with respect to any of these commissions, either by the Democrats or by the Republicans. I do not know any particular reason why it should be.

I do not subscribe to the idea that merely because a man is in business he is no good, or that because he is in business he is good, or that because he has had no experience he could not learn, and learn quickly. I do not subscribe to such theories. I think it is up to each individual to decide whether he is to be honest and capable, and whether or not he will be a good Government official. Men either grow into such positions or they do not grow into them. I do not believe that past experience has too much to do with the situation, provided a man is given an opportunity to learn, and possesses a certain amount of intelligence, as I believe this nominee does.

I cannot find any valid reason for not voting for the nomination. I think the nominee is as good a Democrat as could be found. I would not know how to go about finding Democrats for these positions. It seems to me that this nominee is as well qualified as we could expect. Both Senators from Virginia are supporting him. They ought to know about him. The nominee comes from their State. They ought to know whether or not the arguments used against the nominee are valid. It is my understanding that they are supporting him.

I recommend to the Senate that it confirm this nomination.

Mr. KNOWLAND. Mr. President, I yield to myself 3 minutes.

The committee hearings show that the distinguished junior Senator from Virginia [Mr. ROBERTSON] appeared at the hearing. I read from page 1 of the hearings, quoting the junior Senator from Virginia:

> Senator ROBERTSON. Mr. Chairman, I am not on the subcommittee. I just wanted to come and show my interest in my fellow Virginian and express the hope that the committee would favorably recommend his confirmation, because in my opinion he well merits the promotion that the President has seen fit to give him.

This is a case in which the President of the United States has reached into the staff of the Securities and Exchange Commission and promoted someone from the staff to be a member of the Commission.

A few short days ago complaints were being made because the President of the United States had not selected someone from a list of locomotive inspectors and promoted him to be chief of the division.

This nomination is a promotion, based upon merit, of a man who is apparently well qualified. I have been unable to find any evidence casting a reflection upon his integrity or his ability. It is in conformity with the custom, the practice, and the requirement of the law that there be a bipartisan board.

The nominee has testified he has participated in the Democratic Party primaries. I know it to be a fact that during the Roosevelt and Truman administrations men who held nominal Republican registration, and who had voted either for Roosevelt or Truman in the election, were appointed to fill various posts. So this is not an unusual situation. The nominee testified that he has participated in Democratic primaries and has been a Democrat, but apparently he supported Dwight Eisenhower in the Presidential election.

Under the circumstances, I believe that the nomination should be confirmed.

Mr. President, I yield 10 minutes to the Senator from Maine [Mr. PAYNE].

Mr. PAYNE. Mr. President, while I do not happen to be a member of the subcommittee which heard the testimony on the nomination of Harold C. Patterson, nevertheless, I am a member of the Banking and Currency Committee of the Senate, and cast my vote for a favorable report to the Senate on this nomination.

My reason for doing so is that, basically, I consider the man well qualified to administer intelligently and in a straightforward manner, in the interest of the public, the Securities and Exchange Commission Act, as it was passed by the Congress.

If one is undertaking to determine the nature of a human ailment, he obtains the services of the best surgeon or diagnostic expert he can find, rather than going to a horse doctor. In this particular instance, the activities and workings of the Securities and Exchange Commission involve a delicate operation, which concerns many people. The task must be intelligently approached. To administer the act in such a manner as to carry out the intent of the Congress requires the services of a man who knows the law, who knows the workings of the Commission, and the manner in which its activities are carried on.

I have heard it said here that the public interest was being lost sight of. Only a short time ago I referred to the dictionary to learn what Webster had to say about public interest. He says that it means having a civil or official character, authority, or status, and that it imposes upon the individual the obligation of serving all the public, without discrimination, more or less subject to regulation of law.

Nowhere in the testimony of Harold C. Patterson before the subcommittee can anything be found which would have justified the subcommittee in reaching any other determination than that the nominee imposed upon himself an obligation to see to it that the law, as written by the Congress, was administered in the interest of the public. What more can we ask of a man? When a man gives us his word, who are we to question it, until his actions belie his statements before the committee?

It amazes me to hear the question raised as to whether he is or is not a true Democrat. Strangely enough, during recent years I have heard that there are many fine members of the Democratic Party. Many of them are very close friends of mine. However, there are two schools of thought in the Democratic Party. There are the straight line Jeffersonian Democrats. Then there is another branch of the party, which has gone off into what is called the Liberal-New Deal-Fair Deal philosophy. Certainly, when a man who has been honest and forthright before a committee of the Senate is asked what his party affiliation is and says "I am a Democrat," to ask him whether he is a Stevenson Democrat, a Kefauver Democrat, or some other kind of Democrat, is going pretty far. The fact that he honestly answered, "I am a Democrat," should certainly satisfy everyone.

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Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. PAYNE. I yield.

Mr. CAPEHART. Furthermore, he was frank and honest enough to say, "However, I voted for Eisenhower in 1952." For that I congratulate him. He did not have to say that.

Mr. PAYNE. He did not have to say it.

Mr. CAPEHART. But he wanted to be frank and honest.

Mr. PAYNE. That is correct.

Mr. CAPEHART. He said, "I am a Democrat. I am a registered Democrat. I live in Virginia. However, I want you to know that in 1952 I voted for Eisenhower." That shows how honest the man is. That kind of man is intelligently honest. He did not want to fool us.

Mr. PAYNE. After a man has gone into the voting booth to cast his vote, it is his privilege to determine whether he will say who he voted for.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. PAYNE. I yield.

Mr. FULBRIGHT. Does the Senator believe if he had answered to the contrary his nomination would be before the Senate for confirmation today?

Mr. PAYNE. What is the Senator's question?

Mr. FULBRIGHT. Suppose Mr. Patterson had said he had not voted for President Eisenhower. Does the Senator believe that the nomination would be before the Senate today?

Mr. PAYNE. I do not believe there is any question that the same questions would still have been raised.

During the course of my public life I have known of a great number of my good friends on the other side of the aisle who were very glad and very willing to endorse the recommendation of a Democratic President in the case of a Roosevelt Republican and a Truman Republican. I know some of the men who were appointed in those years. Those questions were never raised.

There is no sense dragging this matter out. I merely wish to say this: Is it the right of the President to make the nomination? The question is answered in the affirmative.

Has the President followed the line that is set forth in the law, that the appointee should be a Democrat, so as to give representation to the minority and to the majority in proportionate numbers? The answer is in the affirmative.

Is there anything in the law which spells out what the man's qualifications should be? No, there is not.

The law does set forth clearly and unmistakably the very complicated provisions pertaining to the operations of the Securities and Exchange Commission. I submit that no person is better able to understand the functions of a Commissioner of the SEC than a person who has been in the business himself.

When he says he will perform his duties honestly and capably in the interest of the people, I have faith in the decisions he will make when he submits that kind of statement to a committee listening to his testimony.

For the reasons stated, Mr. President, I shall stand by the decision I reached earlier in connection with the appointment of Mr. Patterson, when I voted to report the nomination to the Senate, and it is my hope that the fairminded Members of the Senate, who recognize a good man when they see one, will not turn their backs on a nominee of this type, but will confirm him by an outstanding vote.

Mr. FULBRIGHT. Mr. President, I yield myself 3 minutes. I merely wish to make a few observations on some remarks made by some of my colleagues. I understood the Senator from Indiana to say that Mr. Patterson is a lawyer. There was no testimony to the effect that Mr. Patterson is a lawyer. For practically all his adult life he has been a broker. He was a partner in the Auchincloss brokerage firm in Washington just prior to his appointment last year to the staff of the SEC. There is no objection to having, as members of the Commission, 1 or 2 representatives of the securities business. The point we seek to make is that the entire membership of the Commission, all five members, should not be composed of men in the securities business or of attorneys who represent clients in the securities business. We believe that as a matter of good governmental practice, there should be some diversity of view and certainly some representatives of the public interest.

The point was made that Mr. Patterson was promoted from the staff of the SEC. That is a rather far-fetched idea. He was appointed to the staff only last year as a Republican patronage appointment. To say that the appointment was made from the staff seeks to leave the impression that Mr. Patterson is a career man and that he has spent at least a substantial amount of time in the SEC, assisting in conducting its operations. He has been there a very short time as a result of a political appointment. He is a representative of the securities business, of the brokerage business. As I said, there is nothing wrong with that, although we believe it is poor practice to have all the members represent that point of view.

I gather from the remarks of the Senator from Indiana [Mr. CAPEHART] that he simply does not believe in bipartisan appointments. He apparently believes them to be a lot of nonsense. He believes that every administration has followed the course of ignoring bipartisan requirements; therefore, why should not the present administration do it? Several Members have stated that such practices were carried out under Democratic administrations. In a Government as big as ours probably cases like that have occurred in all administrations. However, no one who has suggested that that was done has pointed out any cases. I cannot recall any prominent cases. I do recall a number of very important positions going to Republicans, who were not Roosevelt Republicans. I cannot imagine Mr. Stimson being a Roosevelt Republican, or Mr. Knox being a Roosevelt Republican. The same may be said with respect to such Democratic appointments as John Foster Dulles, Warren Austin, Robert Lovett, and many others. They were representatives of their party. I never heard of anyone who said they were not.

I believe it was good governmental practice to invite such men into the Government, to give a different point of view.

John Foster Dulles is certainly not a Truman Republican. He is a Republican. He was called into the Government service in a Democratic administration for the purpose of providing a sort of bridge, it might be said, between the parties. I believe that is an illustration of the Democratic administration conforming to the spirit of the law even in cases where the law does not require it. In the case of Cabinet positions there is no requirement that the appointments be based on bipartisanship.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. FULBRIGHT. I yield myself an additional 2 minutes.

The point has been made that it was not a crime to vote for Eisenhower. Of course it was not. No one says it was. However, the law provides that on the SEC there shall be representation of both parties. I believe my colleagues are getting mixed up in the nomenclature. The point is that the law intended that the appointee be of the opposite party, whatever the name. That is, the law provides that he not be a supporter of the administration. That is what the law means. That is the intent of it, regardless of what we may call it. That is the point, regardless of whether we call people conservative, liberal, Democrat, or Republican. The one thing the law does provide is that the SEC shall be a bipartisan commission, at least two of the members of which are not supporters of the appointing power, in this case the President. I believe that is all it means. When asked about it, Mr. Patterson very frankly said that he had voted for Eisenhower. Having been cleared by the party concerned, he would have been a very foolish man if he said he had not voted for Eisenhower. That would have made him not only a liar, but a stupid one.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. CAPEHART. He volunteered the information that he voted for Eisenhower.

Mr. FULBRIGHT. I believe the record will show that I asked him if he supported the Presidential nominee of the Democratic Party, and he said "No." I distinctly remember asking him that question.

Mr. CAPEHART. I was under the impression that he volunteered the information.

Mr. FULBRIGHT. It was in reply to my question. He had given no evidence of concealing it, but he had not voluntarily stated it. I do not think that is any crime. I have a great many friends who supported Mr. Eisenhower.

But that is not the point at issue, Mr. President. The issue is whether it is good governmental practice for the President to act as Mr. Eisenhower has in this

case, and whether his action accords with the law which requires that both parties be represented. I take the provision of law to mean that there must be a representative on the Commission who does not support the appointing power, in this case, the President of the United States.

Mr. O'MAHONEY. Mr. President, will the Senator from Arkansas yield time to me?

Mr. FULBRIGHT. Mr. President, I yield 5 minutes to the Senator from Wyoming.

DO NOT PACK THE SEC WITH BANKERS

Mr. O'MAHONEY. Mr. President, I am frank to say that my opposition to Mr. Patterson's nomination to the Securities and Exchange Commission does not depend at all upon the presidential candidate for whom he voted. The truth of that statement will be borne out by the fact that in the past month I have spent most of my time bringing about the confirmation of judicial nominations submitted to the Senate by the present President of the United States. So the political alinement is the least concern of mine in the consideration of Mr. Patterson's nomination.

My concern arises from the fact that his appointment to the SEC means that every member of that body will be affiliated one way or another with the investment business, and thus the real purpose of the law which guarantees that the Commission have an open mind will be defeated.

The Commission was created by law for the protection of the people, the common people, in the purchase of securities issued and placed upon the market.

During the period preceding the economic slump of 1929 it was revealed that millions of investors throughout the United States, farmers and ranchers in the Western and Southern States, indeed, agriculturists throughout the land, workers in the big cities, small-business men, and professional people, had been victimized by holding companies which were selling worthless stocks to them on the representation of holding companies, brokers, bankers, and investment houses that the stocks were good.

The Securities and Exchange Commission was established by law for the protection of the common people of the United States against the sale of such worthless securities, against the sale of securities which were designed to bring about the concentration of economic power through holding companies. Many of the holding companies were compelled to divest themselves of their holdings in various subsidiaries; and a greater participation by the public resulted from this divestment by various holding companies of the operating subsidiaries through which they dominated the Nation's electric utility bureaus.

A POLITICAL ISSUE FOR 1956 IS BEING CREATED

Mr. President, I should think that the Members of the Senate on the other side of the aisle would give most careful consideration to the words which I am now about to pronounce. If they support Mr. Patterson in the vote on the confirmation of his nomination they will be creating an issue for the Democratic Party in the campaign of 1956 which will be understood in every home in the land; and no amount of rhetoric——

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. FULBRIGHT. Mr. President, I yield 5 more minutes to the Senator from Wyoming.

Mr. O'MAHONEY. Mr. President, no amount of rhetoric and oratory will close the eyes of the people of the United States to the fact that if the nomination of Mr. Patterson is confirmed the Securities and Exchange Commission will become almost completely a Commission of bankers and investment lawyers.

Are the Republican Senators going to say that it is the desire of the President, the desire of the Republican Party, and their own desire as Senators, to deny the farmer, the worker, and the small-business man representation on the Securities and Exchange Commission? A vote for Mr. Patterson will do just that and it cannot be denied.

Mr. President, I have before me a statement which was issued by the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Alabama [Mr. SPARKMAN], the Senator from Illinois [Mr. DOUGLAS], the Senator from New York [Mr. LEHMAN], the Senator from Oklahoma [Mr. MONRONEY], and the Senator from Oregon [Mr. MORSE], regarding the nomination of Mr. Patterson. In the statement are listed the names of the present members of the SEC. Examining this statement, I wish to amplify what the Senators said.

The statement shows that the present Chairman, Mr. Armstrong, comes from a large Chicago law firm, a great many of whose clients are subject to Commission rules and regulations. What was this firm? I would add this information to the statement by the Senators who issued it. It was the law firm of Lincoln, Isham & Beale, attorneys for Commonwealth-Edison Co., which was the largest operating firm in the Insull empire, one of the empires which brought about the collapse in 1929, when the abuses by Mr. Insull were such as to make it inevitable that Congress should pass a law establishing the SEC and providing for the divestment by holding companies of some of their holdings.

Another member of the Commission is Mr. Rowen, who comes from a large San Francisco law firm representing many clients affected by SEC regulations.

Mr. Goodwin was also a member of a corporation. He comes from the State of Alabama. He was a member and a partner in Dillon, Reed & Co., which company is an investment banking firm.

IS THIS GOP THE PARTY OF BIG BUSINESS?

Is it possible that the Senate of the United States is going to say to the people of the United States that we will select as SEC Commissioners men trained by the investment bankers to protect them from the sale of weak or worthless securities? Or, to put it another way, suggested by the chairman of the committee, is it possible that the Members of the Senate, Republicans and Democrats alike, are going to say to the investors of the United States, "We are going to select investment bankers to protect you against investment bankers?" I thank the Senator from Arkansas for his suggestion. I am happy to have adopted it.

The fourth Commissioner is Mr. Adams. He comes from an investment banking firm in Hartford, Conn.

We have also the case of Mr. Demmler, who is the ex-Chairman of the SEC. He resigned only a few weeks ago when the Dixon-Yates matter began to get hot, and no explanation was ever given as to why he resigned.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. FULBRIGHT. I yield an additional 5 minutes to the Senator from Wyoming.

Mr. O'MAHONEY. Mr. Demmler, when he was appointed to the Commission, came from the law firm of Reed, Shaw, Smith, & McClay, of Pittsburgh, of which former Senator Reed, of Pennsylvania, was the head.

Whom did that firm represent? It represented the Mellon investment firm. One of its brilliant staff of able lawyers, he suddenly appeared with this administration to become chairman of the SEC.

To show what this means, choosing all the commissioners from one industry, so to speak, it is only necessary to point out that Mr. Robert A. McDowell, head of the Division of Corporate Regulation, came to the SEC from the firm of Sullivan and Cromwell of New York, attorneys of the first Boston corporation in the Dixon-Yates matter.

Mr. President, how is it possible for the Senate, in the closing hours of this session, to give its approval to a nomination which will make the SEC into an organization completely composed of investment bankers and lawyers of investment bankers?

LET US AVOID CREATING CONFLICT OF INTERESTS

We talk about conflict of interests. The President only yesterday sent to the Senate a letter which was delivered to the minority leader, the senior Senator from California, notifying the Senate of the resignation of Mr. Talbott, Secretary of the Air Force.

What were Mr. Talbott's connections? He was a member of a management firm, and he acknowledged before a Senate committee that on the letterheads of the Department of the Air Force he was soliciting business for the management firm of which he was a partner. He was exonerated of any violation of law or ethics. But, Mr. President, we cannot afford to place men in positions where they are subjected to the temptation to serve their own selfish interests. It would be unfair to Mr. Patterson to confirm his nomination, just as it was unfair to Mr. Talbott to confirm his nomination and place him in a position where he could use the stationery of one of the great departments of the United States Government to pursue an attempt to build up the business of his organization.

What is being said to us when we are urged to confirm the nomination of Mr. Patterson is that we need not care whether the farmers, the cattlemen, the small-business men, the workers, the in-

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vestors, the people who are saving their money, are to be protected by men who know their problems and are free from danger of favoring special interests.

I sincerely believe that in the interest of protecting small business and small investors, the President should withdraw the nomination if the debate in the Senate continues long enough for him to realize the nature of the nomination and its effect on economic welfare. I trust that even though the nomination is confirmed, the President may see fit to withhold the actual appointment.

We cannot close our eyes to the fact that under the present administration there is a sort of staff organization of the executive branch. The President depends upon the leaders of his staff to look after much of the domestic business of the country, while he is devoting his time to grave international problems, in the conduct of which I think he is sincerely trying to win peace.

The PRESIDING OFFICER. The time of the Senator from Wyoming has expired.

Mr. O'MAHONEY. Mr. President, will the Senator from Arkansas yield me 1 more minute?

Mr. FULBRIGHT. Yes; I yield the Senator an additional minute.

Mr. O'MAHONEY. So the staff members who dare to suggest the nomination of a man who will make the SEC an organization from which everyone is barred except investment bankers and their lawyers are doing a disservice to their own President, and certainly they are doing a disservice to the people of the United States.

I hope the nomination will be overwhelmingly rejected, if the vote is about to be taken.

Mr. CAPEHART. Mr. President, will the Senator from Illinois yield 2 minutes to me?

Mr. DIRKSEN. I yield 2 minutes to the Senator from Indiana.

Mr. CAPEHART. Mr. President, are we to understand that in this instance, and in other instances of nominations to boards and commissions, the President should select persons who have had absolutely no experience, and who know absolutely nothing about the problems involved?

For example, of what good could a farmer or someone else who knew absolutely nothing about the investment business or investment law be as a member of the SEC? Of what good would such a person be to the Commission if he had absolutely no experience in the securities and exchange field?

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. CAPEHART. What could such a person do?

Mr. O'MAHONEY. There is no such suggestion.

Mr. CAPEHART. The Senator's argument against Mr. Patterson——

Mr. O'MAHONEY. My argument is against packing the Commission with investment bankers.

Mr. CAPEHART. Just a moment. I have ears; I can hear. The Senator's whole argument is based upon the fact that all five of the members are experienced persons.

Mr. O'MAHONEY. They are all from one class.

Mr. CAPEHART. Suppose some of them were previously in the investment business or were lawyers for investment companies. When was it decided we should go outside of experience to get someone to protect us? If Senators were in trouble, would they hire a lawyer who had had absolutely no experience?

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. CAPEHART. No. Let me speak now. Would Senators hire lawyers who knew absolutely nothing about a subject? Would they hire lawyers who had absolutely no experience? Would they appoint or hire someone who had absolutely no experience to do a specific job, someone who could not read a financial statement, who knew nothing about the law, who did not know the difference between preferred stock and common stock, and debentures and bonds? Is that the argument the Senator is making?

The PRESIDING OFFICER. The time of the Senator from Indiana has expired.

Mr. CAPEHART. Will the acting minority leader yield me 2 more minutes?

Mr. FULBRIGHT. I will yield the Senator 2 minutes from my time.

Mr. CAPEHART. Does the Senator from Wyoming think a better job could be done by hiring someone who knew nothing at all about the subject?

Mr. O'MAHONEY. Mr. President, is the Senator asking me a question?

Mr. CAPEHART. Yes; I have asked the question.

Mr. O'MAHONEY. I answer the Senator from Indiana by stating that I have no doubt in the world that he himself could select from his own employees, from the management of his great manufacturing institution to be members of the Commission, men who are neither investment bankers nor lawyers, but who could read a balance sheet, and who could better represent the people of the United States and the investors of the United States than could the investment banker who has been nominated.

Mr. CAPEHART. Does the Senator take the position that the nominees to this Commission should not come from business?

Mr. O'MAHONEY. Not at all.

Mr. CAPEHART. That they should not come from the investment banking field?

Mr. O'MAHONEY. I am simply saying that the whole Commission——

Mr. CAPEHART. Is the Senator saying that a lawyer should not have represented an investment firm, so as to have enabled him to get some experience in that field? The able Senator from Wyoming is a lawyer. Does he take the position that such persons ought not to be appointed?

Mr. O'MAHONEY. Certainly not. The Senator from Indiana is trying to argue himself into believing what he is saying. I did not say that at all. I say there should not be a Commission of five members all chosen from one group.

Mr. CAPEHART. Does the Senator mean a Commission of five experienced persons?

Mr. O'MAHONEY. I do not. I mean a Commission of five investment bankers and lawyers for investment banking houses.

Mr. CAPEHART. Three with experience, and two without any experience?

Mr. O'MAHONEY. Not at all.

Mr. CAPEHART. I simply wish to make one statement, and then I shall take my seat. There is a concentrated effort on the part of the opposition to the nomination—this is my personal opinion——

The PRESIDING OFFICER. The time of the Senator from Indiana has expired. Does the Senator from California yield additional time to the Senator?

Mr. KNOWLAND. I yield 2 minutes to the Senator from Indiana.

Mr. CAPEHART. Even though in this instance the nominee has the same political faith our opponents espouse, there has been concentrated effort on the part of too many Senators in the opposite political party from that of the President of the United States to discredit and try to run out of Government all businessmen and all experienced persons, and to cast a shadow of doubt upon their integrity and honesty. One sees it manifested in the newspapers every day. One sees the effort made on the floor of the Senate every day. One feels it in the air. There is some sort of propaganda campaign in progress to discredit the Eisenhower administration and the Eisenhower appointees.

The opposition to the nomination before the Senate is an example. The only thing which can be found against the nominee is that he has had experience. The only thing which can be found against him is that he has had many, many years of experience in dealing with the very subject with which he will be expected to deal as a member of the Commission. It is said that someone who has had no experience should be appointed.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Indiana yield to the Senator from Wyoming?

Mr. CAPEHART. Yes; I yield.

Mr. O'MAHONEY. I wish to give the Senator examples of Republican members of the SEC who fall within my description and who were members of the Commission. Mr. Richard McIntyre, who for several years was a government attorney, was appointed to the SEC, as a Commissioner. Judge Healy, who was general counsel of the Federal Trade Commission, was also appointed to the SEC.

Mr. Robert O'Brien, of the staff of the SEC, was made a Commissioner. Mr. Donald L. Cook, a government attorney, was made a Commissioner. Jerome Frank, a government lawyer, now a judge, not an investment banker, and not a lawyer for investment banking houses, was made a member of the Commission. Former Representative Eicher,

of Iowa, was a Republican, but not an investment banker, so that the argument which is being made here in effect, namely, that members of the Commission should be chosen from the profession with which the Commission deals, falls to the ground.

There are thousands of investors in the United States thoroughly familiar with fiscal affairs who are not investment bankers or attorneys for investment banking houses. There are thousands of businessmen, there are thousands of lawyers, there are thousands of citizens fitted and available for appointment to this Commission. The appointee of the Commission should not be selected from the very group the Commission was established to regulate.

The PRESIDING OFFICER. The time of the Senator from Indiana has expired. Does the Senator from California yield further time to the Senator from Indiana?

Mr. KNOWLAND. Mr. President, before the vote on the nomination is taken, I should like to say that some question was raised as to nominations which in previous administrations were made without any consultation with the Republican leadership of the Senate.

I am informed that at the time Mr. Arthur S. Flemming was appointed to the Civil Service Commission in 1939, there had been no consultation with the official Republican leadership in the Senate or the House.

When Mr. Lowell B. Mason was appointed in 1945 to the Federal Trade Commission, there had been no consultation with the Republican leadership in the Senate or the House.

When Mr. Eric A. Johnston was appointed in 1948 to the Public Advisory Board of the ECA, there had been no consultation with the Republican leadership in the Senate or the House.

When Mr. Philip D. Reed was appointed in 1948 to the United States Advisory Commission on Information, there had been no consultation with the Republican leadership in the Senate or the House.

When Mr. Walter L. Dunham was appointed in 1949 to the Reconstruction Finance Corporation, there had been no consultation with the Republican leadership of the Senate.

In 1952, when Mr. Wilson L. Townsend was appointed to the Export-Import Bank Board, there had been no consultation with the Republican leadership of the Senate.

In addition to that, previous administrations had a rather unusual practice. Since the law provided that, let us say, no more than 3 appointments should come from 1 political party, instead of appointing Republicans who had at least voted in the Republican primaries—as the nominee under consideration has voted in Democratic primaries—and who might have voted in a presidential election once in a while, previous administrations engaged in the unusual procedure of appointing so-called independents, and in effect charging them to the Republican minority.

The administrations to which I referred appointed Mr. Nelson Lee Smith to the Federal Power Commission in 1943.

Mr. William J. Patterson was appointed to the Interstate Commerce Commission in 1939.

Mr. Ewell K. Jett was appointed to the Federal Communications Commission in 1944.

Mr. William Ward Smith was appointed to the Maritime Commission in 1946.

Mr. Edward Webster was appointed to the Federal Communications Commission in 1947.

Mr. Philip B. Flemming was appointed to the United States Maritime Commission in 1949.

Mr. John Carson was appointed to the Federal Trade Commission in 1949.

Mr. Charles M. LaFollette was appointed to the Subversive Activities Control Board in 1950.

Mr. Seymour E. Harris was appointed to the Commodity Credit Corporation in 1950.

The political designation of all the persons I have just named was "Independent," with the exception of William Ward Smith, who gave his political affiliation as "none."

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. Does the Senator from California yield back any time still remaining to him?

Mr. FULBRIGHT. Mr. President, I am about to suggest the absence of a quorum, and I am prepared to yield back the time remaining to us.

Mr. KNOWLAND. I suggest we both yield back our time, and then suggest the absence of a quorum.

Mr. FULBRIGHT. I yield back the remainder of my time.

Mr. KNOWLAND. Mr. President, I yield back the remainder of my time, and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BIBLE in the chair). Without objection, it is so ordered.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from California will state it.

Mr. KNOWLAND. Is not the pending question, Will the Senate advise and consent to the nomination of Harold C. Patterson, of Virginia, to be a member of the Securities and Exchange Commission?

The PRESIDING OFFICER. That is correct.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. CLEMENTS. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Texas [Mr. DANIEL], the Senator from Mississippi [Mr. EASTLAND], the Senator from Delaware [Mr. FREAR], the Senator from Tennessee [Mr. GORE], the Senator from Massachusetts [Mr. KENNEDY], and the Senator from Rhode Island [Mr. PASTORE] are absent on official business.

The Senator from Georgia [Mr. GEORGE] is absent by leave of the Senate.

The Senator from Texas [Mr. JOHNSON] is absent by leave of the Senate because of illness.

I further announce that if present and voting, the Senator from Massachusetts [Mr. KENNEDY] would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Wyoming [Mr. BARRETT] is absent because of illness in his family.

The Senator from New Hampshire [Mr. BRIDGES], the Senator from Indiana [Mr. JENNER], the Senator from Kansas [Mr. SCHOEPPEL], and the Senator from Idaho [Mr. WELKER] are necessarily absent.

The Senator from Ohio [Mr. BRICKER] and the Senator from Iowa [Mr. HICKENLOOPER] are absent by leave of the Senate, on behalf of the Joint Committee on Atomic Energy.

The Senator from Maryland [Mr. BUTLER] and the Senator from Connecticut [Mr. PURTELL] are absent on official business.

If present and voting, the Senator from Wyoming [Mr. BARRETT], the Senator from Ohio [Mr. BRICKER], the Senator from New Hampshire [Mr. BRIDGES], the Senator from Maryland [Mr. BUTLER], the Senator from Connecticut [Mr. PURTELL], and the Senator from Kansas [Mr. SCHOEPPEL] would each vote "yea."

The result was announced—yeas 49, nays 29, as follows:

YEAS—49

Aiken	Ellender	Mundt
Allott	Ervin	Payne
Beall	Flanders	Potter
Bender	Goldwater	Robertson
Bennett	Holland	Russell
Bible	Hruska	Saltonstall
Bush	Ives	Smith, Maine
Byrd	Kerr	Smith, N. J.
Capehart	Knowland	Stennis
Carlson	Kuchel	Thurmond
Case, N. J.	Long	Thye
Case, S. Dak.	Malone	Watkins
Cotton	Martin, Iowa	Wiley
Curtis	Martin, Pa.	Williams
Dirksen	McCarthy	Young
Duff	McClellan	
Dworshak	Millikin	

NAYS—29

Barkley	Jackson	Morse
Chavez	Johnston, S. C.	Murray
Clements	Kefauver	Neely
Douglas	Kilgore	Neuberger
Fulbright	Langer	O'Mahoney
Green	Lehman	Scott
Hayden	Magnuson	Smathers
Hennings	Mansfield	Sparkman
Hill	McNamara	Symington
Humphrey	Monroney	

NOT VOTING—18

Anderson	Eastland	Johnson, Tex.
Barrett	Frear	Kennedy
Bricker	George	Pastore
Bridges	Gore	Purtell
Butler	Hickenlooper	Schoeppel
Daniel	Jenner	Welker

So the nomination was confirmed.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith of the confirmation of the nomination.

The PRESIDING OFFICER. The clerk will state the next nomination on the Executive Calendar.

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DEPARTMENT OF LABOR

The legislative clerk read the nomination of Newell Brown to be Administrator, Wage and Hour Division, Department of Labor.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to this nomination?

Mr. SMITH of New Jersey. Mr. President, as ranking minority member of the Committee on Labor and Public Welfare, from which this nomination was reported, I desire to make a few remarks upon the nomination of Mr. Newell Brown to be Administrator of the Wage and Hour Division of the Department of Labor.

Mr. Brown's name came before the Senate by nomination by the President of the United States last February. The Department of Labor has been without a Wage and Hour Administrator since that time. I felt the responsibility, during the intervening period, of requesting hearings from the committee practically once a week from February until July. On July 26 hearings were held by a Labor subcommittee, of which I was a member.

Personally, I feel deeply concerned, in the light of the record Mr. Brown made before our committee, and his own personal record, which we heard from various sources, that he should be apparently opposed for this position. He had a great record, including his war record. He was awarded the Legion of Merit, and was a member of a unit which received the President's Distinguished Unit Citation.

The reason I mention that is that one of the witnesses against him raised the question of his integrity, ability, and sincerity. That question was cleared up in the hearings without difficulty.

At the opening of the hearings the Senators from New Hampshire [Mr. BRIDGES and Mr. COTTON] appeared and made strong statements supporting Mr. Brown.

Another witness was Hon. PERKINS BASS, a Representative in Congress from the State of New Hampshire. I will not go into detail with regard to the various statements. They appear in the record.

Beginning on page 5 of the hearings will be found the statement by Mr. Brown of his career and his past record. His career is briefly summarized on page 6, under the heading "Biographical Information."

He was born in June 1917, in Berlin, N. H., 1 of 5 children. He attended the public schools there. He went to Phillips Academy, at Andover, Mass. He graduated from Princeton University in 1939.

The record of his career shows that he was a reporter for the Trenton Times newspapers, in Trenton, N. J., from 1939 to 1940; editor and publisher of the Franklin (N. H.) Journal-Transcript, a weekly newspaper, from 1946 to 1949; secretary to Gov. Sherman Adams from 1949 to 1950; editor of the Strafford Star, of Dover, N. H., an afternoon daily newspaper, in 1950; and director of the Division of Employment Security of New Hampshire, from August 1950 to date.

His war record shows that he entered the Army on December 1, 1940, as a volunteer. The testimony shows that he entered as a second lieutenant and was honorably discharged, after his war service, as a lieutenant colonel, in March 1946. He is married and has five children. He lives in Concord, N. H.

Various other positions which he has held in New Hampshire are enumerated. I ask unanimous consent that the biographical statement be printed in the RECORD at this point as part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

BIOGRAPHICAL INFORMATION, NEWELL BROWN

Born: June 1917, Berlin, N. H.; son of W. Robinson and Hildreth Brown; 1 of 5 children.

Schooling: Berlin public schools; Phillips Academy, Andover, Mass. (4 years); Princeton University, A. B., 1939.

Work history: Reporter, Trenton Times newspapers, Trenton, N. J., 1939–40; editor and publisher, Franklin (N. H.) Journal-Transcript, weekly, 1946–49; secretary to Gov. Sherman Adams, 1949–50; managing editor, Strafford Star, Dover, N. H., afternoon daily, 1950; director, Division of Employment Security, New Hampshire, August 1950 to date.

War record: Entered Army December 1, 1940; honorable discharge as lieutenant colonel, March 1946.

Married: Alice Dodge Osborn, November 1, 1941; 5 children: girls age 12, 10, and 2; boys 8 and 9.

Home: 8 Park Ridge, Concord, N. H.; phone: Capitol 5–6852.

Other background: Former vice president and now treasurer of New Hampshire Taxpayers' Federation; chairman, Concord Good Government Committee; chairman, legislative committee, Interstate Conference of Employment Security Agencies; former vice president, New Hampshire Weekly Publishers Association.

From time to time active in and director of various local and State civic organizations and charity institutions.

Sports: Various on amateur basis, particularly skiing.

Mr. SMITH of New Jersey. At the hearing the nominee was examined by the Senator from Illinois [Mr. DOUGLAS], who was chairman of the subcommittee. The Senator from Illinois stated:

Senator DOUGLAS. We have received a number of letters in your behalf, Mr. Brown, one from George Fecteau, national director of the United Shoe Workers of America, CIO, which we will make a part of the record.

We also have a letter in your behalf from Mr. Arthur Connor, representative and former president of the New Hampshire State Federation of Labor, and a letter from Orrin Brewer, president of the A. C. Lawrence Leather Workers Union, Local No. 2, of Winchester, N. H.

A telegram in your behalf from Mr. Emile Simard, business agent of the New Hampshire Shoe Workers' Union of Manchester; and a letter from Clifford H. Miller, chairman of the Unemployment Compensation Committee of the New Hampshire Manufacturers' Association, in your behalf.

Those will all be made part of the record.

In addition to these testimonials, there was a question as to Mr. Brown's war record, which brought out the information which I have previously stated. The statement in that connection is found on page 23 of the record.

Mr. Brown volunteered for service on December 1, 1940, before the United States entered World War II. He served in the Army for 5¼ years. He started as a second lieutenant, and in 5¼ years had reached the rank of lieutenant colonel. I read from page 23 of the hearings.

Mr. BROWN. I served in this country for about 3½, nearly 4 years, and the balance of the time was in Burma with the Office of Strategic Services as commander of native troops behind the Jap lines.

Senator PURTELL. Would you mind telling us in view of the fact that the question has already been asked what decorations have been awarded to you by your Government for the services you rendered to this country as an officer in the Army?

Mr. BROWN. Well, only two of consequence, sir, the Legion of Merit, and I was a member of a unit which received the President's Distinguished Unit Citation.

I mention those things, Mr. President, because nothing has been brought up in any way in our hearings which questions the sincerity, the ability, or the integrity of Mr. Brown, except the one witness I mentioned, and I believe the evidence showed that he was on the wrong trail in discussing Mr. Brown's integrity.

The nominee has been the State administrator for unemployment compensation work in the State of New Hampshire. Apparently all the opposition that was brought up against him, I regret to say, was brought up by the American Federation of Labor, which opposes the setup of State administrators, and believes that unemployment compensation should be handled from Washington. Mr. Brown was opposed on the ground that, as chairman of the State administrators of UCC all over the United States, he had supported vigorously the so-called Reed bill, which the Senate had passed by a vote of 78 to 3, showing the attitude of the Senate. The House had passed it by a similarly overwhelming vote. All the discussion of Mr. Brown's qualifications turned on his position on that particular piece of legislation.

Mr. MORSE. Mr. President, will the Senator yield for a question?

Mr. SMITH of New Jersey. I am glad to yield to the Senator from Oregon.

Mr. MORSE. I believe the Senator from New Jersey knows the position I take on Presidential nominations. First, the presumption is in favor of the President until it is——

Mr. SMITH of New Jersey. I have always respected the Senator from Oregon for his position.

Mr. MORSE. The presumption is in favor of the President until it is successfully rebutted. Second, the nomination should be confirmed unless it can be shown that the person is lacking in honesty and integrity, or does not possess the character we have a right to expect of public servants.

Third, that the individual has the competency and qualifications for the job. In some instances the statutes themselves prescribe certain qualifications a person shall have. If he does not have those qualifications, his nomination should not be confirmed.

We have just concluded the consideration of a nomination in connection with which I felt the presumption in favor of the President had been overcome. Because of the three reasons I have stated in my discussion, I felt that the Patterson nomination should not have been confirmed. I shall not review that case. However, I did think that in that instance the presumption had been overcome.

Another criterion is absence of any conflict of interest. If the individual concerned may have opportunity for selfish gain from the appointment which would jeopardize his ability to serve the public interest, his nomination should not be confirmed.

Of course, there is also the question of loyalty to our country.

However, those are the criteria which I have followed for 10 years.

Having made that statement and I believe the Senator knows I am always frank about these matters—I must say to the Senator that I am troubled by the fact that some representations have been made to me by the American Federation of Labor. I am always frank to give the source of the questions I raise. Some representations were filed with me by the American Federation of Labor. They are in the form of protests against the nomination before the Senate. They are protests based on two of the criteria I have mentioned. I should like to ask the Senator from New Jersey some questions with respect to those protests. My mind is still open on the nomination, and I cannot tell the Senator how I shall vote on the nomination until I get the answers to the questions I am about to ask.

Mr. SMITH of New Jersey. I sincerely hope that I shall convince the Senator that he should vote for the confirmation of the nomination.

Mr. MORSE. The first protest is that the nominee does not possess any of the professional qualifications for the job. It is pointed out that the appointment is to the office of Administrator of the Wage and Hour Division of the Department of Labor; that Mr. Brown has had no experience whatever to qualify him for that job, and that, although he has been the director of the Division of Employment Security in New Hampshire, he has had no familiarity at all with the requirements and the technical knowledge that are requisite for the position of Wage and Hour Administrator.

They point out that it is implied that the President should select someone who is qualified for the job under the criteria I have mentioned.

I should like to read some testimony which has been called to my attention:

Senator LEHMAN. May I ask you whether you feel that the Fair Labor Standards Act should be amended so as to increase coverage under the law?

Mr. BROWN. Again I am not sufficiently a student to have an opinion that I could argue successfully about.

Senator LEHMAN. You have no views on that subject?

Mr. BROWN. I have no firm opinion; no, sir.

That is the complaint that has been made to me.

Mr. SMITH of New Jersey. I do not know what the Senator is reading. I remember that Mr. Brown said definitely that he was in favor of increasing the minimum wage. I believe he said distinctly that that was a matter of continual concern to the country. I remember that very clearly. I do not know from what part of the testimony the Senator is reading. Our subcommittee was composed of the Senator from Illinois [Mr. DOUGLAS], the Senator from West Virginia [Mr. NEELY], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Arizona [Mr. GOLDWATER], and myself. The Senator from Illinois very faithfully attended every meeting of the subcommittee.

Mr. MORSE. Mr. President, will the Senator permit me to make a correction in what I read? I started to read beginning with the question by the Senator from New York [Mr. LEHMAN]. I thought the sentence above the question was an incomplete sentence. That sentence reads:

Would it be better for me to say, Senator, "Yes, I definitely believe in any increase" if that was your question, sir.

That is according to the testimony before the subcommittee. Then the Senator from New York asked:

Senator LEHMAN. Can you tell us to what extent you feel that the minimum wage should be increased?

Mr. BROWN. No, sir; I don't know enough about it to have formed any opinion on that.

Senator LEHMAN. May I ask you whether you feel that the Fair Labor Standards Act should be amended so as to increase coverage under the law?

Mr. BROWN. Again I am not sufficiently a student to have an opinion I could argue successfully about.

Mr. SMITH of New Jersey. Mr. President, may I read the full colloquy?

Mr. MORSE. I wish the Senator would.

Mr. SMITH of New Jersey. I read from page 22 of the hearings:

Senator LEHMAN. I am not a member of the subcommittee, but I would like to ask you, Mr. Brown, do you personally support an increase in the Federal minimum wage?

Mr. BROWN. My job as Administrator, sir, I would think, would be to administer the law as the Congress passed it regardless of my personal views on the subject. I would be glad to express my views if you would like to have them.

Senator LEHMAN. I would be very glad to have them, if you would.

Mr. BROWN. I do believe in an increase and as long ago as 1953 I so expressed myself to Mr. Fecteau whose letter you have there endorsing me, and I think you will find also in his letter that he says he has talked to me about it and finds my views on the subject entirely acceptable to him as a CIO leader.

Would it be better for me to say, Senator, "Yes, I definitely believe in an increase" if that was your question, sir.

Senator LEHMAN. Can you tell us to what extent you feel that the minimum wage should be increased?

Mr. BROWN. No, sir, I don't know enough about it to have formed an opinion on that.

Senator LEHMAN. May I ask you whether you feel that the Fair Labor Standards Act should be amended so as to increase coverage under the law?

Mr. BROWN. Again I am not sufficiently a student to have an opinion that I could argue successfully about.

Senator LEHMAN. You have no views on that subject?

Mr. BROWN. I have no firm opinion; no, sir.

Mr. MORSE. I am very glad to have the full statement on that point. The excerpt which was handed to me—I was not reading from the printed hearings—was not complete. If I had had the record before me, I would have gone back as far as I needed to go back to get it in full.

So that the record will be perfectly clear, Mr. Brown, as shown on page 22, testified that he thought there should be an increase in the minimum wage, but that he did not feel he was a sufficient student of the subject to have formed an opinion so that he could discuss the question of how much it should be. I believe that is a fair statement of his testimony on that point.

Mr. SMITH of New Jersey. I thank the Senator.

Mr. MORSE. What does the Senator from New Jersey feel about the competency of the nominee from the standpoint of experience in the field of labor legislation? Does he feel that with his competency and the background he possesses it can be said that Mr. Brown is sufficiently versed so that he can administer this position from the standpoint of possessing the technical knowledge necessary for the proper performance of his duty?

Mr. SMITH of New Jersey. I recall that he was appointed in 1950, and he has been devoting practically his entire time to labor matters.

Mr. MORSE. He was appointed to what?

Mr. SMITH of New Jersey. To the present job he holds. He is the employment security administrator for New Hampshire, having charge of unemployment compensation. So he has been very deeply immersed in all labor problems there. He was examined in 2 or 3 sessions of the subcommittee. I think the distinguished Senator from Illinois [Mr. DOUGLAS] was satisfied on that point. He certainly did not vote against reporting the nomination. The Senator from Arizona [Mr. GOLDWATER] and I both thought Mr. Brown was extraordinarily qualified, and we liked the way he cheerfully answered questions concerning wage rates and concerning the Canadian immigration question. We thought he showed a masterly understanding of the problem. Some people may not agree with his conclusions.

Mr. MORSE. Some of the labor representatives who are protesting the nomination have taken the position that his work as director of the New Hampshire Bureau of Employment Security, dealing with unemployment compensation and unemployment problems, happens to involve a field so unrelated to the duties he will have to perform as Administrator of the Wage and Hour Division that they do not feel his experience has any relevancy to the requirements of the job as Wage and Hour Administrator. What does the Senator from New Jersey have to say about that point?

Mr. SMITH of New Jersey. There could not be a field much wider than that in which Mr. Brown operated. He

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went into all sorts of labor questions, including the relation of New Hampshire and other States to Canadian labor. I felt that here we had a man who was particularly well trained in the various ramifications of labor problems.

Let me read, in this connection, if I may, from the letter to which I previously referred, from George Fecteau to the Senator from New Hampshire [Mr. COTTON], dated May 18, 1955.

Mr. MORSE. On what page of the report is that letter?

Mr. SMITH of New Jersey. It is on page 6. I shall not read the entire letter. I read from the very bottom of page 6 as follows:

On several occasions Mr. Brown and I have discussed the intent and purpose of the wage-and-hour law and I am convinced that he is well aware of the need of a higher minimum wage and an effective administration of same throughout the country in order to protect working men and women everywhere, and also to protect New England against other areas that are presently taking advantage of low minimum wages in order to lure away many of our industries.

In my opinion, if Mr. Newell Brown's appointment as Administrator of the Wage and Hour Division is confirmed, he will make an able, efficient, energetic, and unbiased Administrator, and I believe the interests of New England and the country as a whole will be well served.

Mr. President, I ask unanimous consent that the entire letter from George Fecteau, dated May 18, 1955, to the Senator from New Hampshire [Mr. COTTON], be printed in the RECORD at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MAY 18, 1955.

Hon. NORRIS COTTON,
Senator, State of New Hampshire,
Senate Building, Washington, D. C.

DEAR SENATOR: This letter is in reference to Mr. Newell Brown's appointment as Administrator of the Wage and Hour Division of the United States Department of Labor.

As national director of the United Shoe Workers of America, CIO, for the States of Maine, New Hampshire, and Vermont, representing a membership of 8,000 shoe workers in New Hampshire, and as representative of CIO on the Governor's Advisory Council for Unemployment Compensation in New Hampshire, may I call the following facts to your attention.

Since the shoe industry is the largest industry in New Hampshire, employmentwise, and the wage and hour law vitally affects all shoe workers, it is not only necessary to provide a higher minimum wage, but it is equally important that all other provisions of the wage and hour law be fairly and impartially enforced if we hope to encourage a decent standard of living and eliminate the cutthroat competition that presently exists in our industry.

Mr. Brown, while director of the Division of Employment Security in New Hampshire, has, in my opinion, done an excellent job in administrating affairs of that department. Although at times some representatives of labor and of management were not always satisfied with his decisions, I am quite sure that none can say that he did not conform with the law, therefore, we should not lose sight of the fact that Mr. Brown's duties were to administer the law, not to make it.

I believe that a study of the New Hampshire unemployment compensation law will show that during the time Mr. Brown has been its director the law has been improved and liberalized until today it is one of the best in the country.

On several occasions Mr. Brown and I have discussed the intent and purpose of the wage and hour law and I am convinced that he is well aware of the need of a higher minimum wage and an effective administration of same throughout the country in order to protect working men and women everywhere, and also to protect New England against other areas that are presently taking advantage of low minimum wages in order to lure away many of our industries.

In my opinion, if Mr. Newell Brown's appointment, as Administrator of the Wage and Hour Division, is confirmed, he will make an able, efficient, energetic, and unbiased Administrator and I believe the interests of New England and the country as a whole will be well served.

With best personal wishes, I remain

Sincerely yours,

GEORGE FECTEAU,
National Director, United Shoe Workers of America, CIO.

Mr. MORSE. Mr. President, will the Senator from New Jersey tell me whether it was the opinion of the Committee on Education and Labor that this nominee possessed the necessary background, experience, qualifications, and competency to fulfill the duties of this position?

Mr. SMITH of New Jersey. I would say to the distinguished Senator from Oregon that it is a matter of great regret to me that the nomination was not considered between February and July 26. On July 26 we were all under pressure. It was no one's fault; but we were under pressure. The chairman of the committee appointed a subcommittee to examine into the nomination. We held hearings. The Senator from Illinois [Mr. DOUGLAS] was present at every session. I was present, except on one occasion. The Senator from Arizona [Mr. GOLDWATER] was present. The Senator from New York [Mr. LEHMAN] was present at some of the hearings, as was also the Senator from Colorado [Mr. ALLOTT]. There was a voice vote. Only two members of the entire committee asked to be recorded in the negative. The Republicans who had attended the hearings voted favorably. There were two negative votes recorded, and the other Democrats voted "present." They were not recorded against confirmation of the nomination.

Mr. MORSE. So far as the Senator knows, there were no affirmative Democratic votes, but there were two negative Democratic votes?

Mr. SMITH of New Jersey. I do not know. I understood from the Senator from Illinois that if he voted on the floor he would vote for confirmation——

Mr. MORSE. I hope the Senator does not object to my interrupting him in this way.

Mr. SMITH of New Jersey. I think the Senator should do so.

Mr. MORSE. I think it is fair, the question having been raised, that the legislative history should be brought out in this manner.

Mr. SMITH of New Jersey. That is correct.

Mr. MORSE. Did the committee take a rollcall vote on the nomination?

Mr. SMITH of New Jersey. No. I should have liked to have had a rollcall vote.

Mr. MORSE. Was the matter referred to the full committee?

Mr. SMITH of New Jersey. Of the 5 members of the subcommittee only 3 were present when the nomination was voted on. The Senator from Illinois said he would vote "present," but he would not vote against confirmation. The Senator from Arizona [Mr. GOLDWATER] and I voted in the affirmative.

Mr. MORSE. I misunderstood the Senator. I thought the Senator was talking about two Democratic votes, and he was talking about the subcommittee vote. Now he is talking about the full committee vote?

Mr. SMITH of New Jersey. The Senator from Massachusetts [Mr. KENNEDY] did not attend any of the hearings, but he stated that a year ago he had talked with Mr. Brown and he felt from that conversation, that Mr. Brown was not qualified. But he did not hear any of the testimony bringing the matter up to date. Of course, he was unable to attend any of our hearings.

Mr. MORSE. Does the Senator from New Jersey have any reason to believe that the two negative votes were based on the ground of lack of competency, or upon some other ground, or some unknown ground?

Mr. SMITH of New Jersey. I do not know. After seeing that fine young man who answered every question frankly without any evasion of any sort, it is very difficult for me to understand how it would be possible to vote against confirmation of his nomination. The Senator from Massachusetts [Mr. KENNEDY] said he disapproved of the Reed bill which Mr. Brown had defended so strongly and which the Senate passed a few years ago by a vote of 78 to 3. The American Federation of Labor was opposed to the Reed bill. But the interesting thing was that Mr. Brown showed a wonderfully intimate knowledge of labor matters. I do not think any of us got any feeling whatever that he was trying to evade or to deceive or was in any way unwilling to say where he stood on labor questions. Some people might differ with him, but they could not question his entire sincerity.

Mr. MORSE. Was there any question asked him which would show his knowledge or lack of knowledge concerning the wage and hour law?

Mr. SMITH of New Jersey. I do not recall any particular questions beyond those which the Senator from New York [Mr. LEHMAN] put to him.

Mr. MORSE. I now wish to raise a delicate matter——

Mr. SMITH of New Jersey. Let me correct myself. I did say at the end—I think it is in the record—"Is there any reason, Mr. Brown, why you should feel in any way disqualified?"

He stated that he thought he was qualified from his 5 years of active experience in this field.

Mr. MORSE. I understood from the Senator that except the very brief examination by the Senator from New York concerning the Wage and Hour Act, no one on the committee subjected

him to any extensive examination on the Wage and Hour Act, and, therefore, any allegation that he lacks competency in this field is faced with the fact that no record was made about it in the hearings. Is that not true?

Mr. SMITH of New Jersey. I do not think any question arose about it. He had said he favored an increase in the minimum wage, and he gave his reasons therefor. He understood the subject, but so far as not saying what it ought to be was concerned, I think he was perfectly right in that. He had not studied all the figures, and did not say whether the rate should be 90 cents or a dollar. He did not take a position on that question.

Mr. MORSE. Probably the reason why he was not examined more extensively was that the matter had not been sufficiently explained, so that he could have properly argued it.

Now I wish to raise a very delicate subject matter, which I am certain the Senator from New Jersey will consider in a very objective manner. I do not know all the facts, but it has been represented that one of the reasons for objections to this nominee is that while he was director of the Bureau of Employment Security in New Hampshire, he sponsored, or, at least, had something to do with, the calling of a conference in his State, which delegates from similar bureaus in other States attended. At the conference a cocktail party was held, and Mr. Brown attempted to use State funds with which to pay the expenses of the liquor party.

It is my understanding that he got into difficulties with the State council, which rejected the bill he submitted for the payment of the expenses of the cocktail party, but that subsequently money was made available to him from various sources, anonymously, including employees of his office staff; that he went subsequently to Boston, I think, or to some other city, to attend another conference; and that at that conference additional money was given to him to pay the liquor bill which had been rejected by the New Hampshire State officials.

I understand quite a furor was caused in New Hampshire; that a newspaper in that State made the matter an issue; and that the nominee was subject to a very severe attack because of the incident.

I think the matter should be discussed and clarified before a vote is taken, because hypothetically speaking—not speaking about Mr. Brown, but hypothetically speaking about Mr. X—if Mr. X attempted to misuse public funds, it would raise in my mind a serious question as to his qualifications subsequently for appointment to a position of public trust.

I have told the Senator from New Jersey all I know about the matter, other than the references to it in the transcript of the record, which consists of some of Mr. Brown's testimony on the subject. I should like to have the opinion of the sponsor of the nomination in behalf of the committee with reference to the matter.

Mr. SMITH of New Jersey. I am very glad the Senator from Oregon has raised the question, because it was discussed at great length in the hearings, beginning at page 173, where Mr. Brown answered this charge. I shall read into the RECORD his answer; then I shall read a letter from the State comptroller, to whom the matter was referred by the council. The question as to whether the money was legitimately used in connection with the entertainment was raised in the council, and the vote was 3 to 2 against Mr. Brown, so he immediately repaid from his own funds the amount involved. His testimony before the committee appears on page 173 of the hearings. He indicated that it would take quite a long time for him to tell his own story, and the Senator from Illinois [Mr. DOUGLAS] said, quite properly:

You have unlimited time.

I now read Mr. Brown's testimony.

Mr. BROWN. I am trying to make it brief and talk about what interests you.

The cocktail-party proposition started this way. When I first joined the division, a year after I got there, I came to the conclusion that the nondirectorial people in the division, those on the professional level—managers, and so forth—who did not in the normal course of the division's work get out of State to rub shoulders with their opposite numbers in other States would be benefited by that experience annually. It is a program that has a good many interstate implications and professional people always benefit from that kind of contact. So I thought up the idea of having a New England-wide annual conference of the lower levels, or lower echelons, in the employment security agencies of the six New England States. And we had such a conference. The query came up on how to finance it. I had this contingent fund, what Mr. Cruikshank referred to as "mad money." It is penalties, interest, and fines that we collect in the course of a year from employers mostly. It goes into a fund and I can spend it for certain purposes if approved by the governor and council. I got the approval to spend a thousand dollars for this purpose. The reason I needed any money at all was twofold. No. 1: These people are not paid very much. They cannot take $22 or $24 out of their jeans to come up to New Hampshire, plus travel, very easily, particularly right after Labor Day. And the second reason: Of course, I could have gone to the New Hampshire Manufacturers Association or some large employer—or in some States labor unions help sponsor things of that kind. But I feel very strongly personally that in a job like this—and that includes all of my employees—you ought to stay away from obligation to anybody with whom you do business. And I believe in that as to Christmas presents and everything else. I couldn't charge conferees a registration fee. They were overstretched anyway paying their own way. So, I decided the sane and sensible thing to do was to spend government money for this purpose. I ran the conference for 3 years, spending part of the money each year for a social hour, an organized conference cocktail party, as you find at any conference. I guess 1 year we did have a small registration fee and paid for it out of that registration fee. But the other 2 years we used this money. In the fall of 1954, last fall, an issue was raised. The question of the politics of the papers in New Hampshire, Mr. Chairman, comes up.

New Hampshire being at the moment a more or less one-party State, we have the condition that exists frequently in one-party Southern States where there is some friction within the one party. And it appears that the major paper in New Hampshire and the then Governor, Hugh Gregg, didn't always see eye to eye, and word got around that government money was being spent for cocktails in this show of mine. And the paper made a very big production of it.

Senator DOUGLAS. This was an intraparty fight?

Mr. BROWN. Intraparty fight; yes. The paper made a big production of it, and I was away at the time, and there were mistakes as to whether or not I had any intent to charge the government for the party. I had every intent to, and the bill was on the record.

Nothing was hidden about it, but there were some misstatements made. When I got back, I cleared them up and said I intended to charge the government, to which the Governor said, "Well, I think you had better reach into your own pocket. I didn't know that was what you were going to use the money for, and I don't think it is proper."

I said, "Well, I think it is proper, and I would like to talk to the governor and council about it." So I had a hearing before the governor and council and the vote was 3 to 2 against me, and I paid for it, and the rest of the story you have heard.

The $75 that my employees contributed entirely voluntarily is sitting in a bank box somewhere waiting for another party. As to the contingent-fund proposition, you had this morning a letter from Mr. Arthur Bean, who was and is comptroller of the State of New Hampshire, and who is the best-informed individual and direct superior in any fiscal matter of this kind. I would like to read this letter in toto and drop the matter there, unless the committee has any further questions.

It was entered in the record this morning, but I would like to read it, because the allegations have been made. This was written to Senator BRIDGES, dated June 17.

Mr. President, I now read the letter to the Senator from New Hampshire [Mr. BRIDGES] from Arthur E. Beam, which is dated June 17, 1955:

DEAR SENATOR BRIDGES: In answer to your request for information regarding Newell Brown, with particular reference to his handling of division of employment security contingent fund, I must refer back to the year 1951, when Mr. Brown, early in his new duties as director of employment security, requested of this office that an audit be made of his division.

Due to a shortage of personnel, it was not possible for us to make this audit until the spring of 1953—that was 2 years later—"The audit found everything in good order; a question arose as to the method of processing payments from the contingent fund."

In order to clear up this question, a ruling was requested from the attorney general's office. The attorney general ruled that expenditures made from the contingent fund should be processed through the comptroller's office. Upon receipt of this ruling, Mr. Brown immediately brought his procedures into conformity with the ruling and has abided by it in his handling of the funds ever since.

In the fall of 1953, this office requested Mr. Brown to get governor and council approval of certain proposed expenditures and they were so approved. Newspaper stories appearing at the time inferred that we had made a secret audit and that there was the possibility of action being taken to deprive the division of the contingent fund, and that there was evidence of improper or questionable use of the funds.

Our answer to this is that we never have made a secret audit to our knowledge. The question of taking away the contingent fund has never been brought up. We did not find anything improper or questionable in the expenditures that had been made.

Our only question was one of how these expenditures should be processed and approved under the law. We could not and

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we cannot in the situation find anything to reflect in any way on Mr. Brown's integrity, ethics, and good faith as a public official.

ARTHUR E. BEAN, *Comptroller.*

Mr. Brown then said:

With that, Mr. Chairman, I am through.

Then the Senator from Illinois [Mr. DOUGLAS] asked Mr. Brown a few questions following that.

Mr. MORSE. Am I correct in my understanding that even though Bean wrote the letter which the Senator has just read, nevertheless, the use of the funds to meet the expenses for the cocktail party was disapproved by the council?

Mr. SMITH of New Jersey. Yes, by a vote of 3 to 2, and Mr. Brown assumed the expense thereafter. Contributions were made by his employees who were there. He did not take the refund. He put it in a fund to be used for future entertainment of a similar kind.

Mr. MORSE. That leads me to ask several other questions.

Turning to page 163 of the hearings, at the bottom of the page, Mr. Brown said:

I won't go into the cocktail end of the cocktail story, except for the matter of this business of contributions. I will cover the details of how the bill was incurred in the first place later, but speaking only to Mr. Cruikshank's written testimony, the story is this:

Then Mr. Brown goes on to point out, as the Senator from New Jersey has, that the expenditures were turned down by the governor's council by a vote of 3 to 2.

Then he said, as appears in the first paragraph on page 164:

Two or three days later, an anonymous envelope appeared on my desk with, oh, $30 or $40 in it. I called in my secretary and one of my directors, and said, "I don't want any of this at all. I made the mistake on this thing in the first place. Let's forget the whole thing. What do you think I had better do?

Their reaction was: "Well, we think the people would like to help you out."

"Well," I said, "I have no interest in it. I don't want it. Let's forget the whole business."

Over the next 3 weeks, these blank envelopes continued to appear until there were, I think, about $200.

Then he said what I pointed out a few minutes ago:

Then I wrote a little article in our house organ expressing appreciation, not knowing where it came from or who contributed it, and then the next thing I know, I went to a regional meeting in Boston and the director of employment security from the State of Rhode Island appeared with a handful of bills as big as my fist and said, "These are donations from the other five New England States and the regional office. They heard about the trouble you got into."

My question is, it is true, is it not, that even though Mr. Brown testified he did not want any of this money, much of which was apparently contributed by employees in his own office, and anonymously, he did use the money to pay the bill?

Mr. SMITH of New Jersey. He used the money to pay the bill, but there was money left over, and that excess went into a contingent fund.

I wish to read from the point where the Senator from Oregon left off. Mr. Brown said further:

It got into the papers, needless to say. "They heard about the trouble and they want to give you a hand."

When we got all through, there was $425 against a $350 bill. The $75 balance is in the hands of my deputy and is being held for some divisionwide social occasion. It has not been cashed yet, and my wife keeps looking at the checkbook and keeps saying, "How can I balance up with $75 outstanding? Where is it?" That is where it is now.

Mr. MORSE. Mr. President, let me repeat my question for the record. Mr. Brown received, in the first instance, anonymously, apparently from employees in his organization, between $30 and $40. During the next 3 weeks he continued to receive, anonymously, contributions from persons who I assume were employees in his office, in the amount of $200. Then later he got some money from persons outside the State who had been at the conference, in the amount of $425. He used all that money to pay the $350 bill, $75 being left over, which is now, I understand, in some sort of a trust fund which will be used for some other social function in the future. Is that correct?

Mr. SMITH of New Jersey. That is right. His total receipts were $425, and the bill was $350, which he paid out of his own pocket. He was reimbursed to the extent of $350. Those who had been there paid for the bill. The balance, or $75, was put into a fund.

Mr. MORSE. Mr. President, I should like to ask a final question. I am a little concerned, although I am not prepared to say I think it is a disqualification, over the fact that the nominee apparently was willing to accept money which his employees contributed anonymously to pay the expenses. I would question that that is good office practice. I do not think an administrator should ever accept money from employees to pay off what became a personal obligation of his own, and when the Governor's council refused to pay the bill it certainly became a personal obligation of Mr. Brown. Did it not?

Mr. SMITH of New Jersey. Obviously it did, because at that stage of the game he paid the bill. His friends felt they should share the expense of the round-robin entertainment among the employees of the five other States.

Mr. MORSE. They were members of his office. I do not think that is good administrative policy.

Mr. SMITH. Some of the contributions came from people from all the other States.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. SMITH of New Jersey. I yield.

Mr. ALLOTT. I should like to call the attention of the Senator from Oregon to the previous statement which has been read, to the effect that this was a party for the lower echelons, and the people who worked were the same people who attended the party. That is very obvious. The statement is contained in the hearings that they were anonymous contributions.

Mr. MORSE. Yes; they were anonymous.

Mr. ALLOTT. I think the Senator from Illinois [Mr. DOUGLAS] made the most pertinent remark when he said that sometimes a man's friends put him in a worse position than his enemies do.

Mr. MORSE. That is about what I was going to say.

Mr. ALLOTT. I think the remark of the Senator from Illinois to that effect will be found in the hearings.

Mr. MORSE. That is what I was about to say in the comment I had not finished before the interruption occurred.

I think that as a matter of office practice, the administrator, the employer, the top man in such a situation is personally liable for the bill, and should have seen to it that he, and no one else, paid the bill. I believe that would have been much to be preferred. But the fact that he did not is not to be considered as evidence of any defect of character or any disqualification for the job.

Mr. ALLOTT. If the Senator will yield, let me say he understands he did pay for it, and then money in reimbursement started to come in.

Mr. SMITH of New Jersey. Yes, from someone in the New England States.

Mr. ALLOTT. But the $200 did not; I think that amount was over the $200.

Mr. SMITH of New Jersey. It was a part of the $450; yes, I think that is true.

Mr. GOLDWATER. Mr. President, will the Senator from New Jersey yield to me?

Mr. SMITH of New Jersey. I yield.

Mr. GOLDWATER. I may be able to add information which will be of help to the Senator from Oregon. During Mr. Brown's explanation, I think he said he was told he could get the money for the proposed entertainment of the lower echelon, and he acted on that information. Then the council later—as is shown in the evidence—voted 3 to 2 that that was not a proper expenditure of State funds. Mr. Brown agreed with them, and paid out of his own pocket the amount due for the cocktail party. After he paid that from his own account, these anonymous sums started to come in. He stated—and the statement appears in the hearings—that he attempted to find the source of the anonymous donations, but was unable to do so; and, being unable to determine whence they were coming, it was impossible for him to stop them.

I think the Senator from Oregon in his experience, both in civil life and in political life, can recall incidents which might be said to be similar. I am sure that anyone who has lived a full life has occasionally been "stuck" with a check.

Mr. MORSE. If I was, I paid for it myself.

Mr. GOLDWATER. And it is not unusual for persons to offer to share.

In this case I am convinced that Mr. Brown tried to do everything within his power to find who was sending the money, and try to stop it from being sent. But not knowing the source of the money, he was unable to stop it.

I wish to point out that he was of the opinion that he could get the money

from the State, for this purpose, before he undertook to do the entertaining.

Mr. MORSE. I think it is interesting, because I do not think there is in the record anything to show that he attempted to refund the money, although the record shows that he did ask that no contributions be made.

I read now from page 175 of the hearings:

> Mr. BROWN. I did ask them if they knew where the contributions came from. They said: "No, we don't know where they came from." That is right; then the contributions kept coming.
>
> Senator DOUGLAS. Did you ever ask any of your assistants to suggest that contributions would be welcome?
>
> Mr. BROWN. No, sir. Several times at staff meetings I thanked those who had, and said "Cut it out," or words to that effect.
>
> Senator DOUGLAS. You didn't say "Here is the money; come and get it, according to the amount you contributed"?
>
> Mr. BROWN. I did not, sir; no.
>
> Senator DOUGLAS. The problem is very difficult, of friends getting one into trouble.

That is the point the Senator from New Jersey made.

I think it is also true, from the record, that previously, on other occasions, the money from the contingent fund had been used for similar purposes. Is that not true?

Mr. SMITH of New Jersey. I think it is true.

Mr. MORSE. So what he did in this instance was to continue a practice which previously had been established; and apparently no question had been raised about the use of State funds for this purpose in other instances. Am I correct about that?

Mr. SMITH of New Jersey. I think that is correct. The fund was made up—as the Senator from Oregon probably has read in the hearings—from fines and other payments mostly made by employees, as the record shows; and he was the one who was able to levy the fines, and he had the money put into a fund, to be used as a contingent fund; and he thought it legitimate to use that money for the entertainment of the persons coming from the other States and the persons in the lower echelon.

I will say the question is a debatable one. However, as soon as he was told that the council felt otherwise, he immediately recognized that he had made a mistake, and he paid the bill himself. Then his friends said, "We want to help pay for this, because, after all, it was a party for all of us."

Mr. MORSE. In that connection, I read from the bottom of page 173 of the hearings:

> So I decided the sane and sensible thing to do was to spend government money for this purpose. I ran the conference for 3 years, spending part of the money each year for a social hour, an organized conference cocktail party, as you find at any conference. I guess 1 year we did have a small registration fee and paid for it out of that registration fee. But the other 2 years we used this money. In the fall of 1954, last fall, an issue was raised. The question of the politics of the papers in New Hampshire, Mr. Chairman, comes up.

Mr. SMITH of New Jersey. That is the portion of the testimony I read before.

Mr. MORSE. Yes; the Senator from New Jersey read it before; and I had been searching for it, because I wanted to refer to it when I raised this question.

Mr. President, I have about concluded my remarks, but I should like to make the following comment: All of us differ as to what would be the proper course of action in such a situation. The record shows that the practice of using government funds for this purpose existed in New Hampshire, and apparently had been approved by his superiors, or at least had not been rejected by them.

I wish to say that I do not approve of the use of the taxpayers' money at any time for the purchase of liquor.

Mr. SMITH of New Jersey. I may say it was not taxpayers' money. These were funds and penalties levied on employers for violations of the law in some way; and he collected the money from employers.

Mr. MORSE. But it was not Mr. Brown's money.

Mr. SMITH of New Jersey. It was a contingent fund.

Mr. MORSE. The payments certainly went into the contingent fund, which belonged to the State office.

Mr. SMITH of New Jersey. That is correct.

Mr. MORSE. In that sense, the funds were State funds.

Mr. SMITH of New Jersey. Yes; but they did not come from taxing the taxpayers.

Mr. MORSE. If they are State funds, they belong to the taxpayers.

Mr. SMITH of New Jersey. They belong to the people of the States, who are taxpayers. But that is certainly a remote way of saying that the money is the taxpayers' money.

Mr. MORSE. Very well. Then let me say that I do not believe in expending the people's money for the purchase of liquor, in the administration of government.

Mr. SMITH of New Jersey. But the amount spent for liquor was a very small part. They also paid the expense of bringing persons from five States.

Mr. MORSE. I am referring only to the small part which was paid for liquor.

Mr. SMITH of New Jersey. Yes.

Mr. MORSE. I do not expect many persons to agree with me on this point; but I wish to say for the record that I think we are dealing with an evil in the administration of government in the United States. I deplore the fact that official Government functions involve the use of the taxpayers' money for the purchase of liquor. If a man wants to drink liquor, that is his private business; but I think it becomes the public business when public funds are used for the purchase of liquor.

Mr. DOUGLAS. Mr. President, will the Senator from Oregon yield to me?

Mr. MORSE. I yield.

Mr. DOUGLAS. Is the Senator from Oregon aware that the Senator from Illinois repeatedly has tried to cut the so-called entertainment expense funds of the Foreign Service, in order to prevent the serving of liquor at diplomatic functions?

Mr. MORSE. And each year, without exception, I have supported the Senator from Illinois in that endeavor.

Mr. DOUGLAS. And each year, without exception, we have been defeated.

Mr. MORSE. That is true; and perhaps we shall continue to lose.

However, I wish to make this point, and then I must leave for a conference, which I hope to reach in time to vote: I wish to say that today alcoholism is one of America's greatest menaces from the standpoint of health and otherwise. It is very deplorable to see, as all of us have, very fine human beings permitting themselves to be deteriorated and destroyed by alcoholism.

When we are dealing with a social menace I do not believe the stamp of Government approval should ever be allowed to be placed on it. The use of alcohol by an individual is, of course, a private matter; but if any Government department uses public funds for the purpose of giving cocktail parties, I think the administrator of that department or agency should be criticized for such a course of action.

Mr. SMITH of New Jersey. Certainly, I respect the Senator's point of view.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. SMITH of New Jersey. I yield.

Mr. ALLOTT. I merely wish to associate myself with the remarks of the Senator from Oregon. I do so because, in 1949, I raised certain objections publicly in my own State with respect to a fund of $20,000 which had been provided by the legislature to arrange a Governor's conference. I do not believe the fact that the Governor was of the opposition party had anything to do with the case. However, I feel the same way as does the Senator from Oregon, and I heartily concur with his remarks in that connection.

There is one thing which the Senator from Arizona [Mr. GOLDWATER] has brought out, and I think the Senator from Oregon also understands the situation very well. The practice involved in this case had been followed previously. Also, before the conference was even organized the expenses had been approved and authorized by the Governor and the council, and afterward the question with respect to this item arose.

Mr. MORSE. That is why I thought it was only fair to bring out the fact that it had been done before. I have tried to be very fair in this case.

Mr. ALLOTT. I agree to that.

Mr. MORSE. This question has been raised, and I shall be asked, "Did you or did you not approve that particular course of action?" I do not approve that particular course of action in this instance or in any other instance.

I am almost through with my comment on the expenditure of Government funds for the purchase of liquor. I think we might as well face the fact that it is one of the great social issues within our population. A great many of our people have very strong feelings on the subject. I have always taken the position that each man should decide for himself what he wishes to do with regard to liquor, but I do not think Government officials should at any time use public funds for

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the purchase of liquor to serve at any Government function. I think it ought to be eliminated.

I do not hold to the point of view that a person must be half soused to have a good time at a Government function. One reason why I steer away from Washington cocktail parties as much as I can, unless I am required to be present as an official representative of my State, is that I cannot imagine a greater waste of human energy than milling and mulling around at a cocktail party, with a considerable number of people always sufficiently under the influence of liquor so that they paw one around. That happens to be a personal point of view. I do not find such occasions at all pleasant.

Mr. SMITH of New Jersey. A great many of the Senator's colleagues share his feelings about the milling and mulling around.

Mr. MORSE. Let me make this additional comment: I hope Mr. Brown has learned—I am sure he has—from this particular experience that one usually gets into trouble when he plays around with liquor.

The second observation I wish to make is that I do not think it was discreet on his part to decide that it was the better part of wisdom to accept money which he knew came from the employees in his office. I think he should have insisted that in some way, somehow, as the Senator from Illinois [Mr. DOUGLAS] suggested at the hearing, the money be placed on the desk and the staff members told to come and get their proportionate share.

But again, I do not think that incident overcomes the presumption which has been raised in support of the nomination, particularly in view of the record which has been called to my attention.

Mr. SMITH of New Jersey. I thank the Senator for his contribution, and for the questions he has asked in an effort to clarify the record.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Newell Brown to be Administrator, Wage and Hour Division, Department of Labor?

Mr. COTTON. Mr. President, as a Senator from the State of New Hampshire, let me say that I have known Mr. Brown for many years, and I want to testify to his integrity, character, and fitness for this position.

Mr. NEELY. Mr. President, apparently there will be no yea-and-nay vote on this nomination. For the RECORD, I wish to state that I voted against the nomination in the committee, and I propose to vote against the nomination on a voice vote in the Senate.

Mr. HUMPHREY. Mr. President, I want the RECORD to show that I shall also vote in the negative.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Newell Brown to be Administrator, Wage and Hour Division, Department of Labor?

The nomination was confirmed.

POSTMASTER

Mr. HUMPHREY. Mr. President, I believe the next order of business on the Executive Calendar is the nomination of a postmaster in North Carolina. It is my understanding that the junior Senator from North Carolina [Mr. SCOTT] has some comments to make on that nomination.

The PRESIDING OFFICER. The nomination will be stated.

The legislative clerk read the nomination of Margaret E. Smith to be postmaster at Montreat, N. C.

Mr SCOTT. Mr. President, this person is personally obnoxious to me, and I object to the confirmation of the nomination.

Mr. JOHNSTON of South Carolina. Mr. President, I think the Senator from Kansas [Mr. CARLSON], a former chairman of the committee, will confirm the statement which I shall make. It is customary in our committee, when any Senator says a nominee is personally objectionable to him, not to act favorably on the nomination. For that reason the nomination has been reported adversely from the committee, and I ask that it be rejected.

Mr. CARLSON. Mr. President, I concur in the statement made by the chairman of the Committee on Post Office and Civil Service with regard to this nomination.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Margaret E. Smith to be postmaster at Montreat, N. C.?

The nomination was rejected.

LEGISLATIVE SESSION

Mr. HUMPHREY. Mr. President, I believe that in accordance with the understanding between the acting majority leader and the minority leader, it was the intention to have a morning hour following the completion of consideration of the Executive Calendar. We have now completed the Executive Calendar.

The PRESIDING OFFICER. The Chair is advised that the Senate should first resume legislative session.

Mr. HUMPHREY. I ask unanimous consent that the Senate resume the consideration of legislative business.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate resumed the consideration of legislative business.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOUGLAS. Is this the same legislative day?

The PRESIDING OFFICER. It is the legislative day of August 2.

LEGISLATIVE APPROPRIATIONS FOR 1956—ADDITIONAL CONFEREE

During the proceeding in executive,

Mr. HAYDEN. Mr. President, as in legislative session, I ask unanimous consent that the senior Senator from California [Mr. KNOWLAND] be appointed an additional conferee on the part of the Senate on the bill (H. R. 7117) making appropriations for the legislative branch for the fiscal year ending June 30, 1956, and for other purposes.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed the following bills of the Senate, each with amendments, in which it requested the concurrence of the Senate:

S. 1189. An act to permit national banks to make 20-year real estate loans, 9-month residential construction loans and 18-month commercial construction loans; and

S. 2039. An act to authorize the Secretary of the Interior to lease any unassigned lands on the Colorado River Indian Reservation, Ariz., and for other purposes.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 7618) to amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MURRAY of Tennessee, Mr. MORRISON, and Mr. REES of Kansas were appointed managers on the part of the House at the conference.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 2430. An act to release certain restrictions on certain real property heretofore granted to the city of Charleston, S. C., by the United States of America;

H. R. 2552. An act to authorize the modification of the existing project for the Great Lakes connecting channels above Lake Erie;

H. R. 2667. An act to amend section 208 (b) of the Technical Changes Act of 1953 (Public Law 287, 83d Cong.);

H. R. 3413. An act to amend the Internal Revenue Code of 1954 to provide that the tax on wire and equipment service shall not apply to amounts paid for the installation of community television-receiving antenna equipment;

H. R. 5047. An act to increase the compensation of trustees in bankruptcy;

H. R. 6143. An act to amend the Internal Revenue Code of 1939 to provide that for taxable years beginning after May 31, 1950, certain amounts received in consideration of the transfer of patent rights shall be considered capital gain regardless of the basis upon which such amounts are paid;

H. R. 6309. An act to authorize construction of the Mississippi River-Gulf outlet;

H. R. 6636. An act providing for a preliminary examination and survey by the Secretary of the Army for the purpose of controlling water-chestnut infestation in the upper Chesapeake Bay tributaries;

H. R. 6712. An act to amend section 1237 of the Internal Revenue Code of 1954;

H. R. 7049. An act to revise, codify, and enact into law title 10 of the United States Code, entitled "Armed Forces," and title 32 of the United States Code, entitled "National Guard"; and

H. R. 7634. An act to provide that amounts which do not exceed 60 cents shall be exempt from the tax imposed upon amounts paid for the transportation of persons.

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ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Vice President:

S. 135. An act for the relief of the Elkay Manufacturing Co., of Chicago, Ill.;

S. 463. An act to authorize the issuance of commemorative medals to certain societies which Benjamin Franklin was a member, or sponsor, in observance of the 250th anniversary of his birth;

S. 878. An act to amend the act extending the exterior boundary of the Uintah and Ouray Indian Reservation in the State of Utah so as to authorize such State to exchange certain mineral lands for other lands mineral in character;

S. 1093. An act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia, and for other purposes;

S. 1159. An act for the relief of Wilma Ann Schilling and her daughter, Ingertraud Rosalita Schilling;

S. 1296. An act for the relief of Maria Anna Coone;

S. 1577. An act to amend the acts granting the consent of Congress to the State of Connecticut, acting by and through any agency or commission thereof, to construct, maintain, and operate toll bridges across the Connecticut River;

S. 1730. An act for the relief of Anna Marie Hitzelberger Scheidt, and her minor child, Rosanne Hitzelberger;

S. 1758. An act to amend the Bankhead-Jones Farm Tenant Act, as amended, to modify, clarify, and provide additional authority for insurance of loans;

S. 1965. An act to repeal a particular contractual requirement with respect to the Arch Hurley Conservancy District in New Mexico;

S. 2198. An act to extend the period of restrictions on lands belonging to Indians of the Five Civilized Tribes in Oklahoma, and for other purposes;

S. 2403. An act to authorize the dual employment of custodial employees in post office buildings operated by the General Services Administration, and for other purposes;

S. 2511. An act to amend the Agricultural Adjustment Act of 1938, as amended;

S. 2604. An act to increase the borrowing power of the Commodity Credit Corporation;

S. 2630. An act to facilitate the establishment of local self-government at the communities of Oak Ridge, Tenn., and Richland, Wash., and to provide for the disposal of federally owned properties of such communities;

H. R. 593. An act to convey by quitclaim deed certain land to the State of Texas;

H. R. 5249. An act to amend the Internal Revenue Code of 1954 to provide for refund or credit of internal revenue taxes and customs duties paid on distilled spirits and wines lost, rendered unmarketable, or condemned by health authorities as a result of the hurricanes of 1954;

H. R. 7018. An act to authorize subpenas in connection with the enforcement of the narcotic laws, and for other purposes;

H. R. 7034. An act to provide permanent authority for the relief of certain disbursing officers, and for other purposes;

H. R. 7035. An act to amend section 1 of the act entitled "An act to authorize relief of accountable officers of the Government, and for other purposes," approved August 1, 1947 (61 Stat. 720); and

S. J. Res. 91. Joint resolution to authorize the Secretary of Commerce to sell the steamship *La Guardia*.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated:

H. R. 2430. An act to release certain restrictions on certain real property heretofore granted to the city of Charleston, S. C., by the United States of America; to the Committee on Armed Services.

H. R. 2552. An act to authorize the modification of the existing project for the Great Lakes connecting channels above Lake Erie;

H. R. 6309. An act to authorize construction of the Mississippi River-gulf outlet; and

H. R. 6686. An act providing for a preliminary examination and survey by the Secretary of the Army for the purpose of controlling water chestnut infestation in the upper Chesapeake Bay tributaries; to the Committee on Public Works.

H. R. 2667. An act to amend section 208 (b) of the Technical Changes Act of 1953 (Public Law 287, 83d Cong.);

H. R. 3413. An act to amend the Internal Revenue Code of 1954, to provide that the tax on wire and equipment service shall not apply to amounts paid for the installation of community television receiving antenna equipment;

H. R. 6143. An act to amend the Internal Revenue Code of 1939 to provide that for taxable years beginning after May 31, 1950, certain amounts received in consideration of the transfer of patent rights shall be considered capital gain regardless of the basis upon which such amounts are paid;

H. R. 6712. An act to amend section 1237 of the Internal Revenue Code of 1954; and

H. R. 7634. An act to provide that amounts which do not exceed 60 cents shall be exempt from the tax imposed upon amounts paid for the transportation of persons; to the Committee on Finance.

H. R. 5047. An act to increase the compensation of trustees in bankruptcy; and

H. R. 7049. An act to revise, codify, and enact into law, title 10 of the United States Code, entitled "Armed Forces," and title 32 of the United States Code, entitled "National Guard"; to the Committee on the Judiciary.

AMENDMENT OF SECTION 8 OF CIVIL SERVICE RETIREMENT ACT OF MAY 29, 1930

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H. R. 7618) to amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. JOHNSTON of South Carolina. I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. JOHNSTON of South Carolina, Mr. SCOTT, and Mr. CARLSON conferees on the part of the Senate.

LEGISLATIVE APPROPRIATIONS, 1956—CONTINUING RESOLUTION

Mr. CLEMENTS. Mr. President, at the desk is House Joint Resolution 434, which provides for the operating of Congress during the next 12 months. I ask unanimous consent that the joint resolution be laid before the Senate for consideration.

Mr. KNOWLAND. Mr. President, because the distinguished acting majority leader must leave now to attend a conference, and because the joint resolution relates to the continuation of the legislative appropriation, I shall not object to having the joint resolution considered.

The PRESIDING OFFICER. The Chair lays before the Senate House Joint Resolution 434, which will be stated by title for the information of the Senate.

The joint resolution (H. J. Res. 434) to provide appropriations for the legislative branch for the fiscal year ending June 30, 1956, was read twice by its title.

Mr. CLEMENTS. Mr. President, I move that the Senate proceed to the consideration of the joint resolution.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Kentucky.

The motion was agreed to; and the Senate proceeded to consider the joint resolution.

Mr. CLEMENTS. Mr. President, I ask that the Senate agree to the joint resolution.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed for a third reading, was read the third time, and passed.

REPLY OF THE SECRETARY OF THE INTERIOR TO CERTAIN CHARGES

Mr. CURTIS. Mr. President, I ask unanimous consent to have printed in the RECORD a letter written by the Secretary of the Interior, the Honorable Douglas McKay, to the Senator from Oregon [Mr. MORSE], in reply to certain allegations appearing in the RECORD of June 22, 1955.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF THE INTERIOR,
Washington, D. C.

Hon. WAYNE MORSE,
United States Senate,
Washington, D. C.

DEAR SENATOR MORSE: On page 7601 of the CONGRESSIONAL RECORD for June 22 there is printed, at your request, a resolution entitled "Request for resignation of Secretary of the Interior" and the first paragraph reads as follows:

"Whereas the Secretary of the Interior, Douglas McKay, used to sell Chevrolets to the State of Oregon while Governor;"

This statement is absolutely false. When I was elected Governor in 1948 I was well aware that the constitution of Oregon prohibits any member of the board of control from entering into a contract with the State government. Upon assuming office, therefore, I sent a letter to all the State departments advising them that they could not do business with the Douglas McKay Chevrolet Co., Inc.

The second charge, "Whereas Secretary McKay seeks to either close down, or sell out to private monopoly, the Alaska Railroad in spite of its profitable operating record," is also false. The first year of operation of the Alaska Railroad under this administration resulted in a $719,000 profit. In addition to

this, we reduced the freight rates in February of 1954. This year we are doing even better and we hope to put the Alaska Railroad on a self-supporting basis. There has been no effort on my part to sell the railroad or to close it down. Please be informed that I would not sell it, if I could, without the permission of Congress.

The remaining charges in the resolution are equally ridiculous. That it was written at all or inserted in the RECORD plainly indicates to me that the intent was to smear McKay rather than to provide citizens with sound and valid information regarding the operation of their Government.

Very truly yours,

DOUGLAS MCKAY,
Secretary of the Interior.

ORDER OF BUSINESS

Mr. HUMPHREY. Mr. President, so that there will be no misunderstanding, it is our intention, after consultation with the acting majority leader, that there shall be a short period for the transaction of morning business, with statements by Senators limited to not more than 2 minutes in connection with which we ask the full cooperation of all Members of the Senate.

With that understanding, I suggest the absence of a quorum. After morning business has been concluded the Senate will proceed to legislative business.

The PRESIDING OFFICER (Mr. SMATHERS in the chair). The Secretary will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Green	Millikin
Allott	Hayden	Monroney
Barkley	Hennings	Morse
Beall	Hill	Mundt
Bender	Holland	Murray
Bennett	Hruska	Neely
Bible	Humphrey	Neuberger
Bush	Ives	O'Mahoney
Byrd	Jackson	Payne
Capehart	Johnston, S. C.	Potter
Carlson	Kefauver	Robertson
Case, N. J.	Kerr	Russell
Case, S. Dak.	Kilgore	Saltonstall
Chavez	Knowland	Scott
Clements	Kuchel	Smathers
Cotton	Langer	Smith, Maine
Curtis	Lehman	Smith, N. J.
Dirksen	Long	Sparkman
Douglas	Magnuson	Stennis
Duff	Malone	Symington
Dworshak	Mansfield	Thurmond
Ellender	Martin, Iowa	Thye
Ervin	Martin, Pa.	Watkins
Flanders	McCarthy	Wiley
Fulbright	McClellan	Williams
Goldwater	McNamara	Young

Mr. CLEMENTS. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Texas [Mr. DANIEL], the Senator from Mississippi [Mr. EASTLAND], the Senator from Delaware [Mr. FREAR], the Senator from Tennessee [Mr. GORE], the Senator from Massachusetts [Mr. KENNEDY], and the Senator from Rhode Island [Mr. PASTORE] are absent on official business.

The Senator from Georgia [Mr. GEORGE] is absent by leave of the Senate.

The Senator from Texas [Mr. JOHNSON] is absent by leave of the Senate because of illness.

Mr. SALTONSTALL. I announce that the Senator from Wyoming [Mr. BARRETT] is absent because of illness in his family.

The Senator from New Hampshire [Mr. BRIDGES], the Senator from Indiana [Mr. JENNER], the Senator from Kansas [Mr. SCHOEPPEL], and the Senator from Idaho [Mr. WELKER] are necessarily absent.

The Senator from Ohio [Mr. BRICKER] and the Senator from Iowa [Mr. HICKENLOOPER] are absent by leave of the Senate on behalf of the Joint Committee on Atomic Energy.

The Senator from Maryland [Mr. BUTLER] and the Senator from Connecticut [Mr. PURTELL] are absent on official business.

The VICE PRESIDENT. A quorum is present.

Mr. HUMPHREY. Mr. President, just prior to the quorum call I suggested that we might have a period of time for the morning hour. I understand there are Senators who have some insertions to make in the RECORD and other routine business to transact. I think we should proceed in that order. The 2-minute rule was proclaimed earlier, and I shall ask my colleagues to abide by that rule or I shall have to object.

The VICE PRESIDENT. Without objection, that will be the procedure.

Morning business is now in order.

PETITION

The VICE PRESIDENT laid before the Senate the petition of Hans Raid, of Washington, D. C., praying for a redress of grievances, which was referred to the Committee on Post Office and Civil Service.

REVIEW OF THE UNITED NATIONS CHARTER—SECOND INTERIM REPORT OF COMMITTEE ON FOREIGN RELATIONS (S. REPT. NO. 1305)

Mr. HOLLAND (for Mr. GEORGE), from the Committee on Foreign Relations, pursuant to the provisions of Senate Resolution 126, 83d Congress, as amended by Senate Resolution 83, 84th Congress, and continued by Senate Resolution 193, 83d Congress, and Senate Resolution 36, 84th Congress, submitted the second interim report entitled "Review of the United Nations Charter," which was ordered to be printed.

ENROLLED BILLS AND JOINT RESOLUTIONS PRESENTED

The Secretary of the Senate reported that on today, August 2, 1955, he presented to the President of the United States the following enrolled bills and joint resolutions:

S. 38. An act for the relief of Joseph Jerry Earl Sirois (also known as Jeremie Earl Sirois);

S. 56. An act authorizing construction of certain public works on the Mississippi River for the protection of St. Louis, Mo.;

S. 71. An act for the relief of Ursula Else Boysen;

S. 85. An act for the relief of Rosetta Ittner;

S. 86. An act for the relief of Wilhelmine Schelter;

S. 92. An act for the relief of Irene C. (Karl) Behrman;

S. 100. An act for the relief of Hermine Lorenz;

S. 119. An act for the relief of David Wei-Dao Lea and Julia An-Fong Wang Lea;

S. 141. An act for the relief of Pauline Ellen Redmond;

S. 167. An act for the relief of Ernesto DeLeon;

S. 176. An act for the relief of Gerda Irmgard Kurella;

S. 181. An act for the relief of Manhay Wong;

S. 191. An act for the relief of Liselotte Warmbrand;

S. 214. An act for the relief of Ahmat Suat Maykut;

S. 223. An act for the relief of Mary Freida Poelti Smith;

S. 235. An act for the relief of Melanie Schaffner Baker;

S. 238. An act for the relief of Andreas Georges Vlastos (Andreas Georges Vlasto);

S. 239. An act for the relief of Apostolos Vasili Percas;

S. 240. An act for the relief of Mrs. Helena Planinsek;

S. 254. An act for the relief of Giussepina Cervi;

S. 293. An act for the relief of Miss Cecile Patricia Chapman;

S. 326. An act for the relief of Leopoldine Maria Lofblad;

S. 346. An act for the relief of Klara Anna Maria Fleischer;

S. 352. An act for the relief of Isaac Glickman, Reghina Glickman, Alfred Cismaru, and Anna Cismaru;

S. 388. An act for the relief of Petre and Liubitza Ionescu;

S. 394. An act for the relief of Ali Hassan Waffa;

S. 397. An act for the relief of Maria Bertagnolli Pancheri;

S. 430. An act for the relief of Hedwig Marie Zaunmiller;

S. 464. An act to authorize the Secretary of the Interior to issue patents for certain lands in Florida bordering upon Indian River;

S. 466. An act for the relief of Capt. George Gafos, Eugenia Gafos, and Adamantios George Gafos;

S. 470. An act for the relief of Edith Winifred Loch;

S. 474. An act for the relief of Maria Elena Venegas and Sarah Lucia Venegas;

S. 476. An act for the relief of Harold Swarthout and L. R. Swarthout;

S. 503. An act for the relief of Cirino Lanzafame;

S. 518. An act for the relief of Elsa Alwine Larsen;

S. 535. An act to provide for the conveyance to the State of North Dakota, for use as a State historic site, of the land where Chief Sitting Bull was originally buried;

S. 541. An act for the relief of Martin Aloysius Madden;

S. 606. An act for the relief of Gisela Hofmeier;

S. 707. An act for the relief of Christos Paul Zolotas;

S. 843. An act for the relief of Gerda Graupner;

S. 884. An act for the relief of Gabor Lanyi;

S. 1035. An act for the relief of Ambrose Anthony Fox;

S. 1044. An act for the relief of Edward Naarits;

S. 1051. An act to amend section 8a (4) of the Commodity Exchange Act, as amended;

S. 1105. An act for the relief of Mrs. Lieselotte Emilie Dailey;

S. 1126. An act for the relief of Dimitrios Antoniou Kostalas;

S. 1155. An act for the relief of Iva Druzianich (Iva Druzianic);

S. 1167. An act to amend the Soil Conservation and Domestic Allotment Act;

S. 1187. An act to amend section 5221 of the Revised Statutes, relating to voluntary liquidation of national banks;

S. 1210. An act to amend the Public Buildings Act of 1949 to provide a 5-year limitation on the period of leases of space for Federal agencies in the District of Columbia;

S. 1266. An act for the relief of Helene Margareta Jobst;

S. 1337. An act for the relief of Joseph Vyskocil;

S. 1340. An act to authorize the conveyance by quitclaim deed of certain land to the Brownsville Navigation District of Cameron County, Tex.;

S. 1353. An act for the relief of Mrs. Jeannette S. Hamilton;

S. 1367. An act for the relief of Antonio Jacoe;

S. 1391. An act granting the consent of Congress to the States of California and Nevada to negotiate and enter into a compact with respect to the distribution and use of the waters of the Truckee, Carson, and Walker Rivers, Lake Tahoe, and the tributaries of such rivers and lake in such States;

S. 1395. An act to amend the joint resolution entitled "Joint resolution to establish a commission for the celebration of the 200th anniversary of the birth of Alexander Hamilton," approved August 20, 1954;

S. 1397. An act providing for the conveyance of certain lands to St. Louis Church of Dunseith, Dunseith, N. Dak.;

S. 1496. An act for the relief of Rurike Hara;

S. 1512. An act to amend section 107 of title 28 of the United States Code so as to eliminate separate divisions and reduce the number of places holding regular terms of the United States District Court for the District of Columbia;

S. 1521. An act for the relief of Garabed Papazian;

S. 1522. An act for the relief of Lieselotte Probzinski Gettman;

S. 1541. An act for the relief of Ernst Fraenkel and his wife, Hanna Fraenkel;

S. 1581. An act for the relief of Constantinos Pantermalis;

S. 1706. An act for the relief of Spyridon Saintoufis and his wife, Efrossini Saintoufis;

S. 1974. An act for the relief of Rosa Birger;

S. 2081. An act to amend the Veterans' Readjustment Assistance Act of 1952 to provide that education and training allowances paid to veterans pursuing institutional on-farm training shall not be reduced for 12 months after they have begun their training;

S. 2168. An act to amend the Fair Labor Standards Act of 1938 in order to increase the national minimum wage, and for other purposes;

S. 2197. An act to authorize the Secretary of the Interior to distribute equally to members of the Kaw Tribe of Indians certain moneys to the credit of the tribe in the United States Treasury;

S. 2253. An act to reemphasize trade development as the primary purpose of title I of the Agricultural Trade Development and Assistance Act of 1954;

S. 2260. An act granting the consent of Congress to the States of Arkansas, Louisiana, Oklahoma, and Texas to negotiate and enter into a compact providing for the apportionment of the waters of the Red River and its tributaries;

S. 2269. An act for the relief of Mualla S. Holloway;

S. 2270. An act for the relief of Nadia Noland and Samia Ouafa Noland;

S. 2277. An act authorizing the Administrator of General Services to convey certain land to the city of Sioux Falls, S. Dak., for park and recreational purposes, for an amount equal to the cost to the United States of acquiring such lands from the city;

S. 2297. An act to further amend the Agricultural Adjustment Act of 1938, and for other purposes;

S. 2312. An act for the relief of certain Korean war orphans;

S. 2351. An act to authorize the conveyance of certain war housing projects in the city of Norfolk, Va.;

S. 2566. An act to amend title 14, United States Code, so as to provide for compensatory absence of Coast Guard military personnel serving at isolated aids to navigation, and for other purposes;

S. 2573. An act to amend the rice marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended;

S. 2575. An act for the relief of Mrs. Gertrud Hildegard Nichols;

S. J. Res. 82. Joint resolution to authorize the Secretary of the Interior to execute a certain contract with the Toston Irrigation District, Montana; and

S. J. Res. 92. Joint resolution to authorize the Secretary of Commerce to sell the steamship *Monterey*.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MURRAY:

S. 2748. A bill to amend the Fair Labor Standards Act of 1938, as amended, to provide coverage for employees of large retail establishments whose activities affect interstate commerce, and for other purposes; to the Committee on Labor and Public Welfare.

By Mr. McNAMARA:

S. 2749. A bill for the relief of Rev. James Y. Paik; and

S. 2750. A bill for the relief of Frank Sevcik, Jr., also known as Frantisek or Francesco Sevcik; to the Committee on the Judiciary.

By Mr. LANGER:

S. 2751. A bill to provide voluntary coverage for lawyers and dentists under the Federal old-age and survivors insurance system; to the Committee on Finance.

By Mr. O'MAHONEY:

S. 2752. A bill to amend section 132 of the Legislative Reorganization Act of 1946, relating to congressional adjournment; to the Committee on Rules and Administration.

(See the remarks of Mr. O'MAHONEY when he introduced the above bill, which appear under a separate heading.)

By Mr. CASE of New Jersey (for himself and Mr. IVES):

S. 2753. A bill to provide temporary disability insurance benefits for employees in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

(See the remarks of Mr. CASE of New Jersey when he introduced the above bill, which appear under a separate heading.)

By Mr. MALONE:

S. 2754. A bill to authorize the taxation of certain Federal real property by State and local tax authorities, and for other purposes; to the Committee on Government Operations.

(See the remarks of Mr. MALONE when he introduced the above bill, which appear under a separate heading.)

By Mr. KUCHEL:

S. 2755. A bill to designate the reservoir above the Monticello Dam in California as Lake Berryessa; to the Committee on Public Works.

(See the remarks of Mr. KUCHEL when he introduced the above bill, which appear under a separate heading.)

By Mr. HILL:

S. 2756. A bill to restore to the rolls certain emergency officers heretofore granted retirement pay; to the Committee on Armed Services.

By Mr. SMATHERS:

S. J. Res. 103. Joint resolution proposing an amendment to the Constitution relating to the choosing of a President and Vice President in certain cases where the powers and duties of the office of the President devolve upon another person; to the Committee on the Judiciary.

AMENDMENT OF LEGISLATIVE REORGANIZATION ACT RELATING TO ADJOURNMENT OF CONGRESS

Mr. O'MAHONEY. Mr. President, I introduce, for appropriate reference, a bill to amend the Legislative Reorganization Act, in the hope that it may afford the Committee on Rules and Administration in the next session an opportunity to bring an end to this midsummer madness in which we indulge about this time every session.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 2752) to amend section 132 of the Legislative Reorganization Act of 1946, relating to congressional adjournment, introduced by Mr. O'MAHONEY, was received, read twice by its title, and referred to the Committee on Rules and Administration.

LET US END THIS MIDSUMMER MADNESS

Mr. O'MAHONEY. The logjam in which this session of Congress is coming to an end dramatically illustrates the necessity for an amendment of the Legislative Reorganization Act which requires adjournment on July 31. Although this is a requirement which is more honored in the breach than in the observance, and although the leadership has made every effort to complete the work of Congress in an orderly manner, the plain fact is that the work is not completed and cannot be completed when so many Members of Congress are in a rush to go to Russia, to Europe, to Asia, and sometimes home. The acting majority leader [Mr. CLEMENTS] has been particularly effective, but procedural reform is overdue.

The result of the present system is that the advocates of immensely important legislation are clamoring for last-minute action and seeking to push through bills even though the Members as a whole, including even the members of the committees to which the bills are assigned, have not had the opportunity to read the measures or the reports thereon which have been hastily prepared.

The sad fact is that this method of legislating can only result in undermining the legislative powers of Congress. We have more business affecting everybody in the Nation than ever before in history. Witness, for example, the housing bill. This program was initiated during the Roosevelt-Truman administrations. It has been adopted by President Eisenhower. It is opposed by substantial numbers of his own party. The House, in order to effect a compromise, struck all public housing from the bill. The conference restored 45,000 units of the 135,000 President Eisenhower wanted. The Wherry housing law, which allowed private construction of dwellings at airbases and military stations of all kinds, has been repealed, and all of this

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has been transferred to the Department of Defense. Members of the Armed Services Committee themselves were doubtful of the wisdom of the change.

Whatever may be the merits about this measure, it illustrates the haste in which legislation is being pushed through in the last days of a midsummer session, when, because of the heat, Members are physically worn out by prolonged sessions of both the committees and the two Houses. It may truthfully be called a midsummer's madness, for neither the committees nor either House can properly legislate in the atmosphere which here exists.

The theory of the Legislative Reorganization Act was that committees should never be permitted to meet during a session of either House. They have been meeting day and night during these closing sessions.

The remedy is to revise the Legislative Reorganization Act so that Congress may recess during the hot summer days and Members may take their vacations in their homes or wherever the essential investigatory duty of Congress calls. I am, therefore, introducing a bill to amend the law by providing that both Houses shall be in recess from the middle of July to the second Monday in September of each year unless otherwise provided by Congress. This would eliminate the mad rush in the heat of July and August, and would enable Congress to give intelligent and orderly attention to the legislation before it during the fall, with ample time to adjourn for Christmas.

I hope the Committee on Rules and Administration in the next session will hold hearings on this bill.

I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That (a), section 132, of the Legislative Reorganization Act is amended to read as follows:

"SEC. 132. The two Houses of Congress shall be in recess during the period beginning on July 15 and ending on the second Monday in September, in each year, unless otherwise provided by the Congress."

(b) The amendment made by this act shall be effective beginning with the 2d session of the 84th Congress.

TEMPORARY DISABILITY INSURANCE BENEFITS FOR EMPLOYEES IN DISTRICT OF COLUMBIA

Mr. CASE of New Jersey. Mr. President, on behalf of the senior Senator from New York [Mr. IVES] and myself, I introduce, for appropriate reference, a bill to provide temporary disability insurance benefits for employees in the District of Columbia, and for other purposes.

I ask unanimous consent that an explanation of this bill be inserted in the RECORD at this point in my remarks.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the explanation will be printed in the RECORD.

The bill (S. 2753) to provide temporary disability insurance benefits for employees in the District of Columbia, and for other purposes, introduced by Mr. CASE of New Jersey (for himself and Mr. IVES), was received, read twice by its title, and referred to the Committee on the District of Columbia.

The explanation presented by Mr. CASE of New Jersey is as follows:

This bill is designed to provide an insurance system under which cash payments for a limited period of time would be made to individuals in the District of Columbia who are unable to work because of a physical or mental disability that is not work-connected. The system would be administered by the District of Columbia Unemployment Compensation Board. Every covered employer would be required to secure payment of the disability benefits contemplated by the bill either through a policy of insurance, by qualifying as a self-insurer, or by establishing to the satisfaction of the board that the benefits contemplated by the bill are provided by an agreement between the employer and a union or association representing his employees or several employers and unions or associations. In the latter event the trustee or other administrator would be required to secure payment of benefits through an insurance policy or by qualifying as a self-insurer. Insurance policies for disability benefits required by the bill may be issued either by private insurance companies, or, for employers with gross payrolls of less than $20,000 per year, by the District Insurance Fund established by the bill. This fund is treated as a carrier for the purposes of this bill.

The bill would apply to employment localized in the District of Columbia and to employment not localized in any State (as defined in the bill) if some of the service is performed in the District of Columbia. However, the measure would exclude domestic service in private homes, casual service not in the usual course of business of the employer, and service in the employ of any government, foreign or domestic.

This bill is in accord with the program of the President and is part of the legislative program of the Department of Labor.

NEED FOR TEMPORARY DISABILITY INSURANCE

The last great missing segment of income-insurance in this country is nonoccupational sickness and disability insurance. Some kind of legislation covers all the major insurable categories of wage loss except one of the most obvious and urgent ones—the wage loss of the man who has lost both his income and his health. Yet on an average day, about 2 million people are away from work because of disabilities that have lasted less than 6 months, and about the same number have total disabilities that have lasted over 6 months. Wage loss from sickness averages around $100 per worker a year.

Four States have adopted temporary disability insurance laws. In 1953, the total of wage-loss benefits paid under these laws was about $183 million. It was equivalent to a payment of from $128 to $214 per compensated period.

NATURE OF BENEFIT SYSTEM

Benefits would be paid to eligible persons suffering disability in the employ of a covered employer by an insurance carrier or the employer as a self-insurer, or through a plan or agreement between a company and union which is approved by the board. Eligible individuals who suffer disability while unemployed or in the employ of a noncovered employer would be paid by the board from a fund made up of employer-employee contributions. If an employer or carrier fails for any reason to pay benefits to an eligible employee, the board would compensate such person. In that event the board would be given a right of action against the employer or carrier to recover the disbursement.

FINANCING OF THE GOVERNMENT FUNDS

The bill establishes a District Insurance Fund for the purpose of issuing insurance to any covered employer with a gross payroll of less than $20,000 per year. This fund is to be administered by a manager appointed by but operating independently of the board, and is in all respects to be treated as any other carrier under the bill.

The bill also establishes two other funds, a special fund for disability benefits and a disability benefits administrative fund to be managed and controlled by the District of Columbia Unemployment Compensation Board. The Board would pay administrative costs out of the latter fund and would pay benefits out of the former fund to eligibles who are unemployed, who are engaged in noncovered employment, or to whom payment of compensation is wrongfully refused. Money to maintain both funds would be obtained by assessments made by the Board upon employers, but the latter could require their employees to contribute one-half the cost of such assessments. These employee contributions, however, plus any other contribution required of employees toward the cost of benefits under the act could not be more than one-half of 1 percent of their wages, or 30 cents per week, whichever is the lesser.

EXISTING PLANS

Plans in effect on the date of approval of the bill, and agreements between employers and unions or associations (to the cost of which the employer is obligated to contribute) in effect prior to that date, would be deemed to meet the requirements of the bill until the earliest date upon which the employer may modify or discontinue benefits or discontinue contributions thereunder, but not more than 2 years after the date of enactment of the measure. At the conclusion of the 2-year period only such plans and agreements as are secured to provide the benefits required by the bill, and are approved by the Board, would be considered as meeting the requirements of the bill.

BENEFIT FORMULA

Under the bill, an eligible individual suffering disability while in the employ of a covered employer would be entitled to receive one-half of his average weekly wage, but not more than $36 nor less than $12 (unless his average weekly wage is less than $12, in which event his benefit would be the amount of such wage). An eligible unemployed individual, or one working in noncovered employment, would be entitled to receive benefits computed in accordance with the formula prescribed in section 7 of the District of Columbia Unemployment Compensation Act, which bases the benefit amount upon the wages earned by the individual in the highest quarter of his base period. A waiting period of 1 week would be required unless the break between periods of disability is less than 21 days. No waiting period would be required if an individual becomes disabled while otherwise eligible for unemployment benefits. Eligible persons could receive disability benefits in a total amount of 26 times the weekly benefit amount during a period of 52 consecutive weeks.

ELIGIBILITY FOR DISABILITY BENEFITS

The bill would cover all persons engaged in employment localized in the District of Columbia, or in employment not localized in any State (as defined in the bill) except those performing services which are domestic, casual, or rendered in the employ of a government, foreign or domestic. Covered employees would be eligible to receive benefits from their employer during the period of their employment and for the 4-week period immediately following termination of

their employment (if they worked for one or more covered employers for 4 or more consecutive weeks during the preceding year). Individuals working in noncovered employment or who are unemployed would be protected, provided they earned enough in covered employment during their base period to meet the qualifying wage requirements of the District of Columbia Unemployment Compensation Act. Noncovered workers and those for whom they perform services could be brought within the coverage of the bill if provision is made for the payment of the required benefits and the employer applies to the Board for approval thereof.

No person would be eligible for benefits for a disability occasioned by his own willful intention to injure himself or another or to commit a felony, for a disability due to an act of war after the effective date of the act, or for any period of disability during which the individual performs work for remuneration or is confined in a penal institution. Disabilities due to pregnancy would be compensable only in cases of complications, or where the incapacity occurs more than 28 days after termination of pregnancy.

Since the program is one of insurance for wage loss, eligibility for disability benefits is not stated in medical terms but is related to incapacity for work. Many individuals have diseases for which they are receiving regular medical treatment, yet which do not interfere with their ability to work. Disability is defined, for purposes of the bill, in terms of mental or physical illness, disease, or injury resulting in incapacity to perform the individual's customary or most recent work. The bill recognizes that most spells of disability are brief and that most workers will return to their jobs in a short time. It is designed to limit payment of benefits strictly to those who are not working because of disability.

To receive benefits the disabled individual must file a written notice of disability and claim and must submit a physician's certificate and such other proof as the Board may prescribe. An individual is not entitled to disability benefits for any period in which he is receiving unemployment insurance, or workmen's compensation for the same disability. In any period when an individual is receiving a primary insurance benefit under title II of the Social Security Act or under any pension plan of an employer who has contributed to the cost thereof and has provided the benefits payable under the bill, or is receiving any benefit under a permanent or temporary disability program of the Government (except a veterans' disability program), or of an employer for whom he has performed services, the individual would receive under the bill only the excess, if any, of the amounts to which he is entitled thereunder over the amounts received for such other benefits.

PROCEDURE TO OBTAIN BENEFITS

The insurer of the benefits provided by the bill would be required to pay them periodically and promptly and, except in contested cases, without any decision of the Board. When any claim for disability benefits is denied or not paid for any reason, the claimant could file a protest with the Board, which would proceed as in the case of appeals from the denial of compensation under the District of Columbia Unemployment Compensation Act. Final decisions of the Board would be subject to judicial review in the manner prescribed by that act. Adequate safeguards are contained in the bill to insure that payment of benefits will not be unduly delayed while judicial review is pending. Counsel fees, court costs, and printing expenses would be paid by the Board as administrative expenses in court appeals from a decision (judicial or administrative) favorable to the claimant or reversing a decision in his favor.

EFFECTIVE DATES

Contributions are scheduled to begin January 1, 1956, and benefit payments on July 1, 1956.

TAXATION OF CERTAIN FEDERAL REAL PROPERTY BY STATE AND LOCAL AUTHORITIES

Mr. MALONE. Mr. President, I introduce, for appropriate reference, a bill to authorize the taxation of certain Federal real property by State and local tax authorities, and for other purposes. I ask unanimous consent that the bill may be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2754) to authorize the taxation of certain Federal real property by State and local tax authorities, and for other purposes, introduced by Mr. MALONE, was received, read twice by its title, referred to the Committee on Government Operations, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That this act may be cited as the "Federal Real Property Tax Act of 1955."

DEFINITIONS

SEC. 2. As used in this act—

(a) The term "Federal agency" means any department, agency, office, or independent establishment in the executive, legislative, or judicial branch of the Government of the United States, and any corporation now or hereafter subject to the provisions of title I of the Government Corporation Control Act (31 U. S. C. 846);

(b) The term "Federal property" means any real property the legal title to which is held by the United States or any Federal agency;

(c) The term "controlling agency," when used in relation to any Federal property, means the Federal agency which is charged with the duty of administering such property;

(d) The term "State" means any State of the United States;

(e) The term "State tax authority" means any State, and any county, city, municipality, tax district, or other political subdivision or public entity thereof having authority under the law of such State to levy and collect within its territorial jurisdiction any tax or special assessment;

(f) The term "tax" means any tax of general application levied according to value by any State tax authority upon real property situated within its territorial jurisdiction;

(g) The term "taxable person," when used in relation to the payment of any tax, means any person who is the owner of any real property and who is not, by reason of his status or the use made of such property, exempt from obligation to pay such tax;

(h) The term "special assessment" means any levy, other than a tax, imposed by any State tax authority directly upon real property situated within its territorial jurisdiction to defray the cost of any public improvement, and equitably apportioned according to the benefit conferred by such improvement upon such property;

(i) The term "real property," when used in relation to any tax or special assessment, means any interest in land, and any improvement thereon if such improvement constitutes real property under law in effect within the State tax authority imposing such tax or special assessment; and

(j) The term "person" means any individual, partnership, association composed of individuals, or private corporation.

CONSENT TO TAXATION OF CERTAIN FEDERAL PROPERTY

SEC. 3. (a) Except as otherwise provided by this act, all Federal property situated within the territorial jurisdiction of any State tax authority shall be subject to the assessment and collection of any tax imposed by such authority to the same extent and under the same conditions as other property of like class situated within such jurisdiction.

(b) No consent is granted by this section to any payment to any State tax authority with respect to any Federal property which—

(1) if privately owned or controlled, would be exempt from tax because of the use to which it is devoted;

(2) is the subject of any revenue-sharing arrangement, entered into under authority of Federal law, where such revenue equals or exceeds the tax which would otherwise be levied in the regular manner;

(3) is devoted primarily to use as a United States courthouse; post office; postal facility; customhouse; assay office; facility for coining money or printing currency; bullion depository; national monument; prison; reformatory, detention farm, or disciplinary barracks; hospital, dispensary, clinic, or other medical facility; sanitorium; home for the aged, or facility providing domiciliary care; or cemetery.

CONSENT TO LEVY OF SPECIAL ASSESSMENTS

SEC. 4. Except as otherwise provided by this act, all Federal property situated within the territorial jurisdiction of any State tax authority shall be subject to the levy and collection of any special assessment upon real property to the same extent and under the same conditions as other property of like class situated within such jurisdiction.

PAYMENT OF TAXES AND SPECIAL ASSESSMENTS

SEC. 5. (a) Payment of any tax or special assessment authorized by section 3 or section 4 with respect to any Federal property shall be made by the Federal agency which is the controlling agency for such property at the time such tax or special assessment becomes due and payable under law in effect within the State tax authority imposing such tax or levying such special assessment. If such agency ceases to exist before payment is made, payment shall be made by the Federal agency which is the successor of such controlling agency, as determined by the Director of the Bureau of the Budget.

(b) Each Federal agency which is the controlling agency for any Federal property situated within the territorial jurisdiction of any State tax authority which is claimed by such authority to be subject to any payment under this act shall furnish to such authority, upon request made in writing by the appropriate officer thereof, such information concerning such property as may be lawfully required with regard to property of like kind owned by taxable persons within such jurisdiction.

LIMITATIONS

SEC. 6. (a) No payment shall be made under this act to any State tax authority with respect to any Federal property unless such authority—

(1) files with the Federal agency which is the controlling agency for such property a claim, in such form and containing such information as the Director of the Bureau of the Budget shall prescribe, for payment under this act with respect to such Federal property;

(2) files with such claim an itemized statement of (A) the property with respect to which such claim is made; (B) the assessed valuation placed by such authority upon such property; (C) the nature and amount of the Federal liability claimed with respect to such property; and (D) the tax rate or rates applied in computing the amount of such liability;

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(3) files with such claim a detailed statement of the procedural action which may be taken by such agency to obtain under law in effect in such State tax authority administrative review or judicial review, or both, with respect to the liability of such agency for the payment of such claim in whole or in part;

(4) for the purpose of determining the existence and amount of such liability, makes available to such agency all substantive and procedural rights, administrative and judicial, which would be available under law in effect within such authority in determining the valuation of such property, the rate of tax or assessment applicable thereto, and the amount of the tax or assessment which would be payable with respect thereto if such property were owned by a taxable person; and

(5) for such purpose treats such Federal property in all respects in a manner at least as favorable as the treatment accorded to property of like kind owned by taxable persons.

(b) The failure of any Federal agency to make, or to make timely payment of, any payment authorized by this act shall not subject—

(1) any Federal agency, or any person who is a purchaser of any property from any Federal agency, to the payment of any penalty or penalty interest, or to any payment in lieu of any penalty or penalty interest; or

(2) any Federal property to any lien, attachment, foreclosure, or other legal process or proceeding not expressly authorized by this act.

(c) No consent is granted by this act to any payment to any State tax authority with respect to any Federal property for any period for which any payment of taxes, or any payment in lieu of taxes, is made to such authority with respect to the same property under any other provision of law. Whenever any Federal property is subject to any tax payment under this act to any State tax authority for any period, and also is subject to any payment of taxes or any payment in lieu of taxes under any other provision of law for the same period, such authority may elect to claim and receive with respect to such property payment for such period under this act or under such other provision of law.

ACTION FOR COLLECTION OF TAXES

SEC. 7. (a) Whenever any State tax authority has duly filed with any Federal agency a claim for the payment under this act of any tax or special assessment, and any part of such claim has not been paid, such authority may file, subject to the provisions of subsection (b), an action to recover that portion of such claim which remains unpaid. Such action may be filed in the district court of the United States for the district within which such authority maintains its principal executive or administrative office. Such court shall have jurisdiction to hear and determine such matter, and to enter in such action such judgment or order as it shall determine to be required to carry into effect the provisions of this act. Any judgment or final order so entered shall be subject to appeal pursuant to section 1291 of title 28 of the United States Code.

(b) Action upon any such claim may be instituted under this section by any State tax authority upon the expiration of a period of 1 year after (1) the filing of such claim under section 6 (a), or (2) the completion of any administrative or judicial proceeding instituted by the Federal agency against which such claim was made under law in effect within such State tax authority for the determination of the amount due under such claim, whichever is later. No action shall be brought under this section after the expiration of 6 years following the first date on which such action could have been instituted.

(c) Process in any action instituted under this section against any Federal agency may be served upon the chief administrative officer of such agency who maintains an office within the judicial district in which such action is instituted, or upon the head of such agency.

APPROPRIATIONS

SEC. 8. There are hereby authorized to be appropriated to each Federal agency such sums as may be required for the discharge of its duties and obligations under this act.

SEPARABILITY

SEC. 9. If any provision of this act, or the application thereof to any Federal agency or any State tax authority, is held to be invalid, the remainder of this act, and the application of such provision to other Federal agencies and State tax authorities, shall not be affected thereby.

EFFECTIVE DATE

SEC. 10. This act shall be effective with respect to any tax levied for any period beginning after June 30, 1956, and with respect to any special assessment levied after such date.

Mr. MALONE. Mr. President, for more than two decades the trend toward Government control of more and greater areas and amounts of real property has gripped the bureau officials of this Nation.

For more than a century and a half the settled policy of Congress was to hold the public lands in trust for the States until such time as Federal laws could be adopted to transfer such property to the tax rolls of the States through individual ownership.

This definite policy was evidenced by the 1841 Redemption Act, the 1863 Homestead Act, the additional Homestead Act, the Stock Raising Act, the 1872 Mining Act, the Small Areas legislation, and a succession of other legislative acts all secured for a nominal filing fee or a small payment, with no relation to the actual value of the land.

The last two decades there has been a reversal of executive policy.

The trend over this period has been for the Government to acquire more and more land under the guise of national defense, or that the public owns certain land areas, and, as the landlord, is entitled to an income for its use or full value in the event of disposal.

Mr. President, because of the uneven distribution of such lands owned or to be acquired by the Government, it is believed that, whatever their public use, all of the taxpayers of the Nation should participate on an equal basis for such utilization.

Mr. President, I am, therefore, introducing a bill for the consideration of Congress that would establish equality in this field.

The bill would authorize the taxation of certain Federal real property by State and local tax authorities, and for other purposes.

Such a distribution of the responsibility in connection with Government-owned property might have the effect of discouraging the Government bureau heads in acquiring lands and property not needed for Government use.

The expense of acquiring and maintaining needed lands and property for Government use would then be borne equally by all of the taxpayers of this Nation, wherever located.

DESIGNATION OF RESERVOIR ABOVE THE MONTICELLO DAM, CALIFORNIA, AS "LAKE BERRYESSA"

Mr. KUCHEL. Mr. President, I introduce, for appropriate reference, a bill to designate the reservoir above Monticello Dam in California as Lake Berryessa.

Monticello Dam is now under construction as the key unit of the Solano County project, which will supply water for the city of Vallejo, Mare Island Navy Yard, and farms in Solano County. The reservoir it will create will flood Berryessa Valley, which was named after the family who settled the valley and who resided there for three generations. It was on November 3, 1843, that the Government of Mexico issued a grant to 2 brothers, Jose and Sisto Berryessa, giving them title to the 35,000 acres of land comprising the valley.

Designation of the reservoir as Lake Berryessa will perpetuate the memory of a pioneer family and will be pleasing to the people of California. We are proud of the colorful chapters in our State's history which were Spanish and Mexican, and proud of the contribution to the culture of California on the part of the early Spanish and Mexican settlers.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 2755) to designate the reservoir above the Monticello Dam in California as Lake Berryessa, introduced by Mr. KUCHEL, was received, read twice by its title, and referred to the Committee on Public Works.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. MARTIN of Pennsylvania:

Address delivered by him at annual convention banquet of the AMVETS, Department of Pennsylvania, Uniontown, Pa., July 30, 1955.

SWISS INDEPENDENCE DAY

Mr. SYMINGTON. Mr. President, it has been brought to my attention that yesterday (August 1) was the date on which Switzerland celebrated its Independence Day.

It is part of our heritage to value independence highly. So also is it with the Swiss people.

In these days of satellites and captive peoples, the importance of freedom and independence is highlighted, possibly more than at any other time in history.

Therefore, it is fitting that we take special notice of this year's anniversary, and extend our wishes to the Swiss people that it be but one in an unbroken line extending throughout the future.

COMMUNIST CHINA AND THE INTERNATIONAL DOPE TRAFFIC

Mr. WILEY. Mr. President, I send to the desk a brief statement on the subject of the responsibility of Communist

China for the international illicit narcotics traffic.

I ask unanimous consent that the text of my statement, together with the text of a full page advertisement which appeared yesterday in the Washington Post and Times Herald, and which was sponsored by the Committee of One Million against the admission of Communist China to the United Nations, be printed in the body of the RECORD at this point, preceded by a list of the chairman, steering committee and members of the committee.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WILEY

Down through the years, I have on many occasions drawn the attention of the Senate to the infamous worldwide narcotics traffic, one of the foulest stains on the record of the 20th century civilization.

Wherever it exists, narcotics addiction is a blight and it is a curse. It is a source of degradation and depravity. It is an economic drain on a community and on a nation. It is a breeder of every conceivable sort of crime, including the very lowest types of inhuman evil.

Time after time, as a former member of the Senate Crime Committee, I have taken the floor of the Senate on behalf of antinarcotics legislation and antinarcotics administrative action.

I have been glad to give my support to the great job which has been performed since the inception of that agency by Dr. Harry Anslinger, Commissioner of the United States Narcotics Bureau. I have urged that his relatively meager staff be supplemented with sufficient funds for additional skilled agents, such as he has trained in that great organization.

I have urged that there be a larger assignment of such agents abroad, particularly to the Far East which has been a particular cesspool of the narcotics traffic. I have urged the State Department, and what was formerly the Foreign Operations Administration, to give every possible assistance to the Narcotics Bureau in urging other nations to cooperate with us in our antinarcotics effort.

We can never wipe out the narcotics scourge in our own country, and for that matter in any free country, until it is wiped out at its foreign sources.

Toward that end, I led the effort for ratification of the International Opium Protocol, as indicated in the August 11, 1954, CONGRESSIONAL RECORD.

Toward that end, I held a widely attended special luncheon conference in March of this year here in the Capitol and referred to it at length in the March 28th CONGRESSIONAL RECORD.

Toward that end, I have been pleased to commend the wonderful job which has been performed by the Senate Judiciary Subcommittee on Narcotics Changes in the Criminal Code, headed by the distinguished junior Senator from Texas, Mr. DANIEL, with the strong support of the junior Senator from Wyoming, Mr. O'MAHONEY, and the Senator from Idaho, Mr. WELKER.

Why all this effort on my part? In part because I have seen at firsthand in the United States Narcotics Hospital at Lexington, Ky., and at firsthand elsewhere, what the narcotics traffic really means in terms of the blasting of human lives.

Against this background of my personal efforts and deep feelings on this subject, I noted with deep interest the comments made yesterday by the Committee of One Million Against the Admission of Communist China to the United Nations, in exposing once again the infamous hand of the Peking government in the worldwide narcotics traffic. The Committee of One Million reiterated that Communist China "is inadmissible" to the U. N. because of its outrageous promotion of the international drug traffic.

I heartily agree with the committee. If there were no other reasons against Red China's admission, and certainly the other reasons are legion and they are all strong and compelling, this one reason would be more than sufficient to bar the Peking government from entering the family of nations.

The advertisement sponsored by the committee reprinted the documented, irrefutable charges made by Dr. Anslinger in his address before the 10th session of the U. N. Commission on Narcotic Drugs.

I am pleased that Dr. Anslinger's statements have thus once more been brought so forcefully to the attention of the people of America. When the conscience of mankind speaks out with the boiling indignation of which it is capable, on an abuse so flagrant as this, then perhaps Red China will heed.

Then, too, perhaps, other governments which have looked the other way at narcotics traffic in their midst, and which have failed to crack down to the fullest extent of the law, may get off their "high horse" and start and maintain a relentless crackdown which is indispensable.

After the committee advertisement, I am appending the text of a writeup which appeared in the March 18, 1955, issue of the Wall Street Journal, written by its Geneva correspondent. He reported the activities of the U. N.'s Permanent Central Opium Board, particularly in the combating of the flood of synthetic narcotics which, unless watched exceedingly carefully, can gravitate into the illicit trade. Fortunately, thanks in great part, due to Dr. Anslinger's tireless vigilance and that of his like-minded associates, many of the dangers of such synthetics have been curbed by careful U. N. action.

[From the Washington Post and Times Herald of August 1, 1955]

THE COMMITTEE OF ONE MILLION AGAINST THE ADMISSION OF COMMUNIST CHINA TO THE UNITED NATIONS

Honorary chairman: Warren R. Austin.

Steering committee: Paul H. Douglas, Charles Edison, Joseph C. Grew, Walter H. Judd, H. Alexander Smith, Francis E. Walter.

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Senator Homer E. Capehart, Representative Robert B. Chiperfield, Gen. Lucius D. Clay, Representative W. Sterling Cole, Prof. Kenneth Colegrove, Mr. Seaborn P. Collins, Father Dennis J. Comey, S. J., Adm. Charles M. Cooke, Mr. Merian C. Cooper, Hon. Thomas J. Cuite, Representative Thomas B. Curtis.

Senator Price Daniel, Representative Clifford Davis, Representative Charles C. Diggs, Jr., Representative John D. Dingell, Senator Everett M. Dirksen, Representative H. A. Dixon, Representative Thomas J. Dodd, Mr. Cleveland E. Dodge, Representative George A. Dondero, Representative James G. Donovan, Hon. William J. Donovan, Representative Wm. J. Bryan Dorn, Mr. John Dos Passos, Gov. Lane Dwinell.

Mr. Max Eastman, Gen. R. L. Eichelberger, Representative Carl Elliott, Representative Harris Ellsworth, Mr. Christopher Emmet.

Representative E. P. Farrington, Representative Dante B. Fascell, Senator Ralph B. Flanders, Representative Gerald R. Ford, Jr., Representative Samuel N. Friedel, Representative James G. Fulton.

Dr. B. A. Garside, Representative Katharine St. George, Hon. Guy M. Gillette, Senator Barry Goldwater, Mr. J. Peter Grace, Jr., Mr. Albert M. Greenfield, Dr. Magnus I. Gregersen, Representative Charles S. Gubser, Representative Ralph W. Gwinn.

Representative Robert Hale, Adm. J. L. Hall, Jr., Adm. William F. Halsey, Gen. E. N. Harmon, Adm. Thomas C. Hart, Representative Wayne L. Hays, Representative Don Hayworth, Gov. Christian L. Herter, Gen. John R. Hodge, Representative Richard W. Hoffman, Mr. Sal. B. Hoffman, Representative Chet Holifield, Senator Spessard L. Holland, Prof. Sidney Hook, Representative Clifford R. Hope, Hon. Stanley K. Hornbeck.

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Hon. Arthur Bliss Lane, Representative Harry J. Latham, Gov. George M. Leader, Dr. Emil Lengyel, Gov. J. Bracken Lee, Mr. Marx Lewis, Mr. Ely Lilly, Mr. Jay Lovestone, Adm. Leland P. Lovette, Gen. Frank E. Lowe, Mr. Henry R. Luce, Mr. Eugene Lyons.

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Senator Matthew M. Neely.

Representative Alvin E. O'Konski.

Senator Frederick G. Payne, Representative Gracie Pfost, Col. W. Bruce Pirnie, Mr. Merlyn S. Pitzele, Dr. Daniel A. Poling, Senator Charles E. Potter, Mayor Norris Poulson.

Representative Chauncey W. Reed, Mr. Serafino Romualdi, Mrs. Theodore Roosevelt.

Prof. O. Glen Saxon, Mr. George S. Schuyler, Representative Hugh Scott, Mr. Leslie R. Severinghaus, Bishop Bernard J. Sheil, Gov. Allan Shivers, Representative Bob Sikes, Mr. W. Philip Simms, Senator Margaret Chase Smith, Representative Wint Smith, Dr. Robert G. Sproul, Adm. William H. Standley, Adm. Emory D. Stanley, Dr. Wendell M. Stanley, Mr. Sol Stein, Hon. Meier Steinbrink, Gen. G. E. Stratemeyer, Hon. J. Leighton Stuart.

Prof. George E. Taylor, Representative Charles M. Teague, Archbishop Theodotus, Representative Ruth Thompson, Senator Edward J. Thye.

Representative John M. Vorys.

Senator Arthur V. Watkins, Gen. Albert C. Wedemeyer, Bishop Herbert Welch, Representative Jack Westland, Mr. William L. White, Representative Earl Wilson, Mr. Matthew Woll.

Adm. Harry E. Yarnell, Mr. Max Yergan, Senator Milton R. Young, Representative J. Arthur Younger.

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DOPE—COMMUNIST CHINA'S ROLE IN THE INTERNATIONAL DRUG TRAFFIC

EXCERPTS FROM REMARKS BY COMMISSIONER HARRY J. ANSLINGER, UNITED STATES REPRESENTATIVE ON THE UNITED NATIONS COMMISSION ON NARCOTICS DRUGS, AT ITS 10TH SESSION, APRIL-MAY 1955

The Communist regime of mainland China has again denied the documented charges made over the past several years by the United States representative on the United Nations Commission on Narcotic Drugs "that the Communist regime of mainland China is distributing drugs abroad and selling heroin and opium in large quantities to the free countries of the world."

Actual conditions in Southeast Asian and other free countries refute this unsupported denial and clearly prove that mainland China is the uncontrolled reservoir supplying the worldwide illicit narcotic traffic.

Here are the facts

Pharmaceutical plants have been established in Communist China to process opium into morphine and heroin, and all these drugs, including raw opium, are used as bartering commodities. Traffickers, operating in the free countries, share the profit of the illicit traffic in narcotics with the Communist regime of mainland China.

Millions of dollars obtained through the sale of opium and other narcotics are used by the Communist regime of mainland China for political purposes and to finance agents who have been found actively engaged in subversive activities. In Japan a member of the Communist Party revealed that her organization, with branches in all big hospitals in Tokyo, Yokohama, Nagoya, Kobe, and Osaka, operated as the Society for the Protection of Health and Peace, with headquarters in the Communist Party headquarters in Tokyo. This trafficker stated that she and five other females of the group made expenses and tremendous profits for the Tokyo branch of this Communist organization through the sale of heroin.

At a meeting of this Communist organization a resolution was adopted that the organization would gain funds by selling narcotics to various hotels, cabarets, bars, and other establishments patronized by American personnel in the Tokyo area. A Chinese, Po Kung Lung, directed the activities of the six females and provided the heroin which was valued at United States $11 per gram and was sold to Koreans and Japanese for further distribution. One of these retailers of heroin was an executive member of a Tokyo district group of the Communist Party and was engaged in the collection of party funds.

MORPHINE AND HEROIN

Large quantities of high quality crude morphine are being manufactured under expert technical supervision in factories in Communist China. The morphine is processed according to pharmaceutical standards and methods, under Government supervision, and not in clandestine laboratories.

Traffic in heroin from the Communist regime of mainland China is increasing, according to enforcement authorities concerned with traffic through Canton, Macao, Bangkok, and other ports. Within the past year other areas have assumed a place of equal importance with Korea and Japan as places where the heroin is furnished directly by Communist agents in the traffic.

One of the principal targets of the traffic from mainland China is Thailand, where 100 tons of opium are sold annually. Consumers of this opium pay the equivalent of US$350,000 per ton for the contraband in the form of smoking opium. From 200 to 400 tons of raw opium are moved annually through Thailand from mainland China. The opium reaches Bangkok by boat, truck, rail, and plane, and 3 to 4 tons can be delivered at any time to a point outside the harbor at Bangkok in the open sea. This opium is priced at US$40,000 per ton and can be purchased in lots of 200 tons on a 6-month basis. Crude morphine is sold by traffickers in narcotics from mainland China at the rate of US$475 per pound in Bangkok. Heroin from these traffickers sells for US$2,000 to US$3,000 per pound in Japan and for $3,000 to $5,000 in the United States.

At the end of 1953 a group of smugglers, including an official of the Bank of Canton, smuggled 23 pounds of heroin and morphine from Yunnan to Bangkok and thence to another transshipment point.

On July 15, 1954, an airline hostess was arrested at a transshipment point with a 2-pound package of morphine, which she was transporting as a courier for aircraft maintenance personnel, after information had been received that narcotics were reaching Tokyo in this manner.

In the early part of 1955, a Chinese courier, arriving in Hong Kong by air, was arrested with approximately 7 pounds of pure heroin transshipped at Bangkok. Shortly thereafter an American was arrested in Hong Kong with approximately 40 pounds of opium and morphine which he was transporting as a courier for traffickers in narcotics from mainland China. The transshipment point was Bangkok.

NORTH KOREA

According to a Pyongyang radio broadcast of December 29, 1953, special factories are being built to extract morphine from opium in North Korea. On October 16, 1954, the South Korean authorities announced the arrest of a North Korean agent who stated that Communist China is furnishing technical specialists to North Korea to operate narcotic manufacturing plants. It is through North Korea that tremendous quantities of heroin from Communist China have reached South Korea and Japan since 1947. Recently an American soldier stated that while stationed in Taegu, South Korea, he and at least 30 other persons were furnished heroin of an almost pure quality without cost. Addiction was acquired making hospitalization necessary upon return to the United States.

JAPANESE SEIZURES

The enforcement division of the narcotic section in the Welfare Ministry of Japan reported that extensive surveillance of 2 Chinese in Tokyo resulted in their arrest and the seizure of 585 grams of 94.2-percent heroin and 275 grams of 92.4-percent heroin in March 1954. The seizure was made as one of the Chinese, Yang Jui An, was leaving the Kakyo Building in the heart of Tokyo. This building is a center for traffickers with Communist connections dealing in heroin and United States currency.

A seizure of 18 pounds of crude morphine and 15 pounds of heroin was made at the end of July in Tokyo. The boss of the group was a Chinese, Li Chin Sui. He had been dealing in heroin from mainland China since 1949, and operated a company which was actually a branch office of the Trade Bureau of South China. At the time of his arrest he was in possession of 3 passports which gave him 3 different identities to operate in Japan, Bangkok, Macao, and other Asiatic ports where are found headquarters of traffickers in narcotics from the Communist regime of mainland China.

Kyodo News Agency reported November 16, 1954, that in 1952 US$70 million worth of narcotics were shipped out of Communist China. Twenty-six percent of this amount was shipped to Japan, and these funds constituted the chief source for financing secret Communist agents.

SEIZURES HERE

Heroin from Communist China has been seized on both coasts of the United States, as well as in the interior at St. Louis, Mo. In connection with the seizure in St. Louis, the source trafficker in Japan stated he had been dealing with the Communist regime of mainland China for 1½ years in obtaining heroin through the use of deck crews of ships as couriers.

On February 2, 1954, in New York City, 20 ounces of heroin, with the characteristic physical and chemical properties of heroin from Communist China laboratories, were seized from a seaman as he attempted to smuggle the contraband ashore from the round-the-world steamship *President Arthur*.

On November 18, 1954, a seizure of 25 ounces of 95-percent heroin was made from Chinese crew members of a ship at Staten Island.

In Santa Cruz, Calif., on November 4, 1954, a seizure of 28 ounces of pure heroin was made from 2 crew members of the steamship *President Cleveland*.

In Los Angeles Harbor on January 18, 1955, a seizure of 5 pounds of heroin was made from a ship just arrived from the Far East.

UNITED NATIONS CONCERN

Further confirmation of this traffic is found in United Nations Document E/CN 7, April 1, 1955, as follows:

Burma: "There were also 360 seizures of opium smuggled into Burma by land from China."

Korea: "Most of the drugs are imported illicitly, especially from North Korea, in spite of continuous control by competent authorities."

Thailand: "There is still a large illicit traffic in opium, chiefly in raw opium, coming over the northern land frontiers into the interior of Thailand."

For several years the attention of the free nations of the world has been focused on the position which the Communist regime of mainland China has assumed in carrying on a flourishing worldwide traffic in opium, morphine, and heroin. Mere denials comprise no answer to the documentation of this traffic.

The one sure way to destroy the United Nations is to admit any nation that consistently violates the charter. The Peiping regime's part in promoting the world drug trade is only one of its many charter violations. The Committee of One Million publishes Commissioner Anslinger's documented testimony as further proof of Communist China's inadmissibility to the United Nations.

[From the Wall Street Journal of March 18, 1955]

U. N. FRETS OVER GLUT OF OPIUM AND NEW SYNTHETIC NARCOTICS—TALES OF CHAN THEW YONG, ZAYED HASSEIN HASSAN, JAMES FROGGATT-TYLDESLY

(By Mitchell Gordon)

GENEVA.—The United Nations is worried about lovely white poppies, swaying waist-high in the Asian wind. It is fretting, too, about 1-methyl-4-phenylpiperidine-4-carboxylic acid ethyl ester.

The poppies are producing a growing world surplus of opium. As for that other substance, which we will not ask the printer to attempt again, it is representative of an increasing host of synthetic narcotics already beginning to intensify the surplus.

As stocks grow, the pressure mounts for more of the opiates to push their way out of proper medical use and into bootleg channels, causing deep concern to the U. N.'s permanent Central Opium Board headquartered in the old League of Nations building here in Switzerland. It should perhaps also concern any American who thinks about the future of the dope traffic in his own country.

THE CAMEL WAS ECSTATIC

The illicit drug operation is every bit as international and almost as well organized as the oil business. Police meet the most

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interesting people. Sitting in an Egyptian prison today is Zayed Hassein Hassan, who thought he had devised a modern and foolproof technique of moving raw opium across the border. He packed it in plastic containers (so they couldn't be spotted by X-ray), and fed these to his camels—butchering them after they'd crossed the frontier. He was caught when the opium seeped out of one container and sent a camel into stuporous ecstasy.

In Singapore, the narcotics police stopped Chan Thew Yong, who was swinging a wicker basket on his arm as he walked home from work at the Seletar Dockyard. Inside it they found morphine, made from opium. They went along home with Chan, and there made an even more interesting discovery: several hundred grams of Pethidine, a synthetic which has much the effect of morphine. Shortly before, Wilhelmus Hermsen was nailed in Amsterdam with the same artificial drug, later traced back to a small town in Western Germany.

Another synthetic, Physeptone, or 6-dimethylamino-4, 4-diphenyl-3-heptanone, figured in the arrest at Leura, Australia, of a British engineer named James Froggatt-Tyldesly. And Dromoran, or 3-hydroxy-N-methylmorphinan, was among the stockpile of synthetics that helped land Peter Max, a Toronto tailor, in a Canadian jail. The stuff had come from the United States.

No one knows the current volume of the illicit narcotics trade, and even the statistics on seizures drift in to Geneva with the slow motion of an opium smoker. But by last count, for 1953, over 25 million grams of raw opium were seized in international traffic—almost two and a half times as much as in the last full year before World War II.

PRICE PROPS FOR POPPIES

The opium surplus problem is, in part, merely an exotic form of the farm problem familiar to the United States—huge harvests stimulated by high governmental price supports. All legally grown opium is purchased from peasants by government monopolies; their buying price rocketed to three and a half times previous levels during the last war, and has remained there. With this kind of encouragement, output soars. By last complete and official count, for 1953, legal production had hit nearly 1.3 billion grams, up 20 percent in a single year.

Because it requires dry harvest weather and cheap labor, the opium poppy is cultivated only in certain areas of China, India, Turkey, Iran, Russia, and to a lesser extent Yugoslavia and Bulgaria. The traditional manner of gathering opium juice is tedious. Careful incisions are made around the bulb of the plant; a milky juice oozes out; after coagulation this is scraped off and formed into bars or cakes. About 125 man-hours are required to produce a single pound of opium.

From opium cake, morphine is made. And about 90 percent of the morphine is in turn converted into a large family of other drugs, ranging from the codeine which goes into cough medicine to heroin, probably the most treacherous of the lot. Increasing use is being made of a newer process, whereby morphine is extracted direct from whole dried poppies, thus bypassing the opium stage.

In Asia, countless millions still nibble pill-sized pieces of opium to thwart pain and allay hunger, or puff the pungent stuff in long-stemmed pipes, failing victim still more rapidly to its habit-making power. But demand, at least in the legalized markets, has been cut since war's end by new prohibitions.

Opium smoking is now illegal, for example, in the Republic of Indonesia, Burma, the Federation of Malaya and Hong Kong. India aims to abolish opium eating and smoking by 1959.

TWO DOZEN SYNTHETICS

In the more advanced nations, the intrusion of the synthetics has stunted the growth of medical use of opium derivatives. Of the 52 narcotics now under the U. N. agency's control, 24 are synthetics. Four were added only last year. They have various advantages; Pethidine and Methadone, for instance, will do the job of morphine without such danger of throwing a patient into convulsions.

The great cough-syrup market is open to a synthetic which will replace codeine, and invasion attempts are underway. This spring, for example, the American subsidiary of the Swiss drug concern, Hoffman La Roche, will market a substance called Romilar in drugstores throughout the States. Its plant at Nutley, N. J., got the production go-ahead from its Swiss parent after more than a year's clinical use in America. The drug has been on the Swiss market since October and has been introduced in other continental markets as well.

One advantage claimed for Romilar; it is not habit-forming. So far it is more costly than codeine but the firm's chief, Dr. Frederich Rutishauser, is hopeful of remedying that "in the course of developing production."

MORE THAN ENOUGH

All these factors give a more ominous appearance to the mounting stocks of opium legally held by the Government monopolies and morphine manufacturers. The Permanent Central Opium Board, at latest count, reported these came to over 1.7 billion grams, enough to cover global medical requirements for 2½ years.

Cutting back on production is politically tough. "It would be like scrapping price supports on wheat in the United States," comments one expert. In Turkey, for example, where the total population comes to about 20 million, opium-growing provides a source of income for some 200,000 people.

But somewhere along the line, the opium experts figure, the governments of producing countries are going to have to order a slowdown. When they do, many farmers are likely to try bolstering their income by staking out unlicensed acres to supply the bootleg market.

In countries such as Turkey and Iran, where distances are great, communications poor and local governmental administrations lax, this would be entirely feasible. And the financial lure is always there; an addict may pay the equivalent of $300 for a couple pounds of opium, enough to keep him going for around 100 days, while the legal price to the farmer in Iran for this amount is about $13.

So far the principal role of the synthetics has been to cut into the legitimate medical market for opiates. Exactly what proportion of the illicit trade they account for is, of course, a mystery, but Louis Atzenwiler, the opium board's secretary, says "there's no doubt it is meager, compared with the natural narcotics."

ACCOMPLISHMENTS OF SENATE COMMITTEE ON THE JUDICIARY

Mr. KILGORE. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a statement of the work accomplished by the Committee on the Judiciary during the present session.

As chairman of the committee, I am proud of the record which has been made, and I desire to express my appreciation to all the members of the committee whose cooperation has made this record possible.

I believe that the record is the more impressive because the Committee on the Judiciary has adhered strictly to the provisions of the Reorganization Act, and has reported no matter to the floor of the Senate without a majority of the members of the committee being physically present at the meeting in which the matter was considered and reported out.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

SENATE JUDICIARY COMMITTEE WORK AND WORKLOAD AS OF JULY 26, 1955, 84TH CONGRESS

The workload of the Senate Judiciary Committee during the 84th Congress, 1st session, as of July 26, 1955, comprised 43.9 percent of all Senate bills and resolutions introduced; 65.6 percent of all House bills and resolutions presented in the Senate; 48.7 percent of all bills and resolutions irrespective of origin.

Not only has the Judiciary Committee received a far larger share of the Senate's total workload than any other standing committee of the Senate; it has also performed a larger share of all committee work than any other committee. Of 1152 written reports filed on legislation in the Senate by all committees, the Judiciary Committee has filed 679, which represents 58.9 percent.

The total of reports filed to the Senate does not give the whole picture of committee activity, because committee consideration of many bills resulted in adverse action and indefinite postponement. Furthermore, the committee has handled and disposed of more than 627 individual immigration cases, involving suspension of deportation, 681 cases involving adjustment of status under the Displaced Persons Act, and 421 cases involving adjustment of status under section 6 of the Refugee Relief Act, as amended. Each case is equivalent to a bill.

As of July 26, 1955, the Judiciary Committee had received 1,285 Senate bills and resolutions and 546 House bills and resolutions, making a total of 1,831 bills and resolutions.

As of July 26, 1955, the committee had disposed of 590 Senate bills and resolutions and 353 House bills and resolutions, or a total of 943 bills and resolutions, which includes 3 bills from which the committee was discharged.

Of the bills thus disposed of, 50 were general bills other than claims or immigration; 127 were private relief bills; 754 were private immigration bills; 5 were general claims bills; and 7 were general immigration bills.

Committee approval was granted to 370 Senate bills and resolutions and 319 House bills and resolutions, or a total of 689 bills and resolutions of both Houses.

(It will be noted that written reports were filed by the committee with respect to all but 10 of the 689 bills and resolutions approved.)

Of the bills and resolutions acted upon favorably, 38 were general bills other than claims or immigration; 66 were private relief bills; 573 were private immigration bills; 5 were general claims bills; and 7 were general immigration bills.

Bills postponed indefinitely by the committee included 217 Senate bills and resolutions; 34 House bills and resolutions; or a total of 251 bills and resolutions of both Houses.

Of the bills thus acted upon unfavorably, 10 were general bills other than claims or immigration; 60 were private relief bills; and 181 were private immigration bills.

Measures pending before the committee as of July 26, 1955, included 695 Senate bills and resolutions and 193 House bills and resolutions, or a total of 888 bills and resolutions of both Houses.

Of these bills, 217 are general bills other than immigration and claims; 273 are private relief bills; 371 are private immigration bills;

20 are general claims bills; and 7 are general immigration bills.

It will be noted the committee has disposed of 353 House bills and resolutions, out of 546 such measures referred to it, leaving only 193 House bills and resolutions pending as of July 26, 1955.

This means the committee took action on 64.7 percent of all House measures received.

In comparison, out of 1,285 Senate bills and resolutions referred to it, the committee acted upon 590, leaving 695 Senate bills and resolutions pending. This means that although the committee had to "start from scratch" by requesting departmental reports in most such cases, action was taken on 45.9 percent of all Senate measures received.

Suspensions of deportation by the Attorney General, adjustments of status under section 4 of the Displaced Persons Act, as amended, and under section 6 of the Refugee Relief Act, under authority delegated by the Congress, reported to the Congress in groups; but in the committee, each such individual case requires separate investigation, appraisal, and action. At the beginning of the 84th Congress, there were pending in the committee 537 cases of suspension of deportation, to which were added 974 additional cases submitted since the beginning of the Congress, making a total of 1,511 cases, of which 613 were approved, 5 were withdrawn by the Attorney General, and 9 cases were not approved, leaving 884 cases in process as of July 26, 1955.

At the beginning of the 84th Congress, there were pending 1,018 cases of adjustment of status under the Displaced Persons Act of 1948, as amended, to which were added 281 additional cases submitted during this Congress, making a total of 1,299 cases, of which 611 were approved, and 8 were withdrawn by the Attorney General, and 62 were not approved, leaving 618 cases in process at July 26, 1955.

At the beginning of the 84th Congress, there were pending 41 cases of adjustment of status under section 6 of the Refugee Relief Act, as amended, to which were added 2,989 additional cases submitted during this session, making a total of 3,030 cases, of which 409 were approved, and 1 was withdrawn by the Attorney General, 3 were not approved, and 8 were held for further information, leaving 2,609 cases in process as of July 26, 1955.

Through July 26, 1955, the committee received 50 Executive nominations, of which 1 was Associate Justice of the United States, 28 were Federal judges, 8 were United States district attorneys, 9 were United States marshals, 1 was a member of the Subversive Activities Control Board, and 3 were members of the Parole Board.

As of July 26, 1955, nominations pending totaled 10.

RADIO INTERVIEW WITH SENATOR O'MAHONEY

Mr. O'MAHONEY. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a transcript of an interview in which I engaged with three correspondents of the Columbia Broadcasting System on July 23, 1955, on the program entitled "Capitol Cloakroom."

There being no objection, the interview was ordered to be printed in the RECORD, as follows:

CAPITOL CLOAKROOM

Guest: The Honorable JOSEPH C. O'MAHONEY, United States Senate, Democrat, of Wyoming.

CBS correspondents: Griffing Bancroft, Bill Costello, Wells Church.

Producer: Michael J. Marlow.

Mr. BANCROFT. Senator O'MAHONEY, do you favor exchanging military secrets with Russia?

Mr. CHURCH. And why does Dixon-Yates need further investigation?

Mr. COSTELLO. Should our immigration policy be liberalized?

Mr. BANCROFT. Senator O'MAHONEY, welcome to Capitol Cloakroom. A former newspaper editor and lawyer, you started an active political career 38 years ago when you came to Washington as a senatorial secretary. Then you served 19 years in the Senate yourself, interrupted by a slight upset in 1952, but 2 years later you were elected again.

Well, the big news this week that may grow into things the Senate might have to act on is the Geneva Conference and President Eisenhower's proposal for exchanging military blueprints with the Soviets. Do you favor this exchange of military secrets with the Russians?

Senator O'MAHONEY. I think that the successful exchange of such secrets and such knowledge depends wholly upon the good faith of the Soviet Government.

Before I can answer the question, I would like to know whether or not the Soviet radio and the Soviet newspapers are distributing among the people of Russia the speech that President Eisenhower made.

Unless we definitely know that the Iron Curtain of the Soviet Government against the free press has been abandoned, and that the people of Russia are being allowed to know what is being said by the leaders of the free world, we cannot safely make a decision.

I am glad the offer was made, though.

Mr. BANCROFT. Well, Senator, we did have dispatches from Moscow that the President's proposal was broadcast in full. I don't know what comment was made on it over there, but it was given to the Russian people.

Senator O'MAHONEY. Well, I am delighted to know that it was given to the Russian people. I think that is a most significant development to which we must give a great deal of attention.

I am reminded to say to you that the agricultural exchange between Soviet Russia and the United States is notable to me in that the Russian visitors are representatives of the Government. The American visitors to Russia, on the other hand, contain a large proportion of dirt farmers.

It would be, so as to say, that the Soviet bureaucrats who are in charge of what the Russian farmer may or may not do are visiting this country, while our visitors in Russia are the horny-handed farmers who do their own work and reach their own decisions.

Mr. BANCROFT. Well, then overall you are encouraged by all these developments?

Senator O'MAHONEY. Oh, I am always encouraged when people talk instead of fight.

Mr. COSTELLO. Senator O'MAHONEY, there is a legal question which relates to the President's offer, especially this proposal that Russia and the United States give each other permission to fly aerial surveys and make photographic reconnaissance you know to test each other's good faith.

We have laws in this country that prohibit planes from flying over certain areas, particularly the atomic plants and some of our fortifications. Do you think Congress would go along in a revision of those laws now?

Senator O'MAHONEY. Well, not immediately, of course not.

Mr. COSTELLO. Well, I mean supposing the Russians gave us permission to do likewise.

Senator O'MAHONEY. It depends upon the details of the proposal. Let me call your attention, Mr. Costello, to the fact that the proposal made by the President was merely that we should make facilities available to the Russians, and that the Russians should likewise make facilities available to us.

Now, I interpret that to mean that each country would fly the inspectors over its own territory. That raises the question as to whether or not the Soviets would take the Americans to the significant and delicate places. We know that we would. So those are details that would have to be worked out, and Congress, I am sure, would have to be satisfied that the inspection was genuine on both sides, before any law was changed.

Mr. BANCROFT. Well, then your idea, Senator O'MAHONEY, would be that Russian planes would not be flying over the United States; but that American planes would fly Russian inspectors around?

Senator O'MAHONEY. That is the way I interpreted the President's proposal.

Mr. BANCROFT. Well, what do you think is going to come out of this Geneva thing? Do you think anything like that is going to be worked out?

Senator O'MAHONEY. I think it is a matter of slow process. Americans will be misled if they expect that this summit conference, which will adjourn on Saturday, will settle the issue. It will not settle the issue. We don't know yet whether the methods of Stalin have been abandoned. We know that it is not so long since Beria was liquidated.

Have the Soviets given up the dictatorial program of getting rid of those who disagree? We don't know. We must find out.

Nobody knows yet who the actual leader of the Soviet delegation is, and a great deal of confidence has been placed by our people and our representatives on the fact that President Eisenhower and General Zhukov have been friends. I think that many of our people feel that because of this friendship, President Eisenhower may be able to win the Russians over.

I am reminded of the fact that at Yalta President Roosevelt was confident that he had the persuasive powers which would win over Stalin. He later found out, much to his regret, that he did not have them.

Now, we don't know yet, and we must be cautious.

Mr. COSTELLO. You think then, Senator O'MAHONEY, that it would be dangerous to assume that the President can change Soviet state policy by any kind of personal relationship, that personal relationships really don't enter into the picture?

Senator O'MAHONEY. Absolutely, absolutely. They do not enter into the picture, where we do not know where the Government of Soviet Russia is, we do not know who the leaders are. They have carefully concealed that from us.

We do know that Khrushchev is still the head of the Communist Party, and the head of the Communist Party in all previous aspects of the Soviet Government has been the dictator.

Now, Bulganin is pushed forward as a Prime Minister in the fashion of the Western free nations. I don't believe for a moment that Bulganin is anything but a spokesman of the Communist Party and does what he is told. Now, an agreement between the United States and the Soviet Government will have to depend upon mutual confidence and respect, and I cannot help forget that last June when Secretary Dulles replied to Molotov at San Francisco, he said that Russia could end the cold war almost immediately by agreeing to abide by the Charter of the United Nations.

Mr. BANCROFT. Well, Senator O'MAHONEY, do you think except for these reservations that you make, that when Mr. Eisenhower gets back from Geneva, that he will get bipartisan support in Congress? Will you Democrats be behind him in this foreign policy?

Senator O'MAHONEY. Well, Mr. Bancroft, you are asking me whether he will have bipartisan support on something that has not transpired as yet. He has had bipartisan support on his visit to the summit. I think

that without exception Democrats and Republicans, I will say practically without exception, have supported the offer that he made.

But until we know what the response is, and we don't know that now, it is impossible to predict what Congress will do, except that I will say this: that unless Soviet Russia shows absolute good faith, Congress will not be likely to go along. And I am confident that the President will demand that Soviet Russia show good faith.

Mr. CHURCH. Senator, I know you are quite interested in this Dixon-Yates situation. That is putting it mildly. A good many people around the country have been under the impression that the matter was more or less closed when the President passed along orders to cancel the contract because Memphis, the city, said that it would build its own plant.

Now, the investigation is still going on. Why do we need further investigation of that Dixon-Yates contract?

Senator O'MAHONEY. Because of the testimony that was given by Mr. Woods, the head of the First Boston Corp., which has confirmed the feeling that many of us had, both Republicans and Democrats, that one of the main purposes of this administration on the domestic side would be to give away, as we have said, some of the most precious assets that this Government has had.

Now, the first attempt to carry out that program has been with respect to public power. The Dixon-Yates episode is clearly before the country now as a secretive method of subsidizing a so-called private utility to furnish electric energy to a municipality.

Now, never before in the history of the Government had the President of the United States or an executive bureau in the United States attempted to tell the people of a single city whether they should take power in the way they wanted it, or take the power in the way the White House wanted to make them take it.

Mr. CHURCH. Then you see a difference between the Government operating hand in hand with an organization called Dixon-Yates, and the Government not only working hand in hand with, but being an organization which we know commonly as TVA.

Senator O'MAHONEY. Oh, absolutely, because everything that is done in TVA, everything that is done under the law, is done openly.

What has been done in the Dixon-Yates program has been to accomplish an object not by passing the law in the full glare of publicity, but it has been sought to accomplish this objective by secret methods behind closed doors.

And even though in August a year ago the President said, in defending the contract, that everything was to be open, that the reporters at the White House conference could go down to the Bureau of the Budget and to the AEC and get all the papers, this hearing has shown that we have not got even the papers, and that the directions of the President have not been followed out by the Director of the Bureau of the Budget, by Admiral Strauss, the head of the Atomic Energy Commission, or by the SEC.

But the most important revelation of all was that it was acknowledged in the examination of Mr. Cook of the Atomic Energy Commission that at one of the White House conferences the Chairman of the Securities and Exchange Commission was present, and the contract between the Mississippi Valley Generating Co. and the AEC specifically contains a clause making it subject to the favorable action of all agencies having jurisdiction.

In other words, the Securities and Exchange Commission, which was set up by Congress to protect investors, was called into secret White House conference in order to secure its cooperation in approving what was to be done.

Now, that is government behind an Iron Curtain, and I think it is altogether contrary to the principles which guide all Americans.

We are trying to break down the Iron Curtain in international affairs, while the executive branch of the Government is establishing an Iron Curtain here at home.

Now, the newspapermen, the radiomen, and all of those who attend the conferences at the White House, and who seek to get information of what is going on for the past year have been finding it difficult to get the facts, which have always heretofore been open to the public.

Mr. BANCROFT. Well, Senator O'MAHONEY—

Senator O'MAHONEY. On all bases on all subjects.

Mr. BANCROFT. Your committee is having a little trouble getting some facts, at least; isn't it?

Senator O'MAHONEY. Yes.

Mr. BANCROFT. You haven't gotten Mr. Sherman Adams, the Presidential assistant, up there. Is there any way that you can compel him to come before you and testify?

Senator O'MAHONEY. I think that the Sherman Adams' refusal to come before this committee and make a clean breast of everything that goes on is scandalous, and for this reason: That the SEC, a quasi-judicial body, which under the law was set up to deal judicially with the applicants who come before it, was brought into secret conference in the White House to secure an objective which was not being known by the people.

Now, back in 1937 when President Roosevelt sent the court bill to the Senate, I resisted it, and I wrote a good part of the report which killed it, because I believed that the Executive had no authority and no right under the Constitution to seek to dominate the courts of the land.

And in the same way I say now that the President of the United States and his anonymous assistants have no right to dominate and direct the policy of the quasi-judicial bodies which have been set up to do legislative duties.

Mr. CHURCH. I suspect, then, Senator, that the answer to my question, why further investigation, is that you think there was some wrongdoing, or something illegal about the actions that led up to the contract which is now canceled; is that correct?

Senator O'MAHONEY. Mr. Church, there was wrongdoing. Sherman Adams did ask for a postponement of a hearing which was being held by a judicial examiner of the SEC, at the very moment when Congress was attempting to decide, the House of Representatives, I mean, was attempting to decide, whether to appropriate $6½ million to build a pipeline, a transmission line for the private utility, the Dixon-Yates generating company, a subsidy.

The hearing was to have been an examination of Mr. Wenzell of the First Boston Corp. Now, I say to you, when the assistant to the President of the United States is confessedly and openly in the position of having sought to obtain a delay of a judicial examination of a witness while an appropriation was pending in the House of Representatives, he owes it to his President as well as to the people and the Congress to come before the committee and explain it.

Mr. BANCROFT. Well, Senator O'MAHONEY, you mentioned as your opinion that the Dixon-Yates thing was part of a bigger policy of the administration. Do you think this investigation of yours, or an investigation, will grow into a general investigation of the administration's power policies?

Senator O'MAHONEY. I think that this policy will be laid on the table. The Department of the Interior at this very moment has been talking about establishing a partnership policy with the private utilities with respect to the power developed at public dams.

In 1944 and in 1939 the reclamation laws and the Flood Control Act provided that municipalities, REA cooperatives and other organizations of that kind should have a preference right to use the power developed by public dams. Now, nothing is more private enterprise than an REA, because it is made up of farmers who put their own money into the building of their electric distributing facilities. But the partnership agreement is apparently a plan intended to short-circuit the REA and put the old utilities back.

And in the case of Dixon-Yates, the new utility company was a subsidiary of two holding companies.

The Middle South Co. had 6 or 10 subsidiary utility companies. The Southern Co. also had subsidiaries. And the Mississippi Valley Generating Co., otherwise known as the Dixon-Yates Generating Co., was to be a subsidiary of both of them. It had a capital of only $5½ million. It was to build a $100 million plant.

And the record before the SEC shows that the SEC felt that such a disparity between equity and debt would not be allowed in any utility financing, and was allowed here only because the Government was paying such a big price for the power.

Mr. COSTELLO. Senator, this is a fascinating subject, and I wish we could take a little more time on it, but I do want to ask you one other question, because you are a distinguished member of the Judiciary Committee, and you, I know, are interested in the Immigration Act as it exists now, and in proposals to change it.

I would like to ask whether you feel that our immigration policy is in need of liberalization and change?

Senator O'MAHONEY. I do. I believe that the recommendations which the President has recommended to the emergency immigration laws should be adopted with some additions; yes. I believe that we should not change the spirit of the Statue of Liberty.

The United States should remain the haven of the oppressed throughout the world.

Mr. COSTELLO. Well, now, one of the features of the immigration law as it exists now is that it assumes that we are in grave danger of being penetrated by communism, or fascism, or other foreign isms. Do you think that too much emphasis is being put on that, that is, that we are too frightened?

Senator O'MAHONEY. I do, I do. I believe in the open expression of ideas and opinions. That is why I am here today facing you three gentlemen, allowing you to ask me any question that comes into your heads, and I sit here at this table before the microphone without a note of paper to support what I am saying. I talk freely to you because I am a Member of the United States Senate, and I feel it is my obligation to answer any questions that may be asked of me by any citizen.

Likewise, I believe that is the attitude of our Government, and ought to be the attitude of the Government, and this idea of having Government officials hiding behind alleged privilege of communication just does not seem to me to be good Americanism.

Mr. BANCROFT. Senator O'MAHONEY, one question does come to my head. Do you think President Eisenhower is going to run in 1956?

Senator O'MAHONEY. Oh, I haven't any idea. He has not asked my advice.

Mr. BANCROFT. Whom do you think the Democrats will nominate?

Senator O'MAHONEY. I think that remains to be seen. I think that remains to be seen.

Mr. Bancroft, we have two separate conditions. Let me explain them briefly. One is the foreign policy of the United States. Mr. Eisenhower and the Republican Party have adopted, practically adopted, the Democratic international policy for peace, but the domestic policy of the Republican Party is a policy of rank conservatism and reaction,

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and that will be revealed before many months have passed.

Mr. BANCROFT. I am afraid that is all the time we have, and thank you very much, Senator O'MAHONEY.

MRS. LORENZA O'MALLEY (DE AMUSATEGUI ET AL.)—CONFERENCE REPORT

Mr. KILGORE. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1003) for the relief of Mrs. Lorenza O'Malley (de Amusategui), Jose Maria de Amusategui O'Malley, and the legal guardian of Ramon de Amusategui O'Malley. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings for today.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

HARNEY ENGINEERING CO.—CONFERENCE REPORT

Mr. KILGORE. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 2907) for the relief of Thomas F. Harney, Jr., doing business as the Harney Engineering Co. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report see House proceedings for today.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

VINCENZO SANTAGATA

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 197) for the relief of Vincenzo Santagata, which was to strike out all after the enacting clause and insert:

That, for the purposes of the Immigration and Nationality Act, Vincenzo Santagata shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

Mr. KILGORE. Mr. President, I move that the Senate concur in the House amendment.

The motion was agreed to.

FILLIPO MASTROIANNI

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 198) for the relief of Fillipo Mastroianni, which was, to strike out all after the enacting clause and insert:

That, for the purposes of the Immigration and Nationality Act, Fillipo Mastroianni shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

Mr. KILGORE. Mr. President, I move that the Senate concur in the House amendment.

The motion was agreed to.

JOHN AXEL ARVIDSON

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 550) for the relief of John Axel Arvidson, which was, to strike out all after the enacting clause and insert:

That, for the purposes of the Immigration and Nationality Act, John Axel Arvidson shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act.

Mr. KILGORE. Mr. President, I move that the Senate concur in the House amendment.

The motion was agreed to.

MECYS JAUNISKIS

The PRESIDING OFFICER laid before the Senate amendment of the House of Representatives to the bill (S. 664) for the relief of Mecys Jauniskis, which was, in line 7, strike out all after "act" down to "further" in line 10, and insert "under such conditions and controls which the Attorney General after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided*."

Mr. KILGORE. Mr. President, I move that the Senate concur in the House amendment.

The motion was agreed to.

ALFIO FERRARA

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 714) for the relief of Alfio Ferrara, which was, to strike out all after the enacting clause and insert:

That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Alfio Ferrara may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act.

Mr. KILGORE. Mr. President, I move that the Senate concur in the House amendment.

The motion was agreed to.

HENRY DUNCAN

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1014) for the relief of Henry Duncan, which was, to strike out all after the enacting clause and insert:

That, notwithstanding the provisions of section 212 (a) (9) and (19) of the Immigration and Nationality Act, Henry Duncan may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act: *Provided*, That these exemptions shall apply only to grounds for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act.

Mr. KILGORE. Mr. President, I move that the Senate concur in the House amendment of the House.

The motion was agreed to.

SADA ZARIKIAN

The PRESIDING OFFICER laid before the Senate the amendment of the House to the amendment of the Senate to the bill (H. R. 2065) for the relief of Sada Zarikian, which was, to strike out "section 354 (a) (5)" in said amendment, and insert in lieu thereof "section 354 (5)."

Mr. KILGORE. Mr. President, I move that the Senate concur in the amendment of the House.

Mr. KNOWLAND. Mr. President, will the Senator from West Virginia state the nature of the House amendment?

Mr. KILGORE. Mr. President, on July 22, 1955, the Senate passed H. R. 2065, with an amendment to place the beneficiary within the purview of section 354 (5) of the Immigration and Nationality Act. The amendment inadvertently referred to section 354 (a) (5) of the said act. The House of Representatives has concurred in the Senate amendment with an amendment to strike the letter "(a)."

Mr. KNOWLAND. I thank the Senator.

Mr. KILGORE. I renew my motion that the Senate concur in the House amendment to the Senate amendment to H. R. 2065.

The PRESIDING OFFICER. The question is on the motion of the Senator from West Virginia.

The motion was agreed to.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the concurrent resolution (S. Con. Res. 42) favoring the suspension of deportation in the case of certain aliens, which was, on

page 6, strike out all after line 13 over through line 22 on page 8.

Mr. KILGORE. Mr. President, I move that the Senate concur in the amendment of the House.

The motion was agreed to.

PERMISSION FOR NATIONAL BANKS TO MAKE CERTAIN LOANS

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 1189) to permit national banks to make 20-year real estate loans, 9-month residential construction loans, and 18-month commercial construction loans, which were, on page 3, line 12, strike out "of" and insert "entitled 'An act to promote conservation in the arid and semi-arid areas of the United States by aiding in the development of facilities for water storage and utilization, and for other purposes', approved"; on page 4, strike out line 1, over to and including line 7, page 5, and insert:

SEC. 2. The first sentence of the third paragraph of section 24 of the Federal Reserve Act, as amended (U. S. C., 1952 edition, title 12, sec. 371), is amended by striking "six" and inserting in lieu thereof "nine."

And to amend the title so as to read: "An act to permit national banks to make 20-year real estate loans, and 9-month residential construction loans."

Mr. FULBRIGHT. Mr. President, the House has returned to the Senate, with amendments, Senate bill 1189, relating to loans by national banks. The House amendments are not of great substance.

The Senator from Indiana [Mr. CAPEHART], the Senator from Virginia [Mr. ROBERTSON], and I agree that the Senate should accept the House amendments.

I, therefore, move that the Senate concur in the amendments of the House.

The amendments were agreed to.

LEASE OF CERTAIN LAND ON COLORADO RIVER INDIAN RESERVATION, ARIZ.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 2039) to authorize the Secretary of the Interior to lease any unassigned lands on the Colorado River Indian Reservation, Ariz., and for other purposes, which were, on page 1, line 10, after "leases" insert "for grazing purposes"; on page 2, strike out line 5, and insert "to exceed twenty-five years, excepting leases for grazing purposes, which shall be for a term of not to exceed ten years. Leases for public, religious,"; on page 3, line 2, strike out all after "reserve." down through "determined" in line 7 and insert "All income received more than two years after the date of this act shall be held in a special account until the beneficial ownership of the land on the reservation has been determined"; on page 3, after line 11, insert:

SEC. 2. Nothing contained in this act shall be construed as recognizing any ownership in the Colorado River Indian Tribes or any other Indians or group of Indians, nor shall this act be taken as creating any inference of liability or as impairing or affecting any of the defenses of the United States in any litigation now pending before the Court of Claims or the Indian Claims Commission.

Mr. O'MAHONEY. Mr. President, the bill was introduced by the Senator from Arizona [Mr. GOLDWATER]. The committee reported the bill favorably, and it was passed by the Senate.

The House, as a result of a conference on another bill, amended this bill so as to be in agreement with the Senate Committee on Interior and Insular Affairs. I, therefore, move that the Senate concur in the amendments of the House.

The motion was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2126) to extend and clarify laws relating to the provision and improvement of housing, the elimination and prevention of slums, the conservation and development of urban communities, the financing of vitally needed public works, and for other purposes.

The message also announced that the House had passed the bill (S. 2576) to amend the joint resolution entitled "Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes", approved January 14, 1933, and for other purposes", with an amendment, in which it requested the concurrence of the Senate; that the House insisted upon its amendment, asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MCMILLAN, Mr. HARRIS, Mr. SMITH of Virginia, Mr. JONES of North Carolina, Mr. O'HARA of Minnesota, Mr. BROYHILL, and Mr. HYDE were appointed managers on the part of the House at the conference.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1041) to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide for the inclusion in the computation of accredited service of certain periods of service rendered States or instrumentalities of States, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1077) to provide for settlement of claims for damages resulting from the disaster which occurred at Texas City, Tex., on April 16 and 17, 1947.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 191) to regulate the election of delegates representing the District of Columbia to national political conventions, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 4048) making recommendations to the States for the enactment of legislation to permit and assist Federal personnel, including members of the Armed Forces, and their families, to exercise their voting franchise, and for other purposes.

The message further announced that the House had passed a bill (H. R. 944) for the relief of Nicola Teodosio, in which it requested the concurrence of the Senate.

The message notified the Senate that a committee of two Members were appointed by the House to join a similar committee appointed by the Senate, to wait upon the President of the United States and inform him that the two Houses had completed their business of the session and were ready to adjourn, unless the President has some other communication to make to them.

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolutions, and they were signed by the Vice President:

S. 72. An act to provide that certain lands acquired by the United States shall be administered by the Secretary of Agriculture as national forest lands;

S. 91. An act for the relief of Luzia Cox;

S. 987. An act to authorize the Secretary of Commerce, acting through the Coast and Geodetic Survey, to assist the States of Maryland and Delaware to reestablish their common boundary;

S. 1621. An act to authorize adjustment by the Secretary of Agriculture of certain obligations of settlers on projects developed or subject to the act of August 11, 1939, as amended, and for other purposes;

S. 1757. An act to amend the act known as the "Agricultural Marketing Act of 1946," approved August 14, 1946;

S. 1759. An act to consolidate the Hatch Act of 1887 and laws supplementary thereto relating to the appropriation of Federal funds for the support of agricultural experiment stations in the States, Alaska, Hawaii, and Puerto Rico;

S. 1849. An act to provide for the granting of career-conditional and career appointments to certain qualified employees;

S. 1894. An act to provide for the participation of the United States in the International Finance Corporation;

S. 2087. An act to amend the Act of May May 19, 1947 (ch. 80, 61 Stat. 102), as amended, so as to permit per capita payments to the individual members of the Shoshone Tribe and the Arapahoe Tribe of the Wind River Reservation in Wyoming, to be made quarterly;

S. 2098. An act to amend Public Law 83, 83d Congress;

S. 2237. An act to amend the act of May 26, 1949, to strengthen and improve the organization of the Department of State, and for other purposes;

H. R. 100. An act to permit the mining, development, and utilization of the mineral resources of all public lands withdrawn or reserved for power development, and for other purposes;

H. R. 257. An act to amend section 112 (n) (8) of the Internal Revenue Code of 1939, relating to the suspension of certain periods of limitation while the taxpayer is

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on extended active duty with the Armed Forces, and to amend the Internal Revenue Code of 1954 with respect to tax treatment where the taxpayer recovers amounts held by another under claim of right;

H. R. 1393. An act for the relief of the E. J. Albrecht Co.;

H. R. 2065. An act for the relief of Sada Zarikian;

H. R. 3024. An act for the relief of Margaret Mary Hammond;

H. R. 3908. An act to provide for the regulation of fares for the transportation of schoolchildren in the District of Columbia;

H. R. 4581. An act to amend the Internal Revenue Code of 1954 with respect to the tax on cutting oils;

H. R. 4763. An act for the relief of Elzie C. Brown;

H. R. 6263. An act to amend section 1233 and section 542 (a) (2) of the Internal Revenue Code of 1954;

S. J. Res. 73. Joint resolution to establish a commission to formulate plans for a memorial to Franklin Delano Roosevelt; and

H. J. Res. 330. Joint resolution to provide for the acceptance and maintenance of presidential libraries, and for other purposes.

AMENDMENT OF JOINT RESOLUTION AUTHORIZING MERGER OF STREET RAILWAY CORPORATIONS OPERATING IN THE DISTRICT OF COLUMBIA

The PRESIDING OFFICER laid before the Senate the amendment of the House to the bill (S. 2576) to amend the joint resolution entitled "Joint resolution to authorize the merger of street railway corporations operating in the District of Columbia, and for other purposes," approved January 14, 1933, and for other purposes, which was to strike out all after the enacting clause and to insert:

That the Commissioners of the District of Columbia are authorized to enter into an operating contract with the Capital Transit Co. for a period of 1 year from the effective date of this act or from the date authority is obtained from the stockholders under paragraph 6, whichever is the later, to provide mass transportation in the area now served by Capital Transit Co., said contract to contain substantially the following provisions, and in addition such other provisions not inconsistent herewith as the Commissioners and the Capital Transit Co. may agree upon to effectively carry out the purpose of this act:

1. Capital Transit Co. will continue to operate its properties as required by its franchise obligations.

2. Capital Transit Co. will enter into a contract with the bargaining agent of its employees covering wages and working conditions under terms and conditions as directed by the Commissioners of the District of Columbia for a period not to exceed 1 year.

3. Salaries of officers of Capital Transit Co. in effect on July 1, 1955, will be continued in effect during the term of said contract.

4. In the event increased wages and benefits are accorded employees under paragraph 2 hereof, appropriate increases may also be granted salaried employees other than company officers subject to the approval of the Commissioners of the District of Columbia.

5. If, at the end of the period of said contract the operating revenues derived by the company from the operation of its properties in utility service for the convenience of the public have not been sufficient to meet the cost of operation during such 1-year period, including but not limited to depreciation and all taxes, but not including any return on investment, the District of Columbia shall pay Capital Transit Co. the amount of such deficiency: *Provided, however,* That such deficiency during said period shall be determined in accordance with the accounting practices now prescribed by the Public Utilities Commission or upon such other terms as may be agreed upon by the Commissioners of the District of Columbia and the Capital Transit Co.

6. Capital Transit Co. will promptly take all necessary steps to secure from its stockholders authority to amend said contract to provide for the relinquishment of all of its franchise rights upon the termination of said contract. If within 90 days after the date of the contract hereby authorized said authority is obtained the parties agree that said contract shall be amended by inserting the following paragraph:

"Capital Transit Co. shall relinquish all of its franchise rights upon the termination of said agreement and said relinquishment shall be accepted by the Commissioners and thereafter Capital Transit Co. shall be under no obligation to furnish public transportation in the District of Columbia."

Mr. McNAMARA. Mr. President, I move that the Senate disagree to the amendment of the House, request a conference thereon, and that the Chair appoint conferees on the part of the Senate.

The motion was agreed to; and the Chair appointed Mr. NEELY, Mr. McNAMARA, Mr. MORSE, Mr. BEALL, and Mr. CASE of New Jersey conferees on the part of the Senate.

HOUSE BILL REFERRED

The bill (H. R. 944) for the relief of Nicola Teodosio, was read twice by its title and referred to the Committee on the Judiciary.

RAYMOND D. BECKNER

Mr. O'MAHONEY. Mr. President, I ask that the Senator from West Virginia [Mr. NEELY] be recognized on the motion to reconsider the vote whereby Senate bill 1584, for the relief of Raymond D. Beckner, was passed. On July 18 I entered the motion to reconsider. I now understand the Senator from West Virginia wishes to discuss the motion to reconsider, and I am quite agreeable to his doing so.

Mr. NEELY. Mr. President, let me beseech the Senate to lend me its sympathetic ears for a moment and thereafter its aid in redressing an injury, the infliction of which should move to pity a heart of stone.

During the year 1943, a mobile blood-bank unit, operated by the United States armed services and the Red Cross, came from Pittsburgh, Pa., to Fairmont, W. Va., to perform its official service. Through the newspapers and by radio the people of the Fairmont area were urged to come forward patriotically and generously donate their blood to the bank, in order to save the lives of wounded soldiers and dying servicemen.

Among the many others Mrs. Lulu Beckner, the wife of the janitor of the city's Federal building, responded. The husband's salary was $180 a month. Mrs. Beckner was in middle life. She was in the enjoyment of average health.

Within an hour and a half after she made her donation of blood, by means of an operation performed by a Navy doctor, Mrs. Beckner suffered a stroke, and from that day until this she has been a suffering, helpless, incurable cripple.

Five years ago efforts were begun to obtain governmental reimbursement for the cost of Mrs. Beckner's medical treatment which at that time amounted to $4,953.50.

The House long ago passed a bill for Mrs. Beckner's relief. But only 3 weeks ago the Senate for the first time acted favorably in this deplorable matter by passing the pending measure providing for the payment to Mr. and Mrs. Beckner of the $4,953.50 expended for medical treatment prior to 1951. During the past 5 years the cost of Mrs. Beckner's medicine and care has increased until it now exceeds fifteen thousand dollars.

The Beckners have been compelled to sell their home in order to pay the innumerable bills for Mrs. Beckner's medicine, nursing and doctors' services.

Although the measure which the Senate recently passed for the relief of the Beckners was shockingly limited to the previously stated sum of $4,953.50, instead of the $15,000 actually spent for the pitiful sufferer's relief, a motion was nevertheless made to reconsider the vote by which the measure had been approved by the Senate.

This motion is now before this body. It is my humanitarian hope that it will be defeated.

Mr. O'MAHONEY. Mr. President, the bill was considered and approved by the Committee on the Judiciary, and was passed on the call of the calendar. I had intended to file minority views, calling attention to the fact that there is no liability against the Government or against the Red Cross, because the donors waived all liability, in the first place.

However, every fact which the Senator from West Virginia has stated is shown by the record. The facts are clear. I felt it was important that the legislative record show that the bill, if it shall be passed, will be passed out of the charity and good will of the Senate, which reccgnizes the fact that the husband of the woman concerned is a janitor in a Federal building, that the family is penniless, that the operation was performed by a Navy doctor, and that the family cannot possibly meet the expenses involved.

It was essential that the policy should be cleared before the Senate. I think that in the circumstances the bill may well be passed without giving any basis for the argument in the future that the Government is liable in such cases.

Mr. NEELY. Mr. President, let me call attention to the fact that Mr. Beckner's family physician says there is no question but that her paralysis was caused by the operation by means of which she donated her blood.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. STENNIS. I may point out to the Senate that there is another bill, not a

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companion bill, but a similar one, which was reported by the Committee on the Judiciary, which relates to facts which are almost identical with those related by the Senator from West Virginia.

It involves a man, a breadwinner in this case, in New Orleans, who had virtually the identical thing happen to him. He gave a blood donation in World War II. The bill for his relief has also been held up on a motion to reconsider. The Senator from Wyoming has fully examined the facts in the two cases. I wonder if the Senator would not save time by giving his opinion in that case while giving his explanation to the Senator from West Virginia.

Mr. O'MAHONEY. Mr. President, I am willing to do that. The facts in the two cases vary somewhat. In one case the victim became ill almost immediately.

Mr. STENNIS. If the Senator will permit me to interrupt, in the case of the New Orleans man, he felt a change after the blood donation and became perceptibly ill within an hour and a half.

Mr. O'MAHONEY. The Senator is quite right, but the same circumstances existed in both cases, and it was felt that the cases should be laid before the Senate, so that a legislative history would be made which would make clear the unusual circumstances involved, and so that no precedent of liability of the Government would be established for such cases.

Mr. STENNIS. I thank the Senator.

Mr. KNOWLAND. Mr. President, it is not a pleasant task at this period in the session, in connection with a bill which has so much human appeal as the one now being discussed, to raise points which I think are important for the Senate and the country to understand.

I do not know how many millions or hundreds of thousands of donors there have been who have given blood to the Army and the Navy, or to the American Red Cross during the Korean war. I do not have the specific figures, but I imagine the numbers run into the hundreds of thousands, if not into the millions.

Unfortunately, every day people who have donated no blood suffer strokes, heart attacks, or some form of paralysis. I presume that, under the law of averages, out of a large number of persons, whether they had donated blood or not, a certain number would suffer the same unfortunate results that are involved in the two bills.

Medically I do not know whether outside of the woman's own doctor—and I am not questioning his own motives in the slightest—other medical authorities have passed on the question whether the condition would have occurred regardless of whether or not a blood donation had been made. However, I believe, as the minority leader of the Senate, I have the obligation to this body at least to read a memorandum which has been prepared by our Calendar Committee in regard to this situation. I do it because the bills have been held up by motions to reconsider made by the distinguished Senator from Wyoming, who apparently had some of the same misgivings and questions in his mind, even to such a point that he seriously considered filing minority views.

I now read from the memorandum:

In its report on S. 1584, for the relief of Raymond D. Beckner (referred to elsewhere in this memorandum), the Navy Department states:

"There is no indication of any negligence on the part of the Navy or of the Red Cross in this case. The Bureau of Medicine and Surgery reports that from a professional standpoint the withdrawal of blood in reasonable amounts from people of middle age or with high blood pressure is not attendant with danger to such persons and, as a matter of fact, controlled bleeding is an accepted treatment for people who have high blood pressure.

"The Department of the Navy has no information concerning the medical or other expenses incurred by the claimant as the result of this incident and no record is found of any claim filed with this Department by Mr. Beckner. There is no reason, however, to question the extent of the financial loss suffered by the claimant as outlined in detail in the report of the American Red Cross above quoted.

"The Bureau of Medicine and Surgery confirms the statements in the above-quoted report that a Navy physician was in charge of the program.

"In the absence of negligence on the part of naval personnel, there appears to be no liability on the United States for the unfortunate incident and therefore the Department of the Navy is unable to recommend favorable action on the bill. If, however, on consideration of the circumstances involved in this particular case, the Congress should deem it appropriate to extend ex gratia relief, the Department of the Navy would interpose no objection to such action."

Query. Whether the facts justify in this bill and in S. 1584, for the relief of Raymond D. Beckner in the amount of $4,953.50, assumption of financial responsibility by the American taxpayer? It should be borne in mind that these claimants each were volunteers and that enactment might establish a dangerous precedent with respect to all manner of activities involving donations of services, and the like, in which there may be some benefit to the American Government or to the people of the United States.

Consider, also, those cases where the alleged injuries are of a relatively minor nature, such as when a blood donor faints. The number of the latter cases must be legion.

In addition to the foregoing, both of these cases involve findings by the Senate Committee on the Judiciary concerning medical facts or theories that are by no means substantiated on the records that are set forth in the respective reports accompanying the bills.

With relation to Senate bill 1352, which is somewhat comparable to the first bill mentioned, the memorandum states:

As amended, this bill would award $10,000 for personal injuries sustained following a blood donation at a Red Cross blood-donor center in New Orleans, La., on December 13, 1943, said blood donation to be used in treatment of members of the Armed Forces.

A few hours after the donation, claimant suffered a paralysis of his face, arms, and legs. The entire left side of his body has since been paralyzed, with no prospect of rehabilitation.

The report of the Committee on the Judiciary contains the unfavorable recommendation of the Army, but states:

"While concededly there is no legal responsibility on the part of the Government to compensate this individual for the loss he has suffered, nevertheless the committee does not feel the claimant should be required to bear alone the personal misfortune ensuing from his desire to serve his country in a worthwhile capacity."

The report of the Department of the Army, dated June 15, 1955, states:

"In the absence of negligence on the part of military or War Department personnel, there is no distinction between the present case and similar cases where blood is withdrawn for the use of Armed Forces by Red Cross personnel, by civilian doctors, or by other volunteers. In either event the only possible basis upon which to predicate any liability on the part of the Government is the fact that the blood to be obtained was for its benefit. In view of the absence of negligence on the part of Army or War Department personnel and the explicit assumption of risk by Mr. Crozat, this is insufficient. It is, accordingly, the view of the Department of the Army that there is no legal or equitable basis for a claim by Mr. Crozat against the United States on account of the injuries sustained by him. While this unfortunate occurrence is deeply regretted, in the absence of any legal or equitable basis for Mr. Crozat's claim, the payment of any sum to him would be in the nature of a gratuity. Accordingly, the Department of the Army recommends that this bill be not favorably considered."

I felt that I had the obligation to present those facts.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. KNOWLAND. I shall yield in a moment. I felt I had the obligation to present those facts to the Senate, because I think any of us who have served in this body for very long realize that, statements to the contrary notwithstanding as to the precedents in the case, when certain legislation is enacted—and I understand this is of a somewhat unprecedented nature—by the next session of Congress, instead of having 2 such bills, there could be 100 or 1,000 such bills.

So I think it is important for us to realize that the matter is at least of sufficient importance to warrant having it receive some consideration by the Senate, rather than be passed on a unanimous-consent basis, without adequate exploration.

Mr. President, I now yield to the distinguished Senator from Wyoming.

Mr. O'MAHONEY. Mr. President, my purpose in objecting was, as I stated, that I intended to submit minority views, in order that there might be a policy decision by the Senate, and in order that the matter might be clearly before the Senate.

The human aspects of this matter are important, of course. The Senator read the letter from the Judge Advocate General, who said:

However, under the circumstances involved in this particular case——

Mr. KNOWLAND. That is to say, there is no dispute about the fact that the man has been subjected to bills for medical treatment and has suffered an injury. But whether the injury

stemmed from the blood donation is, I think, at least not conclusively shown.

Mr. O'MAHONEY. Oh, yes; the Judge Advocate General said:

> In the absence of negligence on the part of naval personnel—

And, of course, negligence by the naval personnel was not proven in any legal proceeding.

Then he said:

> If, however, on consideration of the circumstances involved in this particular case, the Congress should deem it appropriate to extend ex gratia relief, the Department of the Navy would not object to such action.
>
> The Department of the Navy has been advised by the Bureau of the Budget that there is no objection to the submission of this report to the Congress.

Mr. KNOWLAND. Of course, that is correct; and it would not be the business of the Navy Department—aside from making the report—to say what the Congress should do.

Mr. O'MAHONEY. But my point is that if the bill is passed by Congress, then as a matter of legislative history it will be an act ex gratia on the part of Congress, and will not be an act by Congress as a matter of legal liability, and thus will not set a precedent of that sort.

Mr. KNOWLAND. I hope that is true.

Mr. O'MAHONEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. SMATHERS in the chair). The Senator from Wyoming will state it.

Mr. O'MAHONEY. My question is this: I have been under the impression that the bills have been taken up by unanimous consent.

The PRESIDING OFFICER. The Chair is advised that the Senator from Wyoming obtained unanimous consent to have the motion to reconsider taken up at this time.

Mr. O'MAHONEY. Mr. President, in view of the discussion, let me move that motion to reconsider the vote on Senate bill 1584 be agreed to.

Mr. STENNIS. Mr. President, will the Senator from Wyoming modify his motion, so as to make it cover both bills?

Mr. O'MAHONEY. Yes, I will do so.

The PRESIDING OFFICER. The question is on agreeing to the motion to reconsider with respect to both bills.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection it is so ordered.

Mr. HUMPHREY. Mr. President, in order that the Senate may have a clear understanding of what the parlimentary situation is with reference to the motion to reconsider, as I understand, the Senate has already acted to proceed to the consideration of the motion to reconsider.

The PRESIDING OFFICER. The Senator is correct.

Mr. HUMPHREY. That stage has been completed. We are now at the point where we are called upon to agree or disagree to the motion to reconsider.

The PRESIDING OFFICER. The Senator is correct.

Mr. HUMPHREY. If the Senate votes in the negative on the motion to reconsider, the bills now before us for discussion, introduced respectively by the Senator from Mississippi [Mr. EASTLAND] and the Senator from West Virginia [Mr. NEELY], will automatically go to the House. In other words, life will come back into the bills. As I understand, they are temporarily laid aside, and they would be brought back and sent to the House.

If the vote is in the affirmative, the bills will go to the calendar and be subject to a motion to proceed to their consideration.

The PRESIDING OFFICER. The Senator is correct.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KNOWLAND. Since this is the close of the 1st session of the 84th Congress, and not the close of the final session, if the motion to reconsider is carried, the bills will not die. They will merely go to the calendar, where they will be available for further consideration as to the policy aspects and the precedents which might be established.

The PRESIDING OFFICER. The Senator is correct.

Mr. KNOWLAND. They will resume their place on the calendar and will not be killed.

The PRESIDING OFFICER. The Senator is correct.

Mr. KNOWLAND. Mr. President, I ask for a favorable vote on the motion to reconsider.

Mr. NEELY. Mr. President, would it incline the Senator from California to some degree of mercy to know that the claimant may not be among the living when the Congress convenes in January?

Mr. STENNIS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. STENNIS. Am I correct in understanding that the pending motion to reconsider includes both bills?

Mr. KNOWLAND. That is correct.

Mr. HUMPHREY. That is the understanding.

The PRESIDING OFFICER. The Senator is correct.

Mr. STENNIS. Mr. President, I should like to be recognized in my own right.

The PRESIDING OFFICER. The Senator from Mississippi is recognized.

Mr. STENNIS. Mr. President, I shall not detain the Senate for more than a very few minutes.

I am presenting the case in connection with Senate bill 1352, which was introduced by my colleague [Mr. EASTLAND], who could not be present in the Chamber this afternoon.

The facts in this case are undisputed. The claimant is a man who is totally paralyzed, so far as any earning capacity is concerned. The medical proof is undisputed, that there is no prospect for rehabilitation beyond his present status. The doctor says:

> There is no prospect of rehabilitation beyond his present status. He is totally and permanently disabled for gainful employment.

He has been in that condition for more than 11 years.

His condition was brought about through his efforts, during World War II, in response to an appeal by the Government, through the Red Cross, for the donation of blood, which program was administered by the Army doctors. An hour and a half after the donation he became ill. The only medical proof in connection with the bill is that "it is not without reason and, furthermore, it is believed the withdrawal of the blood was responsible for the calamity experienced by Mr. Crozat."

This case has been thoroughly considered by the Senate Judiciary Committee. At one time the same case was thoroughly considered by the House Judiciary Committee, and the bill was favorably reported.

The bill has been on the calendar. It has been examined, and has passed the Senate.

There is such overwhelming merit in connection with the bill that I appeal to the Senate to reject the motion to reconsider. The explanation has already been made. I appeal to Senators not to vote to reconsider these two bills, but to let them go to the House, where they will be subject to further examination and further scrutiny. As has been proved heretofore, there is not a chance for them to be enacted unless their merit is overwhelming.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. WATKINS. I am a member of the Committee on the Judiciary. I heard the discussion with respect to the bills.

These two cases are very sad ones. They certainly arouse a sympathetic feeling on the part of everyone who has heard of them. However, a certain question has always been in my mind. I have been wondering why the Red Cross itself, which conducted this operation, and which was in charge of it, should not help. Why does it not take care of this class of cases out of its own funds? In my State the Red Cross helps people who have lost their homes because of floods. In many cases they have been made almost completely whole after suffering the loss of homes, animals, and farm machinery in floods. I am asking for information. I do not know the answer. Why does not the Red Cross handle such cases?

Mr. STENNIS. I do not know what the facts are in that respect. Perhaps the Red Cross has helped to some extent. I do not state that as a fact. Perhaps the aid of the Red Cross would be confined, consistent with its policy, to a very limited scope. The Red Cross activity may not embrace continuing care and upkeep.

The merit of these cases is overwhelming. They have been examined and approved by committees. It is said that there is a prospect that similar cases

will arise in the future. It seems to me that they must be considered on their merits by the responsible committees.

Some kind of formula will have to be adopted. Those in charge of the blood bank programs are receiving medical advice from some source. They will have to arrive at some kind of formula for handling future cases of this kind, if they should arise.

Mr. President, these cases have been considered on their merits and have been approved. These two bills should not be swept aside in the dying minutes of this session of Congress. They will have to run the gauntlet of scrutiny in the House of Representatives. The action of the Senate in rejecting the motion to reconsider will merely send them on their way.

Mr. NEELY. If there is a yea-and-nay vote on the motion, a nay vote will be to resurrect these two bills from the parliamentary tomb in which the motion to reconsider temporarily buried them. I am authorized to say that the distinguished Senator from Wyoming [Mr. O'MAHONEY], who made the motion to reconsider, will vote "nay," or, in other words, for the nullification of the motion he previously made.

The PRESIDING OFFICER. The question is on agreeing to the motion to reconsider.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Illinois will state it.

Mr. DOUGLAS. Has a yea-and-nay vote been ordered on this question?

The PRESIDING OFFICER. A yea-and-nay vote has not been ordered on the question. The question is on agreeing to the motion to reconsider. [Putting the question.]

The Chair is in doubt, and will request a division.

On a division, the motion was rejected.

Mr. NEELY. Mr. President, I move to reconsider the action of the Senate.

The PRESIDING OFFICER. The Chair is advised that that motion is not in order.

EXTENSION OF THE SUGAR ACT

Mr. LONG. Mr. President, I move to suspend paragraph 3 of rule XIV and paragraph (h) of paragraph 1 of rule XXV of the standing rules of the Senate, to the end that it may be in order to move that the Senate proceed to the consideration of the bill (H. R. 7030) to amend and extend the Sugar Act of 1948, as amended, and for other purposes, without a reference of the bill to the Senate Committee on Finance.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Illinois will state it.

Mr. DOUGLAS. Is a two-thirds vote necessary for the adoption of the motion of the Senator from Louisiana?

The PRESIDING OFFICER. The Senator from Illinois is correct.

Mr. DOUGLAS. Would the Chair state whether there is any precedent for the motion of the Senator from Louisiana?

The PRESIDING OFFICER. The Chair has no knowledge of any such precedent.

Mr. DOUGLAS. In view of the fact that, according to the knowledge of the Chair, and presumably of the Parliamentarian, there is no precedent for the proposed action, it seems to be an extraordinary motion which the Senator from Louisiana has made.

The PRESIDING OFFICER. The knowledge of the Chair is, of course, the knowledge of the Parliamentarian. The Chair is advised that this particular motion is in order even though such a motion has not been previously made.

Mr. DOUGLAS. A further parliamentary inquiry. Is the motion debatable?

The PRESIDING OFFICER. The Chair is advised that the motion at this point is untimely because the bill has not been read the second time. The Chair will lay the bill before the Senate and have it read the second time.

The Presiding Officer laid before the Senate the bill (H. R. 7030) to amend and extend the Sugar Act of 1948, as amended, and for other purposes, which was read the second time.

Mr. LONG. Mr. President, I renew my motion to suspend the rules.

Mr. FULBRIGHT rose.

The PRESIDING OFFICER. Does the Senator from Arkansas wish to be recognized?

Mr. FULBRIGHT. I do. First I should like to propound a parliamentary inquiry. Is the motion debatable?

The PRESIDING OFFICER. The motion is debatable.

Mr. FULBRIGHT. Is there any limitation on the debate? Is the Senate still in the morning hour?

The PRESIDING OFFICER. Technically, the Senate is still in the morning hour.

Mr. CLEMENTS. Mr. President, will the Senator from Arkansas yield?

Mr. FULBRIGHT. I shall be happy to yield, provided I do not lose the floor.

Mr. CLEMENTS. I should like to make a statement.

Mr. FULBRIGHT. I would welcome a statement from the distinguished acting majority leader.

Mr. CLEMENTS. Mr. President, it goes without saying that I have the highest regard for my friend from Louisiana, and I have, I believe, an understanding feeling for the sugar growers. As a matter of fact, I am one of the sponsors of the legislation on which the Senator from Louisiana, by motion to suspend the rules, wishes to get immediate action in the Senate.

I dislike to take the position that I take now, based upon the great warmth of my friendship for the Senator from Louisiana, as well as on the fact that I am a sponsor of the legislation. However, in my judgment, if we are to have orderly procedure, it must be on the basis of the rules of the Senate. If we take the action proposed by the Senator from Louisiana, the complete programing control on the floor of the Senate will be taken from the traditional seat or seats where it has reposed. All I ask is that when the time for decision comes the Senate may be permitted to pursue its activities in an orderly way.

I would not go so far as to ask the Senator from Louisiana not to press his motion because I thoroughly understand his position. I also feel that he understands the position of the acting majority leader. I can assure my friend from Louisiana that in the orderly conduct of the business of the Senate, if I am in a position to program the legislation, I shall bring up in proper time sugar legislation. If we were yet to be in session a longer time, there would be no disposition on my part not to bring it up.

However, if this session is to end today—and there is ample reason to believe that it may end today—the adoption of the Senator's motion would preclude the possibility of that happening.

I can assure the Senator from Louisiana that, although I shall not be at this desk in January—because in January we will have our distinguished friend from Texas back at this desk—I shall give my full cooperation to the passage of this legislation, of which I too am a sponsor.

Mr. LONG. Mr. President, will the Senator from Arkansas yield to me?

Mr. FULBRIGHT. I shall be glad to yield, provided I do not lose the floor.

Mr. LONG. I ask unanimous consent that the Senator from Arkansas may yield to me, with the understanding that he will not lose the floor.

The PRESIDING OFFICER. Without objection, the Senator from Louisiana may proceed.

Mr. LONG. I should like to explain the reason why I made the motion. Our domestic sugar producers are in a very difficult situation at this moment. During the last year it was necessary to impose acreage limitations of 18 percent on growers in the cane sugar-producing areas and a similar limitation on growers in the beet sugar-producing areas.

In many respects weather was very favorable, and even with that severe acreage limitation, more sugar was produced than could be marketed, because the Sugar Act provides not only for an acreage limitation in times of overproduction, but also provides a very severe limitation on the amount of sugar that can be sold.

The good Lord did something for the sugar producers that we did not anticipate. He gave them good weather. Therefore they have on hand 220,000 tons of sugar. However, they have not been able even to sell it for detergents, and have not even been able to give it away, so far as domestic use is concerned, although there is some prospect that some quantity of sugar might be disposed of in the foreign-aid program somewhere.

The domestic industry must carry this enormous surplus.

Plus that fact, the situation is such that the existence of this huge surplus will require further acreage limitations next year.

That means that the cutback in acreage could be as much as 30 percent if full account should be taken of stocks on top of the cutback of 18 percent of last year. Cumulatively, that would mean a cutback in acreage of 48 percent.

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It is all very well to say that the sugar producer is getting 90 percent of parity. However, when we consider the fact that, although he is getting 90 percent of parity, his volume of production has been cut by almost 50 percent, it is clear that he is receiving a reduced income of less than half of what he needs.

This situation can be worked out without any injury to anyone. It can be worked out with the support of the entire sugar industry and with a fairly reasonable understanding among our friends abroad, if we are able to obtain some adjustment in the Sugar Act so that the American sugar producers can share in the expansion of the market.

In other words, if they can share in the increased market for sugar as our domestic increase in consumption.

Looking to the past, the Congress has for a number of years allowed our friends abroad to have the benefit of all the increase in the consumption of sugar in the United States.

As our population has increased we have steadily consumed more sugar in this country. For the most part, it might be said that the benefit has gone almost exclusively to our friends in Cuba. They have shipped us more sugar and we have cut back our acreage more and more.

In the area which I represent there is a prospect of our having a reduction of sugarcane acreage by a cumulative total of 50 percent. A similar situation, although perhaps not so drastic, exists in some beet-sugar-producing areas. I know the State of Florida has a similar problem. I know this surplus will not be subject to marketing next year.

The Sugar Act of 1948 is not a bad act; it is a good act, but, like all legislation regulating an industry, from time to time it requires some adjustment. I think the last Sugar Act was passed in 1951, and some adjustment is now necessary for the benefit of our own people. We have carefully studied this matter to try to take care of our friends abroad, and I believe we do so through this legislation. I would point out that unless this bill is passed some sugar producers will not be able to market the surplus of sugar which they already have on hand, even during next year.

In Florida, for example, a large sugar company will be forced to carry over its entire 1955 production. Just imagine that. It will not be able to market 1 pound of that sugar produced this year, because it will be required to carry over sugar from last year, and it will not be in position to market even all of that.

Mr. President, the sugar industry is a good American industry. It is one which has considered the needs of our friends abroad. Offhand, I know of no other major industry in America that gives to our allies as much as 45 percent of our domestic market.

Not only do we give our friends, the Cubans, 45 percent of our market, but we let them sell sugar to us at 50 percent above the world market price. We now find our own people in a very distressed situation where action by Congress is needed to assist our people. That is the reason why I felt compelled to offer a motion to suspend the rule. I realize there is objection to this legislation, and I realize the point of view of some people in other areas.

I realize that the Senator from Arkansas [Mr. FULBRIGHT] and the Senator from Illinois [Mr. DOUGLAS] object to the sugar legislation upon the books, and they object to moving very expeditiously to consider this legislation. But let us look at the situation for just a moment.

We introduced the bill with 49 sponsors. The bill was introduced several months ago, almost at the beginning of this year. It had been studied in the executive departments and by those who have been concerned with this subject for more than a year before that time. However, the House of Representatives waited for almost the entire session before they finally reported the bill to the floor.

The House leadership finally took the legislation up and passed it. It was only 2 days ago that the bill reached the Senate. The Senator from Arkansas objected to the bill being referred to a committee. That delayed it 1 day. Then I proceeded to ask——

Mr. FULBRIGHT. Mr. President, I objected to the second reading of the bill.

May I inquire how long the Senator wishes to speak?

Mr. LONG. About 2 more minutes.

The Senator from Arkansas objected to the second reading of the bill, which made it impossible to get the House bill before the Senate committee. There is a report of the Senate Committee on Finance recommending passage of a similar bill on my desk. The Senator from Illinois objected to the Senate receiving it last night.

So, Mr. President, the only way the bill could be considered by the Senate was to move to suspend the rule.

I can recognize the facts of life. If the majority leadership is going to oppose the bill coming before the Senate, if the acting majority leader has the cooperation of the minority leader, and if the Members on both sides of the aisle take that attitude as a procedural matter, the bill will not be brought before the Senate under a suspension of the rules, and then, I suppose, the hardship in the industry will have to continue to exist. But I would hope that both the majority and the minority leadership will be willing to permit the Senate to consider this legislation during this session.

Mr. HOLLAND. Mr. President, will the Senator from Arkansas yield for a brief statement?

Mr. FULBRIGHT. I wish to make a brief statement myself, and then I shall yield the floor.

I do not wish to leave the impression that we are trying to prevent a vote on this bill in the regular course. It is not my fault that it has been brought up on the very last day of the session.

As the Senator from Louisiana well knows, I have previously objected to this bill. I tried to defeat a similar bill in 1951 and, I think, in 1948. The existing legislation does not expire until December 1956, and there is no real occasion for extending it an additional 6 years at this time. I object to the fact that there are no printed hearings in either the House or Senate. The Senate held hearings on the bill for about an hour and a half and permitted only the sponsors of the bill to appear. No one who was critical of the bill was permitted to appear. I am informed that the hearing was held in executive session.

Mr. LONG. Mr. President, will the Senator from Arkansas yield?

Mr. FULBRIGHT. I yield.

Mr. LONG. I may say the Senator realizes that witnesses testifying against provisions in the bill, particularly representing the administration's point of view, appeared, and there were statements from Mr. Chapman, who represented some of the full-duty countries, and that matter was before the committee at that time.

Mr. FULBRIGHT. I have a letter in my hand which was handed to me today, from the American Bankers' Association, dated August 2, in which there is enclosed a copy of a statement on behalf of the industrial sugar users. It states that they were not permitted to testify before the Senate Finance Committee. The letter says:

> Unfortunately, only Government witnesses and domestic producers' representatives were heard.
>
> If you plan to make any comments on the sugar legislation today, we feel sure you will be interested in the enclosed remarks.

Mr. BENNETT. Mr. President, will the Senator from Arkansas yield?

Mr. FULBRIGHT. I yield.

Mr. BENNETT. The gentleman who wrote that letter is completely in error. Only Government witnesses were heard. There were no producers' witnesses. The witnesses were the Senator from Louisiana [ELLENDER], Assistant Secretary Holland of the State Department, and Under Secretary Morse of the Department of Agriculture.

Mr. FULBRIGHT. I am sure the senior Senator from Louisiana was one of the best representatives the producers could get, and there is no one for whose opinion I have a higher regard.

Louisiana is the only State which has an economic sugar industry. The industry in other States has grown up under the "umbrella" started by the old Smoot-Hawley Tariff Act and has continued to expand its acreage because those engaged in it are being paid some $68 million a year out of the public Treasury.

If this can be done for sugar, why can it not be done for rice, cotton, or tobacco? I suppose the only reason is that the distinguished Secretary of Agriculture does not consider it is the same kind of subsidy as are other kinds of subsidies.

He made a statement last year——

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. FULBRIGHT. In a moment, when I complete my statement.

The Secretary of Agriculture, when he first entered upon his office, or shortly thereafter, made a statement at St. Paul, Minn., that he was against price subsidies because they tended to undermine the morale of farmers. He thought farmers ought to be more self-reliant. But I have not heard him in

opposition to the sugar bill. I suppose it is purely incidental that sugar is one of the main crops of Utah, which would receive more than $1 million a year under the subsidies provided in this bill.

This is the type of proposal which needs public hearings. Also, this is not the first year the Committee on Finance has refused to hold hearings. The last time the bill was brought before the body, there were similar objections, and no hearings were held. The matter was brought up so far in advance of the expiration date that none of the opponents were considering it and it was largely by happenstance that I heard about it. Now once again the matter has come up on the last day of the session.

Even the Parliamentarian, long as he has been in the Senate, has never heard of a case similar to this. There are very few things that happen in the Senate about which the Parliamentarian does not know. We can be pretty certain that never before in the history of the Senate has a controversial bill been brought up on the last day of the session upon a motion to suspend the rules.

The bill involves more than a billion dollars in cash from the public treasury. Under the sugar program there has been paid to the producers more than a billion dollars since 1933. The latest figure I have is $1,099,000,000. Yet it is not considered important enough to have hearings on the bill. Anyone who objects to the bill has not been permitted to appear before the committee.

I have an interest in the matter in this sense: My State produces rice. Arkansas is the third largest rice-producing State in the Union. Our natural market is Cuba and the other Caribbean countries. In the past 5 years our exports of rice to Cuba have decreased from about 6 million hundredweight to 4,500,000 hundredweight, a drop of almost 2 million hundredweight. Of course, the rice is piling up.

Furthermore, Arkansas was cut almost 25 percent in rice acreage this year, and next year it probably will be cut another 15 percent. The rice growers of Arkansas were not started in business under the protection of a bill such as this, with an import duty, an excise tax, and strong quotas which can force up the price, because the Secretary can limit the supply for that purpose, and he has done so.

Of course, we pay much more for sugar than the world market price because we are forced to under the bill.

It is true that taxes on processors are used to pay the subsidies to the producers, and the claim is therefore made that the program does not cost anything. But that is about as logical as saying that the veterans' program does not cost the country anything because veterans pay income taxes. It is the same kind of argument. Of course the consumer pays this tax, as he pays all sales taxes. The bill provides a sales tax for the benefit of the sugar producers.

I think representatives of rice growers have a legitimate complaint. Rice is one of the most important crops in several States of the Union. It is not protected in any special way, as sugar is. I see no excuse, in this case, to build up an artificial, uneconomic body, the sugar industry, and thereby to destroy the rice industry. I cite the rice industry only as an example, although it is the main reason why I am here.

There were no hearings printed in the House. I am told hearings were held, but they were not printed so the Congress and the public might read them. I do not know why.

In the opening remarks in the House on H. R. 7030, Chairman COOLEY, of the House Committee on Agriculture, said:

> Our committee is about to present to this House one of the most complicated pieces of legislation that the House has ever been called upon to consider.

He stated that the committee hearings had not been printed, and that he did not believe the House would be interested in the details of the proposed legislation. He said:

> I will admit this House will really be confused if they try to know all that is in this bill. It is something you are almost forced to accept upon faith.

That is the extent of the consideration which the bill had in the House. The chairman made the statement that it was too complicated for the Members to understand, so they would have to accept it on faith.

The bill has come to the Senate, where no hearings were held at all. The hearing which was held yesterday in the Finance Committee for an hour and a half cannot be considered a hearing; it was merely for the purpose of letting supporters of the bill state why they favored it.

Mr. LONG. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. LONG. The Senator knows that hearings could not be held on the bill because we did not actually have it before the committee. How can hearings be held on a bill which has not been brought before the committee?

Mr. FULBRIGHT. It could have been brought up at least a month ago. The Senator stated that it was introduced several months ago. Why was it necessary to wait until the last day to bring it up?

Mr. LONG. Because the bill did not come from the House until yesterday.

Mr. FULBRIGHT. Why did the House not act on it until 2 days ago?

Mr. LONG. I cannot speak for the chairman of the House Committee on Agriculture. I suppose he had as much to do with it as did anyone else. He does not come from an area which produces sugar. That sometimes has something to do with the urgency with which a committee chairman will proceed with the consideration of proposed legislation. The House held hearings consisting of 1,300 pages.

Mr. FULBRIGHT. Why did they not print them?

Mr. LONG. I assume there has been a delay because the bill was considered during the last part of the session. The legislative jam delayed the printing, I suppose, but, as I understand, the order was given to have the hearings printed. Of course, I can take no responsibility for the fact that the hearings in the House were not printed.

But it is the duty of the Senate to legislate with regard to the needs of the American people.

Mr. FULBRIGHT. I do not think the Senate should legislate, completely in the dark, on a bill which involves a minimum of $68 million in subsidies, without hearings, and with nothing at all to guide the Senate except, as Mr. COOLEY says, faith.

Mr. LONG. I should like the Senator from Arkansas to know that I am not anxious to go home. I would be willing to stay here for 2 or 3 months, if necessary. But the prevailing view at the moment happens to be that Congress should go home, so it seems to me that we should consider the sugar question for a few minutes. There is no objection to the bill on the part of the domestic producers or of any important segment of the sugar industry.

Mr. FULBRIGHT. Why should there be? There is nobody who is getting the protection which the sugar industry is getting. They ought to love it.

What is being done in the bill is to lower, relatively, the share of the market which Cuba and other countries have, which countries are the natural markets for rice and other American products. Rice is not the only product which would be affected by this legislation. Cuba is the sixth largest consumer customer of the United States for many things, such as lard, industrial machinery, and so on. I have a list of exports to Cuba which I shall place in the RECORD.

Mr. LONG. It certainly helps Cuba to be a good customer when we pay her 50 percent above the world market price for the sugar we buy from Cuba. But with regard to rice, certainly the Senator knows that Cuba has increased her rice production perhaps four- or five-fold. With Cuba producing all that rice, she is not going to buy as much rice from the State which the Senator from Arkansas represents.

Mr. FULBRIGHT. That is because the Senator would exclude Cuba's sugar. It is very clear why Cuba produces rice. She is forced to.

Let me finish reading the statement by Representative COOLEY. After the 1-hour debate on the bill, debate on amendments was limited to a total period of 20 minutes, giving each speaker approximately 45 seconds to express his opinion.

During the debate on the amendments, Representative MCCARTHY, of Minnesota, stated:

> The chairman of the committee argues that we should accept this bill on faith as there is not sufficient time for explanation. We have a right to have an explanation of the bill.

Chairman COOLEY replied:

> I had 30 minutes and I explained that it was impossible within 30 minutes for me to explain this bill and that the membership, of necessity, would have to take it on faith.

Can the Senator from Louisiana cite any example of Congress having been asked to authorize such an amount of money without any hearings having been held, and on the basis which the chairman of the House committee has stated, namely, that it was a complicated question, which he could not explain?

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Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. DOUGLAS. As I understood the Senator from Louisiana's argument, the Committee on Finance could not have been expected to hold hearings on H. R. 7030 until the bill had been passed by the House; and that, therefore, so long as the House had not passed the bill until Saturday, yesterday, or Monday, was the first day the Senate Committee on Finance could have considered it.

That may be true so far as H. R. 7030 is concerned, but I hold in my hand S. 1635, which was introduced on April 1 by the distinguished senior Senator from Louisiana [Mr. ELLENDER] and a large number of other Senators. A good deal of time has elapsed since April 1. It would seem there has been ample time for the Senate to have conducted hearings on that bill simultaneously with or parallel with the hearings held on H. R. 7030. Yet, so far as I know, S. 1635, while it has been read twice and has been referred to the Senate Committee on Finance, has not been reported by the committee. When I scanned the calendar this morning, I could not find the bill on the calendar.

So I agree with the Senator from Arkansas that what we are being asked to do by the Senator from Louisiana is consider this vitally important bill, upon which no adequate hearings have been held, and therefore to legislate in the dark.

Mr. FULBRIGHT. I thank the Senator for his contribution.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. MUNDT. I wonder if the Senator from Arkansas will advise the Senate whether or not the chairman of the House Committee on Agriculture was numbered among the supporters or opponents of this bill in the House.

Mr. FULBRIGHT. Frankly, I do not know. I did not look up the RECORD to see how he voted. I was looking to see what he stated about it.

Mr. MUNDT. I did not look it up to see how he voted, either, but it would appear to me to be a curious presentation if he did not vote for the bill. In 30 minutes he could have given considerable support with respect to the bill.

Mr. FULBRIGHT. The supporters are asking the Senate on the last day to suspend the rules, something which has never been done in history, and pass the bill. I assume that is the purpose of seeking to have the rules suspended. If it is passed in that little time, there will be very little opportunity to consider it. I know the bill has never received adequate consideration in this body. During the last debate on the bill in August 1951, I made a speech against it. I do not think anyone else made more than a gesture in opposition, and the bill passed with 4 votes against it.

Mr. ELLENDER. I was about to mention that.

Mr. FULBRIGHT. There is no secret about that.

I wish to give a few illustrations of why there were so few votes against the bill. Here are some of the reasons. Some reference was made by the junior Senator from Louisiana [Mr. LONG] to Florida. The United States Sugar Corp. of Florida received, in 1954, $702,000 in direct subsidies. Okeelanta Sugar Refining, Inc., received $119,000 in direct subsidies.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. HOLLAND. Is it not true that both companies paid sizably more than the amounts of those subsidies in processing taxes?

Mr. FULBRIGHT. No, it is not true. The people who bought the sugar paid. The company did not pay anything. All it did was collect the excise tax from the consumer. That is precisely how it works.

How picayunish are the claims of our domestic producers. The real big boys are Hawaii Commercial and Sugar Co., Ltd. In 1954 that company received $1,051,585. I think the sugar beet industry in this country should be ashamed of the little demand of $150,000 subsidy in a year. That amounts to an average of slightly more than $40 an acre. Of course, the acreage is growing.

When the program was started, it was not intended to challenge the industry, particularly the beet industry. As I said to the Senator from Louisiana, what I say about the beet industry does not apply to the cane industry. Sugar is a natural tropical product. It grows best in places like Louisiana, Cuba, and Jamaica, and it is a fine crop and a natural crop. I think the crop in Louisiana can stand on its own feet, but it is certain that the sugar beet industry in the West could not survive without this kind of subsidy. I have no objection to the industry surviving, but I do have objection to the use of subsidies to build up an industry which will destroy another industry such as the rice industry, which I think has as much right to survive as has the beet industry.

Mr. DWORSHAK. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. DWORSHAK. I do not believe the record would show that all the industry of the West has been subsidized. We produce only 28 percent of the sugar consumed in this country. Certainly there is little, if any, justification for contending that we ought to be entirely dependent on foreign sources of sugar.

So far as subsidies are concerned, the processors pay a tax, and the facts are that the Federal Government has actually had a profit through the operation of this tax. The purpose of the tax, I am sure the Senator from Arkansas understands, was to compensate the producers of sugar, particularly beet sugar, because of the imposition of high labor costs in the industry.

Actually, the record shows that the Federal Government has not collected taxes from the consumers of sugar except indirectly.

When we consider the huge subsidies paid, from taxes collected by the Federal Government, to the merchant marine, for instance, for operating differentials, in order to raise the standard of pay for American seamen, certainly there is little justification for contending at this time that the sugar beet industry of this country makes a showing that it requires a subsidy in order to operate profitably. I am sure the Senator will agree with that statement generally.

Mr. FULBRIGHT. I wish to say that I am certainly not now speaking to justify the subsidies paid to the merchant marine. We shall have to call on the Senator from Washington to do that.

I should like to make a comparison of the attitude of the administration toward cotton. We asked the Secretary of Agriculture to increase the relief by 5 percent. He would not think of doing it. As everybody in the Senate knows, he turned us down. He would not grant us relief as to cotton. Consequently, cotton cultivation has been decreased to 17 million acres.

I have in my hand a list showing the payments made to the various States under the sugar program. In Idaho the farmers received, in 1937, $1,180,543. In 1952 they received $2,596,000. That is an average of $806 per farm. I think that is more than the average net income of the farmers of my State from all crops. I am giving only the cash subsidies paid to the farmers in Idaho.

I do not blame the Senator for thinking this is wonderful legislation. I would probably think so if I were in his place. But when I think legislation is to be used to the detriment of legitimate farmers, such as rice farmers, I think it is inexcusable, and I believe proponents are going too far in seeking to increase their quotas at the expense of the markets of the farmers in my State. That is what would be done if the provisions of the act were to be extended 6 years. Congress would not have an opportunity to look at the question again for 6 years. The quotas would be revised, and the quotas for the people who buy our rice would be reduced relatively.

Mr. DWORSHAK. The Senator has made some allusions to Secretary Benson and his apparent sponsorship of the legislation. Surely the Senator from Arkansas knows that the original Sugar Act was enacted in 1935, and was extended in 1937, in 1941, in 1943, and in 1946. So far as Secretary Benson's responsibility is concerned, we cannot hold him liable for what took place many years prior to his becoming Secretary of Agriculture. I am sure the Senator is aware of that fact.

Mr. FULBRIGHT. Certainly I am. What I said was that he shows a very great inconsistency in his attitude between subsidies, if we may call them subsidies, in the way of support prices, as between cotton, certain other commodities, and sugar. He has been very critical of all other programs. I am sure the Senator remembers the speech the Secretary made in which he said he thought subsidies paid to farmers corrupted them.

I should think he would be very much ashamed of the corruption he is spreading in the sugar industry. They must be in terrible shape if the subsidy is affecting adversely their moral fiber.

Mr. DWORSHAK. Mr. President, will the Senator from Arkansas yield to me?

The PRESIDING OFFICER (Mr. BARKLEY in the chair). Does the Senator from Arkansas yield to the Senator from Idaho?

Mr. FULBRIGHT. I yield.

Mr. DWORSHAK. The Senator from Idaho has no desire to disparage either the cotton industry or the rice industry. Cotton and rice are exportable commodities, whereas in the case of sugar, we produce only from 28 to 30 percent of the sugar we consume. I am sure the Senator from Arkansas will not contend that we should forego the normal expansion of the production of beet sugar and cane sugar in the United States to meet increased consumption. In case of a war—as occurred during World War I—we would be at the complete mercy of the foreign producers of sugar, with the result that the price would rise to a very high point—as during World War I, when it rose to approximately 30 cents a pound.

Mr. FULBRIGHT. Did the Senator from Idaho refer to "normal expansion"?

Mr. DWORSHAK. That is right.

Mr. FULBRIGHT. Sometimes it amazes me, Mr. President, after some programs are considered paternalistic, to observe how enthusiastic some Members are about this program, in which the Government is used to pay a subsidy for the production of sugar.

Mr. DWORSHAK. I am not authorized to speak for the policy of the industry leaders regarding this matter; but I point out that the only reason why the processing tax was levied in connection with sugar was to compensate the sugar-beet growers for restrictive quotas and for the increased labor costs which were imposed on the industry by preceding administrations. That was not done because of anything the sugar-beet industry requested; it was for the purpose of being an offset to take care of compulsory labor policies which were forced upon the industry. That is what the record will show.

Mr. FULBRIGHT. I should like to see that record, for I have never heard of it. Does the Senator from Idaho mean to say that the Government forced the beet-sugar growers to pay high wages for the production?

Mr. DWORSHAK. That is entirely correct, for the labor standards were placed above the then existing wage levels; and in order to take care of that situation, the Congress in the late thirties levied the processing tax, to offset increased production cost. It was recognized that we must have a domestic cane-sugar industry and a domestic beet-sugar industry, so that we shall not be entirely dependent upon foreign producers.

Mr. FULBRIGHT. I do not think the Senator from Idaho would be correct in saying that we imposed minimum wages on farm workers in 1934.

Mr. DWORSHAK. It was for the handling of the beet-sugar crop. The date may not be that far back, but it was at least in 1937.

Mr. FULBRIGHT. Furthermore, I understand that it is the producer, not the processor or shipper, who receives that payment, is it not?

Mr. DWORSHAK. Yes, the producer receives compensation for the higher labor standards and wages placed on the industry.

Mr. FULBRIGHT. Of course, I am not an authority on labor legislation, I am frank to say; but it is news to me that by means of legislation there was a direct requirement for the payment of wages higher than the normal wages. If the Senator from Idaho means there was a general rise in wages, because of changing economic conditions, of course, that is true. But that was an indirect process.

Mr. BENNETT. Mr. President, will the Senator from Arkansas yield to me?

Mr. FULBRIGHT. I yield.

Mr. BENNETT. Perhaps I can shed a little light on this matter. Prior to the Democratic administrations in the 1930's, the raising of sugar beets in the West was a family business; and the laborious task of thinning and topping the beets was performed by the teen-age youngsters. In fact, the high schools regularly had "beet-sugar vacations," as they were called, in the spring and in the fall.

Congress then required the use of labor at the normal standards, and on a basis which would have put the sugar-beet industry out of business, if it had not been for the kind of relief provided by this measure.

Although the processing tax or subsidy, as the Senator from Arkansas calls it, goes to the producer——

Mr. FULBRIGHT. What does the Senator from Utah call it? Is it not a subsidy?

Mr. BENNETT. It is given to him in order that he may pay higher contracts to the producers. The producer—not the refiner—is the one who gets the benefit from this program.

Mr. FULBRIGHT. Yes; I agree it is the producer who receives the benefit. I hope I did not say anything to the contrary.

Mr. ELLENDER. Mr. President, will the Senator from Arkansas yield to me?

Mr. FULBRIGHT. I yield to the Senator from Louisiana.

Mr. ELLENDER. Let me state that prior to 1934, we had high tariffs to protect the sugarcane growers and also the beet-sugar producers.

When the Jones-Costigan Act was passed, instead of relying on the high tariff, the Congress decided on the quota system; and in order to offset the failure to collect the tariff, a sales tax of one-half cent a pound was imposed on sugar. As a result, in the case of a country such as Cuba, which then provided most of our offshore sugar, what happened was that the tariff, insofar as Cuba was concerned, was cut in half. By that method the producers of both sugarcane and sugar beets were protected, through the collection of the sales tax of one-half cent a pound. But in doing so, the law provided for a decrease in the tariff, so as to afford our neighbor, Cuba, more profit on the production of sugarcane. That, together with what the distinguished Senator from Idaho and the distinguished Senator from Utah have stated, was the reason why this excess tax was imposed, in lieu of the high tariff.

Mr. FULBRIGHT. Mr. President——

Mr. DWORSHAK. Mr. President, will the Senator from Arkansas yield, to permit me to make the record clear in regard to the processing tax?

Mr. FULBRIGHT. I shall be glad to yield in just a moment.

First, I desire to ask unanimous consent to have printed at this point in the RECORD a telegram from Gen. Carlos P. Romulo. In submitting the telegram for printing in the RECORD, I wish to read a brief paragraph of the telegram, as follows:

> If at this late hour in the session of Congress a full and fair presentation of the case for Philippine sugar might not be feasible, we believe we could get a fairer hearing if action on the sugar bill is postponed until the next session, since the principal provisions of the bill are not to take effect in the current year in any event.

Mr. President, I submit the telegram, for the information of the Senate.

The PRESIDING OFFICER. Is there objection?

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., *August 1, 1955.*

Hon. J. W. FULBRIGHT,
Senate Office Building,
Washington, D. C.:

As special envoy to the United States of President Magsaysay, of the Philippines, I appeal for your assistance in preventing an injustice to the Philippines which alone among foreign suppliers of sugar is being singled out for exclusion from participation in increased quotas. Due to increases in consumption of sugar in the proposed sugar bill, pending consideration by the Senate, we feel we need it the most because of trade deficits, inflation, and unemployment resulting from the destruction of our national economy in the last war. On June 14 I transmitted to the United States Government an expression of our anxiety at reports that proposed sugar legislation gave no participation to the Philippines in future increases of United States sugar consumption which provision is envisaged in the so-called Langley-Laurel agreement. Our people respect priority of American domestic producers but do feel a moral right to share in substantial quota increases allotted to offshore and foreign producers. During the period of war and the following period of reconstruction the Philippines was unable to market in this country 8 million tons of sugar of the quota to which she was entitled, and other foreign suppliers covered this deficit upon which the United States Government collected some $100 million in import duties. The sugar industry is among the first principal Philippines industries to recover from the ravages of the last war and is in a position to assist greatly in the solution of our problems of unemployment, trade deficits, and inflation. The stabilizing of our national economy would greatly aid us in our desire, after having successfully contained communism in our own country, to play a full part in containing it in our part of the world, where half of humanity lives, and where communism and neutralism are making gains.

If at this late hour in the session of Congress a full and fair presentation of the case for Philippine sugar might not be feasible, we believe we could get a fairer hearing if action on the sugar bill is postponed until the next session, since the principal pro-

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visions of the bill are not to take effect in the current year in any event.

Gen. CARLOS P. ROMULO.

Mr. FULBRIGHT. Mr. President, I also ask unanimous consent to have printed at this point in the RECORD a memorandum from John A. O'Donnell, counsel of the Philippine Sugar Association; and also a telegram from Joseph M. Creed, counsel of the American Bakers Association; and a telegram from W. E. Murray, president of the Philippine-American Chamber of Commerce.

There being no objection, the memorandum and telegrams were ordered to be printed in the RECORD, as follows:

MEMORANDUM TO SENATOR FULBRIGHT RE H. R. 7030, TO AMEND THE SUGAR ACT OF 1948

Mr. President, you are all aware of the fact that this body passed during the last 2 weeks amendments to the Philippine Trade Act, which amendments are now with the President of the United States. These amendments become effective in January 1956 and article III thereof authorizes the Philippines to ask for a portion of the increase in United States sugar consumption which occurs every year by reason of our population (135,000 tons per annum).

PHILIPPINE ECONOMY: IT IS STILL FAR FROM COMPLETE RECOVERY

The Philippine Islands, which always had a favorable balance of trade with us and with the world before the war, have piled up a tremendous deficit during the years of reconstruction and rehabilitation. It is significant to note in this connection that, in the 8-year period before the war, 1934–41, the Philippines had a total favorable balance of trade with the United States of $257 million (imports, $621 million; exports, $878 million); in the 8-year period after the war, 1946–53, the Philippines had a total negative trade balance with the United States of $1,268 million (imports, $2,861 million; exports, $1,593 million).

The country is still plagued by inflation and unemployment and has had to adopt strict currency and import controls. These conditions prevail, even though there have been pronounced strides toward full recovery.

There is no question in the mind of anyone familiar with that part of the world that the Philippines is determined to do everything possible to improve the stability of its economy, and to raise the standard of living of the people. Continued growth and expansion of Philippine industries could further the attainment of those goals much more effectively than any outside aid.

THE PHILIPPINE SUGAR INDUSTRY

The Philippine sugar industry emerged from World War II completely paralyzed with most of the factories destroyed and the farms laid waste and abandoned. Recovery and rehabilitation of the industry was handicapped by the universal shortages of machinery and equipment. Sugar plantations had to be reconditioned for resumption of sugar production but, due to the lack of cane seeds, shortage of work animals, agricultural implements and supplies, the area under cultivation could only be increased gradually. Consequently despite the efforts and sacrifices of both planters and mill owners and the generous assistance of the United States and Philippine Governments, it took the industry 8 years to completely recover its prewar status. In the 13-year period 1941–53, the Philippines could only ship to the United States 4,433,501 short tons out of its total quota of 12,376,000 short tons, thus giving up as deficits a total of 7,952,499 short tons.

These deficits totaling nearly 8 million short tons, valued at approximately a billion dollars, were filled by foreign suppliers, principally Cuba, which thereby benefited by the failure of the Philippines as a result of the war. The United States Government collected approximately $100 million in customs duties on these Philippine deficits supplied by Cuba and other foreign countries. It would therefore be but fair that now that it has recovered its prewar status the Philippines should be allowed to participate with these areas in any increase in the United States consumption. Any such increase accorded the Philippines will neither prejudice the present quota of any of these foreign areas, nor affect the quotas of the domestic areas, since the Philippines will only receive its proportionate share of any improvement in the United States sugar consumption.

CLOSE ECONOMIC TIES WITH THE PHILIPPINES

Further, please bear in mind that the Philippines has always had close economic ties with our country. It is the ninth best market for American exports. Seventy to eighty percent of its imports come from us. In 1953 we sold her $351 million of our products. Since so much is made of the effects of quotas on trade with this country, it is interesting to note that another foreign supplier with 200 percent more quota than the Philippines is buying only 20 percent more of American products. The dollars which our people spend in purchasing Philippine sugar and other products come right back to us in the form of purchases of American products which the Philippines so badly need for reconstruction and rehabilitation.

The Philippines is the first or second best foreign market for a large number of American products, among them cotton manufactures, cigarettes, dairy products, wheat flour, galvanized steel sheets, rubber and manufactures, fertilizer materials, toilet preparations, soaps, educational textbooks, and dozens of other products. They also are a big buyer of iron and steel products, mineral oil, automobiles and parts, electrical machinery, paper, chemicals and drugs, leather and manufactures thereof, silk and rayon manufactures, fruits, and other products.

The strengthening of our trade ties with the Philippines would be advantageous to both countries. In particular, it would aid the Philippines in bolstering her economy, thus ensuring a still higher standard of living for the people. This accomplishment, of course, would have far-reaching effects on the entire situation in the Pacific and the Far East. I repeat that the Philippines presents the showcase of democracy in that area, and that other countries of that region are closely watching the Philippines and everything that happens there.

Let me mention just a few more items in the structure of our connecting bridge with the Philippines:

Under our mutual-defense pact with the Philippines, we have established important military, naval, and aerial bases in their country.

Under our trade agreement with them our investments are guaranteed the same protection and privileges as those of their own nationals.

Under the dynamic leadership of President Magsaysay, the Philippines is undergoing a program of development and strengthening of her economy, so that she may better cope with the threat of communism.

The Philippine sugar industry is the first major industry of the country to fully recover from the effects of the war, and is in a position to contribute toward increased employment and improvement in her trade balances.

Despite the many difficult problems that beset the sugar industry, the industry is contributing its full share toward the support of the national economic structure. Resulting advantages in the Philippines are shared by the United States.

CONCLUSION

The Republic of the Philippines, friend, ally, and major purchaser of United States products, respectfully and earnestly asks that under any new sugar legislation, she be allowed to share in increases in quotas due to increase of United States consumption above present levels. The Philippines is not asking an increase in her basic quota. She only requests the reestablishment of the principle of proportionate sharing established in the original sugar-quota system, so that she may be given the same right enjoyed by all domestic and foreign areas to participate proportionately in increases in quota due to increase in United States consumption.

Such action would be in harmony with the unique economic relationship with the Philippines which our country established and a recognition of the loss to this courageous country due to the war of some 8 million tons which might have otherwise been exported to the United States. Finally, it is another manifestation of the interest of the United States in the development of the Philippines which is a major bulwark against the expansion of Asiatic communism.

PRESIDENT'S MESSAGE

In this connection, I should like to recall that on April 11 the President of the United States in a message to Congress stressed the need for intensifying our cooperation with the free nations of Southeast Asia in their efforts to achieve economic development and a rising standard of living. I quote from his message:

"The motivation behind this cooperation is twofold: Our fixed belief in the worth and dignity of the human individual whatever his race or flag may be, and our dedication to the principle that the fruits of national growth must be widely shared in every society.

"As a people we insist that the dignity of the individual and his manifold rights require for their preservation a constantly expanding economic base. We are convinced that our continued economic, cultural, and spiritual progress are furthered by similar progress everywhere. * * *

"We seek to evolve a consistent and stable economic policy which will assist free nations in their efforts to achieve a sound growth for their economies."

JOHN A. O'DONNELL,
Counsel, Philippine Sugar Association.

WASHINGTON, D. C., *July 31, 1955.*

Senator J. W. FULBRIGHT,
United States Senate:

Following wire sent today to Senator HARRY BYRD: "Understand your committee will hold hearing Monday morning on H. R. 7030 which would amend and extend Sugar Act of 1948. Industrial sugar users as consumers of over 65 percent of all sugar are vitally interested in this legislation. Users' and consumers' interests seriously damaged by bill as passed by House. Would greatly appreciate your scheduling us to testify." Appreciate any assistance you can give.

JOSEPH M. CREED,
Counsel, American Bakers Association.

NEW YORK, N. Y., *August 1, 1955.*

Senator J. W. FULBRIGHT,
Senate Office Building,
Washington, D. C.:

This chamber representing 130 major American firms doing business in and with the Philippines feels that the bill to extend the Sugar Act of 1948 now before the Senate discriminates against the Philippines, a country with which we have had special relations for many years, in that the Philippines is the only country omitted from consideration for a proportionate share of any sugar-quota increases to foreign suppliers resulting from increased United States consumption. We hope that the Senate will find time at this late hour to remedy this apparent

omission so as to give the Philippines an opportunity to strengthen its economy in the critical days ahead. The Philippines, our best and proven friend in the Far East, urgently needs whatever assistance is possible in helping to build their economy with the result a stronger democracy to back up the Philippines, the site of our most important air and naval bases in the Far East.

W. E. MURRAY,
President, the Philippine-American Chamber of Commerce.

Mr. FULBRIGHT. Mr. President, since there were no hearings, and since these persons did not have an opportunity to express their views on this question, I think the least we can do is print their communications in the RECORD.

Mr. DWORSHAK. Mr. President, I invite the attention of the Senator from Arkansas to Agricultural Information Bulletin, No. 111, of the United States Department of Agriculture, for July 1953, on page 15. The language is as follows:

Conditional payments are financed out of the general funds of the Treasury. However, a tax on sugar provides funds for the Treasury which more than offset the total of all conditional payments plus the costs incurred by the Department of Agriculture in administering the Sugar Act. This tax is in the amount of one-half cent a pound, raw value, on all sugar processed and imported for direct consumption. It is imposed on domestic processors, principally beet processors and refiners, and importers of direct-consumption sugar by the Sugar Act, through an amendment to the Internal Revenue Code.

As indicated in the section on proportionate shares, conditional payments act as an incentive to growers to adjust their production to the quota and carryover needs. But this payment system also has 3 other objectives. These other objectives are: (1) To help provide adequate incomes to growers; (2) to assure growers and field workers a fair sharing of returns to the industry; and (3) to prevent the employment of child labor in field work.

The first objective is accomplished by augmenting grower income through conditional payments. The second and third objectives are achieved by requiring growers to observe certain conditions in order to receive conditional payments.

Mr. FULBRIGHT. I do not think there is any dispute about it, but all subsidies are paid by taxes of one sort or another. Those taxes are paid by the consumers of America.

The PRESIDING OFFICER. The Chair advises the Senator from Arkansas that at 5 o'clock and 32 minutes the morning hour will have expired, and the unfinished business will be laid before the Senate. The motion now pending will lapse. There is not very much time left.

Mr. FULBRIGHT. The motion now pending will lapse at 5:32?

The PRESIDING OFFICER. It will. It can be renewed, if the Senator making it obtains recognition for that purpose.

Mr. FULBRIGHT. I can speak until 5:32, and it will lapse.

Mr. President, I wish to call the attention of the Senate to a study made by a member of the House Special Study Mission to Cuba, in the 83d Congress, 2d session which was printed for the use of the Committee on Foreign Affairs. It was made by Representative ALBERT P. MORANO, of Connecticut. It is an excellent description of Cuba's relation to this country, and points out the importance of Cuban trade with this country. Cuba is the sixth most important market. Among other things, in addition to rice, she bought $23 million of cotton, $18 million of lard, $30 million of chemicals, $28 million of automobiles, and so forth, totaling $426 million. So she is a very important customer of this country. The Sugar Act is the principal present limit upon any increase in that trade.

I also wish to complete the statement which I indicated a moment ago would bear out what I believe to be the truth with regard to rice.

In 1949–50 we exported to Cuba 6,111,628 hundredweight of milled rice. In 1950–51, the export figure for milled rice went up to 6,959,708. That figure dropped in 1953–54 to 4,655,390 hundredweight. During the same period, from 1950 to 1955, imports of sugar from Cuba to the United States declined from 3,265,088 short tons raw value, to 2,667,840, or a drop of not quite 1 million tons. However, relatively, and percentagewise, it is approximately the same amount. In other words, as we cut off the sales of sugar by Cuba to this country, sales of rice and other things to Cuba have been cut off. Rice is the principal product.

I do not think it is purely coincidence that the reduction in imports of Cuban sugar was accompanied by a reduction in our exports of rice.

The sugar bill is important, not because it is an item of defense—because I do not think it has any relationship to defense—but because of the extent of the subsidy which is collected from the consumers of this country.

A moment ago reference was made to Florida, which is one of the two cane-producing States.

As I said, I believe the cane producers are the legitimate producers of sugar. Insofar as they can supply the market in a natural way, I would have no objection if they were to participate in the same kind of support price subsidy—if we wish to call it that—or program that producers of other commodities, like rice, for example, participate in.

In 1953, as an example of the extent of it, Florida cane producers received $1,330,495. The average payment per farm was $53,220. Naturally, that is quite a sum of money. There is nothing comparable to that at all.

As I said a while ago, however, the Hawaiians are the greatest beneficiaries of the program, especially the larger growers. One of them, as I mentioned a moment ago, received $1,051,000. Then there are approximately 25 others who have received more than $100,000. There are several who have received over $300,000, and 2 or 3 over $500,000.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point a list, prepared by the Department of Agriculture, Sugar Division, dated August 1955, of the producers who have received more than $100,000.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Names of persons receiving Sugar Act payments of $100,000 (rounded to nearest dollar) or more

Name of producer	Amount of payment					
	1949	1950	1951	1952	1953	1954
HAWAII						
Hakalau Plantation Co	$163,902	$150,784	$133,839	$151,694	$166,920	$180,726
Hamakua Mill Co	215,398	234,544	235,271	247,724	291,793	282,935
Hawaiian Agricultural Co	318,698	308,085	320,733	306,657	313,439	311,534
Hilo Sugar Plantation Co	187,735	166,655	138,507	148,456	172,715	192,840
Honokaa Sugar Co	267,392	245,150	248,577	231,439	269,421	243,824
Hutchinson Sugar Plantation Co	169,150	160,866	156,710	176,577	192,448	163,104
Kaiwiki Sugar Co., Ltd	111,233	152,491	164,544	173,685	189,985	180,656
Kohala Sugar Co	329,718	356,786	374,432	352,851	404,602	300,527
Laupahoehoe Sugar Co	154,176	156,795	179,352	195,295	225,550	219,179
Olaa Sugar Co., Ltd	270,542	271,995	238,720	295,032	261,954	265,141
Onomea Sugar Co	180,275	147,556	113,804	163,743	201,628	200,196
Paauhau Sugar Plantation Co	140,893	149,417	159,764	172,298	176,535	176,446
Pepeekeo Sugar Co	167,277	171,124	154,454	175,589	194,619	203,524
Gay & Robinson	131,589	149,086	155,361	172,693	170,610	171,911
Grove Farm Co., Ltd	297,254	290,393	253,490	302,340	329,637	325,264
Kekaha Sugar Co., Ltd	394,386	375,705	364,661	392,831	388,238	397,586
Kilauea Sugar Plantation Co	122,825	119,781	123,777	133,563	157,771	145,205
McBryde Sugar Co., Ltd	262,012	266,985	270,892	292,851	294,385	285,441
Olokele Sugar Co., Ltd	260,061	270,457	289,384	288,729	308,685	288,002
The Lihue Plantation Co., Ltd	473,508	461,941	473,698	506,439	508,508	498,880
Hawaiian Commercial & Sugar Co., Ltd	954,849	974,940	1,028,502	1,011,005	1,085,695	1,051,585
Pioneer Mill Co., Ltd	355,598	397,691	437,180	391,671	433,037	457,358
Wailuku Sugar Co	219,844	242,421	234,159	208,979	244,946	271,718
Ewa Plantation Co	461,725	475,195	479,118	472,584	489,921	489,051
Kahuku Plantation Co	178,495	178,884	181,047	187,968	201,804	196,828
Oahu Sugar Co., Ltd	600,740	588,492	600,963	608,470	613,403	572,497
Waialua Agriculture Co., Ltd	483,601	510,227	522,311	524,113	450,332	547,710
FLORIDA						
U. S. Sugar Corp	592,452	615,026	658,835	789,158	750,633	702,564
Okeelanta Sugar Refinery, Inc	(1)	(1)	(1)	125,343	158,148	119,016
LOUISIANA						
Godchaux Sugars, Inc	(1)	127,675	(1)	135,124	138,488	(1)
South Coast Corp	177,418	232,478	165,863	226,256	234,416	(1)
Southdown Sugars, Inc	143,447	166,330	127,713	284,696	227,073	(1)

See footnotes at end of table.

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Names of persons receiving Sugar Act payments of $100,000 (rounded to nearest dollar) or more—Continued

Name of producer	Amount of payment				
	1949–50	1950–51	1951–52	1952–53	1953–54
PUERTO RICO					
Luce & Co.	$608,281	$617,988	$610,841	$555,599	(2)
Heirs of Miguel Esteves Blanes, deceased	142,600	166,707	154,701	140,143	(2)
Eastern Sugar Associates	429,992	344,622	388,236	336,668	(2)
Antonio Roig, successors	392,770	356,064	368,743	337,295	(2)
Sucesion J. Serralles	376,861	396,125	363,867	318,746	(2)
Mario Mercado e Hijos	112,484	119,704	116,589	110,194	(2)
Ramon Gonzalez Hernandez	107,618	(1)	131,877	109,748	(2)
Antonio Cabassa Vda	103,584	101,885	(1)	(1)	(2)
Heirs of Alfredo Ramirez Rossell	112,682	101,430	(1)	(1)	(2)

[1] Under $100,000.
[2] Not available at this time.

NOTE.—The above figures of payments were tabulated according to the records in the Washington office of the Sugar Division. Inasmuch as reports for processor-producers only have been received during the past few years, there may be some producers, other than processors, who have received payments of $100,000 or more. However, this is doubtful.

Mr. FULBRIGHT. It seems to me it is a very unusual program that can tax the American consumers to the extent that a million dollars is paid to one producer of sugar in Hawaii in 1954.

Where that has been beneficial to this country or to the consumers of this country, I am unable to say. It has grown until it has gotten completely out of proportion with respect to other agricultural programs. I am strongly against the continuation of the existing program.

In closing, I would not say that I would oppose any program for sugar. Of course I would not. As I said, particularly in Louisiana there may be some beet areas that may need some help, and I understand from the producers that the cost of labor and other things are such that they must have a subsidy to survive. However, I cannot understand the argument that we must follow this kind of program for an uneconomic agricultural commodity.

Mr. LEHMAN. Mr. President, I have prepared a statement with regard to the pending sugar legislation. I ask unanimous consent that the statement be printed, together with the attached exhibits, at the conclusion of the remarks of the Senator from Arkansas.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR LEHMAN

Grave questions are raised in this revised bill. Provisions have been included which, on the merits, would justify my vote against this bill, even though I was a cosponsor of it in its original form.

There is, in section 6, an unsupportable discrimination against Puerto Rico and the Virgin Islands which, in the allocation of extra quota, are placed in a subordinate position to the mainland areas.

I cannot agree to such discrimination. I am unalterably opposed to it.

There is still another defect in this bill—the treatment of the Philippines. I think the Philippines should be given a preferred position.

The treatment accorded the Philippines is not as favorable as it should be. I hope this can be remedied. I hope it will be remedied.

Returning to the question of Puerto Rico, let me recite my association with this legislation.

I have been interested in the complex problems connected with the pending amendments to the Sugar Act. While I have had some reservations as to the precise terms of S. 1635 introduced by the distinguished chairman of the Senate Committee on Agriculture, the senior Senator from Louisiana. I was pleased to join with him, and 48 of my colleagues in sponsoring these amendments.

While my concern with this legislation goes to many facets of this problem, including its implications for our foreign relations, its effect on labor standards, the necessity of providing safeguards for the sugar producers and refining industries in the United States, and the interests of our consumers, I wish to direct my remarks to the problem surrounding the quotas allocated to Puerto Rico.

At the time I joined as a cosponsor of the proposed Sugar Act amendments, I wrote the distinguished chairman of the Senate Agriculture Committee concerning my reservations dealing with direct consumption sugar import discriminations against Puerto Rico.

I attach hereto this exchange of correspondence to be printed in the RECORD. (See exhibit I).

When the sugar legislation was before the Senate in August 1951, I expressed the hope that the refined-sugar restrictions in the act would be surveyed. I attach hereto an extract from my remarks at that time. (See exhibit II.)

Since that time impartial commissions of outstanding public men, appointed by President Truman and President Eisenhower, have emphasized the need of alleviating these restrictions placed on our insular producers. I attach hereto the appropriate extracts from both the Bell committee report and the Randall commission report on this point. (See exhibit III.)

Unfortunately, many of these unwise restrictions remain in the bill now before us, and we still follow the unwise practice of treating domestic offshore areas such as Puerto Rico on a different and less favorable basis than that given to our mainland producers and refiners.

I would like to bring to the attention of the Senate the fact that 18 years ago, President Franklin D. Roosevelt, on the occasion of signing the sugar bill enacted by the Congress in September of 1937, inveighed against the restrictions contained in that bill on the shipment of refined sugar from Hawaii, Puerto Rico, and the Virgin Islands. President Roosevelt stated as a condition of his approval of the bill that he had been given assurances of the termination of these restrictions in future sugar legislation. Unfortunately, some 18 years later, these restrictions are still with us, and are contained in the present bill before the Senate.

I attach hereto extracts from President Roosevelt's message at that time. (See exhibit IV.)

Turning to the specific problem of Puerto Rico as we find it in the present proposed legislation, I would point out that when the first sugar program was enacted in 1934, Puerto Rico was given the right to ship to the mainland 15.5 percent of its total quota in the form of refined direct-consumption sugar. In the ensuing years the percentage of refined or direct-consumption sugar portion of the Puerto Rican quota has been gradually reduced to the 11.7 percent we now find in the present bill. This has been a result of the failure to increase the refined quota for Puerto Rico as the total quota has been increased. Under the pending measure it is proposed to make this smaller percentage permanent.

I realize the difficulty of amending the pending measure on the floor at this late point in its consideration. I have given consideration to proposing an amendment which would restore the original percentage of 15.5 of refined Puerto Rican sugar which could be brought to the mainland. I feel that such an amendment is more than justified—since it would only give recognition of the proportion which was originally provided for in the original 1934 legislation.

I will not offer such an amendment today. I do hope that the Senator from Louisiana can agree with me that this is a matter which needs further study, and perhaps congressional action during the next session of Congress. A very small increase in the refined quota for Puerto Rico would have far-reaching implications for the economy of this island which is confronted with a multitude of economic difficulties. On the other hand, such an increase would result in an infinitesimal reduction of the mainland refined quota.

In conclusion, Mr. President, I wish to say to the Senator from Louisiana, and to the others who have struggled with this complex problem, that I realize some benefits will accrue from this legislation for the people of Puerto Rico. I had hoped that they would be greater than they are, but I appreciate the pressures and difficulties which go with the drafting and passage of such a complicated bill.

EXHIBIT I

APRIL 1, 1955.

Senator ALLEN J. ELLENDER,
United States Senate,
Washington, D. C.

DEAR ALLEN: I was very pleased to join with you in the introduction of a sugar bill to replace the Sugar Act of 1948. From all I can ascertain from a study of the bill, it is sound legislation—which has my support—with one reservation which I shcuild like to bring to your attention.

First, let me say that my main interest in this bill—aside from the interest of New Yorkers as consumers—derives from our close association with Puerto Rico. We feel a special kinship with Puerto Rico and a special obligation to advocate and defend her interests in Congress and elsewhere.

The provisions of your bill dealing with direct consumption of refined sugar have, in my judgment, a severely discriminatory effect upon Puerto Rico. I cannot see why Puerto Rico should not be permitted to grind and mill all the additional tonnage of sugar which she is permitted to grow under the terms of your proposal. This would not take away from the mainland refineries any of the work they now have, as far as Puerto Rico is concerned, and would, at the same time, recognize, to some degree, the principle that Puerto Rico is an integral part of the United States and should not be discriminated against.

If an amendment to achieve the above purpose is offered on the floor of the Senate, I shall surely support it.

In other respects, without regard to constructive suggestions for the improvement of the bill of which I am not now aware, I am in favor of the bill as introduced.

With kind personal regards, I am

Sincerely,

MAY 2, 1955.

Hon. ALLEN J. ELLENDER,
United States Senate,
Washington, D. C.

DEAR ALLEN: Thank you very much for your letter of April 26, and for your good recognition of my support of your sugar bill.

I have heard more from my cosponsorship of this bill than from almost any other bill I have cosponsored this year. Not all that I have heard has been complimentary to me. I hadn't really realized how controversial a sugar bill could be.

About the refined sugar quota, and your comment on my reservation regarding it, I have heard very recently from my Puerto Rican friends, including Governor Muñoz-Marín. He feels very strongly that the principle involved is a most important one and he urged me strongly to press the point I had made.

I do not, of course, know what I shall do when the bill comes to the floor—whether or not I myself will propose an amendment. I greatly hope that something can be worked out that is satisfactory to the Puerto Ricans, before the bill is reported. In any event, I will bear in mind your viewpoint on the matter.

Yours very sincerely,

———.

UNITED STATES SENATE,
COMMITTEE ON AGRICULTURE
AND FORESTRY,
April 26, 1955.

Hon. HERBERT H. LEHMAN,
United States Senate,
Washington, D. C.

DEAR HERBERT: I was very glad to get your letter of April 1. Believe me, I was pleasantly surprised when I looked in the CONGRESSIONAL RECORD the morning after I introduced the sugar bill to find that you had added your name as the 49th cosponsor. Your support will mean much to us in our efforts to get sugar legislation enacted this year.

I am very sympathetic to the problem that you mention in your letter, but I do hope that the question can be postponed for sometime in the future. What we are trying to do this year is to get the law changed so that the domestic producing areas, including Puerto Rico, can get a reasonable share of the increase in consumption that occurs each year as a result of our population growth. As you know, under the present act we are precluded altogether from sharing in this increase, and 96 percent of it goes to Cuba. The important thing this year is to get an adjustment in the method of allocating this annual increase in consumption, and I sincerely believe that the best interests of the Puerto Ricans will be served if they support the bill which you and I have sponsored in the Senate.

With kindest personal regards and best wishes, I am

Sincerely,

ALLEN J. ELLENDER,
United States Senator.

EXHIBIT II

JULY 29, 1955.

[From the CONGRESSIONAL RECORD, vol. 97, pt. 8, p. 10506]

Mr. LEHMAN. * * * I am advised that the House committee report contains the suggestion that it would be desirable at some future time, not now, to resurvey the allocations of refined sugars. I simply want to express the hope that that will be done in due course.

Mr. ELLENDER. Yes. Of course, there is nothing to that effect in the bill itself. It is only a suggestion which appears in the House committee report.

Mr. LEHMAN. I understand that, but it seems to me a very equitable and fair suggestion, and I wish to associate myself with it.

EXHIBIT III

JULY 29, 1955.

[From the Bell committee report]

A REPORT TO PRESIDENT TRUMAN BY THE PUBLIC ADVISORY BOARD FOR MUTUAL SECURITY, FEBRUARY 1953, ON A TRADE AND TARIFF POLICY IN THE NATIONAL INTEREST

The entire increase in sugar supplied by foreign and insular producers should be permitted to be imported in the form of either refined or raw sugar. It is unjust to limit severely the proportion of their quotas which these producers can ship as refined sugar. If some expansion of the refining industry were to take place in Cuba or other off-shore areas as a consequence of a more liberal policy on refined sugar, this would represent a logical industrial development for those areas. It would be consistent with United States policy of encouraging economic development and stimulating private investment in underdeveloped countries.

* * * * *

In the staff report to the Randall Committee Report of January 1954 to President Eisenhower (Report of the Commission on Foreign Economic Policy), the following criticism is given of the sugar program.

(2) Through special quotas limiting shipments of refined or "direct-consumption sugar" to the continental United States, mainland sugar refiners are given absolute protection at the expense of those in Puerto Rico, Cuba, and the Philippines—representing a denial to these supplying areas of a kind of industrial processing that is highly appropriate to their resources.

EXHIBIT IV

JULY 29, 1955.

[From President Roosevelt's statement of September 1, 1937, upon his signing of the sugar bill]

Since the passage of the bill I have been given the following assurances by Senators representing the great majority of continental sugar producers:

1. That their primary interest in sugar legislation is to afford protection to the growers of sugar beets and sugarcane in all domestic sugar producing areas of the United States, and when the Sugar Act of 1937 comes up for renewal they will endeavor to deal with the question of refined sugar quotas in a separate measure.

2. That they recognize the fact that Hawaii and Puerto Rico and the Virgin Islands are integral parts of the United States and should not be discriminated against.

3. That when the refined sugar quotas for Hawaii, Puerto Rico and the Virgin Islands are terminated, they will endeavor to enact legislation providing that minimum labor standards in sugar refineries in these offshore areas shall not be lower than the minimum standards in refineries on the mainland.

4. That in future legislation they will see to it that the American housewife is protected adequately.

I have received similar assurances from responsible leaders of the House of Representatives. In view of these assurances, therefore, I am approving the bill with what amounts to a gentlemen's agreement that the unholy alliance between the cane and beet growers, on the one hand, and the seaboard refining monopoly, on the other, has been terminated by the growers.

NOTE.—With respect to No. 3 above, the Federal Minimum Wage of 75 cents per hour has been applied to the Puerto Rican Refined Sugar Industry, since the above statement.

Mr. ELLENDER. Mr. President, I should like to ask the indulgence of the Senate for a few minutes, in order that I may correct a few misstatements made by my friend from Arkansas [Mr. FULBRIGHT] with regard to sugar production.

As I said during the colloquy, the original method of protecting the domestic sugar industry against cutthroat foreign competition was by tariff. As I remember, such sugar tariff legislation—the first of which was passed in 1789—provided for tariffs which ranged from 1 to 3 cents a pound. A sugar bounty was in effect for a time. In 1894 a new tariff was levied and a protective sugar tariff remained in force until the present sugar program became law. In 1934, when the Jones-Costigan Act was placed on the statute books, a new method of protecting our domestic sugar producers was devised. In order to protect the domestic sugar industry of the United States, a series of quotas was set up. High domestic production costs made it necessary for us to subsidize the domestic producers in order to keep consumer prices low and to assure our own industry's continued existence. To pay this subsidy, a tax of half a cent a pound on all sugar processed in this country was placed on the statute books, and the proceeds from that tax have been used to pay production subsidies, and also used to offset the effect of preferential tariff treatment awarded to Cuba. Cuba presently pays a tariff of one-half cent a pound on sugar sold in the United States, compared with 0.625 cent a pound by so-called full duty countries.

Experience has proven the wisdom of the decision of Congress to abandon the cumbersome protective tariffs—which subjected our consumers to wildly fluctuating prices, and brought panic to world markets on occasion—in favor of a system of production payments and quotas.

In the legislative provisions of the Sugar Act, and in its administration, the United States has been very good to Cuba. Cuba has been given for many years a preferential tariff rate on sugar sold in this country. The tariff on sugar has been cut 75 percent since the initiation of the quota system.

The Senator from Arkansas stated that if Cuba fails to continue to expand its sugar market in the United States, it will not be able to continue to buy rice. That is not so. The reason Cuba is not buying as much rice today as she bought from us 4 or 5 years ago is that Cuba has increased its rice production from an average of 431,000 bags in 1935–39 to about 3 million bags at this time.

Cuba, Mr. President, gives good protection to its rice industry. How? Why, the Cubans protect the ricegrowers of Cuba by a tariff—a relatively heavy tariff of $1.85 on every 100 kilograms of rice that is imported into Cuba from United States sources. That is how Cuba protects her rice industry. That is why Cuba is able to increase her rice production, and that is why Cuba is buying less rice from the United States.

We have a treaty with Cuba under which Cuba is to take a minimum of 3,250,000 quintals—a quintal is a little more than a hundred pounds—of rice from the United States at a preferential tariff rate of one-half the regular Cuban rice tariff. In addition the United States is supposed to be permitted to market in Cuba the difference between Cuban rice

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production and Cuban rice consumption. Last year Cuba was supposed to have announced this supplemental quota by July 1.

Up to this time Cuba has never done so. In addition, although this year the announcement date of that supplemental quota has been set at later in the marketing year by means of negotiations between Cuba and the United States, I understand the Cuban Government has imposed unreasonable restrictions on American rice imports and is thus still in violation of certain technical provisions of the United States-Cuban Rice Treaty.

With respect to the so-called decrease in the amount of sugar that Cuba has been selling to the United States, which the Senator from Arkansas referred to, that decrease is more apparent than real. It is easily explained.

When the Sugar Act of 1948 was enacted, Cuba was awarded the right to fill the entire deficit in quotas assigned to the Philippines. It will be remembered, I am sure, that as a result of World War II, the Philippine sugar industry was badly crippled. The Philippines could not produce sufficient sugar to fill their quota. Cuba, under the 1948 act, supplied the difference.

As the sugar industry of the Philippines recovered from the ravages of World War II, the deficits in quotas assigned to that nation grew smaller. As they dwindled, so did the amount of adjusted-quota sugar supplied by Cuba.

For instance, in 1948, the Philippines were entitled to ship to us 974,000 tons of sugar. She did not produce that much. Her adjusted quota was only 252,000 tons. The difference between what she could have shipped to the United States under her quota and what she actually did ship us—722,000 tons—was made available to Cuba. And Cuba was also given a proportionate share of all deficits from the domestic producing areas, including Hawaii.

In addition to the amount of sugar that Cuba was permitted to market by means of filling deficits in other areas, the 1948 act also provided that 96 percent of the increased consumption of sugar in the United States—consumption due primarily to increased population—was awarded to Cuba. The remaining 4 percent went to other foreign countries—full duty countries.

Under the 1948 act, domestic producers—and domestic producers include mainland cane and beet growers, as well as Puerto Rico, Hawaii, and the Virgin Islands—were anchored to a fixed quota. The quota for mainland beet producers was set at 1,800,000 tons, and the quota for the mainland cane area was 500,000 tons. These quotas have remained unchanged since that time.

When the 1948 act was passed, none of us expected that our population would increase to the extent it has.

As a matter of fact, the record shows now that our population has increased at the rate of some 2,700,000 persons per year. Of course, that increase in population has brought with it a greater consumption of sugar and sugar products. Because of that increase in population, consumption of sugar in the United States has increased by a little over a million tons per annum since 1948.

Ninety-six percent of that one-million-ton increase has gone to Cuba. Not an ounce has been used to increase the painfully inadequate quotas imposed upon domestic producers 7 years ago.

For 7 years domestic sugar producers have been chained to fixed quotas. For 7 years our American sugar farmers have seen 100 percent of all increases in America's consumption of sugar flow to Cuba and other foreign nations. In that same period our cane and beet farmers have constantly sought to increase their efficiency. By using new, high-yielding varieties, developed by the Department of Agriculture, they have been able to make each acre of land produce more sugar. In true American tradition, by utilizing recent advances in mechanical planting, weeding, and harvesting, the domestic sugar producers have paved the way toward supplying a larger portion of the American demand for this "white gold."

The only roadblock in the way of our own farmers producing more of the sugar which Americans consume is a patently outmoded Sugar Act.

Earlier this year 47 Senators joined the distinguished Senator from Utah [Mr. BENNETT] and myself in proposing much-needed and absolutely fair amendments to the Sugar Act. Under these amendments domestic cane and beet producers would have received modest quota increases; they would also have had restored to them the right to supply 55 percent of future growths in American sugar consumption. This right was waived temporarily in 1948 in order to permit our Cuban neighbors to adjust their peak wartime production to more realistic peacetime levels.

Our bill, Mr. President, was a minimum-relief bill. We asked nothing which our farmers did not deserve. We proposed nothing which could not be fully justified—on the basis of economic necessity as well as fairness and justice to all concerned.

Under our Constitution, all legislation affecting revenue must originate in the House of Representatives. The Sugar Act involves a processing tax; certain features of the Sugar Act provide a source of revenue, from which are paid funds designed to compensate our farmers for their high production costs—compared to low-paid tropical labor—and, at the same time, keep consumer prices at reasonable levels.

Thus, until the House of Representatives acted upon the sugar bill, the Senate could not move a step forward. A number of House bills proposing amendments to the Sugar Act—all of which were practically the same—were introduced in March. The House Committee on Agriculture and Forestry held a number of hearings on these bills. Public hearings began on June 22 and terminated on June 29. An executive hearing was held on July 19. Finally, a sugar bill was reported, but not until July 22. Included in this bill were a number of controversial features—complicated provisos, including the brand new idea of applying the controversial 90 percent of parity price support concept to overquota sugar—a concept that to my knowledge not a single member of the sugar industry asked for or wants.

The House Rules Committee first considered the bill this past Wednesday, July 27, but because of the complicated and highly controversial provisions added by the House Agriculture Committee decided against permitting the bill to go to the House floor for debate. I understand that the consensus of the Rules Committee was that the bill as reported involved a number of new considerations and, therefore, should be given careful study by all Members of the House. Since at that time the target date for adjournment was only 4 days away, the Rules Committee decided to withhold action on approving a rule permitting debate on the bill.

It is my understanding that on the next day, Thursday, July 28, the House Committee on Agriculture and Forestry advised the Rules Committee that certain controversial sections of the bill would be deleted from the bill, including the 90 percent of parity support proviso. The Agriculture Committee at the last minute thus cleared the way for Rules Committee approval of a sugar bill for House debate. This, the Rules Committee did. Subsequently, the House debated and passed the bill, but not until 6 p. m. Saturday, July 30, and the bill as passed was still a far cry from the bills which had been introduced originally.

On Monday, Mr. President, the House bill came to the Senate. It was read once as a prerequisite to being referred to the Finance Committee. The junior Senator from Arkansas [Mr. FULBRIGHT] objected to the second reading. As a result the bill could not be referred to Committee before today.

Realizing that it was impossible to amend a bill over which it had no jurisdiction and seeking to expedite action on this urgently-needed legislation, the Senate Finance Committee agreed to report out S. 1635, the bill I introduced, in a modified form. This, the junior Senator from Louisiana [Mr. LONG] sought to do, but there was objection. The report could not, under the circumstances, have been filed before today. Under the rules, unless unanimous consent were granted, the bill could not be taken up until one day more had elapsed.

It was at this point that, yesterday, my colleague gave notice in writing that he would today seek to suspend the Senate rules and take up the House bill from the floor, without it being referred to the Finance Committee. It was to this parliamentary maneuver—a maneuver prompted solely by the dilatory tactics of two Senators who opposed this legislation—that prompted the junior Senator from Arkansas [Mr. FULBRIGHT] to raise his voice in opposition to the tactics being used. He has said, among other things, that the bill is a complicated one.

Mr. President, the original House bill was complicated. Even the modified bill—the bill passed by the House—had technical complications. But the amendments to the House bill, which had been approved by the Finance Committee, and which we sought to attach

to the House bill, would have rendered the bill very clear and understandable.

The Senator from Arkansas [Mr. FULBRIGHT] also complained because no lengthy hearings were held by the Finance Committee. Actually, no prolonged hearings were necessary. The reason for that is that the entire industry—all the producers of beet and cane sugar, as well as the refiners—had no objection to the bill. The bill was in the same category as the bill in 1948.

In 1948 the sugar bill was prepared by the industry. All those interested took part in its preparation. After it was prepared, the bill was introduced in the Senate and in the House. It was presented to the respective committees of the two Houses and, after brief hearings, the bill was reported to the Senate and to the House.

The bill was then presented to this body and discussed. As I remember, the only opposition to the bill came from the distinguished Senator from Arkansas who made his usual speech, as he did today, trying to ridicule, in a way the philosophy behind our bill, behind the Sugar Act, including the subsidies which are paid to those who produce sugar in this country.

Mr. HOLLAND. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield for a question.

Mr. HOLLAND. Is it not true that at the time the distinguished Senator from Arkansas opposed the sugar bill so strenuously in 1948, and again in 1951, instead of selling at a distress price such as it is at present, the rice crop of his State and other rice-producing States was selling away above parity?

Mr. ELLENDER. I think it was selling at 129 or 132 percent of parity.

Mr. HOLLAND. The distinguished Senator from Arkansas, in pleading with reference to the distressed situation of the rice producers and for the situation in Cuba, has made a completely different argument from that which he asserted with equal vigor and equal enthusiasm in 1948 and 1951. Is that correct?

Mr. ELLENDER. That is correct. As I pointed out a while ago, Cuba is anxious for us to purchase all the sugar she can produce, but when it comes to the purchase of rice from us, Cuba says, "No; we want to produce our own rice." As I indicated a while ago, Cuba's rice production has increased from a 430,000-bag average for the years 1935–39 to around 2,500,000 bags last year. That is why Cuba today is not buying as much rice from the United States as it bought in former years, and to try to pin the blame on our domestic sugar program is simply not being accurate.

I should like to point out also, Mr. President, that Cuba is protecting her domestic rice-producing industry by imposing on the rice we sell to her a duty of $1.85 per 100 kilograms. It is inevitable that fewer pounds of Cuban sugar would be sold in the United States if we imposed a 2- or 3-cents-a-pound excise tax upon Cuban sugar imports. I dare say that if we treated Cuban sugar in the same manner that Cuba treats American rice, there would be very much less Cuban sugar sold in this country.

Mr. BENNETT. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. BENNETT. If the Senator from Arkansas had his way and the bill were defeated and Cuba had to sell its sugar on the American market on the world market price, how much money does the Senator think there would be with which to buy rice?

Mr. ELLENDER. The answer is "none."

The point is that we have a State Department which tries to force us to toe the mark in our dealing with Cuba and other foreign countries, but when it comes to protecting our agricultural producers in their dealings with foreign countries, we get no help. As I pointed out a while ago, under a treaty which now exists, the Cubans gave us a preferential right to supply their rice deficit, but in the past 3 or 4 years the Cuban rice deficit has decreased substantially, and today Cuba is producing half of the rice she consumes.

Mr. President, I quoted some statements made by Representative COOLEY, chairman of the House Committee on Agriculture—the committee which considered the sugar bill. Now, the bill may be complicated to Representative COOLEY; I doubt if he would recognize a stalk of sugarcane if he saw it, because neither sugarcane nor sugar beets are grown in his State. I do not mean to be unkind to the distinguished chairman of the House Agriculture Committee, but I do not believe he was able to grasp the situation in which the sugarcane industry as well as the beet-sugar industry, finds itesIf today as a result of the fixed quotas that were placed on domestic producers of sugar under the 1948 act.

Mr. President, I should like to point out that the only purpose of the bill which was introduced by me last April—a bill which was cosponsored by 48 Senators—was to grant relief to the domestic producers of sugar from expected increases in sugar consumption, and it was not designed to take away from Cuba any of her fixed quota. If the bill which was introduced by us in the Senate last April had been enacted, Cuba would have obtained this year, in 1955, practically the same amount of sugar quota that she had in 1954.

The Senate bill provided a benchmark of 8,200,000 tons from which to start. This figure represents the approximate amount of sugar consumed in the United States last year. The Secretary of Agriculture's final consumption estimate might have been 50,000 tons more than that, but actual consumption was just a few thousand tons of sugar above 8,200,000. So, for the purposes of our bill, the benchmark was fixed at 8,200,000 tons, thereby assuring Cuba of obtaining this year approximately the same quota that she obtained last year.

What was intended by the bill was to provide an additional quota to the domestic producers of sugar—mainland cane, mainland beet, Puerto Rico and the Virgin Islands—of 188,000 tons, not to be taken from the quota of Cuba, the Philippines, or any other country or area, but solely out of the anticipated annual increases in the amount of sugar to be consumed in the United States resulting from increases in our population. That annual increase, Mr. President, is estimated to be an additional 135,000 tons of sugar.

Under our original Senate bill, from the first increases in consumption above 8,200,000 tons—increases due, I repeat, to the increasing United States population—the beet area would have received 85,000 tons, the cane area 80,000 tons, Puerto Rico 20,000 tons, and the Virgin Islands 3,000 tons, or a total of 188,000 tons to come out of the increases in consumption over and above the base, or benchmark quota of 8,200,000 tons. Then, Mr. President, after the 188,000 tons had been satisfied, the increased consumption due to increased population was to have been divided, under our original bill, 55 percent to the domestic producers, and 45 percent to the foreign producers, including Cuba. Cuba, as a preferred customer of ours, would have received 96 percent of the 45 percent set aside for foreign countries out of the increased consumption due to increased population; and the full-duty countries, which would include Peru, Mexico, the Dominican Republic, and a few others, would have received the remaining 4 percent of the 45 percent.

The State Department objected to our original bill on the ground that the bench mark—that is, the 8,200,000 tons—was a little too low. Representatives of the State Department appeared before the House Agriculture Committee and suggested that the benchmark be increased to 8,350,000 tons, instead of the 8,200,000 tons, as provided by the original Senate bill. The House Agriculture Committee acceded to the State Department's recommendation.

Instead of accepting the 55–45 proviso which was in the original Senate bill—and which I understand was acceptable to the State Department—the House adopted a formula of its own, whereby instead of dividing the increased consumption due to increased population on a basis of 55 percent for domestic producers and 45 percent for the foreign producers, the distribution of increased consumption was made on a 50–50 basis.

In the division of the 50 percent which was to be allotted to foreign countries, Cuba was allotted from 0 up to 17,000 tons, instead of 96 percent of 45 percent, as was provided in our bill. Of course, the State Department objected to the House committee's formula, and so did the Cubans, quite vociferously.

It will be recalled, Mr. President, that when the Senate bill was introduced, the Cuban lobbyists, Americans who were paid high salaries in this country, began to lambast, with all their might, the Senate bill. They stated that Cuba would be deprived of a large amount of her traditional sugar quota in the United States, and that, if deprived of any of her sugar quota, Cuba would not be able to continue to buy on the United States markets.

Instead of painting the picture as it really existed, the Cuban lobbyists so exaggerated and distorted the situation that neither the House committee nor anyone else believed them. Today, I understand, the Cubans are satisfied with

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the bill which was reported yesterday by the Senate Committee on Finance.

Mr. President, the House did not pass the sugar bill until late Saturday evening. It did not clear the lower chamber in time to be received in the Senate and referred to the Senate Finance Committee on that day. I did not anticipate, nor do I suppose any other Member anticipated, that the Senator from Arkansas [Mr. FULBRIGHT], or any other Senator, would object to the bill's being referred to the Committee on Finance on the same day of its receipt in the Senate. That procedure is followed in this body every day. Under the rules, if a House-passed bill is received today, it must be read twice before being referred to a committee. If any one Senator objects to its being read the second time on the same day it is received, the second reading must be postponed to the following day. On this occasion the Senator from Arkansas—and he was within his rights in doing so—objected to the second reading of the House bill on Monday and insisted instead on having the bill read once on yesterday and the second time today. That was the reason why the Committee on Finance, when it met Monday at 10:30 a. m., did not have the House bill before it. While the bill was before the Senate, it was not referred to the committee because the Senator from Arkansas insisted on the very letter of the rules being followed with respect to this bill. The Committee on Finance had before it only the original Senate bill, which I and 48 other Senators introduced last April.

In any event, Mr. President, both the Senate and House bills were considered by the Senate Finance Committee. The amendments which were made to the language of the House bill, in my humble judgment, satisfied not only the Cubans, but also the State Department, in that the base quota or bench mark was fixed at 8,300,000 tons. Although the State Department has asked that it be set at 8,350,000 tons, I believe they will agree to the 8,300,000 tons placed in the bill by the Senate Finance Committee.

Mr. President, with respect to the division of the increase in the consumption due to increased population, which the bill allocates to foreign producers, we reverted to the formula which was included in the original Senate bill, with one exception, namely, that instead of Cuba getting 96 percent of 45 percent, the Finance Committee bill provides that Cuba shall receive 60 percent of the 45 percent specified for foreign producers, while 40 percent of the 45 percent would be allocated to the full duty countries. That division, as I understand, is now acceptable to the Cubans.

The amendments to the House bill which we sought to present to the Senate today would have made the House bill simple, practical, and effective. If the amended bill could have been called up, it would have met not only with the blessing of the entire sugar industry—domestic, as well as offshore foreign producers—but also the American refiners.

I was very much disappointed that my good friend from Arkansas objected to our taking up the bill before adjournment. It is really an emergency measure, Mr. President.

Without the passage of this bill, or without something being done between now and next January, as my colleague, the junior Senator from Louisiana stated a while ago, the sugar producers in Louisiana face a further cut in 1956 which may be as high as 30 percent in the base acreage.

If there had been an increase in sugar cane acreage in Louisiana and Florida since 1948, there might be good reason to criticize our domestic growers and charge expansion, but I wish to say to the Members of the Senate that the mainland sugarcane acreage has remained practically stationary between 1948 and 1953. And in 1954 there was a cutback totaling 10 percent of the base acreage, and again in 1955 a cut-back of 18 percent. As a result of good weather—that is, rain at the proper time and no early freezes to destroy the sugarcane—our growers have exceeded their quotas for each of the last few years, so that there are now some 230,000 tons of overquota sugar which our producers cannot sell.

The purpose of this year's sugar bill is simply to remedy that situation, in the hope that the 30 percent cut which is in the offing for 1956 can be averted.

I repeat, the bill is not complicated. It is very simple. It does not touch the present law in any respect. It deals primarily and solely with increased consumption due to increased population.

The only problem the bill deals with is an equitable distribution of our constantly increasing consumption of sugar. Instead of letting the entire increase go to foreign countries—with 96 percent going to Cuba, as it has in the past—we simply have asked for something that is quite legitimate, and that is, for our share of the increased American consumption of sugar to be determined by the same standard in effect prior to 1948. What we asked for today, and what we have sought since early this year, is only that which was provided by law prior to 1948. Because the 1948 act did not envision our greatly increased consumption, because the 1948 act did not contemplate the great hardship fixed quotas have imposed on our farmers as a result of higher yields stemming from better methods of cultivation, better varieties of sugarcane and sugar beets and better sugar extraction, we have only sought to rectify unforeseen injustices and inequities. It was never expected our present domestic quotas would become as burdensome as they now are.

The bill reported by the Finance Committee merely provides that the increased consumption is to be divided between the domestic producers on a fair and equitable basis. That is all the bill does.

I hope that early next year action is taken. As a matter of fact, I have the promise of my good friend from Virginia [Mr. BYRD] to that effect. I talked with him just a few hours ago, and he promised that early in January he will hold open hearings, as the Senator from Arkansas [Mr. FULBRIGHT] has requested. I hope the Senator from Arkansas sees fit to attend those hearings and to present the facts which he has presented in the Senate today, so that he can be answered by witnesses who are intimately familiar with all phases of the subject.

I am most hopeful that early in January Congress will pass this worthy bill.

It is my belief that by doing so we may still be able to prevent the plowing up of 30 percent of our present sugarcane acreage.

I should like to say that sugarcane is not cultivated from seeds. When an acre of beets is plowed up—hard though that may be on a farmer—all that is lost is the seed, perhaps fertilizer, and the time used in planting and early cultivation. Sugarcane need be planted only every 3 or 4 years. When an acre of sugarcane plants is plowed up, a 3- or 4-year investment is destroyed. Cane plantings worth anywhere from $75 to $100 an acre are lost. When first year or second year stubble is plowed up, something of high value is destroyed.

Mr. THYE. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. THYE. I just wished to thank the distinguished senior Senator from Louisiana for making such a positive case why the sugar bill should have been passed in this session of the 84th Congress. As relates to the production of sugarcane, it is not a question of a new crop, but a question of several years' development. Therefore, the producer must have knowledge of what his acreage is going to be. Otherwise, he is going to be confronted with the problem of having to plow under a very valuable crop.

I wished to be positive that I would be on record as stating that I am determined to see that producers in the United States shall have their just, proportionate share of the increased consumption of sugar in the United States.

There has been a great increase in the population, and an increase in per capita consumption of sugar. To think we should barter that increased consumption off for the goodwill of some foreign or off-shore country is just out of the question.

There will be a just, proportionate share for our producers, or I will join the Senator from Louisiana in engaging in a good, lengthy debate on the question right here on the floor of the Senate.

I am not in sympathy with the parliamentary tactics used by the Senator from Arkansas to block the bill from being properly considered and debated on the floor of the Senate, just because he was more concerned about rice acreage in Arkansas.

Mr. ELLENDER. I wish to thank the Senator from Minnesota. I am most hopeful that between now and next January it may be possible to educate our good friend from Arkansas, and to present to him the real facts, the real reason, why Cuba has not been purchasing as much rice from us as she has in the past. It is my hope that all those facts can be clarified in a hearing early next January.

Mr. President, there was only one other difference between the House bill and the Senate bill, and it is related to the length of time that the law was to be effective. The House bill provided for a 4-year extension, and the Senate bill, as well as the amended bill, reported by the Finance Committee, provided for a 6-year extension.

I have stated just about all the major differences between the two bills.

Mr. DWORSHAK. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield for a question.

Mr. DWORSHAK. I wish to express the appreciation of the sugar-beet industry of the West for the fine cooperation it has received from the chairman of the Committee on Agriculture and Forestry and for the explanation of the proposed legislation which is currently pending before the Senate.

Likewise, I wish to ask whether it is true that the parliamentary situation in the closing days of the session is such that when charges are made that a hearing was not held by the appropriate Senate committee, and that for some reason or other the Senate was remiss in not passing the House bill, the actual fact is that the long delay by the House in acting on the bill—knowing that in the closing days of the session there probably would be little likelihood for the taking of action on the bill by this body—is primarily responsible, and not any lack of any interest in the Senate, for the failure to enact sugar legislation at this session?

Mr. ELLENDER. The Senator from Idaho is correct when he says there is not a lack of interest in the Senate. In my judgment, failure to pass a bill here stems from House delay on the bill.

Of course it was stated that full and lengthy hearings should have been held by the Finance Committee. The Finance Committee would no doubt have held more hearings had the House acted earlier. Because a tax is involved in sugar legislation, and because tax legislation must originate in the House, the Senate has never taken action on such a bill until the House has acted. If the House had acted a week ago, as we thought the House would—for they said they would bring it to a vote—we would not have had this trouble today. We would have had time for the Finance Committee to hold full hearings, but it was only last Saturday at 6 p. m. that the House voted on the bill. It came to the Senate only yesterday morning. Then, my good friend, the Senator from Arkansas [Mr. FULBRIGHT], objected to the second reading, although it is usual and customary to have the second reading immediately and to refer the bill to committee on the same day it is received from the House. Of course, because of the objection raised by the Senator from Arkansas [Mr. FULBRIGHT], the bill was not sent to the Finance Committee, as would ordinarily have occurred.

But as I said, it is my hope that early next January we can rectify some of the damage which has been done. It is entirely possible that if we pass the bill during early January, let us say, we may be able to prevent the destruction of an additional 30 percent of our sugarcane plantings, to which I referred earlier.

Mr. HOLLAND. Mr. President, I shall not detain the Senate any great length of time.

First, let me express to my good friend, the distinguished senior Senator from Louisiana [Mr. ELLENDER], my thanks and that of the sugar growers of Florida and Louisiana, and that of the sugar-beet producing States, not only for the very fine explanation he has given of this subject, here on the floor, but also for the very fine leadership which he, as the leader of the cane-sugar producing elements on the mainland, has given, not just this year, but also in past years. We are very much indebted to him.

I note also, Mr. President, that the junior Senator from Utah [Mr. BENNETT] is present. These things cannot be handled by any one Member who is interested in a crop of this kind. The junior Senator from Utah served along with the Senator from Louisiana—the Senator from Utah representing the beet-sugar producers and the beet-sugar-producing States. Certainly I would be remiss if I did not express to him my grateful thanks and those of the cane-sugar producers of my State for the very fine leadership and for the exceedingly hard work he has done in connection with this matter.

Mr. WATKINS. Mr. President, will the Senator from Florida yield to me?

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). Does the Senator from Florida yield to the Senator from Utah?

Mr. HOLLAND. I yield.

Mr. WATKINS. As a member of the congressional delegation from a State which produces sugar beets, and really was one of the pioneer producers in the United States of this particular product, I wish to be associated with the Senator from Florida in the remarks he has made about the Senator from Louisiana [Mr. ELLENDER], and my colleague from the State of Utah [Mr. BENNETT]. I think these two Members have done a splendid job under very adverse circumstances, and they deserve the gratitude of the American people and, particularly, the people of the States they represent, in connection with this matter. They have worked long and hard to get the bill to the floor, under circumstances which would have discouraged most persons. I want the people and the Senate to know that I greatly appreciate the efforts of the Senator from Louisiana [Mr. ELLENDER] and of my colleague from Utah [Mr. BENNETT].

Mr. HOLLAND. Mr. President, I appreciate the comment of the senior Senator from Utah.

I wish to say that the junior Senator from Utah [Mr. BENNETT] and the senior Senator from Louisiana [Mr. ELLENDER] have had the loyal backing of every Senator from the sugar-producing States; and all of us are deeply indebted to them.

Mr. President, after a labor of love, beginning way back at the beginning of this session—as is evidenced by the introduction of a bill in April, I believe, with more than half the Members of the Senate sponsoring it—and with continued and almost daily effort by those two Senators and by other Senators whom they chose to ask to be of assistance from time to time, it is too bad when those efforts are not crowned with success, particularly when that situation is because of parliamentary maneuvering to prevent the coming to the floor of a measure which it was not within the power of the leaders in the Senate to bring to the floor of the Senate until the measure had passed the House, inasmuch as constitutionally such a measure, like other revenue-raising measures, must originate in the House.

So, instead of being blamed for not bringing up the measure, and instead of making it possible for any blame to be placed on the junior Senator from Louisiana [Mr. LONG], who, as a member of the Finance Committee, made the motion to bring up this measure, I feel that we are indebted to all of them, and that we can only commiserate with them and with ourselves and with the sugar producers of the Nation that the attitude—which is very difficult for me to understand—of the junior Senator from Arkansas [Mr. FULBRIGHT] has developed here in such a way as to prevent consideration by the Senate of a measure which was approved months ago by a majority of the Senate; and it should be pointed out that those Members have been waiting all this time to be able to act on the bill.

Incidentally, quite a number of Senators who were not cosponsors of the bill are present—ready, willing, and anxious to support the bill.

Of course, the Senator from Arkansas [Mr. FULBRIGHT] was within his technical rights. However, I was interested and intrigued and even a little amused, if I may say so, to note the complete change of front and change of ground taken by my friend, the Senator from Arkansas, in opposing this measure today. I was present on two previous occasions—in 1948 and 1951, when the Senate passed sugar bills; and on both those occasions the junior Senator from Arkansas [Mr. FULBRIGHT] opposed—as he had a right to do—those measures. He opposed them vigorously—just as vigorously and just as vehemently as he opposed the bill today. But I have been intrigued to note the complete change of base that has been adopted by the Senator from Arkansas, because at the time when he was making that gallant fight, in 1948 and in 1951, for what I thought then was a deeply-rooted principle, his ricegrowers, who today have afforded the reason assigned by him to the Senate for his opposition to this particular bill, happened to be then in the most favorable situation of any agricultural industry in the Nation, and at that time they were receiving well above 100 percent of parity for their product. As a matter of fact, the prices they received then were so attractive that the rice industry multiplied more than twice during the years when the Indochinese production, the Chinese production, and the Korean production were almost shut off, and when the Burmese production and the

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Indonesian production were badly affected.

So the Senator from Arkansas [Mr. FULBRIGHT] has now stated as the major reason for his enthusiastic opposition to the sugar bill—and of course it is his right and privilege to oppose it, if he chooses—the fact that the ricegrowers of his State have found a reducing market in Cuba.

Mr. FULBRIGHT. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. No, Mr. President; the Senator from Arkansas declined to yield to me when he had the floor. So until I complete my statement, I shall decline to yield to him, although I shall be glad to yield to him when I complete my statement.

Incidentally, I cannot help expressing regret that the distinguished Senator saw fit to yield neither to the Senator from Louisiana [Mr. ELLENDER] nor to the Senator from Florida, but made the very clear point of denying us privileges which he accorded to other Senators throughout the course of his debate.

Mr. FULBRIGHT. Mr. President, the Senator is incorrect. I yielded to the Senator from Louisiana. I did not realize that the Senator from Florida thought that I would not yield to him. I was interrupted by many Senators.

Mr. HOLLAND. I asked several times to be yielded to, and the Senator from Arkansas—I thought rather pointedly—declined so to do. But that is neither here nor there. Perhaps the Senator from Arkansas realized how greatly he had changed base since his argument in 1948 and his argument of 1951. Perhaps he realized that the causes which were responsible for the bleeding heart of 1948 and 1951 were to be replaced by a completely different argument, a different objective, and a different cause.

I am glad the Senator from Arkansas, particularly at this time, has discovered the present distress of his ricegrowers. That is not a new subject to the Senator from Florida, who served as a member of the Eastland subcommittee of the Senate Agriculture and Forestry Committee, under the direction of the able Senator from Louisiana, who kept in touch with us throughout our investigation. That subcommittee found that the ricegrowers of Arkansas were having difficulties, and we went to bat for them, in order to see that they were given an opportunity to move some of their product to Japan, which wanted their product. For some inconceivable reason, and for some considerable period of time the State Department refused to permit the shipment of Arkansas rice to Japan.

We know that the ricegrowers of Arkansas need help, and we have been trying to give them help. It is indeed discouraging to find that the junior Senator from Arkansas does not realize that others, too, are in distress, and that they are in distress after having greatly cut their acreage, simply because they have improved their methods of production and are getting a much greater yield per acre from their crops than was the case some years ago.

Sugar growers do not have warehouses where they can go with their product and store it by the payment of a small fee. Sugar growers of my State and of the State of Louisiana—I have not been privileged to examine the situation in the beet-sugar-producing States—have had to build large warehouses at great expense for the temporary purpose of housing great amounts of sugar produced from reduced acreage, which sugar they are not permitted to market under the existing quota system.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. HOLLAND. I shall be glad to yield when I am through with my remarks. I hope the Senator will be patient and remain in the Chamber. I shall not be very long.

Mr. FULBRIGHT. The Senator does not intend to yield to me?

Mr. HOLLAND. I shall yield to the Senator from Arkansas, but I shall yield in my own time.

Mr. FULBRIGHT. The Senator does not have to yield at all.

Mr. HOLLAND. My understanding of courtesy is that I should yield, and I will yield, but that is an understanding which the Senator from Arkansas did not seem to have when he had the floor a little while ago. I shall gladly yield, but I wish to lay out the picture as I see it prior to doing so. The obdurate and obstinate attitude of the Senator from Arkansas will probably require sugar producers to put many thousands of additional dollars into the construction of warehouses for which they will have no earthly use as soon as this temporary problem is out of the way, and to plow up sugarcane planted to yield a crop for 3 or 4 or 5 years, depending upon the area where the crop is being produced. A tremendous loss is involved in such an operation.

I noted that the distinguished Senator from Arkansas was inclined to complain because no such treatment as this is given to producers of other commodities, such as cotton and other commodities which he mentioned, all of which are in heavy surplus production.

The production of sugar is comparable to the production of wool. They are the only two great commodities which we produce, about which the Senator from Florida knows, which are produced in a deficit to such a degree that the whole country is interested in seeing that those industries are preserved as domestic industries, so that in the event of war or other military trouble, we shall have necessary quantities of sugar—even if in diminished amounts—available here.

I remember when we were considering the price-support measure last year. Those who favored rigid high price supports and those of us who favored flexible price supports joined together to give some needed recognition to the wool industry. We recognized it as an important industry which should be retained in this country, so that we would have it in the event of a dire emergency.

I remember that the Senate passed, by a very considerable vote, a provision which would have allowed wool to be supported up to 115 percent of parity, and that in conference the bill came back in the form in which the provision is now stated in the present law, providing that wool could be supported up to 110 percent of parity, in recognition of the fact that the Nation was interested in preserving the wool industry and making it possible for such an industry to continue to exist here as a fine and necessary national asset.

The same situation exists in the case of sugar. For a period of years under Democratic administrations and under Republican administrations, under Democratic majorities in both Houses, and under Republican majorities in both Houses, it has been regarded as a matter of high national importance that the domestic sugar industry be maintained on a sound basis so that it shall not cease to exist.

After years of experience, when the whole Nation, with very few exceptions, seems to have realized that the sugar industry, along with the wool industry, comprises an asset to the Nation which should be preserved, and which Congress should recognize by legislation passed in its behalf—although confessedly it is different from the legislation which was passed in the case of industries which were normally in surplus production—it is disappointing to find that the objection to this measure and to its extension has now become so fixed in certain minds that there is unwillingness to permit the question even to be debated and the bill voted upon on the floor of the Senate. The Senate has had waiting a Senate bill, introduced by a majority of the Senate and supported by vastly more than a majority of the Senate, since last April.

Mr. President, I have almost completed the remarks I intended to make, except with reference to Cuba. It was amusing to hear the Senator from Arkansas talk about the importance of Cuba from the standpoint of its economy and its dealings with his State. In my State the importance of Cuba is very much greater than its importance with respect to other States in the Union, although it is important to other States in the Union. Certainly it is important to Arkansas, but it is far more important to Florida.

Florida is across a few miles of water from Cuba. Florida is Cuba's traditional friend. We have two or three hundred thousand citizens of Cuban ancestry. They are very fine people, and we are proud to have them. Many tourists from Cuba spend great sums of money in our State. They come to enjoy the entertainment which we provide in Florida. Many Cubans have moved over to Florida and brought their fortunes with them, because they have found a stable government there which, at times in the recent past, has not existed in their own home country. We are intensely interested in Cuba, and I believe more so than is the case with any other State. We would not do anything to hurt Cuba or the Cuban economy.

Neither do we propose to continue to take a completely foolish attitude, in view of the developments which have transpired since the passage of the 1948 act, as extended in 1951.

Under the provisions of that act, as was so ably stated by the Senator from Louisiana, the whole of the increase in

consumption of sugar in the United States was allocated offshore, with none of it being allocated to the domestic industry.

Mr. President, we produce the children, and we produce the grandchildren. I notice that we have been adding to our population at the rate of 2¾ million a year. Since the last act was passed in 1951, the natural increase in population in the United States is greater than the entire population of Cuba. Since the passage of the 1948 act the increase in the population in the United States is almost twice as great as that of the entire population of Cuba.

Mr. President, is there not some semblance of reason in our feeling that we are entitled to produce a little bit of the sugar which our own increase in population, represented very largely by our children and own grandchildren, is responsible for? Is there not some semblance of reason and equity and justice and sound commonsense in that idea?

When the hearings were held in 1948 and in 1951, witnesses made it very clear that they reserved the right to come back and ask for some of that natural increase. That is what we have done under the terms of the pending legislation.

There was a time when I was informed by some of my friends in Cuba—and I am fortunate to have a great many there—and by some friends in the United States who have interests in Cuba—and we all know that a large part of the sugar production in Cuba finds its financing in the United States—that they did not want to share the increased market, of which they had 96 percent in the United States.

However, no later than Saturday, I had a visit from those who are keeping up with the feelings of the Cubans and who are representing them professionally, and they stated that they felt we were within our rights to ask for something like the same proportion of the increase they were receiving of the normal consumption of sugar in this country.

I am happy to say that in committee, as I understand, my distinguished junior colleague [Mr. SMATHERS] offered an amendment to the House bill which made a part of the bill the suggestion of the State Department, which I understand is approved by the Cuban sugar people, and which was mentioned so clearly and so ably by the Senator from Louisiana.

I have not found the Cubans to be unreasonable people. I have found them to be good friends in time of stress. Certainly they stood by us in war, when they supplied us with more and cheaper sugar than we could have gotten otherwise at that time. I found them to be a reasonable people. As reasonable people they have come to the conclusion which all reasonable people must come to, that the United States producers of sugar are entitled to a fair share of the increased annual consumption, or the increased consumption over the years which represents our growth of population and our growth in the consumption of this very badly needed and very generally used product.

Mr. President, I wish time permitted a fuller statement on the subject. However, it does not. I shall now gladly yield to the distinguished Senator from Arkansas. First, I desired to give him at least the benefit of the trend of my own feelings in the matter, so that he could better address his questions to me. I now very gladly yield to him for such questions as he may desire to ask me.

Mr. FULBRIGHT. Mr. President, the Senator has a reputation for great fairness, integrity, and honesty. I wonder how he explains the fact that for the second time this bill was brought to the Senate and we were asked to act upon a bill which has never received any hearings at all. It is a bill which involves very large sums of money. How can the Senator from Florida justify bringing such a bill before the Senate without any hearings having been held on it?

Mr. HOLLAND. The principal justification is that the advocates of the bill have been trying to get it up since April. They have been prevented from getting it up by the House. Anyone who was reading and listening knew what was going on in the hearings in the House. Certainly the Senator from Arkansas, who is a distinguished member of the Committee on Foreign Relations, knew what were the suggestions and urgings of the State Department and others in connection with this legislation, who were certainly seeing to it that Cuba's interests were taken care of. The Senator from Arkansas knew that the Committee on Agriculture and Forestry, of which the Senator from Louisiana is chairman and I am a member, was doing its best to help the ricegrowers, and that the committee has done so in no small way.

It seems to me that the Senator from Arkansas, realizing that the changes in the law were very few and very simple and very reasonable, and recognizing that the great sugar farmers had spent many hundreds of thousands of dollars in building unneeded warehouses, and many millions of dollars to plow under crops which would have supplied them with sugarcane for 2 or 3 years in the future, are entitled to action, particularly when they have been waiting for a bill which has been introduced by a majority of the Senate and is supported by, I believe, more than two-thirds of the Senate.

Mr. FULBRIGHT. I believe the junior Senator from Florida is a member of the Committee on Finance.

Mr. HOLLAND. That is correct.

Mr. FULBRIGHT. Is it not rather strange that suddenly the Committee on Finance should call a meeting and report out a bill in an hour and a half, when in 6 months it could not report out a bill after hearings? I should like to have the Senator explain why, since the Senate has been in session since January, the committee did not report out a bill, after hearings, containing some reasonable explanation for the kind of subsidy that is proposed. Why was it necessary to wait until the last day of the session?

Mr. HOLLAND. The Senator from Arkansas——

Mr. LONG. Mr. President, will the Senator yield?

Mr. HOLLAND. The Senator from Arkansas knows perfectly well that it is a tax measure and that, as a tax measure, it had to originate in the House. Tax measures customarily are not considered in the Senate before we know what the form of the legislation will be as passed by the House.

The proponents also knew that there was a difficult situation involved, because of the attitude of certain Members of the House, which attitude is well known.

It would have been the height of folly, under such a situation, for the Senate to have assumed that it could bring out legislation which would then be adopted by the House under those conditions. Therefore, the legislation had to originate in the House, as the Senator well knows.

Mr. LONG. Mr. President, will the Senator yield?

Mr. HOLLAND. Therefore, there was no more reason for holding hearings on this legislation until we knew what the form of it would be in the House, than there was any reason for the Senate to have brought out a bill when the omnibus corrective tax structure was being set up last year. We knew we had to wait until we had something specific to work on. That is what happened. I think that is reasonable. The Senator from Arkansas knows that is the customary course for such legislation to take. Ever since I have been in the Senate—although I have not been in the Senate as long as the Senator from Arkansas—I have never known the Senate Committee on Finance to report out a finance bill ahead of consideration and report and enactment of a similar measure by the House. I believe it would be very idle for us to do so.

Mr. LONG. Mr. President, will the Senator yield?

Mr. HOLLAND. I shall be happy to yield to the Senator from Louisiana.

Mr. FULBRIGHT. I thought the Senator was yielding to me. If he does not wish to pursue the matter, I shall speak on my own time.

Mr. HOLLAND. I shall be glad to yield to the Senator.

Mr. FULBRIGHT. The Senator does not wish to leave the impression, does he, that the Committee on Finance never holds hearings on a bill until it has been reported by the House? The Senator from Florida does not wish to mislead the Press Gallery, does he, about a matter as simple as that? The Senator knows very well that we often hold hearings on many bills before we know the final result in the House, especially with respect to a bill that has been reported time and time again, and about which there is no mystery.

Mr. HOLLAND. The Senator from Florida does not wish to mislead anyone about his objective in connection with the position he is taking at this time.

I am taking the same ground I have always taken, whereas the Senator from Arkansas has changed face entirely and has moved away from the position he held in 1948 and 1951 and has taken a new position.

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Mr. LONG. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I yield to the Senator from Louisiana.

Mr. LONG. The Finance Committee is one of the most hard working committees of the Senate. It has to consider tax legislation, foreign trade legislation, and many other things. I am sure the Senator from Florida remembers that we had more than a month of hearings on reciprocal trade this year, and passed the most controversial bill passed by the Senate, involving not simply sugar, but the entire foreign trade program. The whole customs program was tied up in the committee. We had a social security bill and untold numbers of bills affecting the rights of veterans in this Nation. With all those subject matters before the committee it was difficult to get all these things scheduled for consideration. We also had under consideration the matter of increasing the debt limit of the United States, which, incidentally, was disposed of in 1 day behind closed doors, when Government witnesses explained the situation.

Mr. HOLLAND. I seem to recall that there was quite a long hearing on the tax bill. That matter was in committee a long time, and then it occupied the floor of the Senate for some time.

Mr. LONG. There was that backlog of legislation, and the chairman of the committee could, in good conscience, tell the other members of the committee who were very much interested in this matter that this measure should wait until it came over from the House.

Mr. HOLLAND. The Senator from Louisiana is correct. And, of course, the Senator from Arkansas knows perfectly well what has transpired. Everyone knows perfectly well that yesterday, for the first time, we were in a position to bring before the Senate a bill which was introduced away back in April. Since the Senator was not on the floor when I made my comment, I wish to say that we are all greatly indebted to him for the great attention he has given the matter.

Mr. President, I yield to the Senator from Utah.

Mr. BENNETT. Mr. President, I appreciate all the kind things the Senator from Florida said when he began his speech. I am grateful, too, to the senior Senator from Arkansas who has graciously stepped aside in order for me to get into the RECORD the figures which I am presenting. The Senator from Arkansas stated that the cane sugar producers are very efficient.

Based upon figures supplied by the Library of Congress, it is interesting to note that 1 ton of sugar was produced in the beet sugar industry in 1953 in only 4.22 man-days of labor in the field. Florida used 4.32 man-days to produce a ton of sugar, raw value.

The Louisiana figures were a little higher. The inference has been given out that the Cuban production is much larger than is the beet production. There was a time when that was true, but in the years between, the beet production per acre has been rising while the Cuban production has been falling.

In 1953 the production of sugar, raw pounds per acre average in the beet producing areas, was 4,183, and in the same year, in Cuba, the figure was 3,833. Obviously, the difference is not in the efficiency of the system. The difference is in the cost of labor in the two countries.

In the United States the average field worker, beet and cane, in 1953 received $7.71 for a day's work. In Cuba the worker received $2.50.

The lowest-paid factory worker in American refineries in 1953 was paid $11.70 for an 8-hour day. The rate in Cuba was $4 for an 8-hour day.

I am perfectly willing to agree with the junior Senator from Arkansas that if we are willing to see the American wage standard go down the drain, there is not very much in this world that we cannot import at prices lower than we can produce——

Mr. LONG. Mr. President, will the Senator from Utah yield?

Mr. BENNETT. I yield.

Mr. LONG. The situation makes it possible for Cuba to receive a price far in excess of the world market price. We have recognized the fact that we cannot afford to see that happen, and we do not want it to happen. So we make provision to help our neighbors in Cuba sell their sugar at a price in excess of what we would have to buy it for——

Mr. BENNETT. Mr. President, I am under an obligation to the Senator from Arkansas, and I do not want to prolong my part in the discussion.

Mr. FULBRIGHT. Mr. President, will the Senator from Utah yield?

Mr. BENNETT. I yield.

Mr. FULBRIGHT. Is the Senator saying that American workmen are so inefficient that they cannot compete with other nations of the world and they must have this artificial protection?

Mr. BENNETT. I am saying that to the extent the junior Senator from Arkansas regards our sugar industry as inefficient, he must go to the difference in wage scales to support it.

Mr. FULBRIGHT. Is the Senator saying that our people who are paid more are no more productive, or that they are less efficient? I have always assumed that our country is more productive, that it works more efficiently. I had never assumed that we are so far behind other countries that we have to be protected by artificial barriers.

Mr. BENNETT. I am sorry I cannot yield further, because I have agreed with my colleague not to prolong the discussion.

The junior Senator from Arkansas said that under the Sugar Act the American producer, over the life of the act, had reached a figure of $1,099,000,000.

It is interesting to note that because we give Cuba a preferential duty, under the same act we have donated to Cuba out of the Treasury, in terms of this preferential tariff, a little over $2 billion——

Mr. FULBRIGHT. Will the Senator repeat that last statement?

Mr. BENNETT. Over the life of the act, because we give Cuba 50 cents a ton preferential treatment over any other offshore produced sugar, it has amounted to $2 billion.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. BENNETT. I yield.

Mr. WATKINS. I understood the distinguished Senator to say something about the Smoot-Hawley Act and the fact that pioneers in the early days started the production of sugar——

Mr. BENNETT. They started the production of cane sugar before they attempted to produce beet sugar, but that was one of the first beet-sugar-producing areas in the country, having imported their machinery from France before it was made in the United States.

Mr. WATKINS. Is it not also true that, as an overall national policy, a strong sugar industry should be developed in this country, so as to prevent the very thing which has happened with respect to rubber? The international rubber cartels levy tributes on the United States when they sell their rubber to us.

We should have a sugar industry in the United States which is vigorous, strong, and productive, so as to protect us against any combination of international groups which might try to hold us up on the question of price, which is so essential in the case of sugar.

Mr. BENNETT. I think that is true. There is no time tonight to have a lengthy discussion of the International Sugar Agreement and other related matters.

I am grateful to the Senator from Arkansas, and I appreciate his courtesy in yielding me time in which to speak.

ADJUSTMENT IN LANDS FOR RESERVOIR PROJECTS IN TEXAS

The PRESIDING OFFICER (Mr. BARKLEY in the chair). The morning hour has expired, and the Chair lays before the Senate the unfinished business, which the clerk will state by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 7195) to provide for adjustments in the lands or interests therein for reservoir projects in Texas by the reconveyance of certain lands or interests therein to the former owners thereof.

DEFENSE PRODUCTION ACT AMENDMENTS OF 1955—CONFERENCE REPORT

Mr. SPARKMAN. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2391) to amend the Defense Production Act of 1950, as amended, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr. BARKLEY in the chair). The report will be read for the information of the Senate.

(For conference report, see House proceedings for today.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. SPARKMAN. Mr. President, I should like to make a very brief statement in connection with the conference report.

The conferees met and carried out the instructions of the Senate, and agreed unanimously upon the following language, which I believe the Senate would like to have read at this time.

On page 10 of the bill, subsection (c) now reads as follows:

The heads of the departments or agencies making appointments under subsection (b) shall file with the division of the Public Register a statement including the name of the appointee, the employing department or agency, the title of his position, and the name of his private employer.

We have included after the words "Public Register" the following words: "for publication in the Federal Register."

Then we have added the following provision:

, and the appointee shall file with such Division for publication in the Federal Register a statement listing the names of any corporations of which he is an officer or director or within 60 days preceding his appointment has been an officer or director, or in which he owns, or within 60 days preceding his appointment has owned, any stocks, bonds, or other financial interests, and the names of any partnerships in which he is, or was within 60 days preceding his appointment, a partner, and the names of any other businesses in which he owns, or within such 60-day period has owned, any similar interest. At the end of each succeeding 6-month period, the appointee shall file with such Division for publication in the Federal Register a statement showing any changes in such interests during such period.

We added one further provision, a provision to the effect that the extension would be effective as of the close of July 1, 1955. This will keep in effect all orders, regulations and other issuances of the agencies and all the provisions of the act, as though the extension had been enacted without a gap. It is understood, of course, that the retroactive effect of the provision does not apply with respect to actions which would have been violations of regulations or statutes, if there had been no lapse. Such retroactive effect would conflict with the prohibition on ex post facto laws in article I, section 9, of the Constitution.

This provision simply ensures continuity for the program provided for under the law.

Mr. CAPEHART. Mr. President, the conferees agreed—and I think it was a happy solution—to the deletion which we discussed last night.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

ADJOURNMENT SINE DIE

Mr. CLEMENTS. Mr. President, I send to the desk a concurrent resolution and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. BIBLE in the chair). Is there objection to the present consideration of the concurrent resolution?

There being no objection, the concurrent resolution (S. Con. Res. 57) was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That the two Houses of Congress shall adjourn on Tuesday, August 2, 1955, and that when they adjourn on said day they stand adjourned sine die.

Ordered, That the Secretary request the concurrence of the House of Representatives therein.

COMMITTEE TO NOTIFY THE PRESIDENT

On motion of Mr. CLEMENTS, and by unanimous consent, it was

Ordered, That a committee of two Senators be appointed by the Presiding Officer to join a similar committee of the House of Representatives to notify the President of the United States that the two Houses have completed the business of the session and are ready to adjourn unless he has some further communication to make to them.

The Vice President appointed Mr. CLEMENTS and Mr. KNOWLAND members of the committee on the part of the Senate.

AUTHORITY TO MAKE CERTAIN APPOINTMENTS BY PRESIDENT OF THE SENATE

On motion of Mr. CLEMENTS, and by unanimous consent, it was

Ordered, That, notwithstanding the final adjournment of the present session of the Congress, the President of the Senate be, and he is hereby, authorized to make appointments to commissions or committees authorized by law, by concurrent action of the two Houses, or by order of the Senate.

AUTHORITY FOR THE SECRETARY TO RECEIVE MESSAGES FROM THE HOUSE AFTER ADJOURNMENT

On motion of Mr. CLEMENTS, and by unanimous consent, it was

Ordered, That, notwithstanding the sine die adjournment of the present session of the Congress, the Secretary be, and he is hereby, authorized to receive messages from the House of Representatives after the sine die adjournment.

AUTHORIZATION FOR THE PRESIDENT OF THE SENATE AND THE SPEAKER OF THE HOUSE TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS

Mr. CLEMENTS. Mr. President, I send a concurrent resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the concurrent resolution (S. Con. Res. 58) was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That, notwithstanding the sine die adjournment of the two Houses, the President of the Senate and the Speaker of the House of Representatives are hereby authorized to sign enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

REVIEW OF LEGISLATIVE RECORD OF 84TH CONGRESS, 1ST SESSION

Mr. CLEMENTS. Mr. President, I ask unanimous consent to have printed in the RECORD, after final adjournment of Congress, a statement by the majority leader reviewing the legislative record of the 84th Congress, 1st session, and a separate appendix of major legislation passed by the Senate, and that the review and the legislative digest be printed as a Senate document in either 1 or 2 parts.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kentucky? The Chair hears none, and it is so ordered.

REVIEW OF LEGISLATIVE RECORD OF 84TH CONGRESS, 1ST SESSION (S. DOC. NO. 86)

Mr. KNOWLAND. Mr. President, I ask unanimous consent that I may be permitted to have printed in the RECORD a statement by the minority leader concerning the activities of this session of Congress, together with a summary of the legislation enacted; and that I also be permitted to have printed in the RECORD a statement on Republican achievements covering the first 2½ years of the Eisenhower administration. I also ask unanimous consent that these statements which I have mentioned be printed together as a Senate document.

The PRESIDING OFFICER. Is there objection to the request of the Senator from California? The Chair hears none, and it is so ordered.

AUTHORIZATION TO PRINT MATTERS IN THE RECORD AFTER ADJOURNMENT

Mr. CLEMENTS. Mr. President, I ask unanimous consent that Senators may be permitted to make insertions in the RECORD following the adjournment of Congress until the last edition authorized by the Joint Committee on Printing is published; but this order shall not apply to any subject matter which may have occurred or to any speech delivered subsequent to the adjournment of Congress.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CLEMENTS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CLEMENTS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SPECIAL COMMITTEE TO SELECT FROM AMONG OTHER THAN THOSE LIVING, FIVE SENATORS, AND TO PLACE THEIR PORTRAITS IN THE RECEPTION ROOM

Mr. CLEMENTS. Mr. President, I submit a resolution and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution offered by the Senator from Kentucky will be stated.

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Mr. CLEMENTS. Mr. President, the resolution is offered for and on behalf of the senior Senator from Texas [Mr. JOHNSON], and the minority leader and the acting majority leader join him in submitting the resolution.

Mr. KNOWLAND. Mr. President, I would suggest, in view of the fact that the resolution has not been printed, that it may be read for the information of the Senate, and we will make a rather full explanation of what the resolution is intended to accomplish.

The PRESIDING OFFICER. The resolution will be stated for the information of the Senate.

The legislative clerk read the resolution (S. Res. 145), as follows:

Whereas the reception room in the Capitol outside the Senate Chamber was originally designed to contain medallion likenesses of outstanding Americans; and

Whereas there are at present five unfilled spaces in the Senate reception room for such medallions; and

Whereas it is in the public interest to accomplish the original objective of the design of the Senate reception room without further delay: Therefore be it

Resolved, That there is hereby established a Special Committee on the Senate Reception Room, consisting of five Members of the Senate to be appointed by the President of the Senate, one of whom shall, at the time of appointment, be designated as chairman of the committee. Any vacancy occurring in the membership of the committee shall be filled in the same manner as the original appointment.

SEC. 2. It shall be the duty of the committee to select five outstanding persons from all persons, but not a living person, who have served as Members of the Senate since the formation of the Government of the United States, whose paintings shall be placed in the five unfilled spaces in the Senate reception room. The committee is authorized to seek advice and recommendations from such historians and other sources, including the general public, as it deems advisable.

SEC. 3. The committee shall report its selections of persons whose paintings shall be placed in the Senate reception room to the Senate, at the rate of one selection per Congress, the first selection not later than the close of the second session of the 84th Congress.

SEC. 4. For the purposes of this resolution, the committee is authorized to employ such assistants and to make such expenditures as it deems advisable. The expenses of the committee, which shall not exceed $5,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. CLEMENTS. Mr. President, this resolution would authorize the creation of a temporary committee of the Senate, charged with selecting from among other than living persons, the five all-time, all-American Members of the United States Senate.

This committee, to be named by the Vice President, would be advised to seek assistance in making such selections from historians and, if the committee members so desire, from the general public.

Under the terms of the resolution, medallion likenesses of the five Senators chosen would be placed in the unfilled spaces for such medallions in the Senate reception room.

The committee is directed by the resolution to report its selection to the Senate, the first report to be made during the 2d session of the 84th Congress.

Mr. President, the activity proposed for this special committee would focus national attention on the United States Senate and its traditions and would, I believe, intensify the interest of the American people in the legislative process as carried on in this Chamber.

I respectfully urge the immediate adoption of the resolution.

Mr. KNOWLAND. Mr. President, I should like to give a little background as to the form of the resolution. The original rough draft was presented to me several days ago, and I discussed it with a number of Senators on this side of the aisle. Certain questions were raised at the time.

Last Sunday I went with my good friend and colleague, the senior Senator from Kentucky [Mr. CLEMENTS], to visit the senior Senator from Texas [Mr. JOHNSON], our majority leader, who is recovering at the hospital.

I was glad to see him coming well along the road to recovery. He was in fine spirits and interested in the activities of the Senate. He has a very deep interest in the Senate as an institution, and he thought that something of this sort would direct the attention of the country to the Senate of the United States as an institution; that not only the history departments of universities throughout the country, but schools, would be interested, perhaps holding essay contests as to why one figure of American history who had served in this body might be considered over and above another.

The points which I had originally raised and which some others of us had raised in questioning the resolution were met in a later draft. One of them was that no living Senator might be selected, for obvious reasons. We are too close to the picture, and we believed that would be undesirable.

Second, it seemed to us it would be rather unfortunate if all five selections were made by a single Congress, and for that reason we suggested that not more than one selection would be made by any one Congress—not at any one session, but by any one Congress. This would spread the matter out over a period of at least 10 years to give it some historical perspective, and, at the same time, keep up the interest among the public, the schools, the history departments of universities, and other institutions.

The suggested amendments were accepted, and the proposed resolution was redrafted.

I believe there is a great deal of merit in the resolution as it has been redrafted and is now before the Senate. I realize that this is a somewhat unusual procedure, coming, as it does, at a late period in the session. Any Senator, of course, would be entirely within his rights as an individual Member in urging or suggesting that the resolution go over. But I believe that with the safeguards which have been included in the resolution, namely, that no living Senator shall be selected, and that the selections be spread over a period of five Congresses, ample safeguards have been provided.

I personally think the idea of our distinguished majority leader is a meritorious one, and on that ground I am prepared to support the resolution, if that be the will of the Senate.

The PRESIDING OFFICER. Without objection, the resolution is unanimously agreed to.

ORDER OF BUSINESS

Mr. ELLENDER. Mr. President, may I inquire of the acting majority leader what his plans are? I do not wish to interfere with the program, but I should like to address the Senate for a while on the sugar issue.

Mr. CLEMENTS. It is the intention of the acting majority leader to have the Senate proceed to the call of the calendar. Following the call of the calendar, it is intended to consider such conference reports as are yet to be acted upon, and as much of the legislative business which is pending before the Senate as time and opportunity will permit.

Mr. ELLENDER. Opportunity will be afforded, then, to say a few words on the sugar bill; is that correct?

Mr. CLEMENTS. That is correct. Every time a measure is considered by the Senate, any Member will have ample time to speak.

Mr. ELLENDER. I could speak on the subject now, but I do not wish to interfere with the program of the acting majority leader. I wish to cooperate with him.

Mr. CLEMENTS. I sincerely appreciate the kindness and consideration shown by my friend from Louisiana in joining in the hope and the wish that we may proceed in an orderly way.

DISMISSAL OF CITATION OF CORLISS LAMONT FOR CONTEMPT

Mr. LANGER. Mr. President, on last Saturday I had inserted in the RECORD an editorial which was published in the Washington Post and Times Herald relating to the matter of citations for contempt of the Senate. Among those who were mentioned was Corliss Lamont.

On Friday I stated that the court had held that Mr. Lamont was not guilty of contempt of the so-called McCarthy committee.

Mr. Lamont acted courageously in taking the matter to court. I have received a copy of the decision which was rendered by the judge in the case, and I ask unanimous consent that it be printed at this point in my remarks.

Mr. MUNDT. Mr. President, I simply wish to point out that there is a difference among Dakotans in our reaction to the Corliss Lamont matter. I am today writing the Attorney General to suggest that there be a redrafting of the indictment, so as to seek to carry out the intent of the Senate in having Corliss Lamont adjudged in contempt of the Senate.

Mr. LANGER. So far as the senior Senator from North Dakota is concerned, that is entirely up to the Attorney General. My opinion is that such an indictment will have the same ending as this one.

There being no objection, the opinion was ordered to be printed in the RECORD, as follows:

UNITED STATES DISTRICT COURT—SOUTHERN DISTRICT OF NEW YORK

United States of America v. *Corliss Lamont, Defendant* (C 145–216).

United States of America v. *Abraham Unger, Defendant* (C 145–217).

United States of America v. *Albert Shadowitz, Defendant* (C 145–218).

OPINION

(Appearances: Philip Wittenberg, 70 West 40th Street, New York, N. Y.; attorney for Defendant Lamont, Irving Like, of counsel; David M. Freedman, 11 Park Place, New York, N. Y., attorney for Defendant Unger; Shapiro, Rabinowitz & Boudin, 25 Broad Street, New York, N. Y., attorneys for Defendant Shadowitz; Victor Rabinowitz, of counsel; J. Edward Lumbard, United States attorney, Foley Square, N. Y., attorney for United States of America; Lloyd F. MacMahon, chief assistant; Boudinot P. Atterbury, Judson A. Parsons, Jr., George H. Bailey, of counsel.)

Edward Weinfeld, D. J.:

These are motions to dismiss indictments returned separately against each defendant charging him with violations of Second United States Code, section 192, in refusing to answer specific questions before the Permanent Subcommittee on Investigations of the Senate Committee on Government Operations. Each defendant attacks the validity of the indictment upon constitutional and other grounds. Since the motions present issues of a law common to each indictment they may be considered together. The indictments are identical, except for the dates of the hearings and the refusals to answer, each of which is the subject of a separate count.

The indictment against the defendant Abraham Unger is typical. It charges:

"INTRODUCTION

"1. On or about the 17th day of September, 1953, in the southern district of New York, the Permanent Subcommittee on Investigations of the Committee on Government Operations was holding hearings pursuant to Public Law 601, 79th Congress, 2d session, chapter 753, as amended; Senate Resolution No. 180, 81st Congress, 2d session, dated February 1, 1950; Senate Resolution 280, 82d Congress, 2d session, dated March 3, 1952; Senate Resolution 40, 83d Congress, 1st session, dated January 30, 1953.

"2. The defendant, Abraham Unger, having been summoned as a witness by the authority of the United States Senate to give testimony, appeared as a witness before the permanent subcommittee aforesaid at the place and on the date above stated, and was asked questions which were pertinent to the question then under inquiry. At the place and times stated, the defendant refused to answer those pertinent questions. The allegations of this introduction are adopted and incorporated into the counts of this indictment, which follow, the same as if set forth therein in extenso, each of which counts will, in addition merely describe the questions which were asked of the defendant, Abraham Unger, and which he refused to answer. (Title 2, U. S. C., sec. 192.)

"Count 1. Were you active in the professional Communist group in New York?

"Count 2. Were you head of the professional group of the Communist Party in New York?

"Count 3. Are you a member of the Communist Party as of this moment?

"Count 4. Do you know whether you are a member of the Communist Party?

(Title 2, sec. 192, U. S. C.)"

The first ground of the defendants' attack is that the indictment fails to set forth the essential elements necessary to charge a crime under section 192, which provides:

"Every person who having been summoned as a witness by the authority of either House of Congress to give testimony or to produce papers upon any matter under inquiry before either House, or any joint committee established by a joint or concurrent resolution of the two Houses of Congress, or any committee of either House of Congress, willfully makes default, or who, having appeared, refuses to answer any question pertinent to the question under inquiry, shall be deemed guilty of a misdemeanor."

The requirement that every ingredient of the offense charged must be clearly and accurately alleged in the indictment is compelled by the sixth amendment to the Constitution and is specifically directed by Rule 7 (c) of the Federal Rules of Criminal Procedure. This is a matter of substance and not of form.[1] The underlying reason is of course to assure that the accused shall be informed of the nature of the charge so that he may defend himself and not be taken by surprise upon the trial and further to protect him against another prosecution based on the same facts.[2] Another reason, and one sometimes overlooked, is to enable the court to decide whether the facts alleged are sufficient in law to withstand a motion to dismiss the indictment or to support a conviction in the event that one should be had.[3]

The requirement, that the indictment clearly define the essential elements of the crime charged, the importance of which was fully expounded by Mr. Justice Marshall in the early case of *The Schooner Hoppet & Cargo* v. *United States*,[4] has consistently been adhered to by the Supreme Court in a long series of decisions.[5] Thus in *United States* v. *Hess*, the Court held:

"The general, and, with few exceptions, of which the present is not one, the universal rule, on this subject, is, that all the material facts and circumstances embraced in the definition of the offense must be stated, or the indictment will be defective. No essential element of the crime can be omitted without destroying the whole pleading. The omission cannot be supplied by intendment, or implication, and the charge must be made directly and not inferentially, or by way of recital."[6]

The rule was reiterated and underscored in *Ledbetter* v. *United States:*

"We have no disposition to qualify what has already been frequently decided by this court, that where the crime is a statutory one it must be charged with precision and certainty, and every ingredient of which it is composed must be clearly and accurately set forth, and that even in the cases of misdemeanors the indictment must be free from all ambiguity, and leave no doubt in the minds of the accused and the court of the exact offense intended to be charged."[7]

On the argument of these motions the defendants contended the indictment was defective since it failed to plead that the refusals to answer were "willful."

The Government took the contrary view, relying upon *United States* v. *Josephson*,[8] which held "refusal to answer any question pertinent to any matter under inquiry is a violation of the second branch of the statute as much when the refusal is 'willful' as when it is not." Since the argument of the motion, the Supreme Court has resolved this issue, and it is now beyond peradventure that "Section 192, like the ordinary Federal criminal statute, requires a criminal intent—in this instance, a deliberate, intentional refusal to answer. This element of the offense, like any other, must be proved beyond a reasonable doubt."[9]

Thus, the Supreme Court held that where a witness raises an objection to a question or challenges the authority of the committee, he must be clearly apprised that the committee demands his answer notwithstanding his objection—and failing such a direction to the witness the requisite criminal intent necessary to support a conviction under section 192 is absent.

Since willfulness, or a deliberate, intentional refusal to answer,[10] is an essential element of the offense which the Government must prove, it must also be pleaded in the indictment. Nor does the fact that the second clause of section 192 makes no reference to the willfulness of the refusal to answer eliminate the necessity to plead it, for, as the Supreme Court has long held:

"In an indictment upon a statute, it is not sufficient to set forth the offense in the words of the statute, unless those words of themselves fully, directly, and expressly, without any uncertainty or ambiguity, set forth all the elements necessary to constitute the offense intended to be punished; and the fact that the statute in question, read in the light of the common law, and of other statutes on the like matter, enables the court to infer the intent of the legislature, does not dispense with the necessity of alleging in the indictment all the facts necessary to bring the case within that intent."[11]

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[1] *United States* v. *Hess* (124 U. S. 483, 488, 489); *United States* v. *Carll* (105 U. S. 611, 613); *The Schooner Hopper & Cargo* v. *United States* (7 Cranch 389, 394).

[2] *United States* v. *DeBrow* (346 U. S. 374, 376); *Hagner* v. *United States* (285 U. S. 427, 431); *Wong Tai* v. *United States* (273 U. S. 77, 80–81).

[3] *United States* v. *Cruikshank* (92 U. S. 542, 558–9); *United States* v. *Hess* (124 U. S. 483–487); *Evans* v. *United States* (153 U. S. 584, 587).

[4] 7 Cranch 389.

[5] *United States* v. *Cook* (17 Wall. 168, 174); *United States* v. *Cruikshank* (92 U. S. 542); *United States v. Simmons* (96 U. S. 360); *United States* v. *Carll* (105 U. S. 611); *United States* v. *Hess* (124 U. S. 483); *Evans* v. *United States* (153 U. S. 584); *Cochran and Sayre* v. *United States* (157 U. S. 286); *Ledbetter* v. *United States* (170 U. S. 606); *Morisette* v. *United States* (342 U. S. 246). See also *Sutton* v. *United States* (5 Cir., 157 F. 2d 661).

[6] 124 U. S. 483, 486.

[7] 170 U. S. 606, 609–610.

[8] 2 Cir., 165 F. 2d 82, 86.

[9] *Quinn* v. *United States* (349 U. S. 155, 165, n. 33); *"Sinclair* v. *United States* (279 U. S. 263, 299). See also In re Chapman (166 U. S. 661, 672), in which the court, while upholding the constitutionality of the statute, recognized deliberateness as an element of the offense."; *Emspak* v. *United States* (349 U. S. 190, 202); *Bart* v. *United States* (349 U. S. 219, 221–222). Cf. *United States* v. *Murdock* (284 U. S. 141, 148).

[10] Cf. *United States* v. *Murdock* (290 U. S. 389, 394).

[11] *United States* v. *Carll* (105 U. S. 611, 612–613; *United States* v. *Cruikshank* (92 U. S. 542); *United States* v. *Simmons* (96 U. S. 360); *Morisette* v. *United States* (342 U. S. 246, 270, n. 30); *Sutton* v. *United States* (5 Cir., 157 F. 2d 661, 663); *Lowenburg* v. *United States* (10 Cir., 156 F. 2d 22, 23); *United States* v. *Goldberg* (D. Minn. 123 F. Supp. 385, 388); *United States* v. *Callanan* (E. D. Mo., 113 F. Supp. 766).

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Since the indictments fail to plead a willful or a deliberate and intentional refusal to answer they are defective on this ground alone. However, I am of the view that they are further defective in failing to allege other essential elements of the offense laid under section 192.

It is not every willful refusal to answer that offends the statute. Other elements go to make up the crime. One, of course, is that the question which the witness declined to answer was pertinent to the question under inquiry. And pertinency must be "pleaded".[12] This the present indictment does, but even the addition of this element does not establish this crime. More is required. The essence of the interdicted offense is the contumacious refusal of a witness to answer a question pertinent to an inquiry before a lawfully constituted committee, acting within the scope of its authority.

No committee of either the House or Senate, and no Senator and no Representative, is free on its or his own to conduct investigations unless authorized. Thus it must appear that Congress empowered the committee to act, and further that at the time the witness allegedly defied its authority the committee was acting within the power granted to it.

While the Congress is possessed of broad powers to conduct investigations necessary for the performance of its constitutional functions and may, and usually does, delegate these powers to committees, there are outer limits to the power, whether exercised directly by the Congress or any of its committees. From *Kilbourn* v. *Thompson*[13] down to *Quinn* v. *United States*, the Supreme Court has steadfastly held that the congressional power to investigate is not boundless. The restrictions upon this power have been sharply delineated by Mr. Chief Justice Warren: "But the power to investigate, broad as it may be, is also subject to recognized limitations. It cannot be used to inquire into private affairs unrelated to a valid legislative purpose. Nor does it extend to an area in which Congress is forbidden to legislate."[14]

Thus the power exercised by a committee of the Congress must be within both the authority delegated to it and also within the competence of the Congress to confer upon the committee.[15] And obviously a committee cannot confer upon any of its subcommittees greater powers than it possesses. Accordingly, "a witness rightfully may refuse to answer where the bounds of power are exceeded."[16]

And of course what this adds up to is that to succeed, any charge under section 192 must establish that the investigation was within the power of the committee. This view finds more than ample support in the Rumely case.[17] Where Mr. Justice Frankfurter said: "Since the Court of Appeals thus took a view of the committee's authority contrary to that adopted by the House in citing Rumely for contempt, we granted certiorari (344 U. S. 912). This issue—whether the committee was authorized to exact the information which the witness withheld—must first be settled before we may consider whether Congress had the power to confer upon the committee the authority which it claimed."

If the Government contends, as eventually it must to sustain a conviction, that the Permanent Subcommittee on Investigations was a duly authorized committee and engaged in conducting an investigation within the scope of delegated authority,[18] then this, together with the source of its claimed authority, whether it be a resolution of the Senate or the parent committee,[19] should be alleged in the indictment. There is an added reason why this element should be pleaded. With pertinency also an essential element, it is important for the defendant in preparing his defense to know the claimed source of authority since "The initial step in determining the pertinency of the question is to ascertain the subject matter of the inquiry then being conducted by the subcommittee."[20] Or, as stated by Mr. Justice Frankfurter in the Rumely case, the resolution under which the committee purports to act is the "controlling charter of its powers" and governs "its right to exact testimony."[21] Since pertinency must be and has been pleaded, there is no logical reason why the authority of the committee should not likewise be pleaded.

The defendants contend that the Permanent Subcommittee on Investigations of the Senate Committee on Government Opertions was not an authorized committee, and further that even if it were, its inquiry exceeded the scope of its authority and finally that its parent committee, the Committee on Government Operations, likewise lacked authority to conduct the investigation.

The indictment fails to allege that the Permanent Subcommittee on Investigations before which the refusal to answer occurred was a duly authorized committee of the Senate. It simply states that it was "holding hearings pursuant to Public Law 601, 79th Congress, 2d session, chapter 753, as amended; Senate Resolution 180, 81st Congress, 2d session, dated February 1, 1950; Senate Resolution 280, 82d Congress, 2d session, dated March 3, 1952; Senate Resolution 40, 83d Congress, 1st session, dated January 30, 1953."

Thus the basic issue is, assuming arguendo that the Committee on Government Operations had power to conduct the inquiry in question, whether that power was ever delegated to the Permanent Subcommittee on Investigations under the foregoing references. One vainly examines the public law and Senate resolutions set forth in the indictment to find any reference to the permanent subcommittee, let alone any delegation of power to it.

Public Law 601 is the Reorganization Act of 1946 which streamlined Senate committees and established various standing committees, among which was the Committee on Expenditures in the Executive Departments (later renamed the Committee on Government Operations). The basic power granted to this committee was to inquire into "* * * operation of Government activities at all levels with a view to determining its economy and efficiency" and "intergovernmental relationships * * * between the United States and international organizations of which the United States is a member."[22] However, it does not mention the Permanent Subcommittee on Investigations. The same statute gives each standing committee and their subcommittees the power to conduct investigations, but this grant is limited to matters within their respective jurisdiction.[23]

Senate Resolution 180 provides that committees and their subcommittees may fix not less than one-third of their membership as a quorum for the transaction of business and a number less than one-third as a quorum to take testimony, but it in no way grants substantive powers to any committee.

Senate Resolution 280 merely changes the name of the Committee on Expenditures in the Executive Departments to the Committee on Government Operations.

Senate Resolution 40 simply appropriated moneys to the Committee on Government Operations or to any duly authorized subcommittee thereof. Again there is no mention of the Permanent Subcommittee on Investigations.[24]

Thus the indictment is barren of any allegation or fact from which the authority of the permanent subcommittee to conduct the inquiry can be ascertained. The cornerstone of the Government's case in any prosecution under section 192 must be a lawfully constituted committee engaged in an inquiry within the scope of its authority when the refusal to answer occurred. This is the hard core of its case against the defendant and he is entitled to have it pleaded in the indictment. The obscurity of the committee's origin points up the need for such an allegation. It is not sufficient, as the Government now suggests, that this proof will be offered upon the trial. If the grand jury did not have before it prima facie evidence that the committee was empowered to conduct the inquiry whether by resolution or

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[12] *Sinclair* v. *United States* (279 U. S. 263, 296).

[13] 103 U. S. 168. While the authority of *Kilbourn* v. *Thompson* has been questioned from time to time (Cf. *United States* v. *Rumely* (345 U. S. 41, 46)), it appears to have been revitalized by the reliance placed upon it by the Supreme Court in the *Quinn* case (349 U. S. 155, 161). See also *McGrain* v. *Daugherty* (273 U. S. 135, 175–176).

[14] *Quinn* v. *United States* (349 U. S. 155, 161). And of course the congressional power to investigate does not permit intrusion upon a witness' constitutional rights. However, in the instant case none of the defendants asserted his constitutional privilege against self-incrimination under the fifth amendment, but did claim (in addition to challenging the authority of the committee) that the purported inquiry violated his rights under the first amendment.

[15] *United States* v. *Orman* (3 Cir., 207 F. 2d 148, 153).

[16] *United States* v. *Sinclair* (279 U. S. 263, 291); *McGrain* v. *Daugherty* (273 U. S. 135, 170).

[17] 345 U. S. 41, 42.

[18] Apparently the Government's position is that the thrust of the powers of the Committee on Government Operations extended to investigations into subversive activities insofar as these undermined the efficiency of operation of Government agencies and also to appropriations to various agencies which it is claimed might have been infiltrated. However, this argument fails to meet the basic question, "Was any power ever delegated to the permanent subcommittee to conduct the inquiry?"

[19] Cf. *United States* v. *DiCarlo*, N. D. Ohio (102 F. Supp. 597).

[20] *Bowers* v. *United States*, D. C. Cir. (202 F. 2d 477, 448).

[21] *United States* v. *Rumely* (345 U. S. 41, 44).

[22] 60 Stat. 812, sec. 102, par. (g) (2) (B), (D).

[23] 60 Stat. 812, 831, sec. 134 (a).

[24] In passing it is interesting to note that the power to inquire into subversive activities which the Government urges is an incident of the committee's powers appears to be negated by Senate Report No. 19 which accompanied Senate Resolution 40: "Under this resolution the Permanent Subcommittee on Investigations will inquire into the administration of Government agencies to see wherein economies may be affected. It is also intended that certain aspects of improper influence in Government shall be investigated, but any inquiries undertaken will in no way interfere or transgress those investigations which other Senate and House of Representatives committees may be engaged in making in comparable areas of Government operations, such as subversive activities." And attached to this report was a letter by the chairman of the Committee on Government Operations (who was also the chairman of the Permanent Subcommittee on Investigations) that its purpose was to determine what "savings can be effected in specific cases of inefficiency and waste."

otherwise, there was no basis for the return of the indictment. "[A] wrongful indictment inflicts a substantial harm on the indicted person." [25] And if in fact there was no grant of authority to the committee, or if it exercised powers in excess of the authority granted, or which could be granted, there is no reason why the defendants should be forced to trial. If the committee was duly empowered to act and conduct the inquiry, it is a comparatively simple matter to establish this fact and to enable a grand jury to make the appropriate allegation in the indictment. It may well be that some resolution or authorization exists but thus far it has not been revealed.

The indictment is silent as to the nature and scope of the inquiries. One must search the record of the hearings of the permanent subcommittee at which the alleged contempts occurred to determine this. As announced by the chairman at these hearings, the stated purpose was to consider various aspects of alleged subversive activities and Communist infiltration.[26] However the statement by the chairman does not establish the committee's authority. It is not necessary in this posture of the case to determine whether, if in fact the permanent subcommittee was duly authorized, it, or indeed the parent committee, was empowered to conduct an inquiry with respect to subversive matters. That issue is reached only when some grant of authority to the permanent subcommittee has been alleged.

We are here dealing simply with a matter of pleading, but this is no technical or formal matter. It is a matter of importance not only to the defendant charged with a serious crime but also to the orderly conduct of congressional inquiries. The times in which we live have brought before the courts a flood of cases involving the congressional investigative power, its limitations, and the rights of witnesses called before such investigative bodies. The recurrence of many aspects of the problem has moved the Supreme Court to comment "* * * [W]e would have to be that 'blind' court, against which Mr. Chief Justice Taft admonished in a famous passage, * * * that does not see what '[a]ll others can see and understand' not to know that there is wide concern, both in and out of Congress, over some aspects of the exercise of the congressional power of investigation." [27]

Here the authority of the committee to act is seriously challenged. The challenge finds support in the failure of the very statutes and resolutions referred to in the indictment to disclose that any power to conduct the particular inquiry was ever delegated to it.[28] Whether the committee was ever vested with power should not be a matter of guesswork on the part of the defendant charged with a crime. And if a defendant is to have a fair opportunity to defend himself he is entitled to be informed of the charge and to have the indictment specify that the committee whose authority he allegedly flouted was duly authorized to conduct the inquiry—just as the indictment must plead every other essential element. An element of crime is an essential factor without which there is no crime.[29] And if no authority was ever delegated to the permanent subcommittee by the parent committee or the Senate, there is no basis for prosecution under section 192 no matter how contumacious a witness might have been.

The fact that the Senate subsequently cited the defendants for contempt of the committee does not cure the indictment's deficiency in failing to allege due authority in the permanent subcommittee. First, because without the allegation no offense is charged, and second, as Mr. Justice Frankfurter pointed out: The contempt citation "after the controversy had arisen * * * had the usual infirmity of post litem mortam, self-serving declarations. In any event, Rumely's duty to answer must be judged as of the time of his refusal. The scope of the resolution defining that duty is therefore to be ascertained as of that time and cannot be enlarged by subsequent action of Congress." [30] Nor is it an answer to suggest that a presumption of regularity supports the committee's purported authority to act since that presupposes a prior grant of authority.[31] Moreover, substantially the same contention, but made with respect to the element of pertinency, was rejected by the Supreme Court on the ground that "the stronger presumption of innocence attended the accused at the trial. It was therefore incumbent upon the United States to plead and show that the question pertained to some matter under investigation." [32]

In sum, I hold that to validly charge a defendant with a violation of section 192 of of title 2, the indictment must plead the following essential elements: (1) That the committee before which the alleged refusal to answer occurred was duly empowered by either House of Congress to conduct the particular inquiry, setting forth the source of this authority; (2) that the inquiry was within the scope of the authority granted to the committee; [33] (3) that the questions which the witness declined to answer were pertinent to the subject matter of the inquiry then being conducted by the committee; and (4) that the witness' refusal to answer was willful, or deliberate and intentional.

Since these indictments fail to allege the first, second, and fourth elements they must fall.

This disposition makes it unnecessary to determine the constitutional and other questions so vigorously pressed for disposition by the defendants.

The motion to dismiss the indictment is granted in each case.

Settle order on notice.

EDWARD WAUGH,
United States District Judge.

JULY 27, 1955.

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[25] In re Fried, 2 Cir., 161 F. 2d 453, 465.

[26] Hearings of permanent Subcommittee on Investigations, vol. 138, p. 14638; hearing of Sept. 15, 1953, pp. 43, 70; hearing of Dec. 16, 1953, p. 240.

[27] *United States* v. *Rumely*, 345 U. S. 41, 44.

[28] The situation here is far different from that in cases where the indictment referred to a resolution which, in turn, set forth the committee's power. In those cases the court had before it a specific pleading of the committee's authority to conduct the inquiry at which the defendant had been called. *Sinclair* v. *United States* (279 U. S. 263, 285–289); *In re Chapman* (166 U. S. 661, 663); *Bowers* v. *United States* (D. C. Cir., 202 F. 2d 273, 280); *Josephine Eisler* v. *United States* (S. D. N. Y., 74 F. Supp. 958, 959, 165 F. 2d 82, 84–85); *United States* v. *Fields* (D. D. C., 6 FRD 203, 204). It is significant, although not necessarily controlling, that in every case except those involving this committee examined by the court, or called to the court's attention, in which reference is made to the indictment, it unmistakably appears that the authority of the committee to conduct the investigation was either pleaded in haec verba or incorporated by reference.

[29] *United States* v. *Winnicki* (7 Cir., 151 F. 2d 56, 58).

[30] *United States* v. *Rumely* (345 U. S. 41, 48).

[31] This makes inapplicable the cases relied upon by the Government, such as *McGrain* v. *Daugherty* (273 U. S. 135); *United States* v. *Josephson* (S. D. N. Y., 74 F. Supp. 958); *United States* v. *Emspak* (D. C. Cir., 95 F. Supp. 1012, 1014); *United States* v. *Bryan* (D. C. Cir., 72 F. Supp. 58), since the resolution under which the committee or the Congress purported to act was specified in those indictments and was before the court.

[32] *Sinclair* v. *United States* (279 U. S. 263, 296–297 (emphasis supplied)).

[33] Cf. Form of indictment not set forth in *Risler* v. *United States* (D. C. Cir., 170 F. 2d 273, 280, n. 8).

THE WORK OF WOMEN IN THE WAR OF IDEAS THROUGHOUT THE WORLD

Mr. WILEY. Mr. President, too often in our discussion of international affairs, and yes, national affairs, men tend to forget the immensely important role being played by the women of the world.

A little news item, however, brought back to mind the other day the invaluable role which women can play, do play and will play in serving the cause of international peace, prosperity and security.

That great woman, Helen Keller, denied the faculties of sight, hearing and speech since the age of 19 months, has been touring the world. And, to cite but one example of her monumental work, has became a great and welcome stimulus to the subcontinent of India, in proving new hope for the 2 million blind of that great country and the equal number of deaf and speechless.

If one woman can overcome personal heartbreak and can do that much, how much more other women can do and are doing individually and collectively.

I ask unanimous consent that a statement which I have prepared on the subject of women's role be printed at this point in the body of the CONGRESSIONAL RECORD:

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WILEY

The "hand that rocks the cradle" is still the hand that rules the world, whether some men will acknowledge that fact or not.

On this planet of 2½ billion souls, the women who bear the infants of the world, raise them, train them, teach them, encourage them, guide them are still the most powerful influences on the human race.

WOMEN INFLUENTIAL IN MORE THAN TRADITIONAL ROLE

But today, the "hand that rocks the cradle"—also rocks the ballot box constructively and shapes the affairs of nations for the better.

Women are rightly being increasingly heard in the councils of governments and in the United Nations.

COLD WAR OF IDEAS OVER COMMUNISM STILL RAGES

Meanwhile, throughout the world, a war of ideas is raging—a war for the allegiance of men and women.

The so-called Soviet new look—the new Soviet smile—still does not alter the basic character of this struggle.

We are all of course hoping for at least partial success in East-West talks, and for an easing of tensions and war fears. But the record of the past regarding Soviet betrayals and violations—speaks too strongly for us to forget.

REDS CONCENTRATE ON UNDERDEVELOPED AREAS

So, the forces of the free world continue to contest with the forces of Communist slavery.

The Reds are, of course, using every conceivable tool to try to bait a trap for womankind, particularly women in that vast area

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of the world which is underdeveloped—that vast area of Asia-Africa which has only just gained its sovereignty, and/or which is still striving for independence. The Reds are trying for converts, too, in the vast domain of South America which has long known independence but is only now beginning to make massive strides toward raising depressed standards of living.

LIES PEDDLED BY RED-FRONT GROUP

As I have personally traveled throughout the world, I have seen the propaganda line peddled by the Women's International Democratic Federation. This is the Communist-front organization which has acted so insidiously in poisoning the minds of some women against us.

Fortunately, this Red front is being combatted. Throughout the world, truly democratic women's organizations, representing the genuine voice of individual peoples themselves, rather than being the puppets of Moscow, are, with increasing effectiveness refuting the lies of the WIDF.

LEADING RED WOMEN ACTIVE FOR MOSCOW

But much remains to be done. The Soviets have an even larger place for women propagandists, women spies, women saboteurs in their plans.

They have an ever larger role for the Ethel Rosenbergs (the convicted atom spy), the Hilda Benjamins (the Red executioner of East Berlin), the Anna Paukers (the now deposed Red ruler of Rumania).

As the Soviets marshal their slave women so we must avail ourselves to the fullest of the talents of our free women who voluntarily eagerly work in the cause of a world of peace and justice and plenty.

To achieve this objective, Red lies, which are spread among the often unsuspecting masses, must be answered.

CUNNING RED PROPAGANDA LINES

Consider how cunning are the Red propaganda strokes. For every human need, the Reds offer some cure-all of Marxism.

The women of the world want peace, so the Communists pose as partisans of peace and as critics of alleged American warmongering.

The women of the world, naturally, want particularly to improve standards of living, to combat widespread illiteracy, disease, malnutrition. So, the Communists pose as champions of these goals and urge that little or no money be used by underdeveloped nations, especially for defense, but that countries concentrate exclusively on nonmilitary appropriations, remaining neutral in the East-West struggle.

The women of the world want freedom; so, the Communists, with their deceptive language, condemn what they call "capitalist imperialist oppression."

The women of the world want equality, and the Communists pose as the alleged supporters of equality of all races, creeds and nationalities.

COMMUNISM—THE ABSOLUTE DENIAL OF WOMAN'S IDEALS

Of course, the fact of the matter is that in actuality, communism stands for everything which any thinking woman would oppose.

Communism stands for perpetual force and violence, which women oppose even more strongly than men, because after all, it is woman's lot to bear and bring life into the world—a process of pain and suffering. And women, more so than men, abhor the loss of a single precious life.

Communism, too, stands for the most savage imperialist domination in the history of the world. Communism stands for the debasing of men and women and the denial of their spiritual dignity, as children of God. Communism stands for the particular degrading of women by forcing them to toil, like beasts of burden, in the most menial tasks conceivable.

WE HAVE THE STRONGEST ARGUMENTS

With all of these obvious debits on communism's ledger—with all of these discrediting features—we, of the free world, have the strongest possible arguments in seeking constructive contacts and friendly relations with women throughout the globe.

And so I urge an intensification of our efforts. I urge that we not consider this cold war as man's fight against other men, but rather as an effort on the part of free men and women to reach the minds and hearts of men and women throughout the world, including the men and women behind the Iron Curtain.

UNITED STATES—LEADING CHAMPION OF WOMEN

No nation has more right to speak of the dignity of women, of the great role which they play, than the United States of America. For, in no country of the world have women more effectively liberated themselves from the age-old bonds of inequality, of superstition and prejudice, in order successfully to attain their full birthright.

In the less than four decades since women gained the suffrage in this country, women have proven to the world how vital can be their contribution, outside the home, (without in any way underestimating the importance of their traditonal role as the mothers of the race.)

WOMEN'S ROLE IN ALL BRANCHES OF GOVERNMENT

How proud the great women pioneers of America would be—how proud Susan B. Anthony, Lucretia Mott, Elizabeth Cady Stanton, Carrie Chapman Catt, and other immortal suffragette leaders would be, if they could note how today, 304 women serve in the State legislatures of our country. Seventeen women serve in Congress, including one of our ablest of all 96 United States Senators. Two very competent women serve as chiefs of mission in American embassies abroad; 2 women have served with distinction in the Cabinets of the United States.

But this is only a partial indication of more important achievements to come on the part of women leaders in the America of tomorrow.

WOMEN'S WORK AT THE GRASSROOTS

Equally important to what famous women leaders are doing is what women at the grass roots are doing.

Yes, women, known and unknown, in thousands of communities across our country are playing an important role in community life. I am thinking of the 5 million women affiliated with the General Federation of Women's Clubs. I am thinking of chapters of the League of Women Voters, the American Association of University Women, the National Federation of Business and Professional Women. I refer to the women's auxiliaries of the American Legion, the Veterans of Foreign Wars and other veterans' organizations; the women's auxiliaries of labor groups, business organizations, professional groups such as those of women attorneys and women's political groups.

Speaking of politics, both Republican and Democratic National Committees have able women leaders. And while I must confess a partiality for the RNC's very talented Bertha Adkins and her splendid associates, I do not doubt the effective work of their Democratic counterparts.

I welcome women's work in both our major political parties. We could use a lot more of it.

15¾ MILLION WORKING WOMEN

Meanwhile, throughout our country today, the United States Census Bureau tells us there are 15¾ million women holding jobs.

This is an increase of 40 percent over the figure of a decade ago. American women constitute 75 percent of our school teachers; 94 percent of our stenographers and typists and secretaries; 78 percent of our bookkeepers and cashiers; 98 percent of our nurses; 95 percent of our telephone operators.

But in addition to these occupations, 1 out of every 5 of our professional workers is a woman. One out of every 10 of our managers and proprietors is a woman. More than 3 out of every 10 of our salespeople, more than 2 out of every 5 of all of our clerical workers are women. In addition 77 percent of our religious workers; 78 percent of our librarians are women; 40 percent of our medical and dental technicians; 32 percent of our editors and reporters; 39 percent of our authors.

WOMEN'S OTHER ECONOMIC ROLES

Women have an immense economic role. They are the buyers, the shoppers of this Nation. Much of our national wealth—title to our real estate, to stocks and bonds, is in the hands or the names of women.

Women are increasingly represented on boards of directors of our corporations. They are rising up the ranks to executive posts. They are using their college degrees and their degrees in the "school of life" to fulfill virtually every type of challenge in our society.

And there are additional great numbers of women who may not be working full time but who, through profitable hobbies, through income-earning avocations, help to increase the income of the family unit, in addition to serving society constructively.

WOMEN, AS NEEDED REFORMERS

Now, too, look about in our country today and consider some of the great forward-looking welfare activities, whether it is in the treatment of underprivileged, the aged, or the ill. Look at our wise laws for compulsory education for the young; look at our Public Health Service activities, or at a great many other medical, social, and educational reforms and you will recognize women's accomplishments. Indeed, Dorothy Thompson, the famous writer, has written "there is hardly a reform in the whole of American society that was not promoted by women long before anyone else was doing much about it. * * * The history of these reforms is the history of the humanizing of society."

Right now, this humanizing work goes on everywhere, whether it is performed by Mrs. Oswald Lord, our United States Representative on the U. N. Human Rights Commission or by Mrs. Hiram Houghton in the International Cooperation Administration or by Dr. Alice Leopold of the United States Women's Bureau, or Dr. Martha Eliot of the Children's Bureau or Ambassador Claire Booth Luce or Ambassador Frances Willis or Senator Margaret Chase Smith or any other woman who has won her laurels, not as a woman, but as an American in fair competition with other Americans of both sexes.

WOMEN OF FOREIGN EMBASSIES

The other day, a young lady here in Washington pointed out to me the significant fact that here in our Nation's Capital, we are in a particularly good vantage point to view this work. We here can see it clearly, not only from the standpoint of the fine activities performed by women in the United States Government, but through noting the vital activities of the women of foreign countries, represented in foreign embassies here or visiting us for brief trips.

A broad gamut of outstanding women of the world pass through our Nation's Capital, whether it be the famous Madame Pandit, sister of Prime Minister Nehru of India (one of the outstanding leaders of that great land) or the heroic nurse of Dien Bien Phu, Mlle. Genevieve Gallard-Terraube, or the wives of visiting Prime Ministers and other officials of foreign governments.

Yes, the visitors include some women who many not occupy the limelight themselves, but who have proven the truest of helpmates to their husbands. I am thinking, for example, of the great woman who has been the helpmate of former Prime Minister Winston Churchill, as well as the mates of other great men of so many countries throughout the world.

AMERICAN WOMEN INTERESTED IN FOREIGN NEWS

More than ever before, this young Washington lady went on to point out, the women of America are interested in what women throughout the world are doing. They are interested in the parental problems of other women; they are interested in the customs and traditions of womenfolk in foreign lands. Mostly, they are interested in contributing, if only in small part, to ever increased understanding and friendship with foreign women.

You can see that in the penclubs through which United States women communicate with other women throughout the world.

You can see it in the CARE packages which our women, and for that matter, our men gladly send—the food packages, the clothing, the tools, yes, the maternity kits, and every other type of constructive, useful material.

You can see that in the work of America's great churches whose women's auxiliaries have never failed their humanitarian responsibilities to help relieve distress abroad.

Indeed, as great as is the activity of the United States Government, infinitely greater is the voluntary activity of grassroots Americans who, on their own initiative, truly prove that they are their brother's and their sister's keeper.

WHAT WISCONSIN WOMEN HAVE ACCOMPLISHED

I recall, for example, how the women of Wisconsin contributed milk for the hungry children of Korea.

I recall how the farm wives of Wisconsin have sent relief packages to foreign lands, and how the city women have been in the forefront of similar fine work. These folks at the grassroots symbolize the finest type of activity in the tradition of the good samaritan.

But just as there is work at the grassroots, so there is work here in the Congress.

LEGISLATION ON WOMEN'S ISSUES

I would not want this session of the Congress to close without expressing these few thoughts with regard to the role of Federal legislation affecting women.

I may say that, frankly, in my judgment this session—for all its many accomplishments—has not taken sufficient action on certain issues which are of especial interest to women, although by no means exclusively of interest to them.

SOME IMPORTANT BILLS NOT ACTED UPON

While we have, for example, appropriated necessary funds for the continuation of the work of that great organization, the United Nations International Children's Emergency Fund, and while we have taken important action in the housing and other fields, still, we have not taken action on many other prime problems here at home.

I refer in particular to the school problem, involving the Nation's most precious asset—our children jammed into overcrowded, understaffed, obsolete schools. Also, we have not taken necessary action to lower the age of women's eligibility for social security from 65 to 62, or preferably, to 60.

We have not taken action to strengthen the Pure Food and Drug Administration, which has certainly one of the most important roles affecting America's householders.

CONCLUSION

I conclude as I began.

The vital role of women must never be forgotten by men or women alike. The constructive activities on which I have commented, should be given every possible encouragement.

This is America at work, America at its best:

A League of Women Voter chapter informing voters of the issues in a coming municipal election.

A women's club securing a new local playground.

A veterans' auxiliary visiting our sick and wounded ex-servicemen in Veterans' Administration hospitals.

A Woman's Christian Temperance Union chapter combating the narcotics menace or the danger of youngsters getting into the alcoholic habit.

A Gold Star Mother's chapter remembering the heroic dead on Veterans' Day.

A DAR chapter preserving the historical heritage of our country.

Women serving the Girl Scouts of America or the Campfire Girls of America.

Women working in community centers, in YMCA's, with Eastern Star chapters.

A PTA meeting debating how to improve the local school curriculum.

Women in the National Education Association trying constantly to improve the professional standards of that great teaching profession—of men and women alike.

Nuns training children in the faith of their fathers, faith in the all-knowing, all-seeing, all-present Creator.

Then, there are the women Sunday school-teachers, the women workers with the blind, the deaf, the disabled.

There are the home demonstration agents, helping what is perhaps the most unsung but hardest-working group of all—the women who toil alongside their menfolk on the Nation's farms.

This is America in all its glory.

Women training our young in America's nursery schools and in kindergartens.

Women social workers helping to straighten out family problems.

Women striving for equal rights in the National Women's Party.

Women in garden clubs, adding to the beauty of neighborhoods and of local communities.

One could go on and on reciting all of the diverse activities in which our womenfolk are engaged.

But each of us need not look far afield to find how important are the contributions of women. We only need to look in our own offices, our own homes, our own communities for those, without whom virtually none of us could be now doing what we are doing, or doing it as well as we might have hoped.

THIS IS A WELL-DESERVED TRIBUTE

This is no empty tribute on my part, no conferring of flowery or unjustified phrases. Rather, it is a simple acknowledgment of the fact, a simple expression of appreciation which is more than merited.

Free women versus slave women. Free men versus slave men. The free world versus the Communist world. This is the epic struggle still underway. We have faith in the outcome of the forces of freedom.

FRYINGPAN-ARKANSAS PROJECT, COLORADO

Mr. MILLIKIN. Mr. President, will the distinguished acting majority leader answer a question for me?

Mr. CLEMENTS. Mr. President, I am always willing to try to answer any question which might be asked of me by my distinguished friend from Colorado. Knowing his ability in many fields, I am aware that he could propound to me many questions which might not be capable of an answer by the Senator from Kentucky. But I shall be happy to try to answer the Senator's question.

Mr. MILLIKIN. I shall ask the acting majority leader a simple question.

Calendar No. 235, Senate bill 300, was introduced by the junior and the senior Senators from Colorado. The bill is to authorize the construction, operation, and maintenance by the Secretary of the Interior of the Fryingpan-Arkansas project, Colorado.

The bill has been on the calendar for a long time, it having been reported by the committee with no objection.

As I understand, for reasons which have nothing to do with the merits of the project, no action has been taken on the bill. I wonder if the Senator can assure me that action will be taken on it early in the next session of Congress.

Mr. CLEMENTS. First, I may say that the bill has been on the calendar since April of this year. I do not know what some of the earlier objections were to the consideration of the measure, but, as I have stated to my friend from Colorado on a number of occasions, there have been objections to the bill for as long as it has been my responsibility to occupy the seat formerly occupied, and soon again to be occupied, by the distinguished senior Senator from Texas [Mr. JOHNSON].

Those objections, in the judgment of the acting majority leader, have made it prudent that the bill be deferred for the time being. At this stage of the session, of course, it would be impractical, and an idle gesture, to have the bill called up.

I can assure my friend from Colorado that, although I will not be in this chair at the next session, I know of no reason why the bill should not be taken up for consideration in the early part of the next session, since it already has the approval of the committee.

Mr. MILLIKIN. I thank the acting majority leader.

WILDLIFE REFUGES ESSENTIAL TO RECREATION AND TRADITIONS OF THE UNITED STATES

Mr. NEUBERGER. Mr. President, as never before in our history, efforts are underway to impair the size and value of great natural reserves set aside for the outdoor enjoyment of all the people. We have seen the persistent campaigns of both public and private interests to secure exploitation of Dinosaur National Monument, the Wichita Mountains National Wildlife Refuge and the Olympic National Park. I have fought hard in the United States Senate against such encroachments and I expect to continue to do so, as long as I shall serve in this body.

Wildlife refuges are among the most valuable domains belonging to all of us. They are not only sanctuaries to which people can retreat, but they serve to safeguard the remaining bird and animal population of this North American Continent. When Lewis and Clark trudged west 150 years ago with the American flag, the land teemed with wild

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creatures. The waste and profligacy of the white man has largely ended that. Wildlife refuges are a few islands of safety when the surviving wild fowl and animals enjoy a measure of protection.

With the cooperation of a fine and effective organization, the National Wildlife Federation, I have compiled a list of places throughout the Nation where selfish and greedy or just plain misguided efforts are underway, either to abolish wildlife refuges or to reduce them so substantially in size as to alter their true purpose. I think this compilation should appear in the CONGRESSIONAL RECORD, so that other Members of the Congress can be vigilant against efforts of the Army, of irrigation interests, of logging companies, of utility companies, and of any other groups to jeopardize the magnificent system of wildlife sanctuaries which should be held in trust for the inspiration of future generations of American citizens.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Encroachments on refuge lands may be divided into two general classes: First, and perhaps most important at present, is the use of refuge lands for purposes wholly alien to the resources of the affected land, but concerned rather with the location or physical characteristics of the lands involved; and, second, exploitation of natural resources lying within a refuge, to the detriment of the lands, or the wildlife, or both. The use of refuges for bombing areas, artillery ranges, and other military purposes falls within the first category, as do requests for road, drainage, pipeline, and electric transmission line rights-of-way. Oil and gas operations are in the forefront of the second group, which includes also requests for water diversion, mining and mineral entry, timber-cutting privileges, etc.

National wildlife refuges are managed on a multiple-use basis consistent with sound wildlife management principles. The necessity and propriety of permitting regulated public use of refuge lands is recognized. During 1954 over 5 million visitor-days were spent on national wildlife refuges, where opportunities were afforded for fishing, hunting, picknicking, hiking, swimming, and other planned activities. Byproducts of refuge management, or resources surplus to the needs of the various areas are sold or otherwise disposed of, and 25 percent of these net receipts are returned to the local county from which the revenue was derived. In the fiscal year 1954, total receipts from the sales of these products and resources amounted to more than $2,257,000. Grazing, farming, timber cutting, haying, and trapping serve as tools of management, and these activities are therefore encouraged. It is apparent, therefore, that the multiple-use principle applies in the management of national wildlife refuges. It is essential, however, that secondary uses not be permitted to monopolize the individual refuges and defeat the primary objective of wildlife management and preservation of its essential habitat. It is essential that secondary uses be in the best interest of local economy and the public at large.

Oil and gas exploitation of refuge lands is an ever-present threat and one, probably, that can be expected to increase rather than diminish. As yet there are not adequate safeguards to protect refuge lands and more particularly the wildlife habitat from permanent damage or complete destruction through the development and removal of gas and oil.

Many thousands of acres of refuge lands under the joint jurisdiction of the Fish and Wildlife Service and the Bureau of Land Management are open to mining and mineral entry, and at the present time there is no authority to prohibit or adequately control mining operations on these areas.

Some of the more serious threats to our national wildlife refuges I would enumerate and detail as follows, and I now list them for the Senate.

ARIZONA

Cabeza Prieta Game Range, Yuma and Pima Counties, 860,000 acres: This refuge, under joint jurisdiction with the Bureau of Land Management, was established under the provisions of the Taylor Grazing Act for the protection and management of the desert bighorn sheep and other species of wildlife peculiar to this arid habitat. Part of this area is now being used by the Yuma Airbase for gunnery practice. Periodically there have been indications that the military authorities were seeking to obtain primary jurisdiction of substantial portions of the refuge, including the mountain ranges and water supplies essential to the welfare of the sheep and other desert wildlife. Some mining activity also appears here.

Kofa Game Range, Yuma County, 660,000 acres: This area is similar to the Cabeza Prieta Game Range and was established for the same purpose. It includes a series of mountain ranges of primary importance to the desert bighorn sheep and a series of waterholes, many of them developed at considerable expense. Three-fourths of this area is now wanted for testing poison gas on a battlefront scale. The United States Army Test Station at Yuma, Ariz., now uses a part of the refuge, and members of the United States Army Engineer Corps Real Estate Office at Phoenix outlined tentative plans for taking over much of the refuge for the purpose of testing poison gas. Needless to say, this testing program, if carried out, would render the refuge a biologic wasteland.

NEVADA

Desert Game Range, Clark and Lincoln Counties, 2,204,000 acres: The Desert Game Range is jointly administered by the Fish and Wildlife Service and the Bureau of Land Management, and was established under the provisions of the Taylor Grazing Act for the protection and management of bighorn sheep and other wildlife restricted to the mountain ranges occurring within the refuge boundary. Now under partial use by the Air Force for air-to-ground and air-to-air gunery practice, the Air Force has taken preliminary steps to obtain primary jurisdiction over approximately one-half million acres which they are now using and to extend their holdings by about 100,000 acres.

CALIFORNIA

Lower Klamath National Wildlife Refuge, Siskiyou County (1,340 acres in Klamath County, Oreg.): This 22,800-acre waterfowl refuge is essential to the preservation and management of the waterfowl resource in the Pacific flyway. It is an integral part of the vital Tule-Klamath Refuge management area, on which 80 percent or more of the total flyway population depend for food and protection during a critical part of the fall and winter season. There has been a continuing threat over the years of further drainage of this once vast waterfowl feeding ground for the purpose of bringing additional lands under irrigation. Over the years thousands of acres of the Klamath marshes have been diked, drained, and brought under irrigation for the production of crops. Much of this agricultural development has been made possible through substantial financial assistance from the Federal Government through the Bureau of Reclamation.

Tule Lake National Wildlife Refuge, Modoc and Siskiyou Counties, 37,337 acres: This refuge adjoins the Lower Klamath National Wildlife Refuge and is equally important in the protection and management of the Pacific flyway waterfowl resource. These two refuges represent the absolute minimum of water, marsh, and croplands at that junction of the flyway if the waterfowl resource is to be maintained anywhere near its present level. The lush feeding grounds present at the turn of the century have been reduced progressively for conversion to cropland, and there is a continuing threat of further reduction. Many of the lands now being sought are of marginal value for cropping even with Federal assistance.

GEORGIA

Okefenokee National Wildlife Refuge, Charlton, Clinch, and Ware Counties, 329,000 acres: The management objective here is the preservation of a unique wildlife environment on which the Florida crane and a great variety of colonial birds are dependent. The refuge also has considerable value to waterfowl. During the past 15 years there has been a succession of threats to invade the refuge for removal of stands of virgin cypress. The possibility of oil being present beneath the swamp has prompted numerous attempts to obtain authorization for exploration, with the understanding that such deposits as might be discovered would be developed and removed.

LOUISIANA

Lacassine National Wildlife Refuge, Cameron Parish, 31,000 acres: An important waterfowl wintering ground, on which a 16,000-acre pool has been developed at considerable expense to provide fresh-water habitat and related food supplies for ducks and geese. Currently, there is an effort being made to invade the refuge impoundment with drilling equipment and to provide for a system of canals for the removal of oil by barges in the event a deposit is discovered. Needless to say, this important feeding ground would be largely destroyed if oil development were permitted. There is the additional problem of a system of canals, plus the oilfield operations, establishing alligatorweed and water hyacinth throughout the entire pool. These two pest plants already occupy many thousands of acres of former waterfowl feeding ground along the gulf coast, and the future of the Lacassine pool requires that these pest plants which are so difficult and costly to control be prevented from gaining a firm foothold.

Sabine National Wildlife Refuge, Cameron Parish, 142,700 acres: One of the most important waterfowl wintering grounds on the gulf coast and essential to the management of the Mississippi flyway waterfowl resource. Gas and oil developments under mineral reservations existing prior to the purchase of this property limit the value of some of the marshlands. About 30 percent of the acreage, known as the East Cove and found to be the most important feeding area, is underlain with a deposit of shell. The proposal to remove this shell and the related destruction of this important feeding ground became a national issue in 1949. Former Secretary Chapman denied permission for the exploitation of the shell deposit. In the past few weeks there has been a renewed effort to invade this part of the Sabine Refuge, and the threat may continue in spite of the fact that investigations by the Louisiana authorities indicates that shell deposits elsewhere along the coast were sufficient to meet the needs of the currently established industries in the State for a period in excess of 100 years. The Sabine shell deposits represent only a fraction of the total along the Louisiana coast.

VIRGINIA

Chincoteague National Wildlife Refuge: This 9,000-acre project, located primarily in Accomack County, was purchased to meet waterfowl management needs at this point

in the Atlantic flyway. It has been developed to increase the waterfowl carrying capacity and has become increasingly important by reason of these improvements, as well as the destruction of habitat elsewhere. Three years ago considerable pressure was exerted to dredge up a substantial acreage of the refuge for the removal of zircon and titanium, deposits of which were reported to be present in the soil. There has been and continues to be a threat of a toll road being built with private funds under State authorization to service a real-estate development lying immediately north of the refuge. The toll road would connect with existing State roads. The proposed construction could nullify much of the improvement work which the Service has accomplished thus far.

MASSACHUSETTS

Parker River National Wildlife Refuge, Essex County, 6,400 acres: This refuge was acquired and developed to meet the growing need of waterfowl feeding and resting ground on the Massachusetts coast. The results have greatly exceeded expectations. The original project proposal was modified by congressional legislation. Later a bill was introduced in the Congress proposing the elimination of this and the 2,900-acre Monomoy National Wildlife Refuge in Barnstable County. The State of Massachusetts has been pressing for release of a part of the Parker River Refuge for recreational development, while, at the same time, some of the properties which they already have available for this purpose are only partially developed.

NORTH DAKOTA

Lower Souris National Wildlife Refuge, Bottineau and McHenry Counties: This 58,600-acre waterfowl-management area represents a major restoration of the historic Souris River marshes for a distance of some 50 miles southward from the Canadian border. At the instance of some local farmers interested in the exploitation of the rehabilitated crop and pasture lands, a bill was introduced in the Congress proposing the elimination of the refuge. The bill was never acted upon, and at the present time the only serious threats to the future of this important project are gas and oil exploration and the proposed use of a part of the original channel lying within the refuge for handling irrigation water in conjunction with the Reclamation Bureau's Missouri Souris diversion.

OKLAHOMA

Wichita Mountains Wildlife Refuge, Comanche County, 59,099 acres: This refuge has been and continues to be under pressure from the Department of Defense for military use. The Department of Defense now makes use of a portion of the refuge under an agreement with the Fish and Wildlife Service whereby some phases of military training are carried out. The activities as now authorized are compatible with refuge-management objectives, which include the preservation of the unique wildlife habitat occurring here, the management of a herd of nearly 1,000 buffalo, about 350 longhorn cattle, native wild turkey, and many other species of wildlife found only in this area. There is now before the Congress a proposal to transfer 10,700 acres of refuge land to the Department of Defense for their exclusive use. The necessity of such a transfer has not been demonstrated, and, since it would result in the loss of a vital portion of the refuge, the proposal is meeting with considerable opposition.

OREGON

Malheur National Wildlife Refuge, Harney County, 165,000 acres: This historic waterfowl breeding ground and feeding and resting area is a vital link in the national refuge system, and exceedingly important to the management of the resource in the Pacific flyway. Considerable improvement has been made here through the development of additional marsh and water areas. Considerable effort was made through congressional representatives to set aside for homesteading purposes a substantial portion of the refuge which previous experience under private ownership had demonstrated to be of questionable value for agriculture. The threat of expropriation is dormant at the moment, but is likely to be revived in connection with federally supported irrigation developments.

ALASKA

Kenai National Moose Range, 2 million acres: Established at the recommendation of the Alaska Game Commission for the protection and management of the giant Kenai moose and other species of wildlife occurring within the management area. Recently the Department of Defense sought to take over primary jurisdiction of a substantial portion of the refuge for use in conjunction with artillery training. It developed that the military requirements could be met by allocating a relatively small portion of refuge lands, and an agreement has been executed accordingly. However, the threat of a paper transfer of a substantial part of this area continues.

SOUTH CAROLINA

Santee National Wildlife Refuge, Clarendon and Berkeley Counties, 78,364 acres: This refuge was established to compensate for the loss of waterfowl feeding and resting grounds in the Santee Delta. The original feeding area became largely unserviceable with the completion of the Santee-Cooper project by the South Carolina Public Service Authority. By agreement with this authority, a national wildlife refuge was established and certain lands were allocated for development and management. The authority has now decided to withdraw for sale lands which the service has cleared and developed at considerable expense for waterfowl management. The primary value of these lands under private ownership would be for shooting purposes, and it appears that at least two organized gun clubs are now negotiating for acreage within the heart of the refuge. The solution here appears to be the purchase of lands from the public service authority. Unfortunately, this development could not be foreseen at the time the refuge agreement was entered into.

PERMISSION TO MAKE INSERTIONS IN THE RECORD FOLLOWING THE ADJOURNMENT OF CONGRESS

Mr. CLEMENTS. Mr. President, the previous order entered today will permit Members of the Senate to make insertions in the RECORD for some time to come.

The PRESIDING OFFICER. Such an order was entered.

ORDER OF BUSINESS

Mr. CLEMENTS. Mr. President, I should like to inquire of the chairmen of various conference committees if there is a conference report which can be brought up at this time. I also ask them to advise whoever may be in the majority leader's seat of any conference reports available as early as possible, so that every effort can be made to have conference reports considered at the earliest possible time.

WORLD FOOD BANK AND WORLD FOOD AND MATERIAL RESERVE

Mr. HUMPHREY. Mr. President, two resolutions relating to establishment of a World Food Bank and a World Food and Material Reserve have been pending before the Senate Committee on Foreign Relations. They are Senate Resolution 85 and Senate Resolution 86. The main sponsors of the resolutions were the Senator from Montana [Mr. MURRAY] and the Senator from North Carolina [Mr. SCOTT].

I merely wish to say, as one member of the committee, that I support the resolutions, and give assurance to my colleagues, insofar as one member of the committee can do so, that in the next session of Congress I shall do what I personally can to secure favorable consideration of these resolutions. I know the resolutions mean a great deal to their sponsors, and that their objectives are highly desirable.

Since both Senators have spoken to me about the resolutions, and since I happen to be a member of the subcommittee which will be considering them, I thought I would bring my statement to the attention of the Senators, since they are present on the floor, and give them my personal assurance of every help possible in the coming session.

Mr. President, I now desire to speak to another subject.

The PRESIDING OFFICER. The Senator from Minnesota has the floor.

THE MIAMI, FLA., HOTEL STRIKE AND THE NATIONAL LABOR RELATIONS BOARD

Mr. HUMPHREY. Mr. President, on last Wednesday the junior Senator from New York [Mr. LEHMAN] called to the attention of the Senate the serious labor dispute involving the principal hotels in Miami, Fla. As I think all of us know, that dispute has been going on for many weeks, and there is still no sign of a break in the dispute and no progress toward a solution. Thus far, too, Mr. President, there has been no change in the decision of the National Labor Relations Board not to intervene in this dispute or to make the facilities which are available under the Taft-Hartley Act—inadequate though this act is in many respects—for bringing the parties together to work out a reasonable settlement of this dispute.

I am sure that most of us who participated in or heard, or who have read, the colloquy between the junior Senator from New York and the senior Senator from New York [Mr. IVES], the junior Senator from Illinois [Mr. DOUGLAS], and the junior Senator from Minnesota, which took place last Wednesday, cannot fail to be impressed with the fact that this refusal of the National Labor Relations Board to make its facilities available to the parties to this dispute raises serious questions concerning the attitude of the Board toward its responsibilities in promoting labor peace and stability. It demonstrates clearly, in my opinion, the need for a thoroughgoing investigation by the Committee on Labor

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and Public Welfare, through the Subcommittee on Labor, of the Board's concepts of its jurisdiction under the Taft-Hartley Act.

The labor dispute involving the Miami hotels is one with which, because of its long-drawn-out character and the complete frustration of all efforts to resolve it, most of us have become quite familiar. There are other situations, however, Mr. President, in which the Board has adopted the same type of mechanical attitude toward its jurisdiction which enables it to wash its hands of many troublesome disputes on the pretext that these disputes are local in character and should be handled by local authorities rather than by the National Labor Relations Board. I do not intend at this time to try to list in detail all of the types of situations in which the Board now refuses to exercise its jurisdiction to facilitate free collective bargaining and prevent unfair labor practices where in the past it has made its facilities available for these purposes. In several statements issued last year, however, the Board substantially narrowed its jurisdiction in a large number of situations, and I should like to indicate a few of these situations.

Let me cite a few examples:

The Board will not now cover disputes involving radio and television stations and telephone and telegraph systems which gross less than $200,000 annually.

It will not handle labor disputes involving public utilities which gross less than $3 million annually.

In the case of public transit systems, it will not handle disputes involving companies deriving less than $100,000 a year from interstate operations or having a combined total revenue from transit operations and intrastate operations in interstate transportation of passengers of less than $100,000.

Also, the Board will not handle disputes involving a single independent retail store such as a big department store or a chain of intrastate stores which have direct out-of-State purchases of less than $1 million a year or indirect out-of-State purchases of less than $2 million or less than $100,000 worth of out-of-State shipments.

Nor will it handle disputes involving a store which is part of an interstate chain unless it meets the tests for interstate stores or the gross sales of the chain amount to more than $10 million a year.

These same standards are applied in the case of retail auto dealers and other retail distributors and to restaurants and restaurant chains.

Although the Walsh-Healey Public Contracts Act regulates labor standards in the performance of Government contracts calling for the furnishing of goods or services amounting to $10,000 or more, the Board holds that disputes involving establishments affecting the national defense will not be covered unless the goods and services supplied relate directly to national defense and are furnished under a Government contract or subcontract in the amount of at least $100,000 a year.

I cite these instances to demonstrate the mechanical character of the rules which the Board now applies in deciding whether or not to make its facilities available in labor disputes in a number of different types of situation. I think it will be clear from the list which I have given that while the Miami hotel strike is a glaring example of consequences of this kind of mechanical administration of the provisions of a law, there are other situations which urgently require an investigation by a committee of this body.

Whatever else may be said of the Taft-Hartley Act—and as a former member of the Committee on Labor and Public Welfare and as former chairman of its Subcommittee on Labor and Labor-Management Relations, there are many things that I could say about its unfair and unworkable provisions—it is the ostensible purpose of the act to provide machinery whereby free collective bargaining is encouraged and impediments to collective bargaining growing out of unfair labor practices by employers or unions are prevented. Such an objective requires a broad concept of its jurisdiction on the part of the agency entrusted with the administration of the law.

Under the old Wagner Act, the Board used to look at situations called to its attention and make its decision to intervene or not to intervene on a case-by-case basis, depending upon its judgment as to whether its intervention would or would not contribute to a solution of the parties' difficulties. In my judgment, Mr. President, this was a sound rule. It is a rule which the present Board had no reason to change, because it worked well.

The difference in the attitude between the old Board and the present Board on this whole problem of jurisdiction is one that is very basic. Evidently it is the philosophy of the present administration, including the National Labor Relations Board, that there are situations where the Federal Government must not intervene even if it can intervene constructively to help parties resolve difficulties which have arisen. This does not make sense, Mr. President, in the complicated economy of today. Particularly is this so when, as in the case of the Miami hotel strike, the refusal of the Board to offer its facilities to the parties leaves them with no recourse whatsoever, since there is no machinery under the Florida law to which they can resort for help in resolving their dispute.

This is a point which requires emphasis, Mr. President, because while the jurisdictional standards announced by the present Board go into great detail as to the amount of business which concerns must do in order to bring them within the scope of the Taft-Hartley Act, these standards do not make any exception in situations where there are no other facilities available to the parties than those of the National Labor Relations Board.

I believe, Mr. President, that the bill (S. 2651) offered by the junior Senator from New York [Mr. LEHMAN] is a suitable framework against which the Committee on Labor and Public Welfare, through its Subcommittee on Labor, can undertake a very useful and necessary investigation of the Board's concepts of its jurisdiction and responsibilities under the law. I trust that this investigation can be carried on during the forthcoming recess so that the Congress when it returns in January can have before it the results of such investigation, together with the recommendations of the committee for legislation with which to remedy the situation which I have described. In the meantime, it is my hope that the Board will reconsider its refusal to enter the labor dispute involving the Miami hotels and that it will make its facilities available to the parties so that this dispute may be brought to an early termination.

PAYMENT OF WAGES IN THE DISTRICT OF COLUMBIA

Mr. CLEMENTS. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of measures on the calendar to which there is no objection, starting with Calendar No. 1283, S. 938.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered. The first bill in order on the calendar will be stated.

The Senate proceeded to consider the bill (S. 938) to provide for payment of wages in the District of Columbia, which had been reported from the Committee on the District of Columbia, with an amendment, to strike out all after the enacting clause and insert:

DEFINITIONS

Whenever used in this act, (a) "employer" includes every individual, partnership, firm, association, corporation, the legal representative of a deceased individual, or the receiver, trustee, or successor of an individual, firm, partnership, association, or corporation, employing any person in the District of Columbia: *Provided*, That the word "employer" shall not include the Government of the United States, the government of the District of Columbia, or any agency of either of said governments, or any employer subject to the Railway Labor Act.

(b) "Employee" shall include any person suffered or permitted to work by an employer except any person employed in a bona fide executive, administrative, or professional capacity (as such terms are defined and delimited by regulations promulgated by the Commissioners of the District of Columbia).

(c) "Wages" mean monetary compensation after lawful deductions, owed by an employer for labor or services rendered, whether the amount is determined on a time, task, piece, commission, or other basis of calculation.

(d) "Commissioners" means the Commissioners of the District of Columbia or their designated agent or agents.

(e) "Working day" means any day exclusive of Saturdays, Sundays, or legal holidays.

SEMIMONTHLY PAYDAY

SEC. 2. Every employer shall pay all wages earned to his employees at least twice during each calendar month, on regular paydays designed in advance by the employer: *Provided, however*, That an interval of not more than 10 working days may elapse between the end of the pay period covered and the regular payday designated by the employer,

except where a different period is specified in a collective agreement between an employer and a bona fide labor organization: *Provided, further,* That where, by contract or custom, an employer has paid wages at least once each calendar month, he may lawfully continue to do so. Wages shall be paid on designated paydays in lawful money of the United States, or checks on banks payable upon demand by the bank upon which drawn.

EMPLOYEES WHO ARE SEPARATED FROM THE PAYROLL BEFORE A REGULAR PAYDAY

SEC. 3. Unless otherwise specified in a collective agreement between an employer and a bona fide union representing his employees—

(a) Whenever an employer discharges an employee, the employer shall pay the employee's wages earned not later than the working day following such discharge.

(b) Whenever an employee (not having a written contract of employment for a period in excess of 30 days) quits or resigns, the employer shall pay the employee's wages due upon the next regular payday or within 7 days from the date of quitting or resigning, whichever is earlier.

(c) When work of an employee is suspended as a result of a labor dispute, the employer shall pay to such employee not later than the next regular payday, designated under section 2 of this act, wages earned at the time of suspension.

(d) If an employer fails to pay an employee wages earned as required under subsections (a), (b), and (c) of this section, such employer shall pay, or be additionally liable to, the employee, as liquidated damages, 10 percent of the unpaid wages for each working day during which such failure shall continue after the day upon which payment is hereunder required; or an amount equal to the unpaid wages, whichever is smaller: *Provided, however,* That for the purpose of such liquidated damages such failure shall not be deemed to continue after the date of the filing of a petition in bankruptcy with respect to the employer if he thereafter shall have been adjudicated bankrupt upon such petition.

UNCONDITIONAL PAYMENT OF WAGES CONCEDED TO BE DUE

SEC. 4. In case of a bona fide dispute concerning the amount of wages due, the employer shall give written notice to the employee of the amount of wages which he concedes to be due, and shall pay such amount, without condition, within the time required by sections 2 and 4 of this act: *Provided, however,* That acceptance by the employee of any payment made hereunder shall not constitute a release as to the balance of his claim. Payment in accordance with this section shall constitute payment for the purposes of complying with sections 2 and 4 of this act, only if there exists a bona fide dispute concerning the amount of wages due.

PROVISIONS OF LAW MAY NOT BE WAIVED BY AGREEMENT

SEC. 5. Except as herein provided, no provision of this act shall in any way be contravened or set aside by private agreement.

ENFORCEMENT, RECORDS, AND SUBPENAS

SEC. 6. (a) The Commissioners shall enforce and administer the provisions of this act and may hold hearings and otherwise investigate any violations of this act and institute actions for penalties provided hereunder. Any and all prosecutions of violations of this act shall be conducted in the name of the District of Columbia and by the corporation counsel or his assistants.

(b) The Commissioners shall have power to administer oaths and examine witnesses under oath, issue subpenas, compel the attendance of witnesses, and the production of papers, books, accounts, records, payrolls, documents, and testimony and to take depositions and affidavits in any proceedings before them.

(c) In case of failure of any person to comply with any subpena lawfully issued, or on the refusal of any witness to testify to any matter regarding which he may be lawfully interrogated, it shall be the duty of the municipal court for the District of Columbia or any judge thereof, on application by the Commissioners, to compel obedience by attachment proceedings for contempt, as in the case of disobedience of the requirements of a subpena issued from such court or a refusal to testify therein.

PENALTIES

SEC. 7. Any employer who, having the ability to pay, willfully violates any provisions of section 2 or section 4 of this act or who fails to comply with any other provisions of this act, shall be guilty of a misdemeanor and, upon conviction thereof, shall for the first offense be punished by a fine of not more than $300, or by imprisonment of not more than 30 days, or in the discretion of the court, by both such fine and imprisonment; and for any subsequent offense shall be punished by a fine of not more than $1,000 or more than 90 days, or in the discretion of the court, by both such fine and imprisonment.

EMPLOYEES' REMEDIES

SEC. 8. (a) Action by an employee to recover unpaid wages and liquidated damages may be maintained in any court of competent jurisdiction by any one or more employees for and in behalf of himself or themselves and other employees similarly situated, or such employee or employees may designate an agent or representative to maintain such action for and on behalf of all employees similarly situated. Any employee, or his representative, shall have the power to settle and adjust his claim for unpaid wages. Whenever the Commissioners determine that wages have not been paid, as herein provided and that such unpaid wages constitute an enforceable claim, the Commissioners may, upon the request of the employee, take an assignment in trust for the assigning employee of such wages, and of any claim for liquidated damages, without being bound by any of the technical rules respecting the validity of any such assignments, may bring any appropriate legal action necessary to collect such claim and may join in one proceeding or action such claims against the same employer as the Commissioners deem appropriate. Upon any such assignment the Commissioners shall have power to settle and adjust any such claim or claims on such terms as they may deem just.

(b) The court in any action brought under this section shall, in addition to any judgment awarded to the plaintiff or plaintiffs, allow costs of the action, including costs or fees of any nature, and reasonable attorney's fees, to be paid by the defendant. Such attorney's fees in the case of actions brought under this subsection by the Commissioners shall be deposited in the Treasury of the United States to the credit of the District of Columbia. The Commissioners shall not be required to pay the filing fee or other costs or fees of any nature or to file bond or other security of any nature in connection with any action or proceeding under this act.

DELEGATION OF FUNCTIONS

SEC. 9. The Commissioners are authorized to delegate to any agency of the government of the District of Columbia any function, power, or duty vested in or imposed upon them by this act.

SEPARABILITY OF PROVISIONS

SEC. 10. If any provision of this act, or the application thereof to any person or circumstance, is held invalid, the remainder of the act, and the application of such provision to other persons or circumstances shall not be affected thereby.

SEC. 11. This act shall take effect 60 days after its approval.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ACCEPTANCE OF GIFT FROM THE ERICSSON MEMORIAL COMMITTEE

The joint resolution (S. J. Res. 93) authorizing the acceptance of a gift from the Ericsson Memorial Committee was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

Mr. MANSFIELD. Mr. President, reserving the right to object, and I shall not object, I ask unanimous consent that there may be printed in the RECORD, before action is taken on the passage of the measure, a news story which was published in the Billings (Mont.) Gazette of July 27, 1955, on the Leif Ericsson memorial.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

STATUE APPROVED BY SENATE BODY

WASHINGTON.—The Senate Rules Committee has approved the resolution by Senator WARREN G. MAGNUSON (Democrat, Washington) that the statute of Leif Ericsson, the Viking leader, be erected in Washington, D. C., facing the Potomac River.

The Washington State Senator appeared in behalf of his resolution before the Rules Committee, and was informed that Senator FRANCIS GREEN (Democrat, Rhode Island) and Senator MIKE MANSFIELD (Democrat, Montana), both Irishmen, would inform him how the resolution fared.

Later MAGNUSON said the Senators informed him that the committee approved the statue resolution with the proviso that the base of the statue be green and ringed with shamrocks.

On the serious side, the Senate Rules Committee resolution appropriates $65,000 to prepare the statue and pedestal. It also authorizes Secretary of the Interior Douglas McKay to accept contributions to reimburse the United States for the money spent on the project, MAGNUSON said.

Mr. MAGNUSON. Mr. President, I ask unanimous consent to have printed in the RECORD at this point the very fine report of the Committee on Rules and Administration regarding joint resolution.

There being no objection, the report (No. 1267) was ordered to be printed in the RECORD, as follows:

The Committee on Rules and Administration, to whom was referred the joint resolution (S. J. Res. 93), authorizing the acceptance of a gift from the Ericsson Memorial Committee, after considering same, report favorably thereon with amendments and recommend that the joint resolution, as amended, do pass.

This joint resolution would bring to the District of Columbia, and erect on a suitable Federal site, a bronze replica of the original figure of Leif Ericsson, presented to the Government of Iceland by the Government of the United States of America, in 1930, and which is now located in the Mariners' Museum at Newport News, Va.

The amendments added by the Committee on Rules and Administration correct the

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title, and make certain arrangements in the text, and set a ceiling of $65,000 on the authorized funds to carry out the provisions of the joint resolution.

By act approved June 21, 1929, Congress authorized and requested the President of the United States "to procure a suitable statue, or other memorial" of Leif Ericsson and present the same as a gift from the American people to the people of Iceland in connection with American participation in the celebration of the 100th anniversary of the Althing, the National Parliament of Iceland.

At the instance of the Secretary of State, the Commission of Fine Arts requested 14 sculptors to submit photographs of their executed work. As a result of this competition, on November 20, 1929, A. Stirling Calder, of New York City, was recommended to the Secretary of State by the Commission, and accordingly a contract was made with him with the provision that the plaster working model remain the property of the United States. Harvey W. Corbett, architect, was selected by Mr. Calder to design the pedestal. After conferring with Prof. Sveinbjorn Johnson, of the University of Illinois, as to the correct spelling of the name, the Commission approved this inscription:

"Leifr Eiricsson, Son of Iceland, Discoverer of Vinland. The United States of America to the People of Iceland, on the One-thousandth Anniversary of the Althing. 1930."

On the advice of Senator Peter Norbeck, of South Dakota, and Representative Olger Burtness, of North Dakota, a site east of the Parliament Building, at Reykjavik, Iceland, was selected. Ground was broken June 30, 1930, during the celebration. The pedestal was set in place in September 1931, and on May 3, 1932, the mayor of Reykjavik certified that the statue had been erected (S. Doc. 214, 74th Cong., 2d sess.).

Meanwhile, the plaster working model of the statue was transferred to the Smithsonian Institution. At the inception of the New York World's Fair in 1939, the Ericsson Memorial Committee, a subcommittee of the Icelandic National League, which is composed of citizens of Icelandic descent in the United States and Canada, raised a subscription to have this model lent to the Government of Iceland and a bronze replica made for installation in the Icelandic exhibit at the fair.

The loan was negotiated through Vilhjalmur Thor, Commissioner General of the Icelandic Commission to the New York World's Fair in 1939. The Minister of Denmark, Hon. Otto Wasted, assisted in requesting of the late Hon. Cordell Hull, then Secretary of State, to use his offices to have the plaster model made available.

In these matters, Mr. Vilhjalmur Stefansson, the explorer, and Justice Gudmundur Grimson, of Bismarck, N. Dak., also wrote to the Smithsonian Institution, as members of the World's Fair Commission for Iceland. Justice Grimson, along with Dr. Rognvaldur Petursson and Asmundur Johannsson, were members of the group known as the Ericsson Memorial Committee of the United States, in charge of such negotiations, and the casting of the model.

As a result of these arrangements, the model was delivered to E. Gargani & Sons, Inc., who made the bronze casting, and to A. J. Contini & Sons, Inc., who returned and reassembled the model in the Natural History Building of the Smithsonian Institution. The bronze statue was later placed in the Icelandic exhibit at the World's Fair (letter to Senator WARREN G. MAGNUSON, date of June 20, 1955, from Dr. Leonard Carmichael, secretary of the Smithsonian Institution).

At the close of the World's Fair in New York in 1940, the Ericsson Memorial Committee was faced with the problem, according to Justice Grimson, of finding a place for their bronze replica. The Mariners' Museum at Newport News, Va., "volunteered to take care of it until such time as it could be placed in Washington, D. C."

Justice Grimson continues:

"I think they have done that very well, but we are still of the opinion that it should be placed in Washington. To ascertain the present desires of the Icelanders I wrote to the president of the league. I enclose his reply. It bears out what I have said (letter to Senator WARREN G. MAGNUSON, date of July 19, 1955, from Gudmundur Grimson, Associate Justice, Supreme Court of the State of North Dakota, Bismarck, N. Dak.)."

In his reply to Justice Grimson, Dr. V. J. Eylands, president of the Icelandic National League, of Winnipeg, Manitoba, Canada, wrote:

"My recollection is that you (Justice Grimson), are the only surviving member of the Leifr Ericsson Statue Committee [sic]. The other members were Dr. Rognvoldur Petursson and Asmundur Johannsson. Personally, I think it would be most desirable that the statue be placed in Washington, D. C. I have spoken to some of the members of the executive committee of the Icelandic National League about this matter, and they are of the same opinion. Whatever you and Senator MAGNUSON can do to bring this about will be greatly appreciated by our organization, and I believe by our people generally" (Letter to Justice Gudmundur Grimson, date of July 19, 1955, from Dr. V. J. Eylands, Winnipeg, Manitoba, Canada.)

Title to the bronze replica, according to Justice Grimson, is in the Icelandic National League. The league has offered it to the United States several times through the provisions of joint resolutions previously introduced (cf., letter from Justice Grimson, July 19, 1955). None of these earned final action. The offer is still open for acceptance.

Acceptance of the bronze statue in the name of the people of the United States and its erection in the District of Columbia would be, it is believed, a demonstration of further good will and of the friendly relations existing between this Nation and the Government of Iceland. The people of Iceland would also accept the transfer of it to Washington as an added token of friendship to have their famous son standing in replica in the Capital of the United States, particularly since the original is in the capital of Iceland. The original statue is of heroic proportions, being 9 feet tall and weighing some 6 or 7 tons. It has for its pedestal in Reykjavik, across from the Parliament Building, a block of New England granite carved in the form of the prow of a Viking ship.

The Commission of Fine Arts has consistently urged that Leif Ericsson be honored by the erection of this bronze statue in the District of Columbia. The site recommended by the Commission in 1946 was near the Inlet Bridge in Potomac Park, where it would face south toward the Potomac River.

An estimate prepared in 1952 by Harry T. Thompson, Associate Superintendent of the National Capital Parks, was for $52,000 for the pedestal. This was based on the assumption that a pedestal similar to the one now at Reykjavik would be obtained, and that further, a firm foundation, including an underpinning, must be provided, since the Potomac Park area consists of reclaimed land.

Although such location would require the driving of piles and the placing of some fill, it is considered that the site afforded by water of the Potomac will be in good keeping with the design and the nautical nature of the statue.

The Mariners' Museum at Newport News has held this statue since 1941 on an indefinite loan basis from the Ericsson Memorial Committee. The figure now faces the main entrance of the museum building. The museum, which is privately endowed, is located on the Virginia Peninsula and was founded in 1930 by Archer M. Huntington. It is devoted to the culture of the sea and its tributaries, its conquest by man, and its influence on civilization.

The buildings of the Mariners' Museum are situated within an extensive park and game sanctuary, including a fresh-water lake of 165 acres named after a celebrated Virginian, the oceangrapher, Matthew Fontaine Maury. The location is approximately 5 miles north of the city of Newport News. Within a 25-mile radius of the museum are Jamestown Island, Williamsburg, and Yorktown, and other places of national interest.

Following is a letter addressed by Senator WARREN G. MAGNUSON to Senator THEODORE FRANCIS GREEN, chairman of the Committee on Rules and Administration, relative to Senate Joint Resolution 93:

UNITED STATES SENATE,
COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE,
July 25, 1955.

In re Senate Joint Resolution 93, statue of Leif Ericsson.

Hon. THEODORE FRANCIS GREEN,
Chairman, Senate Committee on Rules and Administration,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR GREEN: On July 21, I introduced Senate Joint Resolution 93, authorizing the acceptance of a gift from the Ericsson Memorial Committee.

I would much appreciate committee consideration of this legislation in place of Senate Joint Resolution 74, authorizing the erection of a statue of Leif Ericsson in the District of Columbia.

In talking to the various Government agencies informally, including National Park Service, National Capital Parks Service, National Collection of Fine Arts, Smithsonian Institution, and the Department of State, I found a number of changes were desirable in Senate Joint Resolution 74. As a result, the new resolution, Senate Joint Resolution 93, has been introduced as a "clean bill," to present a better and more appropriate resolution, setting forth the objectives more clearly.

The major changes in the legislation represent a new approach and are as follows:

1. Acceptance formally of the longstanding offer of the Ericsson Memorial Committee is found necessary in order to secure firm title and to observe proper decorum.

2. The diplomatic gesture of good will and friendly relations which caused the United States to construct the original statue and present it to the people of Iceland is emphasized and made a part of the acceptance of this replica. While the people of Iceland have placed the original statue in a place of honor at their capital, the United States has not accepted the replica of it for honoring in our Nation's Capital.

3. Because the Secretary of the Interior is given authority to accept public or private donations, particular mention of the organization of a committee or association for defraying expenses is eliminated as unnecessary.

It may be of interest to you to know the changes incorporated in Senate Joint Resolution 93 have been discussed with and approved by the Minister from Iceland as well as the Icelandic National League of North America and the only surviving member of the Ericsson Memorial Committee that paid for the bronze replica.

I hope that the Senate Committee on Rules and Administration will take action on this bill before the recess of Congress.

Thank you for any courtesies you may be able to extend.

Sincerely,

WARREN G. MAGNUSON,
United States Senator.

The PRESIDING OFFICER. Is there objection to the present consideration of Senate Joint Resolution 93?

There being no objection, the Senate proceeded to consider the joint resolution, which had been reported from the Committee on Rules and Administration with amendments on page 1, line 5, after the word "Committee", to insert "of the United States"; in line 6, after the word "of", to strike out "Leif Ericsson" and insert "Leifr Eiricsson"; in line 11, after the numeral "2", to strike out "Upon the recommendation of the National Commission of Fine Arts, and concurred in by the National Park Service, the" and insert "The"; on page 2, line 3, after the word "choose", to insert "upon the recommendation of the National Commission of Fine Arts, and concurred in by the National Park Service"; in line 9, after the word "is", to insert "further"; in line 16, after the figures "$65,000", to strike out "or so much thereof as may be necessary"; and in line 17, after the word "resolution", to strike out "and sufficient additional money to cover" and insert "including", so as to make the joint resolution read:

Resolved, etc., That the Secretary of the Interior, on behalf of the United States, is hereby authorized to accept the offer of the Ericsson Memorial Committee of the United States of a replica of the heroic bronze statue of Leifr Eiricsson, the original of said replica having been presented to the people of Iceland by the United States Government as a gesture of good will and friendly relations on the 1,000th anniversary of Althing, the Icelandic Parliament.

SEC. 2. The Secretary of the Interior is further authorized and directed to choose upon the recommendation of the National Commission of Fine Arts, and concurred in by the National Park Service, a site on the public grounds of the United States in the District of Columbia; and is further authorized and directed to design and erect an appropriate pedestal upon which to place said statue.

SEC. 3. The Secretary of the Interior is further authorized to accept from any source, public or private, donations of funds to reimburse the United States for amounts expended under the provisions of section 2 of this joint resolution. Any such funds shall be covered into the Treasury of the United States as miscellaneous receipts.

SEC. 4. There is hereby authorized to be appropriated the sum of $65,000 to carry out the provisions of this joint resolution including the transportation and erection of the statue at the place selected.

The amendments were agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "Joint resolution authorizing the acceptance of a gift from the Ericsson Memorial Committee of the United States."

CONSTRUCTION OF NUCLEAR-POWERED PROTOTYPE MERCHANT SHIP—BILL PASSED OVER

The bill (S. 2523) to amend sec. 212 of the Merchant Marine Act, 1936, to authorize the construction of a nuclear-powered prototype merchant ship for operation in foreign commerce of the United States, to authorize research and experimental work with vessels, port facilities, planning, and operating and cargo handling on ships and at ports, and for other purposes, was announced as next in order.

Mr. ERVIN. Mr. President, I ask that the bill go over, on the ground that it is not properly a bill to be considered on the call of the calendar.

Mr. MAGNUSON. Mr. President, I appreciate the reason for asking that the bill go over.

The PRESIDING OFFICER. The bill will go over.

AMENDMENT OF MERCHANT MARINE ACT OF 1936

Mr. MAGNUSON. Mr. President, I should like to say that there is only one other bill affecting the merchant marine left on the calendar, and that is Calendar No. 1175, S. 2286, to amend the Merchant Marine Act of 1936 so as to provide for the utilization of privately owned shipping services in connection with the transportation of privately owned motor vehicles of certain personnel of the Department of Defense.

Request has been made that that bill go over, but I desired to make a brief announcement concerning the measure. Obviously, the House will not now consider the bill, anyway. The bill is of great concern to the shipping industries of the United States. It relates to the shipping of automobiles and household goods, and other articles of that kind. The distinguished Senator from Georgia [Mr. RUSSELL], the chairman of the Armed Services Committee, did have some objection to some provisions of the bill; but I think we have ironed out that situation.

However, in view of the fact that the House will not act on the bill at this time, anyway, I wish to say that I believe we shall be able to resolve the matter in January. I wished to make this statement for the record.

RECONVEYANCE OF CERTAIN LANDS ACQUIRED FOR RESERVOIR PROJECTS, STATE OF TEXAS

The bill (H. R. 7195) to provide for adjustments in the lands or interests therein acquired for reservoir projects in Texas, by the reconveyance of certain lands or interests therein to the former owners thereof was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 898) to amend the Interstate Commerce Act, with respect to the authority of the Interstate Commerce Commission to regulate the use by motor carriers (under leases, contracts, or other arrangements) of motor vehicles not owned by them, in the furnishing of transportation of property, was announced as next in order.

Mr. KNOWLAND. Over.

The PRESIDING OFFICER. The bill will go over.

CHANGE NAME OF GARZA-LITTLE ELM DAM TO LEWISVILLE DAM, STATE OF TEXAS

The bill (H. R. 6102) to change the name of Garza-Little Elm Dam located in Denton County, Tex., to Lewisville Dam was considered, ordered to a third reading, read the third time, and passed.

SACRED HEART HOSPITAL

The Senate proceeded to consider the bill (S. 530) for the relief of the Sacred Heart Hospital, which had been reported from the Committee on the Judiciary, with amendments, on page 1, line 6, after the word "of", where it appears the first time, to strike out "$14,910.81" and insert "$5,686.12", and on page 2, line 3, after the word "act", to strike out "in excess of 10 percent thereof."

The amendments were agreed to.

Mr. KILGORE. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 1, beginning in line 8, it is proposed to strike out "of one hundred and ninety-two unpaid Indian accounts."

Mr. KILGORE. Mr. President, the purpose of the proposed amendment is to bring the bill into conformity with the Senate Committee's report which provides that payment to the Sacred Heart Hospital of $5,686.12 in settlement of its claims for treatment of enrolled Indians shall be without prejudice to the right of the hospital to submit additional information which may justify payment of the remaining 100 accounts which involve nonenrolled Indians.

In other words, by means of a committee amendment the bill has been limited to the payment for the enrolled Indians. But there was a larger account; and the amendment I have now submitted will provide an opportunity at a later time for justification to be made as to whether payment should be made for the nonenrolled Indians, as well as for the enrolled Indians.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from West Virginia [Mr. KILGORE].

The amendment was agreed to.

The PRESIDING OFFICER. The question now is on the engrossment and third reading of the bill.

The bill (S. 530) was ordered to be engrossed for a third reading, read the third time, and passed as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Sacred Heart Hospital, Havre, Mont., the sum of $5,686.12. The payment of such sum shall be in full settlement of all claims of the Sacred Heart Hospital against the United States for payment for hospitalization, treatment, and other services rendered to certain Indians, 92 of whom were enrolled Indians from the Rocky Boy's Reservation and the Fort Belknap Agency: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the con-

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trary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

SAM BERGESEN

The bill (S. 872) for the relief of Sam Bergesen was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That notwithstanding any contractual provision relating to a 30-day limitation for filing an appeal contained in contract numbered C8ca-3694 entered into between Sam Bergesen, of Tacoma, Wash., and the Civil Aeronautics Administration, Department of Commerce, for the construction of a very high frequency repeater station at North Nenana, Alaska, the Administrator of Civil Aeronautics is authorized and directed, upon application filed with the Civil Aeronautics Administration within 6 months after the date of the enactment of this act, to review any claim of the said Sam Bergesen resulting from the assessment of liquidated damages against him under such contract.

LEO E. VERHAEGHE

The Senate proceeded to consider the bill (H. R. 3027) for the relief of Leo E. Verhaeghe which had been reported from the Committee on the Judiciary, with an amendment on page 2, line 9, after the word "act", to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

CLAIMS OF BARTLETT SPRINGS CO. AND OTHERS

The bill (H. R. 3063) to confer jurisdiction upon the United States District Court for the Northern District of California to hear, determine, and render judgment upon the claims of the Bartlett Springs Co. and certain others was considered, ordered to a third reading, read the third time, and passed.

MEDALS IN COMMEMORATION OF THE ONE HUNDRED AND TWENTIETH ANNIVERSARY OF THE SIGNING OF THE TEXAS DECLARATION OF INDEPENDENCE

The bill (H. R. 7244) to provide for the striking of medals in commemoration of the 120th anniversary of the signing of the Texas declaration of independence, and the Battles of the Alamo, Goliad, and San Jacinto in the year 1836, was announced as next in order.

Mr. ERVIN. Mr. President, I ask unanimous consent to have inserted in the RECORD at this point a statement prepared by the distinguished majority leader, the senior Senator from Texas [Mr. JOHNSON].

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR JOHNSON OF TEXAS

Next year Texans will join in celebrating the 120th anniversary of the signing of the Texas declaration of independence, and the Battles of the Alamo, Goliad, and San Jacinto.

H. R. 7244 provides for the striking of commemorative medals in connection with that celebration.

The proposed legislation would authorize the Treasury Department to manufacture for and sell to the Texas Heritage Foundation 2,000 of these medals. The bill also proposes to authorize the manufacture and sale by the mint to the public of bronze duplicates of this medal upon authorization by the Texas Heritage Foundation.

The Texas Heritage Foundation is a nonprofit patriotic organization sponsored by many of the leading citizens of my State. It is a potent force in creating among Texans a pride in the Texas tradition and a deeper knowledge of the historic events that have gone into the making of that tradition.

Passage of H. R. 7244 is recommended by the Treasury Department. I urge that favorable action be taken on the measure as a means of helping to insure a successful and memorable celebration next year of events that gave birth to Texas as an American Republic.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 7244) was considered, ordered to a third reading, read the third time, and passed.

TAX RELIEF TO A CHARITABLE FOUNDATION

The bill (H. R. 7746) to provide tax relief to a charitable foundation and the contributors thereto was announced as next in order.

Mr. KNOWLAND. Mr. President, may we have an explanation of the bill?

Mr. HRUSKA. Mr. President, reserving the right to object, in the case of this bill, let me say that even if we concede the merits of the bill, for the purpose of correcting an inequity and to overcome some technical points, it is to be noted that the bill has an effective date for commencement but not for termination. I understand, however, that there is a proposed amendment which will be acceptable.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. SYMINGTON. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 2, in line 13, it is proposed to strike out "beginning after 1949," and to insert in lieu thereof "beginning after December 31, 1949, and prior to January 1, 1956."

Mr. SYMINGTON. Mr. President, this amendment is in line with the statement made by the distinguished junior Senator from Nebraska.

The amendment will have the effect of limiting the tax relief to taxable years beginning after December 31, 1949, and prior to January 1, 1956.

For years beginning on or after January 1, 1956, the trust instrument creating the foundation will have to be amended to conform to the requirements of the 1954 code. This will prevent any question arising as to whether the foundation can engage in the so-called prohibited transactions described in section 503 of the 1954 code. The foundation has never engaged in such prohibited transactions since it was created, and could never engage in such transactions at any time, under the terms of the trust agreement.

Mr. President, that explains the amendment, and I understand there is no objection to the bill, on the basis of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Missouri.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

AMENDMENT OF RIVER AND HARBOR ACT OF 1954

The bill (H. R. 4734) to amend the provisions of the River and Harbor Act of 1954 which authorizes the Secretary of the Army to reimburse local interests for work done on a dredging project at Los Angeles and Long Beach Harbors, Calif., during a period ending July 1, 1953, by extending that period to November 7, 1953, was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 6857) to authorize the Administrator of the General Services Administration to convey certain land to the city of Milwaukee, Wis., was announced as next in order.

Mr. BIBLE. Mr. President, by request, I ask that the bill go over.

The PRESIDING OFFICER. The bill will go over.

MRS. MARIA DEL MUL

The bill (H. R. 929) for the relief of Mrs. Maria Del Mul was announced as next in order.

THE RURAL ELECTRIFICATION ADMINISTRATION AND PUBLIC POWER

Mr. LANGER. Mr. President, I wish to take this opportunity to state that I strongly disagree with the report of the task force of the Hoover Commission dealing with the Rural Electrification Administration and public power.

I wish publicly to thank the North Dakota Rural Electric Association for their resolution commending me at its annual meeting 2 weeks ago at Bismarck, N. Dak., and I wish particularly to thank that association for their words regarding my "untiring service to REA and RTA on all occasions and in all the various ways these programs have been assisted."

In this connection, Mr. President, I take pride in their resolution which said:

We particularly commend Senator LANGER for his valiant fight to expose the scandalous

Dixon-Yates contract through his investigating committee.

I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, an address entitled "The Role of the Rural Electrics in the Atomic Age." The address was delivered by Mr. Clyde Ellis, secretary of the National Rural Electric Association, at the Atlantic City national convention of that organization.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

MR. ELLIS' ATLANTIC CITY REPORT—THE ROLE OF THE RURAL ELECTRICS IN THE ATOMIC AGE

This is a great day. For the 13th time now we have gathered from the four corners of a great Nation in our national annual meeting. We are assembled in this huge workshop to review our progress, exchange knowledge and ideas, discuss problems of the present and the future, and make important decisions.

We are here from Maine to California, from Florida to Alaska. Some of us have traveled farther than from here to London. We have traveled a total of over 4 million miles. We are here from most of the approximately 900 rural electric cooperatives and power districts.

We represent a gigantic rural industry—in the aggregate one of America's largest enterprises—more than a million miles of distribution lines, some generation and transmission facilities, and an investment of over $2½ billion.

But even more important is the fact that we are here as the chosen representatives of those 15 million farm people who have built and are serving themselves through their own farflung rural electrification systems.

As I look out among you, one overwhelming fact, unchallenged and unquestioned, radiates from all your faces. It's the fact of faith and confidence which has permeated our whole electric cooperative endeavor. You expressed it when you sang just now to the tune Battle Hymn of the Republic—

We have set transmission towers on their march across the land. We have shown the world what happens when the farmer takes a hand, for in union we are strong.

This faith and the accompanying sense of pride and joy at being associated with so fine and noble an effort and achievement are of inestimable help to us when we sometimes face situations that otherwise might be extremely discouraging.

HOG-KILLING YEAR

This whole past year has reminded me of a hog-killing experience back on the farm. Ours was a big family and it took a lot of meat. The neighbors had gathered in to assist, as usual. We kids had stayed home from school, as usual. Even then the job was shorthanded.

It was my responsibility to keep the water hot in the scalding barrels—with red-hot irons carried from an open fire—you know. That was a big job for one boy and no matter how hard I worked I never seemed to be able to keep it hot enough to suit everybody. I always had too many irons in the fire and too few in the barrels. The pigs wouldn't scald right and were hard to scrape.

Well, on one occasion I became so excited when a pig that was the victim of a poor shot went mad and broke out that I forgot all about the water, and when the pig was finally ready the water was cold. There was just one thing to do. Everybody pitched in and helped pull the hot irons out of the fire and put them in the barrel. Very soon the water was boiling hot and then they all talked about how easy that pig scraped, and from that time on I had help. It was everybody's job after that to pitch in in a pinch.

That is just about the way it has been with our program the past year. Particularly with the accelerated legislative work, we in your national office were always shorthanded and we just couldn't keep the water hot all the time. Several times we sent out calls for help to you in the field when it seemed desirable for Congress to hear from you. And, like the good neighbors that you are, you always responded magnificently and rushed in to help pull our irons out of the fire. The atomic-energy battle was a good example.

Yes, 1954 was hog-killing day all the year.

But it was still our best year in my opinion.

Inasmuch as we reported on most of the year's efforts rather fully at the regional meetings, I shall not burden you with details today. It does seem appropriate, however, that we remind ourselves briefly at this point of what we faced and did.

With the help of our friends in Congress, we got the REA loan funds raised from the administration's budget request of $90 million to $170 million—nearly doubled. This enabled most of you to continue with your planned construction and heavying-up program on schedule. But the amount is not adequate to cover loans that our people want in Illinois, Colorado, and possibly other States during the balance of this fiscal year.

We did not succeed in getting the telephone budget request increased as needed.

We succeeded in getting the administration's budget request for REA administrative funds raised by $200,000. This was to be used primarily to cut down the backlog of loan applications and for REA to assist us in exploring the application of atomic power in rural areas.

We succeeded, with the help of the REA Administrator, in scotching an effort to double our interest rates.

During the past year we worked more closely with all other organizations friendly to our cause—or rather we all worked better together, gathering and disseminating information. Most of this work was done through the Electric Consumers Information Committee.

We supported the Langer antimonopoly committee of the United States Senate in its effort to expose the countrywide power company drive through Interior Department officials and others to wreck our power supply arrangements with the Federal Government and thus increase its monopoly position. Nevertheless, the power-company drive is still on. Except in isolated instances the 50-year-old preference or antimonopoly clause in the law and the whole power program are being crippled by new policies and practices and the rural electrics will be limited to less power at higher cost than under the old policy—while the power companies will get more at lower cost. The power companies are putting on powerful pressure right now to stop this antimonopoly investigation of themselves and right now it seems they are succeeding.

In the Southwest we were unable to keep SPA from being reduced to a mere marketing setup, with most of its functions, even its power negotiations, moved to Washington. The situation was aggravated by two lawsuits now pending in the Federal courts.

In the first Southwest case the 10 power companies of Missouri were and still are suing to kill the right of all rural electric systems everywhere to borrow money from REA to generate their own electricity, on the ground that that is not serving unserved persons; and in the same case, they were and are suing to kill our right to enter into certain types of power exchange arrangements with the Government. Should they ultimately win on either contention it would be a major disaster for our program countrywide. They lost this suit in the Federal court but they are now appealing it to the circuit court of appeals. The Department of Justice has done a nice job presenting our side of the issue for the Government.

In the second Southwest case some of our co-ops in Missouri were forced to sue the Secretary of Interior. They won a judgment against him in the Federal court declaring him to be in violation of the law in not carrying out certain contracts which Interior's Southwestern Power Administration had made with us, but he still won't do it. Instead he is appealing the case while at the same time trying to force our generation and transmission co-ops in Missouri and Oklahoma to enter into power supply contracts with the Missouri and Oklahoma power companies. And the companies apparently won't agree to anything that we can live with. They seem determined to kill off our GT's and are employing the further device of trying to force themselves in as toll gates between the GT's and the Federal power.

To make matters worse, in the absence of the administration's support, we were not able last year to get congressional appropriations to carry out SPA's side of power exchange contracts with us beyond this February 28—just 2 weeks from today. Unless Congress comes to our rescue quickly with a supplemental appropriation, the chaos that already exists with our GT's in the Southwest will be intensified many times.

Interior's new policy calling for less firming up of hydro power means less power for the rural electrics at higher cost. Last month SPA made application to the Federal Power Commission for a rate increase.

A further tragedy will exist if the GT's are lost for not only will their member co-ops suffer but so will all the other co-ops in the area, some of which are getting Government power wheeled to them by power companies and some of which are buying directly from the companies. Their rates will go back up, for when the GT's that helped to bring the rates are lost the bargaining position of all our co-ops in those States will be lost.

But one very good thing happened to us in the power-thirsty Southwest last year. We got Table Rock Dam restarted and Beaver and Greer's Ferry authorized for future construction. In addition two small 7,000-kilowatts projects, Stockton and Pomme De Terre, in Missouri, and one large project, Lower Cumberland Dam (130,000 kilowatts) in Kentucky and Tennessee, were authorized during 1954.

In the Southeast, during the past year, we made no apparent progress in the efforts of Georgia and North Carolina cooperatives to purchase from Interior, Kerr and Clark Hill Dam power that belongs to the co-ops under the law. Nor could we persuade Congress to approve transmission lines as one means of effecting delivery.

In the Tennessee Valley we failed to obtain more needed power generation but I hope we have helped to block the Dixon-Yates counterarrangement which would no doubt mean the ultimate strangling of this great agency that has been of untold assistance to the entire rural-electrification program. The Dixon-Yates deal would mean increased costs in that area, and possibly all over the country because of the loss of the competitive effect of the TVA yardstick.

In the Missouri Basin our systems have been able to contract for limited amounts of power under the Bureau of Reclamation marketing criteria but the amounts available under the new policy are insufficient to meet projected growth than would have been the case under the old policy.

We got some but limited new transmission lines approved for North and South Dakota, Nebraska, and Wyoming. And the small multipurpose Glendo Dam was begun in Wyoming.

In the Northwest, like with SPA and SEPA, we were unable to keep Bonneville Power Administration from being reduced to a mere marketing agency with many of its old functions either eliminated or centralized in

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Washington. We were unable to get any new starts on any new dams or major Bonneville Power Administration transmission facilities. We joined with other organizations in helping to delay the Hells Canyon dam site gift to the Idaho Power Co., a Maine corporation.

In the Northeast we helped to pass the St. Lawrence Seaway bill, but lost our demand for a Federal-type preference clause. We helped to stop the gift of the Niagara Falls power site to five power companies, but we failed to achieve Federal development.

In the country as a whole, we were unable to stop the tremendous administration's drive to apply its so-called partnership policy. The policy tends to ignore, neglect, or destroy the country's traditional resources partnership with people locally and substitutes the big corporations.

We failed to get a new generation and transmission co-op loan approved anywhere in the United States in 1954, which meant that more than 2 years had passed without a new GT being started, although several were needed.

We testified before the Hoover Commission Task Force on Water and Power but apparently met a solid wall of prejudices. We presented a statement by mail to the task force on lending agencies—that's as close as they would let us get to them—but we are not conscious of any good accomplished. All the Hoover Commission task force reports are due to be filed with Congress soon.

In the battle over revision of the Atomic Energy Act, we won some needed amendments but lost others. I shall return to this topic of atomic energy presently and discuss it more fully than I have these others because it is newer, more involved and far reaching, and of interest to all of us.

Our NRECA president and secretary-treasurer have both told you of other efforts and accomplishments of the association during the past year. These have included our successful management institutes, the regional meeting management and power use workshops, and the board's constant struggles with inadequate housing and inadequate budget. Our editor of Rural Electrification magazine and the manager of our retirement and insurance department will tell you of still more of our work this afternoon. Even if 1954 was hog-killing day all the year, I am very proud of that year's work. We made mistakes but we have an excellent staff and we did our best. Washington employees are proud of the excellent cooperation and support which the NRECA officers, the board of directors, and all of you have given us. I am proud of you, all of you, because you are such fine folks to work with, because you demonstrate over and over again that you know what you want done, that you know how to do it, and that you don't intend to be stopped.

ENERGY AND MAN

The basis of all human life is our ability to utilize the energy of the sun. This has always been true, and man has lived well or poorly depending on how efficiently he has been able to harness this energy. Primitive man lived a life that was brutish and short because his available energy resources were limited.

The great turning point in the history of man was the coming of the industrial revolution, when at last man no longer depended upon his own frail strength and the work of domesticated animals and at last learned to harness the power of the fossil fuel, coal, oil and gas to machines through the power of steam. Since then, he has learned to convert these old deposits of the sun's energy and the power of falling water in the rivers into electricity. It is machines and these sources of inanimate energy which have made possible the kind of America we know.

THE AGE OF ATOMIC ENERGY

But now we stand on the brink of one—if not the greatest of man's conquests—the conquest of the atom itself. From here on we can still utilize the power of the sun in field and forest; we can utilize the power of sun which lifts the water from the sea and controls the winds that move it to the land where it can be harnessed as it runs back to the sea; we can utilize the old deposits of fossil fuels, products of the sun's energy ages ago. But now we have learned a new great secret: We can, we have already, created little suns of our own. For the sun is only a great atomic reactor, and we, at last have learned to create small suns of our own. From these midget suns, from atomic reactors, we can generate incredible quantities of low-cost energy.

This does not mean that conventional methods of electric generation will soon become obsolete. They will not. It means that the coming of atomic fuel to the power industry will supplement other generation processes. It will simply give us more power at lower cost, and will stimulate beyond anything we can now imagine our present free-enterprise system, and it will add unbelievably to our military strength. It will supplement but not replace existing power generation.

To us this also means that our old problems of obtaining adequate REA loan funds for expansion of our systems and of obtaining public development of low-cost water power with preference and transmission lines to make this preference effective will be with us indefinitely. But to these problems is now added the additional task of achieving the same ends in the atomic energy program that we have sought in the water resources program. If our systems are to survive and grow, we must share in the atomic energy program. Moreover, as citizens we must participate, in any event, in the pursuit of equality of opportunity and an economy of abundance, for defense and the aid of our allies, for the free people of the earth and those who can become really free only when the crushing weight of poverty and want has been lifted from their shoulders.

THE OLD PROBLEM OF MONOPOLY

These are the possibilities, provided the age-old problem of monopoly does not prevent rapid development and utilization. For nearly half a century we saw monopoly lay claim to the choice hydroelectric sites. We saw the great power combines seek to hoard up and sit on the best sites, frequently without making any move to develop them. Many of the companies obtained licenses to build the dams, but then claimed for decades that their development was not feasible, that power could be generated from the fossil fuels at lower cost. Only since the Federal Government began harnessing the rivers, by developing multipurpose projects, have the giant companies become really interested in developing hydropower, and even under the new partnership policy, they are calling for Federal subsidies to assist them.

It appears that we now face the same struggle in the development of atomic energy and the distribution of its benefits. The technology of atomic energy has been developed at public expense. By June 30 of this year, the people of this Nation will have already invested over $18 billion in public funds in this field and Congress has appropriated a total of over $15 billion. Individuals and corporations have invested virtually nothing. Furthermore, the United States Government takes title to all atomic fuel, including the processed ore. Under these circumstances, who can deny that atomic energy is a part of the public domain just as much as were the public lands, in the early days of the Republic, or the water power resources of our rivers?

The rate at which atomic energy is developed to the point where its benefits will pour into every home in the country; the cost of that power once it is generated; and the decision as to whether we have electric power so cheap it may not pay to meter it, as AEC Chairman Strauss put it—these all rest in no small part with us and with the other people's organizations with whom we work. Of this, there is no doubt.

The basic technology is already known and is being developed. From here on atomic energy will come cheap and quickly if we establish wise public policies and if we are willing to make the public investment, or it will come slowly and will cost much more if we permit private monopoly, with its hesitant investment and arrogant profiteering to dominate the field.

We can get cheap atomic fuel just as we got the atom bomb and the hydrogen bomb—but at much less cost because the people have already put up the principal cost—by providing a relatively small additional investment. But, the more our country is willing to invest at this time, the more quickly will this new, low-cost electric energy become available.

And, as I shall suggest again later, the atomic technology has reached the point of development where all future investment in atomic power will be repaid, not only in direct reimbursement of the investment by consumers of electricity but also many times over by tremendous savings in power costs.

OUR HOPE IN THE ELECTRICAL AGE

Our cooperative program, which is bringing electricity to the country's farm, has become a vital part of the electrical age in America. Spread before you here in the meeting hall are two great charts, the results of recent studies, which will enable you to get some picture of the significance of that age. I want to discuss these charts with you.

Chart I is titled "Electrical Consumption, United States, A. D. 1900 to 2000." The year 2000, incidentally, is only 45 years away. Many of us will live to see it.

This chart shows the extraordinary growth of the output of electricity—which in many ways is the key to our American civilization. Electrical energy drives more and more of our machines, it provides a basis for good living in city and rural homes, it sustains the Nation's power in war.

The first half of chart I, left to right, is the recorded history of a rich half century of progress, beginning in 1902, when the country's total use of electricity was only about 1 percent of what it is today. You will notice that down to 1933 it had increased very slowly, to only about 100 billion kilowatt-hours a year. At that time homes were using only about 600 kilowatt-hours per year, and less than 10 percent of all the farmers in the land were connected with power lines. As late as 1936, when the Rural Electrification Administration Act was passed, the use of electricity for all purposes was only 136 billion kilowatt-hours a year.

Note that it was only after the passage of the TVA Act in 1933 and the Bonneville and REA Act of 1936 and 1937, that the line on the chart started really moving up. This was the direct result of the Government impetus in the power field, even though it was relatively small. (The Federal Government does not retail power in the Tennessee Valley or any other of its power-marketing areas. It wholesales its power and the commercial power companies purchase several times as much of it as do the rural electrics. The commercial companies occupy a more than 80-percent monopoly position in both the generation and retailing of electricity in the United States.)

From 1936 to this year 1955, the electrical age was actually here and we, the country's rural electrics, have been contributing substantially, both directly and indirectly, to its expansion.

But, it is the second half of chart I in which we are most interested now, for it looks to the future. The second half is based on certain assumptions. One of those

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assumptions is that the American people will move forward on the basis of the same principles of power policy which have presided over the extension of rural electric service from 11 percent to 92 percent of our farms and the expansion of the country's total use of electric power from 136 billion kilowatt-hours in 1936 to over 540 billion kilowatt-hours in 1954.

As we move into this second half of chart I and understand its meaning in terms of American life, more goods, more services, more employment, more leisure, let us try to appraise the part which the farmers through their rural electrics must play if they are to share fully in the blessings already envisaged for the dwellers in cities and their suburbs. For it is going to be up to us of NRECA to give the answer.

In the first place, a glance at this chart impresses us with the sheer growth in the country's use of electricity ahead. Down to 1970 the figures represent the forecast of Electrical World magazine, trade journal of the commercial power industry, as set forth in its issue of September 20, 1954, supplemented by figures for production in nonutility electric plants. Beyond 1970 to the end of this century, the increases are conservatively figured at somewhat less than the utilities themselves expect during the decades to 1970. There is not the slightest ground for assuming that the general upward trend will not continue.

The chart shows that, by 1970—only 15 years from now—when our population reaches about 200 million, the total electric requirements will be over 1½ trillion kilowatt-hours annually.[1] This means a national supply of electricity amounting to about 7,500 kilowatt-hours per capital of the population as compared with about 2,600 kilowatt-hours in 1950, a nearly threefold increase in 20 years.

The chart shows that by the year 2,000 A. D., with a possible population of 270 million, the country's annual electrical requirements are likely to reach the astounding total of close to 9 trillion kilowatt-hours, or perhaps 33,000 kilowatt-hours per capita of the population.

This seems almost inconceivable today because we can no more foresee all the appliances and devices, which will be invented or perfected to render man's life less laborious, more comfortable and convenient 45 years hence than 50 years ago we could have imagined the appliances we are using today. As but one example of what may happen, I need only to remind you that today moderately priced demonstration houses are being constructed which, in addition to all known electrical appliances, will be completely air conditioned throughout the year. Year-round electric home air conditioning is just starting—but it's here and some of you already have it.[2]

RESIDENTIAL USE WILL COME INTO ITS OWN

From the point of view of our program, the tremendous growth in residential use of electricity is perhaps the most significant single trend in the picture of the country's electrical future. For the electrical farm is also the electrified rural home.

General Electric Co., in a two-page magazine advertisement in August 1954, bears testimony to this epoch-making shift from industry to the home, the application of the electrical age. It says:

"Residential load is growing rapidly and is expected to equal industrial load by 1975." That's only 18 years from now.

The ad further emphasizes suburban developments as the principal areas of future residential growth.

Because of the astounding nature of this trend we have prepared chart II, on the other side of the platform, which shows the growth of the use of electricity in the Nation's homes as compared with use in the Nation's industries.

Here again, we have used the Electrical World estimates down to 1970. Beyond that year, the estimates are based on conservative assumptions as to population growth, ratio of homes to population, and extension of the trends in use of electricity per home.

The figures show that when we reach 1970, the average home will be using about 7,323 kilowatt-hours of electricity per year as compared with 2,528 kilowatt-hours in 1954. Its use will nearly triple. But, when we project our view to the year 2,000, only those 45 years away—we find an indication that the average annual home use of electricity may reach 50,000 kilowatt-hours. This opens wide the opportunity for our imagination to conjure up what that electrical magician will do for our homes of the future.

But the very discussion of this tremendous growth by representatives of the electrical industry suggests the need for our organization and the need for its fight for vertical as well as horizontal expansion of our rural systems. For, on the one hand, we find the General Electric ad emphasizing expansion of city suburbs as the stimulus to the indefinite upward trend in residential use, and, on the other hand, we find Electrical World emphasizing an expected 40 percent increase in per capita spending ability plus an increase of at least 1 million a year in new non-farm homes as the basis for its estimate that residential use will rise from 15 percent of the total use of electricity in 1944 to 36 percent in 1970. According to this trade journal:

"Homebuilding is finally becoming a real consumer goods industry. * * * Among other things good-product design will mean larger, more electrified houses, with air conditioning and plenty of appliances added."

On the average American farm it uses much more electricity inside the dwelling than outside. But neither prediction emphasizes us, the farms, and farm homes. It's our problem to make sure that we are emphasized in the expansion.

It's our problem to make sure of a continuation of the national power policy, including rural electrification, which has vastly stimulated all electric power use nationally and under which the farms of the country, through their own cooperative business organizations, have for the first time in history begun to really share in this electrical age. We must not pause in our efforts, or be divided in our strategy, lest the rapidly expanding electrical civilization again leave the farms behind.[3]

THE ATOMIC ENERGY BATTLE OF 1954

Last year as the original Atomic Energy Act was being revised, we studied, watched, and testified in an effort to see that the antimonopoly features of the original act were left intact. The features provided ample protection for the public interest. When at last it appeared that a bill was about to pass, transferring the fruits of $12 billions of the people's money to a few huge corporations, we launched a counterattack against that attempted grab. In cooperation with other friendly organizations, the rural electric spearheaded one of the most comprehensive drives ever undertaken to acquaint the Congress and the American public with the people's stake in a sound atomic-power-development program, a program for the benefit of all the people, not just a few.

The result was the longest debate in the history of the Senate, centered around the policies on which we insisted. The policies we were fighting for were not new. They were policies fixed by you—a logical extension and application of the long-established power policies of our county and of our association. All we were asking for was the practical application to this new field of the same natural-resource principles and concepts which had done so much to make this Nation great.

Among other things, we fought to keep the corporate giants from obtaining absolute control of atomic technology which they sought and still seek through exclusive patent rights on all new developments. We fought to preserve the right of the people through their Government to build atomic reactors to provide a competitive element in the industry and to provide a yardstick—a yardstick by which we might measure the actual efficiency and cost of power production from atomic fuel. To make this yardstick function, we fought for preference rights in the marketing of this power. We fought to let the rural electric systems actually participate in the development of this new technology so that rural areas would not have to wait for years to share in its benefits as they waited for years for electricity itself.

At several points during those debates last year, we were within an inch of complete victory. In the Senate we won practically all of the amendments for which we fought. But the Conference Committee of the House and Senate was stacked against us and it proved impossible to hold the line in the House of Representatives.

However, the fight was not by any means lost. Out of it, through compromise, we gained some amendments. We gained more specific recognition of the importance of having the AEC build some large experimental atomic powerplants. We gained preference in the granting of licenses to construct atomic powerplants and in the marketing of atomic power from the Commission's experimental plants. We were able to defeat brazen attempts to turn over the country's great new energy resource to mammoth corporate insiders through unlimited monopolistic private patents.

And we gained something else. We forced public attention upon the problem, and gained time and opportunity for a discussion countrywide of the real issues involved. We gained time for our consumer members everywhere, but particularly in those areas where we don't have the advantages of Federal hydropower, to discuss the vast possibilities of atomic energy.

One important decision which you should make at this meeting is in answering the question "Where do we go now in the atomic energy program?" Shall we fight, for instance, for changes which would permit and guarantee the right of others than the big corporations to participate?

OLD POLICIES PRACTICALLY APPLIED

When considering policy with regard to any new situation involving the public interest in electric power, it is wise to consider well the policies which brought us to our present advanced position. In the field of energy development and use, what policies have helped to make America the world's foremost agricultural and industrial Nation? What policies have made our free enterprise system so productive, have made it possible for our people to live so well that we have been relatively free from internal threats which would swing us to either the extreme of fascism on the right or communism on the left?

What is it that we and the rest of the people of the Nation need in terms of public policy and action on atomic energy? The general answer I believe, is simple. If rural people, if our rural electric systems and all

[1] So by 1970 the usage will be well above the figure estimated for 1975 by the President's Materials Policy Commission (the Paley Commission) in its report of June 1952.

[2] For a picture of how the commercial electric industry views the future, see appendix A.

[3] On the importance of adequate low-cost power supply, see appendix B.

electric consumers, rural and urban, are to get the maximum benefit from this great resource, if the Nation is to be secure and if we are to maintain our opportunity to lead the other free people of the earth up the road to abundance—if we are to achieve these things, we must see that the Congress and the AEC establish and adhere to the old, tried policies which have applied in the past to hydroelectric power and the homesteading of agricultural land.

These old policies basically add up to equality or opportunity, competition and enterprise and restraints upon monopoly. These principles are as old as the Nation.

STRUGGLE OVER LAND POLICY SHOWS THE WAY

For nearly 300 years after Plymouth Rock, land continued to be our most extensive and most valuable resource, and the basic resource policies for which we fight today were hammered out in the struggle between the forces of hereditary landlordism, of feudalism, and the common people who sought free holdings. From the earliest times the kings turned great tracts over to individuals and companies. Great land companies tried to gobble up the land wherever possible, to monopolize it and profiteer. But the common people were opposed to large-scale landlordism, to profiteering exploitation of the little man who sought a farm.

During colonial times and after the founding of the Republic, the people clamored for land and they made progress. The long struggle finally culminated in the passage of the Homestead Act in 1863. That act was passed during the administration of a man close to the people and one of the people. He had much to say about how monopolies thrive by keeping their commodities scarce and their prices high. After he was elected, it took him 2 years to get the Homestead Act passed by Congress and during the fight Abe Lincoln was abused, smeared, condemned and threatened with impeachment for daring to oppose the plans of the landgrabbers.

We must not forget that an America of free farmers did not happen automatically, did not come easily or without conflict. It was and is the product of the struggle of the common people for equality of opportunity, for a right to a place in the sun, for freedom of enterprise and democracy.

CORPORATIONS ATTEMPTED TO SEIZE HYDRO SITES

Then almost exactly half a century after the passage of the Homestead Act, when the technology of the electric industry made the Nation's water powers a resource, the great corporations began to lay claim to them, there went up throughout the land another clamor for the hydroelectric resources to be developed in such a way that all the people to whom they belonged would benefit. It was in reality a clamor among the people to use their Government to turn these resources which they already owned into servants of their enterprises and their communities.

It was at this time that a great Republican President, Theodore Roosevelt, first referred to private power monopoly as a threat to the Nation. In vetoing a bill to turn a hydroelectric dam site over to a private company he said: "The great corporations are acting with foresight, singleness of purpose and vigor to control the water powers of the country. * * * I esteem it my duty to use every endeavor to prevent the growing power monopoly, the most threatening which has ever appeared from being fastened upon people of the Nation." [4]

And so that same Republican Party which gave us the Homestead Act of 1863 gave us the Reclamation Acts of 1902 and 1906.

A few years after the Teddy Roosevelt veto, another great Republican President, William Howard Taft, in vetoing a bill giving a dam site on another river to a power company said that "To introduce a diversity of title into a series of dams which may all become eventually a part of a single improvement directed at the same end would, in my opinion, be highly objectionable." [5]

They simply applied the resources-belong-to-the-people idea, the homestead principle, the antimonopoly principle, to the development of our vast resource of falling water.

But they recognized that it wasn't enough to just provide for Federal development of the resource. It was necessary in addition to provide that the people should have a priority claim to purchase the electric energy which it produced. Thus originated the so-called preference clause provision—the real homestead provision, or antimonopoly provision, in our various water power development laws.

Just as the Homestead Act held back the great land monopolies to give the people and free competitive enterprise a chance, so the preference clause was designed to give the people and our enterprise system access to what was already theirs, the energy developed at Government dams, free from any toll exacted by monopoly.

It was therefore a perfectly natural thing for our rural electrification leaders 20 years ago this spring to build on these same ideas, antimonopoly ideas, when they undertook to make electricity available to farm people.

Throughout 1935 and 1936, when the Rural Electrification Act was emerging to become an established law of the land, great leaders of both parties—Franklin Roosevelt, of New York; George Norris, of Nebraska; William Borah, of Idaho; Charles McNary, of Oregon; Bob La Follette, of Wisconsin; Smith Brookhart, of Iowa; Gifford Pinchot, of Pennsylvania; Sam Rayburn, of Texas; John Rankin, of Mississippi; and many others—working together without political jealousy for the common good, gave us the plan that has succeeded so well. They wrote into the REA Act the principle enunciated by Lincoln when he wrote, "The legitimate object of Government is to do for a community whatever they need to have done, but cannot do at all, or cannot so well do, for themselves, in their separate and individual capacities."

And that's the reason the Rural Electrification Act of 1936 provides for preference on loans to cooperatives and other nonprofit groups. It says nothing about any priority of loans to the monopolistic power companies, either directly or indirectly. And that is why, too, the Federal waterpower marketing laws, beginning with the TVA Act of 1933, began to include cooperatives along with public agencies as vehicles through which resources could be made available to the people. From the Mayflower compact of 1620 to the establishment of REA, it has been the self-help idea plus the people's access to resources, that held back monopoly and permitted free enterprise to surge forward to create a good life. If it is socialistic, or communistic as some would imply, to hold back monopoly and thus guarantee citizens access to their own resources, then the United States and the Republican Party and the Democratic Party have always been socialistic or communistic. Obviously, this is an absurd contention.

Would it not therefore be wise today to consider applying the same principles to the development and marketing of the most abundant of all our present-day energy resources, the atom?

WHAT SHOULD WE SEEK UNDER THE ATOMIC ENERGY ACT?

In terms of the general antimonopoly principles which have served this Nation so well in terms of the absolute necessity that our systems participate in the atomic energy program in such a way as to secure access to low-cost atomic power, what specific policies and developments should we seek? What action should we take?

In the first place, we must take full advantage of the favorable provisions in the Atomic Energy Act of 1954, by pressing for the prompt undertaking by the Atomic Energy Commission itself of full-scale experimental atomic powerplants in several parts of the country. This is authorized in the law now, but AEC is not acting. We should insist upon the same mobilization of public scientific and technical skills to achieve this objective as the Government put into the "crash" program for development of the atomic bomb.

This means that we should press Congress to direct the AEC to use its powers, not only to collaborate with private power systems in the construction of such large experimental plants, not only to undertake similar collaboration with large public and cooperative systems, but also to itself undertake the construction of large-scale atomic powerplants using the most economical reactors so far developed. And we should insist that Congress appropriate the necessary funds for such Government-owned power projects.

The atomic projects undertaken by the AEC itself should be located where rural electric cooperatives and public electric systems, which have not had access to low-cost power from river basin projects, can take advantage of a similar competitive source of power supply. The output would be sold to them under the preference provision which is already in the 1954 act.

In the second place, we should insist that Congress direct the Atomic Energy Commission to undertake the speedy development of economically feasible small atomic powerplants, adapted to the needs of rural electric cooperatives and small municipal power systems. Ample funds for this phase of the atomic power development program would assure small community power systems the opportunity to take advantage of atomic power and remain a competitive stimulus in the electric industry. Progress along this line may prove of great importance in our efforts to help backward peoples get a start in the electric age.

This phase of the program under the existing act should be carried out through AEC cooperation with the NRECA and REA, but with the responsibility for financing largely assumed by the Federal Government. As I shall note later, the AEC has already announced a developmental program which would largely subsidize the experiments of private monopoly. Let us make sure that our Government gives the same encouragement to those consumer-owned projects which would provide these monopolies with effective competition.

As you all know, beginning last year, the staff and I, in conferences with AEC, began pressing for knowledge as to how the rural electric systems could participate in the atomic power program. With each additional conference we became more convinced that we should move quickly. We knew that for 4 years AEC had been entering into contracts with power company study teams of a type which, by our very nature, excluded us. We were interested simply in receiving comparable treatment. We were told, however, that the annual cost to us of such a team would remain substantial. Thus we felt we were still excluded because we were poor.

Lately, however, we have made some progress toward a different, but limited type of study team. After our showing of strength in the congressional fight over the atomic energy bill last summer, AEC indicated it might look with favor upon our making application for a type of study team, not one of the $100,000 variety but one which would permit us at least to gain some inside knowledge of the possibilities of atomic power for rural areas.

[4] From veto message, James River bill.

[5] From the veto message, White River bill.

The week after the new law was signed, our president, Jack Smith, appointed an atomic energy committee of our own people, including several of our leaders in high power cost areas. The committee met and invited REA to join us in a joint study group. Later the executive committee repeated the invitation. We wanted REA to join us for two reasons: (1) Because we cannot get into this field without the cooperation of our banker, and (2) because we must have the assistance of technical personnel, nuclear physicists and chemists and metallurgists, which REA could hire with the funds we secured for that purpose from the Congress last year, but which we alone could not afford. Only with the active support of both Government agencies, AEC and REA, can we hope to make the most rapid possible progress toward our goal.

I am happy to announce that AEC has partially approved—subject to our agreeing to certain conditions—a study team arrangement with our Atomic Energy Committee, and that we apparently will soon have access to considerable information. But access to information is not enough. We must be in a position to make a real contribution to the development of low-cost energy from atomic reactors of the size we can use. We can do this, however, only if we can consult with qualified technical people with considerable experience in atomic power. We are still hopeful that REA will join us in this study group and will hire the technicians which we and they need so badly.

DISTURBING DEVELOPMENTS IN AEC

In the meantime there is very disturbing development at AEC. Last month AEC announced that it would accept bids for the construction of experimental atomic reactors from interested groups. The time for accepting bids would close April 1, 1955. Upon investigation we found that no group could apply for this privilege unless it had obtained security clearance from AEC. This meant that the only bidders eligible were the utility groups that already have cleared study teams. In other words, those eligible under AEC rules were two public power agencies—TVA and Consumers Public Power District, in Nebraska—and 42 private power companies. Thus, electric cooperatives, all other power districts, and all municipally owned electric systems were excluded from the bidding. But even if we had the necessary study teams and had been cleared we would not have had a chance in a deal like that.

Even TVA cannot apply without congressional authorization, so that in effect AEC was announcing that bids for reactors must come only from one power district and 42 private companies, including most of the largest power companies in the country.

With your help we shall see that such discrimination is not long continued.

WE MUST SEEK AMENDMENT OF THE ACT

Our basic hopes, however, require amendment of the existing Atomic Energy Act. We must restore the act at least to the form in which it passed the Senate before the House conferees applied the hatchet to the public interest provisions.

There are certain amendments to the Atomic Energy Act which I believe we would all agree are in the "must" category. These amendments should include the following:

First. The act must clearly direct the establishment in AEC of a division of civilian power application, which will concentrate upon the development of electricity from atomic power. This division should have consultants from private, public, and cooperative power groups which it will keep informed and which will keep us informed of developments.

2. We must insist upon clarification of our preference rights as to A-power. The law gives us preference, but it leaves too much to administrative determination. In Illinois and New York electricity from experimental reactors is already available and energy is being offered to co-ops as preferred customers, but it is not firm power. It is interruptible and we may not be able to exercise our preference rights unless that power is firmed up and wheeled to our systems. The firming up would not be a net expense to the Government, but would, instead, enable the Government to gain more.

3. We must prevail upon the Congress to revise the patent provision to prevent huge private monopolies from getting a stranglehold on this new public-power resource. If the basic research is done by Government, the patents will become a part of the public domain. If, on the other hand, the research is done by private companies, the companies can bottleneck development with patents and leave us out in the cold, despite the fact that all such research is subsidized directly or indirectly by the Federal Government. The people will pay in any case because if, for example, Duquesne Power Co.'s present construction of an atomic powerplant near Pittsburgh is a sample, part of the cost will still be borne directly by AEC and part of all of the rest will be paid by the Treasury through interest-free loans under the rapid amortization provisions of the Internal Revenue Act. All patents which have been financed directly or indirectly by the Government should be made available to all on a nonexclusive basis.

We must insist on the passage of the Johnson amendment providing for cooperation between the AEC and Federal power agencies in the development of full-size atomic reactors to serve as an atomic-energy yardstick, with preference to nonprofit electric systems.

If these things are done, I am confident we can soon begin to bring wholesale electric rates down in the higher power cost areas, particularly from Maine to Ohio, to Kansas, Minnesota and Alaska.

While I have devoted a major part of this report to atomic energy, because its development is so new, we must not lose sight of other equally important problems.

OTHER MUSTS

Very briefly I want to list now some of the other urgent needs of the individual rural electric cooperatives and power districts as I see them. All of these suggestions, I believe, are in line with your declared policies:

We must push for a supplemental loan fund authorization to help REA get around the formula and make loans that cannot otherwise be made before the next fiscal year.

We must urge an emergency $780,000 supplemental appropriation to permit Interior's Southwestern Power Administration to continue its interim, makeshift power exchange contracts with our cooperatives in Missouri and Oklahoma. And this must be followed by the establishment of an SPA operating fund and a congressional directive to Interior that the original SPA-coop contracts be carried out.

We must give our action and immediate support to full-fledged investigation of power company monopoly practices.

We must press for congressional action to stop the Hells Canyon giveaway.

We must fight for adequate REA loan funds for the next fiscal year. The amount required will be determined by our national legislative committee after thorough studies of our January 1 survey returns have been completed.

We must actively seek repeal of the State allocation formula in the REA Act. I congratulate REA Administrator Ancher Nelsen for endorsing and advocating this change.

We must secure the authorization of funds for new TVA steam plants.

We should support congressional action to again authorize TVA to issue its own bonds.

We should insist on the authorization of and appropriation for new power or multipurpose river projects, particularly at Niagara Falls, Hells Canyon, and on the Colorado and Arkansas Rivers, with Government assuming full responsibility for marketing the power under traditional power policy.

We should press for appropriations to start several new multipurpose projects, particularly in the Northwest and upper Missouri areas where power is badly needed, as well as in the Southwest where a power shortage already exists and where drought conditions have seriously crippled the whole economy.

We should call for the appropriation of planning funds for a survey of all potential multipurpose river projects for a national pattern of development.

We should urge Congress appropriate funds for several self-liquidating transmission lines from the multipurpose projects, particularly in Idaho, Montana, North Dakota, Minnesota, North Carolina, and Georgia.

We should support the establishment of Federal capital budget, in which Federal funds loaned or invested, and which will be returned to the Treasury, will not be shown as expenses.

We should oppose congressional approval of the anticipated Hoover Commission reports without considering well their effect on the rural electrification program.

If this sounds like a big order, I can assure you it looks still bigger when laid alongside what the highly organized and fabulously financed National Association of Electric Companies is planning to try to do to us this year. We have come upon a confidential copy of their program. Time does not permit my quoting it, but it's obvious they have declared total war on us, working largely through public officials. They even claim to have a majority of the present Congress on their side.

LET US CONTINUE TO PLAY OUR PART

The most alarming development in this Nation, outside of the Communist threat, is the increasing effectiveness of mass propaganda financed so lavishly by the great corporations, propaganda against the Government of the United States, yes, against the people of the United States. A Government established to promote the common welfare is no longer considered American by some great corporations, unless the common welfare is promoted through them. In a country where the government has always taken a hand in economic and political life where necessary to promote the welfare of all, the idea is spreading that there is something evil and subversive if government now curbs the great corporations in the interest of freedom of enterprise and equality of opportunity.

We are told that a great Federal dam on the Snake at Hells Canyon is subversive of democracy and freedom, but that giving away the sites to private monopoly and sacrificing half of the potential power output of the Hells Canyon project is good Americanism. In the same language we are being told that, if the people through government participate in the development of atomic energy, or if the people insist upon antimonopoly restraints in the Atomic Energy Act, this is un-American and a threat to a free society. But Government subsidy of development by private monopoly, they tell us, is 100 percent American.

And by virtue of this propaganda and the money power which finances it, great inroads are being made upon the minds of our people, upon the minds of Members of Congress. Government is now being used to deprive the people of their resources and rights. Government is being used to compel our own people to enter into agreements with power company monopolies which cripple us and jeopardize our future inde-

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pendence of action and even our existence as electric systems.

Let us not be silenced by pressures and threats. Let us not be slowly destroyed by pressure and propaganda. Let us not be fooled into doubting our own finest principles.

The rural electrics have a peculiar role to play in this picture because we are the primary competitive force in the electric energy field. It is upon us that the influences of monopoly most quickly impinge; it is upon us that farm, labor, consumer groups—and our allies in the local publicly owned plants—depend to act as watchdogs and scouts as well as battlers for abundance.

The policies we have championed and champion now in terms of old resources are born out of experience and hardship. We have not only hammered our policies out of hard experience, but we are heirs to two great traditions: (1) that the people's resources, the natural resources of the Nation, should be so developed as to make the greatest possible contribution to all the people; and (2) that competition in the real sense of the word is the only guaranty that consumers, that citizens, will share in the fruits of nature's bounty and man's genius. When we look over our policies, the thing that stands out in all of them is our devotion to these great traditions, to democratic resource development and to the promotion of abundance and opportunity through competition, through the yardstick, through the ingenuity which we have employed in performing a task condemned as unfeasible by the smartest minds of the monopoly companies that dominated the electric energy field prior to 1935.

Now, as we enter a new age, most of the old problems are still with us and the old policies must be maintained and implemented because monopoly control of our new and greatest energy resource would mean monopoly domination of our whole way of life.

In this new atomic age, the details are new. Indeed, there is new hope and promise from the little nuclear "suns." But there is the same old problem, the problem of monopoly and restriction of output, of lack of vision, of "it cannot be done" propaganda. Our ability to harness this great discovery, to use it greatly, to spread the knowledge of it among the peoples of the earth in the grim race with the U. S. S. R. and her allies, rests upon our unity, our understanding, our courage, and the energy we bring to bear upon the solution. From now on the scientific problems, the technical problems can be solved only by large-scale experiment which means money—and where is it to come from? We must approach electric atomic energy much as we approached the atom bomb. The Congress must say, "It can be done, and here is the money to do it with." Private capital alone, usually timid toward progressive expansion where it controls a monopoly, could leave us limping far behind Russia and other nations. But private capital spurred on by Government can do wonders. So we can either prepare to subsidize monopoly, or push for a combined program of private, cooperative, local, public, and Federal development as we have in waterpower.

Monopoly rides virtually unshackled in the power field. Look at the Langer committee findings: Monopoly corrupts, corrodes, and dominates. Monopolies treat State governments as captive colonies. They build hesitantly and profit arrogantly. They seek to destroy all competition. This is one of our old problems, but in atomic energy it becomes a new and disturbing one because of the world situation and the opportunity to make the great steal of the ages.

A Congressman called me year before last and asked me to come see him. When I arrived, he told me, "As you know, Clyde, I have always been a friend of the rural electrification program, but unless you people can convince more people in my district that your program is sound; I am going to have to quit you. The pressures on me against your program are becoming too great. I'll be defeated if I don't recognize them." His record had been 100 percent for us until that time. After that he has been voting against us part of the time.

I say again, we are the key group in the electric industry because, outside the professional monopolists, we are the informed group, we are organized, we need power, and our interests are not in conflict, but wholly in accord with, the interest of all Americans, of all men of good will everywhere. Because of this, we have the key role. With intelligence and unity, we must lead out. This will not only enable us to survive and perform our own task, but it will also enrich the lot of all our people, of all people everywhere.

Let us go home from this historic meeting remembering this great chart on the wall, its hope and its promise. And let us go forth determined to do our part and even more than our part to see that that hope and promise are fulfilled.

APPENDIX A

HOW THE ELECTRIC INDUSTRY VIEWS THE FUTURE

Let us pause in discussing the chart to let ourselves in on what the commercial segment of the power industry is thinking about this picture—on what they are basing their estimates.

The Edison Electric Institute, a commercial company group, suggests, on the basis of a study, that the demand for electric power will double from 1955 to 1965, and double again from 1965 to 1975.

The October 11, 1954, issue of Electrical World carriers a story on the Westinghouse Manufacturing Co. program to spur generator purchases, which gives, as one of the reasons why this is necessary, that the electric utility industry predicts fantastic future load growth. It adds that similar predictions in the past have always been exceeded.

President G. M. Gadsby, of Utah Power & Light Co., addressing a General Electric forum at Salt Lake City on November 14, 1952, praised the record of the electric industry and added that its cumulative results up to 1946 have been dwarfed by the tremendous expansion of the past 6 years.

All those commenting and predicting on behalf of the private power industry base their conclusions of tremendous growth on the need for growing electrical capacity behind each industrial worker to enable him to produce the requirements of a higher standard of living in fewer work hours, and the tremendous upsurge in the use of electrical conveniences for the home.

Electrical World, in its September 20, 1954, issue, largely devoted to forecast, says that its predictions are based on the fact that Americans will continue to strive for, and achieve, an improved standard of living—a standard which is becoming synonymous with electrical living. I emphasize the last part of that statement because we who make up NRECA are largely responsible for assuring the Nation's farms full opportunity to participate on an equal basis in electrical living. We are responsible for the all-electric farm and for the all-electric rural area which NRECA President Smith discussed this morning.

But let us examine Electrical World's predictions further. This voice of the private electric companies calls attention to the fact that the dynamic postwar growth in the American economy has brought with it a spectacular rise in the use of electrical equipment and resulting energy consumption. It says: "The economy's predicted continued growth will bring with it a continued rapid rise in the use of electric energy."

Industry, Electrical World says, must increase its production of goods to meet the demands for an improved standard of living, but, it continues, the trend toward greater leisure among the Nation's workers will restrict the number of man-hours available to business. The answer, it says, is a sharp increase in the use of machinery which means electric energy. The publication points out that the consumer's share of the national output will increase and his increased share will enable him to purchase electrical conveniences and comforts which have been luxuries in the past.

President Gadsby of Utah Power & Light also gives us a vivid picture of what this electrical age means in terms of the workers in our factories.

He points out that the average use of electricity in our industrial plants in 1951 was 7 kilowatt hours per man hour, with the ratio increasing month by month. He says:

"It is difficult to visualize the dramatic significance of these few statistics. They indicate that built into our tools of production is now power of such magnitude that each average worker has under his direction the equivalent of 154 men."

Gladsby finds no difficulty in projecting the increase in hidden manpower to a crew of 250 unseen workers for each visible individual on the production line. He refers to the unbelievable skill and versatility of these hidden crews.

It is important for us to realize the significance of what these electrical industry spokesmen are saying. For, as we go deeper into their outlook, we find that their ideas of growth in the use of electricity center mainly around increased productivity of industry and expanded suburban living—both of which are associated with our cities and their surrounding communities. It is the old story—the cream-skimming viewpoint. They are not talking about all-electric rural ideas.

NRECA and a few allied groups constitute the only organized effective advocates of the farmer's share in this electrical future. Our program, the program for which we have fought with notable success during past years, and will continue to fight during the years ahead, has as its worthy objective the task of assuring the country's farmers those same hidden crews of versatile workers, and the same opportunity for more leisure, the same opportunity to use electrical conveniences and comforts as are being offered the commercial and industrial portions of the population.

Your NRECA is the great union of farmers for participation in the electrical age—symbolized throughout the Nation by our "Willie Wiredhand."

APPENDIX B

IMPORTANCE AND COST OF POWER SUPPLY

If we may turn back to chart I a minute, we suddenly realize that in terms of the country as a whole, as well as of our own rural electrics, it will be a gigantic task to find the low-cost power supply which will make this electrical-power-unlimited possible.

Just to get some idea of the magnitudes involved, even if we should take full advantage of all potential hydroelectric developments, the requirements for fuel-generated energy would be equivalent to demands for over 600 million tons of coal in 1970, over a billion tons in 1980, 2 billion tons in 1990, and over 4 billion tons in the year A. D. 2000. This would range from more than 4 times the present use of coal for generation of electricity by 1970 to about 8 times in 1980, 16 times in 1990 and more than 30 times in the year 2000.

When we consider that the United States Bureau of Mines estimates the total capacity

of all existing bituminous coal mines, operating at approximately full-time with existing manpower, to be less than 700 million tons a year, we realize the challenge of these figures. Total production for all purposes in 1954 was less than 400 million tons. And of course there are many other demands on the coal industry other than for power generation.

I am deliberately leaving out oil and gas, as contributors to the generation of power for the future, because they represent only a very small fraction of our total energy resources and their limited supplies will no doubt soon be reserved principally for the uses for which they are specially adapted.

The major burden of expanding power production is therefore on coal until we bring in atomic power and, if coal could carry this burden at all, it would be for only a time and at greatly increased cost.

The threat, then, to the country's economy and to the rural electrics is that, unless we quickly get low-cost power from the atom, the rapidly increasing demand for coal will result in rising fuel costs and higher electric rates. Thus a statement by the Atomic Energy Commission to the Joint (congressional) Committee on Atomic Energy points out that, while coal in the United States is abundant, "its cost and quality cannot be expected to remain at present levels in the face of indicated increases in demands of industry and utilities." It says: "Coal reserves are ample to meet projected consumption far beyond 1975, but rapidly rising rates of consumption may require us to turn in the last quarter of the century to higher cost and lower quality coal."

AEC tells the joint committee that "the prime contributions of nuclear power would be to help hold power costs down, to provide a new source of energy to meet, and perhaps help stimulate, rising demands in the last quarter of the century, and thus to assure that adequate electric power is available at reasonable rates to sustain continued national growth and well-being."

Therefore, tremendous importance attaches to the areas of the chart indicating the contributions of water power and atomic power in meeting the need. And the chart shows clearly that beginning very quickly now, atomic power will begin rising rapidly toward the position of chief supplier of the country's electrical energy. Our estimates suggest that it will provide 50 percent of all new electricity supplied by fuels in the 1970–80 period; 75 percent of such additional generation between 1980 and 1990, and 100 percent of the new fuel plants thereafter. Atomic energy will not soon replace our hydro and coal sources but will supplement them. Electrical production from water and coal will continue to increase for many years yet.

It follows then that if we would have low-cost power in abundance, to gain the full advantages of the electrical age we must (1) continue to support a policy which will deliver all the kilowatt-hours which we can get out of our rivers at the lowest possible rates; and (2) more important still, we must apply that policy to obtain the same results from an atomic power program.

And we of the electric cooperative movement—including the power districts—know from long experience that it will require something more than technical and engineering brains to attain the desired objective. It will require a continuation of the true Federal-local partnership which was the central theme of our great meeting a year ago in Miami. It will require the partnership in which the Federal Government shares the responsibility for low-cost wholesale power supply with the truly community enterprises, while these municipals, power districts, and rural cooperatives in turn take the responsibility for the most widespread distribution of electricity at the lowest possible rates.

This true partnership policy on which we have grown strong, and for which I am sure we shall continue to battle, provides the only a check on huge private power monopoly with its tendency to restrict the full development of the Nation's hydroelectric power, slow down the development of commercially feasible atomic power, and maintain the high wholesale power rates which will jeopardize the success of our rural electric cooperative movement.

And as I turn to a discussion of our role, the role of NRECA in helping to lead the country into the blessings of the atomic power age, let me state, with all the force that I can muster, my conviction that within the next few years this new source of power supply will offer us the lowest cost electric energy that the people of this land have ever obtained except from our water-power developments. I base this conviction not only on the facts contained in the AEC statement to the joint committee but also in part, on technical articles in such journals as Electrical World describing prospective power reactors which the great equipment companies now have on the boards. And from other sources, including discussions with atomic scientists, we have even more encouraging reports.

If you read the most recent AEC reports carefully you get two hints of great importance.

The first hint is that industries like the electrochemical and light-metal industries, which have always sought really low-cost power supplies from hydro or natural gas, may no longer be limited in location to the neighborhood of these resources because they can now look to cheap nuclear power. That means atomic power at 4 mills or less per kilowatt-hour.

AEC has made this further significant statement to the congressional joint committee:

"Much development work will need to be done before small nuclear plants producing at competitive costs can be built to meet small loads, and if fixed charges constitute a relatively large part of generating costs for such plants, their economics will be unfavorable as compared with conventional plants wherever plant factors are low."

This sounds like a kind of a negative way to express a hope. But it means to me that, if we can get the AEC and REA working with us to do the necessary development work, it will not be long before we will have nuclear plants which our G. and T. cooperatives can afford, producing electricity at relatively low cost. Even more recent information indicates that low-cost atomic power from relatively small generators may be possible right now with the cooperation of AEC.

And this means to me further that, with fixed charges the chief item of atomic power cost, the rural electric cooperatives and the people of the country as a whole are going to obtain some advantages from having a significant part of atomic power development financed by the Federal Government or by REA loans to G. and T. cooperatives because of the lower financing costs and the nonprofit operation. It is with this challenge that we now turn to a consideration of the application of traditional Federal power policy—100 percent American power policy—to atomic power as the key which will open the gate to the next forward stride in the electric age.

Mr. LANGER. Mr. President, I also ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, a statement by Clay L. Cochran, director of the legislation, research, and management department of the National Rural Electric Cooperative Association. The statement was delivered by him before a subcommittee of the House Governmental Operations Committee.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF CLAY L. COCHRAN, DIRECTOR, LEGISLATION, RESEARCH, AND MANAGEMENT DEPARTMENT, NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION, BEFORE A SUBCOMMITTEE OF THE HOUSE GOVERNMENTAL OPERATIONS COMMITTEE OF THE HOUSE OF REPRESENTATIVES ON THE HOOVER COMMISSION REPORTS ON FEDERAL LENDING AGENCIES, JULY 6, 1955

Mr. Chairman, my name is Clay L. Cochran, I am director of the legislation, research, and management department of the National Rural Electric Cooperative Association, which is the national association of REA-financed electric borrowers of which there are over a thousand. Most of these borrowers are cooperatives and public power districts. Approximately 900 of these systems are members of our association, a very high proportion of members in any voluntary organization, a condition which we think is a tribute to the purposes and functions of our organization.

Our association was organized in 1942 primarily to protect the infant rural-electrification program from destruction during the war as the result of a propaganda campaign launched by the big power companies.

We wish to commend this committee for making inquiry into the background and report of the Hoover Commission Report on Lending Agencies of the Federal Government, and we appreciate the opportunity to appear before you.

BACKGROUND OF RELATIONS WITH THE LENDING TASK FORCE

Mr. Chairman, almost as soon as the members of the task force on lending agencies were appointed, we expressed an interest in their work as it related to the Rural Electrification Administration, and requested an opportunity to be heard regarding the functions of the REA. We were advised that no public hearings would be held by the task force, and that there would be no opportunity for us to be heard.

Subsequently, in an effort to present the case of the rural electric systems we talked to the staff director, Mr. Theodore Herz, and his assistant. It was immediately obvious that Mr. Herz was not hunting ideas, nor an understanding of the program. He was not interested in efficiency or any of the matters which should have been of vital interest to him in his official position.

Summed up, his questions were: (1) Don't you think the rural electric systems are being subsidized? and (2) when can REA be abolished?

After this discouraging beginning, for we had already been denied a public hearing, we wrote a letter to the lending task force and attached a statement entitled "Financing the Rural Electrification Program in the United States." I have a copy of this statement with me, and I would like to request that it appear in the record as the viewpoint of the rural electric systems on the Rural Electrification Administration and in order to make it possible for me to shorten my formal statement to the committee today. (See exhibit A.)

I would like to read the summary of this statement:

"The Rural Electrification Administration was established by Executive order in 1935 and by act of Congress in 1936 for the purpose of bringing modern electric service to that 89 percent of rural people who had been denied service. REA offered to lend its funds to the profit utilities first and when most of them continued to reject the idea of rural electrification even with Federal funds and technical assistance, REA turned to farmers' cooperatives as the only instrumentality

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which would carry out the will of the Congress, aside from the efforts of public power districts and municipalities.

"REA's record of achievement is very great, and with the assistance of that agency the farmers have served themselves with electric power. Having been forced into the electric industry by the failure of private enterprise to carry out what would normally have been its function, the farmers of the country are insistent that they be permitted to continue this service to themselves. This cannot be done without an REA adequately supplied with administrative funds and loan fund authorizations. The rural electric systems will meet the same fate met by the old mutual telephone systems if adequate credit and technical aids are cut off.

"There is no alternative to REA which will meet the needs of the rural electric systems. The private money market is simply not designed to meet the needs of these small utility systems, particularly the cooperatives of which there are 983. As a consequence, any curtailment or abolition of REA as the banker and technical adviser of the rural electric systems should be recognized for what it would be, 'operation bankruptcy' for most of these systems.

"There is no justification under the law establishing the Commission on Organization for any recommendations altering the nature and functions of REA. REA in its functions as banker and technical adviser does not compete with private enterprise for private enterprise, the private money market, is simply not geared to the needs of the small electric systems, particularly cooperatives.

"The operations of REA do not jeopardize the economical operation of the Government because the Treasury has, and from all evidence will continue, to have the use of vast amounts of money which it secures at an interest rate safely below that which REA charges its borrowers. The rural electric systems are not subsidized by the Federal Government except insofar as one would contend that the administrative funds of REA constitute a subsidy. Since REA administrative funds are very small amounts as compared to the total Federal budget, and as compared to the expenditures for services to other forms of activity which are not labeled 'subsidy,' there would be no justification for so describing REA administrative funds.

"The rural electric systems are adamantly opposed to any change whatever in the nature of functions of REA except for the abolition of the State allocation formula on loan funds.

"We are hopeful that the task force and the Commission will commend REA to the Congress for very great achievements and recommend that it be continued on a vigorous and adequately financed basis."

From this summary, it is apparent that we were fearful that the task force and later the Commission might make recommendations adverse to the welfare of rural people, adverse indeed to the interests of all Americans, for we are all strong and prosperous together.

We pointed to REA's really great achievements; we attempted to show how important REA was in those achievements; we thought we had dealt honestly and persuasively with any alternative plans for meeting the power needs of rural people; we made it clear that REA does not compete with private enterprise because no comparable lending institutions are available to us; we defended the program against the charge of a subsidized interest rate; and, finally, we urged the task force and the Commission to recommend the continuation of a vigorous and adequately financed rural electrification program.

We were aware of the composition of the task force, Mr. Chairman. We knew that the staff director, his assistant, and the task force chairman were all employees of a big accounting firm which was deeply involved in the affairs of the big power companies. We knew that the task force had been named by a man who has never manifested any friendship for our program. We were well aware that no representatives of cooperatives, farmer organizations, or labor unions were on the task force because the task force had been recruited primarily from the ranks of executives of banking and insurance companies. (Exhibit B: New Hoover Lending Task Force.)[1]

It was the composition of the task force and its refusal to hold public hearings that made us fearful that we were up against a "packed jury." And our worst fears were to prove optimistic.

In February of this year, the task force submitted its Report on Lending Agencies to the Hoover Commission. This report is a study in prejudice, but hardly a study of ways and means of increasing the efficiency of Government or of abolishing nonessential governmental functions.

The misstatements are too numerous to list here, but permit me to note a few. On page 64 of the task force report is the following statement:

"The financial plans developed for the cooperatives assumed that the physical plant once financed would require little if any further change and that earnings would be used to meet debt service charges.

"These plans have been found to be inadequate. * * *"

The basis for this false charge is not indicated, but we would like to challenge Price, Waterhouse & Co. to produce any evidence that any responsible person ever thought that rural areas could be electrified once and for all by one loan to a rural electric system. This statement by the task force is one example of their attempt to undermine public confidence in the program by innuendo.

Later on the same page the report notes: "The financial planning of the cooperatives was deficient also because it did not take into consideration the continuously increasing capital requirements of an expanding electric system."

As proof of deficient planning, the task force says:

"No provision has been made for compulsory building of equity capital through retention of earnings or otherwise, which leads to the presumption that REA has undertaken the responsibility of meeting all further capital requirements by additional loans."

This is a ridiculous charge, supported by ridiculous assumptions.

No cooperative has, no cooperative could undertake to plan to pay off its entire debt and at the same time accumulate sufficient capital to meet its needs for expansion. Any such attempt would bankrupt a system, a result which the task force—made up of utility accountants, utility directors, corporation directors, and insurance and banking executives—could not possibly have denied. No utility system in America attempts to pay off its debts and provide for future expansion through retained funds—and any attempt by the cooperatives, small and operating in marginal areas, to do this would have meant their destruction.

The latter part of the statement quoted that "no provision has been made for compulsory building of equity capital" is a flat misstatement of fact. Each borrower is compelled to repay each loan in 35 years out of rates charged consumers. At the end of 35 years engineers estimate that something like 70 percent of the original value of the system built by each loan will be owned by the members of the cooperative. This charge by the task force cannot be supported and since the charge could not be based on ignorance, it must have been intended to be misleading to the Congress and the public.

The task force makes four recommendations which we would like to treat one at a time.

Recommendation No. 1 would submerge REA in the Farm Credit Administration, a proposal our systems have long opposed because we do not want REA to lose its identity and because we believe the credit problems of rural electric systems are so utterly different from other types of agricultural credit that the combination would only be harmful.

Recommendation No. 2 would compel the members of our systems to pay interest rates ranging between 4.8 percent and 6.1 percent, plus a service charge on each loan, contrasted to the present 2 percent. The effect of the recommendation, if it were translated into law, would be to bankrupt a majority, if not all, of our systems. We operate in thinly settled, marginal rural areas, areas which the power companies have said many times could never be served with electricity on a financially feasible basis. As late as 2 years ago the president of Ohio-Edison and at that time president of the Edison Electric Institute, whose company operates in a very rich agricultural area, stated publicly that his company lost money on every mile of rural line and that his rural lines had to be subsidized by charges on urban consumers. We believe he was right, and, if so, then the task force recommendation on REA interest rates is a recommendation that our rural electric systems be forced into bankruptcy. This statement is more meaningful when considered in conjunction with task force's Recommendation No. 4.

Recommendation No. 3 was that REA loan agreements provide for the systematic accumulation of equity capital "in the borrower cooperatives." This is already done through the compulsory retirement of all loans over a 35-year period, but the task force, interested in propaganda and not facts, saw fit to disregard present arrangements.

Recommendation No. 4 should actually have been a part of recommendation No. 2. In No. 4 the task force lets its bias out of the bag by insisting that the rural electric systems be forced into the open market for funds—a recommendation which would deliver the cooperatives into the hands of the banks and insurance companies if it did not force them into bankruptcy first. The only possible motives the task force could have had in making this recommendation would be to either destroy competition in the rural electric field by destroying the cooperatives, or to deliver up the rural market as a place where higher interest returns could be earned by investor groups like insurance companies. In effect, the task force has said that there is something immoral about the rural electric systems being allowed to utilize the borrowing capacity of their own Government, but something highly moral, just, and desirable in delivering them into the hands of the private moneylenders who could not possibly lend them money at anything like the rate the Government charges.

The balance of the task force report is an attack upon the National Rural Electric Cooperative Association and the generation and transmission program of the cooperatives.

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[1] On the task force we find the following:

Utility accountants	1
Utility company directors	2
Affiliated as directors or executives of banks, insurance companies, or other private lending agencies	8

The statements made about NRECA are power company propaganda bolstered by quotations taken from the testimony of REA officials removed from context to mislead the reader.

The power company slant becomes obvious when the task force attacks the right of the farmers' electric systems to generate and transmit their own power as being "inconsistent with the basic purposes of the REA program, and * * * inconsistent with sound public policy."

The REA Act clearly stipulates that the Administrator of REA has the right to lend money for the construction of generation and transmission facilities. Just what "inconsistency" his exercise of this right reveals we do not see, except by inference. What is "sound public policy" is a matter of opinion, and it is obvious that only those policies which serve the interests of the great power companies appealed to the task force.

Those long associated with the program know that had it not been for the right and opportunity of the rural systems to borrow for generation and transmission facilities, there would have been no rural electric program. We also know that if we ever lose this right, the program will be destroyed. We also believe that the task force knew this. If not, the task force knew so little that any of its comments on the program should be adjudged incompetent and not worthy of further consideration.

Mr. Chairman, the task force report is propaganda for the great private power companies and their insurance, banker, investor owners who seek to dominate the electric industry without competition.

THE REPORT OF THE HOOVER COMMISSION ON FEDERAL LENDING AGENCIES

The Hoover Commission task force reports seem to be the sounding board for propaganda for the interests who would foist upon the people a primitive concept of the functions of government. They are almost unadulterated propaganda. The Hoover Commission reports proper are less radical documents. Certainly these general actions apply to the lending agencies and the water resources and power reports. In the Hoover Commission report on lenging agencies, REA is again attacked and its abolition recommended.

Before the recommendations, the report repeats the "subsidy" charge of the task force. It is asserted that the 2-percent interest rate is subsidized because it is now below the long-term interest rates paid on Federal securities.

Economists refer to the average interest rate paid on "marketable securities" as the "cost of money to the Government." It is a matter of common knowledge that the Federal Government can raise virtually all the funds it might ever require at or below this average rate of interest. Interest rates above 2 percent are paid on specified types of securities for a variety of reasons, none of which should affect the rate of interest charged the rural electric systems.

Since 1936 the interest rate charged REA borrowers has been above the average rate paid by the Treasury on marketable securities in 11 years; the same in 3 years and below the Treasury rate in 5 years, but in 4 of the 5 years when the REA rate was below the Treasury rate the Treasury rate was higher by a tiny fraction of 1 percent. (See exhibits C and D.)

As of May 1955 outstanding funds advanced to all REA borrowers was approximately $2.25 billion. As of April 30, 1955, the Treasury had borrowed funds totaling over $75 billion at interest rates well below 2 percent. As long as the Treasury can and does borrow funds in such amounts at such low rates of interest, who would deny rural people the advantages of the borrowing capacity of the Treasury? As long as the Treasury can borrow such large amounts at rates well below 2 percent the charge of "subsidized interest rates" is hollow propaganda. The rural electric systems cannot be charged with subsidized interest rates except by those who seek to justify such charges for propaganda purposes and who, in doing so, juggle the figures to suit their own purposes.

According to REA, that agency has netted over $47 million on its lending operations since 1936, including interest paid, and accrued and payable. This $47 million is exclusive of administrative costs which (on the electric program) run slightly in excess of $75 million. The difference between the $47 million and the $75 million in administrative costs represents a fair estimate of the cost of the program to the American people. (See exhibit E on administrative costs attached.)

We do not believe that the Federal Government has ever operated any program which brought so many blessings to so many people for anything like a comparable figure.

Contrast this situation, Mr. Chairman, with the program of subsidies to the private power companies which, since June 1951, has paved the way for $2.9 billion in subsidies to the private companies and will, if the program announced in April of this year is carried out, net the private companies over $6.1 billion.

We believe that if you compare REA's electric loans, repayable at 2 percent and its administrative costs on the electric program, which are slightly in excess of $75 million, with the $6.1 billion gift to the private power companies—not including administrative costs—the Hoover Commission report will show up in its true light, i. e., as a vicious attack upon a great program, an attack which must give much joy to the power companies whose propaganda is set forth in the Hoover report.

Mr. Chairman, I am sure you are familiar with the recommendations of the Hoover Commission on REA, that the Rural Electrification Administration be abolished and that there be created in its place a Wall Street Rural Electrification Corporation which would become the banker for the rural systems; and that this corporation be compelled to borrow its funds in the open market and charge interest rates high enough to cover the results of this disadvantage plus administrative costs.

This is operation bankruptcy for the rural electric systems, and we are adamantly opposed to each and all of the recommendations of the task force and the Hoover Commission.

It is our sincere belief that both of these reports are cut out of the whole cloth of power company propaganda and that they would be destructive of the national interest and the welfare of rural people.

To substantiate our view, we would like to refer you to the fine analysis of the effects of adoption of the Hoover Commission recommendations on REA which was submitted by the REA Administrator. We are in agreement with the analysis submitted by Mr. Nelsen, and we commend him upon his acuteness and frankness.

If this report by REA has not been made a part of the record, we would like to request that it be made a part of the record.

COMMENTS OF KENNETH L. SCOTT, OF THE DEPARTMENT OF AGRICULTURE

We were disappointed, indeed astounded, when Mr. Kenneth L. Scott, Director, Agricultural Credit Services, who appeared before this committee a few days ago, endorsed the principles and objectives of the Hoover Commission Report. We are no less disappointed that Secretary of Agriculture Benson would have sent Mr. Scott to represent REA before this committee. We think that great agency needs no defense to the well-informed, but, for some reason, Mr. Scott did not see fit to present to you the facts which would have been adequate to all who would listen with an open mind.

COMMENTS OF PAUL GRADY BEFORE THIS COMMITTEE

We would also like to call attention to a flat misstatement of fact which Mr. Paul Grady, Chairman of the Task Force on Lending Agencies, made to this committee on June 13. In response to a question from the chairman regarding the fine repayment record of the rural electric systems, Mr. Grady said:

"I think it is more or less meaningless in relation to the whole program. * * *

"I should like to point out that the loans are continually increasing; new loans are made to pay off old loans."

That statement, Mr. Chairman, is absolutely without basis in fact. REA has never made new loans to pay off old loans, and we think Mr. Grady was aware of this. If not, and there is always the possibility that a man could have recommended the abolition of an agency without knowing much about it, but, if not, we submit that this kind of ignorance raises serious questions about the usefulness of any recommendations which this man or his staff may have made regarding the program.

If the committee has any doubts about the inaccuracy of Mr. Grady's attack upon the repayment record of the rural electric systems, we hope you will raise some questions with REA on the matter so that the record may be set straight.

THE PROBLEMS OF THE RURAL ELECTRIC SYSTEMS

Mr. Chairman, the Rural Electrification Administration was called into being by the Congress to bring modern electric service to rural areas. It has been a great program which, directly or indirectly, has brought modern electric service with all that service means to millions of rural people. That service has produced a market for billions of dollars of industrial products, creating employment, strengthening enterprise, and increasing tax income to the Government. That service has lifted rural people out of the darkness into the light of 20th century America; it has lightened the drudgery of millions of farm women and children; it has increased agricultural productivity and thereby been a blessing to all who consume the produce of our farms.

It has not been a program easy to administer, and the achievements have not been easy. The power companies which contended that they could not afford to electrify rural areas have fought the program every foot of the way. What they could not or would not do they sought to keep farmers from doing for themselves. They have attempted to deny or charge exorbitant rates for wholesale power; they have sought to prevent us from generating our own power to make savings; they have fought to hold down the loan authorizations essential to the electrification of rural America; they have fought our systems in the courts and before the State utility commissions; they have sought to cripple or destroy the Federal power program from which over 300 of our systems get all or part of their wholesale power. It has been a long war, between rural people and private monopoly. It could not have been won, and the program cannot last, if the vested interests are ever successful in brain-washing the Congress. We do not believe they will be successful in doing so.

If rural people are to continue to enjoy the benefits of low-cost electricity so essential to good living and increased productivity, if the half million rural homes still

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without modern electric service are ever to receive that service, we must have the help of a friendly Congress. We must have low-cost money to overcome the high costs of serving rural people. We must have access to low-cost power, which means that the Federal power yardsticks must be maintained and not destroyed, and that we must have the right and opportunity to generate and transmit our own power where we can save money by doing so. We must have technical aid.

This means that a Federal power program and the Rural Electrification Administration must be protected and maintained by the Congress; both are self-liquidating programs with the possible exception of a part of the administrative costs of REA—costs far outweighed by the increased productivity generated by REA's activities.

We urge that this committee and the Congress which it represents weigh the best interests of all the people against the special pleading of monopoly, and we believe you will do so.

May I request that a resolution on the Hoover Report on Lending Agencies passed at our annual meeting in February and another adopted by our Board of Directors in May be made a part of the record.

Thank you, Mr. Chairman, for this opportunity to appear before the committee.

EXHIBIT B

NEW HOOVER LENDING TASK FORCE

Grady, Paul, chairman of the task force; partner in Price, Waterhouse & Co.; served as chairman of the same task force of the first Hoover Commission; Price, Waterhouse & Co. are accountants for Purcell Smith's National Association of Electric Cos. and a lot of utility companies.

Bestor, Paul, insurance executive; Prudential Insurance Co., 1943–47 (vice president 1940–47); president, Trust Co. of N. J., Jersey City, since 1948.

Bliss, George Laurence, lending business executive; president, Century Federal Savings and Loan Association, New York City since 1941.

Bodman, Henry Taylor, banker and corporation director; general vice president, National Bank of Detroit, Mich., since January 1950; director, Detroit Steel Products Co.; director, Detroit First Fire & Marine Insurance Co.; director, Universal Products Co., Dearborn, Mich.

Campbell, William Wilson, banker and corporation director; president, National Bank of Eastern Arkansas, Forrest City, since 1923; board of directors, Federal Reserve Bank, Memphis; director, Arkansas Power & Light Co.

Cole, Albert L., general business manager, Reader's Digest Association; Frank A. Munsey Publishing Co., New York City, 1910–15; joined Popular Science Publishing Co., New York City, in 1915; president and publisher, Popular Science Monthly and Outdoor Life magazines, 1929–39 (director since 1924); director, McCall Corp.; director, Greenwich Trust Co.

Cooper, Clifford D., industrialist; president, Horning Engineering Co., Los Angeles, since 1950.

Cowles, Gardner, publisher, banker, and corporation director; president, Des Moines Register, since 1943; president, Register Tribune Co., Cowles Broadcasting Co., Cowles Magazines, Inc. (publisher of Look magazine); chairman board, Minneapolis Star and Tribune Co.; Massachusetts Broadcasting Corp.; director, United Airlines, Bankers Life Co., Iowa-Des Moines National Bank and Trust Co.; director, R. H. Macy & Co.

Hotchkis, Preston, insurance executive and utility director; director, Blue Diamond Corp., Ltd., California Trust Co., Pacific Mutual Life Insurance, Pacific Telephone & Telegraph Co., Yosemite Park & Curry Co., Grand Central Garage Co.; executive vice president, treasurer and director, Fred H. Bixby Co., Long Beach, Calif.

Keller, Arnold B., Sr., business consultant and corporation director; with International Harvester Co. since 1913, treasurer since 1932, director since 1936. Vice president and treasurer since 1941, senior consultant since 1946; director, Chicago District Electric Generating Co., Continental Casualty Co., Continental Assurance Co., Gary National Bank, Associates Investment Co., C. M. St. P. & P. R. R. Co., director, United States Life Insurance Co.

Sproul, Allan, banker; president, Federal Reserve Bank of New York since 1941.

EXHIBIT C

Computed cost to the Government on money loaned by REA to electric borrowers, to June 30, 1954

Fiscal year	Average principal balance of electric loans outstanding [1]	Cost of money to Treasury, percent [2]	Computed cost of money to the Government
1936	$411,631	3.000	$12,349
1937	6,344,050	2.770	175,730
1938	35,954,447	2.880	1,035,488
1939	90,974,061	2.525	2,297,095
1940	170,771,419	2.492	4,255,624
1941	254,538,774	2.413	6,142,021
1942	315,722,435	2.225	7,024,824
1943	343,244,637	1.822	6,253,917
1944	346,239,047	1.725	5,972,624
1945	362,602,875	1.718	6,229,517
1946	415,289,449	1.773	7,363,082
1947	541,621,435	1.871	10,133,737
1948	742,255,707	1.942	14,414,606
1949	1,003,939,962	2.001	20,088,839
1950	1,283,129,424	1.958	25,123,674
1951	1,528,731,566	1.981	30,284,172
1952	1,733,930,828	2.051	35,562,716
1953	1,902,782,365	2.207	41,994,407
1954	2,043,502,967	2.043	41,748,766
Total			266,113,188

[1] REA records. Mean value of balances outstanding at July 1 and June 30 each fiscal year.

[2] As reflected by computed annual interest rates on interest bearing marketable Treasury issues reported in Treasury bulletins for the period 1939–54. Data for 1936–38 not available; rates shown for those years are rates payable by the Treasury on long-term obligations.

EXHIBIT D

Interest rates charged by REA and computed annual interest rates paid by United States Treasury on interest bearing marketable securities, 1936–54

Fiscal year	Interest rate charged by REA on new loans	Computed annual interest rate on marketable Treasury issues [1]
1936	3.00	
1937	2.77	
1938	2.88	
1939	2.73	2.525
1940	2.69	2.492
1941	2.46	2.413
1942	2.48	2.225
1943	2.57	1.822
1944	2.67	1.725
1945	[2] 2.00	1.718
1946	2.00	1.773
1947	2.00	1.871
1948	2.00	1.942
1949	2.00	2.001
1950	2.00	1.958
1951	2.00	1.981
1952	2.00	2.051
1953	2.00	2.207
1954	2.00	2.043

[1] Comparable data for years 1936–38 are not available.

[2] During the period July 1–Sept. 20, 1944, REA charged 2.49 percent on new borrowings.

Source: Computed annual interest rate on marketable issues, Treasury bulletins, U. S. Treasury Department. Interest rates charged by the REA obtained from records of the agency.

EXHIBIT E

REA administrative funds appropriated and obligated, by program, fiscal years 1935–55

Fiscal year	Total administrative funds appropriated	Administrative funds obligated		
		Total	Electric program	Telephone program
1935	$43,687			
1936	699,721	[1] $743,408	[1] $743,408	
1937	1,201,617	1,185,711	1,185,711	
1938	1,520,000	1,472,311	1,472,311	
1939	2,402,000	2,357,115	2,357,115	
1940	2,790,000	2,710,118	2,710,118	
1941	3,675,000	3,545,276	3,545,276	
1942	4,262,375	3,851,120	3,851,120	
1943	3,500,000	3,234,539	3,234,539	
1944	2,558,000	2,549,227	2,549,227	
1945	3,246,000	2,903,975	2,903,975	
1946	4,671,965	4,469,946	4,469,946	
1947	5,550,000	5,528,700	5,528,700	
1948	5,000,000	4,817,903	4,817,903	
1949	5,956,000	5,914,985	5,914,985	
1950	7,128,000	7,040,394	6,687,400	$352,994
1951	8,271,392	8,229,392	7,002,381	1,227,011
1952	8,285,000	8,214,832	6,630,650	1,584,182
1953	8,287,980	8,005,384	5,722,151	2,283,233
1954	7,565,000	7,303,674	4,505,355	2,798,319
1955	7,285,000	[2] 7,285,000	[2] 4,175,576	[2] 3,109,424

[1] Fiscal years 1935 and 1936 combined.

[2] Estimated.

Source: REA, June 8, 1955.

EXHIBIT F

RESOLUTION OF THE NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION, 13TH ANNUAL MEETING, ATLANTIC CITY, N. J., FEBRUARY 17, 1955

It has come to our attention that the task force on Federal lending agencies of the new Hoover Commission has prepared a report for the Commission, wherein this task force in reporting on REA recommends:

1. That the Rural Electrification Administration be abolished and a Federal corporation to be called the Rural Electrification Corporation be established in its place, thereby separating the farmers' electric cooperative banker from the farmer and the Congress through the appointment of directors by the President of the United States.

2. That the new corporation be compelled to raise funds for the rural electrics from private money sources by floating debenture bonds at whatever rate of interest the private money lenders demand.

3. That the new corporation be required to charge interest rates high enough to cover the much greater cost of private borrowing plus the cost of administration.

4. That the new corporation cannot lend money for any project which private industry is prepared to construct.

The results of these recommendations, if adopted by the full Commission and the Congress, would be utterly disastrous to the rural electric systems.

(a) The corporate form of operation would rob the Congress and rural people of their control over the banker of the rural electric systems by placing an appointive board of directors between the people and the Congress. Our experience with such appointive groups has not been good in the face of the manner in which the Securities and Exchange Commission and the Federal Power Commission have ceased to serve the people but serve, instead, the vested interests they were created to control in the public interest. We consider this recommendation on incorporation a part of a clear design to place REA funds and services under the control of the enemies of rural electrification.

(b) Forcing the new corporation into the arms of the bankers, investment houses, and insurance companies plus the requirement that the interest rates charged the rural electric systems be high enough to cover all

administrative costs would undoubtedly result in interest rates of 4.5 to 6 percent per annum, an intolerable burden on the rural systems and a burden designed to bankrupt said systems.

(c) The restriction against lending for any project which private industry is willing to carry out is trick phrasing designed to destroy the generation and transmission phases of the program and thereby our bargaining power.

This task force report, prepared by the power company accounting firm of Price, Waterhouse, the firm which audits the books of Purcell Smith's power trust lobby, was not prepared as a legitimate effort to improve Government lending functions but was deliberately prepared for the purpose of scuttling the rural electrification program and destroying competition in the electric industry. This same task force refused to hold public hearings and NRECA was forced to submit a written statement regarding the Rural Electrification Administration, a statement which was utterly disregarded by the task force.

The report of the task force is full of misstatements and half truths. It is not a report in any true sense, but a propaganda document as vicious as we have ever examined: Now, therefore, be it

Resolved, That we urge the Congress to label the REA section of this task force report, unofficially, as "Operation Bankruptcy for Rural Electrification," and that the Congress not only reject this report in its entirety, but that it also conduct an investigation into the sources of the ideas in this report and expose the authors to the public eye for what they are, tools of the moneylenders and the power monopoly; and be it further

Resolved, That copies of this resolution be sent to Members of the Congress and to President Eisenhower, who appointed the Hoover Commission which in turn selected the task force.

EXHIBIT G

RESOLUTION OF THE BOARD OF DIRECTORS OF THE NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION, MAY 13, 1955

Whereas the Hoover Commission has made a report to the Congress on Federal lending agencies in which the Commission has recommended that REA be abolished and that a Federal corporation be organized to act as banker to the rural electric systems, said corporation to be compelled to raise funds for loans in the private money markets and charge interest rates high enough to cover the cost of money borrowed, plus administrative costs of the new corporation; and

Whereas the report of the Hoover Commission on Federal lending agencies is based upon a Task Force Report on Federal Lending Agencies prepared under the direction of the Task Force Chairman and the Staff Director, both of whom are employees of the private power company accounting firm of Price, Waterhouse & Co.; and

Whereas the members of the Task Force and the staff of the Task Force were selected for their known prejudices against such governmental operations as is exemplified in REA and prejudiced in favor of a government which lends its power and influence to the vested interests, the big banks, insurance companies, and the power lobby, with the exception of member Caldwell of Arkansas, who to his lasting credit refused to join this parade of prejudice against a great program; and

Whereas this Task Force, despite pleas from this association, refused to hold public hearings and then issued a report which reeks with misstatements, errors, and falsehoods, and, for all practical purposes, recommended the liquidation of both REA and the National Rural Electric Cooperative Association; and

Whereas the report of the Hoover Commission, if adopted by the Congress, would result in the strangulation of the rural electric systems and their ultimate destruction or absorption by the big power companies to the detriment of the interests of rural people and the Nation as a whole and to the benefit of only a handful of big investors and power company moguls: Now, therefore, be it

Resolved, That the board of directors of the National Rural Electric Cooperative Association do hereby urge the Congress to reject this Hoover Report out of hand as biased, antisocial, antidemocratic, and destructive of the interests of rural people; and be it further

Resolved, That we oppose any and all recommendations of the Hoover Commission on REA and insist that none of these recommendations be put into effect either by congressional enactment or by executive order; and be it further

Resolved, That the staff of the association keep the board and the membership informed of any attempts, direct or indirect, to put said recommendations or any variation thereof into effect in any way; and be it further

Resolved, That we reaffirm to the Congress, to Administrator Nelsen, to Secretary Benson, and to the President our vigorous and unswerving support of the present organization and function of the Rural Electrification Administration as best adapted to the interests of farming people and the Nation as a whole.

Mr. LANGER. Mr. President, I wish to state that so long as I am a Member of the Senate I pledge myself to fight for continuation of the REA and the Rural Telephone Administration.

MRS. MARIA DEL MUL

The PRESIDING OFFICER. House bill 929, for the relief of Mrs. Maria Del Mul, has already been announced as next in order.

Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 929) for the relief of Mrs. Maria Del Mul was considered, ordered to a third reading, read the third time, and passed.

VERA GREGOVICH KENTER

The bill (H. R. 1235) for the relief of Vera Gregovich Kenter was considered, ordered to a third reading, read the third time, and passed.

VASILIOS LIAKOPOULOS

The bill (H. R. 1319) for the relief of Vasilios Liakopoulos was considered, ordered to a third reading, read the third time, and passed.

MARY MANCUSO

The bill (H. R. 1641) for the relief of Mary Mancuso was considered, ordered to a third reading, read the third time, and passed.

RODOLFO PUGEDA DE LA CERNA

The bill (H. R. 1909) for the relief of Rodolfo Pugeda de la Cerna was considered, ordered to a third reading, read the third time, and passed.

INGRID LISELOTTE POCH

The bill (H. R. 2079) for the relief of Ingrid Liselotte Poch was considered, ordered to a third reading, read the third time, and passed.

MRS. MARGARETE GICK SCORDAS

The bill (H. R. 2235) for the relief of Mrs. Margarete Gick Scordas was considered, ordered to a third reading, read the third time, and passed.

MONIKA SCHEFBANKER

The bill (H. R. 2339) for the relief of Monika Schefbanker was considered, ordered to a third reading, read the third time, and passed.

KAZUKO IWATA RAUSCH

The bill (H. R. 2704) for the relief of Kazuko Iwata Rausch was considered, ordered to a third reading, read the third time, and passed.

CHUNG POIK CHA AND HER CHILD, MYRA POIK CHA

The bill (H. R. 2897) for the relief of Chung Poik Cha and her child, Myra Poik Cha, was considered, ordered to a third reading, read the third time, and passed.

MRS. ELFRIEDA SCHOEPPE

The bill (H. R. 2916) for the relief of Mrs. Elfrieda Schoeppe was considered, ordered to a third reading, read the third time, and passed.

ROLF HUGO NEUMAN

The bill (H. R. 3195) for the relief of Rolf Hugo Neuman was considered, ordered to a third reading, read the third time, and passed.

ANDREW CARRIGAN

The bill (H. R. 4544) for the relief of Andrew Carrigan was considered, ordered to a third reading, read the third time, and passed.

MRS. LEE SHEE YEE

The bill (H. R. 4643) for the relief of Mrs. Lee Shee Yee (also known as Lee Lai Koon) was considered, ordered to a third reading, read the third time, and passed.

MISS BLANCA LINA RIONEGRO

The bill (H. R. 5074) for the relief of Miss Blanca Lina Rionegro was considered, ordered to a third reading, read the third time, and passed.

MRS. KOTO NAKAGAWA

The bill (H. R. 5082) for the relief of Mrs. Koto Nakagawa was considered, ordered to a third reading, read the third time, and passed.

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MRS. JOHANNA ECKLES

The bill (H. R. 5908) for the relief of Mrs. Johanna Eckles was considered, ordered to a third reading, read the third time, and passed.

MOCK JUNG SHEE

The bill (H. R. 5913) for the relief of Mock Jung Shee (Mock Jung Liu) was considered, ordered to a third reading, read the third time, and passed.

ELFRIEDE ROSA (KUP) KRAFT

The bill (H. R. 6741) for the relief of Elfriede Rosa (Kup) Kraft was considered, ordered to a third reading, read the third time, and passed.

CONVEYANCE OF CERTAIN LAND TO VILLAGE OF NEDECAH, WIS.

Mr. ERVIN. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1210, House bill 2889.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 2889) to provide for the conveyance of certain land in Nedecah, Wis., to the village of Nedecah.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from North Carolina.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Government Operations with an amendment.

The PRESIDING OFFICER. The committee amendment has previously been agreed to.

EXTENSION OF AUTHORITY OF CORREGIDOR BATAAN MEMORIAL COMMISSION

Mr. MANSFIELD. Mr. President, I move that the Committee on Foreign Relations be discharged from the further consideration of House bill 5469, and that the Senate proceed to consider the bill.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 5469) to extend the authority of the Corregidor Bataan Memorial Commission, and for other purposes.

The PRESIDING OFFICER. The question is on the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, this is a bill to extend the authority of the Corregidor Bataan Memorial Commission, which I have discussed with the minority leader.

Mr. KNOWLAND. The bill had been referred to the Committee on Foreign Relations?

Mr. MANSFIELD. That is true.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

Mr. MANSFIELD. I may add that the bill also has the approval of the senatorial members of the Commission, namely, the Senator from Wisconsin [Mr. WILEY], the Senator from Arizona [Mr. GOLDWATER], and the Senator from Illinois [Mr. DOUGLAS].

The PRESIDING OFFICER. The question is on the third reading and passage of the bill.

The bill (H. R. 5469) was ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a brief statement explaining the purposes of the bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The purpose of H. R. 5469 is to give more flexibility to the Commission in making plans for a suitable memorial by providing that the Commission shall make a study for the survey, location, and erection on Corregidor Island of a suitable memorial, which may include buildings, tunnels, and roads as well as a replica of the Statue of Liberty. Other changes in the basic act permit the Commission to accept in its discretion public or private money or gifts to be used in connection with the memorial; to secure from our Government such help as may be requested by the Commission; to contract for work, supplies, materials, and equipment inside and outside the United States; and to engage the services of architects and other personnel in connection with the memorial.

The bill also requires the Commission annually to submit to the President a report of its progress and a statement of its financial transactions during the preceding year, which report the President shall transmit to the Congress. Before the conclusion of its work, the Commission is required to submit a final report and the Commission goes out of existence 90 days after such submission.

The bill carries an authorization of not to exceed $100,000 for the expenses of the Commission.

INCREASES IN ANNUITIES UNDER CIVIL SERVICE RETIREMENT ACT—CONFERENCE REPORT

Mr. JOHNSTON of South Carolina. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7618) to amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended. I ask unanimous consent for the immediate consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of today.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. KNOWLAND. Mr. President, will the Senator from South Carolina make a brief explanation of the provisions of the bill?

Mr. JOHNSTON of South Carolina. Mr. President, the conference agreement is much like the bill as it passed the Senate yesterday. The Senate conferees agreed to a ceiling of $4,104. Some may wonder why it was made $4,104. We were asked to agree to that figure because it can be divided by 12. The figure in the House bill was $4,000.

The House conferees would not agree to the Senate amendment to provide retirement privileges for members of the Democratic and Republican senatorial campaign committees. The House conferees agreed to the other amendment which was added on the floor of the Senate. So I am glad to make this report. It is the best we could do under the circumstances.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

ANN ARBOR CONSTRUCTION CO.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1033) for the relief of Ann Arbor Construction Co., which was, on page 1, line 11, after "act", insert "not in excess of 10 percent thereof."

Mr. KILGORE. Mr. President, I move that the Senate concur in the House amendment.

The motion was agreed to.

ABSENCE FROM THE CALENDAR OF CIVIL RIGHTS LEGISLATION

Mr. HUMPHREY. Mr. President, in these closing hours of the first session of the 84th Congress as we enact hundreds of bills, some very important and others less important, I am struck by the fact that there is one subject matter conspicuous by its absence on the calendar. I refer to the vital subject of civil rights.

This has been an eventful year for us—a year mixed with many satisfactions and many regrets. In considering the status of the civil rights legislation in the Congress, my mind's eye recalls with great sadness the untimely death of the man who became the symbol of the struggle for greater democracy and human rights in the world, a distinguished American, Mr. Walter White, the Executive Secretary for the National Association for the Advancement of Colored People.

When the history of the twentieth century is written, very few men in the world will receive greater recognition for their efforts in behalf of freedom, equality and human dignity. Walter White devoted his life as a human being to eliminate the indignities of discrimination and prejudice from the hearts and minds of men. His energies as an American were devoted to making this Nation of ours a model for democracy and the living example of the religious principle of human brotherhood. His successful efforts in our own country and abroad serve the cause of free men all over the world. He was indeed the 20th century symbol of liberty.

His eloquent voice and his tireless, fearless energies will be missed by his friends and by millions of others who knew him as their leader. His life's works, however, will continue and are destined for greater success for his mission was in harmony with the traditions and with the spirit of American life.

I consider it one of the great privileges of my life to have enjoyed the friendship and the opportunity for many close associations with this great humanitarian leader. Those of us who knew, respected, and admired Walter White have an opportunity to demonstrate our belief in the American creed by utilizing all our energies and services to advance the cause of human understanding, tolerance, and equality which he so steadfastly championed. It is my pledge, Mr. President, that this program will continue to be my objective.

It is, therefore, fully appropriate, Mr. President, that I once again remind the Senate of its responsibilities to end once and for all discrimination against any of our fellow Americans because of their race, religion, color, or national origin. There are in the various committees of the Congress 11 bills which I had the privilege of introducing with a number of my colleagues comprising a comprehensive civil-rights program. It is a matter of deep regret to me that none of these bills has reached the Senate floor. This lack of sensitivity and lack of responsibility are most disturbing to me. I cannot help but feel that the inaction is due to an unwarranted assumption that the subject matter is still surrounded by an environment of conflict and bitterness. In all sincerity, I do not believe that is the case any longer. I believe that with a willingness to move forward in this area we can make significant progress in a harmonious and constructive fashion. To accomplish this objective, we need cooperation from the committees of the Congress who now have the bills within their jurisdiction and under their study. These bills are moderate and deserve support. They were presented not on an all-or-nothing basis, but rather as vehicles for discussion, negotiation, and consensus. Let me take a moment of the Senate's time to list them once again for the information of this body:

S. 899, a bill to establish equal opportunity in employment.

S. 900, a bill to protect persons within the United States against lynching.

S. 901, a bill outlawing the poll tax, as a condition of voting in any primary or other election for national officers.

S. 902, a bill to reorganize in the Department of Justice by establishing a Civil Rights Division in the Department under an Assistant Attorney General.

S. 903, a bill to protect the right to political participation and make it a crime to intimidate or coerce or otherwise interfere with a right to vote.

S. 904, a bill to strengthen the current laws with regard to peonage, convict labor, slavery, and involuntary servitude.

S. 905, a bill to strengthen existing civil-rights statutes.

S. 906, a bill to establish a Commission on Civil Rights in the executive branch of the Government.

S. 907, the omnibus civil-rights bill to strengthen existing civil-rights statutes.

S. 908, a bill to provide relief against certain forms of discrimination in interstate transportation.

S. Concurrent Resolution 8, a bill to create a joint congressional Committee on Civil Rights.

I conclude this statement, Mr. President, with a fervent prayer that the 84th Congress in this next session will crystallize and symbolize a feeling of good will and brotherhood in the consideration of this vital legislative program as we move forward to strengthen democracy in this Nation and thus strengthen the free world.

In conclusion, I ask unanimous consent to have printed in the body of the RECORD a series of editorials memorializing Walter White.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the New York Times of March 22, 1955]

WALTER WHITE, 61, DIES IN HOME HERE—LEADER IN CIVIL RIGHTS FIGHT 37 YEARS WAS EXECUTIVE SECRETARY OF NAACP—CHOSE TO BE A NEGRO—AUTHOR OF 5 BOOKS ALSO WAS A GOVERNMENT ADVISER IN U. N. AND VIRGIN ISLANDS

Walter White executive secretary of the National Association for the Advancement of Colored People, died last night of a heart attack at his home, 242 East Sixty-eighth Street. He was 61 years old.

Last October he twice entered the New York Hospital for treatment for a heart ailment that had caused him to take a leave of absence from his duties.

Recently he had returned from a month's leisurely visit in Haiti and Puerto Rico. Yesterday he spent 2 hours at his office.

Mr. White, the nearest approach to a national leader of American Negroes since Booker T. Washington, was a Negro by choice.

Only five-thirty-seconds of his ancestry was Negro. His skin was fair, his hair blond, his eyes blue, and his features Caucasian. He could easily have joined the 12,000 Negroes who pass the colorline and disappear into the white majority every year in this country.

But he deliberately sacrificed his comfort to publicize himself as a Negro and to devote his entire adult life to completing the emancipation of his people.

JOINED NAACP EARLY

Walter Francis White was born July 1, 1893, 1 of 7 light-skinned children. Being bright and of a comparatively well-to-do family—his father was a postman—he was able to attend Atlanta Preparatory School and Atlanta University. After graduation in 1916 he became an insurance salesman.

He became active in the local chapter of the National Association for the Advancement of Colored People a few years after its organization. James Weldon Johnson, then executive secretary of the NAACP, impressed by the young man, hired him in 1918 as assistant secretary and brought him to New York.

When Mr. Johnson retired in 1929, Mr. White succeeded him. From 1918 until 1929 the assistant secretary personally investigated 41 lynchings and 8 race riots.

Investigating the notorious race riots in Elaine, Ark., in 1919, in which 3 whites and 200 Negroes were killed, he posed as a reporter for the Chicago Daily News. He interviewed some of the 79 Negro men imprisoned, some lynchers, and even the governor of the State, before escaping on a train one jump ahead of a mob that had discovered his identity.

As head of an organization of 590,000 Negroes and white sympathizers, and unofficial champion of 14 million Negroes, Mr. White was a powerful lobbyist for Federal antilynching, anti-poll-tax, and antisegregation laws.

INFLUENCED PRESIDENTS

In 1938 he pushed a Federal antilynching bill nearer to passage than ever before in 20 years of effort. The bill was defeated only after 7 weeks of filibuster by Southern Senators. In 1930 he helped block the confirmation of President Hoover's appointment of John J. Parker, of North Carolina, to the Supreme Court, because of the judge's approval of racial segregation.

He was the author of President Franklin D. Roosevelt's executive order on fair employment practices in war industry during World War II. And he was responsible for President Harry Truman's stand on civil rights that caused the Dixiecrat bolt from the Democrats in the 1948 campaign.

Mr. White traveled 1 million miles, including two trips around the world, lecturing and investigating racial discrimination. He made perhaps 10,000 public speeches, wrote five books (including two novels), a hundred articles for national magazines, and for years wrote two weekly columns, one syndicated in Negro newspapers and the other in white papers.

During the Harlem race riot of August 1, 1943, he and Mayor Fiorello H. La Guardia toured the streets all night in a limousine calming the agitated throngs. In 1939 he staged an open-air concert by Marian Anderson in Washington that attracted 75,000 persons after the Daughters of the American Revolution had refused their hall to the Negro singer. From 1943 to 1945 he toured every war theater as a special correspondent for the New York Post.

He was on the Advisory Council for Government of the Virgin Islands in 1934 and 1935, consultant to the United States delegation at the organization meeting of the United Nations in San Francisco in 1945 and consultant to the delegation at the General Assembly meeting in Paris in 1948.

In 1922 Mr. White married Leah Powell, an NAACP secretary. They had two children, Jane, now an actress, and Walter C. D. White. That marriage ended in divorce. In 1949, Mr. White married Poppy Cannon.

Besides his second wife, who is food editor of the magazine House Beautiful, and his children, he leaves three sisters, Mrs. Eugene Martin and Miss Madeline White, of Atlanta, and Mrs. Alice Glynn, of Cleveland.

[From Minnesota Labor of March 25, 1955]

WALTER FRANCIS WHITE—CHAMPION OF HUMAN EQUALITY FOUND STANCH FRIEND IN CIO

(By Cecil E. Newman)

A few months ago the Congress of Industrial Organizations, in an unprecedented action through the Philip Murray Memorial Fund, presented the National Association for the Advancement of Colored People a check for $75,000.

This was the largest single contribution ever received by the association, in its over 45 years of existence as a vigilant defender of civil rights for all Americans.

In a sense, the CIO presentation was a tribute to the association's executive secretary, Walter Francis White, who died Monday after a lifetime of fighting for equality for the American Negro in particular and all other Americans who were oppressed in general.

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Walter White, early in his career as a champion of civil rights, recognized the importance of addressing his case for the Negro to the organized labor movement.

He recognized that the forces of evil often for economic gain used the white workers against the Negro workers and the Negro workers against the white workers.

Walter White recognized the close affinity between the struggle of the labor unions for decent wages, decent working conditions and recognition, with that of the American Negro, who sought escape from the second-class citizenship, the oppression and the discrimination with which he is still afflicted—92 years after the Emancipation Proclamation.

Mr. White recognized and hailed the organization of the CIO because its constitution and bylaws proclaimed its belief in the basic equality of men and insisted that its affiliated unions accepted workers as members regardless of race, creed, color, or national origin.

This action by the founders of CIO was hailed by Mr. White and the NAACP as revolutionizing the organized labor movement and giving Negro workers hope of the friendship, understanding, and the cooperation of fellow white workers all over the Nation.

Through the entire 23 years of his administration of the NAACP, Walter White sought and received the counsel of CIO leadership on both the national and local levels. This was because each organization sought in its own sphere the betterment of humanity and the advance of the cause of justice.

Walter White was a great man. His life symbolized the ideals, the strivings, and achievements of the Republic's founding fathers. He championed the cause of human equality and the dignity of the human personality vigorously and relentlessly from platform and by his facile pen. He numbered among his friends the great and near-great of the world and the little people of the land and he never lost the common touch. He was at home in the mansion of a millionaire industrialist and equally at ease in the humble dwelling of a poor Alabama sharecropper.

Walter White, as did many labor leaders, defied the mob many times. He traveled all over the United States southland, often under the cloud of threats on his life. His extensive coverage of the lynchings which plagued our country before the fifties, and his writings on the subject, were factors in arousing nationwide revulsion against mob violence.

In the death of Walter White the Nation has lost a great man, the CIO has lost a friend, and the cause of human equality has lost one of its stanchest champions.

[From the New York Herald Tribune of March 23, 1955]

WALTER WHITE

Walter White was one of the most important leaders in one of the most important struggles of his day. As executive secretary of the National Association for the Advancement of Colored People, he was regarded as a leader and spokesman for the American Negro, a man who had long ago earned the affection of his own people and the respect of others.

In his long service to the Negro, Mr. White had seen the virtual elimination of lynching, the enactment of fair employment laws, the reduction of discrimination, the outlawing of segregation in the Armed Forces, the approach heralded by the Supreme Court decision, of racial integration in the Nation's schools. For all these objectives he had labored zealously and devotedly; he crusaded not by inflaming passions or by preaching violence, but by putting his faith in democratic ways and the conscience of his fellow citizens. And he lived to see his faith and hope justified.

Walter White might have led a different life, apart from racial strife. He was but one sixty-fourth Negro and could have, if he had chosen, remained a white man to the world. But his people needed him and perhaps he, too, needed them. With their help and the help of other friends, he accomplished much. If, when he died, much still remained to do, none knew better than Walter White that freedom is a never-ending job.

[From the Indianapolis News of March 23, 1955]

CRUSADER FOR TOLERANCE

White and colored people alike should be grateful for the gains in race relations that have come about in this country in recent years. No one individual can receive full credit. But few contributed more effort than Walter White, now dead at 61.

Mr. White was a militant foe of "white supremacy." He was termed a "professional agitator" by his foes. Yet he conducted his lifelong crusade for racial equality always by peaceful methods and entirely within the pale of legal process and constitutional democracy.

This certainly cannot be said of those on the other side who resorted to force, intimidation and perversion of justice.

Thanks in part to Walter White and his kind, the American people have been awakened to the bestiality of lynchings and race riots to the point that such crimes have now virtually disappeared from the national scene. Advances have been made in the realm of economic and educational equality, more through a new awareness of tolerance than through statute or enforcement. That is as it should be.

[From the Christian Science Monitor of March 23, 1955]

LEADERS OF THEIR PEOPLE

Had Walter White, with his aggressive tactical approach, essayed to give the American Negro leadership in Booker T. Washington's day it seems certain he would have been overwhelmed. Attitudes as yet were but partially conditioned to the idea of Negro progress. Had Booker Washington lived to carry his vision of racial relations into the era when Walter White served his people, whether or not he would have done better is a question on which much can be said on both sides.

The careers of both men should be judged in the context of their times. Booker Washington, born a slave and coming to manhood just when "reconstruction" of the South ended, must have sensed that what was needed then was a platform on which both whites and Negroes could stand as free men.

In 1929, some 14 years after Booker Washington's passing, Walter White came into the executive secretaryship of the National Association for the Advancement of Colored People. Both as a matter of duty and of conviction he undertook the task, first of all, of removing legal sanctions that still buttressed racial discriminations and of erecting legal protections, around Negro rights. He pursued these objectives with persistence and, at times, with militancy. But no one could fairly say that he did not give his all, nor gave that all in vain.

It is symbolic, in a way, that on the day of Walter White's passing the annual campaign for the United Negro College Fund should get underway. Symbolic, we would say, in that through Negro education, particularly through the college trained, the good that Walter White strove for and all that Booker Washington's leadership stood for will be carried forward on a broad and enlightened front.

[From the Courier-Journal of March 23, 1955]

HE BATTLED TO MAKE DEMOCRACY WORK

More famed for fearlessness than for tact, Walter White did more to reduce racial injustice in the United States than any other man of his generation. From the memory of childhood wrong and adult battle he drew a bitter zeal for his lifelong war against discrimination. It was the early infusion of this uncompromising zeal into the small National Association for the Advancement of Colored People that eventually made the NAACP one of the largest and most effective civil-rights groups in the Nation, and which accounted for its most notable victories against discrimination.

The greatest of these occurred only last year, when the Supreme Court endorsed the NAACP contention that racial segregation in the public schools is unconstitutional. Many other factors helped to produce that evolutionary landmark, it is true, but it is also true that every one of the cases before the Supreme Court had been initiated and carried from the lowest courts to the highest by the NAACP, and it is more than likely that the momentous decision of 1954 would have been years longer in coming had it not been for Walter White.

As white as any white man in appearance, White early elected not to "pass over," but to become the most bitterly articulate of all Negroes. His readiness to risk his neck in lynching and riot investigations was legendary. His enemies attributed to him a sort of careerist enthusiasm for martyrdom, but his activities contributed effectively to spotlighting injustice and therefore to arousing the public conscience against it. And therein lay the secret of Walter White's success. A militant citizen of our democracy, he used the conscience and the laws of democracy to war against bigotry and prejudice and inequality. More than most he was dedicated, as Walter Reuther put it, to making democracy work.

[From the San Francisco Examiner of March 24, 1955]

WALTER WHITE

In the death of Walter White, executive secretary of the National Association for the Advancement of Colored People, the Negro people lose a champion and the Nation a good, courageous American. Mr. White's blood was only one sixty-fourth Negro, and with his fair complexion and blue eyes he could easily have passed through the color barrier. But he remained a Negro by choice. By making it he advanced, no one can say how much, the cause of racial understanding and brought nearer that day when bias and bigotry will have ceased.

[From the Washington Post of March 24, 1955]

WALTER WHITE

It was given to Walter White to enter and experience much of the promised land to which he led his people. As a boy in Atlanta, Ga., he knew at first hand the horror of race rioting and the ugliness of a lynch mob. He lived through racial discrimination in housing and schooling and recreation. But before his death the pattern of race relations in the United States had undergone a tremendous transformation. Violence against the Negro had virtually disappeared from the South. And segregation in public facilities had been declared by the courts of the land to be in contravention of the Constitution.

As executive secretary of the National Association for the Advancement of Colored People, Walter White played a dynamic part in effecting this change. And as a man, Nordic in appearance and predominantly of Caucasian ancestry, who chose freely to identify himself as a Negro, he played a dramatic

part in helping his fellow Americans to understand the folly of race prejudice. He gave his life to a heroic cause now well on its way to triumph.

[From the Washington Star of March 24, 1955]

WALTER WHITE

Some leaders are made by their times, and Walter White was one of the number. In a different era than our own "age of confusion" he might have chosen different work. Conditions being what he knew them to be, he rose to their challenge and, heading the National Association for the Advancement of Colored People, waged a campaign of reform and correction which already is historic. His cause was good, and he did not spoil it by unworthy methods. Americans of all groups recognized him as a spokesman for millions. He lived to see many of his objectives written into the law of the land. Even more important, perhaps, he saw them accepted into the standard pattern of American thought and American behavior. Thus he served the entire national community and, beyond that, the high ideals of democratic civilization throughout the world.

[From the New York Times of March 23, 1955]

WALTER WHITE

Walter White was the adviser of statesmen and soldiers, in peace and war. His work for the Negro was enormously effective over more than three decades. That he was the author of President Roosevelt's Executive Order on Fair Employment Practices in war industries is but one evidence out of many of the weight of his counsel and his vision. In his post of executive secretary of the National Association for the Advancement of Colored People, he was at the center of the conflict between bigotry and democracy which the so-called race question involves. Considerable progress has been made, in recent times here, in resolving this conflict. A great deal of what has been achieved can be directly traced to his influence.

Blue-eyed and fair of color, Walter White did not need to identify himself as a Negro. He did so deliberately, and in its way this act made a special mockery of race discrimination.

AMENDMENT OF PUBLIC HEALTH SERVICE ACT TO PROVIDE VACCINATION AGAINST POLIOMYELITIS IN CERTAIN CASES—CONFERENCE REPORT

Mr. HILL. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2501) to amend the Public Health Service Act to authorize grants to States for the purpose of assisting States to provide children and expectant mothers an opportunity for vaccination against poliomyelitis. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report see House proceedings of today.)

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

Mr. KNOWLAND. Mr. President, I should like to have an explanation before the report is acted upon.

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. HILL. Mr. President, I wish to report the unanimous agreement of the House and Senate conferees on S. 2501, a bill to provide poliomyelitis vaccine for children and expectant mothers.

The conference accepted the House bill with a number of clarifying and strengthening amendments:

First. The House bill authorized appropriations to remain available until December 31, 1957. Since the matching features in the House bill, as reported by the Committee on Interstate and Foreign Commerce, were removed by a Committee amendment when the bill passed the House, the need for having such a long period of time set forth in the bill had disappeared. The conferees agreed to limit this program to the relatively short period ending February 15, 1956, with the distinct understanding that the whole program would be reviewed because additional legislation and an additional appropriation will be necessary at that time. In doing this, it was the intention of the conferees that the entire $30 million made available in the supplemental appropriations bill just passed by the Congress for the purchase of poliomyelitis vaccine should be made available to the States for use by February 15, 1956.

Second. The House bill, in a proviso in section 4 (a), required in effect the allocation of each State allotment over the entire number of eligible children in the State. By removing this proviso, the conferees have provided that the entire allotment for each State will be available to the States for use in priority groups just as rapidly as the State desires to use the funds.

Since this proviso is not in the bill, no allocation over the entire group of eligibles will be required. It was the expectation of the conferees that additional funds and legislation would be considered in the early weeks of the next session. The conferees recognize that since the present program will expire on February 15, 1956, it will be possible to give only two shots of the vaccine to persons who may be eligible. This should not be interpreted to mean that the Federal Government is not in favor of a third shot. It merely means that the conference committee believes that all the available money should be used to provide the first two shots of vaccine during the period between now and February 15, 1956.

Third. A third significant change in the bill as passed by the House was the inclusion of a provision in section 4 (a) by the conference which gives the Surgeon General authority to set up priority groups. It was intended that the Surgeon General's authority should be as flexible as possible to meet any unusual situation. Thus, he would be permitted to set one priority group for a State or region and a different priority group for another State or region if the medical conditions so warranted. In addition, the States themselves would be permitted to set their own priority groups within the priority categories set by the Surgeon General. Thus, if the Surgeon General set a general priority of age groups 5 through 9, a State might set its own priority for age groups 5 through 7, and so forth.

Fourth. Section 6 (b) of the House bill was amended by providing that the States should have authority to spend money provided under section 3 (A) (2) for the purchase of vaccine, if the money available under that section was in excess of the amount necessary for administrative purposes.

Fifth. The final amendment of importance changed the percent of the number of unvaccinated eligible persons which would be used in calculating the formula for the allotment of money among the States from 25 percent to 33⅓ percent. This means that each State's allotment would be 33⅓ percent of the number of unvaccinated eligible persons multiplied by the product of (a) the cost of the vaccine for each person, and (b) a State's allotment percentage.

Mr. LEHMAN. Mr. President, will the Senator from Alabama yield?

Mr. HILL. I yield.

Mr. LEHMAN. Originally, the Senate bill provided no prohibition against a means test and that is a thing as to which I was particularly concerned.

Mr. HILL. The prohibition against a means test is now in the legislation.

Mr. President, I move that the report be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Alabama.

The motion was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 756. An act to authorize the appropriation of accumulated receipts in the Federal aid to wildlife-restoration fund established by the Pittman-Robertson Act and to authorize the expenditure of funds apportioned to a State under such act for the management of wildlife areas and resources; and

S. 2296. An act to amend section 313 of the Agricultural Adjustment Act of 1938, with respect to tobacco allotments.

The message also announced that the House insisted upon its amendment to the bill (S. 2127) to amend the Small Business Act of 1953; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. SPENCE, Mr. BROWN of Georgia, Mr. PATMAN, Mr. RAINS, Mr. WOLCOTT, Mr. GAMBLE, and Mr. TALLE were appointed managers on the part of the House at the conference.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2391) to amend the Defense Production Act of 1950, as amended, and for other purposes.

The message also announced that the House had agreed to the report of the

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committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2501) to amend the Public Health Service Act to authorize grants to States for the purpose of assisting States to provide children and expectant mothers an opportunity for vaccination against poliomyelitis.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1003) for the relief of Mrs. Lorenza O'Malley (de Amusategui), Jose Maria de Amusategui O'Malley, and the legal guardian of Ramon de Amusategui O'Malley.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 2907) for the relief of Thomas F. Harney, Jr., doing business as the Harney Engineering Co.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated:

H. R. 3255. An act to amend the Classification Act of 1949 to preserve in certain cases the rates of basic compensation of officers and employees whose positions are placed in lower grades by virtue of reclassification actions under such act, and for other purposes; to the Committee on Post Office and Civil Service.

H. R. 5844. An act to increase the fee for executing an application for a passport from $1 to $3; to the Committee on Foreign Relations.

H. R. 7125. An act to extend to June 30, 1956, the free mailing privileges granted by the act of July 12, 1950, to members of the Armed Forces of the United Sates; to the Committee on Post Office and Civil Service.

AMENDMENT OF SMALL BUSINESS ACT OF 1953

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 2127) to amend the Small Business Act of 1953, which was, to strike out all after the enacting clause and insert:

That section 204 (a) of the Small Business Act of 1953 is hereby amended by inserting after the word "branch" the following: "and regional."

SEC. 2. Section 207 of such act is further amended by inserting after subsection (e) a new subsection as follows:

"(f) To further extend the maturity of or renew any loan made pursuant to subsection (a) or (b) of this section, beyond the periods stated therein, or any loan transferred to the Administration pursuant to Reorganization Plan Numbered 2 of 1954, for additional periods not to exceed 10 years, if such extension or renewal will aid in the orderly liquidation of such loan."

SEC. 3. (a) The last sentence of section 204 (b) of the Small Business Act of 1953 is amended to read as follows: "The Administration shall pay into miscellaneous receipts of the Treasury at the close of each fiscal year, interest on the net amount of the cash disbursements from such advances at a rate determined by the Secretary of the Treasury, taking into consideration the current average rate on outstanding interest-bearing marketable public debt obligations of the United States of comparable maturities."

(b) Section 204 of the Small Business Act of 1953 is further amended by inserting the following new subsections (e) and (f), as follows:

"(e) As used in this act, the term 'United States' includes the several States, the Territories and possessions of the United States, the Commonwealth of Puerto Rico, and the District of Columbia.

"(f) The Administrator may establish regional offices of the Administration in the Territories of Alaska, Hawaii, and in the Commonwealth of Puerto Rico.'

SEC. 4. (a) Section 205 (a) of the Small Business Act of 1953 is amended (1) by striking out "require bonds of them, and fix the penalties thereof" and inserting in lieu thereof "to provide bonds for them in such amounts as the Administrator shall determine, and to pay the costs of qualification of certain of them as notaries public", and (2) by inserting at the end thereof the following new sentence: "Subject to the standards and procedures under section 505 of the Classification Act of 1949, as amended, not to exceed 15 positions in the Small Business Administration may be placed in grades 16, 17, and 18 of the General Schedule established by that act, and any such positions shall be additional to the number authorized by such section."

(b) Section 205 (b) (7) of the Small Business Act of 1953 is amended (1) by inserting immediately following "all actions" the following: ", including the procurement of the services of attorneys by contract," and (2) by changing the period at the end thereof to a colon and adding the following: "*Provided*, That no attorneys' services shall be procured by contract in any office where an attorney or attorneys are or can be economically employed full time to render such services."

(c) Section 205 (c) of the Small Business Act of 1953 is amended by adding at the end thereof the following new sentence: "Any individual so employed may be compensated at a rate not in excess of $50 per diem, and, while such individual is away from his home or regular place of business, he may be allowed transportation and not to exceed $15 per diem in lieu of subsistence and other expenses."

SEC. 5. Section 207 of the Small Business Act of 1953 is amended to read as follows:

"SEC. 207. (a) The Administration is empowered to make loans to enable small-business concerns to finance plant construction, conversion, or expansion, including the acquisition of land; or to finance the acquisition of equipment, facilities, machinery, supplies, or materials; or to supply such concerns with working capital to be used in the manufacture of articles, equipment, supplies, or materials for war, defense, or essential civilian production or as may be necessary to insure a well-balanced national economy; and such loans may be made or effected either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis: *Provided, however*, That the foregoing powers shall be subject to the following restrictions and limitations:

"(1) No financial assistance shall be extended pursuant to (a) above unless the financial assistance applied for is not otherwise available on reasonable terms and all loans made shall be of such sound value or so secured as reasonably to assure repayment; no immediate participation may be purchased unless it is shown that a deferred participation is not available; and no loan may be made unless it is shown that a participation is not available.

"(2) No loan shall be extended to (a) above if the total amount outstanding and committed (by participation or otherwise) to the borrower from the revolving fund established by this title would exceed $250,000, and no loan, including renewals or extensions thereof, may be made for a period or periods exceeding 10 years, except that any loan made for the purpose of constructing industrial facilities may have a maturity of 10 years plus such additional period as is estimated may be required to complete such construction, and any such loan shall bear interest at the rate prevailing in the area where the money loaned is to be used but shall not exceed 6 percent per annum: *Provided*, That the foregoing limitation of $250,000 shall not apply to any loan extended to any corporation formed and capitalized by a group of small business concerns with resources provided by them for the purpose of establishing facilities in and through such corporation to produce or secure raw materials or supplies: *Provided further*, That for any such corporation the limit of any loan extended or made as provided for in this section shall be $250,000 multiplied by the number of separate small businesses which have formed and capitalized a corporation as hereinbefore provided for in this section, and if a loan to such corporation is for the purpose of constructing facilities, then the loan may have a maturity not to exceed 20 years plus such additional time as is required to complete such construction and at an interest rate of not less than 3 nor more than 5 percent per annum: *And provided further*, That no act or omission to act pursuant to this section, if found and approved by the Small Business Administration as contributing to the needs of small business, shall be construed to be within the prohibitions of the antitrust laws or the Federal Trade Commission Act of the United States. A copy of the statement of any such finding and approval intended to be within the coverage of this section, and any modification or withdrawal thereof, shall be furnished to the Attorney General and the Chairman of the Federal Trade Commission when made, and it shall be published in the Federal Register. The authority granted in the last preceding proviso shall be delegated only (1) to an official who shall for the purpose of such delegation be appointed by the President by and with the advice and consent of the Senate, unless otherwise required to be appointed, (2) upon the condition that such official consult with the Attorney General and with the Chairman of the Federal Trade Commission not less than 10 days before making and stating any such finding and approval as is authorized in this subsection (a), and (3) upon the condition that such official obtain a statement in writing from the Attorney General that he, mindful of the antitrust laws and the public interest, concurs in the finding and approval made and granted by the Small Business Administration. Upon withdrawal of any finding or approval made hereunder the provisions of this section shall not apply to any subsequent act or omission to act by reason of such finding or approval. The Attorney General is directed to make, or request the Federal Trade Commission to make for him, surveys for the purpose of determining any factors which may tend to eliminate competition, create or strengthen monopolies, injure small business, or otherwise promote undue concentration of economic power in the course of the administration of this act. The Attorney General shall submit to the Congress and the President within 90 days after approval of this act, and at such times thereafter as he deems desirable, reports setting forth the results of such surveys and including such recommendations as he may deem desirable.

"(3) In agreements to participate in loans on a deferred basis under this subsection or under subsection (b) (1) of this section,

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such participation by the Administration shall not be in excess of 90 percent of the balance of the loan outstanding at the time of disbursement.

"(b) The administration also is empowered—

"(1) to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administration may determine to be necessary or appropriate because of floods or other catastrophes, including necessary or appropriate loans to any small-business concern located in an area where a drought is occurring, if the administration determines that the small-business concern has suffered a substantial economic injury as a result of such drought, and the President has determined under the act entitled 'An act to authorize Federal assistance to States and local governments in major disasters, and for other purposes', approved September 30, 1950, as amended (42 U. S. C., secs. 1855–1855g), that such drought is a major disaster, or the Secretary of Agriculture has found under the act entitled 'An act to abolish the Regional Agricultural Credit Corporation of Washington, District of Columbia, and transfer its functions to the Secretary of Agriculture, to authorize the Secretary of Agriculture to make disaster loans, and for other purposes', approved April 6, 1949, as amended (12 U. S. C., secs. 1148a–1–1148a–3), that such drought constitutes a production or economic disaster in such area: *Provided*, That no such loan including renewals and extensions thereof may be made for a period or periods exceeding 10 years except that where such loan is for acquisition or construction (including acquisition of site therefor) of housing for the personal occupancy of the borrower, it may be made for a period not to exceed 20 years and at an interest rate not to exceed 3 percent per annum.

"(2) to enter into contracts with the United States Government and any department, agency, or officer thereof having procurement powers obligating the Administration to furnish articles, equipment, supplies, or materials to the Government;

"(3) to arrange for the performance of such contracts by negotiating or otherwise letting subcontracts to small-business concerns or others for the manufacture, supply, or assembly of such articles, equipment, supplies, or materials, or parts thereof, or servicing or processing in connection therewith, or such management services as may be necessary to enable the Administration to perform such contracts; and

"(4) to provide technical and managerial aids to small-business concerns, by advising and counseling on matters in connection with Government procurement and on policies, principles, and practices of good management, including but not limited to cost accounting, methods of financing, business insurance, accident control, wage incentives and methods engineering, by cooperating and advising with voluntary business, professional, educational, and other nonprofit organizations, associations, and institutions and with other Federal and State agencies, by maintaining a clearinghouse for information concerning the managing, financing, and operation of small-business enterprises, by disseminating such information, and by such other activities as are deemed appropriate by the Administration."

SEC. 6. Section 211 of the Small Business Act of 1953 is amended to read as follows:

"SEC. 211. When directed by the President, it shall be the duty of the Administration to consult and cooperate with governmental departments and agencies in the issuance of all orders or in the formulation of policy or policies in any way affecting small-business concerns. When directed by the President all such governmental departments or agencies are required, before issuing such orders or announcing such policy or policies, to consult and cooperate with the Administration in order that the interests of small-business enterprises may be recognized, protected, and preserved: *Provided further*, That for the purposes of aiding in carrying out the national policy to insure that a fair proportion of the total purchases and contracts for supplies and services for the Government be placed with small-business enterprises, and to maintain and strengthen the overall economy of the Nation, the Department of Defense shall make a monthly report to the President, the President of the Senate, and the Speaker of the House of Representatives not less than 45 days after the close of the month, showing the amount of funds appropriated to the Department of Defense which have been expended, obligated, or contracted to be spent with small-business concerns and the amount of such funds expended, obligated, or contracted to be spent with firms other than small business in the same fields of operation; and such monthly reports shall show separately the funds expended, obligated, or contracted to be spent for basic and applied scientific research and development."

SEC. 7. (a) Section 212 (c) of the Small Business Act of 1953 is amended by adding immediately before the semicolon at the end thereof the following language: "and to carry out this purpose the Administrator, when requested to do so, shall issue in response to each such request an appropriate certificate certifying an individual concern as a 'small-business concern' in accordance with the criteria expressed in this act. Any such certificate shall be subject to revocation when the concern covered thereby ceases to be a 'small-business concern'."

(b) Section 212 (g) of the Small Business Act of 1953 is amended by inserting after the words "to insure" the following language: "that a fair proportion of the total purchases and contracts for supplies and services for the Government be placed with small-business enterprises, to insure that a fair proportion of Government contracts for research and development be placed with small-business concerns, and to insure".

SEC. 8. Section 213 of the Small Business Act of 1953 is amended by adding "(a)" immediately following "Sec. 213." and by inserting an additional subsection, as follows:

"(b) Offices of the Government having procurement or lending powers, or engaging in the disposal of Federal property or allocating materials or supplies, or promulgating regulations affecting the distribution of materials or supplies shall accept as conclusive the Administration's determination as to which enterprises are to be designated 'small-business concerns', as authorized and directed under section 212 (c) of this title."

SEC. 9. Section 214 of the Small Business Act of 1953 is amended (1) by inserting before "mobilizing" the words "maintaining or."

SEC. 10. Section 215 of the Small Business Act of 1953 is amended by inserting at the end thereof the following new sentence: "The Administration shall make a report to the President, the President of the Senate, and the Speaker of the House of Representatives, to the Senate Select Committee on Small Business and to the House Select Committee To Conduct a Study and Investigation of the Problems of Small Business on December 31, 1955, and at the end of each 6 months thereafter, showing as accurately as possible for each such period the amount of funds appropriated to it that it has expended in the conduct of each of its principal activities such as lending, procurement, contracting, and providing technical and managerial aids."

SEC. 11. Section 215 of the Small Business Act of 1953 is further amended by adding at the end thereof the following sentence: "The Administration shall retain all correspondence, records of inquiries, memoranda, reports, books, and records, including memoranda as to all investigations conducted by or for the Administration, for a period of at least 1 year from the date of each thereof, and shall at all times keep the same available for inspection and examination by the Senate Select Committee on Small Business, and the House Select Committee To Conduct a Study and Investigation of the Problems of Small Business, or their duly authorized representatives."

SEC. 12. (a) Section 218 (a) of the Small Business Act of 1953 is amended by striking out "(a)" immediately following "SEC. 218."

(b) Section 218 (b) of the Small Business Act of 1953 is hereby repealed.

SEC. 13. Section 221 (a) of the Small Business Act of 1953 is amended by striking out the figures "1955" and inserting in lieu thereof "1957."

SEC. 14. The Small Business Act of 1953 is amended by adding at the end thereof two new sections which shall read as follows:

"SEC. 224. All laws and parts of laws inconsistent with this act are hereby repealed to the extent of such inconsistency.

"SEC. 225. The Administration shall not duplicate the work or activity of any other department or agency of the Federal Government and nothing contained in this act shall be construed to authorize any such duplication unless such work or activity is expressly provided for in this act."

SEC. 15. Section 3 of the Armed Services Procurement Act of 1947 is amended by adding at the end thereof the following new paragraph:

"(c) All bids or invitations for bids shall contain in their specifications all the necessary language and material required and shall be so descriptive both in its language and attachments thereto in order to permit full and free competition. Any bid or invitation to bid which shall not carry the necessary descriptive language and attachments thereto, or if such attachments are not available or accessible to all competent, reliable bidders, such bid or invitation to bid shall be invalid and any award or awards made to any bidder in such case shall be invalidated and rejected."

SEC. 16. This act shall take effect as of the close of July 31, 1955.

Mr. THYE. Mr. President, I suggest the absence of a quorum.

Mr. MORSE. Mr. President, I wish to assure the Senator from Minnesota that I have cleared the consideration of the matter with both leaders.

Mr. THYE. Am I correct in my information that this is the conference report on the Small Business Administration bill?

Mr. MORSE. It is not a conference report. The House has returned the Senate bill with an amendment. It is my intention to move that the Senate concur in the House amendment.

Mr. THYE. I have no objection.

Mr. MORSE. I move that the Senate concur in the amendment of the House. I may say that the Senate committee has gone over the House amendment, and we strongly recommend its adoption.

The motion was agreed to.

DISAPPROVAL BY CONGRESS OF EXPENDITURES BY TVA FOR CONSTRUCTION OF CERTAIN STEAM POWER UNITS

Mr. McCLELLAN (for himself, Mr. FULBRIGHT, and Mr. HOLLAND) submitted

the following resolution (S. Res. 146), which was ordered to lie on the table:

Resolved, That it is the sense of the Senate that, notwithstanding any authority conferred by law, the Tennessee Valley Authority should not expend any funds to commence the construction or installation of any additional steam power units at Johnsonville, John Sevier, and Gallatin until the Congress has approved the expenditure of funds for such purpose.

Mr. McCLELLAN. Mr. President, it is the contention of the TVA that, under the basic statute creating it, it has the authority, without Congress appropriating the money, to take the proceeds from the sale of power, and any other revenues that might come into its possession from its operation, and spend the money for the construction of new steam plants or additional units at steam plants already built. It has been the practice of TVA in the past, when it desired to make such expenditures out of its revenues for capital expansion, to come to the Committees on Appropriations and report its needs in that respect, its purpose so to use the money, and to secure the approval of the Appropriations Committees of the Congress for such expenditures in the report on the bill carrying appropriations for the TVA.

During this session of Congress, again, the TVA came before the appropriate committees and requested permission to build six additional steam units in the TVA area out of its revenues. It was the intention to build units 7 to 10 at Johnsonville, unit 4 at John Sevier, and unit 3 at Gallatin.

The Subcommittee on Public Works of the Committee on Appropriations considered the matter and made a report to the full committee. I shall read a part of the report of the subcommittee to the full committee. The request went before the full committee for its approval. I quote from the subcommittee's report:

> Although the committee is providing no new funds for such purpose, the committee approves the proposed addition to the power capacity by the use of proceeds from power operations or funds otherwise available to provide additional units 7 to 10 at Johnsonville, unit 4 at John Sevier, and unit 3 at Garrison, those being units at existing steam plants, to build up the capacity and more nearly meet the heavy load forecast for 1957 and 1958.

The full committee gave consideration to this report and this proposal.

On motion of the senior Senator from Florida, who has joined me as a cosponsor of the resolution, as has my colleague from Arkansas [Mr. FULBRIGHT], to strike this authority and approval from the subcommittee's report, a record vote was taken, and the Committee on Appropriations voted, 13 to 10, to strike the provision from the report, thus refusing to give its approval to the expenditure of these unappropriated funds, which are revenues belonging to all the taxpayers of the United States.

In view of the action of the Committee on Appropriations, I immediately became interested to know just what such expenditures would involve. I may say that the action of the Committee on Appropriations was taken on July 1. On July 2, I sent the following telegram to the Chairman of the Board of TVA:

> Please advise me promptly by wire, total estimated cost of additional power units 3 to 10 at Johnsonville, unit 4 at John Sevier, and unit 3 at Gallatin, which I understand the TVA proposes to construct, or begin construction of, within this fiscal year. In other words, these are the proposed additional power capacity units the Senate Appropriations Committee was asked to approve. I understand the cost of construction is to be paid out of proceeds and earnings of the TVA, and not out of appropriated funds. Thanks for your response.

On the same day, I received the following reply:

> Reurtel Johnsonville units 7 to 10, John Sevier unit 4, Gallatin unit 3, which would add approximately 1 million kilowatts to TVA's assured load-carrying capacity are estimated to cost $144,500,000.
>
> HUBERT D. VOGEL,
> *Chairman of the Board, TVA.*

Mr. President, I thought that was a large sum of money in unappropriated funds to authorize a board to spend, or to have a board to presume to have the authority to expend, particularly so after the Committee on Appropriations of one House of Congress had expressly refused to give its approval to such expenditures. So I wondered what the attitude of the TVA Board would be under those circumstances. Later, on July 7, I sent a telegram to General Vogel, Chairman of the Board. I now read it:

> WASHINGTON, D. C., *July 7, 1955.*
> Gen. HUBERT D. VOGEL,
> *Chairman of Board, TVA,*
> *Knoxville, Tenn.:*
>
> Re our exchange of telegrams July 2. In view of Senate Appropriations Committee's action in refusing by a vote of 13 to 10 to approve TVA's proposed construction of additional power units at Johnsonville, John Sevier, and Gallatin out of proceeds from power operations or funds otherwise available at an estimated cost of $144,540,000 as per your wire July 2, please advise whether the Board intends to proceed with the construction of said units, notwithstanding the action taken by the Senate Appropriations Committee.
>
> JOHN L. McCLELLAN,
> *United States Senator.*

I did not receive a prompt reply to that message, so again on July 11, I wired General Vogel as follows:

> Please let me have your reply to my wire of July 7 at your earliest convenience.

I again received no prompt reply, and I telegraphed him on July 12:

> Urgently request reply to my wire of July 7.

On July 12, Mr. President, I received the following wire from General Vogel:

> KNOXVILLE, TENN., *July 12, 1955.*
> The Honorable JOHN L. McCLELLAN,
> *Senate Office Building,*
> *Washington, D. C.:*
>
> Reurtel of July 7. The Board of TVA is, of course, concerned with the necessity of adding capacity to the system to meet growing loads. Although no decision has been reached, we are studying all the problems involved in proceeding with construction of some units in existing plants by using power proceeds. Delay to this telegram caused by my absence from Knoxville, and is deeply regretted.
>
> HUBERT D. VOGEL,
> *Chairman of the Board.*

On receipt of that telegram, which did not answer my inquiry at all, I again wired General Vogel on July 13, as follows:

> WASHINGTON, D. C., *July 13, 1955.*
> Gen. HERBERT D. VOGEL,
> *Chairman of the Board, TVA,*
> *Knoxville, Tenn.:*
>
> Thank you for your wire of July 12. What I wish to ascertain is whether the TVA board intends to construct or is considering proceeding with the construction of additional steam units at existing plants by using power proceeds without first coming back to Congress for approval. The Senate Appropriations Committee declined recently to give its approval, as you know. If its action is to be disregarded and the TVA intends to proceed with the construction of these units notwithstanding that action, the Congress is entitled to know it so that it may give appropriate consideration to the matter before the session adjourns. Please advise.
>
> JOHN L. McCLELLAN,
> *United States Senator.*

I received the following reply, dated July 14:

> KNOXVILLE, TENN., *July 14, 1955*
> The Honorable JOHN L. McCLELLAN,
> *Senate Office Building,*
> *Washington, D. C.:*
>
> TVA is giving consideration to proceeding with construction of additional generating units at existing plants by using power proceeds but review of the extent of available funds and other factors may not permit decision by TVA board for some weeks. TVA counsel advises that in view of existing statutory authority further congressional approval is not required and does not interpret the action of the Senate Appropriations Committee as limiting the right to use proceeds for such purposes. In the last 2 years no appropriations have been requested for TVA to provide new power facilities to meet load growths. A plan to finance TVA power facilities through the issuance of bonds is now before the Congress and if this does not receive favorable action TVA's power earnings will constitute the only source of capital available for financing new power construction.
>
> HERBERT D. VOGEL,
> *Chairman of the Board.*

Mr. President, it is very clear that the action of the Appropriations Committee is most likely to be ignored by the Board, and its members propose, just because they have money from a source other than appropriations, to exercise what their counsel interprets as authority to spend that money without an appropriation and without specific approval of the Congress, and despite the fact that an Appropriations Committee of one branch of the Congress refused to give its approval.

General Vogel refers to some plan of TVA to issue bonds, thus financing future buildings of additional powerplants. The resources of TVA have been developed. This is simply the Federal Government, through an agency, attempting to build powerplants to meet power needs of that particular area—TVA.

Whether the agency gets approval to issue bonds or some other system is planned and worked out, in the meantime it proposes to spend revenues it receives as taxpayers' money without Congress appropriating the money for that purpose, and in spite of the fact that the Appropriations Committee of this body refused to give its approval that such expenditures be made.

Mr. President, I was not satisfied with that. However, I wanted to know what the other members of the Board thought about it.

Following the last telegram I have read, I had a conference with General Vogel, who came to my office and conferred with me. As a result of that conference, I concluded I should wire the other members of the Board to get their views.

Accordingly, on the 27th of this month, I wired the two other members of the Board, Dr. Harry Curtis and Dr. Raymond Paty, members of the Board, and asked them the same questions. I ask unanimous consent to have printed in the RECORD at this point both of those telegrams, which are dated July 27, since I do not wish to take time to read them.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., *July 27, 1955.*

Dr. HARRY CURTIS,
Member, Board of Directors,
Knoxville, Tenn.:

In view of Senate Appropriations Committee's action in refusing by a vote of 13 to 10 to approve TVA's proposed construction of additional power units at Johnsonville, John Sevier, and Gallatin out of proceeds from power operations of funds otherwise available at an estimated cost of $144,500,000 as per wire Chairman of your Board July 2, please advise whether it is your intention to proceed with the construction of such units notwithstanding the action taken by the Senate Appropriations Committee. Please advise me promptly.

JOHN L. MCCLELLAN,
United States Senator.

WASHINGTON, D. C., *July 27, 1955.*

Dr. RAYMOND PATY,
Member, Board of Directors,
Knoxville, Tenn.:

In view of Senate Appropriations Committee's action in refusing by a vote of 13 to 10 to approve TVA's proposed construction of additional power units at Johnsonville, John Sevier, and Gallatin out of proceeds from power operations or funds otherwise available at an estimated cost of $144,500,000 as per wire Chairman of your Board July 2. Please advise whether it is your intention to proceed with the construction of such units notwithstanding the action taken by Senate Appropriations Committee. Please advise me promptly.

JOHN L. MCCLELLAN,
United States Senator.

Mr. MCCLELLAN. I made the same inquiry of the other members of the Board that I made of General Vogel, the chairman.

Although I had sent wires separately to each member, on July 28 I received a joint reply, which reads as follows:

KNOXVILLE, TENN., *July 28, 1955.*

Hon. JOHN L. MCCLELLAN,
United States Senate,
Washington, D. C.:

Reurtel July 27, the situation is unchanged since General Vogel's July 14 telegram to you.

HARRY A. CURTIS,
RAYMOND R. PATY,
Directors.

Again, that was no answer to my inquiry. I had asked them for a specific answer as to what their intention was, and whether they were going to respect or ignore and disregard the action of the Appropriations Committee of this body. Accordingly, I wired them on July 28 as follows:

WASHINGTON, D. C., *July 28, 1955.*

HARRY A. CURTIS,
RAYMOND R. PATY,
Directors, TVA,
Knoxville, Tenn.:

Reurtel today, you have not answered my inquiry. What I want to know is whether you, each of you, as a member of the board of directors of TVA, intend to ignore and disregard the action of the Senate Appropriations Committee and proceed with the construction of the steam-power units to which my telegram of yesterday referred. It has been some time now since the Senate Appropriations Committee's action. Certainly you have had time to consider whether you will proceed, notwithstanding that action, or if you intend to respect it. Congress is still in session, and I will appreciate your giving me the information I have requested before it adjourns. I await your further reply.

JOHN L. MCCLELLAN,
United States Senator.

Mr. President, on July 29, I received the following reply, a joint reply from the other two members of the Board, Mr. Curtis and Mr. Paty:

Re your telegram July 28, the TVA Board of Directors has not made any decision in this matter and neither of us has reached a conclusion as an individual. When a decision has been reached, we shall be glad to advise you.

HARRY A. CURTIS,
RAYMOND R. PATY,
Directors.

Mr. President, we are going to have to face this issue. I cannot get an answer from the Board as to what it intends to do.

I remember that in the Appropriations Committee, I heard it stated that if the committee failed to give its approval, of course the TVA would not spend the money. I heard that statement made at that time. But now I am not so sure. Where is our responsibility? I know I cannot get the resolution agreed to tonight, and cannot get it considered by unanimous consent. But even with the burden of other work I have had, I have been trying to find out about this matter, so the Senate could know whether the action of its Appropriations Committee would be respected, or whether the TVA Board of Directors would proceed to obligate $144,500,000 to build these units, without getting specific approval from the Congress of the United States.

For that reason I am offering this resolution, to have it lie on the table, because I wish to serve notice that if the Board presumes to proceed to obligate $144,500,000 of the American taxpayers' money, in the face of the refusal of the appropriate committee of this branch of Congress to give its approval, then it is time for us to take a broad, overall look at the authority of the Board, which seems to have said, "We will disregard your action if you do not give your consent."

After all, Mr. President, everything, all natural resources in the TVA have been developed by using the money of the taxpayers from all over the Nation, to the tune of over $2 billion and more. If any Senator wishes to have a project constructed in his State, he has to obtain the approval of the Appropriations Committee. Time and time again, Senators request of the Appropriations Committee an appropriation of $100,000 or $200,000 for a small project, and such Senators are told that the money will not be appropriated because the item is not included in the budget.

But in this case we find that the directors propose to make commitments for the expenditure of the $144 million, notwithstanding the action of the Appropriations Committee's disapproval. It is money of the taxpayers; it is revenue from moneys invested by all taxpayers of the Nation. No Senator can obtain such treatment for a project for his State. He must secure a congressional appropriation for his project.

I say the time has come for the TVA Board to come before the congressional committees—just as the representatives of all other communities must do except the TVA, have to come before the congressional committees—and obtain approval of the expenditures for capital investment which they propose to make.

Mr. FULBRIGHT. Mr. President——

The PRESIDING OFFICER. (Mr. SCOTT in the chair). Does the Senator from Arkansas yield to his colleague?

Mr. MCCLELLAN. I am happy to yield to my distinguished colleague.

Mr. FULBRIGHT. I should like to ask a question: If this principle persists, then is it not true that there will be no limit to the expenditures which may be made by the TVA Board in the future, without congressional approval?

Mr. MCCLELLAN. Absolutely so; and in that event, all the proceeds it receives from this huge investment, that the taxpayers have made there—or all of it except the amount required for the necessary operating expenses—the Board perhaps will continue to use indefinitely, to build steamplants for the benefit of one area of the country; and, under such a procedure the Congress would be unable to make an equitable distribution of the general revenues through all the communities of the country. That is the situation we face.

Mr. FULBRIGHT. The fact that approval of the expenditure was included in the bill as it came to the committee is evidence, is it not, that heretofore it has been customary for approval to be granted?

Mr. MCCLELLAN. I am sure it has been customary since the time they began to build additional steam units which were not necessary to firm up the hydroelectric power of TVA—I think the original intent was that the hydroelectric power should be firmed up; and they were given authority to build steamplants for that purpose. But now they have reached the saturation point, and I do not think what is now being done is fair or just. It discriminates against every other community in the country to have that Board refuse to put into the Treasury the revenues which belong to all the taxpayers, but, instead, to spend them according to their own wishes, without regard to what the congressional appropriation committees may say about the matter.

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Mr. FULBRIGHT. It seems to me that is clear evidence that it is time that the policy of permitting the investment of the revenues without the making of appropriations should be reviewed. Does not the Senator agree?

Mr. McCLELLAN. I would say so, and I intend to try to get it reviewed. I may say that I have been trying to get this information. Everyone knows that the committee of which I have the honor to be chairman has been rather completely occupied with work during the last few days. I have been completely engaged in other public business. Nevertheless, I have been trying to obtain a committal—merely a statement of "yes" or "no"—so that the Congress may know from the members of the board who have been entrusted with this power what they intend to do. I told them I wanted the information for the Senate. But despite the action the Senate Appropriations Committee has taken, they decline to say whether they will exercise the power the Senate Appropriations Committee disapproved.

Mr. FULBRIGHT. Is it not rather strange that the board has found that it does not need any power to supply Memphis, since Memphis is going to build its own powerplant, although they need a million kilowatt-hours in their system, requiring $144 million to produce it?

Mr. McCLELLAN. Yes. If Memphis should build a 500,000-kilowatt or 600,000-kilowatt plant, what is this power for? I will tell you what it is for, Mr. President. It is to build steam plants there, with the taxpayers' money, and with no interest paid on it. That money then goes back into the capital assets, and then the power can be sold, and it is cheaper than power which can be produced anywhere else by private enterprise, and that means that factories will be built there, instead of in other States, because industry can obtain that cheap power, which is being provided by the use of the money belonging to all the taxpayers of the Nation.

If that is any Senator's idea of justice and equity to his State, it is not my idea of justice and equity to my State.

So I think we have to face this issue. I am not so sure that under the Constitution the Federal Government has authority or power to use generel revenues to build a powerplant in one particular area or community of the country, simply to help that community or area meet its power loads. If so, Mr. President, if there is that authority, if that authority is vested in the Government, under the Constitution, then I ask my colleagues, are not they interested in having the Federal Government use general-revenue funds to build some powerplants in their States, where there is a power shortage today, and to build them on the same terms, so that their communities may be in the same favorable position to compete for private enterprise and private industry as is the TVA? With that in mind, I think we should know whether the Federal Government has such power. There is only one way to find out, and that is to let the highest court of the land finally decide the question.

I do not know the answer tonight. I do not believe the Federal Government has such power. Some of my distinguished friends across the aisle and some on this side of the aisle may think it has such authority. If it has, I should like to know it, because hereafter when bills come before us, appropriating funds to build steam plants in TVA or in Kalamazoo, for that matter, I want a little rider to provide for the construction of a steam plant in Arkansas. I want my constituents to have equity and justice, and not be discriminated against.

PURCHASE OF SUGAR IN CONTINENTAL UNITED STATES BY COMMODITY CREDIT CORPORATION

Mr. LONG. Mr. President, I send forward a Senate resolution, and ask unanimous consent for its immediate consideration.

Mr. KNOWLAND. Mr. President, reserving the right to object—and I have no desire to object—I believe we should have a quorum call, in view of the fact that there are no printed copies of the resolution available.

Mr. LONG. Very well. If the Senator will withhold his suggestion of the absence of a quorum for a moment, I should like to explain that I have discussed the resolution with all Senators who I know are particularly interested in it. The resolution involves the Sugar Act. I have discussed the resolution with the Senator from Arkansas [Mr. FULBRIGHT] and the Senator from Illinois [Mr. DOUGLAS], who have objected to the bill passed by the House.

This is not a bill. It is a resolution expressing the sense of the Senate with regard to certain emergency measures which the Commodity Credit Corporation might take to relieve the situation during the time when Congress is not in session.

Mr. MORSE. Mr. President, will the Senator yield for a question?

Mr. LONG. I yield.

Mr. MORSE. Does the Senator from Louisiana agree with me that his resolution offers about the only possible method by which we can be of help in this session of Congress to the sugar growers in our respective States, in view of the parliamentary situation in which we find ourselves?

Mr. LONG. The parliamentary situation being what it is, I believe that about the only assistance we could give to the sugar producers of the Nation would be the type which could be accomplished more or less by unanimous consent. I have been seeking to obtain an agreement with respect to this resolution, which I believe would lead to some aid being accorded to the sugar producers during the period when Congress is not in session.

Mr. MORSE. That would enable us in January, in a regular session of Congress, without a suspension of the rules, to consider so-called beet-sugar legislation, of which I happen to be one of the cosponsors, with the Senator from Louisiana.

Mr. LONG. This resolution would relieve hardship with respect to sugar producers who have a large surplus on their hands. It would provide some interim relief, if the Commodity Credit Corporation should see fit to follow the recommendations of the Senate as proposed in this resolution.

Mr. MORSE. Mr. President, will the Senator further yield?

Mr. LONG. I yield.

Mr. MORSE. I think it is a fair and equitable approach the Senator is making. Although I am as eager as he is to obtain action on sugar legislation, I must say for the RECORD, as one who believes that our regular parliamentary procedure in the Senate should be protected, that in view of the fact that we find ourselves in a parliamentary situation in which there would have to be a suspension of the rules, I do not think it would be wise to suspend the rules and make an exception in one case merely because it would be to our advantage to have such an exception.

I wish to commend the Senator from Louisiana for the purport of this resolution, because I think this is a fair and equitable approach. However, I must agree with the Senator from Arkansas [Mr. FULBRIGHT] on the question of protecting the regular parliamentary procedure of the Senate, because if we should begin making exceptions we would get ourselves into a situation in which, whenever any one of us had some particular legislation which would be of special benefit to some economic group in his State, the tendency would be to try to obtain a suspension of the rules. I think the exceptions would become so numerous that no rules, in fact, would be left for application to the Senate.

I think the Senator is to be commended for the approach he is now making.

Mr. LONG. I thank the Senator.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. FULBRIGHT. I wish to say that the Senator from Louisiana has discussed this question with me. I have no doubt that the Commodity Credit Corporation, under the direction of the Secretary of Agriculture, has the authority to purchase this sugar. I do not object to this resolution, nor do I object to the purpose of it, namely, the purchase of 100,000 tons of sugar.

I can only say that I do not agree that the sugar growers are in any dire necessity. They are really the aristocrats of all farmers in the country, and have the most satisfactory support program or subsidy program of any group.

I congratulate both Senators from Louisiana on the wonderful job they have done through the years to provide extra special benefits for sugar producers.

I am in agreement with the Senator's resolution.

Mr. KNOWLAND. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. SCOTT in the chair). Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. KNOWLAND. Mr. President, before the Senate takes up the resolution of the Senator from Louisiana, I should like to ask the acting majority leader whether he knows if the conference report on the Washington transit bill is in a condition to be acted on?

Mr. FULBRIGHT. I am informed that it is being drafted. It is not quite ready for action.

Mr. KNOWLAND. I wonder whether the distinguished Senator from Oregon [Mr. MORSE] can given an estimate of when the conference report will be available to the Senate.

Mr. MORSE. I am advised by members of the staff that the report is being drafted into final form, and will be presented to the House at about 8:30 p. m. I believe the drafting of the report is just being finished. We agreed to let the House take it up first, before it is presented to the Senate.

Mr. KNOWLAND. I wonder whether the acting majority leader can give me further advice. A number of Senators have come to the Chamber from dinner, and I am sure they would like to be advised about the program for the remainder of the evening. I inquire particularly with respect to the conference report on the legislative appropriation bill. Can the acting majority leader tell me when that is likely to be called up?

Mr. FULBRIGHT. The Senator from Kentucky has just entered the Chamber.

Mr. CLEMENTS. Mr. President, I regret I was not in the Chamber when the Senator from California asked his questions.

Mr. KNOWLAND. Mr. President, I will say to the distinguished acting majority leader that we have had a quorum call because the Senator from Louisiana [Mr. LONG] submitted a resolution relating to a certain phase of the sugar situation. It is perfectly agreeable; I know of no opposition to it on this side of the aisle, and I do not know of any opposition from any Senator, so far as I have been advised.

In view of the fact that the resolution has not been printed, I thought Senators were entitled to be put on notice that a new matter was to be called up.

While the distinguished acting majority leader is in the chamber I should like to inquire of him when we may expect the conference report on the transit bill. I understand the conferees have agreed on the report. The distinguished Senator from Oregon [Mr. MORSE] indicated that the staff thought it would be ready for the House to act on it at 8:30 tonight, which should be at about this time.

Mr. CLEMENTS. I may say to my friend from California it is my information that the staff is drafting it now. As soon as it has been drafted and in final form and acted upon by the House, it will be immediately brought before the Senate.

Mr. KNOWLAND. The next question relates to the legislative appropriation bill, and the conference report on it. The distinguished acting majority leader is chairman of the conference committee. When does he estimate the conference report will be called up in the Senate?

Mr. CLEMENTS. It is my opinion it will be presented to the Senate within 30 minutes, or soon thereafter if there is an opportunity for the chairman of the conference committee to be recognized at that time.

There is no disagreement on the legislative appropriation bill. I believe it is well to say to the Senate at this time that the position which the Senate conferees took on the bill was eventually sustained by action of the House. The House acted on the items which the House conferees wished to put in the conference report. When the House did that, of course we had no further objection. I do not believe there will be any reason for any Member of the Senate to object, inasmuch as the procedure we followed is in accordance with tradition through the years.

My distinguished friend from California, who became a member of the conference committee when the distinguished Senator from New Hampshire was unable to meet with the conferees today, will agree, I am sure, that the position the Senate took yesterday, which the Senate took on Saturday, and which the Senate took on Friday, was sustained in conference today.

Mr. KNOWLAND. Yes; I agree with the Senator. I believe the position was a sound one, and I hope the precedent will be reestablished over the years so far as the procedure involved is concerned, particularly as it relates to the subject of comity between the two Houses.

Mr. CLEMENTS. If I may go a little further, I should like to say that even the House conferees, I believe, feel a little better about the procedure they followed today than they would have felt if they had pursued the course which they suggested over the weekend.

Mr. KNOWLAND. I believe the House conferees were very agreeable about the matter today.

Mr. CLEMENTS. They were not only agreeable, but I think they were also thoroughly understanding of the Senate's position, and understanding of the fact that the Senate conferees were acting not only on the basis of precedent and tradition, but were also acting under the specific rules laid down for conferees of the Senate.

Mr. KNOWLAND. As the distinguished Senator says, we felt we had taken a sound position in refusing to add in conference new material which had not been acted upon first by the body which desired it.

Mr. CLEMENTS. May I say, by either body?

Mr. KNOWLAND. That is correct.

Another matter which was the subject of some colloquy between a number of Senators on the floor when the legislative bill was before the Senate, and of considerable discussion elsewhere, was that relating to the press, radio, and periodical galleries. There are some practical problems involved in that matter which I think we all appreciate; but I was hopeful that perhaps prior to the time the legislative appropriation bill was finally acted upon, some way might be found through a joint resolution, to take care of the problem, in order to bring about some equity as between the galleries of the House and the Senate. The only way I know an approach might be found—and it might take a good deal of effort on both sides of the aisle—would be through a joint resolution adopted at the time of the action on the legislative bill, hoping it would not be too late for the House to give some consideration to it.

I hope the distinguished chairman of the Appropriations Committee will explore that matter further if it can be done without upsetting the balance.

Mr. CLEMENTS. As the Senator said, on last Thursday, I believe, there was a colloquy on the floor participated in by the distinguished minority leader, the Senator from New Hampshire [Mr. BRIDGES], and myself, in which was discussed this very matter of relative pay scales between the two bodies. A request was made of the committee this afternoon that some changes be made in the bill which would provide for the Senate galleries comparable pay for the same services rendered by the House galleries. We could not do that, because that is exactly the same principle which was involved in our other differences with the House. It would involve the question of putting new material into the bill in conference.

Mr. KNOWLAND. I am sure that all the conferees on our side agree that we could not in good conscience recommend action on our part which we felt was inadvisable on the part of Members of the House.

Mr. CLEMENTS. The Senator is absolutely correct. Since that time there has been some work done by the Appropriations Committee staff in comparing various pay scales between the radio galleries of the House and Senate, and it is not unlikely that during the evening, and after the final passage of the legislative appropriation bill, there will be a resolution submitted to the Senate. I have every reason to believe it will be in ample time for the House to act on it if they so desire, should the Senate confirm the recommendations.

Mr. KNOWLAND. I wish to thank the distinguished Senator for his constructive effort in trying to find a solution of this difficult problem. The reason why I raised it on the floor was because I wanted Senators to be advised of what we have in mind.

I think inquiry has been made of the acting majority leader, my good friend from Kentucky, whether action may be expected on the executive pay bill this evening. I understand the Senate committee reported one version and the House committee reported another version, House bill 7619. The Senate bill is S. 2628. From a practical point of

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view, as I understand, if any executive pay bill is to be acted upon, it will more likely be in the nature of the House bill, although, if the measure were to go to conference, perhaps all after the title might be stricken and sent to conference, or because of the lateness of the hour, the Senate might have to take up the House bill in lieu of the Senate bill for such discussion and debate and amendment as the Senate in its wisdom might determine. It might expedite the matter in view of the lateness of the session. But, I wanted Senators to be on notice if such a bill were to be called up, so they might be available to proceed with its discussion.

Mr. CLEMENTS. Let me say to my distinguished friend the minority leader that the executive pay bill is under discussion. There has been no opportunity during the day to take it up without laying other matters aside which had been here a much longer time. Certainly, if and when it is taken up, the practical plan would be to take up the House bill, for the simple reason that should it be amended, there is a possibility that the House will accept any amendment that the Senate may incorporate, and there will be no need to go to conference.

Mr. KNOWLAND. May I ask my distinguished friend whether any other bills of major importance of which he knows are likely to be called this evening?

Mr. CLEMENTS. I ask the Presiding Officer if some measures from the Committee on Post Office and Civil Service have been sent to the desk. I ask the Chair if he will ascertain from the clerk if there are 3 or 4 bills involving matters pertaining to the civil service, one of which involves a change in fee from one to three dollars.

The PRESIDING OFFICER. That measure has been referred to the Committee on Foreign Relations.

Mr. CLEMENTS. Are not the House bills at the desk?

The PRESIDING OFFICER. Two of them have been referred to the Committee on Post Office and Civil Service.

Mr. CLEMENTS. Do I understand that only the executive pay bill and the legislative conference report are at the desk at the present time?

The PRESIDING OFFICER. That is correct.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. CLEMENTS. I yield.

Mr. CARLSON. I appreciate the comments between the acting majority leader and the minority leader in regard to the executive pay bill. I assure the acting majority leader that so far as I am concerned, as one of the authors of the Senate bill, together with the chairman of the Committee on Post Office and Civil Service, the distinguished senior Senator from South Carolina [Mr. JOHNSTON], we shall be glad, I am certain, to cooperate with the acting majority leader and accept the House bill and have it acted on at the earliest possible time. I sincerely hope it may be called up early this evening.

Mr. CLEMENTS. Do I understand correctly that although the Senate Committee on Post Office and Civil Service gave some study and consideration to the Senate bill, there is considerable difference between the House and the Senate versions, and the Senate committee is now in a position to accept the House bill without an amendment?

Mr. CARLSON. I should much prefer the Senate bill. In fact, I think it contains several provisions which are better than those of the House bill. But, under the circumstances of the legislative situation, I shall suggest and recommend to the Senate that the House bill be accepted, in order to have action taken at this session.

Mr. THYE. Mr. President, when does the acting majority leader expect the conference report on the legislative bill and also on the executive pay bill to be taken up?

Mr. CLEMENTS. Just as soon as some of the staff complete a table which involves the resolution about which the Senator from California [Mr. KNOWLAND] and I had a colloquy a few minutes ago.

Mr. THYE. Is that the matter which the Senator from Kentucky said would require 30 or 40 minutes?

Mr. CLEMENTS. I said about 10 minutes ago that it would require 30 or 40 minutes.

Mr. KNOWLAND. Mr. President, in fairness to the junior Senator from Louisiana, my recollection is that I asked him to yield the floor for a quorum call, so as to develop a quorum, at least to notify Senators prior to taking up the resolution which the Senator from Louisiana wishes to submit. He yielded, as I understood, with that understanding; but then a colloquy developed between the acting majority leader and the minority leader, and I fear that in the shuffle the junior Senator from Louisiana lost the floor, which he had been so gracious to yield for the purpose of a quorum call.

I do not wish to foreclose the senior Senator from Utah [Mr. WATKINS]; he will have ample opportunity to obtain the floor. I did not want to take the junior Senator from Louisiana off his feet precipitately, since obviously he had the floor at the time he yielded to me for the purpose of suggesting the absence of a quorum, with the understanding that he would not lose the floor.

Mr. WATKINS. Mr. President, I am interested in the same matter in which the junor Senator from Louisiana is interested. I am perfectly willing to yield, that he may proceed with his resolution, provided I do not lose my right to the floor.

PURCHASE OF SUGAR IN CONTINENTAL UNITED STATES BY COMMODITY CREDIT CORPORATION

Mr. LONG (for himself, Mr. ELLENDER, Mr. HOLLAND, Mr. SMATHERS, and Mr. DWORSHAK) submitted the following resolution (S. Res. 147):

Whereas H. R. 7030, entitled "An act to amend and extend the Sugar Act of 1948, as amended, and for other purposes," now pending in the Senate, contains provisions added by section 19 thereof, directing the Commodity Credit Corporation to carry out loans, purchases, or other operations with respect to 100,000 short tons of sugar produced from the 1955 or previous crops in the continental United States sugar-producing areas, in order to alleviate the conditions which exist in such areas by reason of the quantities of surplus over quota sugar produced therein; and

Whereas it appears that H. R. 7030 may not be enacted during the current session of the Congress: Therefore, be it

Resolved, That it is the sense of the Senate that the Commodity Credit Corporation should take the action referred to in section 19 of H. R. 7030, so far as practicable in accordance with the procedures therein set forth during the calendar year 1955 in order to help alleviate the inventory situation in the continental United States sugar-producing areas.

Mr. LONG. I ask unanimous consent for the present consideration of the resolution.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. LONG. Mr. President, for the information of the Senate, I shall read section 19 of H. R. 7030, which has been before the Senate this evening. Senate Resolution 147 urges certain stopgap relief for the sugar industry:

SEC. 19. A new section 414 is added to such act as follows:

"SEC. 414. (a) To alleviate the conditions which exist in the continental United States sugar-producing areas by reason of the quantities of surplus overquota sugar produced in such areas, the Commodity Credit Corporation shall carry out loans, purchases, or other operations with respect to 100,000 short tons of sugar produced from the 1955 or previous crops in such areas.

"(b) Sugar acquired hereunder shall be disposed of outside the continental United States in such manner as the Corporation determines will not unduly interfere with normal marketings of sugar, including dispositions under the Agriculture Trade Development and Assistance Act of 1954, as amended.

"(c) No borrower shall be personally liable for any deficiency arising from the sale of the sugar securing any loan made under authority of this section, unless such loan was obtained through fraudulent representations by the borrower. This provision shall not, however, be construed to prevent Commodity Credit Corporation from requiring the borrower to assume liability for deficiencies in the quality or quantity of sugar delivered under the loan, for failure to properly care for and preserve such sugar, or for failure or refusal to deliver the sugar in accordance with the requirements of the program.

"(d) Sugar acquired hereunder shall not be subject to the provisions of title II of this act."

Title II is, of course, the Sugar Act of 1948.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. FULBRIGHT. Does the Senator from Louisiana know whether or not the Secretary of Agriculture approves the resolution?

Mr. LONG. The Secretary of Agriculture has testified that he has no objection to this provision of H. R. 7030. He states that he believes he has the authority to carry out the provisions of the section; however, he has never told us that he would do so. The resolution

would urge him to take stopgap action during 1955, after Congress has adjourned.

The PRESIDING OFFICER. The question is on agreeing to the resolution offered by the Senator from Louisiana, for himself and on behalf of other Senators.

The resolution (S. Res. 147) was agreed to.

AMENDMENT OF THE BOULDER CANYON PROJECT READJUSTMENT ACT

Mr. WATKINS. Mr. President, I introduce a bill for appropriate reference. I realize that it is late in the session to introduce the bill, but this is the type of bill which should be studied a long time before action is taken upon it. Also, notice should be given to the States which are interested that such legislation will be sought at the next session of Congress. That is my reason for introducing the bill tonight. Rather than read the bill, I shall make a brief statement discussing it. Then I shall proceed to discuss another matter which is of interest to the entire Senate: the subject of the problem of immigration and the refugees.

Mr. President, back in 1922 the four States of the upper basin of the Colorado River entered into a solemn interstate agreement, the Colorado River compact. This agreement allocated the flow of the Colorado equally between the upper and lower basins, on the basis of stream flow estimates at that time.

This compact, entered into by the four upper basin States whose watersheds gather 90 percent of the water which flows down the Colorado, permitted the authorization of the Boulder Project Act, under which Hoover Dam was built in the early thirties. The construction of Hoover Dam saved the Imperial Valley and set in motion the extensive development of the lower river's water and hydropower resources.

Since that time, southern California has benefited tremendously from the almost complete development of its interests in the lower river. Low-cost power has been produced for years in large hydropower plants at Hoover Dam, Davis Dam, and Parker Dam. A fourth hydropower unit also is nearing completion at Pilot Knob, near the Mexican border. These powerplants utilize not only the water allocated to the lower basin in 1922, but also two-thirds of the water allocated to the upper basin at that time, but which the four States upstream have not been able to put to use, largely because of the delays associated with the planning and legislative consideration of the Colorado River storage project.

In addition to its unobstructed use of this allocated upper basin hydropower resource—estimated to be worth at least $5,500,000 annually in terms of fuel costs for replacement of steam-power generation in Los Angeles—California is the only State of the seven Colorado Basin States that has been able to make full utilization of its basic apportionment of water from the river.

At the present time, the four States of the upper basin, where 90 percent of the Colorado River's water originates, are able to put to beneficial consumptive use only 2,500,000 acre-feet of the basic apportionment of 7,500,000 acre-feet made to that basin in the 1922 compact.

Southern California, on the other hand, is now using, or preparing to use, 5,362,000 acre-feet of water, an amount which is 962,000 acre-feet more than its share of the basic apportionment of 7,500,000 acre-feet to the lower basin.

In other words, southern California has fared unusually well from the water resources of the Colorado River since the upper basin States entered into the Colorado River compact of 1922 and supported the Boulder Canyon Project Act of 1928, which permitted the construction of Hoover Dam.

But in spite of this extremely advantageous position occupied by southern California in this water-division agreement, southern California water and power interests have supported, and continue to support, a rich and powerful lobby in Washington, which has been working strenuously against the development of the upper basin. Three of these southern California lobbying organizations have reported receipts of nearly $1 million since the Colorado River storage project was reported by the Department of the Interior in 1950. Details on this lobby and southern California interests in the upper basin's water are set forth in my statement in the RECORD of July 30.

I earnestly urge the Members of this body to read that statement. It will be found to be an illuminating and somewhat startling one.

In view of those lobbying activities to defeat the intent of the Boulder Canyon Project Act with respect to development of the upper basin, I am proposing, in a bill which I am introducing today, that the Boulder Canyon Project Adjustment Act of 1940 be amended to provide that investigation and development funds from Hoover Dam power revenues be utilized only for the six States which have not been able to participate in the development of their interests in the river to the extent that southern California has. All seven of the Colorado River Basin States were to participate in this annual allocation between 1956 and 1987. This proposed change restricting this participation to six States—Arizona, Colorado, Nevada, New Mexico, Utah, and Wyoming—should not be any significant penalty to southern California, because her interests in the river are almost completely developed, and because that area already has benefited to the extent of millions of dollars from the lag in upstream development.

The bill also proposes another change in the Boulder Canyon Project Adjustment Act to equalize development of the two basins.

The Boulder Canyon Project Act makes this provision to safeguard the interests of Arizona and Nevada in downstream development:

> If during the period of amortization (of Hoover Dam construction) the Secretary of the Interior shall receive revenues in excess of the amount necessary to meet the periodical payments to the United States as provided in the contract, or contracts, executed under this act, then, immediately after the settlement of such periodical payments, he shall pay to the State of Arizona 18¾ percent of such excess revenues and to the State of Nevada 18¾ percent of such excess revenues.

The Boulder Canyon Project Adjustment Act of 1940 converted this percentage distribution of excess revenues into an annual payment from project revenues of $300,000 to each of the 2 States, retroactive to 1938.

This means that Arizona and Nevada each have realized $5,400,000 in revenues from Hoover Dam, in addition to the low-cost power provided to those States from the project. That amount was provided in commutation for the interest those States have in the lower basin water supply, and will continue to be paid to them every year until the Hoover Dam contract is paid out in 1987. In addition, the States of Nevada and Arizona will benefit in appropriations from those power revenues for the investigation and construction of projects within those States. This annual development allocation amounts to $500,000 each year, divided among the States participating.

In addition to these benefits for lower basin States, southern California has benefited from tremendous quantities of extremely low cost power, and, as I have indicated, has actually contracted to use more than its basic apportionment of 4,400,000 acre-feet of water.

Furthermore, the Hoover Commission reports that power allottees have repaid 10 percent of the total Hoover Dam power investment, and, in addition, had, by May 1953, made "advance payments" of $5,255,988 on future obligations for amortization and replacement of investment in generating facilities.

Water allocated to the upper basin in 1922 and presently unused by those upper basin States undoubtedly is a large factor in this very favorable repayment picture, which was painted nearly 15 years after Hoover Dam power rates had been adjusted downward, to the benefit of the lower basin States, in the Boulder Canyon Project Adjustment Act of 1940.

Beyond these admitted benefits, the southern California power users have been able to effect savings of more than $2 million a year through use of upper basin water which they never expected to be able to utilize. Existing power contracts provide for an annual reduction of firm energy because of expected upstream depletion. Since those programed depletions have not occurred, this windfall of "pure gravy" for the southern California power users will continue so long as their rich and powerful lobby is able to delay development of the upper basin's water.

In view of these facts, and in view of the expenditure of hundreds of thou-

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sands of dollars by the southern California water and power lobby to defeat or delay upstream development, I am proposing in the bill that the Boulder Canyon Project Adjustment Act be amended to give the upper basin States some Hoover Dam power revenues in commutation for their interests in the water now being utilized for the benefit of southern California interests who are financing the lobby which seeks to make these windfall revenues from water allocated to the upper basin a permanent asset for southern California.

The basis for the proposed payment from Hoover Dam power revenue is the estimated excess revenues as reflected in the payments to Arizona and Nevada from Hoover Dam power receipts. If their combined payments of $600,000 annually represent 37½ percent of the excess revenues from these Hoover Dam power revenues, then I feel that the upper basin States are entitled to the remaining 62½ percent of those excess revenues, or $1,013,500 annually. The bill provides that this amount will be paid to the upper basin States and divided among them on the basis of their percentage rights to water allocated to them by compact, but remaining unused in the river. It is not made retroactive to 1938, as were the commutation payments to Arizona and Nevada, and it represents only half of the actual savings Los Angeles spokesmen have estimated they were enjoying from present water uses—water, by the way, belonging to the upper basin States.

Furthermore, these compensatory payments will end as soon as the upper basin States are able to achieve the level of development as contemplated in the power contracts based upon the Boulder Project Act and the Adjustment Act of 1940. We are not interested in being cut in on lower basin development; we would far prefer to develop our allocated water ourselves and begin the long-delayed development of the upper river, if the southern California lobby will permit us to do so. Meanwhile, in view of the extraordinary obstructionist efforts of that lobby, we feel that we should at least have a token payment in commutation for our interests in two-thirds of our share of a river that we are unable to utilize, and which is being utilized to produce very low-cost hydropower for southern California.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2759) to amend the Boulder Canyon Project Adjustment Act, introduced by Mr. WATKINS, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

REFUGEE AND IMMIGRATION POLICY OF PRESENT ADMINISTRATION

Mr. WATKINS. Mr. President, I now wish to proceed with a discussion of the refugee and immigration policy of the present administration.

I do not wish at this time to engage in a running battle with the chairman of the Committee on the Judiciary, the honorable Senator from West Virginia [Mr. KILGORE]. However, if his remarks which appeared in the RECORD of Saturday of last week are left unexplained or unanswered, they would tend to throw the full burden on the administration for the lack of accomplishment in the field of immigration legislation in the 84th Congress.

To this date I have refrained from making any statement in this body on that subject, but I feel compelled to make a few short remarks to set the record straight.

The Eisenhower administration takes the very definite position that amendments to the Refugee Relief Act of 1953 are both necessary and proper and are urgently needed at this first session of the 84th Congress if the peoples of the world who are seeking to qualify under the act are ever to be admitted—as was the intention of the administration and the Congress, I am sure. I refer to action in this first session—although, of course, that is beyond our power at this time.

But I wish to set the record straight regarding the policy of the administration, so far as I understand it.

The Senator from West Virginia placed in the RECORD a long statement which had been prepared; it was in reference to the President and the policy of the administration on the McCarran Act, and also regarding refugees, as I recall.

Let me review some of the history of the matter, for just a moment.

The McCarran Act became effective in December 1953, a little over 1 month before Mr. Eisenhower was sworn in as President of the United States.

In his state of the Union message, the President referred to the immigration problem, and said something would have to be done—as I recall the message—to liberalize the act.

Sometime later I wrote the President a letter, in which I urged him, if he had in mind any specific legislation, to call it to the attention of Congress as soon as possible, so that Congress could get to work on it. In the letter I called attention to the fact that the McCarran Act had then been in operation only about 1 month, and that at that time it was entirely too soon to be able to determine how it would operate in the field—that is to say, when persons would apply to our consular offices for permission to come to the United States as immigrants.

I thought we should have more experience with the act before any revision of it was undertaken. I took that position for the reason that the act was carefully studied by the Congress; it had been considered for approximately 6 years by committees of the two Houses; and also had been passed over the veto of President Truman by the two-thirds vote. So, under the circumstances, I felt that it was not wise to start tinkering with the act immediately.

In answer to my letter, the President wrote that some study should be made of the act, and he pointed out 10 different items which he thought could be improved, or about which he thought a study should be made. At this time I do not intend to review those items, but I merely point out that the President urged that we study them.

The McCarran Act provided for a Joint Committee on Immigration and Naturalization, which should have for its purpose the overall study of the operation of the act. I became chairman of that committee—as I had previously been made chairman of the subcommittee on immigration of the Senate Judiciary Committee. In that committee it was my purpose to make that study. However, I encountered the opposition of the late Senator McCarran to such an extent that we could not obtain any funds for the committee, and therefore we could not employ a staff to assist in studying the operation of the act. That situation continued for 2 years.

In 1953, after the Emergency Refugee Act which I sponsored was passed, I made a trip to Europe—under the auspices, by the way, of the subcommittee on refugees, not the subcommittee on immigration. I made that trip for the purpose of studying the Refugee Act and what it might be able to accomplish, and to acquaint our consular officers and others with the spirit of the act and the congressional purpose, and also to study the operation of the McCarran Act. I spent 3 months of rather intensive work in connection with that investigation in 16 countries in Europe and the Near East. I had staff members with me, and we tried to make as thorough a study as we could in that period of time. I reached the conclusion that the consular agents in whose hands administration of the act was placed were doing a good job. Nearly all of them said they thought the act was an improvement over previous legislation on the subject, and that only one or two improvements should be made in it.

In 1953, the President sent a special message to the Vice President and to the Speaker of the House, urging the enactment of an act that would permit the admission of approximately 240,000 refugees to the United States. He urged the enactment of such a measure on an emergency basis.

We had a long series of hearings and a rather vigorous contest in the Judiciary Committee on a bill which I and some 19 other Senators sponsored. Before we could bring such a bill to the floor we had to accept some amendments which were very restrictive.

The act went into operation, as I recall, in August 1953; and it took a considerable period of time to write the regulations and get the cooperation of all the departments of the Government which had been designated to operate under it. Under the circumstances, it took quite a period of time to get the act underway.

There has been much criticism of the act. It did not operate as efficiently as we thought it would. As I have said, it included provisions which restricted its operations—provisions which in the committee I resisted. Nevertheless, we

got the best law we could under the circumstances.

In connection with this matter it must be remembered that only a short time before, the Congress had approved by two-thirds vote the McCarran Act—passing it over the veto of President Truman; that act is regarded as our basic immigration policy. But the President wanted the emergency measure enacted, for the purpose of setting an example to the rest of the world in helping solve the refugee problem; and also as an instrument of our foreign policy and as a humanitarian measure. Congress agreed with him; and we got that measure passed.

This year, in April or May, as I recall, the President sent to Congress a special letter in which he urged that amendments be drafted and enacted, so as to make the act much easier to operate, and so as to remove some of the very decided obstacles and roadblocks to the admission of persons who ordinarily could or should qualify under the act for admission to the United States. Hearings were immediately begun by the Senator from North Dakota [Mr. LANGER], the chairman of the Refugee Subcommittee, of which I am also a member.

At the conclusion of the hearings, a special subcommittee was set up by the Senator from North Dakota, for the purpose of marking up the bill and getting it ready for full committee consideration. Time passed on. We had what seemed to me to be a split in the subcommittee at least—of the 6 members of the subcommittee, 3 were in favor of the measure. We decided that even though we could not get a majority report in favor of the bill to present to the full committee, we should report the bill to the full committee, for action by it. It then came before the full committee, and we tried to get consideration of it there.

Finally, the chairman of the subcommittee was asked for a recommendation; and the matter went over until he could make the recommendation. I know that on four different occasions the Senator from North Dakota [Mr. LANGER] set subcommittee meetings; but each time only 2 members of the 6 appeared—namely, the Senator from North Dakota [Mr. LANGER] and I. It was impossible to get a quorum of the subcommittee.

The bill has remained in the Judiciary Committee ever since. It was reported to the full committee without recommendation, but that did not preclude the committee from considering the measure.

As to who has the responsibility for legislation of that kind, I leave that question to the general usages and customs of the Congress. The party in power has control of the committees. It, the Democratic Party, did have control of that committee, and undertook half-heartedly to bring the bill out, as it should have done, but the move was unsuccessful. I do not place any personal blame on the distinguished chairman of the committee, but he certainly was not supported by a majority of his Democratic colleagues. A poll showed that only 2 Republican members of 7 were opposed to the bill.

The point is that the President of the United States had done everything he could to obtain action to amend the Emergency Refugee Act of 1953. We did not get a bill on the Senate calendar, although personally I tried in every way I could to have the bill reported.

Under those circumstances, it seems to me that the President of the United States has made perfectly clear his views with respect to immigration. He has not hesitated a moment. I think he realized the practical situation which existed as a result of the enactment of the McCarran Act, with a large majority in its favor. He was willing to allow it to operate for a time. Then he came forth with an emergency recommendation affecting refugees which would have taken off the pressures in countries where population pressures were greatest. Those countries are Greece, Italy, Holland, Germany, and the NATO countries generally to which the refugees had fled from behind the Iron Curtain.

So, on the whole, I think no blame can be attached to President Eisenhower and his administration for any failure to amend the Emergency Relief Act so as to make it easier of operation, and remove some of the roadblocks.

Mr. SALTONSTALL. Mr. President, has the Senator completed his statement?

Mr. WATKINS. I have completed, in a general way, what I had intended to say.

Mr. SALTONSTALL. I should like to say two things. First, I wish to commend the Senator from Utah for his activities with relation to displaced persons and refugees over the past few years.

I agree with him that President Eisenhower has done everything he could legitimately to accelerate the movement of displaced persons who should come in under the emergency legislation. As one who voted to sustain the veto of President Truman of the McCarran Act, and as one who believes the quotas should be revamped and modernized, I hope and trust that the Senator from Utah will continue his efforts in the Committee on the Judiciary on this important subject. He has done as much as he could. I know how much effort and time he has put into the task. I hope he will continue his efforts, because I certainly believe that we should get some legislation at the next session of Congress.

Mr. WATKINS. I thank the Senator for his statement and for the support he gave during 1953 and this year, with respect to the emergency relief legislation.

Mr. SALTONSTALL. I shall continue to do all in my power to help.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. WATKINS. I yield.

Mr. BUSH. I wish to associate myself with the remarks of the Senator from Massachusetts, and heartily to commend my good friend, the distinguished Senator from Utah, for his efforts in connection with the refugee relief problem. It is a source of regret to me that the humanitarian purposes of the Refugee Relief Act of 1953 were to some degree thwarted by what have been called the built-in booby traps of which most Members of Congress were unaware when the act was passed.

The purpose of the amendments introduced by the Senator from Utah was to remove those defects in the law. I am happy to have had the privilege of being a cosponsor with him of the bill providing for such amendments.

The Watkins bill was based upon recommendations of the President of the United States who, in a message to the Congress on May 27, 1955, pointed out the difficulties encountered in the administration of the law.

I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks the message of the President in that connection.

Mr. WATKINS. I shall be very glad to have it incorporated in the RECORD.

There being no objection, the message was ordered to be printed in the RECORD, as follows:

To the Congress of the United States:

The Refugee Relief Act of 1953 has now been in effect for almost 2 years.

It was enacted to enable the United States to participate with other nations in a great humanitarian effort for the relief of tragic victims of the postwar world, and for the reduction, in a measure, of overpopulation stresses in friendly nations. Thus we would promote friendly relations with the nations of the world. Beyond this, it was our purpose to further the interests of the United States by bringing to our shores an eminently desirable immigration within the absorptive capacity of this country. The immigrant has brought greatness to our land and a tremendous love for his adopted country. The foreign-born and their descendants—which include all of us—have given devoted allegiance to the United States, in war and in peace, and have helped give to America a unique position of leadership among the nations.

During the last year and a half, substantial progress has been made in setting up the complex organization required to administer the technical requirements of the act. The necessary cooperation of the various governmental agencies, including those related to medical and security matters, have been enlisted. Over 30,000 visas have actually been issued. Nearly 85,000 applicants are in various stages of processing.

Nevertheless, the purposes of the act are not being achieved as swiftly as we had all hoped. As a result of the experience gained in administering the act to date, important administrative instructions designed to expedite the procedures under it have already been issued. The men and women handling the program are fully aware of the urgency of their mission. I am assured by the Secretary of State that further administrative improvements can and will be made.

Experience has demonstrated, however, that administrative improvements are not enough. A number of the provisions of the act require amendment if the act's objectives are to be fully achieved. I urge upon the Congress the following:

(1) The act, at present, contains specific categories of eligibility with specific numbers allotted to each category. It now appears that because of some of the technical requirements of the act, and the growing prosperity in Western Europe, there may not be

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enough applicants to fill the quotas in some categories. I recommend that there be a provision for the use of unused numbers. Such unused numbers might well be used, for example, for orphans on a worldwide basis.

(2) The act limits the term "refugee" to those who have not been firmly resettled. Experience has shown that this provision tends to exclude the hard-working and the adjustable, the very people we want most as new citizens. Moreover, it appears that "resettlement" is such a vague term as to create conflicts in interpretation and delays in clearing applications.

I recommend that this limitation be withdrawn so that, where the refugee otherwise qualifies on a selective basis, he will not be barred because he is diligent and competent.

(3) A similar difficulty is presented by the terms of the act which require that an "escapee" or "expellee" also be a "refugee." Under the act this unduly limits the escapees and expellees who may be admitted. This, again, serves to exclude some of the most desirable people who have, at great sacrifice, at least temporarily resettled themselves. I am sure it is enough that a person be a qualified "escapee" or "expellee" to meet the standards on which we all agree. They should not also be required to be "refugees" within the narrow definition of the act.

(4) The requirement that a "refugee" be living away from his traditional home has excluded many tragic victims of disaster whom I am sure the Congress intended to admit. This includes Netherlands farmers whose land has been ruined by floods of salt water, Greek mountain people whose herds have been despoiled by Communist invaders and many similar victims of catastrophe. The restriction should be relaxed.

(5) The act contains a salutary provision enacted by the Congress for the benefit of aliens who are here in the United States and who fear persecution if required to return abroad. There is a limitation, however, within this section which has caused undue hardship in some cases. It requires that the person show "lawful entry as a bona fide nonimmigrant," before he is eligible for this humanitarian relief.

I recommend to the Congress that the section be amended to permit the Attorney General to waive this requirement in meritorious cases where the person is otherwise qualified under the act. It is estimated that this would not involve more than a few hundred cases, but in the case of each individual human being such an amendment would satisfy the beneficent purposes of the Congress.

(6) Obviously people who have risked their lives to escape from totalitarian nations often have no passports. The Refugee Relief Act, however, requires passports and in many cases this has served to defeat the very purpose of the Congress. I recommend amendment to permit waiver of the need for passports and similar documents in the discretion of the Secretary of State and the Attorney General as is already provided in the basic immigration and nationality laws.

(7) Under the act, no escapee or refugee is entitled to a visa unless there is available complete information regarding his history for 2 years past, except on waiver by the Secretaries of State and Defense, if it is determined to be in the national interest.

No such requirement is applicable in the case of regular immigrants under the Immigration and Nationality Act of 1952.

This 2-year history, in the case of recent escapees, is often impossible to obtain. Yet these are the very people who have been actively stimulated to risk the perils of escape by our own information program broadcast through the Iron Curtain.

I have faith in the competence of our security personnel, and I recommend that this inflexible requirement be eliminated from the law, leaving it to the sound discretion of the security officer to make his recommendation on the basis of all the facts available. If he is in doubt, he will not certify the refugee or escapee as a proper security risk.

(8) Another obstacle to the achievement of the purposes of the act is the requirement of individual sponsorship and guaranties of each application for admission. Where responsible, voluntary welfare organizations are prepared to give assurances with respect to applicants by name, it is unnecessary to add the burdensome requirement that individual sponsorship of each such applicant also be provided. I recommend that where such agency assurances are given, individual assurances not be required in addition.

(9) At present, special visas may not be issued to wives, husbands, or children of persons admitted under the act unless they all come to the United States together. If the members of the person's family are following at a later time, and are otherwise admissible, then the special visas should be equally available to them.

(10) There are many refugee families in Western Europe whose members would make useful and productive citizens of the United States, but who would face separation if they should avail themselves of the provisions of the Refugee Relief Act. This they are unwilling to do. They would face separation because of the fact that one of their members is ineligible for admission to the United States under the health standards of our general immigration laws, particularly as respects tuberculosis.

We in the United States no longer regard tuberculosis with dread. Our treatment standards are high, and modern treatment is increasingly effective. The United States, to its own benefit, could permit many of these families, within the existing numerical limitations, to enter under safeguards provided by the Attorney General and the Surgeon General of the United States assuring protection of the public health and adequate treatment of the afflicted individual and also assuring that such individual will not become a public charge. I urge that the Congress give consideration to amendments that would enable this to be done.

It is my earnest hope that the changes in the Refugee Relief Act that I have above outlined can be accomplished during the present session of the Congress.

The enactment of these changes will permit effective administration of the act by the executive branch of the Government and greatly aid the success of the program. The persons permitted to enter the country under the program will make a fine contribution to the body of our citizens. And we shall again reaffirm that the great tradition of sanctuary lives on in America.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *May 27, 1955.*

Mr. BUSH. Despite the articles in the law which the Senator has discussed, and which are mentioned in the President's message, progress has been made. The first shipload of refugees entered New York harbor recently.

At this point in my remarks I should like to insert in the RECORD an article from Time magazine of July 25, 1955, describing the arrival of the first shipload, and speaking of the administration of the act.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IMMIGRATION: NEW CHANCE IN LIFE

Into New York Harbor last week sailed the first entire shipload of refugees to enter the United States under the Refugee Relief Act of 1953. "We come with gratitude," said Hans Freer, 34, one of the 1,243 refugees aboard the chartered United States Navy transport *General Langfitt*. Freer's arrival with his family amounted to a near miracle of deliverance; his wife had been a Soviet slave laborer, he was buffeted about Europe by Nazis and Communists for 15 years, and for a time it seemed unlikely that many refugees would ever reach the United States under the 1953 relief act. Last week, after a slow start, the program was rolling.

Built-in booby traps: The refugee program was disjointed originally by a Senate tug of war. At first the bill, called the Emergency Migration Act, was intended largely for people from southern Europe barred by the low quotas of the McCarran-Walter Act, the basic United States immigration law. Nevada's late Senator Pat McCarran managed to change much of the content, as well as the title. As passed, the act was an administrative monstrosity which Congress assigned to the State Department's security chief, Scott McLeod. There was no staff, no office space, not even a desk for the program, but McLeod came under a barrage of criticism because of delays.

State's ousted Immigration Consultant Edward Corsi called the program a national scandal (Time, May 2). Cried Corsi: "Refugees are investigated to death" by McLeod's security gang. Actually the security check has barred very few refugees. Out of 2,199 applicants in Germany and Austria, only 51 have been rejected on grounds of security.

Most of the program's delays were built in by Congress, which booby-trapped the bill with unworkable provisions. Visas were arbitrarily allotted to various areas on the basis of pressure in Congress. Some of the quotas could be filled several times over; others cannot be met at all.

Help wanted: One major problem is the act's strict definition of refugees as people who lack the essentials of life. Most refugees in Europe have settled down—which automatically disqualifies them. In Germany, once jammed with nearly 10 million refugees, the camps now hold only 29,000 people.

Many waiting refugees are held back because each must be guaranteed a home and job by a United States resident. Group guaranties from charitable agencies would be much easier to obtain. In the Netherlands at least 6,000 assurances are needed, but only 466 have been given so far.

Italian and Greek relatives of United States residents are filling up the quotas from those countries—because Congress permitted the relatives of constituents to preempt the refugee quotas. But no action has yet been taken on the amendments proposed by President Eisenhower to liberalize the act.

Modest success: The 30,000th person to land under the Refugee Act arrived last week aboard the *General Langfitt*. From now on the ship will ferry in 1,200 refugees every 26 days. Of the 214,000 visas authorized by the act, 38,583 have been granted. Administrator McLeod confidently predicts that a total of some 160,000 visas will be issued. In Germany and Austria, more than 3,000 visas are now being granted monthly. In Italy, United States consular officials are issuing 124 visas every working day, enough to fill Italy's quota 2 months ahead of the act's deadline, December 31, 1956.

The United States refugee program is at least a modest success, despite its homemade obstacles. It is, as President Eisenhower said when he signed the act, providing

a new chance in life for human beings ill-treated in other lands.

Mr. BUSH. I express satisfaction that a Connecticut resident, Mr. Pierce Gerety, is playing a major role in the administration of this program. He recently went to Europe to supervise arrangements for the departure of the ship mentioned in this article, and he greeted it upon its arrival in the United States.

Mr. WATKINS. I might interrupt the Senator at this point to observe that I went to New York the day the ship arrived, and met many of the refugees who came in under this act. I wish to say to the Senate and to the entire country that they were very fine people. It was really thrilling and touching to see the tears of gratitude that came into their eyes as they were able to disembark upon the shores of this land of liberty.

Mr. BUSH. I commend the Senator for going to New York for that purpose. It is exactly like him to do such a kind and generous thing. It shows his very deep sympathy with the purposes of the act. That is why we have so much confidence in the Senator from Utah and why we so gladly support him in matters of this kind—and, in fact, in all matters.

In conclusion, let me say that I am disappointed that the Judiciary Committee has not acted in this session, but I hope that the amendments which the Senator sponsors, and with respect to which we join him in sponsorship, will be given priority when the Congress convenes in January.

Mr. WATKINS. Mr. President, I should like to comment upon a press release issued by the chairman of the Committee on the Judiciary, the Senator from West Virginia [Mr. KILGORE]. In a part of the statement he said:

> And the Senator from Utah was unsuccessful in arousing enthusiasm among Republican members of the committee.

I wish to say that I had canvassed a considerable number of members of that committee. I canvassed all Republican members, and found only two Republican members against the bill. They were all ready, with those two exceptions, to vote for the measure.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. WATKINS. I know that a considerable number of Democrats favored the bill, and some Democrats who had opposed the original measure were still opposed to the amendment.

Mr. SALTONSTALL. Did not the Senator find many Republicans on the floor of the Senate who would support it?

Mr. WATKINS. In the beginning I had no cosponsors. I left the bill at the desk, stating that I would be very happy to leave it there for 48 hours, and I invited any and all Members of the Senate to join with me in its sponsorship. A number of other Senators joined with me. However, they were all Republicans.

Mr. CASE of New Jersey. Mr. President, will the Senator yield?

Mr. WATKINS. Just a moment.

There were a number of measures introduced by Democratic Members of this body covering the same subject. They were all before the Langer Refugee Subcommittee for consideration. The bill which was finally drafted and reported to the full committee without recommendation contained provisions from each of those bills.

Mr. CASE of New Jersey. Mr. President, will the Senator yield?

Mr. WATKINS. I yield to the Senator from New Jersey.

Mr. CASE of New Jersey. Let me say two things.

First, let me tell the Senator how very much the Members of this body and the people of the country are indebted to him for the leadership he has taken in this program. I know that I speak the views of every Senator present when I say that we feel especially strong on this subject because the Senator from Utah speaks his mind not because of any pressure from his constituents. He takes an interest in the subject because of the urging of his own heart.

This is not the first time he has acted in this fashion. The fact that he has taken such a very close personal interest in the subject makes us all very proud to be associated with him in this body.

In the second place, I should like to say that the time has come for us to stop kicking back and forth responsibility for the delay and to start working as men of good will toward a real accomplishment. I hope in January we will be able to rally such support that we will be able to get action on this important matter, which has for so long needed action, and for which action the people of the country and the people of the world are looking toward Congress.

Mr. WATKINS. In conclusion, I should like to report to the Senate that the administrator of the act, Mr. Scott McLeod, of the State Department, reports that in the last week 1,400 new visas were issued. It shows that the operation of the act was in full swing and a substantial number of the visas which are available will be issued before the act expires in 1956.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. WATKINS. I yield.

Mr. SALTONSTALL. Does not the Senator agree that if our hopes are fulfilled the whole number of persons permitted to come in under the act will come in long before the act runs out?

Mr. WATKINS. That is the hope we have—that the full number will be brought in. We have run into roadblocks and obstacles through the very strict terms of the act. This proposed legislation was an attempt to alleviate that situation. However, the present administration of the act, under Mr. Scott McLeod and Mr. Gerety, who has taken over the deputyship, is doing all it can to bring in everyone who is qualified up to the number permitted by the act. I hope that will be accomplished. At the present rate, we will come very near accomplishing the purpose of the act.

The PRESIDING OFFICER. The Chair would observe that the hands of the clock are moving toward tomorrow.

REQUEST FOR PRESIDENT TO RETURN ENROLLMENT OF HOUSE BILL 7684

The PRESIDING OFFICER laid before the Senate the concurrent resolution (H. Con. Res. 196) requesting the return by the President of the enrollment of H. R. 7684, which was read.

(For text of concurrent resolution, see House proceedings of today.)

Mr. CLEMENTS. It is my understanding that all the resolution does is correct an error which was made in the bill, where it referred to the first sentence, instead of referring to the fifth sentence. I move the adoption of the concurrent resolution.

The motion was agreed to.

LEGISLATIVE APPROPRIATION BILL OF 1956—CONFERENCE REPORT

Mr. CLEMENTS. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7117) making appropriations for the legislative branch for the fiscal year ending June 30, 1956, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report see House proceedings of today.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

The PRESIDING OFFICER. Is there objection to the present consideration of the conference report?

Mrs. SMITH of Maine. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. CLEMENTS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there objection to the present consideration of the conference report?

Mrs. SMITH of Maine. Mr. President, will the Senator from Kentucky yield?

Mr. CLEMENTS. I am happy to yield.

Mrs. SMITH of Maine. The Senator from Maine suggested the absence of a quorum because she had 2 or 3 questions she wished to ask and which she felt Senators should hear and to which they should have answers. I wonder whether the distinguished acting majority leader, the chairman of the conference committee on the legislative appropriation bill, would give us a comparison of the pay ceilings for professional staff members of House committees and of Senate committees.

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Mr. CLEMENTS. That part of the bill which came to the Senate carries a ceiling of $14,800 gross for one member, a ceiling of $14,300 for a second member, and a ceiling of $13,617 for the next four. The House has only one ceiling in its bill, and that is $14,800.

Mrs. SMITH of Maine. Will the distinguished Senator explain why the conferees accepted this disparity?

Mr. CLEMENTS. It is my understanding that it has been traditional in the Congress for each body to establish its own pay scale and for each body to determine its own housekeeping needs. The Senate acted in what it thought was the best interests in the operation of the committee staffs when it wrote the language contained in the Senate bill.

Mrs. SMITH of Maine. Will the distinguished Senator advise the Senate that he and the conferees approved of the discrepancies between the House and the Senate committees as to professional staff members?

Mr. CLEMENTS. I would not say that there has been any approval of any discrepancies, but I say that, first, the subcommittee dealing with legislative appropriations, then the full Committee on Appropriations, and then the Senate, approved that part of the bill which affects the Senate. The Senate is called upon tonight—not the Senate conferees, but the Senate itself—to pass upon the House version of the bill.

Let me say to my friend from Maine that the matter pertaining to the House is now before this body, or before a committee of this body, for the first time. The section which establishes pay scales for the House has not been acted upon by the conferees, and has not been acted upon by any other Senate group save and except the ones to give approval or disapproval to it.

Mrs. SMITH of Maine. Will the distinguished acting majority leader tell the Senate whether it is true that under the conference report which the Senate is now considering the House Parliamentarian receives $20,500, while the Senate Parliamentarian receives $14,800, or nearly $6,000 less than the House Parliamentarian receives?

Mr. CLEMENTS. I will say to my friend from Maine—and if I am wrong I will ask a staff member to correct me—that the Senate Parliamentarian, under the Senate version, will receive $14,800, and the House Parliamentarian will receive the same pay he received in the year 1955. It is my understanding that he is not covered by this bill.

Mrs. SMITH of Maine. Is it true that under this conference report which the Senate is now considering the House Parliamentarian receives $20,500?

Mr. CLEMENTS. All I can say to the Senator from Maine is that if the House Parliamentarian is now receiving $20,000, in 1956 he will, according to my understanding, receive $20,000. There is not anything in the bill that I recall which reflects the pay of the House Parliamentarian.

Mrs. SMITH of Maine. Mr. President, I did not get the answer. I wanted to know what the House Parliamentarian's pay is. Apparently the Senator does not know.

Mr. CLEMENTS. I do not know. But I understand the Parliamentarian receives the same pay that he received when my friend from Maine was on the legislative committee.

Mrs. SMITH of Maine. Would the distinguished acting majority leader advise the Senate whether it is true that the House Assistant Parliamentarian is receiving $16,000, while the Senate Parliamentarian is receiving $14,800, or $100 a month less?

Mr. CLEMENTS. I am not informed on that matter.

Mrs. SMITH of Maine. Is the Senator informed as to what the conference report provides in that respect?

Mr. CLEMENTS. I can assure the Senator that it does not include the Parliamentarian, and it does not include the Chief Clerk.

Mrs. SMITH of Maine. The Senator advises the Senate that the Parliamentarians are not included in the legislative appropriation bill. If I should say to the Senator that the news ticker in the Senate corridor reports that the House Parliamentarian receives $20,500, would the acting majority leader challenge that statement?

Mr. CLEMENTS. I would neither challenge it nor agree with it. I will say it is not included in the bill that is now under consideration.

Mrs. SMITH of Maine. Mr. President, I hope Members of the Senate will give due consideration to this conference report before we accept anything as to which we do not know the facts.

Mr. CLEMENTS. Mr. President, I should like to say in response to the Senator from Maine that, as she knows, the House and Senate were in disagreement, but not on the basis of each body, not understanding they were responsible for establishing their own salary scales. They were in dispute on the parliamentary or technical ground, that the amendment which was offered in conference last Friday had not been before the House. When the committee met today, all the matters which were in conference—matters which were proper items for the conferees to take up, because they had been before either the House or the Senate—were agreed upon save one. That one amendment was in disagreement, and the bill went back to the House with that item in disagreement. The House placed its own salary schedule in the bill. The House pay scale in the bill has never been officially before the conferees. It has come to the Senate tonight as an orignal matter with the Senate; but it is my understanding from the staff, as well as those at the desk, that in accordance with the traditional comity between the two bodies each House arranges its own pay scale and each provides for its own housekeeping as it sees fit. Certainly, that is what is being done in the instant case.

I recognize, as I know the Senator from Maine does, for she is now, and has been for several years, a member of the Appropriations Committee, that final decisions on appropriations are not the result of the thinking of one person. They are the result of the thinking of a group of persons. Just as in other legislative measures, I assure Senators that many compromises are involved in the legislative appropriation bill. There are some disparities. The Senator from Maine [Mrs. SMITH] has mentioned some which are not in this bill. I can assure her there are some disparities among the positions for which provisions are made in the bill.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. CLEMENTS. I am glad to yield.

Mr. SALTONSTALL. I have sat as a member of the Subcommittee on Legislative Appropriations of the Committee on Appropriations for 6 or 7 years. During that time it has been the custom, a custom which has come down through the years, as the Senator has so well said, that the House attends to its own knitting, and the Senate attends to its own knitting.

The only matters which are really in conference are those relating to joint committees or the Library of Congress or the Architect of the Capitol. As to those items, the Senate and House has a conference on the bill and finally agree on the provisions.

This year, I believe, the Senate made 53 amendments, if my memory serves me correctly, and the House receded on all of them.

Mr. CLEMENTS. There were more than 80 amendments.

Mr. SALTONSTALL. There were more than 80 amendments of the Senate and House combined. The House had a number. Then we disagreed. There was a little difference of opinion——

Mr. CLEMENTS. When the Senator says there was a difference of opinion, it was a difference of opinion with respect to procedure.

Mr. SALTONSTALL. That is correct.

During the colloquy with the Senator from Maine, I requested information with respect to the salaries of the Parliamentarian and the Assistant Parliamentarian of the House. It is my understanding that the House Parliamentarian receives $20,500 and the Assistant Parliamentarian $16,500, as a result of a special resolution passed at 7:30 tonight.

The House pays its Parliamentarian out of the contingent fund of the House. The Senate, under its rules, cannot make such payments out of its contingent fund.

The Senate Parliamentarian is paid through the legislative appropriation bill. The House Parliamentarian, as I understand, is not.

Mr. CLEMENTS. I thank the Senator from Massachusetts for his contribution to the discussion.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a table showing the amounts estimated for each item, the amounts which were added in the bill as it passed the House and the Senate, and the amounts provided for in the conference report.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Legislative branch appropriation bill for the fiscal year ending June 30, 1956

Item	Appropriations, 1955	Estimates, 1956	House allowance	Senate allowance	Conference allowance
SENATE					
Senators:					
Compensation of Senators	$1,520,001	$2,166,240		$2,166,240	$2,166,240
Expense allowance of Senators	240,000				
Mileage of the President of the Senate and of Senators	51,000	51,000		51,000	51,000
Expense allowance for majority and minority leaders				4,000	4,000
Compensation of the Vice President	31,667	35,070		35,070	35,070
Expense allowance of the Vice President	10,000	10,000		10,000	10,000
Beneficiaries of deceased Senators	62,500				
Total Senators	1,915,168	2,262,310		2,266,310	2,266,310
Salaries of officers and employees:					
Office of the Vice President	55,410	55,410		64,745	64,745
Chaplain	2,936	2,946		5,000	5,000
Office of the Secretary of the Senate	417,560	437,105		521,345	521,345
Joint recording facility	46,935	46,935		47,430	47,430
Committee employees	1,767,045	1,767,045		1,767,045	1,767,045
Conference committees:					
Majority, clerical salaries	33,310	33,310		40,000	40,000
Minority, clerical salaries	33,310	33,310		40,000	40,000
Administrative and clerical assistants to Senators	6,207,625	6,222,120		6,247,555	6,247,555
Office of Sergeant at Arms and Doorkeeper, salaries	1,298,940	1,300,600		1,436,230	1,436,230
Office of secretaries for the majority and minority, salaries	63,570	63,690		87,100	87,100
Office of the majority and minority whips	9,140	9,140		16,405	16,405
Total salaries of officers and employees	9,935,791	9,971,611		10,272,855	10,272,855
Contingent expenses:					
Legislative reorganization	125,000	125,000		100,000	100,000
Senate policy committees	149,780	149,870		190,000	190,000
Joint Committee on the Economic Report	124,575	138,275		124,575	124,575
Joint Committee on Atomic Energy	188,060	258,060		258,060	258,060
Joint Committee on Printing	47,700	48,500		57,595	57,595
Vice President's automobile	5,835	5,855		8,460	8,460
Automobile for the President pro tempore	5,835	5,855		8,460	8,460
Automobiles for majority and minority leaders	11,670	11,710		16,920	16,920
Reporting Senate proceedings	139,785	140,545		146,210	146,210
Furniture:					
For services in cleaning, etc	3,190	3,190		3,190	3,190
Materials, repairs, etc	24,000	19,000		19,000	19,000
Inquiries and investigations	2,019,120	1,224,120		1,224,120	1,224,120
Folding documents	27,000	27,000		27,000	27,000
Materials for folding	1,500	1,500		1,500	1,500
Fuel, etc	2,000	2,000		2,000	2,000
Senate restaurants	55,000	55,000		55,000	55,000
Motor vehicles	9,560	9,560		9,560	9,560
Miscellaneous items	1,033,037	981,087		1,290,680	1,290,680
Packing boxes	3,500	4,000		4,000	4,000
Postage stamps	940	975		1,975	1,975
Airmail and special-delivery stamps	19,400	19,400		29,100	29,100
Stationery	129,950	126,400		184,600	184,600
Communications	14,550	14,550		14,550	14,550
Total, contingent expenses	4,140,987	3,371,452		3,776,555	3,776,555
Total, Senate	15,991,946	15,605,373		16,315,720	16,315,720
HOUSE OF REPRESENTATIVES					
Members and Delegates:					
Salaries	[1] 6,960,500	[2] 9,896,000	$9,896,000	9,896,000	9,896,000
Mileage and expenses	1,273,500	[2] 200,000	200,000	200,000	200,000
Total, Members and Delegates	8,234,000	10,096,000	10,096,000	10,096,000	10,096,000
Salaries, officers and employees:					
Speaker's office	47,285	47,285	47,285	47,285	47,285
Parliamentarian's office	43,885	44,920	44,920	44,920	44,920
Office of the Chaplain	4,200	4,200	4,200	4,200	4,200
Clerk's office	737,530	[2] 772,865	767,500	767,500	767,500
Committee employees	1,820,000	1,950,510	1,950,510	1,950,510	1,950,510
Sergeant at Arms office	384,045	384,045	384,045	384,045	384,045
Doorkeeper's office	657,915	[2] 704,275	704,275	704,275	704,275
Special and minority employees (several items)	191,485	[2] 194,765	194,765	194,765	194,765
Postmaster's office	189,880	[2] 198,775	198,775	198,775	198,775
Official reporters	124,435	124,435	124,435	124,435	124,435
Committee reporters	133,855	133,855	133,855	133,855	133,855
Studies and investigations, Committee on Appropriations	450,000	500,000	500,000	500,000	500,000
Total, salaries, officers and employees	4,784,515	5,059,930	5,054,565	5,054,565	5,054,565
Members' clerk hire	11,500,000	11,600,000	11,500,000	11,500,000	11,500,000
Contingent expenses:					
Furniture	220,500	225,500	245,000	245,000	245,000
Miscellaneous items	898,800	916,300	865,000	865,000	865,000
Reporting hearings	125,000	125,000	125,000	125,000	125,000
Special and select committees	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000
Joint Committee on Internal Revenue Taxation	200,000	200,000	200,000	200,000	200,000
Joint Committee on Immigration and Nationality Policy	20,000	30,000	20,000	20,000	20,000
Coordinator of Information, salaries and expenses	[1] 75,750	82,825	82,825	82,825	82,825
Telegraph and telephone	800,000	900,000	800,000	800,000	800,000
Stationery (revolving fund)	525,600	525,600	525,600	525,600	525,600
Attending physician's office	8,985	8,985	8,985	8,985	8,985
Postage stamps	94,050	92,760	92,760	92,760	92,760
Folding documents	[1] 135,000	125,000	125,000	125,000	125,000
Revision of laws	13,700	13,700	13,700	13,700	13,700
Speaker's automobile	7,200	7,200	7,200	7,200	7,200
Majority leader's automobile	[1] 11,235	5,835	5,835	5,835	5,835
Minority leader's automobile	5,835	5,835	5,835	5,835	5,835
New edition, United States Code		[2] 100,000	100,000	100,000	100,000
Total, contingent expenses	4,391,655	4,614,540	4,472,740	4,472,740	4,472,740
Total, House of Representatives	28,910,170	31,370,470	31,123,305	31,123,305	31,123,305

See footnotes at end of table.

UNIVERSITY OF MICHIGAN LIBRARIES

Legislative branch appropriation bill for the fiscal year ending June 30, 1956—Continued

Item	Appropriations, 1955	Estimates, 1956	House allowance	Senate allowance	Conference allowance
CAPITOL POLICE					
General expenses	$17,900	$17,900	$17,900	$17,900	$17,900
Capitol Police Board	[1] 61,317	[2] 75,690	75,690	76,940	76,940
Total, Capitol Police	79,217	93,590	93,590	94,840	94,840
LEGISLATIVE COUNSEL					
Salaries and expenses	259,000	[3] 274,000	274,000	290,000	290,000
JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES					
Salaries and expenses	20,000			22,500	22,500
EDUCATION OF HOUSE AND SENATE PAGES					
Expenses	47,280	47,280	47,280	47,280	47,280
MISCELLANEOUS					
Penalty mail costs	1,160,700	1,978,000	1,978,000	1,978,000	1,978,000
Statement of appropriations	6,000	6,000	6,000	8,000	8,000
Total, miscellaneous	1,175,700	1,984,000	1,984,000	1,986,000	1,986,000
ARCHITECT OF THE CAPITOL					
Salaries	138,000	[3] 179,000	179,000	186,260	186,200
Contingent expenses		[3] 50,000	25,000	50,000	50,000
Capitol Buildings	[1] 646,000	[3] 875,100	825,000	1,160,100	1,140,000
Extension of Capitol		[3] 5,000,000	5,000,000	5,000,000	5,000,000
Capitol Grounds	342,500	280,000	280,000	280,000	280,000
Reconstruction, repair, alteration, and improvement, Capitol Grounds	[1] 611,000				
Subway transportation	3,500	3,500		3,500	3,500
Senate Office Building	853,500	960,400		960,690	960,690
Additional Senate Office Building	6,000,000	8,500,000		8,500,000	8,500,000
Legislative garage	34,200	38,500	38,500	38,500	38,500
House Office Buildings	984,200	[3] 1,150,200	1,125,000	1,125,000	1,125,000
Acquisition of property, construction and equipment, additional House Office Building	[1] 5,000,000				
Capitol Power Plant (operation)	1,237,000	1,279,500	1,279,500	1,279,500	1,279,500
Capitol Power Plant, changes and improvements	1,500,000	1,800,000	1,800,000	1,800,000	1,800,000
Library buildings and grounds:					
Structural and mechanical care	400,000	[3] 880,000	600,000	865,000	732,500
Furniture and furnishings	50,000	68,000	68,000	68,000	68,000
Total, Architect of the Capitol	17,799,900	21,064,200	11,220,000	21,316,490	21,163,890
BOTANIC GARDEN					
Salaries and expenses	223,100	246,000	246,000	246,000	246,000
LIBRARY OF CONGRESS					
Salaries and expenses	4,717,636	[4] 4,891,396	4,850,000	4,880,895	4,860,000
Copyright Office, salaries and expenses	1,100,000	[4] 1,195,284	1,140,000	1,176,120	1,158,060
Legislative Reference Service, salaries and expenses	875,000	[4] 984,877	925,000	984,877	984,877
Catalog cards, distribution of	1,332,000	[4] 1,379,541	1,350,000	1,375,000	1,350,000
Increase of the Library:					
General	260,000	[4] 300,000	280,000	300,000	300,000
Law library	90,000	90,000	90,000	90,000	90,000
Books for Supreme Court	25,000	25,000	25,000	25,000	25,000
Books for the blind	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Total, Library of Congress	9,399,636	9,866,098	9,660,000	9,831,892	9,767,937
GOVERNMENT PRINTING OFFICE					
Printing and binding for Congress	[1] 9,200,000	9,200,000	8,800,000	8,800,000	8,800,000
Superintendent of Documents, salaries and expenses	2,825,000	2,890,400	2,850,000	2,850,000	2,850,000
Total, Government Printing Office	12,025,000	12,090,400	11,650,000	11,650,000	11,650,000
Theodore Roosevelt Centennial Commission		10,000		10,000	10,000
Commission on Government Security				50,000	50,000
Woodrow Wilson Centennial Celebration		41,500		41,500	41,500
Grand total	85,930,949	92,692,911	66,298,175	93,025,527	92,808,972

[1] Includes amounts contained in 2d Supplemental Appropriation Act, 1955.
[2] Includes amounts contained in H. Doc. 163.
[3] Contained in H. Doc. 153.
[4] Includes amounts contained in H. Doc. 123.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. CLEMENTS. I yield.

Mr. MORSE. I am very much interested in the discrepancy between the salaries of the Parliamentarians and the Assistant Parliamentarians of the two bodies. I do not know of two more able public servants in the Capitol than the Senate Parliamentarian and the Assistant Senate Parliamentarian. I should be very much surprised if my colleagues in the Senate do not regret any such discrepancies because it would seem to me to be a discrimination in the salaries for public servants which is not justified on the merits.

I suppose it is too late at this hour to correct the discrimination.

I am certain that the House Parliamentarians are worth every dollar which the House has decided to pay them. I am also confident that the Senate Parliamentarians are worth every dollar which the House pays its Parliamentarians.

Mr. CLEMENTS. I could not agree more with my friend from Oregon.

Mr. MORSE. I raise the question in view of the fact that there has been a long practice of each House's doing its own housekeeping. If it would not be in order for the Senate at this time to increase the salaries of our Parliamentarians to the figures which the House Parliamentarians receive, I may say that, come January, I shall propose such a resolution and attach a retroactive clause thereto. But I should like to know if I am correct in my impression that there is nothing that the Senate can do about the situation at this late hour to have the matter corrected before we adjourn.

Mr. CLEMENTS. There is nothing that could be done about it at this late hour which would not take a great amount of time and the bringing together of a considerable number of persons. To take such action would require the recommittal of the conference report.

I have the same high regard as has the Senator from Oregon for our distinguished Parliamentarian, Mr. Watkins, and I have also the same respect and regard for his able assistant, Dr. Riddick. But I think it would certainly be unwise at the moment to attempt to change the figures in the pay scale in the bill.

I can understand my friend's suggestion that he intends to offer a resolution next January to revise upward the salaries of the Senate Parliamentarians.

Mr. MORSE. I recognize that probably, in the parliamentary situation which the Senator from Kentucky has suggested, if a further delay in adjournment were proposed, although I think the adjournment should be delayed for several weeks in view of other business which the Senate should transact and about which I shall have something to say later, the present tempo or will of the Senate is not conducive to such action. But I serve notice now that I shall introduce such a measure next January, and the line can form on the right for cosponsors.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. CLEMENTS. I yield.

Mr. HUMPHREY. Mr. President, may I ask if the Senate amendment to the appropriation bill to provide $50,000 for the Commission on Government Security survived the conference?

Mr. CLEMENTS. It survived. Also, the Woodrow Wilson Commission and the Theodore Roosevelt Commission appropriations survived.

Mr. HUMPHREY. I congratulate the doctors upon the survival rate. These are about the best results we have had to date on Senate amendments.

Mr. CLEMENTS. In the position in which the Senate conferees found themselves, there was no opportunity and no effort made to make any change in the bill in any shape, form, or fashion from the way in which it passed the Senate last Friday.

Mrs. SMITH of Maine. Mr. President, will the Senator yield?

Mr. CLEMENTS. I yield.

Mrs. SMITH of Maine. I have only one final word to say. I think we are according disgraceful treatment to one of the most loyal members of the staff of the Senate, Mr. Charles Watkins. I think this is a sorry reward for a man who has given so much of his life in service to the Senate.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

Mr. CLEMENTS. Mr. President, if there are no further remarks on the legislative appropriation conference report, I ask that the Chair lay before the Senate a message from the House announcing its action on certain amendments of the Senate to H. R. 7117.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 7117, which was read as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 52 to the bill (H. R. 7117) making appropriations for the Legislative Branch for the fiscal year ending June 30, 1956, and for other purposes, and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment insert:

"The basic compensation of any employee of any joint committee of the Senate and House of Representatives whose basic compensation is paid from the contingent fund of the Senate, of any select committee of the Senate (including the conference majority and conference minority of the Senate), or of any subcommittee of a standing or select committee of the Senate, shall not exceed $8,000 per annum. Notwithstanding the foregoing provisions of this paragraph and the provisions of section 202 (e) of the Legislative Reorganization Act of 1946, as amended (2 U. S. C. 72 a (e)), the joint resolution entitled "Joint resolution providing for a more effective staff organization for standing committees of the Senate," approved February 19, 1947, as amended (2 U. S. C. 72 a–1), and the paragraph under the heading "Senate Policy Committee" in the First Supplemental Appropriation Act, 1947, the basic compensation of one employee of each standing or select committee of the Senate (including the majority and minority policy committees and the majority conference of the Senate and the minority conference of the Senate), and each joint committee of the two Houses, the expenses of which are paid from the contingent fund of the Senate, whose basic compensation may be fixed under such provisions at a rate of $8,000 per annum, may be fixed at any rate not in excess of $8,820 per annum and, the basic compensation of one employee of each such committee may be fixed at any rate not in excess of $8,460 per annum. For the purpose of this paragraph, an employee of a subcommittee shall be considered to be an employee of the full committee."

HOUSE OF REPRESENTATIVES

The following changes are made with respect to positions under the Clerk of the House of Representatives:

(1) The title of each position shown below in the first column shall be that shown in the second column and, notwithstanding any other provision of law, the basic per annum salary of such position shall be the amount shown in the third column.

Former title	Title	Basic salary
Assistant reading clerk.	Reading clerk No. 3	$6,000
Stenographer to the Clerk.	Secretary to the Clerk.	3,000
Chief bill clerk	Bill clerk	5,000
1 Assistant to chief bill clerk.	Assistant to bill clerk	2,100
2 Assistant to chief bill clerk.	Assistant to enrolling clerk.	2,500
3 Assistant to chief bill clerk.	Assistant to bill clerk	2,100
Retirement expert House disbursing office.	Assistant in disbursing office (retirement).	5,000
1 Administrative assistant to Clerk.	Administrative assistant to Clerk (retirement).	5,000
1 Assistant to disbursing clerk.	Personnel clerk	3,600
Bookkeeper in disbursing office.	Assistant in disbursing office.	3,000
Bookkeeper and cashier.	Bookkeeper and billing clerk (stationery room).	3,000
Bookkeeper and voucher clerk.	Bookkeeper and voucher clerk (stationery room).	2,800
2 Assistant property custodian.	Assistant to property custodian (electrical and mechanical office equipment).	3,360
3 Assistant property custodian.	Assistant to property custodian (manual typewriter equipment).	2,800
Locksmith and typewriter repairer.	do	2,700
Messenger and clock repairer.	Assistant to property custodian (electrical and mechanical office equipment).	2,700
Assistant in stationery room.	Clerk-typist	2,160
Messenger in stationery room.	Clerk (stationery room).	2,160
4 Laborer	do	2,160
7 Laborer	do	2,160
Assistant property custodian.	Administrative assistant.	3,800

(2) The position of "reading clerk No. 3" set forth in the table in paragraph (1) of this section shall terminate whenever a vacancy occurs in a position of "reading clerk."

(3) Notwithstanding any other provision of law, the basic salary for the position shown below in the first column shall be the amount shown in the second column.

	Basic salary
1 clerk	$3,000
2 clerk	3,200
File clerk	4,000
Assistant file clerk	3,000
Librarian	3,000
2 assistant in disbursing office	3,000
3 assistant in disbursing office	3,000
Stationery clerk	4,000
Assistant stationery clerk	3,000
Secretary (joint recording facility)	2,250
Messenger (payroll Nos. 1, 2, and 3)	1,740
Laborer (payroll Nos. 1, 2, 3, and 1 through 10)	1,650

(4) The title of one position of "assistant clerk, House administration" is changed to "assistant in disbursing office" and the basic salary for such position shall be $3,000 per annum. Such position shall be under the Clerk of the House of Representatives on and after the effective date of this section.

(5) The position of "administrative assistant (joint recording facility)" is created at the basic salary of $4,800 per annum.

SEC. 2. The following changes are made with respect to positions under the Sergeant at Arms:

(1) The title of each position shown below in the first column shall be that shown in the second column and, notwithstanding any other provision of law, the basic per annum salary of such position shall be the amount shown in the third column.

Former title	Title	Basic salary
Pair clerk and messenger.	Stenographer	$2,820
1 Bookkeeper	Assistant bookkeeper	3,480
2 Bookkeeper	do	3,480
Stenographer	Bookkeeper	4,000
Skilled laborer	Clerk-messenger	2,160

(2) Notwithstanding any other provision of law, the basic salary for the position shown below in the first column shall be the amount shown in the second column.

	Basic salary
Deputy Sergeant at Arms in charge of pairs	$5,000
Deputy Sergeant at Arms (charge of mace)	4,000
Special assistant Sergeant at Arms	3,500
1 Assistant cashier	5,000
2 Assistant cashier	5,000

SEC. 3. The following changes are made with respect to positions under the Doorkeeper:

(1) The title of each position shown below in the first column shall be that shown in the second column and, notwithstanding any other provision of law, the basic per annum salary of such position shall be the amount shown in the third column.

Former title	Title	Basic salary
Stenographer	Secretary to Doorkeeper.	$3,000
Chief messenger	Chief doorman, House gallery.	2,500
Messenger (payroll numbers 1 through 5 and 7 through 16).	Doorman	1,900
Messenger (soldiers' roll) (payroll numbers 1 through 14).	do	1,900
Chief clerk (folding room).	Assistant superintendent, folding room.	3,300
2 Laborer (folding room).	Baling machine operator, folding room.	1,600
20 Folder	Janitor-messenger	1,600
6 Messenger	Chief doorman, House floor.	2,500
12 Folder	Checkroom attendant, House gallery.	1,650

UNIVERSITY OF MICHIGAN LIBRARIES

Former title	Title	Basic salary
15 Folder	Supervisor, speech section, folding room.	$2,460
27 Folder	Speech clerk, folding room.	2,460
Shipping clerk	Supervisor of mail, folding room.	2,160
11 Folder	Secretary, folding room.	1,800
7 Folder	Maintenance mechanic (folding room).	2,160
22 Folder	Messenger, folding room.	1,740

(2) The title of 4 positions of "laborer (cloakroom)" (payroll Nos. 1 through 4), at the basic per annum salary for each such position of $1,380, is changed to "cloakroom attendant." The title of the position of "1 laborer" is changed to "chief barber, Capitol" and the basic salary of such position shall be $1,500 per annum. The title of the position of "laborer (cloakroom)" is changed to "chief barber, Old House Office Building" and the basic salary of such position shall be $1,500 per annum. The title of 6 positions of "laborer (cloakroom)" (payroll Nos. 1 through 6) is changed to "barber" and the basic salary for each such position shall be $1,400 per annum. The title of 3 positions of "clerk" (folding room) (payroll Nos. 1 through 3) is changed to "ledger clerk, folding room" and the basic salary for each such position shall be $2,460 per annum.

(3) Notwithstanding any other provision of law, the basic salary for the position shown below in the first column shall be the amount shown in the second column.

	Basic salary
1 floor manager of telephones, majority	$5,500
2 floor manager of telephones, minority	5,500
1 chief page (majority)	5,000
2 chief page (minority)	5,000
Assistant superintendent (document room)	3,700
Clerk (document room)	3,100
Assistant clerk (document room)	2,660
Assistant (document room) (payroll Nos. 1 through 7)	2,200
Janitor (document room)	1,650
Chief janitor	4,000
Foreman of laborers	2,000
Laborer (janitor's force) (payroll Nos. 1 through 24)	1,650
Superintendent (folding room)	4,000
Foreman (folding room)	3,100
Assistant foreman (folding room)	2,600
Folder (24 positions)	1,740
Driver (folding room) (payroll Nos. 1 and 2)	1,650
1 laborer (folding room)	1,650
Janitor (folding room)	1,650

(4) The title of the position of "8 assistant" (document room) under the Doorkeeper of the House of Representatives, is changed to "clerk, clerk's document room" and the basic salary of such position shall be $2,400 per annum. Such position shall be under the Clerk of the House of Representatives, on and after the effective date of this section.

SEC. 4. The following changes are made with respect to positions under the Postmaster:

(1) The title of the position of "clerk in charge (b. p. o. C.) is changed to "registry and money order clerk (Capitol)" and the basic salary of such position shall be $2,300 per annum. The title of one position of "messenger" is changed to "registry and money order clerk (Library of Congress)" and the basic salary of such position shall be $2,300 per annum. The title of one position of "messenger" is changed to "superintendent of day mail" and the basic salary of such position shall be $2,200 per annum. The title of one position of "messenger" is changed to "superintendent of night mail" and the basic salary of such position shall be $2,200 per annum. The title of forty-one positions of "messenger" is changed to "mail clerk" and the basic salary for each such position shall be $2,100 per annum.

(2) Notwithstanding any other provision of law, the basic salary for the position shown below in the first column shall be the amount shown in the second column.

	Basic salary
Assistant postmaster	$3,380
Laborer	1,650
Secretary to postmaster	2,300

SEC. 5. Notwithstanding any other provision of law, the annual rate of compensation of the Postmaster of the House of Representatives shall be $12,150.

SEC. 6. Notwithstanding any other provision of law, the basic salary for the position shown below in the first column shall be the amount shown in the second column.

	Basic salary
Chaplain	$4,000
Technical assistant (attending physician)	4,200
Expert transcriber (official committee reporters) (payroll numbers 1 through 8)	2,500
Expert transcriber (official reporters of debates) (payroll numbers 1 through 7)	2,500
Clerk (official committee reporters)	4,500
Printing clerk (majority)	2,500
Printing clerk (minority)	2,500
5 minority employee (pair clerk)	5,000
6 minority employee	4,500

SEC. 7. Notwithstanding any other provision of law, the monthly allowance for each enlisted man of the United States Navy assigned to the attending physician shall be $75.

SEC. 8. The following changes are made with respect to positions in the House press, radio press, and periodical press galleries:

(1) House press gallery:

(A) Notwithstanding any other provision of law, the basic salary for the position shown below in the first column shall be the amount shown in the second column.

	Basic salary
Superintendent	$5,300
First assistant superintendent	4,700
Second assistant superintendent	3,800
Third assistant superintendent	3,300
Fourth assistant superintendent	2,580

(2) Radio press gallery:

(A) Notwithstanding any other provision of law, the basic salary for the position shown below in the first column shall be the amount shown in the second column.

	Basic salary
Superintendent	$5,200
First assistant superintendent	4,000
Second assistant superintendent	3,500

(3) Periodical press gallery:

(A) Notwithstanding any other provision of law, the basic salary of the position of "superintendent of the periodical press gallery" shall be $4,300 per annum.

SEC. 9. Notwithstanding any other provision of law, the annual rate of compensation of the Legislative Counsel of the House of Representatives and of the chief of staff of the Joint Committee on Internal Revenue Taxation shall be an amount which is equal to $15,000, increased by an amount which is the same percentage of $15,000 as the percentage set forth in section 4 (c) of the Federal Employees Salary Increase Act of 1955.

SEC. 10. Whenever a section under this heading refers to a position by its existing title (for example, stenographer to the clerk), or by its existing title and a number (for example, 1 assistant to chief bill clerk), the reference is to the position having that title, or that title and that number, on the payroll in the various offices of the House of Representatives, as prepared by the Clerk of the House of Representatives for the month of June 1955.

SEC. 11. (a) Notwithstanding any other provision of law, the clerk hire of each Member of the House of Representatives, Delegate from a Territory, and the Resident Commissioner from Puerto Rico shall be at the basic rate of $17,500 per annum. No person shall be paid from such clerk hire at a basic rate in excess of $7,000 per annum, and not more than 1 person shall be paid at a basic rate of $7,000 per annum from such clerk hire at any 1 time.

(b) The joint resolution entitled "Joint resolution providing for pay to clerks to Members of Congress and Delegates," approved January 25, 1923, as amended (2 U. S. C., sec. 92), is amended by striking out "to 1, 2, or 3 persons" and inserting in lieu thereof "to those persons, not to exceed 8 in number.".

SEC. 12. Subsection (e) of section 202 of the Legislative Reorganization Act of 1946, as amended (2 U. S. C., sec. 72a (e)), is amended (1) by striking out "$8,000" where it first appears in such subsection and inserting in lieu thereof "$8,820," and (2) by striking out "$8,000" at the second place where it appears in such subsection and inserting in lieu thereof "$8,820."

SEC. 13. (a) This section is enacted as an exercise of the rule-making power of the House of Representatives with full recognition of the constitutional right of the House of Representatives to change the rule amended by this section at any time, in the same manner, and to the same extent as in the case of any other rule of the House of Representatives.

(b) Clause 27 (c) of the Rules of the House of Representatives is amended (1) by striking out "$8,000" where it first appears in such clause and inserting in lieu thereof "$8,820", and (2) by striking out "$8,000" at the second place where it appears in such clause and inserting in lieu thereof "$8,820".

SEC. 14. The foregoing provisions under "House of Representatives" shall take effect August 1, 1955.

GENERAL PROVISIONS

The appropriations, authorizations, and authority with respect thereto in this act shall be available from July 1, 1955, unless otherwise provided, for the purposes provided in such appropriations, authorizations, and authority. All obligations incurred during the period between June 30, 1955, and the date of enactment of this act in anticipation of such appropriations, authorizations, and authority are hereby ratified and confirmed if in accordance with the terms hereof.

Mr. CLEMENTS. Mr. President, I move that the Senate concur in the amendment of the House to the amendment of the Senate No. 52.

The motion was agreed to.

Mrs. SMITH of Maine. Mr. President, I wish the RECORD to show that I object to both the conference report and the amendment.

APPROPRIATIONS FOR LEGISLATIVE BRANCH — RECONSIDERATION — INDEFINITE POSTPONEMENT OF JOINT RESOLUTION

On motion of Mr. CLEMENTS, and by unanimous consent, the vote by which the joint resolution (H. J. Res. 434) to provide appropriations for the legislative branch for the fiscal year ending June 30, 1956, was read the third time and passed, was reconsidered, and the

joint resolution was indefinitely postponed.

Mr. CLEMENTS. Mr. President, the reason for the indefinite postponement of House Joint Resolution 434 is that since the legislative appropriation bill has been passed, there is no need for the continuing resolution.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had agreed to the following concurrent resolutions of the Senate:

S. Con. Res. 57. Concurrent resolution providing for sine die adjournment of the first session of the 84th Congress on August 2, 1955; and

S. Con. Res. 58. Concurrent resolution authorizing the signing of enrolled bills and joint resolutions after sine die adjournment.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 7618) to amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended.

The message further announced that the House had agreed to the amendment of the Senate to the bill (H. R. 4508) for the relief of Henry T. Quisenberry.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on amendments of the Senate to the bill (H. R. 7117) making appropriations for the legislative branch for the fiscal year ending June 30, 1956, and for other purposes, and that the House receded from its disagreement to the amendment of the Senate numbered 52 to the bill and concurred therein with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had agreed to the amendment of the Senate to the bill (H. R. 7746) to provide tax relief to a charitable foundation and the contributors thereto.

The message also announced that the House had passed a bill (H. R. 7855) to amend the Federal Property and Administrative Services Act of 1949, as amended, to extend until June 30, 1956, the period during which disposals of surplus property may be made by negotiation, in which it requested the concurrence of the Senate.

The message further announced that the House had agreed to a concurrent resolution (H. Con. Res. 196) requesting the return by the President of the enrollment of H. R. 7684, in which it requested the concurrence of the Senate.

(For House Concurrent Resolution 196, see House proceedings of today.)

The message also announced that the House had passed a joint resolution (H. J. Res. 110) placing certain individuals who served in the Armed Forces of the United States in the Moro Province, including Mindanao, and in the islands of Leyte and Samar after July 4, 1902, and their survivors, in the same status as those who served in the Armed Forces during the Philippine Insurrection and their survivors, in which it requested the concurrence of the Senate.

HOUSE BILLS REFERRED

The bill (H. R. 7855) to amend the Federal Property and Administrative Services Act of 1949, as amended, to extend until June 30, 1956, the period during which disposals of surplus property may be made by negotiation, was read twice by its title and referred to the Committee on Government Operations.

The bill (H. R. 7030) to amend and extend the Sugar Act of 1948, as amended, and for other purposes, was read the second time by its title, and referred to the Committee on Finance.

The bill (H. R. 7619) to adjust the rates of compensation of the heads of the executive departments and of certain other officials of the Federal Government, and for other purposes, was read twice by its title, and placed on the calendar.

HOUSE JOINT RESOLUTION REFERRED

The joint resolution (H. J. Res. 110) placing certain individuals who served in the Armed Forces of the United States in the Moro Province, including Mindanao, and in the islands of Leyte and Samar after July 4, 1902, and their survivors, in the same status as those who served in the Armed Forces during the Philippine Insurrection and their survivors, was read twice by its title, and referred to the Committee on Finance.

MERGER OF STREET-RAILWAY CORPORATIONS IN THE DISTRICT OF COLUMBIA—CONFERENCE REPORT

Mr. NEELY. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2576) to amend the joint resolution entitled "Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes," approved January 14, 1933, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report see House proceedings of today.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. ALLOTT. Mr. President, may I ask the distinguished senior Senator from West Virginia to explain briefly what is contained in the conference report?

Mr. NEELY. Mr. President, the distinguished Senator from Oregon [Mr. MORSE], the distinguished Senator from Michigan [Mr. MCNAMARA], and the distinguished Senator from New Jersey [Mr. CASE] constituted the subcommittee which conducted exhaustive hearings on this matter, and I ask them to explain the changes which were made by the conferees.

Mr. MCNAMARA. Mr. President, the House and Senate conferees reached unanimous agreement on the conference report which is now before the Senate for action.

Briefly, the bill, as agreed to in the report, would cancel the franchise of the Capital Transit Co. at the end of 1 year, would terminate the charter, and would authorize the District Commissioners to enter into an agreement with the Capital Transit Co. or other companies to provide mass transportation for the District of Columbia.

The bill would further authorize the District Commissioners to enter into an agreement with the State and municipal authorities of Maryland in the areas now serviced by the Capital Transit Co.

The bill agreed to by the conferees includes the amendment passed by the Senate, the Allott amendment, allowing the continuation of the existing agreement with a small spur railroad which handles freight.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. MCNAMARA. I yield.

Mr. ALLOTT. Does the bill as agreed to by the conferees authorize the Commissioners to bring suits for receivership?

Mr. MCNAMARA. While the bill does not spell that out, that is the understanding, and, from the discussion which took place, there was an indication that was not precluded. The bill is silent on that point.

Mr. President, if there are further questions to be asked, we shall be glad to try to answer them.

I am sure the Senator from Oregon would like to say something about the conference report.

Mr. MORSE. Mr. President, what I wish to do first is commend highly the chairman of the subcommittee, the Senator from Michigan [Mr. MCNAMARA], and the chairman of the full committee, the Senator from West Virginia [Mr. NEELY], for what I think was a grand job which was done in this transit matter.

I want to say also that the Senator from New Jersey [Mr. CASE] made so many fine contributions to a very troublesome problem that I am satisfied we would not be presenting the conference report tonight were it not for the statesmanship he exhibited throughout our very difficult negotiations on this matter.

With regard to the receivership point raised by my friend the Senator from Colorado [Mr. ALLOTT], I wish to say I am satisfied, now that we have given the District Commissioners the power of home rule over transportation problems in the District of Columbia, that they clearly have the right to go into court and seek whatever action they may think the legal facts warrant. If they think there is a basis for receivership, they certainly have the power, in my judg-

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ment, under the bill, to seek the appointment of a receiver by the court.

We have provided for the cancellation of the charter and the franchise. It was of great importance to give the District Commissioners the freedom of action to which the city fathers are entitled to receive from the Congress.

Secondly, we eliminated the section of the bill originally recommended by the Commissioners with respect to seizure, and we adopted two proposals which were made by Members of the Senate in this matter—cancellation of the franchise and the empowering of the Commissioners to enter into contractual relationships with the Capital Transit Co. or other companies to provide transportation in the year which remains before the final liquidation of the franchise.

In the third place, the conferees covered the Allott amendment, which protects the railroad company's contract with the Capital Transit Co., to which the Senator from Colorado referred in his amendment.

I think what we have done—and I want to stress this above all else—has been to prevent the Capital Transit Co. from collecting another dime for the system, which, in my judgment in effect they have already sold three times to the taxpayers of the District of Columbia.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. MORSE. Yes; I yield.

Mr. ALLOTT. I asked the question concerning receivership because I am sure that a great many Senators are interested in the fact that it was the opinion of the committee of conference and their advice that under the bill, as agreed to, the Commissioners would have that power if they decided to exercise it. That was the point which I made a few days ago, and I think it may well turn out to be a very vital point in the proceedings which are going on between the company and the Commissioners and the union.

Mr. MORSE. The Senator will recall he and I agreed that if the bill were passed in the form in which it was being passed, the Commissioners would have that power by implication, anyway.

Mr. CASE of New Jersey. Mr. President, will the Senator yield?

Mr. MORSE. I was going to yield the floor, and the Senator could then speak in his own right.

Mr. CASE of New Jersey. I shall detain the Senate but for a moment. I should like to thank the Senator from Oregon and my other colleagues on the subcommittee and the chairman of the subcommittee for what to me was a most enjoyable experience. There is now a bill before the Senate which I think the Senator from Oregon summed up correctly when he stated that, if enacted into law it will at long last give the District Commissioners the power they ought to have to run the show by themselves. They will have adequate power. They will have adequate power which will affect the sensibilities of no one with regard to very controversial matters.

I believe, too, that the managers on the part of the House should be commended for the very excellent cooperation they gave us, once they understood we were in agreement on the basic objective, namely, the cancellation of the charter and the franchise, and then providing effectively, though not in a controversial manner, for furnishing public transportation service to the people of this city, who have so long been deprived of it through no fault of their own.

Mr. NEELY. Mr. President, every man, woman, and child in the District of Columbia owes a debt of gratitude to the Senator from Michigan [Mr. McNAMARA], the Senator from Oregon [Mr. MORSE], and the Senator from New Jersey [Mr. CASE] for the outstanding service they have rendered in trying to solve the traffic problems, including the strike, which have caused distress to so many persons in this area. These three Senators have my heartfelt thanks, as chairman of the Committee on the District of Columbia, for their outstanding service.

The VICE PRESIDENT. The question is on agreeing to the conference report.

The report was agreed to.

TRIBUTE TO SENATE LEADERS

Mr. MORSE obtained the floor.

The VICE PRESIDENT. The Senator from Oregon.

Mr. FULBRIGHT. Mr. President, will the Senator from Oregon yield me 1 minute?

Mr. MORSE. I yield to the Senator from Arkansas for 1 minute, without losing the floor.

Mr. FULBRIGHT. Before the Senate adjourns, I wish to take this opportunity to express my appreciation to Senator LYNDON JOHNSON, the distinguished majority leader, Senator EARLE CLEMENTS, Senator KNOWLAND, and Senator SALTONSTALL, for the outstanding record they have made in managing this legislative body during this session.

The leadership of the Senate has, I believe, created and maintained a sense of responsibility in the Senate, and has contributed to the traditions and prestige of this body.

I believe there has been less partisanship and more statesmanship in this session than there has been in any session I have seen. This probably is not good politics for the Democrats, but I am nevertheless proud that they have followed this course.

In closing, Mr. President, I am sure that all Senators join me in wishing our leader a speedy recovery. LYNDON JOHNSON has wrought magnificently as leader, and we look forward to his early and complete recovery and return to the Senate.

JOSEPH C. DUKE

Mr. MORSE. Mr. President, before I turn to the subject matter of my principal address, I wish to say that I am sure I bespeak the feelings and views of all my colleagues when I say that in the closing hours of this session, all of us miss the presence of our exceedingly able Sergeant at Arms, Mr. Joe Duke. I think most Members of the Senate know for the past few days he has been in Emergency Hospital, as the result of an emergency appendicitis operation, but is "up and at 'em" again.

Too frequently, Mr. President, I think we overlook the many courtesies and services which are extended to us during the session by the very able staff members of the Senate. I do not know of anyone who has exceeded Mr. Duke in willingness at all times to be cooperative and to extend to us every possible courtesy and service we need. I know that all my colleagues in the Senate wish him a very speedy and complete recovery from his operation.

Mr. President——

The VICE PRESIDENT. The Senator from Oregon has the floor.

THE IMPORTANCE OF MEETING THE CRISIS IN AMERICAN EDUCATION—ORDER OF BUSINESS

Mr. MORSE. Mr. President, I wish to address myself to a subject which I believe needs more attention at this session than it has received, namely, the importance of meeting the crisis in American education.

As I have always done, without a known exception, Mr. President, whenever I have a speech to make on a subject not related to the immediate business before the Senate, I am always willing to yield for the transaction of Senate business, with the understanding that I shall not thereby lose my right to the floor.

I understand that the executive pay bill is ready for consideration by the Senate. I certainly would not cause my colleagues to wait for the consideration of that bill while I made what I regard as a very much needed plea for the school-children of the United States whose welfare in my judgment the Congress has almost completely overlooked, and in regard to whose problems I believe a record needs to be made in the closing hours of this session of Congress.

But I shall be very happy to yield for the transaction of business on the executive pay bill and for the transaction of any other legislative business the Senate may desire to consider before adjournment, if the Senate is ready to consider it before I complete my speech; but I shall yield for that purpose with the understanding that I shall not thereby lose my right to the floor.

Mr. CLEMENTS. Mr. President, I ask unanimous consent that the Senator from Oregon may be privileged to yield with that understanding.

Mr. RUSSELL. Mr. President, what is the understanding?

The VICE PRESIDENT. The Senator from Kentucky has requested unanimous consent that the Senator from Oregon [Mr. MORSE] may yield the floor, for the purpose of consideration of the executive pay bill or any other business of the Senate, but with the understanding that thereby he will not lose the floor.

Is there objection? Without objection——

Mr. RUSSELL. Mr. President, I do not feel warranted in agreeing to unanimous consent for the consideration of

the executive pay bill, at the present time, if that is proposed to be done by unanimous consent. Of course, by motion, the bill can be brought up. But under the circumstances, I shall object.

Mr. MORSE. Mr. President, under those circumstances, I certainly will not be placed in the position of having my speech come ahead of any legislative business of the Senate.

The hour is still early, for me. So I shall yield the floor. I am sure the acting majority leader will protect my rights, insofar as concerns enabling me to obtain the floor at a later hour.

Therefore, Mr. President, I yield the floor.

PERSONAL STATEMENT BY SENATOR SMITH OF MAINE

Mrs. SMITH of Maine. Mr. President, I have just received a message that because of the stand I took on the cases of the Parliamentarian and others, the resolution to equalize pay raises between the House and Senate press, radio, and periodical galleries will not be brought up. I wish to assure the acting majority leader that I will support this resolution, and hope it will be brought to a vote, as promised.

MESSAGE FROM SENATOR JOHNSON OF TEXAS

Mr. CLEMENTS. Mr. President, I hold in my hand a statement from the majority leader, the distinguished senior Senator from Texas [Mr. JOHNSON], which I should like to read to the Senate:

MY COLLEAGUES: On this closing day of the session, I want to express to each and every one of you my deep gratitude and my warm appreciation for the cooperation you have extended to me, and for your friendship.

Everyone of us can be proud of the record of this Congress. It has unified the country during one of the most critical periods of our history. It has brought Americans together in a common effort to preserve and promote the security and the freedoms of our Nation. It has cast aside mean and narrow partisanship, so the United States could speak at the very summit of world leadership with a strong and unified voice. This achievement alone would be enough to justify a special place in history for this session.

There have also been far-reaching steps in domestic legislation, which I intend to review at a later time.

During the past few weeks, I have been confined to a hospital room, with little to occupy my mind, other than reflection. During this period, it has been brought home to me with increasing intensity how generous and kind all of my colleagues and all of the Senate employees have been to me, not only during my illness, but during the entire session.

In a very real sense, the record of this session is a cooperative record. It represents the collective wisdom of all 96 Senators; the collective desire to cooperate with the majority leader in a difficult and exacting situation; and the collective willingness of the Senate employees to spend long, arduous hours.

I shall never be able to find adequate words that will fully express my deep sense of gratitude and affection to all those who have been so wonderful. I can merely say that I thank you all from the bottom of my heart.

LYNDON B. JOHNSON.

[Applause.]

Mr. SALTONSTALL. Mr. President, will the Senator from Kentucky yield to me?

Mr. CLEMENTS. I am pleased to yield.

Mr. SALTONSTALL. It seems to me that it would be appropriate to request the acting majority leader, on behalf of all Members of the Senate, to wish our distinguished majority leader, the senior Senator from Texas [Mr. JOHNSON], a speedy recovery, and to express for all of us the hope that he will be back with us in January. I ask the acting majority leader to convey that message to him.

Mr. CLEMENTS. I assure my friend, the Senator from Massachusetts, that it will be an honor to convey the message; and I know the distinguished majority leader will be happy to receive it.

ACCOMPLISHMENTS OF THE FIRST SESSION OF THE 84TH CONGRESS, AND PERSONAL TRIBUTES

Mr. CLEMENTS. Mr. President, we are rapidly approaching the final hour of the 1st session of the 84th Congress, a session resulting in new legislative achievements for our country. Here, in this historic Chamber, we have transacted more of the Nation's legislative business in less time than has any other session in my memory. This is the 104th day of the session. As of this morning, we had met a total of 544 hours and 41 minutes. We used this time well, as these few statistics will indicate: We passed 618 general bills and 535 private bills, and we confirmed 40,779 Presidential nominations.

In the 7 months we have been in session, we have enacted legislation that will affect—and profoundly so—the peace and security of the world, and the economic well-being of our country. In this session we concerned ourselves with large questions—with the defenses of our country; with her military might; with her natural resources. We have enacted legislation that will further her business dealings with other nations, and we have passed measures that are important to America's present, and to her successful future.

This session was notable for the cooperative spirit that narrowed the aisle of partisanship and bridged the distance between the Capitol and the White House. We have dealt fairly with the President at all times. When we opposed his recommendations, that opposition was made in the name of conscience—not of party. Our concern, our sole concern at all times has been to serve our country.

We have accomplished many things of which we can be justly proud.

We have established a fine record on foreign policy. We extended the Reciprocal Trade Act, the enlightened concept of the late Cordell Hull.

We have, in this session, brought the minimum wage to a realistic level that is compatible with the needs of the worker.

We enacted the mutual-security program providing economic and military programs to aid our friends and allies. The quick action in this Chamber on the Formosa resolution told the world that the American people were united in their opposition to communism and aggression and that partisanship would not interfere with that unity. We ratified several treaties—the Austrian Treaty for one, which cleared the way for the summit meeting. We approved funds to hold the Marine Corps at the present level, and we enacted a military Reserve program. As part of the overall program we passed legislation which provided incentive pay raises for our armed services, and we enacted several measures which were of assistance to the farmer, including the extension of a loan program for farmers and stockmen hit by the recent drought; and the revision of the formula for REA loans. Other measures were meaningful to small-business men, to veterans, and to housewives.

In the Senate we passed a highway bill that represents a huge step forward, and I believe the 84th Congress will take affirmative action on this matter before the 2d session of the 84th Congress passes into history.

While I believe the accomplishments of this session of the 84th Congress highly creditable, there is, in addition to a highway bill, a substantial amount of other important legislation to be acted upon next year. We shall have farm legislation, with a careful reexamination of our price-support structure. We have a veterans' survivorship benefits bill, a customs simplification bill, and a life-insurance tax bill in our Finance Committee which should be acted upon next year. There will be legislation on school construction; in the field of atomic energy peacetime development, as well as legislation to improve and further develop our medical sciences. I anticipate action on health legislation and, as I have stated on the floor today, consideration by the Congress of sugar legislation which has but recently come to this Chamber from the House.

We have this session devoted careful thought and thorough deliberation to the Nation's need for a housing bill that would be reflective of the forward-looking views of this body. Next year it is quite likely that the Congress will take another look at this important legislative matter.

I have mentioned some of the work we have done. Now let me mention the men who made it possible for us to get the work done and to the credit of the country. This session has been blessed with two fine leaders—the distinguished majority leader, LYNDON B. JOHNSON, of Texas, and WILLIAM F. KNOWLAND, the distinguished minority leader. In a few moments I should like to speak further of Senator JOHNSON, my friend and colleague, and of Senator KNOWLAND. I salute all the committee chairmen. Their work made the achievements of this session possible. The laws we have enacted reflect the experience, wisdom, and abilities of these men.

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I have mentioned the cooperative spirit that has characterized this Congress. It is an inspiring thing that here—in this Chamber—men can disagree on details, on concepts, but work so effectively together on the fundamentals. I am aware that at times my colleagues on the minority side of the aisle have been in opposition to some of the legislation I have mentioned, but they opposed it in a constructive spirit, based on principle. The result of the cooperative spirit in this session has been a Congress free of bitterness, devoid of rancor, barren of petty strife.

I am not ashamed to stand before you and tell you how deeply fond I am of the Senate, and of the affection I have for my colleagues. I have particular reason to know their generosity, their kindness, and their good will. During the past few weeks, I have served as stand-in for LYNDON JOHNSON. All of you know the responsibilities of his position which I endeavored to fill in his absence. I want you to know how grateful I am for your tolerance, your forbearance, and your sincere cooperation.

As this session nears its close I should like to pay tribute to some of the men to whom we all owe so much. No Senate could have a finer secretary than Felton M. Johnston. No majority could have a secretary who works harder or who is more capable than Bobby Baker.

I can look around this Chamber and see many others without whom our job would be so much more complex, our tasks so much heavier. I should like to name our wise and experienced Parliamentarian, Charles L. Watkins, and his scholarly assistant, Floyd M. Riddick. Our beloved Chief Clerk—and my college classmate—Emery L. Frazier, and our journal clerk, Edward J. Hickey; our experienced executive clerk, Lewis W. Bailey, and our legislative clerk, Edward E. Mansur, Jr.; the assistant journal clerk, Bernard V. Somers, and the registration clerk, James L. Johnson. Without exception these men are public servants of the highest caliber.

I should like to mention Gerald W. Siegel, general counsel for the Majority Policy Committee, who has been of such help to the majority leader and to me. His counsel has been invaluable these last weeks.

Permit me to name a few others: Joseph C. Duke, our respected and capable Sergeant at Arms, who is now in the hospital. I know we want him to know how much we all appreciate the efficient way he has managed the Senate wing of the Capitol. He is a man to whom detail is important, and he sees to it that all the details are swiftly and efficiently disposed of.

There are scores of other men who have been helpful to us, including William H. Wannall, our printing clerk, who took over the reins so capably when our beloved Guy Ives passed away. I would also mention the official reporters who possess the highest degree of skill attainable in this difficult and exacting profession.

I wish I could properly thank the scores of hard-working men and women, both of the majority and of the minority, who work for us. They all are deserving of the appreciation of the country, and its warmest regards.

In closing, I should like to pay special tribute to two men.

WILLIAM KNOWLAND, whom I am proud to number among those I call friend, has been outstandingly cooperative and helpful to me in my role as the acting majority leader. His help was freely given and of the same high sort that he gave the majority leader. I have never been one to wish for the growth of the Republican Party, but if there must be Republicans, they can have no finer leader than BILL KNOWLAND. [Applause.]

Now, I want to talk about the man who personifies the highest traditions of the Senate—Senator LYNDON B. JOHNSON of Texas.

LYNDON JOHNSON is to a great extent the architect of the achievements of this session.

LYNDON JOHNSON is a man of high purpose—and this session has been a session of high purpose. LYNDON JOHNSON is a man who believes that cooperation is the cornerstone of progress—and this belief gave this session strength.

All have felt his absence during these closing, climactic weeks. As his substitute, as his pinchhitter, I have felt his absence most keenly. We all regret that he cannot be with us today. But we know that in January he will return, and that once again, at this desk, he will be the leader of the majority party in the Senate. His return will be applauded, not only by the Senate, but by the Nation as well.

I have asked the authorities at the Bethesda Naval Medical Center to prepare for me the latest report on his condition. I know Senators will be interested in it, and I should like to read it now:

> Senator LYNDON B. JOHNSON'S condition continues to be satisfactory. He will be discharged from the hospital in the very near future for his home in Washington. He will rest at his Washington home for a few weeks before returning to his home in Texas.

We note from this report that he will be discharged in the very near future. We note that the doctors are already planning his trip to Texas, and all of us can rejoice in these encouraging signs.

But those of us who have seen him at the hospital know of even more encouraging signs. We have found him a man serene and confident, facing the future with quiet courage and with the determination that has characterized every act of his life and which will bring him back to the Senate as energetic and as strong as ever.

The medical men tell us that the heart is an organ composed of fiber and tissue. But we know the heart is also made of courage and moral fibers; of love and affection; of all the qualities that make a man. Those parts are as sound in the heart of LYNDON JOHNSON as they ever were. They are the factors which have made him a good man, a beloved man, and a great leader.

As an individual I am thankful that I can partake of the friendship of this man. As an American, I am thankful that he is a part of this great body, to serve us in these crucial times.

I look forward to his return in January and the beginning of the 2d session of the 84th Congress, which will complete the work initiated this year and which will deal with other responsibilities that will be ours in that session.

As we go down the road these last few hours—and perhaps I am optimistic in saying they are the last few hours—I wish to express my deep gratitude and appreciation to all. I want to say that I will miss you and that I am looking forward to next January, when we can once again assemble in this Chamber and do the job that is expected of us by a great country. [Applause.]

Mr. KNOWLAND. Mr. President, first, I wish to join with the acting majority leader in wishing an early return and a complete recovery to the majority leader, LYNDON JOHNSON.

As I pointed out earlier in the day, the Senator from Kentucky [Mr. CLEMENTS], the acting majority leader, and I visited Senator JOHNSON on Sunday last. We found him in excellent spirits and looking forward, first, to a rest in his native State of Texas and then to a return to the Senate.

I also join my colleague across the aisle in paying tribute to the very outstanding and excellent group of men who serve us at the desk and those who represent both the majority and minority parties. Then I would pay tribute to our own Mark Trice, the former Secretary of the Senate and now the secretary for the minority; our own Bill Brownrigg, his able assistant; and Bill Reed, and others, who assist us; and the Democratic and Republican pages, who serve us so ably and so well.

I also wish to pay tribute to the official reporters of debates, without whose efforts we would not be able each day to review the proceedings of the preceding day. They work diligently for long hours, as long as the Senate is in session, with a high sense of obligation and duty in keeping a verbatim record of the Senate proceedings.

I would not wish this moment to pass without also paying tribute to what I believe has been a very able job done by my colleague, EARLE CLEMENTS, who was precipitated into the job of majority leader. I believe I know something of the problems which he faced in coming unexpectedly into that position of great responsibility. He has discharged his obligation ably and well. I have had the same pleasant working relationships with him that I had with the majority leader, LYNDON JOHNSON, and I know they will continue.

We have faced many problems dealing with foreign relations, on which the center aisle does not divide us, and which we face as Americans, not as bitter partisans.

This session of Congress has had a substantial record of accomplishment, although there are many things we would like to have accomplished which have not been accomplished. We hope they will be taken care of at the next session.

The Senate must still pass on some pending business before the Senate, and I do not intend to prolong my remarks.

I also wish to express my appreciation to the Members on this side of the

aisle for their very fine and cordial cooperation we had in the difficult and trying days that have passed, and to the Members of the Senate on the other side of the aisle, who have also been thoughtful and considerate in the many day-to-day problems which those who occupy the two front seats on the aisle must face.

I wish all a most successful vacation, and I hope all will return to the Senate refreshed and able to carry on the great work of the Senate. [Applause.]

Mr. KERR. Mr. President, like the other Members of the Senate, I have been delighted and charmed by the eloquence and warmth and spirit of good fellowship which have emanated from the two distinguished leaders of this body. I beg the indulgence of the Senate for my limited remarks. There will be no lack of affection in what I have to say to my friends on the other side of the aisle.

However, my keen sense of duty to my State and to the Nation impels me to say a few words which may not be so kind as some of the words the two leaders have said to each other. The words of each to the other were fully justified. The Republicans have had no greater leadership. Certainly no man in the Senate to my knowledge has ever stepped into the very important position of acting leader of the Democratic Party in the Senate and filled it with more ability, more dignity and greater effectiveness than has the great senior Senator from Kentucky [Mr. CLEMENTS].

When we started the session, Mr. President, we did so under the slight cloud of the intimation by the President of the United States that the Democratic Party might wage a cold political war upon his administration. I wish the RECORD to show that the history of this Congress does not bear out that charge. Rather, Mr. President, the Democratic Party in this Congress has lived up to the highest traditions of its concept of responsibility and statesmanship in high office.

Mr. President, our hearts have been thrilled during the past weeks by the belief that much good has come to our country and to the free world from the meeting at the summit at Geneva.

Mr. President, had it not been for the Democratic leadership of this Congress the President of the United States would not have been there, nor would he have been as strong as he was when he went there. I do not take from the credit due him, Mr. President, nor will this Nation ever forget the voice of the great Senator from Georgia [Mr. GEORGE] as he continued to sound the declaration of need and the challenge to the President of the United States to bring about a meeting at the summit with the leadership of our two great allies and Soviet Russia. The leadership of this party in the Senate, with the great GEORGE of Georgia calling the signals, in many ways demonstrated the solidarity of the Congress of the United States on the question of foreign policy and national defense, presenting conclusive evidence of a united people and a united Congress behind their President.

Mr. President, there has been more accomplished and less said in this Congress under the leadership of the Democratic Party, than in any Congress I can remember; and, certainly, there has never been anything like it in the history of our country when the White House was controlled by one party and the Congress by the other party.

Mr. President, as we go home we have much for which to be thankful. Our people know that there have been mistakes and blunders and failures in the administration, at the White House. The American people will long remember and never condone the terrible blunder of the Dixon-Yates fiasco, and the attempted cover up in connection with it. The country will long remember the cut-rate, penny-pinching policies of the Defense Department with reference to the Air Force, until, nudged, urged, and challenged by the Democratic leadership in the Congress, they were compelled by necessity to move expeditiously to solve the problem.

As we go home, Mr. President, there will be ringing in our ears the echo of the lonesome wail of unethical businessmen in high places. Over and above all else, Mr. President, the American people will never forgive the Republican administration for the blundering committed and for the continued impoverishment of the American farmer. Only last month, after the income of farm families had steadily gone down for 30 months, farm income decreased another 2 percent. I care not how high stocks go on the stock market; I care not how many millions of dollars are earned after taxes by American industry; I care not what progress is shown in accelerated payment of dividends by prosperous business, the economy of this country will never be in a sound condition until the Government of the United States improves the economic environment of the American farmer.

I hope, Mr. President, when we return in January, the meeting of that need and the solving of that problem will be No. 1 on the agenda of the Congress.

Mr. President, one of the strongest weapons our President had at Geneva was his knowledge and the world's knowledge that this country had a vast surplus of food, feed, and fiber.

No race of people on this earth can carry tyrants on their backs when their bellies are empty. Tonight stark famine stalks many of the areas in Red China and threatens in Red Russia. One day the people of this country will be thrilled by the knowledge that because of the great productivity of American farms and the outstanding ability of American farmers, we and we alone on this earth possess an abundant reserve and surplus of food and feed and fiber.

Mr. President, I wish to pay a tribute to the distinguished Senator from Kentucky [Mr. CLEMENTS] for his ability, his generalship, his friendliness, his forthrightness, and his energy. The only way in the world in which he has impaired his standing with me has been by his behavior which at times approached the attitude of a slave driver. He has exacted work when leisure would have been more desirable—and I am not quite sure but what it might have been just as effective. But he has driven and striven to carry out the policies of our distinguished leader from Texas, and he has certainly done it in a matchless way.

Mr. President, now that I have performed my duty with respect to some of the blunders of the Republican administration, I wish to pay a compliment to their distinguished leader in the Senate. If we should meet our Republican friends in a land where there was no politics, we would fall in love with most of them. It is only when they devote themselves to partisan politics that their defects become apparent, and they are like a blazing July or August sun in Washington in a summer when new heat records are being made and old ones broken. They are a delightful group; and, since we have to have an opposition party, one could not go around the world and find a better one. [Laughter.]

I wish to express my appreciation to them because at times when, in their rare lucid political intervals, they gave evidence of moving forward toward some worthy objective, and created concern and worry on this side of the aisle, then, lo and behold, out of the gratitude of their hearts, or because of some other element, to which in my genial mood I will not refer, they committed this blunder or these blunders, which demonstrated their political mortality and lack.

I, too, look forward to the return of the distinguished senior Senator from Texas, LYNDON JOHNSON; he who gave to America a new concept of responsibility in political leadership; he who accomplished more, shall I say, without a majority; he who maintained the status and posture of a majority leader without having a majority.

I say now, Mr. President, that if we make it through the next year, maintaining this slim majority, and come back in 1957 with the majority I visualize, we will have who knows what accomplishments under the leadership of the great LYNDON JOHNSON and all who have contributed toward aiding him.

I ask unanimous consent to have printed at this point in the RECORD a few sample editorials and newspaper tributes to the great LYNDON JOHNSON.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the London Times of July 28, 1955]

A TRANQUIL SESSION

President Eisenhower has returned from Geneva just as Congress is preparing to go home. In so hot a summer, the legislators are not likely to prolong their stay in Washington beyond next week. The end is thus in sight of the 1st session of divided party responsibility which the President, in a flash of campaign exaggeration last autumn, suggested would lead to a domestic "cold war" between the Republican Executive and a Democratic Congress. In this respect the President has, no doubt to his own satisfaction, proved a poor prophet. Congressional business has gone more smoothly with the Democrats in control than it has for many years, certainly more smoothly than it went during the preceding 2 years when the Republicans were in charge. This is not quite as remarkable as it seems on the surface, for the President in foreign affairs is pur-

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suing the general lines laid down by his Democratic predecessors and at home has accepted the broad outlines of the Fair Deal. But for a session of considerable accomplishment and little hard feeling much of the credit must go to the skillful leadership, tact, and responsibility of Mr. LYNDON JOHNSON, the Democratic leader in the Senate, now unfortunately laid low with a severe heart attack.

Constructive opposition has been Mr. JOHNSON'S watchword, and in this spirit Congress has accepted, even if it may have altered in detail, the major proposals of the White House. This has been particularly true of international matters. The Reciprocal Trade Agreements Act has been extended; the Paris pacts and the Austrian treaty were ratified without demur; and the full amount requested for foreign aid—$3.5 billion—has been authorized. The final appropriation will not be quite so generous, but it was accounted an administration victory when the Senate approved expenditure of $3.2 billion. The House voted only $2.6 billion, but this cut was due more to pique with the Department of Defense than to dissatisfaction with the aid program, in which the United States has invested $51 billion since the war. The compromise figure of $2.7 billion which emerged from conference yesterday may not be far from the President's expectations. Two other bills affecting the outside world are less certain of action in this last rushed week: the customs simplification bill, which is still bogged down in a Senate committee, and the amendments to the Refugee Relief Act.

Congress has, however, accepted the administration's view that in defense, increasing emphasis should be placed upon air power and nuclear weapons, despite the disquiet of some Democrats and the obstinate insistence of successive Army Chiefs that the effect is to create unbalanced forces which may be unable to cope with localized conflicts. Where Congress has fallen down sadly is in the provision of Reserve training. The administration proposed a reduction in manpower in the Regular forces on the understanding that Congress would so reorganize the defective Reserve system that by 1960 nearly 3 million trained men would be available in an emergency. Unfortunately, neither left-wing Democrats nor right-wing Republicans have been willing to accept fully the element of compulsion which this would require, and the measure which Congress passed last week is regarded as rather less than half a loaf.

Agreement and action have been harder to achieve on the domestic front. This is not because the congressional Democrats disagree with the President on the need for Federal aid for schools, or for more help for housing, highways, and the health programs. Very often the Democrats are prepared to go further than the President; for example, he asked for the minimum wage to be raised from 75 to 90 cents, but Congress has fixed it at a dollar an hour. The Senate approved a much larger program of Federal housing than the President had proposed, although this has run into trouble with the conservative Rules Committee of the House. The disagreement is more over ways and means. Many Democrats consider the scheme for Federal reinsurance of private health insurance plans to be inadequate. The White House proposal to finance new roadbuilding outside the Federal debt by creating a new corporation able to issue its own bonds has been turned down. A similar scheme for stimulating the construction of schools without direct Federal outlay (by Federal support for local school bond issues) has been much criticized and it is unlikely that anything will be done at this time to meet the mounting needs of education, which in the United States has always been a local not a Federal responsibility.

In a tranquil session of Congress, and with the country enjoying unprecedented prosperity, none of these issues has caused much bitterness or controversy; none looks like becoming a promising election theme for the Democrats. Such an era of good feeling, pleasant in itself, arouses disquiet among some Democrats, who see very little that they can set, next year, against the massive Republican assets, which include not only peace and prosperity, but—if he chooses to run again—the immense personal popularity of President Eisenhower. It is not surprising, therefore, that the Democrats are determined to make the most of the administration's blunders and evasions over the now cancelled Dixon-Yates contract for electric power and the Talbott affair.

[From the Louisville Times of July 7, 1955]

AN ABLE HAND AT THE SENATE SHIP'S HELM

Washington has no more perceptive reporter of the activities and attitudes of the United States Senate than William S. White, of the New York Times bureau, Pulitzer prize biographer of Robert A. Taft.

After Majority Leader JOHNSON was stricken ill last weekend, Mr. White noted: "All significant wings of the Democratic Party long have acknowledged that the Johnsonian leadership has been almost matchless in terms of tactical skill and in giving the Democrats a new and almost monolithic unity on nearly every high occasion."

This is the truth, and we think it worth adding that neither Mr. White nor anyone else doubts that the course set by Mr. JOHNSON will be steadfastly maintained during the remaining month of the session.

[From the Waukesha (Wis.) Freeman of July 9, 1955]

JOHNSON'S AILMENT UNDERLINES PRESSURE

The heart ailment which has forced Senator LYNDON JOHNSON to temporarily surrender his Democratic leadership in the Senate stresses once again the pressures of public life.

JOHNSON has represented Texas in Washington as a Member of either the House or Senate since 1936. He became a Senator in 1948 by the margin of 87 votes. His most recent victory in 1954 was by a majority of more than 400,000 votes.

As leader of the Democratic Party in the upper House, JOHNSON'S duties lay in both supporting and opposing a Republican President. He had to contend with Members of the opposition and mavericks in his own ranks. He had to enforce party discipline in close votes. His position called for almost 24-hour duty while Congress was in session.

Besides performing the necessary duties as a Senator, JOHNSON had to function as a political leader. This required speeches to various Democratic gatherings, meetings with newspaper and radio personnel, and attendance at required Washington social functions.

Too often in this country, the politician has been the butt of snide and critical remarks. In too many cases, the Senator or Representative is pictured as having a "soft" job. But no position is easy where dissenting factions must be satisfied in addition to caring for the needs of constituents.

JOHNSON had been expected to play a prominent role in next year's presidential picture. He had been mentioned as a possible choice for second place on the Democratic ticket. The present state of his health may curtail these ambitions.

[From the Salisbury (N. C.) Post of July 20, 1955]

GESTURE OF FAITH

Although press wires, burdened with news about flickering relations between man and man, could mention the incident only briefly, the Members of the United States Senate rose the other day for a minute of silent prayer for the recovery of Senator LYNDON B. JOHNSON of Texas, then lying at death's door with a heart ailment.

This brought at least for the moment the relations between man and his God to the fore, and temporarily made man-to-man dealings seem rather incidental.

It is historical, of course, that the Senate has a Chaplain, currently the Reverend Dr. Frederick Brown Harris, until recently pastor of the wealthy and socialite Foundry Methodist Church in Washington, who opens each Senate session at noon with a carefully composed prayer. It is just as traditional that various men's and women's clubs and other organizations here in Salisbury have chaplains and initiate meetings by listening to a prayer.

Yet it is valid to presume that when all the Senators stood the other day, men of varied religious faiths and fealties, each voiced silently in his own heart his own individual prayer to his own individual concept of a Supreme Being. This was a precedent for the Senate, and the incident merits attention by other groups of people. It merits recording in some foreign capitals which know America's splendid claims to religiosity and moral leadership but often have cause, when reading of nonreligious actions by some of our people, to wonder how validly we practice our precepts. It has been a long time since George Washington prayed at Valley Forge and added that appealing demonstration to our rather meager historical chronicles of divine supplication by our country's leaders. The Senate has now provided another, and it should not pass unnoticed.

[From the Daytona Beach (Fla.) Journal of July 8, 1955]

WHEN A LEADER IS STRICKEN

The Democratic majority under the leadership of Senator LYNDON JOHNSON put the interests of country ahead of party considerations in passing on recommendations submitted by President Eisenhower. Especially was this the guiding motive in proposals affecting our foreign relations. The high ground on which the Democrats stood brought increased stature to the tall Texan on whose shoulders rested the responsibility for uniting Democratic Senators into a smooth, effective, working organization.

The Democratic majority in the House showed an equal record of patriotic approach to the issues favored by the President. By their votes Democrats effectively answered the fallacious election prediction of Eisenhower last year. Appealing then for a Republican Congress, the President said if Democrats took control it would mean a "cold war" between the Legislative and Executive branches of the Government. Democratic candidates denounced this statement as a reflection on their patriotism. The voters took them at their word for they returned Democratic majorities in both the Senate and House.

When the Republicans dominated the 83d Congress major parts of the President's foreign program would have failed if Democrats hadn't come to his aid. The Republicans were so torn by internal dissension they were unable to present any effective party organization in either branch. Democrats put through the worthwhile parts of the President's recommendations.

Senator JOHNSON accomplished party harmony by his tactful work behind the scenes. It wasn't an easy task he faced when the present session began. Democrats had a 49-to-47 margin over the Republicans. This two-vote lead was due to Senator WAYNE MORSE, of Oregon, voting with the Democrats and later changing his party affiliation

to conform. STROM THURMOND, of South Carolina, won in the general election as a write-in candidate over the regular Democratic nominee. JOHNSON had to walk a tight rope but he did it without apparent effort. One defection and Vice President NIXON would break the deadlock with his Republican vote.

JOHNSON first won election to the House from Texas as a follower of the late Franklin D. Roosevelt. Later he was appointed assistant party leader of the Senate and then assured the majority post with the approval of the northern liberals and southern conservatives. In making up committee selections JOHNSON influenced several southern Senators to relinquish some of their important posts to make way for northerners. The result was every Senator drew at least one important committee assignment. JOHNSON's diplomatic talents in the meantime had undergone a successful test.

The country was shocked last Saturday at the news Senator JOHNSON had suffered a severe heart attack. His condition has improved but doctors say his hospitalization will be prolonged and his absence from the Senate will be indefinite. Expressions of regret at his illness and hopes for his recovery have come from men and women in all walks of life without regard to party. The Senate paid him an unusual and moving tribute by standing 1 minute in prayer for his recovery. It was done on motion of Senator LEHMAN, Democrat, of New York.

Some JOHNSON admirers were boosting him for President on the Democratic ticket just before he was stricken. But more experienced observers tagged JOHNSON as a more likely favorite for Vice President on a ticket with Adlai Stevenson. It's generally admitted Stevenson can have the Democratic presidential nomination if he wants it next year. While JOHNSON and Stevenson don't see eye to eye on all issues, party leaders favoring them say it wouldn't be difficult to draft a platform mutually agreeable to them. Although generally affiliated with the conservatives in Texas, JOHNSON's political rise came through his support and advocacy of New Deal principles, none of which he has publicly repudiated.

Now politics must be laid aside while the country hopes and prays for the recovery of the Texan. His age, 46, is in his favor. He has the best medical care and attention. We join millions of other Americans in the hope JOHNSON may be spared to give the Nation more of the type of public service which made him one of the outstanding Members of the United States Senate.

W. F. C.

[From the Nashville Tennessean of July 13, 1955]

SENATOR LYNDON JOHNSON

For the Democratic Party and, in fact, the American people, there is encouragement in news that Senate Majority Leader LYNDON JOHNSON is on the way to recovery from a coronary attack.

For it does not require a partisan viewpoint to acknowledge that this hard-working and even-tempered Texan strove prodigiously to steer the "loyal opposition" along its sensible course at the present session. That he was a middle-roader with a sense of restraint was not always pleasing to some colleagues. But he managed to maintain a remarkable cohesion in the ranks and, when the achievements are added up, the sum total reflects credit on his policies.

Like others in the Senate, Mr. JOHNSON did not spare himself and the result is that he must face a long period of convalescence. He is not only immobilized as a lawmaker but the blow also has fallen at a time when he was being mentioned as a candidate for the Presidency. And even though the nomination may not have been attainable at the next party convention when the Democrats of Texas will be split wide open he has reason to feel doubly disappointed by the untimeliness of his seizure.

Cut off from the political activities in which he found so much satisfaction, Mr. JOHNSON can rest assured that the leadership, passing to Senator EARL C. CLEMENTS, of Kentucky, rests in good hands.

The hope is widespread that the popular Texan will be restored to full health and so enabled to resume his important duties in due time.

[From the New Orleans States of July 28, 1955]

POPULAR SENATOR

Felled by a heart attack early this month, Senate majority leader LYNDON B. JOHNSON, of Texas, has been receiving get-well messages at the rate of nearly 2,000 a week. Forty percent of them have been from other than Texans.

That is an unusual testimonial to the popularity and quality of leadership of the man who has kept this Democratic Congress in line and reasonably productive.

A young man as Senators run, JOHNSON has assurances from his physicians that his recovery will be complete and his heart will not be permanently impaired. Despite his illness, there is still talk which would see him in the running at the 1956 Chicago convention.

If doctors do not cut short his political career, the 46-year-old Democratic floor leader will have to change his method of operation from mastery of detail to concentration on overall strategy and policy. And that, say some who know him well, could groom him better for Chicago.

[From the South Bend (Ind.) Record of July 8, 1955]

COLLABORATION, SO-CALLED

The heart attack suffered by Senator LYNDON JOHNSON, of Texas, majority leader in the Democratic United States Senate, would seem to remove him from all possibility of his being a Vice Presidential nominee of his party next year.

As majority leader his policy of recommending for passage bills that seemed to have merit even though they were recommended by the executive department under the leadership of a Republican President, makes him worthy to be called a statesman as distinguished from being just a politician, though there is no reason why one cannot be both a good politician and statesman. But statesmanship in our dictionary means wisely espousing measures which appear best for the whole country, regardless of party.

This a Member of the great Senate of the United States is called to do; whether it is always done or not is another question. It was clearly the policy of Senator JOHNSON to insist on passage measures he thought good for the whole country regardless of whether they were sponsored by the Republican President or not. Since Ike does not have much of a set policy of his own, but seems to pull many of his measures out of a political grabbag, he could not always be wrong.

Senator JOHNSON as a legislative leader responded to the larger call of duty and avoided expediency and opportunism. In doing so he furthered his party's record as one of construction and not just criticism. This is proper for the great Democratic Party, oldest in the Nation, and that has come down to us from the days of the Founding Fathers. No matter how his present illness may affect his future ability to serve, he has already been of great service to his country and party. His misfortune accentuates this.

[From the High Point (N. C.) Enterprise of July 15, 1955]

SPARE HIM THAT

Senator ERVIN's suggestion that LYNDON B. JOHNSON become the Democratic nominee for President next year would appear to discount seriousness of his recent heart attack.

Hospitalization of Senator JOHNSON following a heart attack points up again the stress public service imposes upon those to whom the Nation entrusts high office and responsibility. At 46 Senator JOHNSON appeared robust enough to carry the load, but the drain of his post as majority leader was too much for his strength and he faltered under that load.

It is a fearsome price this country pays for imposition upon its public figures. Senator Robert A. Taft succumbed soon after taking over majority leadership, and earlier Senators Joseph T. Robinson and Kenneth Wherry died while shouldering that responsibility. On the House side, where strain is greatest upon the Speaker, there was a succession of deaths among presiding officers as the Roosevelt administration was getting underway with its overload of congressional work. These undue burdens upon party leaders in both Houses of Congress are frightening, but the suggestion that would project Senator JOHNSON into the Presidency calls for the observation that's no place for anyone without the strongest heart and constitution.

We need to find a way for protecting our leaders, but advancing a man to the Presidency is hardly relief from pressure as we can see it.

[From the Gibson City (Ill.) Courier of July 14, 1955]

SENATE WILL MISS JOHNSON

The absence of Senator LYNDON JOHNSON, Democratic leader in the Senate, will be felt keenly during the remainder of the session. Many observers believe him to be the most effective leader in the history of the Senate. A Democrat who won his first Senate nomination in Texas by only a few score votes, he has matured remarkably.

His work has been largely to bring together the two wings of his party. On a great many questions he has supported President Eisenhower, although not to the extent Mr. Eisenhower wishes.

In the Republican leadership there is much to be desired. Actually, Mr. Eisenhower is getting more from the Democrats than he did last session from the Republicans. The reason is that most Republican chairmen were of the old conservative wing—antagonistic to the President. They bottled up much of his legislation.

While Senator JOHNSON and his Democrats have used every trick of the trade to give the political advantage to their party, yet the President has not had to fight the reactionaries of his own party. Senator KNOWLAND, the Republican leader, has disagreed with a good bit of the President's program. It made one wonder at times if he were the leader for or against the President.

Senator JOHNSON is a reasonable and able man.

[From the Camden (S. C.) Chronicle of July 12, 1955]

SENATOR LYNDON JOHNSON

There is general regret over the illness of Senator LYNDON JOHNSON, the Democratic leader in the Senate. As majority leader in the Senate he has managed to keep the leftwingers in the party from running wild and has kept away from the civil-rights legislation and other hotly controversial legislation which the leftwingers would promote.

We are glad to see from Edward Sims column in the Orangeburg Times and Demo-

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crat that the acting majority leader, Senator EARLE CLEMENTS is expected to pursue the same policy.

Said Mr. Sims:

"There is no reason to believe that JOHNSON's successor will do anything differently. Kentucky's EARLE CLEMENTS is from a border State and has said he will follow JOHNSON's program. It might have been quite different, however, had a radical leftwinger become majority leader. The session might suddenly have become hotly controversial and might have extended far beyond August."

The whole country will join in the hope that Senator JOHNSON will recover from this attack and may be able to resume his duties on the floor of the Senate.

[From the Artesia (N. Mex.) Daily Press, Las Vegas (N. Mex.) Optic, Carlsbad Current-Argus, and the Gallup (N. Mex.) Independent of July 15, 1955]

THEY'LL MISS HIM

It is a measure of Senator LYNDON JOHNSON's prestige acquired actually only in the last few months that the Nation was shocked at news that he had been laid low by a heart attack. Both the Democrats of his own party and the Republicans of the opposition party were taken aback by the sudden illness of the Senate's Democratic majority leader.

Once called "Lying Down" JOHNSON for his policy of cooperating with President Eisenhower while minority leader of the Senate, the Texas Senator has done a masterful job since Democrats took over control of the Senate. He has not only been responsible for an effective working relationship with Mr. Eisenhower, but at the same time has managed to knit Democrats in Congress into a harmonious party with a program on which most can agree. He was drawing an increasing amount of comment in Washington as a potential candidate for President or Vice President in 1956 when stricken with his heart ailment. It is doubtful, now, that he could be selected for either post, and even possible that he may have to step down as majority leader which is a man-killing job the way he worked it. He is said to have been putting in 18-hour days as a matter of course for months.

Whatever his political future, the Nation's Democrats can be grateful to this Texan for establishing a point around which most members of the party could rally, and yet doing a job of lawmaking to the best interests of the Nation. The Nation will miss JOHNSON's intelligent leadership in Congress.

CONTRIBUTIONS TO THE DEMOCRATIC PARTY NO LONGER TAX EXEMPT

Mr. MORSE obtained the floor.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. MORSE. Only for a question.

Mr. WILLIAMS. I ask unanimous consent that I be permitted to proceed for 5 minutes, without the Senator from Oregon losing his right to the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Senator may proceed.

Mr. WILLIAMS. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an article written by Clark Mollenhoff, as it appeared in today's Des Moines Register, which article is entitled "Contributions to the Democratic Party No Longer Tax Exempt."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CONTRIBUTIONS TO DEMOCRATIC PARTY NO LONGER TAX EXEMPT

WASHINGTON, D. C.—Welburn S. Mayock, former attorney for the Democratic National Committee, was in a $69,000 tax jam with the Republican administration Monday.

The 63-year-old Washington lawyer is charged with having failed to report more than $115,000 income over a period of 6 years.

Among other things, the dispute involves Mayock's handling of a $65,000 cash fee he received in 1948 to get the cooperation of John W. Snyder, former Secretary of the Treasury, on "a questionable tax ruling" for a New York firm.

Mayock has testified that he regarded $35,000 of the money he collected from the William S. Lasdon tax case as a legal fee for his work before the Treasury Department. He said that it was understood with Lasdon that $30,000 of the money was to be regarded as a contribution to the near empty Democratic campaign fund in September 1948.

The tax dispute became public Monday after Mayock filed 3 petitions in the United States Tax Court disputing the Internal Revenue Service claim that he owes $69,396.10 in Federal taxes and fraud penalties for the years 1948 through 1953.

In May, Commissioner of Internal Revenue T. Coleman Andrews notified Mayock that the additional tax and penalties would be assessed if he did not file a contest in the United States Tax Court.

Mayock stated in his petition that his tax returns were "not false, were not fraudulent and were not made * * * with the intent to evade tax."

Tax officials contend that Mayock and his wife paid $10,000 in taxes in the 6-year period involved in the dispute. Tax officials contend that if he had reported all of his income their correct tax would have been more than $50,000 in this period.

The greatest single item in the dispute covered the year 1948. Tax officials have increased Mayock's business income by $58,944.19 for that year.

Since Mayock, and his wife, Barbara, then residents of California, filed separate tax returns that year the tax officials added $29,472.10 to the income of Mayock and his wife.

Mayock has been under fire since early in 1953 when the House Ways and Means Subcommittee made an investigation of how the Bureau of Internal Revenue had abandoned precedent to make a tax ruling that would save Lasdon several million dollars.

Other attorneys were unsuccessful in getting the Internal Revenue Service to give Lasdon a favorable ruling, but when Mayock called on Secretary Snyder it set the wheels in motion for the ruling.

Senator JOHN J. WILLIAMS, Republican, of Delaware, has been extremely critical of the role that Mayock played in that case and has urged that the Internal Revenue Service tax Mayock on the entire $30,000.

"Mayock without any power of attorney to represent this taxpayer, but solely in his capacity as chief counsel for the Democratic National Committee, * * * contacted John Snyder, the Secretary of Treasury, and promptly obtained the favorable ruling of Mr. Lasdon's tax question," WILLIAMS told the Senate earlier this year.

"In return for obtaining this favorable ruling which would save nearly $7 million for Mr. Lasdon, Mr. Mayock was to receive a $65,000 cash fee with the understanding that $30,000 of this amount was to go to the Democratic National Committee," WILLIAMS said.

WILLIAMS said that Mayock then took the $30,000 "hot money" and put it in the Democratic campaign by arranging for his friends to write their personal checks payable to the Democratic National Committee in exchange for an equivalent amount of cash.

The Delaware Senator had attacked the "callousness of the political regime" of the Truman administration, in then allowing Mayock "to get away with reporting on his 1948 Federal income tax return only $17,500 of this $65,000 fee."

"Before computing his taxes he was permitted to deduct from the fee the $30,000 set aside for the Democratic National Committee," WILLIAMS said.

Lasdon also deducted from the gross fee another $17,500 which he said he gave to New York men, William Solom and Louis Markus, who had contacted him on the case. Both of these men denied that they had been paid any money.

The petitions filed in the United States Tax Court show that the Republican controlled Internal Revenue Service is now following WILLIAMS' suggestion, and is ruling that the entire $65,000 is taxable to Mayock.

Here is a breakdown on income reported by Mayock and his wife and the figures that tax officials say they should have reported:

	Mayock reported—	Tax officials' figures on corrected income
1948	$17,777.38	$77,136.66
1949	8,865.50	14,874.28
1950	11,411.11	25,489.55
1951	6,474.06	23,797.36
1952	7,190.92	19,037.67
1953	4,886.15	8,706.36

Mr. WILLIAMS. Mr. President, on February 8, 1955, I called attention to how Mr. Welburn Mayock, former attorney for the Democratic National Committee, had, during the 1948 campaign, accepted $65,000 as a fee from a New York businessman, with the understanding that he could get a favorable ruling from the Treasury Department.

The record showed that at that time he took $35,000 of that fee paid into the Democratic National Committee, and did not pay any tax on it, on the basis that such a fee to the Democratic Party was not taxable. Therefore, for the first time in history, we had a situation where a political campaign was being financed indirectly out of the Treasury of the United States.

That ruling was obviously granted at that time by top officials in the Treasury Department on the basis that it was a party matter, in the same way in which other rulings were made involving Mr. Reynolds and Mr. Field, to which attention has been called.

The whole country was shocked at the low state of morals which existed at that time in the departments which would stoop to issue rulings on a favorable basis, that could be purchased by contributions to the Democratic Party.

Mr. President, I ask unanimous consent to have the statement on this subject which I made in the Senate Chamber on February 8 of this year printed at this point in the body of the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. WILLIAMS. Mr. President, on August 4, 1953, Mr. Welburn Mayock, an attorney in Washington, D. C., was testifying before the Kean subcommittee. At that time the Kean committee was investigating the scandal-ridden Bureau of Internal Revenue.

In his testimony of that date Mr. Mayock explained how in 1948, while serving as the

chief counsel of the Democratic National Committee, he had entered into an agreement with Mr. William S. Lasdon, Katonah, New York, whereby he was to obtain for Mr. Lasdon a favorable ruling from the Treasury Department on his then pending tax case.

In return for obtaining this favorable ruling which would save nearly $7 million for Mr. Lasdon, Mr. Mayock was to receive a $65,000 cash fee with the understanding that $30,000 of this amount was to go to the Democratic National Committee.

Mr. Mayock, without any power of attorney to represent this taxpayer but solely in his capacity as chief counsel of the Democratic National Committee, then contacted Mr. John W. Snyder, the Secretary of the Treasury, and promptly obtained the favorable ruling on Mr. Lasdon's tax question.

Mr. Lasdon previously had been denied a favorable decision upon this same question by the Treasury Department.

After this tax-fix scheme had been arranged and after Mr. Mayock had collected his $65,000 fee, he was confronted with the problem of how to get the $30,000 into the Democratic campaign fund without obviously violating the Hatch Act. (The Hatch Act prohibits contributions to a political campaign in excess of $5,000 by any one individual.)

However, once having agreed to fix a tax case for $65,000 the question of violating the Hatch Act apparently was not bothersome to Mr. Mayock and his associates.

Accordingly, as Mr. Mayock explained it, he merely arranged to have some of his friends write their personal checks payable to the Democratic National Committee in exchange for an equivalent amount of cash. In this manner he siphoned this $30,000 of "hot money" into the treasury of the Democratic National Committee.

While freely admitting all of the above transactions during his testimony before the Kean subcommittee under date of August 4, 1953, Mr. Mayock flatly refused to tell that committee the names of the individuals who cooperated in this underhanded method of financing a political campaign. Each time the committee pressed him for the names of these individuals Mr. Mayock replied, "That I am going to refuse to answer."

Since Mr. Mayock was reluctant to publish the names of the individuals who exchanged their personal checks payable to the National Committee for an equivalent amount of this "tax-fix fee," I shall read that list to the Senate along with a breakdown of the amount handled by each individual plus the dates of the transactions.

Date	Name and address	Amount
Oct. 13, 1948	Democratic County Central Committee, William H. Malone, Chairman, 955 Mills Tower, San Francisco	$10,000
Oct. 14, 1948	Harold A. Berliner, 10 Crown Ter., San Francisco	5,000
Do	William J. Mahaney, 2412 Russ Bldg., San Francisco	5,000
Oct. 18, 1948	Roy G. Owens, 1204 South Hill St., Los Angeles	2,500
Do	Willis Allen, 634 North Cherokee Ave., Los Angeles	2,500
Do	William B. Peeler, 7133 Sunset Blvd., Hollywood	2,500
Do	Lawrence W. Allen, 2104 North Highland Ave., Hollywood	2,500
	Total	30,000

This was not the only time that the Treasury Department, under the New Deal administration, resorted to the issuance of questionable rulings for the purpose of financing the 1948 political campaign.

On April 29, 1952, I incorporated in the CONGRESSIONAL RECORD copies of a series of political rulings which had been issued by the Treasury Department while Mr. John W. Snyder was Secretary of the Treasury, wherein Mr. Richard J. Reynolds, Winston-Salem, N. C., Mr. Marshall Field and Mr. David A. Schulte, both of New York City, were permitted to charge off as bad business debts their approximately $400,000 contributions to the 1948 Democratic campaign.

Since incorporating those rulings in the CONGRESSIONAL RECORD I have discovered that this same Mr. Welburn Mayock was one of the prime factors behind those rulings.

On December 17, 1948, Mr. Mayock, without any power of attorney to represent Mr. Reynolds or the others involved but solely in his official capacity as chief counsel of the Democratic National Committee, held a conference with Mr. Edward H. Foley, Under Secretary of the Treasury, and Mr. Thomas J. Lynch, General Counsel of the Treasury Department. At that meeting they discussed the Richard W. Reynolds case, which involved a $300,000 contribution to the Democratic Party, as a party case and arranged for the issuance of a favorable ruling allowing him to write off this contribution as a bad business loan.

As further evidence of the callousness of the political regime then in power we find that the Treasury Department even permitted Mr. Mayock to get away with reporting on his 1948 Federal income-tax returns only $17,500 of this $65,000 fee collected from Mr. Lasdon. Before computing his taxes he was permitted to deduct from the fee the $30,000 which he set aside for the Democratic National Committee. He deducted from the gross fee another $17,500 solely upon his claim that he paid $8,750 each to Mr. William Solomon, 275 Central Park West, New York City, and Mr. Louis Markus, 9445 86th Road, Woodhaven, Long Island, as their share of the tax-fix payoff.

This latter deduction was allowed notwithstanding the fact that when both Mr. Markus and Mr. Solomon testified under oath (August 5, 1953) before the Kean subcommittee, they emphatically denied that they had received any of this fee, and accordingly they had paid no taxes on their alleged share.

But the mere fact that no one was paying any tax on this $17,500 in controversy did not in the least bother the Treasury Department. They merely placed it in the same category as the $30,000 contribution to the Democratic National Committee and allowed everybody to write it off their tax returns.

This procedure of issuing favorable Treasury rulings in exchange for contributions to a political party was extremely costly to the American taxpayers from two angles:

First, the granting of these favorable rulings which apparently would not otherwise have been extended resulted in a substantial loss in revenue.

Second, the issuance of these rulings had the indirect effect of financing a part of the 1948 Democratic campaign out of the Federal Treasury.

The disclosure of these transactions was a shock to the American people and the overwhelming majority of the members of the Democratic Party were just as indignant as were the members of the Republican Party to find that certain high officials in that administration had stooped to such low tactics for the purpose of financing a political campaign.

Even after publishing the additional list of names of those involved in this deal there are still many questions left unanswered in this case, and I suggest that both the Department of Justice and the Treasury Department reexamine the conflicting testimony given before the Kean subcommittee in August 1953.

For instance, the conflict of testimony wherein Mr. Mayock under oath told the committee that he paid $8,750 each to Mr. William Solomon and Mr. Louis Markus and their testimony of the following day emphatically denying this statement obviously is the basis of a perjury charge.

The statute of limitations may have expired on violations of the Corrupt Practices Act in 1948, but it has not expired on any possible perjury charges resulting from testimony given before the Kean subcommittee in 1953, nor has it expired upon the ability of the Treasury Department to collect back taxes due on the erroneous deduction of the $30,000 fee to the Democratic National Committee as well as the controversial $17,500 referred to above.

Grand juries are now in session at both Omaha and St. Louis, and their work should shed additional light upon the scandal-ridden tax bureau of that era.

THE EXECUTIVE PAY BILL

Mr. MORSE. Mr. President, since I had the floor before and yielded it, I have been educated on the executive pay bill—and some education it has been. In fact, I owe a great deal to the Senator from Maine [Mrs. SMITH], to the Senator from Georgia [Mr. RUSSELL], and to others of my colleagues in the Senate for informing me as to what has happened in regard to the executive pay bill.

In the rush of the work of the Senate, I was of the understanding that we had a bill here which was ready to be passed, and I assumed that it would follow the regular parliamentary procedures. But I have discovered that it is a bill which the President sent to Congress only a few days ago. It is a bill on which there have been no hearings. It is a bill, I understand, which is pocked with discriminations and unfairness. It is a bill which, if passed in its present form, will result in the setting of pay scales in certain instances that can never be corrected, so far as the injustice done to others is concerned, unless a whole group of people are subsequently raised to higher pay levels.

Mr. FULBRIGHT. Mr. President, will the Senator yield for a question?

Mr. MORSE. I yield for a question.

Mr. FULBRIGHT. Is the Senator discussing the sugar bill or the pay bill?

Mr. MORSE. I am discussing the pay bill.

Mr. FULBRIGHT. It sounds to me like the sugar bill.

Mr. MORSE. It is simply sugar-coated; that is all.

Again, as is always my practice, I shall deal frankly in what I am about to say. A number of colleagues have said to me, "Wayne, it should not pass." That is up to them; and because we can change it from "It should not pass" into "It shall not pass," if cooperation be extended, and although I have been speaking half jocularly, I now speak in dead earnestness, I think it should not pass. I do not think that in the closing hours of this session we should pass an executive pay bill on which no hearings have been held and about which I have heard so much complaint as I have heard in the last half hour since the Senator from Georgia, and very rightly so, I may say—I take no offense at all; I think he followed a very sound parliamentary procedure—objected to the consideration of the executive pay bill under a unanimous-consent agreement.

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Therefore, I think it is more important that I talk about the educational plight of America's children rather than that I should permit the passage of the executive pay bill, on which there have been no hearings, and about which I can find no enthusiasm on this side of the aisle, at least, in regard, particularly, to the procedures which have been adopted.

I did not talk to them, but I understand some representatives of the executive branch of the Government, who might be called Government lobbyists, have been at the Capitol for the last few days, buttonholing and discussing the matter with Senators, urging that the bill be passed in this highly, I think, irregular way.

I do not like it. The only difference is that I think such matters ought to be discussed on the floor of the Senate, and not merely in the cloakroom. If the bill is as bad as I understand it to be, it should be prevented from passing tonight, and certainly it ought to be prevented from passing if the procedures which have been followed or the procedures which the chairman of the Committee on Post Office and Civil Service, the Senator from South Carolina [Mr. JOHNSTON], has stated, namely, that there have been no hearings, and no witnesses have testified, and no opportunity has been afforded to sit down and iron out the unfair discriminations which are contained in the executive pay bill.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. MORSE. I merely wish to say that I do not think that we should pass the bill. If the Senator from Georgia will excuse me for a moment longer, I think we can correct any injustice which our failure to pass the bill tonight may create, come January. Then we can pass the bill after hearings have been held, and we can make the terms of the bill retroactive in order to correct any unfairness which any particular individual may suffer as a result of not passing the bill tonight.

But it is not my fault that the administration did not send the bill to us earlier. It is not the fault of the Senator from Georgia that the administration did not send it here earlier, so that hearings could be held.

I am simply opposed to this kind of parliamentary procedure. I am going to talk about the educational needs of America's schoolchildren, whom we have not been taking care of. I think it is more important that we take care of the educational needs of America's schoolchildren than that the administrative assistants on the White House staff should receive $22,500 a year salary.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. MORSE. No, not at this time. I am going to discuss the plight of America's schoolchildren for a while.

Mr. RUSSELL. The Senator from Oregon mentioned my name. I am certain he will be generous and yield to me.

Mr. MORSE. If the Senator will ask unanimous consent that I may yield to him without losing my right to the floor, I shall be glad to yield.

Mr. RUSSELL. Mr. President, I ask unanimous consent that the Senator from Oregon may yield to me without losing his right to the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Senator from Georgia may proceed.

Mr. RUSSELL. I merely wish to say that my objection to the bill was not based on a fundamental objection to an increase in salaries in the executive branch of the Government. I well realize that there may be substantial increases in compensation for some of those in administrative posts. I have glanced at the bill. As I say, there have been no hearings.

I notice, for example, the very important position of the Commissioner of Internal Revenue. The occupant of that office is charged with the responsibility of collecting about $60 billion which is used to pay the salaries of all the employees of the Government. His position was classified with the lowest of the assistant postmasters general. It seems to me that that was a very unfair provision for a man who is charged with the great responsibility of preventing frauds and of keeping tax collections moving. That is one position I happened to observe.

I do not think it would be right to pass a bill that might enforce inequities of that nature into the statutes of the United States, particularly when there have been no hearings, as the Senator from Oregon has pointed out.

I thank the Senator for allowing me to clarify my position.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. MORSE. I always want to extend courtesy to the Senator from Kansas. If he will protect my right to the floor by asking unanimous consent that I do not lose the floor, I shall be glad to yield to him.

Mr. CARLSON. Mr. President, I ask unanimous consent that the Senator from Oregon may yield to me for a few minutes, without losing his right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CARLSON. I appreciate the courtesy of the Senator from Oregon.

I sincerely hope that an executive pay bill can be approved at this session of Congress. Congress has voted increases in pay for Members of Congress. We have voted increases in pay for the legislative branch of the Government. We have voted increases totaling $700 million for the salaried employees of the Government. Congress has voted increases of $200 million for the postal employees of the Nation, and $300 million for the classified workers of the Government.

Now we are asked in the closing hours of this session to vote $1,500,000 for increases in pay for the executive branch of the Government. Frankly, I do not think it is fair to ask the executive branch of the Government to operate on their present basis.

I sincerely hope the distinguished Senator from Oregon will permit us to proceed at this time with the bill. I do not think there would be any difficulty in approving the proposed legislation, because the Senate might take the House bill, adopt it with some amendments, send it back to the House, and I am advised the House would accept it.

The distinguished Senator from Oregon and the distinguished Senator from Georgia are absolutely correct when they say there were no hearings. The bill came to the Senate on July 15. It was not the fault of the chairman of the Committee on Post Office and Civil Service, or of the ranking minority member, or of any other member. Frankly, I wish the bill had come to the Senate before that date, but that is the situation.

The President sent a letter to the Committee on Post Office and Civil Service and asked for the proposed legislation. We have tried to comply with that request, and I sincerely hope the Congress will not adjourn without passing the bill. I thank the Senator for yielding.

Mr. MORSE. I thank the Senator, and I wish to make a very brief reply to him. The other salary increases to which he has referred were arrived at as a result of studies of a special commission appointed by the Congress to go into the matter. There were long and substantial hearings on that question. The other increases to which the Senator has referred were all the result of congressional hearings. A thorough record was made. That does not happen to be true in this case.

I do not blame the chairman of the Committee on Post Office and Civil Service or the ranking Republican member of the committee for the fact that hearings were not held, because we did not get the bill in time to have hearings, and the Senator is not responsible for the fact that the bill did not come in time. The executive branch of the Government, which wants the increases, must assume that responsibility, and it should wait until January so Congress can go into the matter and see to it that it tries to protect the taxpayers' interest.

I do not know of any better public service I can render in the closing hours of the session than to do what I can, and I understand I am going to be assisted by other Senators, to prevent a vote on the measure, until Congress can have time, when it convenes in January, to go into the matter.

I am very sorry for the plight in which the schoolchildren find themselves because of the failure of Congress to enact legislation to assist our educational system. I think it is more important for Congress to provide for adequate educational facilities than to provide for higher salaries for certain Government officials.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. MORSE. Mr. President, I yield only if I am protected from losing my right to the floor.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that I may make a 2-minute statement with reference to the comments of the Senator from Oregon.

The PRESIDING OFFICER (Mr. BARKLEY in the chair). Is there objection? The Chair hears none, and the Senator from Minnesota may proceed.

Mr. HUMPHREY. Mr. President, I think the Senate ought to know that a number of Senators, as the Senator from Oregon has pointed out, have discussed the executive pay bill, not privately, but collectively. It would be sheer folly to assume that an executive pay bill of these dimensions and proportions would pass the Senate tonight, or even tomorrow.

I think it is only fair to say that when an attempt is being made to revise the entire pay schedule of a branch of the Government, it is rather insulting to that branch not to give it the consideration of polite testimony or hearing.

We have had several experiences in which Congress has legislated in a hurry in this manner. Every time that has been done, Congress has found those matters troublesome and has been involved in difficulty.

I wish to remind the Senate that last year it passed a pay bill for postal workers, after hearings. The bill was vetoed. The Senate passed a postal pay bill this year, after more hearings, and it was vetoed.

I remind my colleagues that the executive branch has had a pay increase. I do not say one is not needed, but one was granted some time ago, in about 1951, I believe it was. Since that time, if it had been thought that there was a great need for pay increases, there have been almost 3 years—some 31 months—in which the practical suggestion of a pay increase could have been made.

Furthermore, I think it should be noted that the executive branch of the Government is spawning like fish in the spawning beds of rivers. There are more and more assistant secretaries, more and more bureau chiefs, more and more everything, with more and more pay. It appears to me that if new titles are to be provided, if salary schedules are to be expanded, if the entire pay schedule is to be expanded, then Congress should have time to study the matter.

I wish to join with the Senator from Oregon, and say that if there is to be an executive pay bill passed, Congress ought to make up its mind to stay in session to see that a legislative job is done properly.

We need roads before we need pay raises. We need schools before we need pay increases in some particular job most of us have not even heard of. We will be needing social security for persons who have not had their pay increased by this Congress, too.

I join with the Senator and say at this hour I always feel better, too. I shall be delighted to join in whatever efforts will be necessary to prevent the passage of this particular measure.

Mr. MORSE. I wish to thank the Senator. Knowing him, I know the volumes he can speak on this subject, and I shall stay with him even after I get through, because I would not want to miss the contributions which I am sure he will make to this record before we get through with the discussion.

I am particularly concerned now about the plight of the American schoolchildren [Laughter in the galleries.]

Mr. HUMPHREY. I join with the Senator in that concern.

Mr. MORSE. I want to make a record with regard to the educational needs of the country, in the hope that between now and January each Member of Congress will resolve to come back to Congress and enact legislation which will help protect one of the greatest sources of America's power, namely, the development of the brains of our children.

I wish to repeat what the Senator from Minnesota heard me say in Minnesota, when he and I appeared on a platform together there not so long ago.

We need always to keep in mind that great statement of Thomas Jefferson, namely, that the strength of our democracy can be no greater than the enlightenment of its people, and the enlightenment of its people depends more on adequate support of the school system of America than on any other one factor.

I think it is time that the Congress and the executive branch of the Government devoted themselves to legislation which will strengthen financial support for the schoolchildren of America. I am going to proceed to discuss that situation.

COMPENSATION OF SUPERINTENDENTS OF SENATE PRESS, RADIO, AND PERIODICAL GALLERIES

Mr. MORSE. Mr. President——

Mr. CLEMENTS. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield for a question.

Mr. CLEMENTS. Will the Senator from Oregon yield, to permit the introduction of a joint resolution, if unanimous consent is obtained that he will retain all his rights to the floor?

Mr. MORSE. Yes; if nothing in the joint resolution would result in taking me off the floor.

Mr. CLEMENTS. I assure my friend that the joint resolution does not contain anything of that sort.

Mr. MORSE. Very well; I shall yield for that purpose, if I am amply protected.

Mr. CLEMENTS. Mr. President, I ask unanimous consent that the Senator from Oregon may yield to me with that understanding and for that purpose.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. CLEMENTS. Mr. President, on behalf of myself and the Senator from California [Mr. KNOWLAND], I introduce a joint resolution providing for compensation for the superintendents of the Senate press, radio, and periodical galleries; and I request the immediate consideration of the joint resolution.

The PRESIDING OFFICER laid before the Senate the joint resolution (S. J. Res. 104), equalizing the salaries of employees in the Senate press galleries with those of employees in the House of Representatives press galleries, which was read the first time by its title and the second time at length, as follows:

Resolved, etc., Notwithstanding any other provision of law (including the Legislative Appropriation Act, 1956) effective August 1, 1955, the basic annual compensation of the following positions under the Sergeant at Arms and Doorkeeper of the Senate shall be: Superintendent, press gallery, $5,300; first assistant superintendent, press gallery, $4,700; second assistant superintendent, press gallery, $3,800; third assistant superintendent, press gallery, $3,300; fourth assistant superintendent, press gallery, $2,580; secretary, press gallery, $2,100; superintendent, radio press gallery, $5,200; first assistant superintendent, radio press gallery, $4,000; second assistant superintendent, radio press gallery, $3,500; third assistant superintendent, radio press gallery, $3,000; and superintendent, periodical press gallery, $4,300.

Mr. CLEMENTS. Mr. President, the joint resolution would affect——

Mr. MORSE. Mr. President, just a minute, please. Now that the joint resolution has been introduced and read, I wish to make certain that any ensuing debate or proceedings will be under the terms of the agreement protecting my rights to the floor.

Mr. CLEMENTS. Mr. President, I ask unanimous consent that, with that understanding, I may continue with my remarks on the joint resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the request of the Senator from Kentucky for the present consideration of the joint resolution, and without taking the Senator from Oregon off his feet. [Laughter.]

Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. CLEMENTS. Mr. President, 11 employees in the press, radio, and periodical galleries of the Senate are affected by this measure, which would place those employees on the same pay scale that was included in the House measure relating to the employees in the House who do comparable work.

The average increase in wage would be between $500 and $600.

Mr. KNOWLAND. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oregon yield under the same conditions?

Mr. MORSE. Yes, Mr. President, under the same conditions.

Mr. KNOWLAND. Mr. President, I ask that under the same conditions, the Senator from Oregon may yield to me, without losing the floor.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. KNOWLAND. Mr. President, the acting majority leader and the minority leader have joined in the introduction of the joint resolution, because we believe it will work out equitable arrangements insofar as the superintendents of our galleries are concerned.

We recognize that there are certain inequities which the Senate will wish to correct when it returns in January.

However, I believe there is validity for giving precedence to this measure, because so far as the representatives of the press and radio and periodical correspondents are concerned, they move from the Senate galleries to the House gal-

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leries and back again; and certainly those who are in charge of the Senate galleries have the same heavy responsibilities that those who are in charge of the House galleries have.

In addition, as we know, the superintendents of our galleries have charge of the press arrangements at the two great national conventions, in addition to their work in the Senate.

Mr. President, I strongly urge that this equitable arrangement be handled; and unless we handle it now, and very promptly, it may have to wait until January.

The PRESIDING OFFICER. The question is on the engrossment and the third reading of the joint resolution.

The joint resolution (S. J. Res. 104) was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. CLEMENTS. Mr. President, I thank my friend, the Senator from Oregon, for his kindness and courtesy in permitting us to have the joint resolution considered and passed at this time.

Mr. MORSE. Mr. President, actually I did not include, in the agreement, the action which has been taken on the joint resolution; but I am glad to have had that done as a part of my remarks.

Mr. President, in turning to the subject I wish to discuss at this time——

COMMUNICATION AND GREETINGS FROM THE PRESIDENT

Mr. CLEMENTS. Mr. President, will the Senator from Oregon yield once more to me?

Mr. MORSE. I yield for a question.

Mr. CLEMENTS. I wish to make an observation, and to do so with the understanding that the Senator from Oregon will not thereby lose his right to the floor.

Mr. MORSE. I yield if there may be that understanding.

Mr. CLEMENTS. Mr. President, I ask unanimous consent that the Senator from Oregon may yield to me, and later may yield to the Senator from California [Mr. KNOWLAND], who will make a similar statement, and that the Senator from Oregon will not thereby lose his right to the floor.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. MORSE. I yield under those circumstances.

Mr. CLEMENTS. Mr. President, within the past 30 minutes the distinguished Senator from California [Mr. KNOWLAND] and the Senator from Kentucky have been in communication with the President of the United States, and have advised him briefly of the happenings today in the Senate and the House of Representatives.

I do not desire to quote the President; but I do not hesitate to say to the Senate that although he may have been disappointed on some matters it is my opinion that he thinks the Congress did a very creditable job during the 1st session of the 84th Congress, in 1955.

His statement was that he had no further message to send to the Senate at this session of the Congress.

Mr. KNOWLAND. Mr. President, I merely wish to join with my colleague, the distinguished acting majority leader, in saying that we did communicate with the President of the United States; and, as the acting majority leader has pointed out, the President said he had no further message to send to the Senate, but he sent his regards to each Member of the Senate, and wished each Member a very pleasant respite between now and the convening of the new session of Congress.

Mr. CLEMENTS. Mr. President, I thank my friend, the Senator from Oregon, for his courtesy.

Mr. MORSE. Mr. President, I wish to say that I am sure that all Members of the Senate appreciate that message from the President.

As one who disagrees with the President on most of his domestic policies and on some of his foreign policies, I wish to state tonight what I discussed the other day in a meeting of the Foreign Relations Committee, namely, that I think the Congress and the Nation owe a great debt to the President for the leadership he extended to the Nation and to the world at the Geneva Conference, because as a result of that conference I think the chances of peace are much greater today than they were before the Conference.

I wish to commend the Senator from Georgia [Mr. GEORGE] for urging, several months before the conference, that such a conference at the summit be held. I think the record is quite clear that if it had not been for the statesmanship of the senior Senator from Georgia and his leadership and his advocacy of that conference, in all probability it never would have occurred. I shall always be pleased that in my record there is evidence that very early I took the position, as a member of the Foreign Relations Committee, that such a conference should be held. It has been held, and I wish to say to the President from this desk tonight that I think the entire Nation is indebted to him for the leadership he extended at that conference.

I am sorry that in his message to the acting majority leader and minority leader the President did not include a request for the withdrawal of the executive pay bill. I am sorry that when his attention was called to the fact—and I am sure someone must have called it to his attention—that no hearings had been held on the bill, he, believing in the legislative process which exists in the Congress, did not request that consideration of the bill be postponed until January. But that is his responsibility, and not mine. I shall leave it to the Senate tonight to make its decision as to the course of action it will take on this matter, after we discuss for a while the plight of America's schoolchildren.

Mr. CLEMENTS. Mr. President, will the Senator from Oregon yield for the submission and immediate consideration of a resolution, with the understanding that he will not lose his right to the floor?

Mr. MORSE. Also with the understanding that the resolution, whatever it may be, will have no effect on my concluding this speech, up until the time of sine die adjournment.

Mr. CLEMENTS. I assure my friend from Oregon that it would not have that effect. It refers to a very distinguished American.

Mr. MORSE. With the understanding I have stated, if my right to the floor can be protected, I yield.

Mr. CLEMENTS. Mr. President, I ask unanimous consent that the Senator from Oregon may yield to me with that understanding.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXPRESSION OF APPRECIATION TO THE VICE PRESIDENT

Mr. CLEMENTS. Mr. President, I submit a resolution which I send to the desk and ask to have read, and for which I ask immediate consideration.

The VICE PRESIDENT. The resolution will be read.

The resolution (S. Res. 148) was read, considered by unanimous consent, and unanimously agreed to, as follows:

Resolved, That the thanks of the Senate are hereby tendered to Hon. RICHARD M. NIXON, Vice President of the United States and the President of the Senate, for the courteous, dignified, and impartial manner with which he has presided over its deliberations during the 1st session of the 84th Congress.

Mr. CLEMENTS. Mr. President, of course the resolution speaks for itself. It speaks the sentiments of the 96 Members of this body.

As a Kentuckian, I can say with rare truth that I know of but one other Presiding Officer this body has had who, in a degree, might have had an advantage over the present Vice President; but in the same breath let me say that I recognize that the distinguished junior Senator from Kentucky [Mr. BARKLEY] who served so ably on the floor for many years, and as Vice President for 4 years, had slightly more experience than my fine friend, the Vice President. No one who occupies the chair of the Vice President could be more gracious, more understanding, and more patient with the 96 Members of the Senate than DICK NIXON has been.

I wish for him, in the period which we Democrats hope will be a period of rest and relaxation, all the happiness and all the good things which can come from such an experience, and that when he returns next year he will be ready for the big drive and the wind-up of the 84th Congress.

My friend has been very generous to me.

Mr. KNOWLAND. Mr. President, I should like to join in the remarks of the distinguished acting majority leader. I join with particular pride and pleasure, because the Presiding Officer of the Senate was formerly my junior colleague. I have had the opportunity of knowing DICK NIXON as well as any other Member of the Senate. I knew him and campaigned with him when he first ran for the House of Representatives, and I was running for the Senate in California. I watched his distinguished career in the House and in the Senate, and I had the pleasure of placing him in nomination for the office of Vice President at the Republican National Convention. I was honored to be able to administer to him the oath of office as Vice President of the

United States at the inaugural ceremony in January of 1953.

He has presided over the Senate with dignity and with ability and with fairness. As the distinguished acting majority leader has said, every Member of the body, both Republican and Democrat, has received at his hands courteous treatment in the performance of his duties as Presiding Officer of the Senate.

Mr. MORSE. I should like to make this very brief comment. I am very happy that a resolution referring to the Vice President has been submitted. I wish to say to the Vice President that I appreciate the many courtesies he has extended to me this year.

I hope these compliments will not do you damage, Mr. Vice President. I know of many occasions when you have done kindnesses for my office and for my constituents, because you believe in serving in your capacity as Presiding Officer of the Senate in a completely impartial manner. I also want you to know that I am satisfied that the Senate appreciates the complete impartiality with which you have wielded the gavel over the Senate of the United States.

WALTER F. GEORGE, PRESIDENT PRO TEMPORE

Mr. KNOWLAND. Mr. President, I submit a resolution and ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. The resolution will be read for the information of the Senate.

The resolution (S. Res. 149) was read, as follows:

Resolved, That the thanks of the Senate are hereby tendered to Hon. WALTER F. GEORGE, President pro tempore of the Senate, for the courteous, dignified, and impartial manner with which he has presided over its deliberations during the 1st session of the 84th Congress.

Mr. KNOWLAND. Mr. President, it gives me a great deal of pleasure to submit the resolution regarding our President pro tempore, Senator WALTER F. GEORGE, the senior Senator from the State of Georgia. All of us who had the opportunity of being in the Senate Chamber the other day were very deeply touched by the tributes which were paid to the senior Senator from Georgia and his response. To me it was one of the most touching and significant days of my 10 years in the Senate.

WALTER GEORGE is a great American. Of course, he is a great Democrat and a great Georgian as well. I have been privileged to serve with him on the Committee on Foreign Relations, and I know of his outstanding contribution as a leader of American thought and American policy in trying to keep together the two great political parties in facing whatever common dangers may come from abroad.

It is with a great deal of pleasure that I have the opportunity, as minority leader of the Senate, coming from the opposite political party, to submit this resolution expressing the deep admiration and respect which all Senators have for the senior Senator from Georgia.

The VICE PRESIDENT. The question is on agreeing to the resolution.

The resolution was unanimously agreed to.

SENATOR LYNDON B. JOHNSON, OF TEXAS

Mr. SYMINGTON. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield under the same conditions.

Mr. SYMINGTON. Mr. President, during the closing days of this session, all of us have felt deeply the absence of our esteemed majority leader, LYNDON B. JOHNSON, of Texas. It is a feeling shared by the entire Nation.

It has been many years since the illness of a public figure has brought such a spontaneous outpouring of anxiety from every corner of the country. People in every walk of life and in every region have prayed for his speedy and complete recovery.

Protestants, Catholics, and Jews have invoked divine intervention in his behalf. Hard-rock miners in the West, seamen on the Great Lakes, cattle ranchers and cottonpickers, steelworkers, and businessmen—all have expressed their deep concern.

Fully as significant has been the editorial comment. Newspapers in every part of the United States, representing every shade of opinion, have expressed their appreciation of his leadership and their hopes for his speedy and complete recovery.

There appears to be one subject upon which the Dallas News and the New York Herald Tribune, the Portland Oregonian, the St. Louis Post-Dispatch, the New York Mirror and the Washington Star can agree. It is that LYNDON JOHNSON is one of the great statesmen of our times—a man that the country needs.

This editorial comment speaks the heart of America.

Mr. President, I ask unanimous consent that a compilation of editorial comments relating to the Senator from Texas [Mr. JOHNSON] be printed in the RECORD at the conclusion of my remarks.

The VICE PRESIDENT. Without objection, it is so ordered.

(See exhibit 1.)

Mr. SYMINGTON. Mr. President, the people of Texas have just cause to be proud of this great leader—this Texan who has captured the imagination of the whole Nation. Everybody who voted for him and everybody who voted against him—every citizen of the State—can be proud of the spontaneous tributes that have appeared from every direction.

These are tributes to a man, but they are also tributes to a policy—to a policy of responsibility which has struck a responsive chord in the breasts of all Americans.

LYNDON JOHNSON has placed patriotism above partisanship; country above party. He has sought to reconcile differences, and the objective of his reconciliation has always been to preserve the security and the prosperity of these United States.

In this objective, he has succeeded consistently. But he has succeeded at a high price, in terms of physical exhaustion.

I think it is highly significant that LYNDON JOHNSON opposed night sessions during the last Congress, but we had them anyway—and lost nine Senators. He opposed night sessions during this Congress, and we did not have them—and we did not lose a single Senator.

Every Senator who has stayed to work during the evenings this year did so knowing that he could call the office of the majority leader—no matter how late—and the majority leader would be there to answer the call.

I was with him myself until late in the night on the Friday before he suffered his heart attack on late Saturday afternoon. I happen to know that on the preceding Thursday, he was discussing atomic-energy problems with the senior Senator from Louisiana and the senior Senator from Alabama as late as 11:30 p. m.

These were not unusual nights for LYNDON JOHNSON. In fact, it was a rare evening which found his office doors locked before 10 or 11 p. m.

He applied the policy of shorter working hours to everyone except himself.

Mr. President, we all have been greatly encouraged by the medical reports. It appears that by January—if nothing goes wrong—LYNDON JOHNSON will be as good as new.

This is good news for Texas, and good news for the country. I know that all of us—on both sides of the aisle—will welcome him back as a personal friend who is close to our hearts and as one of the great leaders of our times.

EXHIBIT 1

WHAT MORE THAN 100 NEWSPAPERS SAY ABOUT LYNDON JOHNSON OF TEXAS

The Johnsonian leadership has been almost matchless in terms of tactical skill and in giving the Democrats a new unity on almost every high occasion. (New York Times.)

As Senate Democratic leader, Mr. JOHNSON has won the respect of legislators in both parties as a capable and devoted officer of Congress. (New York Herald Tribune.)

Mr. Eisenhower knows that it has been to Mr. JOHNSON'S unfailing tact and political skill that he owes the speedy support given to his foreign policy and many other vital bills. (The Economist, London, England.)

Senator LYNDON B. JOHNSON widely acclaimed for unusual achievements in a most difficult assignment. The Senator's unity policy has been good tonic for the Democratic Party and for the country. (Washington Post and Times Herald.)

Through hard work, commonsense intelligence of the kind one often finds in the Blanco counties of Texas, tolerance and political knowledge of the highest order, Senator JOHNSON has become one of the most influential men in the political life of the Nation. (Dallas News.)

He is the one man who can return the party to the thousands of people who have been explaining in recent years: "I did not leave the Democratic Party; it left me." (Orlando (Fla.) Sentinel.)

It seems as certain as such things can be that JOHNSON will be in inevitable demand by his party for a national nomination in 1956. Holmes Alexander, nationally syndicated political columnist.

One of the ablest members of either branch, the Texan is largely responsible for the dispatch with which the 84th Congress

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has been doing its work. (St. Louis Post-Dispatch.)

The Texas Democrat has proved an outstanding leader not only for his party in the Senate, but for the Nation itself. (Salt Lake Tribune.)

The 46-year-old Texan has distinguished himself as an astute and conscientious composer of differences not only between a Democratic Congress and a Republican Executive but among factions of Democrats. (Portland Oregonian.)

LYNDON B. JOHNSON of Texas, majority leader in the Senate, has proved to be one of the born leaders. (Salem (Ohio) News; Canton (Ohio) Repository; and East Liverpool (Ohio) Review.)

The leadership provided by Senator JOHNSON in a Democratic-controlled, though closely divided, Senate in the midst of a Republican administration has been notable for the smoothness of its functioning, the absence of caviling and obstructionist tactics and the harmony which has been induced within his own traditionally wide-split party. (Ohio State Journal, Columbus, Ohio.)

Senator LYNDON B. JOHNSON's tireless work as the Democrat's Senate leader made him the most influential man in Congress, and many considered him the ablest. Lockport (N. Y.) Union-Sun and Journal.)

Close observers of Congress in action had commonly noted that Senator JOHNSON was one of the most zealous and efficient majority leaders his own or the Republican Party had ever assigned to his position. (Waterbury (Conn.) Republican.)

The leadership which Senator JOHNSON and other Democrats have given Congress * * * have provided America sound, conservatice government at a critical stage in its history. (Mobile (Ala.) Press.)

Mr. JOHNSON is known as one of the hardest workers in Congress, and if the current session of the Legislature is operating according to schedule, it is largely due to his efforts and his example. (Rutland (Vt.) Daily Herald.)

A leader of the Democratic Party in Congress Senator JOHNSON pushed through needed legislation in the interest of the Nation rather than of any one party. (Stamford (Conn.) Advocate.)

LYNDON JOHNSON * * * a "natural" as a presidential candidate, if not next year, then in 1960 * * * Senator JOHNSON has been a constructive leader. (Washington Daily News.)

There is greater cohesion among the Democrats in Congress today than at any time in the last 20 years, thanks largely to Mr. JOHNSON's wisdom in steering clear of petty and divisive issues. (Woodland (Calif.) Daily Democrat.)

Senator LYNDON B. JOHNSON * * * has been first of all an American. Secondly, he has served the Democratic Party wisely and well. (Atlanta Constitution.)

Senator JOHNSON deserves praise; and the American people, regardless of place or party, hope for his quick recovery. (Kalamazoo (Mich.) Gazette.)

His advance has been extraordinary, and in the majority leadership he has revealed authentic genius. (Louisville Times.)

JOHNSON has performed prodigious feats as Senate leader this year. (Lewiston (Maine) Sun.)

The record of this congressional session * * * will be largely a JOHNSON record. (Rocky Mountain News, Denver, Colo.)

He is prominently mentioned as being of presidential timber, and his attitude toward the welfare of the Nation, especially in such a major area of legislation as foreign affairs, is of statesmanship caliber. (New Britain (Conn.) Herald.

JOHNSON had made an outstanding record in welding party unity among liberal and conservative Democrats in the Senate. (Labor, Washington, D. C.)

He is recognized as one of the ablest leaders in Congress. (Hickory (N. C.) Record.)

In the 84th Congress, LYNDON JOHNSON has been the leader—one might say—of the Republicans as well as his own party. (New York Daily Mirror.)

He rates ace high with liberals and conservatives alike in the Democratic fold. (Portland (Maine) Express.)

In matters of legislation, LYNDON JOHNSON has been more the President than Eisenhower. (St. Petersburg (Fla.) Times.)

We join with the President and the Senate in wishing Senator JOHNSON a prompt and complete recovery. (Arizona Republic.)

If the country is now traveling on a course of pleasant waters approximating an era of good feeling, a very considerable share of the credit belongs to Senator JOHNSON. (Providence (R. I.) Bulletin.)

Senator JOHNSON has shown that he has the makings of a statesman. (Greenville (S. C.) Piedmont.)

Senator JOHNSON is credited with having shown a great deal of organizing ability and personal leadership in guiding the legislative activities of the upper house. (Akron (Ohio) Beacon-Journal.)

America's best wishes go to Senator JOHNSON, for a speedy and complete recovery. (Nashville Banner.)

LYNDON JOHNSON * * * has proved himself a good partisan by knowing when to rise above partisanship. (Boston Herald.)

Much was expected of the Texan who occupied middle ground between the northern and southern wings of his party. He was getting the factions together for legislative purposes. (Wichita (Kans.) Eagle.)

By tact, good will, and levelheadedness, he has managed to work with the Republican President and to make a creditable record for his party, too. (Washington Star.)

The Texas Senator was accepted as a standard bearer by all wings of the party, including the several factions in his home State. (Atlanta Journal.)

The skilled parliamentary leader is worth his weight in gold to his party and in many cases also to his country. Senator LYNDON B. JOHNSON has clearly established himself as such a leader. (Baltimore Sun.)

The Senator from Texas will be seriously missed in the remainder of the session. (Labor's Daily.)

It is largely due to Senator JOHNSON that the national posture of strength and vigilant firmness toward the Iron Curtain countries exists today. (Waco Herald Tribune.)

Americans everywhere—and especially Southerners—are hoping this brilliant young leader will recover his strength, and return to the political arena. (Montgomery (Ala.) Examiner.)

Senator JOHNSON * * * has rolled up a solid record of accomplishment. (Pittsburgh Post-Gazette.)

Senator JOHNSON has been much in the public eye because he was getting more done as the majority party leader in the Senate than any other leader in recent years. He could be compared only to the best ever to hold that job. (San Angelo Standard-Times.)

Majority Leader JOHNSON * * * is generally conceded to have given his Democratic followers the best Senate leadership they have enjoyed in a quarter century. (Detroit News.)

A nation which needs his kind of leadership in its legislative halls will hope that the strength of heart he has shown in the political arena will serve to pull him through this greatest crisis in his life and restore him to full vigor. (Beaumont Enterprise.)

Senator JOHNSON has done much to help unify the Democratic Party and to restore the dignity of the Senate. (Toledo (Ohio) Blade.)

As majority leader in the Senate, the Texas senior Senator is one of the key men in the National Government. He will be missed every day that he is kept from his office. (Dallas Times Herald.)

The country * * * has observed with approval Senator LYNDON B. JOHNSON's deft management of his Senate majority along a generally constructive path. (Cincinnati Enquirer.)

The National Democratic Party could avoid a lot of dissension in 1956, and possibly come up with a presidential winner, if it would * * * head its ticket with LYNDON JOHNSON of Texas. (Lufkin News.)

Senator LYNDON JOHNSON * * * a sort of loyal oppositionist leader concentrating more on getting sensible things done than on political pyrotechnics. (New Orleans Times-Picayune.)

The Nation needs LYNDON JOHNSON. (Amarillo Daily News.)

Increasingly in recent months JOHNSON has come to be considered presidential material. (Greenville Herald.)

Senator LYNDON B. JOHNSON * * * is one of our few high officeholders with the capacity of serving the Nation and his party, too. (Boston Post.)

Scores of new supporters have been won over by the peerless performance of the tall, determined Texan. (Kilgore News Herald.)

Senator JOHNSON's guidance of his party's policy toward the administration is perhaps the chief factor in the era of relative good feeling in present-day Washington. (Boston Globe.)

Senator JOHNSON has shown remarkable ability in holding together the diverse elements of his party in its work with a Republican administration. (Marshall News-Messenger.)

The cooperation of the Democratic Party * * * as engineered by Senator JOHNSON, has smoothed the way for much of the President's program. It was the brains, the will, and the measured judgment of Senator JOHNSON that were responsible for this situation. (Providence Journal.)

LYNDON JOHNSON has served his State, his country, and his party well; indeed, with brilliance and distinction. (Abilene Reporter-News.)

An urbane, wise, and understanding political leader who sensed the temper of the times. Mr. JOHNSON has been a constructive leader. (Houston Press.)

It is largely due to Senator JOHNSON that the national posture of strength and vigilant firmness toward the Iron Curtain countries exists today. (Waco Herald Tribune.)

Serving in what is undoubtedly the most exacting role on Capitol Hill, he has shown a parliamentary brilliance and a talent both for composing intraparty differences and for expediting the business of the Senate that has rarely been matched in recent years. (Buffalo News.)

As the youngest and one of the best floor leaders ever to serve in Congress, the hard-driving but moderate-minded Senate Democratic majority leader has made legislative history under unprecedentedly difficult conditions. (San Antonio News.)

LYNDON JOHNSON * * * has been an effective peacemaker and has an impressive record of accomplishment. (Deseret News, Salt Lake City.)

JOHNSON's enthusiasm for his job and his desire to do all he can for his constituents have led him to overtax his physical makeup. (Brenham (Texas) Banner-Press.)

LYNDON JOHNSON of Texas has been a leader of Republicans as well as his own party. (Chicago American.)

Senator JOHNSON has been accorded the highest respect for the way in which he has conducted the affairs of the Democratic Party

during this session where he has served as floor leader. (Blanco County (Tex.) News.)

Senator LYNDON B. JOHNSON * * * has displayed great skill in leadership, also a spirit of high statesmanship in his attitude toward administration measures vital to the national interest. (Trenton (N. J.) Times.)

He has been generally recognized as the man most likely to succeed in bringing the badly split Democratic Party back together as a working unit in Government—and more important to many Democrats, as a man who could succeed in returning the party to some semblance of its former faith. (Canadian (Texas) Record.)

There is greater cohesion among the Democrats in Congress today than at any time in the last 20 years, thanks largely to Mr. JOHNSON'S wisdom. (Albuquerque Tribune.)

Few if any will disagree with the appraisal that Senator JOHNSON has reflected credit not only on his home State as the Democratic leader in the United States Senate, but has realistically and courageously led the Democratic Party through the difficult years since the 1952 Republican victory. (Robstown (Texas) Record.)

There is nothing small bore about LYNDON JOHNSON. (El Paso Herald-Post).

As majority leader of the upper House in Congress, the tall Texan wields tremendous influence; and for his work to go far beyond and above party lines, means he has the qualities of statesmanship. (Bellville (Texas) Times.)

Senator LYNDON JOHNSON * * * has laid down a solid record of service to the country and to his party. (Charlotte (N. C.) News.)

Johnson, whose political star is in its ascendancy and who is recognized as one of the most powerful figures in Washington, has never lost interest in and regard for the people whom he represents in the Nation's highest legislative body, and Texans have come to recognize him as the man to contact when something needs to be done in Washington. (Gatesville (Texas) Messenger.)

For almost 20 years past, LYNDON B. JOHNSON * * * has exemplified devotion to duty in the service of Nation and State. (San Antonio Express.)

This man definitely is presidential timber and some day may be President of the United States. (Caldwell (Tex.) News.)

The Nation needs dedicated and experienced men like him. (Cleveland Plain Dealer.)

When the history of our immediate area, our State and Nation as well, is written, he will have earned a position that will be second to none. (Fredericksburg (Tex.) Radio Post.)

As majority floor leader, Senator JOHNSON has displayed not only remarkable qualities of leadership but a high sense of responsibility for the welfare of the country. (Wilmington Every-Evening Journal.)

Senator JOHNSON has demonstrated that he is a power in the Senate and the key to much constructive legislation. (Texarkana Gazette.)

But in the overall Democratic outlook there probably is no single individual with more power in shaping events, assuming he quickly recovers, than JOHNSON. (Jay G. Hayden's column in the Detroit News and Nashville Tennessean.)

As majority leader, Senator JOHNSON has shown an efficiency in keeping legislation moving which has seldom been seen in the Senate. (Grand Island (Nebr.) Daily Independent.)

He is liberal enough and conservative enough to be accepted by both wings of the party without alienating either. Day by day he has been growing to presidential size. (Charlotte Observer.)

LYNDON JOHNSON * * * has been a tireless worker, and he has succeeded in buttressing the unity of the Democratic Party. (Winston-Salem (N. C.) Journal.)

Democrats * * * have regarded JOHNSON as a gift from heaven, a Texan with an exceptionally good record in Congress. (San Antonio Light.)

Senator LYNDON B. JOHNSON'S tireless work as the Democrats' Senate leader made him the most influential man in Congress. (Youngstown (Ohio) Vindicator.)

The Texas Senator was accepted as a standard bearer by all wings of the party. (Davenport (Iowa) Democrat.)

Senator LYNDON JOHNSON * * * the one man in the Senate who knows all the angles of getting things done. (Erie (Pa.) Dispatch.)

Senator JOHNSON * * * has become a national figure, highly respected and deeply admired by Republicans and Democrats alike. (El Paso Times.)

Senator JOHNSON has shown the ability to organize, coordinate, and persuade when issues have arisen that require such action. (Wilmington (N. C.) News.)

Senator JOHNSON, in the 6 months he has been majority leader, has demonstrated the rare combination of abilities needed for the job. (Memphis Press-Scimitar.)

The Senate has accomplished far more under Senator JOHNSON'S adroit leadership than it might have accomplished under a majority leader more partisan-minded. (Daily Oklahoman, Oklahoma City, Okla.)

Mr. JOHNSON earned his popularity by political leadership of the highest quality. (Fort Worth Press.)

LYNDON JOHNSON has already gone a long way toward proving himself one of the best products of a region which traditionally turns out good politicians and statesmen. (Greensboro (N. C.) Daily News).

Senator JOHNSON of late has been increasingly mentioned as a highly qualified potential candidate for the Democratic presidential nomination. (Austin Statesman.)

Much of the credit for the statesmanlike behavior of the Democratic majority goes to Senator JOHNSON. (Dallas Times Herald.)

Mr. JOHNSON earned his popularity by political leadership of the highest quality. (San Francisco News.)

Senator LYNDON B. JOHNSON is big these days even for a Texan. (Newsweek magazine.)

Mr. HUMPHREY. Mr. President, I wish to say to the Senator from Missouri that I would deem it a privilege to associate myself with the words he has just spoken concerning our majority leader. LYNDON JOHNSON has been an inspiration to all of us in the Senate. His leadership has been one that was temperate, moderate, but strong and effective. The very fact that he was taken ill is indicative of the tremendous load he carried as majority leader. He has raised a standard around which all of us can rally.

Mr. President, I wish to thank the acting majority leader for taking on the load and doing such an admirable job. I know of no Senator who is better loved than is the Senator from Kentucky [Mr. CLEMENTS]. He represents the highest type of constructive legislative action. I think the American people ought to know that while we have our political differences on public policy, we treat each other with respect and with a sense of confidence that makes possible legislation in a democratic body such as this.

Mr. MORSE. Mr. President, I wish to associate myself with the remarks of the Senator from Missouri and the Senator from Minnesota in regard to our majority leader. He has extended to me a great many courtesies and has shown a sense of fairness that I want him to know I shall always deeply appreciate.

I know we all share a common hope, namely, that in January he will return to us a completely well man and that we once again will have the privilege of serving under his leadership.

Mr. MAGNUSON. Mr. President, I cannot help but feel that I should be somewhat remiss in my own personal feelings if I did not join with the Senator from Missouri in his tribute to an old friend, LYNDON JOHNSON. I have somewhat more of a personal connection with him than have most Senators, because we were sworn into the House together on the same day; we served on the same committee; we went to war together; we were mustered out at the same time; and now we are both in the Senate together. He once said to me that our friendship was almost akin to brotherhood.

I wish to join in the remarks of the Senator from Missouri and the Senator from Oregon in praise and good wishes for Senator JOHNSON of Texas.

I think I moved in at an appropriate time, when the senior Senator from Oregon, as I understood, said he had a speech he intended to make about the Federal Power Commission. I probably would agree with the Senator's remarks.

Mr. MORSE. I did not know but that we might follow the parliamentary tactic of moving the clock back, as has happened in the past, so I came with adequate speech ammunition for tonight. I have another speech I intended to give, but I cannot give it between now and 12 o'clock.

Therefore, I ask unanimous consent that the speech on the subject of airline subsidies be printed in the RECORD in full.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

AIRLINE SUBSIDIES—SYNDICATED COLUMN BY DREW PEARSON AND JACK ANDERSON

Mr. President, I should like to comment on the issues raised in the recent syndicated column entitled "The Washington Merry-Go-Round" by Drew Pearson and Jack Anderson concerning the airline subsidies being given to Pan American World Airways, Inc.

Following my remarks, I ask unanimous consent to insert in the RECORD:

First. Syndicated column "The Washington Merry-Go-Round" by Drew Pearson and Jack Anderson as it was printed in the Washington Post and Times Herald of Sunday, July 24, 1955;

Second. Statement by Mr. John A. Creedy, director of public relations of Pan American World Airways, Inc., as printed immediately following the Drew Pearson column in the Washington Post and Times Herald on July 25, 1955, challenging Jack Anderson's column of the previous day.

Third. The text of the point-by-point reply to Pan American made by Jack Anderson; and

Fourth. United Press item appearing in the Washington Post and Times Herald July 28, 1955, stating that Pan American World Airways' hotel subsidiary has just leased the plush Hotel Nacional in Habana, Cuba, for $3,800,000.

Mr. President, I should like to make it clear at the outset that I do not wish to become involved in any way in any discussion of personalities but simply to discuss briefly the basic issues which have been opened up by this debate in the public press.

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At the outset, I note that Pan American has not denied the accuracy of the statements and figures made by my distinguished colleague, the senior Senator from Illinois [Mr. DOUGLAS] that "what seems to be happening is that we are subsidizing Pan American, which, in turn, is subsidizing its wholly owned hotel corporation." In the CONGRESSIONAL RECORD of June 14, 1955, page 8132, the senior Senator from Illinois [Mr. DOUGLAS] introduced figures (which Pan American has not challenged) for the most recent year available from indirect Government sources to the effect that in 1953 Pan American spent $2,530,063 more on its wholly owned luxury hotel subsidiary, Intercontinental Hotels Corp., than it received back. It is ridiculous to assume that the $17 million which Pan American claimed from the Government and the taxpayers in the form of subsidies had nothing whatever to do with the subsidies of $2,500,000 which it was passing along in the same year to its hotel subsidiary. Obviously, the airline subsidies given by the Civil Aeronautics Board to Pan American went into the same till at Pan American that its subsidy to its hotel corporation came out of. On June 16, 1955 (CONGRESSIONAL RECORD, p. 8413) the distinguished Senator from Illinois warned with regard to these hotels: "This is only a taste of things to come, provided the subsidies are kept up."

How right he was.

Within less than a month after the subsidy appropriation for Pan American had passed the Congress, the first piece of news that we get is that Pan American's luxury hotel subsidiary, on July 27, 1955, only 2 days after the Pan American attack on Jack Anderson's very accurate column, purchased the lease on the swank Hotel Nacional in Habana, Cuba, for $3,800,000. If Pan American is so well off that it can lease a luxury hotel like the Nacional for $3,800,000, why do they come in here asking for subsidies at the taxpayers' expense on the basis of their supposed need? You know, and I know, that it would be considered a scandal if a man applied for relief at the public expense and it was found that he was able to keep up millions of dollars worth of valuable real estate in hotel properties. He would be thrown off the relief rolls at once. I see no reason why we should make an exception in the case of this favored airline, Pan American. There is no justification whatever to saddling the taxpayers, no matter how indirectly, with no matter how small a portion of the expenses of this airline's adventures into the luxury hotel business. What sort of thing are we subsidizing here, anyway? Look at this Hotel Nacional. The cheapest rooms you can get in the place are about $25 a day. Is this the sort of thing that the Congress should let public money go into? The average taxpayer of this country cannot afford to stay in a hotel as swank and expensive as this Hotel Nacional; but indirectly, whether they like it or not, the taxpayers are being made to pay part of the expense of it.

I see that Pan American says its hotel subsidiary currently makes a profit. Of course, the only Government figures we have show, as the distinguished Senator from Illinois showed, that in the most recent year for which figures are available, Pan American lost $2,500,000 on its hotel subsidiary and this loss inadvertently pulled down the total financial picture of the company and increased its claims for subsidy. Pan American says that the hotel company is now making a profit, but they do not give any figures. We therefore should be very cautious about accepting their statement, particularly as I note that House Report 207 by the House Committee on Appropriations March 17, 1955, quotes the result of its investigation of this whole situation:

"The survey indicates that the Civil Aeronautics Board does not have accurate facts or figures regarding Pan American operations. Most of the subsidiaries have never been properly audited and some not at all, and there has not been insistence that the operations of the entire system be treated as an entity, as required by a recent Supreme Court decision. If corrective action were taken, substantial cuts in subsidy should result."

I note also that on June 27, 1955, the General Accounting Office stated: "Pan Am's affiliates and associates also have never been audited."

Therefore, in the absence of a complete audit on Pan American and its subsidiaries including particularly this hotel subsidiary, we should be very wary of unsubstantiated statements such as the one made by Pan American on July 25, 1955, that the hotel subsidiary is now operating at a profit.

But, even giving Pan American the benefit of the doubt, Mr. President, and assuming that the hotel subsidiary is now operating at a profit, as it has not in the recent past, Pan Am's hotel subsidiary certainly has a long way to go—because by now the accumulated deficits on Pan Am's hotel ventures exceed $4,500,000, according to page 387 of this year's hearings by the House Appropriations Committee on the Civil Aeronautics Board. I have seen no indication from Pan American or anyone else that anything like $4,500,000 has yet been paid back. When that has been done, I would think comments such as those made by Mr. Creedy of Pan American would be more in order than they are at this time.

No answer is given at all by Pan American as to why other certificated United States-flag lines, such as TWA and Seaboard & Western in the Atlantic and Northwest in the Pacific, can fly international routes, facing foreign-flag competition and yet not requiring any subsidy at all. If they can do it, why can't Pan Am?

When pressed on this point occasionally, Pan American has said that it operates certain thin traffic routes to Finland, South Africa, and Hong Kong. This may well be true, but no figures have ever been made available by either Pan American or the Civil Aeronautics Board as to what portion of the enormous total of $17,769,000 of airline subsidy being claimed by Pan American for this coming year is attributable to these 3 thin traffic routes. I believe an honest answer would show that only a small fraction of the $17,769,000 could be justified on these grounds.

No reply at all is made to the well-documented points of Senator DOUGLAS quoted in Jack Anderson's column to the effect that Pan American is trying to get $8 million in subsidies out of the CAB for the purpose of getting their Federal income taxes paid at the public expense. Pan American has made no answer whatsoever to the very justifiable question raised by my distinguished colleagues, the senior Senator from Illinois [Mr. DOUGLAS] and the senior Senator from West Virginia [Mr. KILGORE]:

"Why can't this subsidized airline do what everyone else in the country has to do and pay its own Federal income taxes out of its own pocket?"

Nor is any explanation advanced by either Pan American or the Civil Aeronautics Board as to why even at this present moment the Civil Aeronautics Board is processing for subsidy purposes the Atlantic division of Pan American separately from its other divisions. The Civil Aeronautics Board in 18 months has failed dismally to implement the Supreme Court decisions of February 1, 1954, and to require that all divisions of Pan American be taken up for subsidy purposes in the same case for the same period so that the airline can be considered in its "entirety," to use the key word in the Supreme Court's unanimous opinion.

We come now to the final point at issue in the debate in the press between Jack Anderson and Drew Pearson on one side and Pan American on the other side; and that is whether or not national defense is a genuine and sufficient justification for the $17,769,000 of airline subsidies being claimed by Pan American at the taxpayers' expense. I am advised that on June 14, 1955, the Civil Aeronautics Board transmitted to my good friend the Senator from Illinois [Mr. DOUGLAS] figures compiled by the Department of Defense showing conclusively that in the greatest examples since World War II of how airlines can be useful to the national defense, the Berlin and Korean airlifts, the facts clearly show that nonsubsidized airlines carried more supplies for the military than did the airlines which are asking large subsidies at the public expense, the greediest of which is Pan American. This fact in itself greatly diminishes the defense justification which is whispered in the corridors as being the explanation of the $17 million giveaway to Pan American.

Secondly, Mr. President, it should be noted that of the $17,769,000 in subsidies being claimed by Pan American, not one single dime is going into the installation of defense features required by the military to be put in the Pan American planes to make them suitable for military airlift in the event of war; and, instead, Pan American is getting from another Government agency, the Air Materiel Command of the Air Force, the money for the installation of these defense features. It is therefore clear that if the entire subsidy of $17,769,000 for Pan American were eliminated this elimination would have no effect whatsoever on the program for installing defense features in commercial planes.

Therefore, Mr. President, I feel that Jack Anderson and Drew Pearson have been substantiated by the facts, and that they have performed a valuable public service in bringing to the attention of the public a matter which might easily have been overlooked. It is the public that pays the taxes, and the public is entitled to the full facts on the extravagant and wasteful way in which their money is being lavished upon this giant airline corporation, Pan American.

Mr. President, the waste and extravagance and diversion of funds in this Pan American Airline subsidy program is so bad that I recommend a prompt and thorough investigation by the Congress.

[From the Washington Post and Times Herald of July 24, 1955]

THE WASHINGTON MERRY-GO-ROUND—PAN AM'S DOLE A PERSONAL THING

(By Jack Anderson)

The same Senate-House group that pinches every penny going for schools and hospitals voted Pan American Airways an outright giveaway of $17,769,000 without batting an eye the other day—a startling increase of $12,500,000 over the original House-approved handout. The debate behind closed doors lasted only 12 minutes, costing the taxpayers a million dollars a minute.

Though the press and public were barred, Texas' rawboned Congressman ALBERT THOMAS warned nervously: "Let's not pretend here today. We're being watched. Some of those columnists have gotten interested."

But Florida's Senator SPESSARD HOLLAND waved aside all protests and pleaded for the extra $12,500,000 as a personal thing. Referring to Illinois Senator PAUL DOUGLAS' angry Senate fight against the Pan Am dole, HOLLAND asked the Senate-House conferees to support the increase as a vote of personal confidence in himself.

DOUGLAS had charged on the Senate floor:

1. That Pan Am is using the taxpayers' money to operate nine luxury hotels throughout South America. "What seems to be happening," declared DOUGLAS, "is that we are subsidizing Pan American which, in turn,

is subsidizing its wholly owned hotel corporation. * * * It is very consoling that we are able to afford these high-class accommodations on the coast of Brazil, but it is somewhat disconcerting to find that, apparently, American taxpayers are being asked to pay indirectly for part of the expense of them."

2. That the Pan Am subsidy includes $8 million to pay the airline's Federal income taxes. Pointing out that no other airline gets its Federal taxes paid at public expense, DOUGLAS demanded: "Why can't the subsidized airline do what everyone else in the country has to do and pay its own Federal income taxes out of its own pocket?"

3. That Pan Am deserves no more subsidies until it pays back $6,800,000 that the Supreme Court has ruled Pan Am owes the Government.

4. That Pan Am is the only major airline still drawing Government subsidies. The other big airlines are able to get along on the Post Office pay for flying the mail. Pan Am, too, collects a generous $11 million from the Post Office. But influential friends in Congress insist on presenting Pan Am with an additional $17,769,000 as a public gift.

DOUGLAS' arguments were ignored, however, during the slap-dash, 12-minute debate. The only real argument was whether the tiny, dependent airlines should be given first priority.

"Wouldn't it be a good idea," suggested Congressman SID YATES, Illinois Democrat, "to put the small local service airlines and helicopters first?"

"There's no shortage of money," replied HOLLAND generously. "Everyone can be taken care of."

LITTLE GUYS FIRST?

"I think I can see what the situation is here," piped up Congressman DAN FLOOD, Pennsylvania Democrat. "Unbeknownst to some of us, agreement has already been reached as to how much money shall be taken out of the public Treasury and given to certain airlines. But, surely, gentlemen, there can be no objection to putting the little guys in first, out of a superabundance of caution, against the unforeseen possibility there might be a shortage of funds and the little guys would be squeezed out by the big guy."

At this point, HOLLAND leaned across the table and whispered loudly to Georgia Congressman PRINCE PRESTON, chairman of the House conferees: "This is a personal thing with me, on account of Senator DOUGLAS."

Taking the cue, PRESTON blurted: "We don't want the impression to get out that we are against big airlines."

On the final, secret roll-call, the following voted for Pan Am: Senators HOLLAND, of Florida, ELLENDER, of Louisiana, Congressmen PRESTON, of Georgia, and CANNON, of Missouri, Democrats; and Senators BRIDGES, of New Hampshire, KNOWLAND, of California, SMITH of Maine, Congressmen CLEVENGER and Bow, of Ohio, and MILLER of Maryland, Republicans.

Those voting for the public interest were Congressmen ROONEY, of New York, YATES, of Illinois, FLOOD of Pennsylvania, and THOMAS of Texas, all Democrats.

One significant outcome of the subsidy fight was the emergence of Senator HOLLAND as the new champion of Pan Am, replacing defeated Senator Owen Brewster, Maine Republican, who for years represented Pan Am in the Senate.

[From the Washington Post and Times Herald of July 25, 1955]

COLUMN CHALLENGED BY PAN AMERICAN

Challenging the accuracy of statements in yesterday's Washington Merry-Go-Round, John A. Creedy, director of public relations for Pan American World Airways, issued the following statement:

"Jack Anderson's July 24 column demonstrates that no effort has been made to check or to accurately report the record. His statements attacking Pan American are utterly disproven by Civil Aeronautics Board records, testimony before the Appropriations Committees and by the record of the General Accounting Office.

"Typical misstatements:

"1. No giveaway to Pan American was before the joint conference. What air service gets how much public support is determined by a judicial proceeding laid down by the Civil Aeronautics Act.

"2. No subsidy money goes to Pan American's hotel subsidiary. The hotel company currently makes a profit which the CAB claims in full and applies to reduce public support for air services.

"3. PAA receives no subsidy for operations comparable to any unsubsidized United States competitor. Congress and the CAB have authorized subsidy for certain routes of PAA's thin traffic, national-interest routes, as well as for certain routes of other airlines. Payment is made for services performed after full judicial-type investigations.

"4. PAA provided consistently more airlift than any other civil contractor in the Korean airlift and was among the lowest in cost.

"The familiar tactic of personal attack may be considered as evidence of Anderson's lack of objectivity."

POINT-BY-POINT DISCUSSION

Pan American world airways has raised some objections to the column of Sunday, July 24, by Jack Anderson. In fairness to our editors, we are supplying them with Pan Am's statement, plus Jack Anderson's reply, for such use as they may wish.

The following is the statement released by Pan Am:

"Jack Anderson's July 24 column demonstrates that no effort has been made to check or to accurately report the record. His statements attacking Pan American are utterly disproven by Civil Aeronautics Board records, testimony before the Appropriations Committees and by the record of the General Accounting Office.

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"4. PAA provided consistently more airlift than any other contractor in the Korean airlift and was among the lowest in cost.

"The familiar tactic of personal attack may be considered as evidence of Anderson's lack of objectivity."

Here is Jack Anderson's reply to Pan American:

"The Pan American World Airways statement is as off-beat as the Russian version of who invented the airplane. I am accused of lacking objectivity. I have no ax to grind for or against Pan Am. I have only a reporter's interest in a news story and a taxpayer's interest in preventing a raid on the public treasury. Pan Am, on the other hand, has $17,769,000 at stake. I will leave it to the reader to decide who is likely to be more objective under the circumstances.

"Here is the answer to Pan Am's statement, point for point:

"1. Congress, not the Civil Aeronautics Board, determines how much subsidy shall be granted. On June 16, 1955, the Senate approved a proposal by Senator SPESSARD HOLLAND, Democrat, Florida, to increase the airlines subsidies appropriation for next year from $40 million to $55 million. The Senate-House conference finally set the figure at $52,500,000.

"The total subsidy claims of every domestic airline in the country, including the local service airlines and helicopter companies, add up to only $32 million. Pan Am's two big rivals in the international field, TWA and Northwest, didn't claim a penny's worth of subsidy. In other words, the House figure of $40 million was more than enough to take care of all airlines except Pan American. The $12,500,000 increase, therefore, is of benefit only to Pan American World Airways.

"2. On July 14, 1953, Pan Am advanced in a single day to its wholly owned subsidiary, Intercontinental Hotels Corp., the vast sum of $2 million. Then, as an added touch of generosity, Pan Am stipulated this advance should be interest-free.

"Senator PAUL DOUGLAS, Democrat, of Illinois, stated on the Senate floor:

" 'The foregoing of interest on this single advance of Pan Am to its hotels amounts to $80,000 a year at 4 percent, an item which we are covering through the subsidies.'

"This statement has never been disputed or denied.

"I also note that in 1953, the last year for which Government figures are available, Pan Am advanced $2,530,063 more to its hotels than it received back in profits. At the same time, Pan Am was drawing more than $17 million from the taxpayers in the form of airline subsidies.

"Why, if other Americans can make a profit in the hotel business without benefit of airline subsidies, does not Pan Am make a profit on its hotel chain? Why is more money flowing from Pan Am to Intercontinental Hotels than is coming back the other way? What is this hotel subsidiary doing with the money it gets from Pan Am? These questions have been asked but never answered.

"I note the Pan Am statement claims its hotel subsidiary is currently making a profit. That will be news, and good news, to Government economizers. There is a long way to go, however. By now over $4,500,000 has flowed from Pan Am to its hotel subsidiary and nothing like this amount has yet been paid back. As Senator DOUGLAS stated: 'There is no justification in saddling the taxpayers, directly or indirectly, as appears to have been done through the device of airmail subsidies, with ventures such as luxury hotel chains.'

"3. No answer is given by Pan American as to why other certified American-flag airlines such as TWA and Northwest can fly international routes and face foreign-flag competition without requiring subsidies as Pan American does. The Pan American statement claims it has certain 'thin traffic, national interest routes.' This may be true, but no figures have ever been made available by either Pan American or the CAB as to what portion of the total $17,769,000 Pan American subsidy claim is attributable to these 'thin traffic, national interest routes.'

"4. National defense is advanced as a justification for these subsidies. But figures made available by the Defense Department and the CAB on June 14, 1955, indicate that nonsubsidized airlines carried more supplies for the military in support of the Berlin and Korean airlifts than did the airlines currently claiming subsidies.

"Not a penny of these huge subsidies is going into the installation of defense features in subsidized planes. In my mind,

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these facts diminish the so-called defense justification and show these subsidies are not being directed to genuine defense purposes."

[From the Washington Post and Times Herald of July 28, 1955]

PAWA AFFILIATE TO RUN HOTEL

HABANA, July 27.—The Intercontinental Hotels Corp., of New York, will take over the operation and management of the Hotel Nacional here, effective August 1, it was announced officially today.

The IHC is a Pan American World Airways affiliate. The Hotel Nacional, Cuba's leading hostelry, is owned by the Cuban Government. It was built in 1930 at a cost of $6½ million. It was understood that the IHC acquired a 35-year lease on the Nacional from its present operators, the Kirkeby Hotels Corp., of New York, for $3.8 million.

MEETING THE CRISIS IN AMERICAN PUBLIC EDUCATION

Mr. MORSE. Mr. President, I now return to the sad plight of the American schoolchildren and the failure of this Congress to pass legislation for the schoolchildren and the schoolteachers of America.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. KNOWLAND. Mr. President, did the Senator want his additional speeches at the end of his current speech, so that they would not come in the midst of his speech?

Mr. MORSE. I think I have a ruling on that point, but I appreciate the help of the Senator from California.

As I was saying, and I speak in great seriousness and with great sadness about it, I think it is a sad thing that the fall term of school will start with this session of Congress having failed to pass Federal aid to education legislation.

I think it is a sad thing that Congress did not pass a school construction bill, because across this Nation there are thousands and thousands of children who can go to school only a half day. They do not have in their communities the school facilities which they need for full-day education. Not only does this work a tremendous hardship upon the children, but it is working a great hardship upon the teachers.

Likewise, I think it is sad that Congress has not passed a teacher salary bill which would provide some Federal aid to the teachers across the country, because it is also true that the education of our children can be no better than the teaching they obtain from their teachers.

So we have a group of public servants who do not receive that compensation which the people of the United States ought to see to it that they do receive.

The teachers are devoting and dedicating their lives to the problem of maintaining an enlightened citizenry, so that democracy and freedom in this country can be strong.

I think that, come January, we ought to hasten to correct the great oversight and dereliction of this session of Congress in respect to education legislation. In fact, I think the President of the United States ought to call Congress into special session, October 1, or sooner, to pass some education legislation.

(At this point the Senate received a message from the House of Representatives.)

Mr. MORSE. Mr. President, if I heard the message stated correctly, I cannot think of a better way in which to end the session than to try to do justice for those patriots who have performed the service for our country, to which the resolution directs itself. I should think it would be possible for the Senate to pass upon this matter under a unanimous-consent agreement whereby I may continue to speak on the educational program and the sad plight of America's schoolchildren immediately following the correcting of what I think is another great injustice, which is covered by the resolution.

Mr. President, in order that I may have continuity in the RECORD, I do not intend to yield further, and I shall start again on the speech which sets forth the historical analysis of Federal aid to education.

HISTORICAL ANALYSIS OF FEDERAL AID TO EDUCATION

One of the criticisms leveled against Federal aid to education, and that is Federal aid in any form, has been the charge that the Federal aid would constitute but the first step in eventual Federal domination of all of our schools. It is my opinion that this charge is not based on fact, and is quite contrary to the experience we have had in this Nation.

Aid to education by the National Government has a history which predates our Constitution. The Congress of the Confederated States adopted the ordinance of 1785, which provided that each new State admitted to the Union should be granted certain lands, or money gained from the sale of such lands, to be applied to school aid. There was no attempt made to direct the States as to how they should spend these funds.

This is but one of the many programs under which the Federal Government aided or is still aiding education in the State public schools.

During the depression of the 1930's the Federal Government participated to a very large degree in school-aid programs. Under the PWA and the WPA hundreds of millions in loans or grants were expended on State education. A great school-construction program produced many fine and much-needed schools.

Without the schools that were built in the depths of the depression the present situation would certainly be much, much worse.

During the Second World War we found the Federal Government extending still more aid to State public schools. Under the Lanham Act the Federal Government was authorized to construct schools and other facilities in those communities which experienced such an influx of service personnel or defense workers that existing community facilities were unable or inadequate to cope with the problems created.

In 1950 Congress enacted Public Law 815, 81st Congress, which recognized the fact that the activities of the Federal Government were still having an effect on the schools of some localities and that the Federal Government had a responsibility to help correct the situation it had created. Without going into further detail, it is fair to say that the Lanham Act principle was carried over into Public Law 815.

If one were to compute the total amount of Federal funds spent on education, that is, the total amount that has been expended over the years, he would come up with a figure in the multi-billion-dollar class. The singular point which I wish to draw from this historical summary is that, although we have long had monetarily extensive Federal aid to education, this aid has been given without one ounce of encroachment on any States rights in the field of education. It is a simple fact that Federal aid to education has proven historically feasible and has been successful beyond a doubt, and that the States, rather than being subjugated by the Federal Government, have maintained and increased their dominant position. This would indicate to me that there is no just cause for fear that any Federal aid program would dominate the States. And let me reiterate that I have always maintained that Federal educational policy should be one of giving the States financial aid without interfering in State educational policy.

THE LEGAL ISSUE

There are some who approach the question of Federal aid to education in any form with an underlying premise that should be brought out into the open. That premise is that Federal participation in education is illegal or, at best, legally questionable, despite the history I have just outlined. It should be made clear that this view is not in conformity with the law.

Article I, section 3, of the Constitution of the United States reads:

> The Congress shall have the power to lay and collect taxes, duties, imposts, and excises, to pay the debts and provide for the common defense and general welfare of the United States.

It will be recognized that I am quoting the so-called general welfare clause of the Constitution of the United States.

From the very earliest time in our history there was a sharp difference of opinion as to the exact meaning of this general welfare clause. There were two views. One, the so-called narrow view, which would have restricted the meaning of the general welfare clause to this: That the general welfare clause allowed the Congress to appropriate money only for those purposes specifically enumerated in the Constitution. The other interpretation, the so-called broad interpretation was: That the general welfare clause allowed the Congress to appropriate money for matters that were not specifically enumerated in the Constitution. In other words, the general welfare clause was in and of itself a grant of power to the Congress of the United States.

Without intending to launch into a full analysis of the law on the point, let me

call attention to the decision of the Supreme Court of the United States in the case of *United States* v. *Butler* ((1936) 297 U. S. 1, 65). In that case the Court said:

> The power of the Congress to authorize expenditures of private moneys for public purposes is not limited by the direct grants of legislative power found in the Constitution.

In short, the Supreme Court accepted the broad interpretation of the general welfare clause.

Faced with this very clear interpretation of the general welfare clause, opponents of a broad use of the general welfare clause have turned to another attack upon any Federal aid that might be made under the general welfare clause. Their argument is this: That the 10th amendment to the Constitution reserves to the States the rights not specifically given to the Federal Government. From that step they make the next argument that any Federal grant which tends to affect any of these so-called States rights is unconstitutional.

But the Supreme Court has made it very clear that programs involving Federal grants to the States do not constitute Federal invasion of those powers the 10th amendment reserved to the States, so long as no coercion was used upon the States to force them to accept the aid from the Federal Government. The Court issued this ruling in the case of *Stewart Machine Shop* v. *Davis* ((1937) 301 U. S. 548).

The Supreme Court has gone even further in interpreting the right, and the power, of the Federal Government to make grants under the general welfare clause. In the case of *Oklahoma* v. *Civil Service Commission* ((1947) 330 U. S. 127), the Court stated that the Federal Government would not be invading the States' sphere of competency by placing certain terms and restrictions on money it allots to the States. Let me quote you the words of the Court:

> Even though the action taken by the Congress does have effect upon certain activities within the State, it has never been thought that such effect made the Federal act invalid.

Mr. President, I shall pause long enough to say to the minority leader that he may interrupt me at any time to ask for the consideration of the resolution, which I understand is aimed at correcting injustices to some very deserving patriots in the United States.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. KNOWLAND. This is a resolution upon which the leadership, at least, has had no advance notice. It apparently deals with some pension rights.

Since this is the close of the 1st session of the 84th Congress, and is not the final session, the matter will not die, but will be available when Congress reassembles in January. I think that, as a matter of sound public policy, under the circumstances prevailing in the Senate tonight, the resolution should not be passed by unanimous consent in the Senate, but should be properly referred.

Mr. HUMPHREY. Mr. President, will the minority leader withhold his suggestion for a moment?

Mr. KNOWLAND. I am glad to do so.

Mr. HUMPHREY. May we first ascertain whether the resolution relates to 1, 2, or 3 individuals? Its language indicates that it relates only to a very small number. The number may be so limited that we may wish to consider the resolution.

The staff is attempting to get some information on the subject from the House. If we can get the information within the next 3 minutes, it may be possible to make a judicious settlement of the matter.

Mr. KNOWLAND. It may be possible to make a judicious settlement, but I think coming at 2 minutes to midnight on the last day of the session, and being a matter of which we have had no advance notice from the leadership of the other body, and its not having been referred to a Senate committee, I do not believe it would be in the best interest of orderly procedure to take action on it tonight.

Mr. MORSE. Not only that, but is it not true that if there is need for a retroactive clause in order to do justice, a retroactive clause can be attached to the measure in January?

Mr. HUMPHREY. There is no need for retroactivity, so far as I am able to understand the resolution, because it provides "that no pension shall be paid for service after December 31, 1913." So retroactivity would have to go back to 1913.

Mr. MORSE. Therefore, if we pass legislation in January, the only suffering which will be entailed by these people will be a delay in their receiving their money from now until January, unless the President calls Congress into special session, as I think he should, to pass some legislation for the benefit of the schoolchildren of America. Then we can pass on this matter at that time.

Mr. HUMPHREY. If the President shall do that, I shall immediately move that House Joint Resolution 110 be given priority.

Mr. MORSE. And I will join with the Senator from Minnesota.

Going back to the meaning of the general welfare clause, I think it is well that we close this session of Congress tonight by ending on the note of the general welfare clause, rather than on the note of the interest of certain powerful groups in this country, who seem to be getting the aid instead of the schoolchildren of America.

Referring to the general welfare clause in that sense, let me say that the argument of those who have urged a particular interpretation of the general welfare clause is that the 10th amendment to the Constitution reserves to the States the rights not specifically granted to the Federal Government. From that step they make the next argument that any Federal grant which tends to affect any of the so-called States rights is unconstitutional.

I am satisfied they are all wrong. Under the general welfare clause there is no question about the fact that Federal aid to education for the benefit of the boys and girls of America and for the schools is constitutional. Not only is it constitutional, but it is sorely needed.

Mr. President, resuming the thread of my discourse, we can say this much in summary. The Supreme Court has interrupted that general welfare clause as enabling the Congress to appropriate public funds for purposes other than those specifically enumerated in section 8. Education is considered one of those purposes.

Secondly, the Court has refused to make its broad interpretation of the general welfare clause nugatory by construing the 10th amendment in such a manner as to nullify Federal grants made under the general welfare clause. That is, the Court has clearly held that Federal grants are not unconstitutional simply because of the fact that a State in accepting a Federal grant will find that there has been an effect upon activities within the State.

There is another point that I would mention in passing. My record will show that I have consistently stood in opposition to any possible Federal encroachment upon States rights and I will continue to do so. But we should understand that when the Government—the Federal Government—exercises its constitutional power to fulfill its responsibilities to the people that the exercise of this power is not an exercise of power that is an encroachment upon the rights of States. This is a Government of divided powers, and let me make it clear that there are powers in the Federal Government as well as powers in the governments of the States. There will be conflicts between the exercise of the powers of the Federal Government and of the powers of the States; in a dual system such as ours those conflicts cannot be avoided. But to automatically assume that every conflict of power between these two sovereigns must be decided in favor of the States is erroneous. We must not confuse the question of what is wise policy with the question of what is legal under the Constitution. That has been done much too often on the floor of the Senate. The two issues are distinct, even though, at times, a question may arise in which they coincide.

BILLS ON EDUCATION

It would be difficult to name any subject that has been given a more thorough and detailed study by Congress than has the subject of general Federal aid to education.

For example, beginning in 1919 with the 65th Congress and concluding in 1953 with the 83d Congress, some 251 bills on this subject have been introduced. This count includes only those bills providing solely for general Federal assistance to education. Excluded are those bills dealing with special types of educational aid, such as for kindergartens, vocational education, and adult education.

An infinite variety of bills has been introduced. Most of the early bills proposed that aid be given in the form of funds for school construction. Many of

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them contained provisions for setting up the Department of Education and for permanent yearly appropriations of $300 million.

Although school construction bills continued to be introduced through the years, in more recent Congresses many bills were introduced that proposed grants be given to States for the purpose of increasing teachers' salaries. The late Senator Pat McCarran, of Nevada, introduced a bill in the 81st Congress which would have made $600 million available for teachers' salaries. There were many other bills along this vein, but asking for smaller amounts.

Neither party has had a monopoly on introducing these bills. There has been bipartisan support for Federal aid to education. In fact, I am sure that many Senators will remember that the late Senator Taft sponsored an aid-to-education bill which was passed by the Senate but never acted on by the House.

Twenty-one of the bills were reported out by one House or the other. Only a few, mainly concerned with federally impacted areas, have passed. Literally thousands of pages of testimony were compiled in the hearings held on various of these bills. I doubt that any question has been studied more thoroughly by the Congress, yet little has been done toward solving the problem we face. The sad truth is that issues totally irrelevant to the merits of the bills have kept Congress from enacting some of them.

WHY THE PROBLEM EXISTS

Before one undertakes to offer a solution for a problem, it is necessary to understand why the problem exists. Intelligent and constructive problem solving presupposes such an approach.

Why, then, do we have the crisis in American education today? I think that there are two cardinal reasons: First, the tremendous increase in school enrollment caused by the high birthrate during and immediately following World War II, and the peak has not yet been reached; second, war caused the dislocation of our economy. But the growth in elementary school enrollment is basically the reason for the existence of the serious situation in education.

During the war years our schools ran down for various reasons and a backlog of obsolescence grew up; we lost teachers to higher paying jobs and to the Armed Forces, we put men into service who would have gone into teacher training, and we created educational crises in defense areas. These problems for the most part could have been overcome but for the tremendous increase in enrollment.

Even a hasty examination of the record will show that our States have greatly increased the amounts that they are spending for education, that the Federal Government has spent millions upon millions to remedy the situation in federally impacted areas and that we are turning out about 90,000 teachers a year today. Yet we continue to fall behind at an ever-increasing rate in supplying classrooms and teachers.

The great increase in enrollment for which we were not prepared has all but overcome our schools. The cold, hard fact that we have to face is that we need to invest more of our gross national product in education, if we hope to attain that standard of educational quality which will give us a fairly well-trained citizenry. Once we reach that goal, we can discuss improving our educational system. We have to catch up before we can think of forging ahead.

There are two general fronts upon which we must meet the crisis in education. One, we must provide capital outlay for buildings and grounds. Two, we must provide money to increase teachers' salaries. We have to have buildings and teachers. One without the other is not enough.

It is really unnecessary to cite data proving that the need for teachers and schools exists. There is a near unanimity of agreement on this subject. We find agreement on this matter at all levels of Government and among all responsible elements of our society. The great majority of our people recognizes the existence of the crisis facing our educational system. The issue has really become one of "How shall we solve the problem?" and not one of "Is there a problem?". Even though most of us readily agree that we do have an emergency situation about which something must be done, agreement that there is a problem does not per se solve the problem.

Today I am addressing myself to the issue of what is the best solution for the difficulty which faces us. Let it be clear, Mr. President, that I speak to those men of good faith who are seriously concerned over what approach we should take. I have neither time for, nor patience with, those who would use this honest difference of opinion on how the problem should be solved as a means of killing any possible Federal aid to education.

It has been my privilege during the 10 years I have been in the Senate to join as a sponsor and work for the passage of a number of bills concerning education. I am presently a sponsor of S. 5 and S. 772. Both of these bills have been introduced by Senator HILL, of Alabama. S. 5 provides for emergency Federal assistance to the States and Territories in the construction of urgently needed public elementary and secondary school facilities. S. 772 provides that revenues from the Outer Continental Shelf lands, the oil lands, shall be used as grants-in-aid of primary, secondary, and higher education. Even though I am a cosponsor of these pieces of legislation, I would be less than frank if I did not say that I consider that the Hill school-construction bill satisfies only part of the need. The bill is only half a loaf at the very best.

It is my opinion, and I think the facts will bear me out, that the need for qualified teachers is really the primary and immediate need. Certainly there is no logical way in which one can separate teachers and education. We are woefully short of teachers. Forty, fifty, and sixty youngsters to a classroom, even though that room be the finest available, will not result in well-trained children. The character and the ability of the teacher are the most important influences in the formal educational process the child goes through. It is during the formative years that the important impressions are made.

Gentlemen of the Senate, is history to record that we refused to make an emergency investment in the one resource which is the key to the development of all others? Is it to show that this body had so little imagination, so little respect for human dignity that it refused to help make it possible for the children of this day to get the best education we could provide for them under the circumstances?

The finest value of education, Mr. President, is not found in the material benefits it may provide, but it is found instead in the opportunity it gives a child to know and appreciate the beauty that there is in life, the opportunity it gives a child to live that fuller life which all the material satisfaction in the world cannot alone supply. Can we deny these youngsters the opportunity to get the most out of life?

We are not dealing with an issue that can be set aside and returned to some other year without irreparable harm having been done. I have sat long hours on the floor of this Senate and heard many noble and ringing words spoken about how important and precious individual rights are. I say, Mr. President, let this matter of aid to schoolchildren, aid which will make it possible for them to more fully enjoy those rights, be the crucible in which we will test the sincerity of those words so often heard on this floor. Let the leadership give us the opportunity to record ourselves so that the people may know which of us is deserving of belief, when he speaks of individual human rights.

TEACHER SHORTAGE

There are over 1,066,000 teachers employed in our elementary and secondary public schools today. This figure includes those teachers who are fully certified, as well as those who hold only temporary certificates. A temporary certificate indicates that the holder of the certificate has only partially fulfilled the requirements that his State asks a teacher of his rank to hold. Although there is some difference of opinion concerning the actual number of teachers we lack, there is unanimous agreement among those making surveys on this subject that the shortage is immense and will continue to increase for the foreseeable future.

The National Education Association estimates that there is an annual turnover of some 90,000 teachers. Of this number, somewhere near 75,000 are leaving the profession each year. The other 15-odd thousands are taking other teaching jobs. Approximately one-quarter of those quitting the teaching field do so to improve their economic status. The others give various reasons for leaving. The NEA estimates that we have a shortage of at least 135,000 teachers. At the close of this speech, Mr. President, I will insert material containing NEA estimates on the teacher shortage and other related problems.

The estimate that we are short 135,000 teachers is based on several factors. First, a 30-pupil maximum per teacher

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is assumed. This ratio of one teacher for each 30 pupils is considered the maximum ratio for good teaching. Second, the NEA adds the following figures to arrive at its 135,000 figure. The 75,000 teachers that are dropping out of the profession yearly are added to the at least 40,000 teachers holding temporary certificates, who are not fully qualified to teach, and to the approximately 58,000 teachers needed to bring the size of classes down to the recommended 30 pupils per teacher. From this total of 173,000 teachers are subtracted the 38,000 new teachers a year entering the teaching profession after graduation from our teacher-training institutions. The resulting shortage is 135,000 teachers each year.

More important than this shortage figure itself is the fact that we are falling behind at an ever-increasing rate. Of the 95,000 college graduates with regular teaching certificates, only some 40 percent enter the teaching field. When we consider that 75,000 teachers a year are dropping out, that enrollment in the elementary schools will continue to increase rapidly and that the secondary schools will soon be overflowing with the peak of the war baby crop, we are in trouble. Mr. President, it seems to me as clear as it can possibly be that we have to have more teachers. This is to say nothing of the fact that we ought to have more, better teachers.

We have come a long way in the field of education and there are many things that we ought to be doing in our teacher training to train better teachers, but it is impossible to do so as long as the immediate pressure is to get more teachers right now.

Imagine, Mr. President, what the situation will be when the full tide of the war baby crop hits the secondary schools and the colleges. I tell you, Mr. President, we are in trouble—we are in serious trouble.

It is most discouraging to stand in this body and recite figures that have long been known to all of us. These facts and figures are known to all of us, I repeat, yet Congress has refused year after year to act. It seems that the worse the situation gets the less we want to do about it. I am at a loss to understand this type of thinking, Mr. President. How long will we wallow in lethargy? How long can we shut our eyes to our duty to the people of the United States? We are dealing with the future of our Nation and of many of its individual citizens. Does that not mean anything to us? We have a national emergency in education.

Listen to what this teacher shortage means to the Nation—to our children. I quote from testimony given by the Department of Health, Education, and Welfare before the Subcommittee on Education of the Committee on Labor and Public Welfare, 83d Congress, 2d session, April 2, 1954:

> In the face of a general need for more competently educated citizens, we find an increasing percentage of our children today receiving schooling from teachers who are substandard in their preparation or in overcrowded classrooms or in half-day sessions.
>
> Beginning in 1944, many persons left teaching for other positions or for the armed services. Their places have been filled by persons unable to meet full certification standards, which in some States are still no more than high-school graduation plus the rudiments of teaching elementary-school subjects.
>
> At present we are losing more teachers per year than are entering teaching. Unless conditions change, ahead of us lie more overcrowded classrooms, more one-half or one-third day sessions, more teachers with less than standard preparation, or more children without teachers.

Could it be—must it be—made any more plain to us? Why do we not act?

QUALITATIVE DEFICIENCY

Mr. President, let me discuss what else the figures reveal. They show that we are confronted with a qualitative as well as a quantitative shortage in our teaching picture. We have a teacher shortage and proportionately we have fewer well-trained teachers today than we did in 1939. There is no excuse for this. There is no excuse for this in a Nation with the highest standard of living in the world. There is no excuse for this in a Nation with the greatest productive system in the world. There is no excuse for this in a Nation where the people have always placed great stock in education.

Before examining the declining quality of our teaching profession I would like to pause for a moment to discuss briefly the history of education in America.

This Nation is dedicated to the principle that all men are created equal.

In recent years we find that the principles of freedom and equality and self-government have been challenged by totalitarian systems in which the elite, the ruling class, claims that it knows what is best for the people—that the totalitarian systems are more efficient than our loosely woven democratic process.

I do not claim, nor can anyone claim, that education alone is an answer to the threat of totalitarianism. But, it is a major part of the answer.

Let us look for a moment at what our predecessors in this country thought about the place of education in a free country. In the beginning of our history we had a two-class system in education. That is, there was education for the rich, and the poor scrambled for what they could get in the way of training. The pattern was that followed in England and in Europe. Our people soon realized that this was not in keeping with the new form of government they had created. Through slow development we came up with a purely American creation of the "common schools," and let it be clear that this development is indigenous to America. When we speak of "common schools" we mean schools that are common for all, and not schools for the so-called commoners.

Paying for public schools with tax money was a new thing, too. The taxpayers were thus given the right to oversee what their children were taught. In Europe the picture had been for the ruling class to control educational policy and practices. Tax-supported local schools meant local control by boards of education who were responsible to their neighbors. In order to insure the success of common schools we had to provide teachers. So Americans set up normal schools, a concept borrowed from France, to provide those teachers. These early educators knew that the success or failure of the American experiment in education rested directly on the ability of the teachers that could be provided and we would do well to pay heed to their thinking.

The public education movement in America was attacked at every step of the way. There were those who were afraid to educate the common man because they had no faith in him, because they feared him. There were those who opposed taxation for education on the grounds that it was highway robbery. Today we tend to forget that a great struggle was fought and won in America in the field of public education, and inaction by the Congress of the United States is a discredit to the fine Americans who fought and won this battle for public education. Those were brave and farsighted men and women, and I am not so sure that we have been worthy successors.

The goal of these pioneers of education was to establish a system of public education to teach people the rudiments of taking care of their health, to teach the fundamental processes of communication, to produce individuals worthy of home membership, to prepare people for vocations, to provide effective citizenship, to teach people worthy use of their leisure time and to instill high ethical concepts into the graduates of our public schools. These are goals for which we still strive. In summary, our public educational system is striving to produce free men worthy of a free society. And, Mr. President, let me say that the senior Senator from Oregon stands ready to vote public funds for this purpose. I know of nothing more valuable that our dollars could buy.

Let me return now to the consideration of the quality of teaching in America today. I do not mean to say that we do not have better prepared teachers today than earlier, but I do mean to say that in proportion to the number of our teachers and in proportion to what we have learned about teaching practices and methods, we have fewer good teachers than we did 15 years ago. In the period 1939–40, for example, we had relatively few teachers who did not have regular teaching certificates. Only 1 in each 340 teachers held a temporary certificate. In the period 1946–47, because of the effects of World War II, we found the ratio had risen—rocketed is a better word—to 1 temporary teacher in every 7 people in the teaching profession. It was assumed that this latter situation was temporary and would soon be done away with. But that was a false assumption. The ratio in the period 1953–54 was 1 temporary certificate holder in each 14. In the period immediately preceding, 1952–53, the ratio had been 1 in 15. We are losing ground again. That is not good. We have over 80,000 teachers unqualified for full certification teaching the children of America today. A projection based on presently available data indicates that we will have to hire more teachers holding temporary certificates. I am not critical of, nor ungrateful for, the contri-

bution of these 80,000 uncertified teachers. Under present circumstances we are very fortunate to have them. But I am critical of the fact that we are allowing a bad situation to get worse and not doing anything about it.

It is unforgivable to condone the present teacher shortage—it is criminal to allow it to increase.

What can we do about the teacher shortage? We must do two main things: First, prepare more teachers; and second, get those in teaching to stay there. One of the important factors in getting people to enter the teaching field and to stay there is to provide them with a salary somewhere nearly commensurate with the responsibilities of their positions and somewhere nearly sufficient to pay them the costs of their preparation for the teaching profession. Otherwise, our capable young people will continue to enter other fields in preference to teaching and we will continue to lose those teachers that are now in the field. Simple economics dictates such a result. It is foolish for us to think anything else could or should happen. But we sit on our hands. I am at a loss to understand such inaction.

NEW SCHOOLS NOT ENOUGH

We have to face reality, Mr. President. All the new schools we build cannot produce well-trained citizens unless we have a sufficient supply of good teachers to train our children. We will be several years, assuming that the Congress ever does act to provide funds for school construction—and I am not so sure that that is a permissible assumption—in constructing the needed buildings. It will also take a period of years for any Federal aid in the form of school construction funds to make itself felt on the budgetary situation that our States are now in. It is not realistic to assume that States will be able to immediately take money that they would have put into school construction and provide better pay for teachers. There is a time lag that has to be taken up and only the Federal Government can do that at present.

Why is it important that this time lag be taken up? I will tell you why. We simply cannot afford to let our present group of elementary-school pupils bear the full brunt of inadequate schools and insufficient teachers when it is possible for us to do something about it. I taught for 20 years, Mr. President, and I can say to you from my experience that there is absolutely no more important time in the formal education of a child than that period he spends in elementary school. As the old expression would have it, the child who learns his reading, writing, and arithmetic properly in elementary school is the child that has the foundation upon which future education can be built. After he gets to high school or college it is invariably too late to iron out the improper habits.

We have come to realize in American education that the most important principle in teaching is that each child must be treated as an individual if he is to develop properly and to his highest potential. The teacher has to have time to work with each child. This means that we must have better-trained teachers and more teachers so that each child can get this individual attention. Children in the same age groups will differ vastly in their physical, emotional, and intellectual development. We know that all three of these factors—the intellectual, the emotional, and the physical—have to be dealt with if we are to have a well-trained and well-developed child. A child that does not have this personal attention from his teacher is being cheated. A whole generation of Americans is being cheated today. Unless we do something about it, more of them are going to receive the same shabby treatment.

We can partially alleviate the educational problem which many of these children face if we will make every effort to secure more teachers and to hold those teachers that are now teaching. Teachers are the heart of any good educational system. School buildings are not nearly so important. What we must do is provide funds which will serve as part of the incentive to get more teachers. If an increase in funds for teachers' salaries is voted, it will have more than just an economic effect—it will have a very sharp psychological effect, which may be in the long run more important than the money. A vote for more funds for teachers' salaries will indicate to our teachers that the community and the Nation have respect for them and appreciate what they are doing. It will bring them back part of the self-respect that they have lost, for a combination of reasons.

Our economy can spare funds for this purpose if we think it important enough. It is an investment in the future of individual Americans and of America. Increasing teachers' salaries would have these immediate effects: It would hold many teachers who are quitting to take other jobs; it would induce many of the 60 percent of the graduates with teaching certificates who are now going into other fields to go into teaching; it would call back some of these graduates who have gone into other fields; it might well call back some of those who have retired but are still fully qualified to teach, and lastly, it would give greater incentive, because of the economic and psychological aspects that I have just discussed, to those people now in the teaching field to make that little bit greater effort which means so much. Notice, Mr. President, that I am talking about what can be done immediately for those children who are now suffering because of our indolence as a Nation for the past decade. I am not talking about long-range results, but about what can be done right now.

A PROPOSED BILL

Mr. President, we have a national emergency in American education today. We have to act as soon as possible if we are to do anything for those children now being deprived of the education we can afford to give them. Our national emergency in education is as real as any other disaster that has ever hit this Nation.

It is difficult to demonstrate this fact to some men in the Congress, for there are those who cannot readily understand that disaster can be intangible as well as tangible. Some of the same men who would not hesitate to act if a flooding river or a tornado created a national emergency do refuse to act to help alleviate a national emergency in education because they cannot see the immediate results of poor education. I say with all the earnestness that I can summon that we are facing a problem in American education today which may, if allowed to continue, do this Nation more damage than a combination of all the natural disasters that have ever befallen us.

The Federal Government has responded to other national emergencies in the social and economic field with decisive action, and I hope that it will do so in the field of education.

A great Senator from Ohio, Senator Taft, a man not quick to accept the need for Federal action on social and economic matters, had this to say about the educational situation in this country back in 1948 when he successfully got the Taft education bill through the Senate:

> I believe that so long as we have boys and girls who do not read and write, we have a national interest in looking into that situation and seeing why it is that they have not learned to read and write.

I think he was right, Mr. President. I joined with him in support of his bill and I have discovered no facts since then that demonstrate to me that the approach of his bill is not still sound. Every sign that we have points to the fact that our educational situation is worse today than it was in 1948. Rather than there being less need for action, there is more.

To that end, Mr. President, I plan to introduce a modified version of the Taft bill when the Senate convenes for the second session. I did not introduce the bill earlier because it had been my hope that the Senate would first act on one of the school-construction bills that have been introduced, and I did not want to endanger the passage of such legislation by providing the foes of Federal aid to education with anything that they could use for diversionary purposes.

The principal change that I propose to make in the Taft bill as it passed the Senate is to provide that any money appropriated should be used only for teachers' salaries. I think that the facts I have set forth on the teaching shortage justify doing this.

Mr. President, so that those interested may have the opportunity to examine the bill I will introduce next session, I ask that a copy of the proposed bill be made part of my remarks at this point.

You will notice, Mr. President, that I have deliberately left blanks in the sections concerning the amount of money to be appropriated and the provisions dealing with the formula by which the amount due each State should be computed. My purpose in doing this is that I want to have the latest available data upon which to base these figures before I introduce my bill. I hope that the experts in this field will feel free to contribute their suggestions to me. I want to introduce the best possible bill that

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can be drafted because I intend to fight for the passage of a Federal aid-to-education bill in the coming session. The time has come for Congress to either provide aid or refuse to do so. Action one way or the other will clear the air. As soon as the States definitely know what the Congress is going to do, they can act accordingly. It is unfair to tantalize them with the possibility that Congress may eventually get around to carrying out its responsibilities. Congress has the duty to declare itself—pro or con.

In closing, Mr. President, let me briefly review the public education picture in America today. Our present enrollment in public elementary and secondary schools is some 30 million pupils. Enrollment has been increasing by about a million pupils a year over the past several years and will continue to rise at that rapid rate. We will soon be facing as severe a situation in our secondary schools as we are now facing at the elementary level.

We are short some 135,000 teachers and are steadily falling behind. We are being forced to use more and more temporary teachers.

The classroom shortage is bad and is increasing. We are presently in need of at least 400,000 classrooms and our classroom replacement program is not sufficient to keep up with the ever-increasing need. Best estimates are that it will take something like $10 billion to pay for the classrooms we need right now.

We are living in a world where trained personnel is of primary importance. We need the best trained minds that we can get to keep up in the arms race. More than that, though, we need people trained in the social sciences if we are to ever solve the many domestic and international problems that face us. We have to have people who can develop the policies and laws that will enable us to utilize the great advances of science for peaceful purposes. Like it or not, we all live in one small world and we have to learn to live with each other. If we are to have a peaceful world, we have to have men and women capable of solving the problems that we now face and will face in the future.

Is Congress going to stand up to its responsibility to help provide these people upon which so much of our future rests or will we continue to shirk our duty? It is my judgment that a special session of Congress should be called by October 1 for the purpose of passing very much needed Federal aid to education legislation.

Mr. President, at a later date, I intend to introduce a bill to be entitled "Emergency Educational Finance Act of 1955," which I ask to have printed in the RECORD at this point.

The bill is as follows:

Be it enacted, etc., That this act may be cited as the "Emergency Finance Act of 1955."

SEC. 2. Nothing contained in this act shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over, or to prescribe any requirements with respect to any school, or any State educational institution or agency, with respect to which any funds have been or may be made available or expended pursuant to this act, nor shall any term or condition of any agreement or any other action taken under this act, whether by agreement or otherwise, relating to any contribution made under this act to or on behalf of any school, or any State educational institution or agency, or any limitation or provision in any appropriation made pursuant to this act, seek to control in any manner, or prescribe requirements with respect to, or authorize any department, agency, officer, or employee of the United States to direct, supervise, or control in any manner, or prescribe any requirements with respect to, the administration, the curriculum, the instruction, the methods of instruction, or the materials of instruction.

APPROPRIATION AUTHORIZED

SEC. 3. For the purpose of more nearly equalizing public elementary-school and public secondary-school opportunities among and within the States, there is hereby authorized to be appropriated without any limitation of such appropriation or condition inconsistent with or contrary to the terms or purposes of this act for the fiscal year ending June 30, 1956, and for each fiscal year thereafter, the sum of $ to be distributed among the States as hereinafter provided until the Congress determines that emergency assistance is no longer needed for this purpose.

APPORTIONMENT

SEC. 4. Ninety-eight percent of the funds appropriated under section 3 of this act for each fiscal year shall be distributed among the States, excluding those enumerated in paragraph (G) of this section, in the following manner:

(A) Multiply (a) the number of children from 5 to 17 years of age, inclusive, in each State, as determined by the Department of Commerce, for the third calendar year next preceding the year in which ends the fiscal year for which the computation is made by (b) $.

(B) Multiply (a) the average of the annual income payments for each State, as determined by the Department of Commerce, for the 3d, 4th, 5th, 6th, and 7th calendar years next preceding the year in which ends the fiscal year for which the computation is made by (b) percent.

(C) Subject to the succeeding provisions of this section, the amount of the Federal allotment for any State shall be (a) the amount, if any, by which the amount calculated under paragraph (A) exceeds the amount calculated under paragraph (B) with respect to such State, or (b) $ multiplied by the number of children in such State from 5 to 17 years of age, inclusive, as determined under paragraph (A), whichever is greater.

(D) Determine the percentage ratio of (a) the amount spent in each State from revenues derived from State or local sources for current expenditures for public elementary-school and public secondary-school education for the third fiscal year next preceding the fiscal year for which the computation is made, to (b) the average of the annual income payments for each State, as determined under paragraph (B) of this section. When the percentage ratio thus determined for any State is less than , the amount of the Federal allotment to such State, as computed under paragraph (C), shall be proportionately reduced; except that in no case shall the amount of the Federal allotment for any State be less than $ multiplied by the number of children in such State from 5 to 17 years of age, inclusive, as determined under paragraph (A).

(E) Determine the percentage ratio of (a) current expenditures in each State from revenues derived from State or local sources for public elementary-school and public secondary-school education for the year for which the computation is made, as estimated on the basis of reports submitted by the State for such purpose, to (b) the average of the annual income payments for each State, as determined by the Department of Commerce, for the three most recent calendar years for which annual income data are available. When for any fiscal year beginning after June 30, 1960, the percentage ratio thus determined for any State is less than , such State shall be ineligible to receive any part of the funds appropriated pursuant to section 3 of this act for such fiscal year, unless the estimated current expenditures under clause (a) of this paragraph is an amount equal to or greater than $ multiplied by the number of pupils in average daily attendance for such fiscal year as determined on the basis of reports submitted by the State for such purpose. Any State thus determined to be ineligible shall remain ineligible until such time as revised estimates, determined as provided under this paragraph, produce a percentage ratio equal to or greater than , or an amount equal to or greater than $ multiplied by the number of pupils in average daily attendance.

(F) In the event 98 percent of the funds appropriated for any fiscal year pursuant to section 3 of this act is insufficient to pay to all eligible States the amount of the Federal allotment to each such State, computed in accordance with the foregoing provisions of this section, the amount to be paid to each eligible State shall bear the same ratio to the amount of the Federal allotment to each such State as 98 percent of such appropriation bears to the sum of the Federal allotments to all eligible States.

(G) From 2 percent of the funds appropriated pursuant to section 3 of this act, such sums as may be necessary shall be apportioned by the Commissioner to Alaska, Hawaii, the Canal Zone, Puerto Rico, American Samoa, the Virgin Islands, and Guam according to their respective needs for additional funds for public elementary and public secondary schools upon the basis of joint agreements made with their respective State educational authorities.

CERTIFICATION AND PAYMENT

SEC. 5. The United States Commissioner of Education shall certify for each fiscal year the amounts to be paid under this act to each State that has qualified under section 7 of this act to the Secretary of the Treasury, who shall, through the fiscal service of the Treasury Department and prior to audit or settlement by the General Accounting Office, pay to the treasurer or corresponding official of such State the amount certified for such fiscal year in four equal installments, as soon after the first day of each quarter as may be feasible, beginning with the first quarter of the fiscal year for which appropriations made under the authorization of this act are available. Such treasurer or corresponding official shall pay out such funds only on the requisition of the State educational authority.

AVAILABILITY OF APPROPRIATIONS

SEC. 6. In order more nearly to equalize educational opportunities, the funds paid to a State from the funds appropriated under section 3 of this act shall be available for disbursement by the State educational authority, either directly or through payments to local public-school jurisdictions or other State public-education agencies, exclusively for the purpose of increasing the salaries of teachers, principals, and supervisors in the State program of public elementary and secondary education.

STATE ACCEPTANCE PROVISIONS

SEC. 7. (A) In order to qualify for receiving funds appropriated under this act a State—

(1) through its legislature, shall (a) accept the provisions of this act and provide for the administration of funds to be received; (b) provide that the State treasurer or corresponding official in the State shall

receive the funds paid to that State under this act and shall be required to submit to the United States Commissioner of Education, on or before the 1st day of November of each year, for transmission to the Congress, a detailed statement of the amount so received for the preceding fiscal year and of its disbursement; (c) provide that its State educational authority shall represent the State in the administration of funds received; (d) provide for an annual audit, and for the submission of a copy thereof to the commissioner, of the expenditure of funds received under this act, and for a system of reports from local public-school jurisdictions and other State public-education agencies to the State educational authority; (e) provide that the State educational authority shall make reports to the Commissioner with respect to the progress of education, on forms to be provided by the Commissioner, which reports the Commissioner shall transmit to the Congress with recommendations for such revisions of this act as in his judgment the Congress should consider, with particular reference to recommendations arising from changing conditions in our national economy: *Provided*, That, until the end of the fiscal year in which occurs the adjournment of the first regular session of the legislature of any State, which convenes after the enactment of this act, or until such legislature takes the action required under this section to qualify for receiving funds, whichever first occurs, such State shall be deemed to qualify for receiving such funds if the chief executive of such State takes the action required under this section to so qualify;

(2) through its legislature, shall provide that the State educational authority shall formulate and effectuate, for each fiscal year beginning after June 30, 1959, a plan for the apportionment of amounts paid to such State from funds appropriated pursuant to section 3 of this act for such fiscal year under which (a) there will be available from all sources to each local public-school jurisdiction or other State public-education agency, for current expenditures for public elementary-school and public secondary-school education, an amount per pupil in average daily attendance at public elementary and secondary schools within such local public-school jurisdiction, or under the jurisdiction of such State public-education agency, not less than $ or, in any fiscal year for which the amount to be paid to a State is less by reason of the provisions of paragraph (F) of section 4 than the amount of the Federal allotment to such State, an amount which bears the same ratio to $ as 98 percent of the funds appropriated for such fiscal year pursuant to section 3 bears to the sum of all Federal allotments under section 4.

(3) shall transmit through its State educational authority to the United States Commissioner of Education notice of acceptance and certified copies of the legislative enactments and the regulations that may be issued by the State educational authority in connection with such funds. Any amendment of such enactment and revisions of regulations shall in like manner be transmitted to said Commissioner.

(B) The funds appropriated pursuant to section 3 of this act shall be paid only to those States which, during the preceding fiscal year, have provided from revenues derived from State sources for all public elementary-school and public secondary-school purposes an amount equivalent to at least one of the following: (1) The total amount actually spent for such purposes from such sources in the fiscal year ended in 1955, or (2) the amount per pupil in average daily attendance actually spent for such purposes from such sources in the fiscal year ended in 1955.

RIGHT OF APPEAL

SEC. 8. In the event a State educational authority is dissatisfied with any action by the United States Commissioner of Education taken with respect to such State pursuant to this act, or with his failure to take any action with respect to such State pursuant to this act, such authority shall have a right to appeal to the Commissioner to change the action he has taken or to take the action he has failed to take, and to present to him in support of such appeal such statements and other evidence as such authority may deem appropriate. If the action taken by the Commissioner on such appeal is not satisfactory to the State educational authority, or if he fails to act thereon within 90 days after he receives such appeal, such authority shall have a right to appeal to the United States district court for any district in which any part of such State is located. The court shall receive in evidence a copy of the statements and other evidence presented by the State educational authority to the Commissioner, and such further evidence as the court in its discretion deems proper; and shall have jurisdiction to enter such judgment as the facts and the law may require.

DEFINITIONS

SEC. 9. As used in this act—

(A) The term "State" shall include the several States, the District of Columbia, Alaska, and Hawaii, Puerto Rico, the Canal Zone, American Samoa, the Virgin Islands, and Guam.

(B) The term "legislature" means the State or Territorial legislature or other comparable body, except that in the District of Columbia it shall mean the Board of Education, and in American Samoa and the Virgin Islands it shall mean the Governor.

(C) The term "State educational authority" means, as the State legislature may determine, (1) the chief State school officer (such as the State superintendent of public instruction, commissioner of education, or similar officer), or (2) a board of education controlling the State department of education; except that in the District of Columbia it shall mean the Board of Education, and in American Samoa, Guam, and the Virgin Islands, it shall mean the Governor.

(D) The term "current expenditures" does not include expenditures for interest, debt service, and capital outlay.

SEPARABILITY

SEC. 10. If any provision of this act or application thereof to any State, person, or circumstance is held invalid, the remainder of the act, and the application of such provision to other States, persons, or circumstances shall not be affected thereby.

Mr. MORSE. Mr. President, the first order of legislative business in the next session of Congress is a Federal aid to education bill. Our boys and girls are entitled to no less. The preservation of the enlightenment and strength of our democracy demands that we perform our legislative duty on this burning issue.

Mr. President, in accordance with the previous permission I have obtained from the Chair, I offer for printing in the CONGRESSIONAL RECORD at this time the following items:

First. Advance estimate of public elementary and secondary schools for the school year 1954–55, prepared by the Research Division, National Education Association of the United States.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 1.—*Estimated number of basic administrative units, board members, and superintendents, 1953–54 and 1954–55*

State	1953–54			1954–55		
	Administrative units	Board members	Superintendents	Administrative units	Board members	Superintendents
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Alabama	111	562	111	115	577	115
Arizona	304	952	255	295	925	250
Arkansas	422	2,110	365	423	2,115	365
California	1,961	7,511	795	1,900	7,500	825
Colorado	1,117	3,607	180	1,106	3,450	180
Connecticut	172	1,292	102	174	1,301	104
Delaware	110	452	17	105	432	17
District of Columbia	1	9	1	1	9	1
Florida	67	536	67	67	536	67
Georgia	203	1,050	203	203	1,050	203
Idaho	190	832	107	180	812	109
Illinois	2,400	16,677	3,115	2,100	14,800	2,900
Indiana	[1] 1,095	[1] 1,300	[1] 245	[1] 1,065	[1] 1,150	[1] 243
Iowa	4,558	19,500	829	4,450	19,100	822
Kansas	3,375	10,500	325	3,265	10,170	325
Kentucky	228	1,140	228	224	1,120	224
Louisiana	67	692	67	67	692	67
Maine	[1] 492	[1] 1,526	[1] 116	[1] 492	[1] 1,526	[1] 116
Maryland	24	1,360	24	24	1,360	24
Massachusetts	348	1,548	229	348	1,548	229
Michigan	4,532	15,622	1,013	4,270	14,810	1,000
Minnesota	4,722	15,537	449	4,100	13,737	450
Mississippi	1,370	5,000	384	1,300	4,060	384
Missouri	4,331	15,525	594	3,985	14,457	588
Montana	1,175	3,789	191	1,145	3,699	191
Nebraska	6,100	19,750	320	5,900	19,500	315
Nevada	175	539	22	170	524	22
New Hampshire	235	826	48	230	823	48
New Jersey	554	4,253	253	559	4,298	258
New Mexico	101	505	101	99	495	99
New York	2,648	7,400	169	2,250	7,200	169
North Carolina	174	1,014	174	174	1,014	174
North Dakota	[1] 2,000	[1] 6,100	[1] 145	[1] 1,950	[1] 5,900	[1] 138
Ohio	1,340	[1] 6,712	297	1,337	[1] 6,600	305
Oklahoma	1,888	6,764	670	1,802	6,749	665
Oregon	794	2,598	126	788	2,580	126
Pennsylvania	2,490	12,878	191	2,463	12,743	195
Rhode Island	39	212	37	39	212	37
South Carolina	103	758	180	103	758	170
South Dakota	3,383	10,845	338	3,374	10,820	338
Tennessee	152	996	152	152	996	152
Texas	2,045	11,733	1,064	1,950	11,456	1,075
Utah	40	207	40	40	207	40
Vermont	262	930	55	265	850	54
Virginia	127	652	111	129	662	113
Washington	535	2,267	260	527	2,196	260
West Virginia	55	275	55	55	275	55
Wisconsin	4,958	16,661	425	4,358	14,861	425
Wyoming	301	1,208	88	298	1,194	88
Total	63,874	244,712	15,323	60,416	233,849	15,120

[1] Estimated by NEA Research Division.

TABLE 2.—*Estimated number of instructional staff in public elementary and secondary schools, 1953–54*

State	Elementary-school classroom teachers			Secondary-school classroom teachers			Principals and supervisors	Total
	Men	Women	Total	Men	Women	Total		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Alabama	1,000	15,210	16,900	3,680	5,520	9,200	800	26,900
Arizona	984	3,938	4,922	711	874	1,585	451	6,958
Arkansas	[1] 1,014	[1] 6,784	7,798	[1] 2,409	[1] 3,066	5,475	510	13,783
California	9,562	38,250	47,812	10,980	13,419	24,399	5,686	77,897
Colorado	[1] 1,625	[1] 6,348	7,973	[1] 1,294	[1] 1,580	2,874	827	11,674
Connecticut	1,276	7,639	8,915	2,088	2,235	4,323	734	13,972
Delaware	178	1,072	1,250	590	455	1,045	130	2,425
District of Columbia	78	1,760	1,838	540	1,049	1,589	228	3,655
Florida	966	11,745	12,711	3,675	4,998	8,673	1,174	22,558
Georgia	1,094	17,739	18,833	3,703	5,069	8,772	973	28,578
Idaho	[1] 533	[1] 2,425	2,958	[1] 935	[1] 802	1,737	370	5,065
Illinois	5,262	30,426	35,688	7,928	8,029	15,957	2,483	54,128
Indiana	[1] 2,865	[1] 11,459	[1] 14,324	[1] 5,131	[1] 6,271	[1] 11,042	[1] 1,500	[1] 27,226
Iowa	789	13,997	14,786	3,875	3,262	7,137	1,228	23,151
Kansas	1,425	9,543	10,968	3,303	2,930	6,233	1,867	19,068
Kentucky	1,725	12,085	13,810	1,698	2,400	4,681	1,033	19,524
Louisiana	1,097	11,102	12,199	2,421	3,750	6,171	1,190	19,560
Maine	[1] 450	[1] 4,000	[1] 4,450	[1] 1,150	[1] 990	[1] 2,140	[1] 383	[1] 6,773
Maryland	850	7,330	8,180	2,920	3,626	6,546	917	15,643
Massachusetts	1,725	14,640	16,365	4,700	5,275	9,975	1,085	27,425
Michigan	5,270	21,080	26,350	7,470	9,130	16,600	1,750	44,700
Minnesota	2,570	10,278	12,848	4,367	5,325	9,682	819	23,349
Mississippi	1,024	9,814	10,838	2,152	3,077	5,229	319	16,386
Missouri	1,948	15,635	17,583	3,127	3,550	6,677	1,338	25,598
Montana	574	3,172	3,746	816	559	1,375	190	5,311
Nebraska	508	8,342	8,850	1,750	1,530	3,280	390	12,520
Nevada	184	964	1,148	229	162	391	82	1,621
New Hampshire	218	1,729	1,947	571	582	1,153	173	3,273
New Jersey	2,158	18,412	20,570	4,906	5,192	10,098	1,472	32,140
New Mexico	1,383	3,229	4,612	537	998	1,535	403	6,550
New York	9,670	38,680	48,350	17,145	20,955	38,100	4,950	91,400
North Carolina	[1] 4,773	[1] 18,240	23,013	[1] 3,579	[1] 4,464	8,043	1,847	32,903
North Dakota	[1] 425	[1] 4,600	[1] 5,025	[1] 800	[1] 1,035	[1] 1,835	[1] 250	[1] 7,110
Ohio	[1] 3,197	[1] 24,565	[1] 27,762	[1] 9,236	[1] 8,169	[1] 17,405	[1] 4,500	49,667
Oklahoma	1,280	9,466	10,746	3,116	3,742	6,858	1,373	18,977
Oregon	1,748	6,993	8,741	1,482	1,811	3,293	818	12,852
Pennsylvania	3,379	31,817	35,196	13,604	13,605	27,209	4,021	66,426
Rhode Island	160	2,080	2,240	725	910	1,635	260	4,135
South Carolina	838	11,261	12,099	1,943	3,772	5,715	586	18,400
South Dakota	[1] 405	[1] 4,931	[1] 5,336	[1] 1,173	[1] 850	[1] 2,023	180	7,539
Tennessee	1,748	15,735	17,483	2,647	3,970	6,617	846	24,946
Texas	4,226	31,682	35,908	7,727	10,205	17,932	1,550	55,390
Utah	528	2,590	3,118	1,570	841	2,411	530	6,059
Vermont	93	1,732	1,825	345	390	735	82	2,642
Virginia	651	14,497	15,148	2,818	5,371	8,189	2,229	25,566
Washington	[1] 2,435	[1] 9,755	12,190	[1] 2,046	[1] 2,500	4,546	1,089	17,825
West Virginia	760	7,979	8,739	2,460	3,215	5,675	1,804	16,218
Wisconsin	2,080	13,920	16,000	4,342	3,258	7,600	1,045	24,645
Wyoming	116	1,693	1,809	588	505	1,093	170	3,072
Total	89,922	572,810	662,732	166,759	195,256	362,015	58,288	1,083,035

[1] Estimated by NEA Research Division.

TABLE 3.—*Estimated number of instructional staff in public elementary and secondary schools, 1954–55*

State	Elementary-school classroom teachers			Secondary-school classroom teachers			Principals and supervisors	Total
	Men	Women	Total	Men	Women	Total		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Alabama	1,700	15,300	17,000	3,720	5,580	9,300	810	27,110
Arizona	1,044	4,121	5,165	780	965	1,745	465	7,375
Arkansas	[1] 1,020	[1] 6,828	7,848	[1] 2,430	[1] 3,093	5,525	525	13,898
California	10,500	42,000	52,500	12,500	14,000	26,500	5,900	84,900
Colorado	1,681	[1] 6,850	8,531	[1] 1,385	[1] 1,690	3,075	850	12,456
Connecticut	1,316	8,084	9,400	2,160	2,340	4,500	775	14,675
Delaware	161	1,164	1,325	601	459	1,060	130	2,515
District of Columbia	79	1,899	1,978	560	1,088	1,648	233	3,859
Florida	1,050	12,700	13,750	3,950	5,400	9,350	1,275	24,375
Georgia	1,119	18,229	19,348	3,810	5,226	9,036	1,007	29,391
Idaho	[1] 565	2,593	3,158	[1] 965	[1] 888	1,853	428	5,439
Illinois	5,505	31,195	36,700	8,185	8,315	16,500	2,550	55,750
Indiana	[1] 2,960	[1] 11,840	[1] 14,800	[1] 5,175	[1] 6,325	[1] 11,500	[1] 1,500	[1] 27,800
Iowa	903	14,165	15,068	4,142	3,341	7,483	1,223	23,774
Kansas	1,517	10,151	11,668	3,350	2,970	6,320	1,883	19,871
Kentucky	1,775	12,387	14,162	1,767	3,105	4,872	1,050	20,084
Louisiana	1,250	11,530	12,780	2,550	3,850	6,400	1,200	20,380
Maine	[1] 458	[1] 4,117	[1] 4,575	[1] 1,200	[1] 1,017	[1] 2,217	[1] 183	[1] 6,975
Maryland	919	7,925	8,844	3,150	3,912	7,062	988	16,894
Massachusetts	1,760	14,930	16,690	4,795	5,380	10,175	1,100	27,965
Michigan	5,630	22,510	28,140	7,605	9,295	16,900	1,760	46,800
Minnesota	2,719	10,878	13,597	4,611	5,635	10,246	867	24,710
Mississippi	1,020	9,780	10,800	2,157	3,083	5,240	320	16,360
Missouri	2,031	15,969	18,000	3,167	3,598	6,765	1,366	26,131
Montana	612	3,450	4,062	860	590	1,450	210	5,722
Nebraska	510	8,400	8,910	1,775	1,550	3,325	395	12,630
Nevada	222	1,081	1,303	247	182	429	91	1,823
New Hampshire	224	1,815	2,039	615	599	1,214	165	3,418

[1] Estimated by NEA Research Division.

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TABLE 3.—*Estimated number of instructional staff in public elementary and secondary schools, 1954–55*—Continued

State	Elementary-school classroom teachers			Secondary-school classroom teachers			Principals and supervisors	Total
	Men	Women	Total	Men	Women	Total		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
New Jersey	2,250	19,550	21,800	5,000	5,350	10,350	1,525	33,675
New Mexico	1,564	3,652	5,216	608	1,130	1,738	407	7,361
New York	10,010	40,040	50,050	17,440	21,310	38,750	5,200	94,000
North Carolina	[1] 5,000	[1] 18,885	23,885	[1] 3,680	[1] 4,690	8,370	1,917	34,172
North Dakota	[1] 430	[1] 4,620	[1] 5,050	[1] 810	[1] 1,040	[1] 1,850	[1] 250	[1] 7,150
Ohio	[1] 3,375	[1] 25,870	[1] 29,245	[1] 9,550	[1] 8,550	[1] 18,100	[1] 4,700	52,045
Oklahoma	1,290	9,500	10,790	3,150	3,800	6,950	1,375	19,115
Oregon	1,833	7,334	9,167	1,555	1,900	3,455	864	13,486
Pennsylvania	3,484	32,808	36,292	14,264	14,265	28,529	4,181	59,002
Rhode Island	175	2,325	2,500	790	1,010	1,800	300	4,600
South Carolina	850	11,510	12,360	2,000	3,825	5,825	600	18,785
South Dakota	[1] 415	[1] 4,990	[1] 5,405	[1] 1,250	[1] 875	[1] 2,125	183	7,713
Tennessee	1,786	16,072	17,858	2,704	4,055	6,759	846	25,463
Texas	4,429	33,106	37,535	7,964	10,514	18,478	1,598	57,611
Utah	558	2,724	3,282	1,650	888	2,538	540	6,360
Vermont	95	1,755	1,850	350	395	745	85	2,680
Virginia	[1] 675	[1] 15,075	[1] 15,750	[1] 2,930	[1] 5,595	[1] 8,525	[1] 2,325	[1] 26,600
Washington	[1] 2,620	[1] 10,477	13,097	[1] 2,204	[1] 2,700	4,904	1,139	19,140
West Virginia	750	8,090	8,840	2,370	3,360	5,730	1,820	16,390
Wisconsin	2,120	14,120	16,240	4,360	3,285	7,645	1,048	24,933
Wyoming	[1] 125	[1] 1,750	[1] 1,875	[1] 625	[1] 525	[1] 1,150	[1] 175	[1] 3,200
Total	94,084	596,144	690,228	173,466	202,540	376,006	60,327	1,126,561

[1] Estimated by NEA Research Division.

TABLE 4.—*Estimated number of temporary (emergency) teachers and additional supply needed, 1953–54 and 1954–55*

State	1953–54 temporary teachers					1954–55 temporary teachers				
	Number employed	Percent in elementary schools	Percent in rural schools	Percent with less than four years college	Number of additional teachers needed	Number employed	Percent in elementary schools	Percent in rural schools	Percent with less than four years college	Number of additional teachers needed
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Alabama	3,300	92	80	70	600	3,000	90	80	70	600
Arizona	12	100	100	100	70	35	100	100	100	90
Arkansas	6,000	80	50	85	200	6,000	80	50	80	225
California	6,407	90	60	40	5,000	7,000	92	70	35	5,000
Colorado	618	89	98	100	1,100	600	90	98	100	1,750
Connecticut	820	95	5	43	0	875	95	5	35	0
Delaware	60	97	75	0	82	65	97	75	0	90
District of Columbia	400	63	0	60	315	450	65	0	62	290
Florida	3,559	90	60	25	1,150	3,739	90	40	20	1,000
Georgia	700	82	90	60	614	750	84	90	60	650
Idaho	1,221	71	[1] 75	48	[1] 120	1,250	72	[1] 78	45	[1] 100
Illinois	500	98	90	100	2,600	550	98	90	100	2,800
Indiana	[1] 500	[1] 80	[1] 75	[1] 60	[1] 700	[1] 550	[1] 80	[1] 75	[1] 60	[1] 800
Iowa	[1] 500	[1] 77	[1] 65	[1] 80	1,500	[1] 450	[1] 75	[1] 65	[1] 78	1,500
Kansas	[1] 1	[1] 0	[1] 0	[1] 100	[1] 400	0				[1] 500
Kentucky	2,460	77	97	95	1,283	2,400	75	97	95	1,316
Louisiana	1,327	75	81	54	45	1,000	75	80	50	0
Maine	[1] 470	[1] 68	[1] 80	[1] 40	[1] 0	[1] 500	[1] 70	[1] 80	[1] 40	[1] 0
Maryland	3,138	67	[1] 40	44	1,038	3,317	80	[1] 45	46	1,088
Massachusetts	400	75	25	90	600	400	75	25	90	700
Michigan	6,600	16	50	60	10,000	7,200	17	50	60	11,000
Minnesota	342	74	35	75	1,000	400	70	30	75	1,200
Mississippi	390	85	80	90	450	400	85	90	85	475
Missouri	7,000	64	36	90	2,000	7,000	64	36	90	2,400
Montana	696	95	85	87	135	600	96	89	85	125
Nebraska	602	52	37	60	0	1,200	50	35	60	0
Nevada	9	44	56	90	60	4	50	50	75	70
New Hampshire	233	79	60	36	750	261	80	63	40	825
New Jersey	2,837	90	42	25	540	3,000	90	42	25	575
New Mexico	4	100	100	100	200	2	100	100	100	220
New York	4,046	75	65	[1] 30	750	4,200	75	65	[1] 30	750
North Carolina	2,375	90	80	93	1,135	2,400	90	80	93	1,680
North Dakota	[1] 550	[1] 95	[1] 90	[1] 0	[1] 600	[1] 500	[1] 95	[1] 90	[1] 0	[1] 600
Ohio	2,287	100	75	38	800	2,785	100	75	40	400
Oklahoma	0				200	0				225
Oregon	1,907	100	65	73	0	1,503	100	65	70	0
Pennsylvania	1,574	[1] 60	[1] 55	52	2,147	1,600	[1] 60	[1] 55	50	2,251
Rhode Island	75	72	50	20	100	75	72	50	20	100
South Carolina	234	65	90	100	1,500	234	65	90	100	1,700
South Dakota	1,232	99	91	100	274	1,100	99	91	100	200
Tennessee	1,531	82	93	87	1,800	1,200	82	93	87	2,000
Texas	2,810	60	50	71	6,886	2,600	65	50	69	7,152
Utah	1,005	75	28	56	500	1,005	75	28	56	500
Vermont	498	74	44	77	360	550	70	40	75	400
Virginia	2,700	81	95	99	1,500	2,800	81	95	99	1,800
Washington	1,444	79	[1] 25	79	1,454	1,500	81	[1] 25	81	1,500
West Virginia	1,254	95	85	95	1,100	1,400	95	85	94	1,000
Wisconsin	2,000	94	55	96	235	2,000	90	55	75	320
Wyoming	222	100	90	100	[1] 40	230	100	90	100	[1] 50
Total	78,850	75	60	65	53,933	80,680	76	60	63	58,017

[1] Estimated by the NEA Research Division.

TABLE 5.—*Number of public-school teachers leaving teaching by reasons for leaving, 1953–54 and 1954–55*

State	Number of teachers who left teaching in 1953–54	Number of teachers who will leave teaching in 1954–55	Percent leaving because of—				
			Marriage or family reasons	Retirement for old age or disability	Going to other States	Entering other types of employment	Miscellaneous other reasons
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Alabama [1]							
Arizona [1]							
Arkansas	1,500	1,500					
California	7,000	7,400	40	25	15	5	15
Colorado	1,130	1,200	26	12	35	23	4
Connecticut	700	750					
Delaware	348	365					
District of Columbia	175	180		39			
Florida	2,372	2,400		10			
Georgia [1]							
Idaho [1]							
Illinois [1]							
Indiana [1]							
Iowa [1]							
Kansas	2,000	2,250					
Kentucky	2,313	2,090	15	9	12	9	55
Louisiana	500	400	30	55	5	10	0
Maine [1]							
Maryland	2,593	2,700	35	4	28	6	27
Massachusetts	1,200	1,300	25	33	16	8	18
Michigan	4,500	4,700					
Minnesota	2,422	2,400	42	3	15	11	29
Mississippi [1]							
Missouri	3,500	3,500	28	1	35	24	12
Montana [1]							
Nebraska [1]							
Nevada [1]							
New Hampshire	430	450	20	10	25	25	20
New Jersey	2,170	2,260	31	19	16	7	27
New Mexico	988	860	20	5	10	20	45
New York	6,000	6,000	55	15	15	10	5
North Carolina	2,632	2,700	45	7	13	13	22
North Dakota [1]							
Ohio	4,439	3,787	20	15	10	15	40
Oklahoma	2,151	2,000	19	15	25	24	17
Oregon	800	600	1	3	50	25	21
Pennsylvania	3,128	3,300	6	45	11	18	20
Rhode Island [1]							
South Carolina	1,500	1,300	45	10	17	11	17
South Dakota	1,912	1,920	47	3	15	3	32
Tennessee	950						
Texas	1,346	1,200	23	40	3	7	27
Utah	581	581	13	5	18	17	47
Vermont	364	360	60	8	10	10	12
Virginia	2,938	3,000	14	6	16	45	19
Washington	1,845	1,900	29	13	23	10	25
West Virginia	700	1,050	26	4	37	10	23
Wisconsin	2,261	2,321	45	10	15	13	17
Wyoming	650	675	28	8	16	10	38
Total (27 States)	57,493	57,570	32	15	18	14	21
Total (34 States)	69,088	69,715					

[1] Data not available.

TABLE 6.—*Estimated average salaries and purchasing power*

State	Instructional staff		Classroom teachers, 1954–55			Purchasing power of Col. 3 [1]	
	1953–54	1954–55	Elementary school	Secondary school	All	1935–39 dollars	1947–49 dollars
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Alabama	$2,500	$2,625	$2,330	$2,950	$2,650	$1,369	$2,289
Arizona	4,110	4,200	4,000	4,600	[2] 4,150	2,190	3,662
Arkansas	2,256	2,260	[2] 2,000	[2] 2,400	[2] 2,165	1,178	1,970
California	4,753	5,050	4,650	5,400	4,925	2,633	4,403
Colorado	3,457	3,600	3,400	3,900	3,630	1,877	3,139
Connecticut	4,197	4,400	4,050	4,550	4,250	2,294	3,836
Delaware	4,280	4,395	4,039	4,401	4,220	2,291	3,832
Florida	3,772	3,800	[2] 3,650	[2] 3,850	3,725	1,981	3,313
Georgia	2,850	3,000	2,675	3,250	2,875	1,564	2,616
Idaho	3,479	3,497	3,224	3,771	3,424	1,823	3,049
Illinois	4,300	4,500	4,250	4,600	4,350	2,346	3,923
Indiana	[2] 4,025	[2] 4,185	[2] 3,900	[2] 4,350	[2] 4,100	2,182	3,649
Iowa	3,050	3,260	2,800	3,801	3,190	1,700	2,842
Kansas	3,311	3,460	3,065	3,790	3,350	1,804	3,017
Kentucky	2,475	2,625	[2] 2,300	[2] 2,900	[2] 21475	1,369	2,289
Louisiana	3,472	4,100	[2] 3,725	[2] 4,100	3,850	2,138	3,575
Maine	[2] 2,700	[2] 2,850	[2] 2,575	[2] 3,275	[2] 2,800	1,486	2,485
Maryland	4,153	4,275	[2] 4,015	[2] 4,815	4,147	2,229	3,727
Massachusetts	4,025	4,125	3,800	4,300	4,045	2,151	3,596
Michigan	4,200	4,400	4,100	4,625	4,300	2,294	3,836
Minnesota	3,479	3,600	3,100	4,100	3,500	1,877	3,139
Mississippi	1,864	2,200	1,880	2,400	2,050	1,147	1,918
Missouri	3,197	3,320	3,060	3,700	3,235	1,731	2,895
Montana	3,531	3,610	3,350	4,055	3,575	1,882	3,147
Nebraska	[2] 2,900	[2] 3,000	[2] 2,600	[2] 3,700	[2] 2,900	1,564	2,616
Nevada	$3,861	$4,165	$3,977	$4,367	$4,074	$2,172	$3,631
New Hampshire	3,276	3,425	3,175	3,650	3,360	1,786	2,986
New Jersey	4,230	4,470	4,200	4,775	4,360	2,331	3,897
New Mexico	4,150	4,436	4,280	4,420	4,340	2,313	3,865
New York	4,725	5,050	4,700	5,375	4,950	2,639	4,409
North Carolina	3,310	3,329	[2] 3,240	[2] 3,215	3,228	1,736	2,902
North Dakota	[2] 2,750	[2] 2,850	[2] 2,600	[2] 3,350	[2] 2,800	1,486	2,485
Ohio	3,975	4,100	3,800	4,250	3,975	2,138	3,575
Oklahoma	3,436	3,511	3,325	3,625	3,445	1,891	3,061
Oregon	4,134	4,300	4,000	4,320	4,150	2,242	3,749
Pennsylvania	3,951	4,141	3,850	4,150	4,020	2,159	3,610
Rhode Island	3,900	4,100	3,900	4,200	4,025	2,138	3,575
South Carolina	2,890	2,975	2,700	3,200	2,803	1,551	2,594
South Dakota	2,850	2,950	2,700	3,400	2,900	1,538	2,572
Tennessee	2,793	2,800	2,525	3,200	2,710	1,460	2,441
Texas	3,720	3,975	3,740	4,050	3,842	2,072	3,466
Utah	3,687	4,041	3,700	4,076	3,950	2,107	3,523
Vermont	2,922	2,975	2,690	3,350	2,890	1,551	2,594
Virginia	3,045	3,250	3,000	3,370	3,120	1,694	2,833
Washington	4,331	4,400	4,195	4,585	4,310	2,294	3,836
West Virginia	3,040	3,060	2,750	3,280	2,975	1,595	2,668
Wisconsin	3,711	3,840	3,425	4,290	3,732	2,002	3,348
Wyoming	[2] 3,500	[2] 3,575	[2] 3,300	[2] 3,875	[2] 3,475	1,864	3,117
Total	3,741	3,932	3,615	4,194	3,816	2,050	3,428

[1] Based on Consumer Price Index, U. S. Bureau of Labor Statistics, September 1954. Col. (7), index of 191.8 (1935–39 as 100); col. (8), index of 114.7 (1947–49 as 100).
[2] Estimated by NEA Research Division.

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TABLE 7.—*Estimated distribution of teachers' salaries, 1954–55*

State	Classroom teachers' average salary, 1954–55	Percent of teachers paid—				State	Classroom teachers' average salary, 1954–55	Percent of teachers paid—			
		Below $2,500	$2,500 to $3,499	$3,500 to $4,499	$4,500 and above			Below $2,500	$2,500 to $3,499	$3,500 to $4,499	$4,500 and above
(1)	(2)	(3)	(4)	(5)	(6)	(1)	(2)	(3)	(4)	(5)	(6)
Alabama	$2,550	55.0	35.4	10.0	0	Nevada	$4,074	0	11.0	67.8	21.2
Arizona	[1] 4,150	0	22.0	43.0	35.0	New Hampshire	3,360	3.0	63.0	31.0	3.0
Arkansas	[1] 2,165	73.0	25.0	2.0	0	New Jersey	4,360	0	23.8	33.0	43.2
California	4,925	0	.3	45.0	54.7	New Mexico	4,340	0	20.0	60.0	20.0
Colorado	3,530	6.0	60.0	24.0	10.0	New York	4,950	0	18.0	26.0	56.0
Connecticut	4,250	0	35.0	35.0	30.0	North Carolina	3,228	9.0	83.4	7.5	.1
Delaware	4,220	1.0	24.0	55.0	20.0	North Dakota	[1] 2,800	[1] 45.0	[1] 46.0	[1] 8.0	[1] 1.0
Florida	3,725	3.0	64.0	31.0	2.0	Ohio	3,975	.7	41.3	31.8	26.2
Georgia	2,875	22.0	70.0	8.0	0	Oklahoma	3,445	5.7	92.4	1.4	.5
Idaho	3,424	1.0	58.0	39.0	2.0	Oregon	4,150	0	20.0	62.0	18.0
Illinois	4,350	6.0	30.0	29.0	35.0	Pennsylvania	4,020	1.2	42.0	38.4	18.4
Indiana	[1] 4,100	[1] 3.0	[1] 27.0	[1] 40.0	[1] 30.0	Rhode Island	4,025	.5	37.5	45.0	17.0
Iowa	3,190	14.0	45.0	29.0	12.0	South Carolina	2,803	27.0	66.0	7.0	0
Kansas	3,350	12.0	45.0	34.0	9.0	South Dakota	2,900	30.0	42.0	14.0	14.0
Kentucky	[1] 2,475	62.0	28.0	6.0	4.0	Tennessee	2,710	51.0	38.0	8.0	3.0
Louisiana	3,550	5.0	25.0	40.0	30.0	Texas	3,842	2.0	50.0	37.0	11.0
Maine	[1] 2,800	[1] 48.0	[1] 42.0	[1] 9.0	[1] 1.0	Utah	3,950	0	60.0	37.0	3.0
Maryland	4,147	0.6	30.3	36.5	32.6	Vermont	2,890	25.0	55.0	19.0	1.0
Massachusetts	4,045	0	25.0	50.0	25.0	Virginia	3,130	22.0	55.0	20.0	3.0
Michigan	4,300	5.0	30.0	40.0	25.0	Washington	4,310	[1] 0	[1] 8.0	[1] 65.0	[1] 27.0
Minnesota	3,500	8.0	38.0	30.0	24.0	West Virginia	2,975	24.0	60.0	15.0	1.0
Mississippi	2,050	79.2	16.0	4.7	.1	Wisconsin	3,732	10.0	38.2	26.8	25.0
Missouri	3,235	29.0	40.0	17.0	14.0	Wyoming	[1] 3,475	[1] 2.0	[1] 51.0	[1] 36.0	[1] 11.0
Montana	3,575	6.0	53.0	37.0	4.0						
Nebraska	2,900	[1] 35.0	[1] 45.0	[1] 12.0	[1] 8.0	Total	3,816	11.9	36.6	29.2	22.3

[1] Estimated by NEA Research Division

TABLE 8.—*Estimated total income, 1953–54 and 1954–55*

[In thousands]

State	1953–54				1954–55			
	Federal	State	Local	Total	Federal	State	Local	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Alabama	$3,192	$64,094	$19,785	$87,071	$3,200	$65,000	$20,000	$88,200
Arizona	6,165	15,050	34,466	55,681	5,000	16,400	39,400	60,800
Arkansas	1,700	26,700	24,490	52,890	1,700	26,700	25,200	53,600
California	20,000	367,000	363,000	750,000	25,000	398,000	392,000	815,000
Colorado	2,100	15,082	62,500	79,682	1,500	14,750	70,000	86,250
Connecticut	1,738	15,473	72,874	90,085	1,800	16,400	76,300	94,500
Delaware	400	16,960	2,640	20,000	400	17,850	2,750	21,000
District of Columbia			28,336	28,336			31,000	31,000
Florida	6,595	74,946	66,210	147,751	7,000	81,290	69,050	157,340
Georgia	5,500	102,000	33,000	140,500	5,500	110,000	34,500	150,000
Idaho	1,947	7,064	22,961	31,972	1,350	7,951	23,150	32,451
Illinois	8,925	75,000	602,682	686,607	9,750	81,750	658,500	750,000
Indiana	[1] 2,730	[1] 74,100	[1] 118,170	[1] 195,000	[1] 3,000	[1] 76,800	[1] 120,200	[1] 200,000
Iowa	2,000	18,000	158,000	178,000	2,000	18,000	170,000	190,000
Kansas	2,930	23,623	88,555	115,108	3,180	23,623	92,983	119,786
Kentucky	4,000	32,969	45,000	81,969	5,540	36,032	46,000	87,572
Louisiana	3,062	89,962	44,559	137,583	3,500	105,000	46,500	155,000
Maine	[1] 540	[1] 5,480	[1] 25,000	[1] 31,020	[1] 550	[1] 5,500	[1] 26,000	[1] 32,050
Maryland	5,873	42,300	69,743	117,916	7,233	45,172	77,987	130,392
Massachusetts	3,000	27,000	137,000	167,000	3,000	28,000	144,000	175,000
Michigan	3,000	192,668	116,000	311,668	3,000	201,800	127,800	332,600
Minnesota	3,571	65,859	98,503	167,933	3,928	72,445	108,353	184,726
Mississippi	917	25,699	24,123	50,739	950	33,293	25,000	59,243
Missouri	2,383	51,092	99,026	152,501	2,400	51,000	104,000	157,400
Montana	1,678	11,225	33,682	46,585	1,800	11,400	35,000	48,200
Nebraska	890	5,955	52,440	59,285	890	3,020	65,000	68,910
Nevada	940	4,579	5,596	11,115	1,000	5,079	6,000	12,079
New Hampshire	713	949	19,998	21,660	800	950	21,151	22,901
New Jersey	4,500	41,800	206,400	252,700	5,000	50,600	226,000	281,600
New Mexico	3,450	34,522	3,874	41,846	3,750	34,522	3,874	42,146
New York	1,600	291,000	507,400	800,000	1,600	320,000	543,400	865,000
North Carolina	3,801	120,016	48,000	171,817	6,705	136,560	46,000	189,265
North Dakota	[1] 412	[1] 7,100	[1] 22,000	[1] 29,512	[1] 412	[1] 7,150	[1] 22,438	[1] 30,000
Ohio	3,250	116,350	214,500	334,100	3,500	120,000	225,000	348,500
Oklahoma	4,171	33,383	71,015	108,569	4,200	33,500	72,000	109,700
Oregon	2,088	32,667	73,832	108,587	2,100	34,000	78,900	115,000
Pennsylvania	8,952	185,576	368,372	562,900	8,952	206,320	408,428	623,700
Rhode Island	1,925	3,250	22,800	27,975	2,250	3,500	25,000	30,750
South Carolina	5,946	101,586	28,385	135,917	6,200	105,000	30,000	141,200
South Dakota	1,093	3,614	25,337	30,044	1,200	3,700	25,400	30,300
Tennessee	2,736	63,758	38,000	104,494	4,286	62,644	39,000	105,930
Texas	5,338	181,034	167,913	354,285	5,400	221,272	180,400	407,072
Utah	2,379	21,536	27,535	51,450	2,500	20,300	30,450	53,250
Vermont	339	4,234	11,496	16,069	345	4,350	12,000	16,695
Virginia	16,146	62,865	116,227	195,238	17,500	65,000	120,000	202,500
Washington	11,699	91,479	66,565	169,743	11,700	93,800	70,200	175,700
West Virginia	1,634	50,597	27,802	80,033	2,055	49,750	28,104	79,909
Wisconsin	3,706	32,857	133,950	170,513	3,750	35,157	140,950	179,857
Wyoming	330	8,659	15,875	24,864	[1] 400	[1] 9,000	[1] 17,000	[1] 26,400
Total	181,984	2,938,712	4,665,617	7,786,313	198,776	3,169,330	5,002,368	8,370,474

[1] Estimated by NEA Research Division.

TABLE 9–A.—*Estimated current expense and capital outlay, 1953–54*

State	Total current expense (in thousands)	Current expense per pupil in ADA	Total capital outlay (in thousands)	Percent of total revenue from State 1953–54	State	Total current expense (in thousands)	Current expense per pupil in ADA	Total capital outlay (in thousands)	Percent of total revenue from State 1953–54
(1)	(2)	(3)	(4)	(5)	(1)	(2)	(3)	(4)	(5)
Alabama	$95,000	$157.00	$7,555	73.6	Nevada	$9,664	$271.16	$5,774	$40.2
Arizona	43,000	265.28	18,748	27.0	New Hampshire	19,711	[2] 249.16	2,433	4.4
Arkansas	44,600	125.00	14,000	50.5	New Jersey	234,000	338.00	47,000	16.5
California	713,000	324.00	250,000	48.9	New Mexico	39,861	[1] 270.00	[1] 6,000	82.5
Colorado	65,400	272.71	28,000	18.9	New York	710,000	356.00	255,000	36.4
Connecticut	90,085	288.44	31,893	17.2	North Carolina	141,724	161.00	22,094	69.9
Delaware	16,205	315.00	6,000	84.8	North Dakota	[1] 29,000	[1] 250.00	[1] 5,000	[1] 24.1
District of Columbia	25,000	277.00	3,313	0	Ohio	333,600	[2] 241.80	128,000	34.8
Florida	117,933	217.00	41,032	50.7	Oklahoma	96,649	223.20	24,518	30.7
Georgia	110,995	157.28	20,000	72.6	Oregon	89,900	332.00	40,000	30.1
Idaho	27,090	220.39	7,956	22.1	Pennsylvania	426,200	275.00	175,000	33.0
Illinois	384,488	293.21	139,237	10.9	Rhode Island	28,000	275.00	2,500	11.6
Indiana	[1] 171,310	[1] 252.00	[1] 20,000	[1] 38.0	South Carolina	79,724	173.00	52,184	74.7
Iowa	132,000	273.00	[1] 40,000	10.1	South Dakota	31,251	269.05	4,910	12.0
Kansas	86,208	260.00	6,300	20.5	Tennessee	98,194	154.00	28,500	61.0
Kentucky	74,000	146.00	8,150	40.2	Texas	314,402	227.75	83,918	51.1
Louisiana	112,373	230.00	34,463	65.4	Utah	36,099	216.42	13,908	41.9
Maine	[1] 29,000	[1] 195.00	[1] 3,000	[1] 17.7	Vermont	14,519	238.00	3,216	26.3
Maryland	98,758	[2] 231.00	48,161	35.9	Virginia	110,651	177.24	70,747	32.2
Massachusetts	167,000	[2] 249.00	35,000	16.2	Washington	127,797	290.08	43,016	53.9
Michigan	300,000	263.16	135,000	61.8	West Virginia	72,318	176.00	19,872	63.2
Minnesota	153,135	305.00	76,392	39.2	Wisconsin	135,000	285.00	35,000	19.3
Mississippi	54,554	113.01	3,458	50.7	Wyoming	20,135	360.00	2,046	34.8
Missouri	140,000	232.00	40,000	33.5					
Montana	35,800	[2] 301.90	6,700	24.1	Total	6,540,333	250.62	2,101,174	37.7
Nebraska	55,000	245.00	6,180	10.0					

[1] Estimated by NEA Research Division. Please note that 3 zeros should be added to amounts listed in cols. (2) and (4).
[2] Per pupil in ADM.

TABLE 9–B.—*Estimated current expense and capital outlay, 1954–55*

State	Total current expense (in thousands)	Current expense per pupil in ADA	Total capital outlay (in thousands)	Percent of total revenue from State 1954–55	State	Total current expense (in thousands)	Current expense per pupil in ADA	Total capital outlay (in thousands)	Percent of total revenue from State 1954–55
(1)	(2)	(3)	(4)	(5)	(1)	(2)	(3)	(4)	(5)
Alabama	$100,000	$164.00	$7,700	73.7	Nevada	$10,508	$276.00	$6,000	$42.0
Arizona	47,000	280.00	15,000	27.0	New Hampshire	20,901	[2] 253.00	2,990	4.1
Arkansas	45,100	125.00	13,500	49.8	New Jersey	253,000	349.00	49,000	18.0
California	770,000	341.00	320,000	48.8	New Mexico	44,254	[1] 280.00	7,589	81.9
Colorado	77,400	293.98	28,000	17.1	New York	760,000	360.00	275,000	37.0
Connecticut	94,500	318.00	34,500	17.4	North Carolina	153,265	168.00	27,500	72.2
Delaware	18,200	335.00	6,000	85.0	North Dakota	[1] 31,000	[1] 260.00	[1] 6,000	[1] 23.8
District of Columbia	26,500	285.00	4,000	0	Ohio	340,000	[2] 250.00	130,000	34.4
Florida	134,308	230.00	63,000	51.7	Oklahoma	98,091	225.00	25,000	30.5
Georgia	120,000	160.00	30,000	73.3	Oregon	97,700	340.00	40,000	29.6
Idaho	28,811	227.57	9,500	24.3	Pennsylvania	469,800	298.86	200,000	33.1
Illinois	390,000	305.00	150,000	10.9	Rhode Island	33,000	315.00	2,800	11.4
Indiana	[1] 179,000	[1] 255.00	[1] 22,000	[1] 38.4	South Carolina	81,500	176.00	55,000	74.4
Iowa	142,000	285.00	[1] 48,000	9.8	South Dakota	32,000	275.00	5,000	12.2
Kansas	90,518	265.00	6,615	19.7	Tennessee	99,630	151.00	28,500	59.1
Kentucky	78,550	150.00	9,000	41.1	Texas	365,570	253.27	85,000	54.4
Louisiana	128,000	247.00	40,000	67.7	Utah	40,500	230.00	14,000	38.1
Maine	[1] 32,000	[1] 205.00	[1] 4,000	[1] 17.2	Vermont	15,000	240.00	4,000	26.1
Maryland	110,028	[2] 242.00	45,888	34.6	Virginia	120,000	185.00	50,000	32.1
Massachusetts	175,000	[2] 251.00	40,000	16.0	Washington	133,797	304.00	43,000	53.4
Michigan	320,000	266.66	145,000	60.7	West Virginia	75,173	178.00	22,000	62.3
Minnesota	168,449	320.00	84,031	39.2	Wisconsin	143,000	291.00	40,000	19.5
Mississippi	59,243	131.00	3,500	56.2	Wyoming	[1] 22,000	[1] 380.00	[1] 2,500	[1] 34.1
Missouri	148,000	242.00	30,000	32.4					
Montana	37,000	[2] 309.00	10,000	23.7	Total	7,020,296	261.68	2,300,113	37.9
Nebraska	61,000	250.00	10,000	4.4					

[1] Estimated by NEA Research Division. Please note that 3 zeros should be added to amounts listed in cols. (2) and (4).
[2] Per pupil in ADM.

TABLE 10.—*Estimated pupil enrollment and percent not attending regular full-time school day*

State	1953–54 enrollment			1954–55 enrollment			Percent not in full-time attendance, 1954–55
	Elementary	Secondary	Total	Elementary	Secondary	Total	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Alabama	437,297	248,724	686,021	448,970	254,677	703,647	1.0
Arizona	151,600	36,500	188,100	158,000	39,500	197,500	3.0
Arkansas	268,674	153,000	421,674	271,000	155,000	426,000	3.0
California	1,646,817	450,412	2,097,229	1,778,400	483,400	2,261,800	6.5
Colorado	204,165	62,369	266,534	224,000	68,000	292,000	13.0
Connecticut	224,764	115,609	340,373	231,000	126,000	357,000	0
Delaware	35,905	20,435	56,340	35,372	22,549	57,921	2.8
District of Columbia	65,369	37,441	102,810	66,103	38,388	104,491	.9
Florida	415,909	232,700	648,609	444,000	252,000	696,000	4.0
Georgia	650,882	211,879	862,761	[1] 663,800	[1] 221,200	[1] 885,000	1.0
Idaho	101,613	34,763	136,376	103,176	35,883	139,059	[1] 1.0
Illinois	1,058,524	340,466	1,398,990	1,132,400	357,600	1,490,000	[1] 1.0
Indiana	[1] 550,630	[1] 204,723	[1] 755,353	[1] 569,400	[1] 210,600	[1] 780,000	[1] 1.0
Iowa	400,300	125,000	525,300	411,000	130,000	541,000	1.0
Kansas	270,311	91,424	361,735	285,225	92,822	378,047	1.0
Kentucky	484,837	108,381	593,218	494,534	115,968	610,502	0
Louisiana	443,214	109,227	552,441	460,000	115,000	575,000	[1] 8.4
Maine	[1] 132,000	[1] 38,000	[1] 170,000	[1] 134,940	[1] 38,000	[1] 173,000	3.0
Maryland	279,514	147,961	427,475	289,037	164,763	454,800	

See footnotes at end of table.

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TABLE 10.—*Estimated pupil enrollment and percent not attending regular full-time school day*—Continued

State	1953–54 enrollment			1954–55 enrollment			Percent not in full-time attendance, 1954–55
	Elementary	Secondary	Total	Elementary	Secondary	Total	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Massachusetts	468,000	204,000	672,000	472,000	226,000	698,000	.3
Michigan	832,438	422,028	1,254,466	879,000	445,599	1,324,599	1.0
Minnesota	355,053	204,081	559,134	368,945	210,357	579,302	1.0
Mississippi	450,110	90,047	540,157	451,000	91,000	542,000	0
Missouri	556,000	154,000	710,000	575,000	157,000	732,000	2.0
Montana	84,829	27,950	112,779	89,614	29,028	118,642	.2
Nebraska	186,000	59,000	245,000	195,000	60,000	255,000	0
Nevada	31,267	7,948	39,215	33,289	8,898	42,187	8.7
New Hampshire	[2] 61,269	19,003	80,272	59,290	[2] 24,443	83,733	.5
New Jersey	643,000	164,000	807,000	670,000	169,000	839,000	4.0
New Mexico	138,155	35,113	173,268	149,207	38,273	187,480	[1] 2.0
New York	1,473,900	842,000	2,315,900	1,556,000	860,000	2,416,000	4.0
North Carolina	759,419	206,323	965,742	798,416	219,650	1,018,067	.1
North Dakota	[1] 90,597	[1] 27,710	[1] 118,307	[1] 93,555	[1] 27,945	[1] 121,500	[1] .5
Ohio	978,734	440,715	1,419,449	1,031,827	469,580	1,501,407	1.5
Oklahoma	399,392	123,578	522,970	410,000	125,000	535,000	2.0
Oregon	236,745	75,819	312,564	249,287	78,611	327,898	.15
Pennsylvania	1,140,634	609,000	1,749,634	1,171,868	637,000	1,808,868	5.8
Rhode Island	73,000	35,500	108,500	75,710	37,290	113,000	.5
South Carolina	398,019	141,418	539,437	410,698	142,791	553,489	0
South Dakota	97,884	30,555	128,439	101,000	31,000	132,000	0
Tennessee	580,200	136,095	716,295	599,643	140,657	740,300	.03
Texas	1,256,130	335,404	1,591,534	1,313,733	351,096	1,664,829	.02
Utah	114,386	68,778	183,164	119,799	72,033	191,832	0
Vermont	49,908	17,907	67,905	52,500	18,057	70,557	0
Virginia	521,112	174,165	695,277	[1] 540,000	[1] 180,000	[1] 720,000	[1] 7.0
Washington	351,820	106,303	458,123	372,431	112,368	484,799	1.0
West Virginia	297,564	154,427	451,991	298,000	159,000	457,000	.7
Wisconsin	397,000	157,000	554,000	401,000	160,000	561,000	0
Wyoming	52,821	15,450	68,271	[1] 54,000	[1] 16,000	[1] 70,000	[1] 0
Total	20,897,801	7,854,331	28,752,132	21,792,170	8,218,987	30,011,157	2.3

[1] Estimated by NEA Research Division. Col. 8 should indicate percent of total enrollment on half-day sessions or any plan providing less than full regular school day.
[2] Includes grades 7 and 8 of junior high schools.

TABLE 11.—*Estimated types of teacher shortage and status of teacher-education enrollments, 1954–55*

State	Rural			Urban			Teacher education enrollment in 1954–55		Outlook of enrollments in teacher preparation in meeting need in next 3 years	
	Elementary	Secondary		Elementary	Secondary		As compared with 1940–41	As compared with 1953–54	Elementary	Secondary
		Regular	Special		Regular	Special				
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Alabama	Some [1]	Small [1]	Some [1]	Some [1]	Small [1]	Some [1]	Same [1]	Same [1]	Short [1]	Balance. [1]
Arizona	do [1]	do [1]	Small [1]	Small [1]	do [1]	Small [1]	Larger [1]	Larger [1]	do [1]	Do. [1]
Arkansas	Large	Some	Large	Some	Some	Large	do	Same	do	Short.
California	Some [1]	Small [1]	Some [1]	do [1]	Small [1]	Some [1]	Smaller [1]	do [1]	do [1]	Do. [1]
Colorado	Large	do	do	Large	do	do	Smaller	do	do	Short.
Connecticut	Some	do	do	Some	do	Small	Larger	do	do	Over.
Delaware	do	do	do	do	do	Some	do	do	do	Short.
District of Columbia				Large	Some	Large	Same	do	do	Do.
Florida	Large	Some	Large	Some	Small	Some	Larger	do	do	Over.
Georgia	Some [1]	Some [1]	Some [1]	do [1]	Some [1]	do [1]	Same [1]	do [1]	do [1]	Balance. [1]
Idaho	Large	do	Large	Large	do	Large	Larger	Larger	do	Short.
Illinois	Some [1]	do [1]	Some [1]	do [1]	Small [1]	Small [1]	Larger [1]	Same [1]	do [1]	Balance. [1]
Indiana	do [1]	do [1]	do [1]	Some [1]	do [1]	Some [1]	do [1]	do [1]	do [1]	Short. [1]
Iowa	do	Small	Small	do	do	do	Smaller	Larger	do	Do.
Kansas	do. [1]	do. [1]	Some [1]	do. [1]	do. [1]	do. [1]	Same [1]	do. [1]	do. [1]	Balance. [1]
Kentucky	Large	Some	Large	do	do	do	Larger	Same	do	Short.
Louisiana	Some	do	Some	Small	do	Small	do	Larger	Balance	Balance.
Maine	do. [1]	Large [1]	Large [1]	Some [1]	do. [1]	Some [1]	Same [1]	Same [1]	Short [1]	Do. [1]
Maryland	do	Small	Some	do	do	do	Larger	Larger	do	Short.
Massachusetts	do	do	do	do	do	do	do	do	Balance	Balance.
Michigan	Large	do	do	do	do	Small	do	do	Short	Short.
Minnesota	Some	do	do	Small	do	do	do	do	do	Do.
Mississippi	Large	Some	do	Some	do	Some	do	Same	do. [1]	Do. [1]
Missouri	Some	do	do	do	Some	do	do	Larger	do	Do.
Montana	Large	Small	do	Small	Small	do	Same	Same	do	Balance.
Nebraska	Small	do	Small	Some	Some	do	Larger	Larger	do	Short.
Nevada	Some	do	do	Small	Small	Small	do	do	do	Do.
New Hampshire	Large	do	Some	do	do	do	do	do	do	Do.
New Jersey	do	do	do	Some	do	do	do	do	do	Do.
New Mexico	Some	Some	do	do	Some	Some	Smaller	Same	do	Do.
New York	do	Small	do	do	Small	do	Larger	Larger	do	Do.
North Carolina	Large	Some	do	do	do	do	do	Same	do	Do.
North Dakota	[1]	do [1]	Large [1]	do [1]	do [1]	do [1]	Smaller [1]	Larger [1]	do [1]	Balance. [1]
Ohio	Some	Small	Some	do	do	do	Larger	do	do	Short.
Oklahoma	Small	Some	do	Small	Some	do	Smaller	do	Balance	Balance.
Oregon	Some	Small	do	do	Small	do	Larger	do	Short	Do.
Pennsylvania	Large	do	Large	Some	do	Large	do	do	do	Do.
Rhode Island	Some [1]			do [1]	Some [1]	Some [1]	do [1]	do [1]	do [1]	Do. [1]
South Carolina	Small [1]	Some [1]	Some [1]	Small [1]	Small [1]	do [1]	Smaller [1]	Same [1]	do [1]	Short. [1]
South Dakota	Large	Small	Small	Some	do	Small	Larger	do	do	Balance.
Tennessee	Some	do	Some	Small	do	do	Same	do	do	Short.
Texas	do	Some	Large	Some	Some	Some	do	do	do	Do.
Utah	do	do	Some	do	do	do	do	do	do	Do.
Vermont	Large	do	do	Small	Small	Small	do	do	do	Do.
Virginia	do	do	do	Some	do	Some	Smaller	Smaller	do	Do.
Washington	Some	Small	do	Large	do	do	Larger	Larger	do	Do.
West Virginia	do	do	do	Small	Some	do	Smaller	do	do	Do.
Wisconsin	Large	do	do	Some	Small	do	Larger	do	do	Balance.
Wyoming	Small	do	Small	Small	do	Small	do	Same	do	Short.

[1] Estimated by NEA Research Division. Cols. 2–7: small means "practically none"; some means "considerable"; large means "very large." Col. 8: smaller means "much smaller" and larger means "definitely larger." Cols. 9–10: Short means "large shortage"; balance means "balanced supply and demand"; over means "oversupply."

TABLE 12.—*Estimate of school building shortage, 1954–55*

State	Rural schools		Urban schools		Number of additional elementary school classrooms needed (if all regular classes were limited to 30 pupils)
	Elementary	Secondary	Elementary	Secondary	
(1)	(2)	(3)	(4)	(5)	(6)
Alabama	Some [1]	Some [1]	Large [1]	Some [1]	
Arizona	Small [1]	do [1]	Some [1]	do [1]	
Arkansas	Large	do	Large	Large	200.
California	Some [1]	do [1]	do [1]	Some [1]	
Colorado	do	do	Large	do	2,000.
Connecticut	do	Large	do	do	475.
Delaware	do	Small	Some	do	90.
District of Columbia			do	do	409.
Florida	Large	Large	Large	Large	900.
Georgia	Some [1]	Some [1]	do [1]	Some [1]	
Idaho	do	do	Some	do	
Illinois	Small	do	do	do	
Indiana	Some [1]	Small [1]	Large [1]	do [1]	
Iowa	Small	do	do	do	2,982.
Kansas	do [1]	do [1]	Some [1]	do [1]	
Kentucky	Large	Some	Large	do	10,000.
Louisiana	Some	do	Some	do	2,087.
Maine	do [1]	Small [1]	do [1]	do	
Maryland	Small	do	do	do	928.
Massachusetts	do	Some	Large	Large	500.
Michigan	Some	do	do	Some	300.
Minnesota	Small	do	do	Large	
Mississippi	Large	Large	Some	Some	
Missouri	Small	Small	Large	do	2,350.
Montana	do	do	do	do	406.
Nebraska	do	do	Some	do	500.
Nevada	do	do	do	do	70.
New Hampshire	Some	Some	do	do	120.
New Jersey	do	do	Large	Large	330.
New Mexico	Large	Large	Some	Some	400.
New York	Some	Some	do	Small	2,500.
North Carolina	Large	do	Large	Large	
North Dakota	Small [1]	Small [1]	Some [1]	Some [1]	
Ohio	do	Some	do	Small	2,000.
Oklahoma	do	Small	do	Some	3,100.
Oregon	Some	Some	do	do	603.
Pennsylvania	do	do	do	do	2,251.
Rhode Island	Small [1]		do [1]	Small [1]	
South Carolina	Some [1]	Small [1]	Large [1]	Large [1]	
South Dakota	Small	do	Some	Some	200.
Tennessee	Some	Some	do	do	1,800.
Texas	Small	do	Large	do	6,000.
Utah	Some	do	do	do	560.
Vermont	Large	Large	Some	do	400.
Virginia	Some [1]	Some [1]	do [1]	do [1]	
Washington	do	do	Large	Large	
West Virginia	Small	do	Some	Some	1,580.
Wisconsin	do	do	do	do	700.
Wyoming	do	do	do	do	100.
Total (32 States)					46,841.

[1] Estimated by NEA Research Division.

TABLE 13.—*Estimates for Alaska, Canal Zone, Hawaii, Puerto Rico, and Virgin Islands*

Item	Alaska		Canal Zone				Hawaii		Puerto Rico		Virgin Islands	
			United States schools		Latin American schools							
	1953–54	1954–55	1953–54	1954–55	1953–54	1954–55	1953–54	1954–55	1953–54	1954–55	1953–54	1954–55
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Instructional staff:												
Elementary classroom teachers	780	927	130	133	85	71	2,285	2,435	6,337	6,705	44	----------
Secondary classroom teachers	195	222	71	71	69	58	1,266	1,323	3,825	3,954	25	----------
Principals and supervisors	42	54	18	18	17	16	109	116	655	663	11	----------
Total	1,014	1,203	219	222	171	145	3,660	3,874	10,817	11,322	80	----------
Emergency certificates and additional teachers needed:												
Total number	101	55	----------	36	----------	1	229	182	1,554	1,600	10	----------
Percent elementary	95.5	94.5	----------	75	----------	0	76	79.7	45	45	25	----------
Percent rural	----------	23.8	----------	----------	----------	----------	----------	34.1	----------	----------	0	----------
Percent with less than 4 years college preparation	----------	----------	----------	77	----------	100	50.2	63.7	----------	----------	100	----------
Number additional teachers needed	----------	----------	26	17	18	12	249	278	6,564	7,024	----------	----------
Salaries (average):												
Instructional staff	----------	----------	$5,400	$5,414	$2,440	$2,947	$4,278	$4,240	$1,964	$1,994	----------	----------
Classroom teachers:												
Elementary	----------	----------	$5,011	$4,942	$1,744	$1,800	$4,074	$4,037	$1,814	$1,844	----------	----------
Secondary	----------	----------	$5,550	$5,834	$2,179	$2,193	$4,374	$4,343	$1,968	$1,998	----------	----------
All	$5,143	$5,243	$5,206	$5,252	$1,886	$1,934	$4,178	$4,144	$1,871	$1,902	----------	----------
Pupil enrollment:												
Elementary	18,971	21,296	4,660	4,558	2,867	2,568	67,481	73,978	389,997	396,766	2,078	----------
Secondary	3,425	3,711	1,776	1,893	1,606	1,476	39,125	39,706	120,163	126,766	529	----------
Total	22,396	25,007	6,436	6,451	4,473	4,044	106,606	113,684	510,160	523,532	2,607	----------
Teacher shortage:												
Rural elementary	Small	----------	----------	----------	----------	----------	Some	Some	Some	Some	----------	Some
Rural secondary regular	Small	----------	----------	----------	----------	----------	Small	Small	Some	Some	----------	Small
Rural secondary special	Some	----------	----------	----------	----------	----------	Small	Small	Some	Some	----------	
Urban elementary	Small	----------	----------	Large	----------	Small	Some	Some	Small	Small	----------	Some
Urban secondary regular	Small	----------	----------	Some	----------	Small	Small	Small	Small	Small	----------	Large
Urban secondary special	Small	----------	----------	Large	----------	Small	Small	Small	Small	Small	----------	
Expenditures:												
Total current expenditures (in thousands)	$8,445	$10,274	$1,854	$1,981	$757	$754	$21,146	$24,417	$38,440	$42,000	$218	----------
Current expense per pupil (ADA)	$414.22	$401.33	$297	$298	$177.46	$190	$215.08	$221	$91.92	$95	$97.13	----------
Percent of school revenue from State	57.1	44.7	[1]	[1]	[1]	[1]	80.7	81.3	87.5	87.9	----------	----------
Building shortage:												
Rural elementary	Some	Some	----------	----------	----------	----------	Large	Some	Large	Large	----------	Large
Rural secondary	Small	Some	----------	----------	----------	----------	Some	Some	Small	Small	----------	Some
Urban elementary	Some	Large	----------	Some	----------	Small	Some	Some	Large	Large	----------	Large
Urban secondary	Some	Some	----------	Some	----------	Small	Small	Small	Some	Some	----------	Some

[1] By Federal appropriation.

UNIVERSITY OF MICHIGAN LIBRARIES

Mr. MORSE. I ask unanimous consent to have printed in the RECORD at this point a compilation of aid-to-education bills introduced since 1919, compiled by Margaret Conway, of Legislative Reference Service.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PART I. BILLS TO GRANT FEDERAL AID TO EDUCATION, 1919 TO DATE

SIXTY-FIFTH CONGRESS

S. 5660. Mr. Pollock, February 25, 1919 (Education and Labor). Authorizes an appropriation of $300 million for 1919 and an annual sum equivalent to $10 per child times the number of children between 6 and 18 as shown by the next preceding census.

H. R. 15238. Mr. Towner, January 28, 1919 (Education). Sets up a Department of Education and authorizes annual appropriations of $100 million for educational aid to the States.

H. R. 15400. Mr. Towner, January 30, 1919 (Education). Creates a Department of Education and authorizes an annual appropriation in a sum equivalent to that in his previous bill.

SIXTY-SIXTH CONGRESS

S. 15. Mr. Smith of Georgia, May 20, 1919 (Education and Labor). Creates a Department of Education and authorizes an annual appropriation of $100 million for grants to the States for various educational purposes.

S. 1017. Mr. Smith of Georgia, May 28, 1919 (Education and Labor). Creates a Department of Education and authorizes an annual appropriation of $100 million for various types of educational grants-in-aid to the States.

This bill was reported in the Senate, March 1, 1921 (S. Rept. 824), 60 CONGRESSIONAL RECORD 4109. A photostatic copy of the reported version is attached.

H. R. 7. Mr. Towner, May 19, 1919 (Education). Creates a Department of Education and authorizes an annual appropriation of $100 million for various types of educational grants-in-aid to the States.

This bill was reported in the House, January 17, 1921 (H. Rept. 1201), 60 CONGRESSIONAL RECORD 1539. A photostatic copy of the reported version is attached.

SIXTY-SEVENTH CONGRESS

S. 1252. Mr. Sterling, April 27, 1921 (Education and Labor). Creates a Department of Education and provides a total annual appropriation of $100 million for various types of educational grants-in-aid.

H. R. 7. Mr. Towner, April 11, 1921 (Education). Companion bill to S. 1252, supra.

SIXTY-EIGHTH CONGRESS

S. 1337. Mr. Sterling, December 17, 1923 (Education and Labor). Creates a Department of Education and makes total authorizations of $100 million for various types of educational assistance to the States.

H. R. 3923. Mr. REED of New York, December 17, 1923 (Education). Companion bill to S. 1337, supra.

SIXTY-NINTH CONGRESS

H. R. 4097. Mr. Tillman, December 8, 1925 (Education). Creates a Department of Education and makes total authorizations of $100 million for various types of educational assistance to the States.

SEVENTIETH CONGRESS

H. R. 5693. Mr. Tillman, December 5, 1927 (Education). Creates a Department of Education and makes total authorizations of $100 million for various types of educational assistance to the States.

SEVENTY-THIRD CONGRESS

S. 2402. Mr. GEORGE, January 11, 1934 (Education and Labor). Makes available to the States for educational needs $50 million for fiscal year 1934 and $100 million for fiscal 1935 from the funds of the RFC.

S. 2522. Mr. GEORGE, January 23, 1934 (Education and Labor). Makes available to the States for educational needs $50 million for fiscal 1934 from the funds of the RFC.

S. 2837. Mr. GEORGE, February 20, 1934 (Education and Labor). Makes available to the States for educational needs $100 million for fiscal 1935 from the funds of the RFC.

H. R. 7477. Mr. Collins of Mississippi, January 30, 1934 (Education). Authorizes $50 million to be expended by the Civil Works Administration to the States and Territories for educational needs.

H. R. 7479. Mr. Ellzey of Mississippi, January 30, 1934 (Education). Authorizes the RFC to make $50 million available in fiscal 1934 and $100 million in fiscal 1935 to the States and Territories for educational needs.

H. R. 7525. Mr. Brown of Kentucky, January 31, 1934 (Education). Similar to H. R. 7479, supra.

H. R. 7873. Mr. Johnson of Oklahoma, February 10, 1934 (Education). Makes available any necessary sums from the Federal emergency relief appropriation for fiscal 1934 to assist the States in maintaining their regular school terms.

H. R. 8137. Mr. Collins of Mississippi, February 20, 1934 (Education). Makes $100 million available for fiscal 1935 for educational assistance.

H. R. 8219. Mr. Deen, February 23, 1934 (Education). Authorizes an appropriation of $300 million for fiscal 1935 to aid the States in their educational crisis, such money to be allotted at a minimum rate of $11 per child in average daily attendance, plus other adjustments based on population density.

H. R. 8289. Mr. Rogers, of Oklahoma, February 26, 1934 (Education). Authorizes $50 million for fiscal 1934 and $100 million for fiscal 1935 for providing educational assistance to the States.

H. R. 8433. Mr. Fletcher, March 2, 1934 (Education). Authorizes an appropriation of $100 million for fiscal 1935 to provide educational assistance to the States.

H. R. 9142. Mr. McSwain, April 16, 1934 (Education). Authorizes the President to make funds available to the States to enable them to continue their school years.

H. R. 9544. Mr. Douglass, May 8, 1934 (Education). Authorizes an appropriation of $75 million for fiscal 1935 under the Federal Emergency Relief Act of 1933 to meet the crisis in education.

This bill was reported in the House, May 10, 1934 (H. Rept. 1562) without amendment, 78 CONGRESSIONAL RECORD 8558. A photostatic copy of the reported version is attached herewith.

H. R. 9786. Mr. Chase, May 29, 1934 (Education). Authorizes $500 million for fiscal 1935 under the Federal Emergency Relief Act to meet the needs of education in the States and Territories.

SEVENTY-FOURTH CONGRESS

S. 2190. Mr. Logan, March 4, 1935 (Education and Labor). Authorizes appropriations of $3 million a year to provide school facilities for the children of persons in Federal service or of other persons legally residing on Federal property.

S. 3123. Mr. Robinson, June 22, 1935 (Banking and Currency). Authorizes the RFC to make available up to $10 million to public-school districts undergoing financial crises.

This bill was reported in the Senate (S. Rept. 1076), 79 CONGRESSIONAL RECORD 11061; debated, 79 CONGRESSIONAL RECORD 11998; amended and passed Senate, 79 CONGRESSIONAL RECORD 12001. It passed the House (in lieu of H. R. 8628), 79 CONGRESSIONAL RECORD 13325; was examined and signed, 79 CONGRESSIONAL RECORD 13492, 13599. Became Public Law 325 (49 Stat. 796). A photostat of the law is attached herewith.

S. 4793. Mr. Harrison, June 15, 1936 (Education and Labor). Authorizes an appropriation of $100 million, with annual increases of $50 million to a maximum $300 million to be allotted to the States and Territories for improvement of their public schools. Provides an apportionment procedure based on school population.

H. R. 2867. Mr. Terry, January 3, 1935 (Banking and Currency). Authorizes the RFC to establish a revolving fund of $75 million to make aid available to school districts in financial distress.

H. R. 2668. Mr. Terry, January 3, 1935 (Education). Authorizes the United States Treasury to allot up to $75 million to the States and Territories for public school aid.

H. R. 4552. Mr. Johnson of Oklahoma, January 23, 1935 (Education). Authorizes appropriations under the Federal Emergency Relief Administration for fiscal 1935 and 1936, sufficient to enable the States and Territories to maintain their regular school year.

H. R. 4677. Mr. Rogers of Oklahoma, January 24, 1935 (Education). Authorizes an appropriation not in excess of $100 million under the Federal Emergency Relief Act for fiscal 1935 to enable the States and Territories to maintain a normal school year.

H. R. 4745. Mr. Deen, January 25, 1935 (Education). Authorizes an appropriation of $48 million for fiscal 1935 under the Federal Emergency Relief Act to enable the States and Territories to maintain a normal school year.

H. R. 5264. Mr. Kenny, February 4, 1935 (Education). Authorizes an appropriation of $75 million to be disbursed on the basis of need by the Commissioner of Education to the States and Territories for public school aid.

H. R. 5296. Mr. Rogers of Oklahoma, February 4, 1935 (Education). Authorizes an appropriation of $100 million to be disbursed on the basis of need by the Commissioner of Education to the States and Territories for public school aid.

H. R. 5719. Mr. Lee of Oklahoma, February 14, 1935 (Education). Authorizes an appropriation of $100 million for fiscal 1936 and $100 million for each fiscal year thereafter to provide funds to the States and Territories to enable them to offer more equitable educational opportunities.

H. R. 5923. Mr. Lee of Oklahoma, February 19, 1935 (Education). Authorizes an appropriation of $30 million under the Federal Emergency Relief Act for fiscal 1935 to meet the crisis in education.

H. R. 6201. Mr. Santhoff, February 26, 1935 (Education). Authorizes $400 million for expenditure by the Federal Emergency Administrator to meet the emergency needs of the public schools of the Nation.

H. R. 6955. Mr. Deen, March 22, 1935 (Education). Authorizes an appropriation of $25 million under the Federal Emergency Relief Act for fiscal 1935 to meet the crisis in education.

H. R. 6959. Mr. ROBSION of Kentucky, March 22, 1935 (Education). Allocates $200 million of the amount appropriated in the Work Relief Act to be used to furnish aid in various educational needs.

H. R. 8398. Mr. Terry, June 7, 1935 (Banking and Currency). Empowers the RFC to make loans to an aggregate of $10 million for the relief of public school districts in the States and Territories.

H. R. 8628. Mr. Terry, June 24, 1935 (Banking and Currency). Authorizes the RFC to make loans in an aggregate amount not exceeding $10 million for the benefit of tax-supported school districts.

This bill was reported in the House without amendment (H. Rept. 1328), 79 CONGRESSIONAL RECORD, page 10126. It was laid on the table and S. 3123 passed in lieu, 79 CONGRESSIONAL RECORD, page 13325.

H. R. 13021. Mr. Fletcher, June 20, 1936 (Education). Authorizes an annual appropriation of $100 million, plus $50 million for each subsequent year until a maximum of $300 million is reached. The sums so appropriated shall be apportioned to the States and Territories for their school needs on a basis of population between ages 5 to 20.

SEVENTY-FIFTH CONGRESS

S. 251. Mr. Logan, January 6, 1937 (Education and Labor). Authorizes $3 million annually to provide public schools for children of Federal employees or people legally residing on Federal property.

S. 419. Messrs. Harrison and Black, January 8, 1937 (Education and Labor). Authorizes an annual grant beginning at $100 million and rising by $50 million a year until a maximum of $300 million is reached, such money to be allotted to the States for improvement of public schools.

This bill was reported in the Senate March 19, 1937 (S. Rept. 217), 81 CONGRESSIONAL RECORD, page 2419. A photostatic copy of the reported version is attached.

S. 1355. Mr. Copeland, February 3, 1937 (Education and Labor). Authorizes an appropriation of $5 million a year for the next 5 years for pregrade education.

S. 3529. Mr. Schwellenbach, February 24, 1938 (Education and Labor). Authorizes $50 million for the next 2 years and $100 million for the next 8 years thereafter for public-school construction.

H. R. 1634. Mr. Fulmer, January 5, 1937 (Education). Authorizes $100 million, increased by $50 million a year to a maximum of $300 million, to be allocated to the States for public-school improvement.

H. R. 2288. Mr. Fletcher, January 8, 1937 (Education). Similar to H. R. 1634.

H. R. 3160. Mr. Ryan, January 18, 1937 (Education). Authorizes an annual appropriation in an amount sufficient to pay the sum of $25 for each pupil enrolled in the public elementary and high schools and in attendance for 160 days, and a proportionate sum for those in attendance a lesser number of days.

H. R. 3133. Mr. Bloom, January 18, 1937 (Education). Authorizes an annual appropriation of $10 million for each of the next 5 years to promote pregrade education in the public schools.

H. R. 5360. Mrs. O'Day, March 5, 1937 (Education). Authorizes appropriations beginning at $200 million and ending at $500 million annually for improvement of public education systems.

H. R. 5413. Mr. Scott, March 8, 1937 (Education). Similar to H. R. 5360, supra.

H. R. 5803. Mr. Robsion, March 22, 1937 (Education). Authorizes sums rising from $100 million to $300 million annually for Federal aid to public school systems.

H. R. 5962. Mr. Fletcher, March 29, 1937 (Education). Authorizes sums rising from $100 million to $300 million annually for Federal aid to public school systems.

H. R. 6099. Mr. DeMuth, April 2, 1937 (Education). Authorizes an annual appropriation of $150 million to be apportioned among the States for the support of the public schools.

H. R. 9627. Mr. Hill, February 25, 1938 (Education). Authorizes $50 million for the next 2 years and $100 million for the next 8 years thereafter for public school construction.

H. R. 10220. Mr. Collins, April 11, 1938 (Education). Authorizes $140 million annually for 6 years to be apportioned among the States to assist elementary and secondary education.

H. R. 10340. Mr. Fletcher, April 28, 1938 (Education). Authorizes sums rising from $40 million to $140 million annually for general educational assistance based on financial need. Also authorizes various other amounts to assist special types of educational programs, assistance thereunder also to be granted on the basis of need.

H. R. 10390. Mr. CELLER (by request), April 25, 1938 (Education). Places educational services now rendered by the Works Progress Administration on a permanent basis, and makes various grants to that effect.

SEVENTY-SIXTH CONGRESS

S. 1305. Mr. Thomas of Utah and Mr. Harrison, February 13, 1939 (Education and Labor). Proposes to equalize educational opportunities among the States through Federal grants-in-aid without Federal control over educational policies in four main areas of interest: (1) Public elementary and secondary school education; (2) adult education and rural library service; (3) cooperative educational research; and (4) education of children of Federal wards and employees residing on Federal reservations.

The bill was reported out with amendments (S. Rept. 244), 84 CONGRESSIONAL RECORD 3685; individual views (S. Rept. 244, pt. 2), 84 CONGRESSIONAL RECORD 4646; debated, 84 CONGRESSIONAL RECORD 5807; and further minority views reported (S. Rept. 244, pt. 3), 84 CONGRESSIONAL RECORD 7067. A photostat copy of the reported version is attached.

H. R. 47. Mr. Fulmer, January 3, 1939 (Education). Authorizes an annual appropriation beginning at $100 million and increased by $50 million a year to a maximum of $300 million for grants-in-aid to school districts.

H. R. 1647. Mr. Collins, January 4, 1939 (Education). Authorizes an annual appropriation of $140 million for the next 6 years to assist the States on basis of educational need.

H. R. 3517. Mr. Larrabee, January 31, 1939 (Education). Similar to S. 1305, supra.

H. R. 9579. Mr. Snyder, April 29, 1940 (Education). Authorizes sums, not to exceed $100 million annually, for construction of public-school buildings during the next 10 years.

H. R. 10225. Mr. Welchel, July 25, 1940 (Education). Similar to S. 1305, supra.

SEVENTY-SEVENTH CONGRESS

S. 1313. Mr. Thomas of Utah and Mr. Harrison, April 7, 1941 (Education and Labor). Authorizes an annual appropriation of $300 million to be allotted to the States and Territories for the purpose of providing adequate educational opportunities near defense areas and throughout the United States.

S. 1313 was reported in the Senate with amendments (S. Rept. 1548), 88 CONGRESSIONAL RECORD 6225. A photostatic copy of the reported version is attached herewith.

S. 2171. Mr. Doxey, January 6, 1941 (Education and Labor). Similar to S. 1313, supra.

H. R. 4761. Mr. Ellis, May 15, 1941 (Education). Similar to S. 1313, supra.

S. 637. Mr. Thomas of Utah and Mr. HILL, February 4, 1943 (Education and Labor). Authorizes $300 million for 1944 and each fiscal year thereafter to enable the States and Territories to provide equal educational opportunities throughout the United States.

This bill was reported in the Senate with amendments (S. Rept. 323), 89 CONGRESSIONAL RECORD 6042. Minority views (S. Rept. 323, pt. 2), 89 CONGRESSIONAL RECORD 8995. Debated, 89 CONGRESSIONAL RECORD 8246, 8264, 8299, 8317, 8380, 8408, 8419, 8488–8501, 8502, 8506–8510, 8511–8513, 8549–8570. Recommitted to the Committee on Education and Labor, 89 CONGRESSIONAL RECORD 8570. Reported with amendments (S. Rept. 323), 90 CONGRESSIONAL RECORD 8043. A photostat copy of the reported version is attached.

H. R. 2849. Mr. Ramspeck, June 2, 1943 (Education). Authorizes $200 million for 1944 and $100 million for fiscal years thereafter to be used to provide adequate educational opportunities in the public schools of the States and Territories.

SEVENTY-NINTH CONGRESS

S. 181. Mr. Thomas of Utah and Mr. HILL, January 10, 1945 (Education and Labor). Authorizes a special appropriation beginning fiscal 1946 of $200 million a year to continue until the President declares the educational emergency due to war to have ceased, and a regular appropriation beginning 1946 of $100 million annually for educational assistance.

This bill was reported with an amendment (S. Rept. 1497), 92 CONGRESSIONAL RECORD 6772; debated, 92 CONGRESSIONAL RECORD 10619. A photostat copy of the reported version is attached.

S. 717. Messrs. Mead and AIKEN, March 8, 1945 (Education and Labor). Authorizes $550 million annually for Federal aid to the States in financing education.

S. 1719. Mr. MORSE, December 20, 1945, (Education and Labor). Authorizes various sums for aid to the States for public educational plant facilities.

H. R. 1296. Mr. Ramspeck, January 9, 1945 (Education). Similar to S. 181, supra.

H. R. 3002. Mr. LESINSKI (by request), April 23, 1945 (Education). Similar to S. 717, supra.

H. R. 4929. Mr. Ramspeck, December 7, 1945 (Education). Authorizes $50 million in fiscal 1947 and $100 million in fiscal 1948 to more nearly equalize public educational opportunities.

H. R. 5683. Mr. Pace, March 6, 1946 (Education). Authorizes $300 million for each fiscal year beginning with 1947 for the purpose of more nearly equalizing public-school educational opportunity in the States and Territories.

H. R. 6158. Mr. Earthman, April 16, 1946 (Education). Similar to H. R. 5683, supra.

EIGHTIETH CONGRESS

S. 81. Messrs. GREEN and McGrath, January 8, 1947 (Labor and Public Welfare). Authorizes payments to the States to supplement teachers' salaries, such payments to be based on a rate of $15 per pupil.

S. 170. Mr. McCarran, January 13, 1947 (Labor and Public Welfare). Authorizes $600 million annually for aid to the States in increasing the salaries of public-school teachers.

S. 199. Mr. AIKEN, January 15, 1947 (Labor and Public Welfare). Authorizes various sums for general aid to public schools, and for reimbursement to nonpublic tax-exempt schools for transportation, health, and related expenses.

S. 472. Mr. Taft and others, January 31, 1947 (Labor and Public Welfare). Authorizes annual sums, to reach a maximum of $250 million after 1950, for aid to public schools, apportionment thereof to be based on the number of schoolchildren and the annual income payments of the various States.

This bill was reported in the Senate (S. Rept. 425), 93 CONGRESSIONAL RECORD 8205. Debated, 94 CONGRESSIONAL RECORD 3288, 3346, 3375, 3378, 3463, 3471, 3479, 3586, 3611, 3701, 3776, 3904, 3909, 3913, 3914, 3940. Passed the Senate, 94 CONGRESSIONAL RECORD 3958. Referred to the House Committee on Education and Labor, 94 CONGRESSIONAL RECORD 4078. A photostat copy of the Senate-passed version is attached.

S. 1157. Messrs. Pepper and MURRAY, April 23, 1947 (Labor and Public Welfare). Provides Federal grants-in-aid to allow an increase of $800 in public-school teachers' salaries.

S. 2785. Messrs. Revercomb and McCarran, June 1, 1948 (Public Works). Authorizes the Federal Works Administrator to make loans and grants for public-school construction.

S. 2795. Messrs. MORSE and DWORSHAK, June 3, 1948 (Labor and Public Welfare). Authorizes $7 million for fiscal 1949 to be disbursed by the Federal Works Administrator for operation and maintenance of school

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facilities in areas burdened by enrollments increased through defense work.

This bill was reported in the Senate (S. Rept. 1702), 94 CONGRESSIONAL RECORD 8296. Indefinitely postponed (H. R. 6527 passed in lieu), 94 CONGRESSIONAL RECORD 8733.

S. 2909. Mr. ROBERTSON of Virginia, July 28, 1948 (Labor and Public Works). Authorizes the RFC to make loans and grants totaling $600 million in all for public-school construction.

H. R. 140. Mr. Pace, January 3, 1947 (Education and Labor). Authorizes $300 million annually to equalize public-school educational opportunities among the States and Territories.

H. R. 156. Mr. Welch, January 3, 1947 (Education and Labor). Similar to S. 472, supra.

H. R. 1722. Mr. WINSTEAD, February 5, 1947 (Education and Labor). Authorizes funds beginning at $100 million annually, and rising by $50 million a year increase to a maximum of $300 million for improvement of the public schools in States and Territories.

H. R. 1762. Mr. WHITTEN, February 6, 1947 (Education and Labor). Similar to H. R. 1722, supra.

H. R. 1803. Mr. ABERNETHY, February 10, 1947 (Education and Labor). Similar to H. R. 1722, supra.

H. R. 1870. Mr. Battle, February 12, 1947 (Education and Labor). Similar to S. 472, supra.

H. R. 1942. Mr. Landis, February 13, 1947 (Education and Labor). Authorizes $185 million for fiscal year 1948 to provide $200 increase in teachers' salaries.

H. R. 2033. Mr. MORRISON, February 18, 1947 (Education and Labor). Similar to S. 472, supra.

H. R. 2188. Mr. KEFAUVER, February 24, 1947 (Education and Labor). Similar to S. 472, supra.

H. R. 2525. Mr. MORRISON, March 12, 1947 (Education and Labor). Authorizes sums up to $375 million for fiscal 1950 to aid States and Territories in financing public elementary and secondary education.

H. R. 2683. Mr. Rohrbough, March 20, 1947 (Education and Labor). Similar to H. R. 2525, supra.

H. R. 2953. Mr. McCowen, April 3, 1947 (Education and Labor). Authorizes annual appropriations in increasing amounts to a maximum of $300 million for fiscal 1950 and thereafter to aid the States and Territories in financing their public elementary and secondary schools.

H. R. 3076. Mr. Morton, April 1, 1947 (Education and Labor). Authorizes annual appropriations in increasing amounts to a maximum of $250 million for educational aid grants to the States and Territories.

H. R. 3104. Mr. ALLEN of California, April 17, 1947 (Education and Labor). Similar to H. R. 3076, supra.

H. R. 3220. Mr. BLATNIK, April 25, 1947 (Education and Labor). Authorizes various increasing amounts up to a maximum of $1,200,000,000 a year to more nearly equalize educational opportunity among and within the States.

H. R. 6527. Mr. Landis, May 12, 1948 (Education and Labor). Authorizes $7 million for fiscal 1949 for aid to certain local school agencies through the Federal Works Administrator.

This bill was reported in the House (H. Rept. 2308), 94 CONGRESSIONAL RECORD 7919; debated, 94 CONGRESSIONAL RECORD 8221; passed by the House, 94 CONGRESSIONAL RECORD 8329. Ordered placed on Senate calendar, 94 CONGRESSIONAL RECORD 8291. Amended and passed Senate (in lieu of S. 2795), 94 CONGRESSIONAL RECORD 8729, 8733. Conferees appointed, 94 CONGRESSIONAL RECORD 9090, 9252. Conference report (H. Rept. 2443) submitted in Senate and agreed to, 94 CONGRESSIONAL RECORD 9133. Conference report submitted in House and agreed to, 94 CONGRESSIONAL RECORD 9303. Examined and signed, 94 CONGRESSIONAL RECORD 9354, 9363 (Public Law 839). 62 Stat. 1110. A photostat copy of Public Law 839 is attached herewith.

H. R. 6597. Mr. KELLEY, May 18, 1948 (Education and Labor). Authorizes appropriations up to $300 million a year for aid to public secondary and elementary schools and $5 million annually to nonpublic tax exempt schools for reimbursement for certain auxiliary services.

H. R. 6600. Mr. Kersten, of Wisconsin, May 18, 1948 (Education and Labor). Similar to H. R. 6597, supra.

H. R. 6603. Mr. BENDER, May 19, 1948 (Armed Services). Authorizes $20 million for fiscal 1949 for grants through the Federal Works Administration for certain school districts.

H. R. 6642. Mr. TOLLEFSON, May 20, 1948 (Education and Labor). Similar to H. R. 6603, supra.

H. R. 6682. Mr. JENNINGS, May 24, 1948 (Education and Labor). Authorizes an annual appropriation of $300 million for fiscal 1949 and thereafter for grants to the public schools, to be allotted either on a basis per child of a ratio of State income payments or at a rate of $5 a child, whichever formula is higher.

H. R. 7057. Mr. Bland, July 29, 1948 (Education and Labor). Authorizes the RFC to make loans and grants to a total of $600 million for construction of public school building in the States and Territories.

H. R. 7071. Mr. Landis, July 29, 1948 (Education and Labor). Authorizes $248 million for grants to the States for school construction and other purposes.

H. R. 7157. Mr. McCowen, August 7, 1948 (Education and Labor). Authorizes $200 million for fiscal 1950 and $100 million a year thereafter to assist the States in the acquisition and construction of plant facilities for public schools.

EIGHTY-FIRST CONGRESS

S. 133. Mr. Chapman, January 5, 1949 (Labor and Public Welfare). Authorizes $300 million a year to aid the States and Territories in financing their public elementary and secondary school systems.

S. 137. Mr. ROBERTSON of Virginia, January 5, 1949 (Labor and Public Welfare). Authorizes the RFC to make loans and grants totaling $600 million for construction of public elementary and secondary school buildings.

S. 176. Mr. KEFAUVER, January 5, 1949 (Labor and Public Welfare). Authorizes annual sums beginning at $150 million and increasing to a maximum of $250 million for grants-in-aid to equalize public school educational opportunities.

S. 246. Mr. Thomas of Utah and others, January 6, 1949 (Labor and Public Welfare). Authorizes $300 million for fiscal 1950 and annually thereafter for grants to the States to finance their public elementary and secondary school systems.

This bill was reported in the Senate (S. Rept. 158), 95 CONGRESSIONAL RECORD 3152: debated, 95 CONGRESSIONAL RECORD 5309, 5314, 5331, 5391, 5468, 5488, 5570, 5577, 5592, 5633, 5677. Amended and passed Senate, 95 CONGRESSIONAL RECORD 5687. Referred to the House Committee on Education and Labor, 95 CONGRESSIONAL RECORD 5925.

S. 287. Mr. NEELY, January 10, 1949 (Labor and Public Welfare). Authorizes $490 million for fiscal 1950 and each of the next succeeding 5 years for allotment to the States to enable them to construct public-school buildings.

S. 496. Mr. McMahon and Mr. Johnson of Colorado, January 13, 1949 (Labor and Public Welfare). Authorizes $325 million annually for grants to the States to finance their public-school systems.

S. 834. Mr. MAGNUSON and others, February 7, 1949 (Public Works). Authorizes $150 million for grants by the Federal Works Administrator for construction grants to local school districts overburdened by reason of defense incurred enrollments.

S. 1085. Mr. STENNIS, February 25, 1949 (Public Works). Authorizes $150 million for grants through the Federal Works Administrator for school construction. Sets down rules for letting contracts under these grants.

S. 1243. Messrs. McGrath and GREEN, March 11, 1949 (Public Works). Authorizes $6 million for grants by the Federal Works Administrator for school construction.

S. 1263. Mr. Butler, March 16, 1949 (Labor and Public Welfare). Authorizes $150 million in grants by the Federal Works Administrator for school construction.

S. 1515. Mr. HUMPHREY, April 6, 1949 (Labor and Public Welfare). Amends Public Law 839, 80th Congress, to continue assistance to local school districts overburdened by reason of war activity.

S. 1670. Mr. HUMPHREY, April 22, 1949 (Labor and Public Welfare). Appropriates $500 million for fiscal year 1950 and each of the next succeeding 5 fiscal years for construction of public elementary and secondary schools.

S. 1699. Mr. BRICKER, April 26, 1949 (Labor and Public Welfare). Authorizes $3 million for a survey of school-construction needs and $250 million annually for 5 years for school construction.

S. 1724. Mr. THOMAS, of Utah, April 28, 1949 (Labor and Public Welfare). Authorizes aid to local school agencies to assist in providing free education for children on Federal reservations and in areas of increased Federal activities.

S. 2004. Mr. MCCARRAN, June 7, 1949 (Labor and Public Welfare). Authorizes the Federal Works Administrator to make grants and loans for school construction.

S. 2191. Mr. MCCARTHY, July 5, 1949 (Labor and Public Welfare). Authorizes $10 million annually for fiscal 1950 and 1951 for grants by the Federal Works Administrator for school construction.

S. 2317. Mr. HUMPHREY and others, July 22, 1949 (Labor and Public Welfare). Authorizes $5 million for a survey of public-school needs, and such sums as Congress shall determine each year for construction needs.

This bill was reported in the Senate with amendments (S. Rept. 948), 95 CONGRESSIONAL RECORD 11885; remarks, 95 CONGRESSIONAL RECORD 12378, 13315; amended and passed Senate, 95 CONGRESSIONAL RECORD 14727; referred to House Committee on Education and Labor, 95 CONGRESSIONAL RECORD 14962; debated, 95 CONGRESSIONAL RECORD 14950; reported with amendment (H. Rept. 2810), 96 CONGRESSIONAL RECORD 11927; debated, amended, and passed House, 96 CONGRESSIONAL RECORD 13042. Conferees appointed, 96 CONGRESSIONAL RECORD 13181, 13380. Conference report (H. Rept. 3064) approved in Senate, 96 CONGRESSIONAL RECORD 14272; approved in House, 96 CONGRESSIONAL RECORD 14943. Examined and signed, 96 CONGRESSIONAL RECORD 15081, 15143 (Public Law 815; 64 Stat. 957.) A photostat copy of the law is attached herewith.

S. 3411. Mr. THOMAS of Oklahoma, April 13, 1950 (Labor and Public Welfare). Provides financial assistance to local educational agencies burdened by reason of Federal activities.

H. R. 136. Mr. BATTLE, January 3, 1949 (Education and Labor). Authorizes annual grants up to $250 million for aid to public-school systems throughout the States.

H. R. 400. Mr. HARRIS, January 3, 1949 (Education and Labor). Authorizes up to $300 million a year in grants to the States to improve public elementary and secondary education.

H. R. 569. Mr. WHITTEN, January 3, 1949 (Education and Labor). Authorizes grants beginning at $100 million for the first year

and reaching an annual maximum of $300 million for aid for the public-school systems of the States and Territories.

H. R. 814. Mr. WHITAKER, January 5, 1949 (Education and Labor). Authorizes grants to the States for educational assistance of $300 million annually to be appropriated at the greater of either a ratio based on income payments, or $5 a child.

H. R. 887. Mr. Pace, January 5, 1949 (Education and Labor). Authorizes $300 million a year for financial grants to the States and Territories to equalize educational opportunities in the States and Territories.

H. R. 952. Mr. Morton, January 6, 1949 (Education and Labor). Authorizes various annual sums beginning at $200 million for fiscal 1950 to $300 million for fiscal 1952 and thereafter to provide financial aid to the public-school systems of the States and Territories.

H. R. 956. Mr. POLK, January 9, 1949 (Education and Labor). Authorizes various annual sums, reaching a maximum of $300 million for fiscal 1954 and thereafter for financial grants to the States and Territories for their public-school systems.

H. R. 1218. Mr. HAYS of Arkansas, January 10, 1949 (Education and Labor). Authorizes $300 million annually for financial aid to State and Territorial school systems, to be allotted for each child as a ratio of $45 to income payments, or $5 per child, whichever is greater.

H. R. 1224. Mr. JENNINGS, January 10, 1949 (Education and Labor). Similar to H. R. 1218, supra.

H. R. 1225. Mr. KEARNS, January 10, 1949 (Education and Labor). Authorizes $300 million annually as aid to State and Territorial school systems based on $40 as a minimum school cost for each child.

H. R. 1551. Mr. Lucas, January 17, 1949 (Education and Labor). Authorizes the RFC to loan or grant a total of $600 million for school-construction purposes.

H. R. 1558. Mr. PERKINS, January 17, 1949 (Education and Labor). Authorizes $300 million annually for school aid, to be allotted to the States on a basis of a ratio of $50 per child over 1 percent of an average of annual income payments.

H. R. 1570. Mr. FOGARTY, January 17, 1949 (Education and Labor). Authorizes $325 million annually for financial aid to the public-school systems of States and Territories.

H. R. 1582. Mr. SCRIVNER, January 17, 1949 (Ways and Means). Authorizes a transfer of 1 percent of Federal income taxes to the States for educational purposes only.

H. R. 1766. Mr. MARTIN of Massachusetts, January 24, 1949 (Education and Labor). Authorizes $300 million annually for public-school construction grants.

H. R. 1850. Mr. Wood, January 25, 1949 (Education and Labor). Similar to H. R. 1558, supra.

H. R. 1972. Mr. TOLLEFSON, January 27, 1949 (Education and Labor). Authorizes $20 million for fiscal 1950 for grants by the Federal Works Administrator for school construction.

H. R. 2287. Mr. Combs, February 3, 1949 (Education and Labor). Authorizes $10 million for each of the fiscal years 1950 and 1951 to make grants through the Federal Works Administrator to school districts accommodating children from Federal reservations or where enrollment has been suddenly increased by Federal activities.

H. R. 2422. Mr. TOLLEFSON, February 7, 1949 (Education and Labor). Similar to H. R. 2287, supra.

H. R. 2423. Mr. TOLLEFSON, February 7, 1949 (Education and Labor). Authorizes $150 million for grants by the Federal Works Administrator to local school districts overburdened by defense-incurred enrollments.

H. R. 2427. Mr. White of Idaho, February 7, 1949 (Education and Labor). Similar to H. R. 2287, supra.

H. R. 2441. Mr. REES, February 7, 1949 (Education and Labor). Similar to H. R. 2287, supra.

H. R. 2577. Mr. Sanborn, February 9, 1949 (Education and Labor). Similar to H. R. 2287, supra.

H. R. 2611. Mr. COLMER, February 10, 1949 (Education and Labor). Similar to H. R. 2287, supra.

H. R. 2617. Mr. LANHAM, February 10, 1949 (Post Office and Civil Service). Similar to H. R. 2423, supra.

H. R. 2680. Mr. JENKINS, February 14, 1949 (Education and Labor). Authorizes $200 million for fiscal 1950 and $400 million annually for 4 years thereafter for school construction.

H. R. 2723. Mr. DENTON, February 15, 1949 (Education and Labor). Authorizes $550 million annually for 6 years for public-school construction.

H. R. 2873. Mr. PERKINS, February 21, 1949 (Education and Labor). Similar to H. R. 1218, supra.

H. R. 2880. Mr. STAGGERS, February 21, 1949 (Education and Labor). Similar to H. R. 1218, supra.

H. R. 2897. Mr. RAINS, February 21, 1949 (Education and Labor). Authorizes the RFC to make loans and grants totaling $800 million for school construction.

H. R. 2939. Mr. DOYLE, February 22, 1949 (Education and Labor). Similar to H. R. 1218, supra.

H. R. 3230. Mr. MILLER of California, March 3, 1949 (Education and Labor). Similar to H. R. 2423, supra.

H. R. 3395. Mr. MACK of Washington, March 9, 1949 (Education and Labor). Similar to H. R. 2287, supra.

H. R. 3487, Mr. CURTIS, March 11, 1949 (Education and Labor). Similar to H. R. 2423, supra.

H. R. 3630. Mr. LESINSKI (by request), March 21, 1949 (Education and Labor). Authorizes increasing annual sums, reaching a maximum of $1 billion for fiscal 1955 and thereafter to give financial aid to public-school systems of States and Territories.

H. R. 3829. Mr. WIER, March 25, 1949 (Education and Labor). Amends Public Law 839 to provide assistance to local school agencies overburdened by defense-induced enrollments.

This bill was reported in the House (H. Rept. 1085, pars. 1 and 2), 95 CONGRESSIONAL RECORD 9872, 10136; debated, amended, and passed House, 95 CONGRESSIONAL RECORD 10314. Referred to Senate Committee on Labor and Public Welfare, 95 CONGRESSIONAL RECORD 10323; reported (S. Rept. 929), 95 CONGRESSIONAL RECORD 11595; passed Senate, 95 CONGRESSIONAL RECORD 12375; examined and signed, 95 CONGRESSIONAL RECORD 12463, 12529. (Public Law 306; 63 Stat. 697.) A photostat copy of the law is attached.

H. R. 3849. Mr. Irving (by request), March 28, 1949 (Education and Labor). Authorizes $5 million for a survey of public school needs and $145 million annually for construction of school facilities.

H. R. 4115. Mr. LESINSKI, April 8, 1949 (Education and Labor). Authorizes aid to local school agencies providing free education to children on Federal reservations or children in areas overburdened by Federal activities.

H. R. 4551. Mr. LANHAM, May 5, 1949 (Education and Labor). Similar to H. R. 2287, supra.

H. R. 4571. Mr. Golden, May 9, 1949 (Education and Labor). Similar to H. R. 1218, supra.

H. R. 4643. Mr. BARDEN, May 11, 1949 (Education and Labor). Authorizes $300 million annually plus additional sums, to provide assistance to the public schools at a minimum rate of $5 per child.

H. R. 4711. Mr. BYRNES of Wisconsin, May 16, 1949 (Education and Labor). Authorizes $60 million a year for financial assistance to the public schools.

H. R. 4873. Mr. HARVEY, May 26, 1949 (Education and Labor). Authorizes $3 million to survey public school needs and $250 million annually for 5 years for public school construction purposes.

H. R. 4899. Mr. MORRISON, May 27, 1949 (Education and Labor). Authorizes $500 million for payments to the States on a matching basis for public school construction.

H. R. 5028. Mr. Battle, June 7, 1949 (Education and Labor). Similar to H. R. 1558, supra.

H. R. 5513. Mr. Eliot, July 6, 1949 (Education and Labor). Similar to H. R. 1558, supra.

H. R. 5789. Mr. KEARNS, July 27, 1949 (Education and Labor). Makes a general provision for school financial assistance based on State need.

H. R. 5791. Mr. Morton, July 27, 1949 (Education and Labor). Similar to H. R. 5789, supra.

H. R. 5795. Mr. Werdel, July 27, 1949 (Education and Labor). Similar to H. R. 5789, supra.

H. R. 5838. Mr. KENNEDY, August 1, 1949 (Education and Labor). Similar to H. R. 1558, supra.

H. R. 5939. Mr. Burke, August 9, 1949 (Education and Labor). Authorizes $300 million a year for school aid on a basis per child of $66 over 1 percent of annual State income or $9.65 per school child, whichever is greater.

H. R. 7160. Mr. BARDEN, February 6, 1950 (Education and Labor). Similar to H. R. 4643, supra.

H. R. 7214. Mr. KEARNS, February 8, 1950 (Education and Labor). Similar to H. R. 5789, supra.

H. R. 7221. Mr. Werdel, February 8, 1950 (Education and Labor). Similar to H. R. 5789, supra.

H. R. 7326. Mr. Javits, February 16, 1950 (Education and Labor). Sets up the Office of Education as an independent agency and channels grants and other services through it.

H. R. 7940. Mr. BAILEY, March 30, 1950 (Education and Labor). Provides financial assistance to local educational agencies financially burdened by reason of Federal activities.

This bill was reported with amendments (H. Rept. 2287), 96 CONGRESSIONAL RECORD 8954; debated, amended and passed House, 96 CONGRESSIONAL RECORD 10093. Referred to Senate Committee on Labor and Public Welfare, 96 CONGRESSIONAL RECORD 10130. Reported with amendment (S. Rept. 2458), 96 CONGRESSIONAL RECORD 13660; debated, amended, and passed Senate, 96 CONGRESSIONAL RECORD 14726. Conferees appointed, 96 CONGRESSIONAL RECORD 14858, 14810. Conference report (H. Rept. 3109) agreed to in Senate, 96 CONGRESSIONAL RECORD 15020; agreed to in House, 96 CONGRESSIONAL RECORD 15298. Examined and signed, 96 CONGRESSIONAL RECORD 15347, 15456 (Public Law 874; 64 Stat. 1100). A photostat copy of the law is attached herewith.

H. R. 8027. Mr. PRESTON, April 5, 1950 (Education and Labor). Similar to H. R. 7940, supra.

EIGHTY-SECOND CONGRESS

S. 947. Messrs. MURRAY and McMahon, February 22, 1951 (Labor and Public Welfare). Authorizes an appropriation of $300 million to aid the States in financing their elementary and secondary schools.

S. 990. Mr. MURRAY, February 28, 1951 (Labor and Public Welfare). Establishes a $300 million annual program for Federal aid to the States, with a basic allotment for each State of $7.40 for each child, or an amount per child by which $74.80 exceeds 1 percent of averaged annual income payments in the States.

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S. 2796. Mr. McCarran, March 6, 1952 (Labor and Public Welfare). Permits the Commissioner of Education to provide additional financial assistance to local school districts in areas where there is a substantial increase in school population due to defense activity.

S. 3358. Messrs. HILL and MURRAY, June 18, 1952 (Labor and Public Welfare). Makes various provisions for aid to State educational agencies affected by Federal activities.

H. R. 416. Mr. Werdel, January 3, 1951 (Education and Labor). Makes a general provision for school grants-in-aid to States on the basis of need.

H. R. 545. Mr. PERKINS, January 3, 1951 (Education and Labor). Authorizes $300 million for school financial assistance, to be allotted on the basis of $5 per child, or an amount per child by which $50 exceeds 1 percent of averaged State income payments, whichever is greater.

H. R. 915. Mr. FOGARTY, January 4, 1951 (Education and Labor). Similar to H. R. 545, supra.

H. R. 924. Mr. LANHAM, January 4, 1951 (Education and Labor). Authorizes $20 million over 2 years to the Federal Works Administrator for school grants for children on Federal reservations or in defense crowded areas.

H. R. 930. Mr. LANHAM, January 4, 1951 (Education and Labor). Authorizes $150 million for school construction grants and prescribes terms for letting of contracts.

H. R. 1337. Mr. KEARNS, January 12, 1951 (Education and Labor). Similar to H. R. 416, supra.

H. R. 1338. Mr. KEARNS, January 12, 1951 (Education and Labor). Makes a general provision for school grants in aid on the basis of need. Includes the formula for determining assistance.

H. R. 1663. Mr. RAINS, January 17, 1951 (Public Works). Authorizes the Federal Works Administrator to make loans and grants to local school agencies for construction purposes.

H. R. 2978. Mr. Golden, February 28, 1951 (Education and Labor). Authorizes $300 million annually for school assistance, at either $5 per child, or on a basis per child of the excess of $45 over 1 percent of averaged State income payments.

H. R. 3362. Mr. Mitchell, March 20, 1951 (Education and Labor) Similar to H. R. 416, supra.

H. R. 3934, Mr. HARRIS, May 2, 1951 (Education and Labor). Similar to H. R. 2978, supra.

H. R. 4468. Mr. BARDEN, June 14, 1951 (Education and Labor). Authorizes $300 million annually, plus additional sums for the Territories, for Federal aid to the public schools.

H. R. 4545. Mr. BAILEY, June 21, 1945 (Education and Labor). Provides Federal assistance to the States and Territories in the construction of public elementary and secondary school facilities.

H. R. 4913. Mr. PERKINS, July 23, 1951 (Education and Labor). Authorizes $500 million for each of 3 fiscal years to meet the emergency needs of the States in public school construction.

H. R. 5332. Mr. BARDEN, September 13, 1951 (Education and Labor). Amends provisions of the laws respecting grants to areas having increased enrollment due to defense activities.

H. R. 5411. Mr. BARDEN, September 19, 1951 (Education and Labor). Amends provisions of the laws respecting grants for construction and general aid to areas having increased enrollment due to defense activities, and liberalizes several of the definitions therein.

This bill was reported in the House (H. Rept. 983), 97 CONGRESSIONAL RECORD 11803; passed House, 97 CONGRESSIONAL RECORD 13165; referred to Senate Committee on Labor and Public Welfare, 97 CONGRESSIONAL RECORD 13215; reported with amendment (S. Rept. 1022), 97 CONGRESSIONAL RECORD 13321; amended and passed Senate, 97 CONGRESSIONAL RECORD 13321. House concurs in Senate amendment, 97 CONGRESSIONAL RECORD 13747. Examined and signed, 97 CONGRESSIONAL RECORD 13783, 13784. Pocket vetoed, 97 CONGRESSIONAL RECORD 13787. A copy of the Senate reported version is attached. The bill was passed by the Senate and agreed to by the House in this version.

H. R. 6429. Mr. BETTS, February 5, 1952 (Education and Labor). Provides financial assistance to local educational agencies affected by Federal acquisition of real property.

H. R. 8145. Mr. BAILEY, June 10, 1952 (Education and Labor). Similar to S. 3358, supra.

EIGHTY-THIRD CONGRESS

S. 38. Mr. McCarran, January 7, 1953 (Labor and Public Welfare). Authorizes the Commissioner of Education during fiscal 1951 or 1952 to make grants to school districts burdened by increased enrollments due to national defense activities.

S. 277. Mr. MURRAY, January 9, 1953 (Labor and Public Welfare). Establishes a $300 million program of assistance to public schools in the States and Territories, such money to be allotted on a basis of $7.40 for each child, or an amount per child by which $74.80 is in excess of 1 percent of the average annual income payments of the State.

S. 444. Messrs. HILL and MURRAY, January 13, 1953 (Labor and Public Welfare). Makes various amendments respecting aid to school districts where there has been a sudden increase of school population due to defense activities, and provides assistance for construction of public elementary and secondary schools.

S. 587. Mr. HUMPHREY, January 16, 1953 (Labor and Public Welfare). Similar to S. 444, supra.

S. 969. Mr. McCarran, February 16, 1953 (Public Works). Authorizes the Housing and Home Finance Agency to make loans to school districts for school construction.

S. 1596. Mr. SMITH of New Jersey (by request), April 8, 1953 (Labor and Public Works). Authorizes necessary appropriations for the construction of urgently needed school facilities, for fiscal 1954 and 1955, in areas having substantial increases in school attendance due to Federal activity. Makes various other provisions to alleviate hardship in school districts.

S. 1597. Mr. SMITH of New Jersey (by request), April 8, 1953 (Labor and Public Welfare). Makes various amendments respecting aid to school districts where there has been a sudden increase in school population due to defense activities.

S. 2569. Messrs. Hendrickson and CASE, August 1, 1953 (Interior and Insular Affairs). Provides that all revenues from the outer Continental Shelf mineral development be held in reserve, first, for emergencies, and secondly, for educational needs.

S. 2763. Mr. HILL and others, January 19, 1954 (Interior and Insular Affairs). Reserves all revenue received from leases on the outer Continental Shelf for grants-in-aid for educational purposes.

S. 2779. Mr. MCCLELLAN and others, January 20, 1954 (Labor and Public Welfare). Provides financial assistance to the several States for the construction of public elementary and secondary schools.

S. 3450. Mr. CLEMENTS (for Mr. Burke), May 13, 1954 (Labor and Public Welfare). Continues the program of public-school construction in areas with substantial increases in federally connected children for 2 additional years.

S. 3628. Mr. Upton and others, June 17, 1954 (Labor and Public Welfare). Provides a permanent program of assistance for public-school construction in areas affected by Federal activities.

This bill was reported in the Senate (S. Rept. 2203), 100 daily CONGRESSIONAL RECORD 12375; passed by the Senate, 100 daily CONGRESSIONAL RECORD 13371; passed by the House, 100 daily CONGRESSIONAL RECORD 13857. Senate concurs in House amendment, 100 daily CONGRESSIONAL RECORD 14262. Examined and signed, 100 daily CONGRESSIONAL RECORD 14382, 14430. (Public Law 731.) A copy of the law is attached herewith.

S. J. Res. 145. Mr. DOUGLAS and others, April 1, 1954 (Interior and Insular Affairs). Similar to S. 2763, supra.

H. R. 523. Mr. MERROW, January 3, 1953 (Education and Labor). Makes various amendments, including revisions of definitions, respecting aid to school districts where there has been a sudden increase in school population due to defense activities.

H. R. 1060. Mr. PERKINS, January 6, 1953 (Education and Labor). Authorizes $300 million for grants to the States for public-school education needs. Such grants shall be either $5 per child, or on the basis per child of the excess of $50 over 1 percent of average State income payments, whichever is greater.

H. R. 1857. Mr. WHITTEN, January 16, 1953 (Education and Labor). Authorizes $100 million annually for grants to States for public-school improvement.

H. R. 3094. Mr. POLK, February 16, 1953 (Education and Labor). Similar to S. 444, supra.

H. R. 6049. Mr. KEARNS, July 1, 1953 (Education and Labor). Authorizes necessary appropriations for construction of school facilities in areas of increased enrollment induced by Federal activities.

This bill was reported in the House (H. Rept. 702), 99 CONGRESSIONAL RECORD 8043; debated, 99 CONGRESSIONAL RECORD 8243; passed House, 99 CONGRESSIONAL RECORD 8260. Referred to Senate Committee on Labor and Public Welfare, 99 CONGRESSIONAL RECORD 8268; reported in Senate (S. Rept. 713), 99 CONGRESSIONAL RECORD 10213; amended and passed Senate, 99 CONGRESSIONAL RECORD 10787. Conferees appointed, 99 CONGRESSIONAL RECORD 10796, 10911. Conference report (H. Rept. 1091) agreed to in House, 99 CONGRESSIONAL RECORD 11124; agreed to in Senate, 99 CONGRESSIONAL RECORD 11051. Examined and signed, 99 CONGRESSIONAL RECORD 11101, 11157. (Public Law 246.) A copy of the law is attached herewith.

H. R. 6078. Mr. KEARNS, July 2, 1953 (Education and Labor). Continues program of financial assistance to local educational agencies in areas of increased enrollment due to Federal activity, inaugurated by Public Law 874, 81st Congress. Makes amendments to the procedure thereunder.

This bill was reported in the House (H. Rept. 703), 99 CONGRESSIONAL RECORD 8043; debated, amended, and passed House, 99 CONGRESSIONAL RECORD 8812. Referred to Senate Committee on Labor and Public Welfare, 99 CONGRESSIONAL RECORD 8846; reported with amendment (S. Rept. 714), 99 CONGRESSIONAL RECORD 10213; amended and passed Senate, 99 CONGRESSIONAL RECORD 10794. Conferees appointed, 99 CONGRESSIONAL RECORD 10796, 10911. Conference report (H. Rept. 1092) agreed to in House, 99 CONGRESSIONAL RECORD 11110; in Senate, 99 CONGRESSIONAL RECORD 11056. Examined and signed, 99 CONGRESSIONAL RECORD 11101, 11157. (Public Law 248.) A copy of the law is attached herewith.

H. R. 7059. Mr. HARVEY, January 7, 1954 (Education and Labor). Authorizes $3 million for a survey of school-facilities need, and $250 million annually for 5 years for construction grants.

H. R. 7467. Mr. BAILEY, January 25, 1954 (Education and Labor). Similar to S. 2779, supra.

H. R. 7667. Mr. METCALF, February 2, 1954 (Education and Labor). Similar to S. 2779, supra.

H. R. 7747. Mr. Reams, February 4, 1954 (Judiciary). Similar to S. 2763, supra.

H. R. 7907. Mr. LANHAM, February 16, 1954 (Education and Labor). Similar to S. 2779, supra.

H. R. 8078. Mr. FRIEDEL, February 25, 1954 (Judiciary). Similar to S. 2763, supra.

H. R. 8227. Mr. ELLIOTT, March 4, 1954 (Judiciary). Similar to S. 2763, supra.

H. R. 8272. Mr. Angell, March 8, 1954 (Judiciary). Similar to S. 2763, supra.

H. R. 8867. Mr. HOLT, April 15, 1954 (Education and Labor). Requires States desiring school-construction assistance to submit a plan to the Federal Government and authorizes appropriations to carry out these plans by means of grants proportioned on the school-age population of the State.

H. R. 8868. Mr. HOLT, April 15, 1954 (Education and Labor). Authorizes appropriations to provide financial assistance to the States and Territories in the construction of public-school facilities.

H. R. 9168. Mr. POLK, May 17, 1954 (Education and Labor). Continues for 2 additional years the program of school construction assistance in areas having pupil increases due to Federal activities.

H. R. 9179. Mr. Yorty, May 17, 1954 (Education and Labor). Authorizes such sums each year as Congress determines necessary for allotment to the States for public-school construction aid.

H. R. 9373. Mr. HARRIS, May 28, 1954 (Education and Labor). Similar to S. 1779, supra.

H. R. 9686. Mr. HOLT, June 24, 1954 (Education and Labor). Extends for 1 year the program of Federal assistance for school construction in federally affected areas.

H. R. 9798. Mr. YOUNG, July 2, 1954 (Education and Labor). Similar to H. R. 9686, supra.

H. R. 9841. Mr. FRELINGHUYSEN, July 8, 1954 (Education and Labor). Authorizes appropriations up to $250 million for each of 2 fiscal years to aid the States in construction of public elementary and secondary schools.

H. R. 9956. Mr. BENNETT of Michigan, July 20, 1954 (Education and Labor). Authorizes $250 million for Federal financial assistance to States and Territories in the construction of public-school facilities.

H. R. 10004. Mr. DONOHUE, July 22, 1954 (Education and Labor). Similar to H. R. 9841, supra.

H. R. 10133. Mr. KEARNS, July 30, 1954 (Education and Labor). Similar to H. R. 9168, supra.

H. R. 10149. Mr. FRELINGHUYSEN, August 3, 1954 (Education and Labor). Similar to H. R. 9841, supra.

H. J. Res. 89. Mr. PERKINS, January 6, 1953 (Judiciary). In conjunction with regulation for mineral leases in the outer Continental Shelf, provides that all revenue received from such leases shall be deposited in a special fund in the Treasury to be used for educational grants-in-aid.

H. J. Res. 126. Mr. FEIGHAN, January 13, 1953 (Judiciary). Provides that royalties received under mineral leases in the outer Continental Shelf shall be used as grants-in-aid to education.

Mr. MORSE. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a letter from the Legislative Reference Service of the Library of Congress on appropriation laws relating to WPA education projects.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JUNE 17, 1955.

Hon. WAYNE MORSE,
United States Senate,
Washington, D. C.

DEAR SENATOR MORSE: Pursuant to your revised request for certain information regarding the WPA, we are enclosing a list of the appropriation laws that indicate provision for construction or relief for educational purposes through the WPA.

Sincerely yours,

ERNEST S. GRIFFITH,
Director.

APPROPRIATION LAWS INDICATING PROVISION FOR CONSTRUCTION OR RELIEF FOR EDUCATIONAL PURPOSES THROUGH THE WPA

Direct appropriations of specific amounts were made to the WPA beginning in 1938. During 1935, 1936, and 1937 funds for relief and work relief were appropriated in lump sums to the President, who allocated them to the WPA and other Federal agencies that were engaged in public relief or work programs.

YEAR AND STATUTORY AUTHORITY

1935: Emergency Relief Appropriation Act of April 8, 1935 (49 Stat. 115).

1936: Emergency Relief Appropriation Act of June 22, 1936 (49 Stat. 1608).

1937: Emergency Relief Appropriation Act of June 29, 1937 (50 Stat. 353).

1938: Additional appropriations for relief purposes, fiscal year 1938; act of March 2, 1938 (52 Stat. 83).

1938: Emergency Relief Appropriation Act of June 21, 1938 (52 Stat. 809).

1939: Additional Appropriation Act of February 4, 1939 (53 Stat. 507).

1939: Additional Appropriation Act of April 13, 1939 (53 Stat. 578).

1939: Interior Department Appropriation Act of May 10, 1939 (53 Stat. 704).

1939: Emergency Relief Appropriation Act of June 30, 1939 (53 Stat. 927).

1940: Interior Department Appropriation Act of June 18, 1940 (54 Stat. 424).

1940: Emergency Relief Appropriation Act of June 26, 1940 (54 Stat. 611).

1940: To provide funds for certain school districts; act of October 8, 1940 (54 Stat. 1021).

1941: Urgent Deficiency Appropriation Act of March 1, 1941 (55 Stat. 15).

1941: Emergency Relief Appropriation Act of July 1, 1941 (55 Stat. 396).

1942: Emergency Relief Appropriation Act of July 2, 1942 (56 Stat. 634).

JEROME KUYKENDALL

Mr. MORSE. Mr. President, I had some more speeches which I was going to make tonight. I have one on the subject of Jerome Kuykendall, Chairman of the Federal Power Commission, as to whether he should disqualify himself from judging the Hells Canyon case because of his demonstrated bias and prejudice.

I ask unanimous consent that this speech be printed in the RECORD, with the papers connected with it.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

Jerome Kuykendall, Chairman of the Federal Power Commission, should disqualify himself from judging the Hells Canyon case because of his demonstrated bias and prejudice.

His past association and appointment by Governor Langlie, of Washington, an outspoken opponent of a Federal Hells Canyon Dam, indicate that he cannot be objective in judging the merits of the Idaho Power Co. applications for a dam or dams to prevent the construction of the high Hells Canyon Dam.

Kuykendall was appointed by Langlie in 1951 as chairman of the Washington State Public Service Commission. Langlie endorsed Kuykendall's appointment to the Federal Power Commission. Langlie has intervened in the Hells Canyon case and sent a witness to testify against the Federal dam.

It appears to be more than coincidence that Kuykendall was appointed in April 1953, that in early May the Department of the Interior withdrew its opposition to the company application, and that in June 1953 the long-delayed hearings were resumed.

But that is not all. By his testimony before the House Small Business Committee last week, Kuykendall proved beyond all doubt that he is biased and prejudiced in favor of private utilities. Indeed, his partisanship apparently goes as far as suppressing and withholding evidence that is detrimental to private utility interests.

Just this past Sunday, July 31, Congressman EVINS released a comparison of the testimony Kuykendall gave before his Small Business Committee last week and that given last November 5 before the Joint Committee on Atomic Energy.

In his earlier testimony Kuykendall withheld the information that the FPC Bureau of Law had examined the Dixon-Yates contract and found it deficient and questionable as a matter of law and against the best interests of the United States.

Yet last week his testimony and that of the Secretary, the General Counsel, and other responsible officials of the FPC prove that the Bureau of Law's opinion was presented to the FPC Commissioners in September 1954.

This is what Kuykendall told the joint committee in November 1954:

"Mr. KUYKENDALL. No; our lawyers were not called into this. Our Bureau of Power worked with the AEC and with the Bureau of the Budget and conferred with our Bureau of Accounts, Finance, and Rates, which Mr. Smith heads. At a later stage, Mr. Smith and Mr. Adams participated in some staff conferences with AEC, but our Bureau of Law did not. Then, when we got those requests from this committee and from AEC to give our opinion, we did not ask the Bureau of Law to get into the legal phases of it, because I thought that would simply be plowing the same ground, so to speak, that I knew the attorneys for AEC have plowed and the Attorney General. So, they were not asked to give up—wait a minute; I will take that back.

"Representative PRICE. I saw a press report to the effect that the General Counsel had not given his approval.

"Mr. KUYKENDALL. We had not asked him for it, but the staff took the contract to him and started drawing him into it. I felt that it was unnecessary, and we said in our first letter to the AEC that our attorneys had not passed on it."

Last week's testimony shows that the memorandum by Assistant General Counsel Wahrenbrock was completed in September and transmitted shortly after September 17 to the Commission.

Last week Kuykendall testified:

"Mr. KUYKENDALL. I saw Mr. Wahrenbrock's memorandum. We had it at the Commission meeting. I am sure all Commissioners had it. And we considered it and discussed it with him and with other members of the staff who were present."

The earlier testimony places the date in September 1954.

There could be no more shocking proof that Kuykendall withheld information from the joint committee at a time when its approval of the Dixon-Yates contract was being sought to avoid its submission to the newly elected Democratic Congress.

Kuykendall has proved himself to be willing to go to great lengths to advance the interests of private utilities. He has demonstrated his inability to deal impartially with the Hells Canyon case. He should disqualify himself. If anything, his action in the Dixon-Yates situation is worse than that of Chairman Armstrong, of the SEC. By his actions he has compromised his quasi-judicial status beyond repair.

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There follows Congressman EVINS' release of July 31, 1955, which summarizes the pertinent testimony.

SIGNIFICANT FACTS DEVELOPED IN THE HEARING HELD BEFORE SUBCOMMITTEE NO. 1, OF THE HOUSE SELECT COMMITTEE ON SMALL BUSINESS, ON JULY 28, 1955, IN THE EXAMINATION OF WITNESSES FROM THE FEDERAL POWER COMMISSION

I

Evidence relating to defects in the Dixon-Yates contract, which was drafted and proposed prior to August 1954, disclosed that early in 1954 the Bureau of the Budget sought and secured help from the Federal Power Commission in connection with the drafting of the Dixon-Yates contract. The Federal Power Commission at that time was under the chairmanship of the Honorable Jerome Kuykendall, an Eisenhower appointee. In connection with that work on the Dixon-Yates contract, Francis L. Adams, Chief of the Federal Power Commission's Bureau of Power, in company with William F. McCandless, a representative of the Bureau of the Budget, visited the White House when the matter was being considered by the President. He stated that he was asked to accompany the Director of the Bureau of the Budget and Mr. McCandless and to sit in the hall outside of the President's office in case any technical questions that Mr. McCandless or others wished to direct to him while the President had this Dixon-Yates matter under consideration and discussion. (Transcript, pp. 829–830.)

Thereafter Mr. Francis L. Adams, of the Federal Power Commission, and his assistant, Mr. Roberts, spent substantial time giving the Bureau of the Budget assistance on the Dixon-Yates matter. Much of the time that they gave to this matter was spent in the offices of the Bureau of the Budget. By August 23, 1954, the proposed contract for Dixon-Yates had been drafted and had been submitted to the Federal Power Commission for its study and report. In that connection, at the request of the Acting Chairman, Commissioner Digby, the Federal Power Commission's Bureau of Law was asked to review the draft of the contract and to state orally to the Federal Power Commission at a scheduled meeting for August 25, 1954, "what, if any, questions the Bureau of Law had and the nature of the questions," about the contract. (Transcript, pp. 864—865.)

Within that period of time between August 23 and August 25, 1954, by working strenuously and overtime, the acting general counsel, Mr. Lambert McAllister and assistant general counsel Howard E. Wahrenbrock made a study of the Dixon-Yates contract and presented memoranda of their comment thereon. In the meantime, the general counsel of the Federal Power Commission, Mr. Willard W. Gatchell returned to the city and received a call to appear before the Federal Power Commission in a meeting it held shortly after September 17, 1954, to discuss the Dixon-Yates contract. (Transcript, pp. 860–881.) In that connection, he testified as follows:

"Mr. GATCHELL. * * * This came before the Bureau of Law. This Dixon-Yates contract came before the Bureau of Law through the Bureau of Power. And it happened to come at a time when I was out of the city on some business with the Commission, and so I knew nothing about it until I got back. I then saw both Mr. Wahrenbrock's and Mr. McAllister's memorandum, the ones that have been submitted here and received by the committee. * * *

"These memorandums which were submitted by Mr. Wahrenbrock and Mr. McAllister were submitted at the request of the Bureau of Power. Ordinarily, when the Commission wants an opinion they ask the general counsel for an opinion, which is prepared. And invariably the practice has been, as far as I know, without any exceptions, that these opinions then go to all members of the Commission and I have no reason to think that the two memorandums which were submitted, one by Mr. Wahrenbrock and one by Mr. McAllister did not likewise go to the members of the Commission. * * *

"Mr. MACINTYRE (General Counsel, Select Committee on Small Business). In the course of those discussions, did you inform them of the views of the Bureau of Law?

"Mr. GATCHELL. No, sir; I informed them of my views. And in my views, I, of course, took advantage of the study which had been made by Mr. Wahrenbrock and Mr. McAllister, because they are very fine technicians and both of them did a thorough job within the very limited time that they had.

"I was fortunate in having a little more time to study it. I raised all of the points that they raised, and quite a number of additional points myself. I raised those to the Commission."

In that connection the Secretary of the Federal Power Commission, Leon M. Fuquay, also testified as follows (transcript pp. 874–875):

"Mr. MACINTYRE. And you heard Mr. Wahrenbrock's testimony about having submitted to the Secretary of the Commission copies of his memorandum on the Dixon-Yates contract?

"Mr. FUQUAY. Yes.

"Mr. MACINTYRE. And you heard him say that he passed that to the Secretary for distribution to the Commission?

"Mr. FUQUAY. Yes.

"Mr. MACINTYRE. Did you pass that on to the commissioners, including the chairman?

"Mr. FUQUAY. I would have no way to know that. I can only assume that I did. We don't keep the record of whether we did or we didn't. I assume the interoffice file would show perhaps a notation: 'Distributed to the Commission.' My girls usually do that. It is also perhaps possible that the agenda, if there was one on that date, would show that it was before them at the time.

"Mr. MACINTYRE. Would the record of the Federal Power Commission, the minutes of the Federal Power Commission, show whether or not the memorandum had been distributed and received by the chairman?

"Mr. FUQUAY. The minutes would not. The agenda might show. The minutes only show what action took place.

"Mr. EVINS. Mr. Fuquay, would you address a letter to the counsel of the committee after examining your files, and tell us whether or not this memorandum was distributed to the commission?

"Mr. FUQUAY. If I can ascertain that fact, I will be glad to do that.

"Mr. KUYKENDALL. I think I can clarify that point.

"Mr. EVINS. Proceed.

"Mr. KUYKENDALL. I saw Mr. Wahrenbrock's memorandum. We had it at the Commission meeting. I am sure all Commissioners had it. And we considered it and discussed it with him and with other members of the staff who were present."

Now what did the memoranda which had been prepared by Mr. McAllister and Mr. Wahrenbrock contain in the way of comment concerning the Dixon-Yates contract? In that connection the summary and concluding paragraphs of Mr. McAllister's opinion of those contracts are quoted as follows:

"I have never reviewed a power contract wherein each and every provision is written in such fashion that one party has an absolute veto right wherever any adjustment or change is indicated and no provision is made for the resolving of a dispute. The contract gives the impression that the generating company dictated the terms and conditions of the contract and either AEC was inept or without any right or opportunity to insist on relative provisions which would spell out the representative rights and circumstances under which an adjustment might be justified and provide for a resolution of any difference that might arise through an established form of negotiation or arbitration.

"The time which has been available for review of the contract from the standpoint of its provisions has been entirely inadequate. There are many provisions of the contract which could be specified in support of the statement that the contract is all onesided but time would not permit the coordination and discussion of all such matters."

The concluding paragraph of Mr. Wahrenbrock's memorandum is as follows:

"Aside from minor questions of draftsmanship, the foregoing questions, arising from the limited and preliminary study which it has been possible to make, appear serious enough and numerous enough to cause grave apprehension that there are other questions and very substantial objections to the August 11 draft. It would seem reasonable to conclude that the immediate advantages from quick completion of the deal in these terms, to facilitate getting forward with certain parts of the construction before spring high water on the Mississippi, will be more than offset by the long-term substantial advantages to the Government of taking additional time to try to arrive at a better contract. And this is in addition to the grave question of legal authority for the contract under the Federal income tax provision of section 165 (b) of the Atomic Energy Act of 1954 (enrolled)."

It is significant that the advice thus contained and set forth in Mr. McAllister's and Mr. Wahrenbrock's memoranda did not come to light so that they could be considered by the Members of Congress and others interested in the Dixon-Yates deal until Thursday, July 28, 1955.

In fact it appears that there was a concerted effort in the past to suppress the information contained in those memoranda. Let us recall the fact that at the time of the election in November 1954, frenzied efforts were being expended to have the Joint Committee on Atomic Energy of the Congress of the United States approve the Dixon-Yates deal prior to January 1, 1955, when the newly elected Democratic Congress would take control. Therefore, hearings were held on the matter by the Atomic Energy Joint Committee commencing November 4, 1954, just as the final election returns were being received.

During the course of those hearings on Friday, November 5, 1954, and at page 200 of the record of the hearings, Mr. Kuykendall, Chairman of the Federal Power Commission, an Eisenhower appointee, is reported to have testified as follows (transcript, p. 878 of the hearings before Subcommittee No. 1 of the House Select Committee on Small Business, on Thursday, July 28, 1955):

"Mr. KUYKENDALL. No; our lawyers were not called into this. Our Bureau of Power worked with the AEC and with the Bureau of the Budget and conferred with our Bureau of Accounts, Finance and Rates, which Mr. Smith heads. At a later stage, Mr. Smith and Mr. Adams participated in some staff conferences with AEC but our Bureau of Law did not. Then, when we got these requests from this committee and from AEC to give our opinion, we did not ask the Bureau of Law to get into the legal phases of it, because I thought that would simply be plowing the same ground, so to speak, that I knew the attorneys for AEC have plowed and the Attorney General. So, they were not asked to give us—wait a minute, I will take that back.

"Representative PRICE. I saw a press report to the effect that the General Counsel had not given his approval.

"Mr. KUYKENDALL. We had not asked him for it, but the staff took the contract to him and started drawing him into it. I felt that it was unnecessary, and we said in our first letter to the AEC that our attorneys had not passed on it."

Why was it that Mr. Kuykendall so acted in keeping from Members of the Congress

on that occasion the objections which he knew to exist to the Dixon-Yates contract? Was it something that fits into a pattern of what has been termed "cover up" of important facets of the Dixon-Yates matters such as, for example, the facts concerning the participation of Adolphe H. Wenzell, of the First Boston Corp., in negotiating the Dixon-Yates deal?

Incidentally since Mr. Wenzel's name has been mentioned, let us again refer to the hearings before the House Select Committee on Small Business and the testimony of Mr. Francis L. Adams, Chief of the Bureau of Power of the Federal Power Commission. (Transcript, p. 846.) Mr. Adams testified that Mr. Wenzell visited him at his offices in the Federal Power Commission and on the succeeding pages, he testified concerning the matters which Mr. Wenzell discussed with him. It should be recalled that the said Mr. Wenzell is the party representing the First Boston Corp. which Mr. Eisenhower omitted from his list of persons, things, dates, and actions relating to the Dixon-Yates matter and which he presented as a complete chronology of that matter.

II

Another thing that appeared in the course of the testimony of the Chairman of the Federal Power Commission was an indication of his indifference and callousness to conflict of interest matters such as is currently in the press about the Talbott affair.

For example in the transcript of the hearings at page 796, Mr. Kuykendall, an Eisenhower appointee as Chairman of the Federal Power Commission, admitted that the Bureau of the Budget had selected a management engineering firm to investigate the internal organization, operation, and procedures of matters at the Federal Power Commission, and to study them and draw their conclusions and recommendations concerning them and submit a report in respect thereto to the Federal Power Commission. He stated that the management engineering firm of Cresap, McCormick, and Paget, of New York and Chicago, had been selected by the Bureau of the Budget to do that job. When he was asked whether he or the Federal Power Commission had inquired concerning the fact whether that management engineering firm was retained by or otherwise selected by any other party under investigation or involved in any proceedings of the Federal Power Commission, he said he had not made any such inquiry. When it was pointed out that he had stated that he did not know what the facts were in that respect, he stated "that is correct." (See transcript p. 796.) Then Mr. Kuykendall made these amazing observations (transcript, pp. 797–798):

"Mr. KUYKENDALL. How would you consider that, if they had any connection with somebody that had a case there, that their making this sudy would affect that case?

"Mr. MACINTYRE. To your view and your thinking it would not make any difference, would it?

"Mr. KUYKENDALL. No; I do not see how it would.

"Mr. MACINTYRE. In other words, this management engineering firm could also be employed by and representing one of the people who had a proposal pending before the Federal Power Commission and with respect to which you and the other Commissioners would be required to pass judgment, but you did not see in that any reason why they should not come in and tell the Federal Power Commission how it should reorganize itself and run itself.

"Mr. KUYKENDALL. We did not hire these people, the Bureau of the Budget hired them and they paid for them, and they made this report to the Bureau of the Budget and not to the Federal Power Commission. And then later—I think very shortly—the Bureau gave us copies of the report, and also they submitted some other comments of their own.

"Mr. MACINTYRE. But you did not see fit to have any inquiry made as to their connections with the parties in the pending proceedings?

"Mr. KUYKENDALL. I am sure they did not have any—I never heard of it if they did.

"Mr. MACINTYRE. But you didn't know and you tell this committee you don't know.

"Mr. KUYKENDALL. That is true. And if they had that certainly wouldn't have affected any Commissioner in any manner and I am sure it wouldn't have affected any Commissioner's decision.

Mr. MACINTYRE. You didn't see anything wrong with it if they had had such connection?

"Mr. KUYKENDALL. If they had some connection with somebody that we regulated?

"Mr. MACINTYRE. In a pending case at the Power Commission?

"Mr. KUYKENDALL. I don't see how in the world they could do any maneuvering to affect that case.

"Mr. MACINTYRE. In other words, you agree with Mr. Talbott in that respect as to his engineering firm. You don't see how it could affect the public interest?"

Mr. MORSE. Mr. President, am I correct in my understanding that the Senate is about to adjourn sine die?

Mr. HUMPHREY. The Senator is correct.

Mr. MORSE. I yield the floor, and I thank the Senate for its attention.

ADDRESS BY FORMER PRESIDENT TRUMAN IN PORTLAND, OREG.

Mr. KEFAUVER. Mr. President, one of the great speeches of this year, which will point up the political issues between Republicans and Democrats in the campaigns to come, was delivered by the former President of the United States the honorable Harry S. Truman, at the Oregon dinner of the Democratic Party, at Portland, Oreg., on June 11, 1955.

I wrote to former President Truman, after I had seen a report of his speech in the press, and asked him to send me a copy of it for the purpose of having it printed in the RECORD.

This address, in addition to paying the most laudatory and highest tribute to the life work, and attitude of the Senator from Oregon [Mr. MORSE], discussed in some detail the importance of resource development in this country.

I believe the remarks of the former President of the United States with reference to the courageous fight for resource development carried on by the senior Senator from Oregon [Mr. MORSE], and the importance of the full utilization of our resources for the benefit of our people, as expressed by Mr. Truman, is worthy of the fullest consideration by not only all the Members of Congress but also by the people throughout the country.

With that in mind, I ask unanimous consent to have the address of the former President printed at this point in the RECORD.

Mr. MORSE. Mr. President, I deeply appreciate the remarks of the Senator from Tennessee, and I feel very humble indeed about the remarks of President Truman, which the Senator from Tennessee has asked to have inserted in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY FORMER PRESIDENT OF THE UNITED STATES HARRY S. TRUMAN, JUNE 11, 1955, AT THE OREGON DINNER OF THE DEMOCRATIC PARTY, COLUMBIA ATHLETIC CLUB, PORTLAND, OREG.

Madam Chairman, friends, and fellow Democrats, I came here tonight of my own initiative. I asked to come to Oregon because I wanted to express my respect and admiration for one of the great men in public life, WAYNE MORSE. Senator MORSE is typical of the progressive West, which is so rebellious against selfish interests and despoilers of the public domain. He is the shining example of political courage and independence which many men in public life might do well to follow.

It is no secret that I liked him when he was a Republican, and I like him all the more now that he has discovered that you cannot protect the public interests under present Republican management. It was easier to do so in the days of Teddy Roosevelt, George Norris, and Charles McNary, who fought against raids on public resources, for at that time WAYNE MORSE would have had powerful support in his own party. But where in the Republican ranks today can you find support for men who fight for the people's right to own and develop their common property?

There was a time when Hiram Johnson, Governor and Senator from California, Charles McNary, of Oregon; William E. Borah, of Idaho; really represented the spirit of public service. They called themselves Republicans. They were T. R. Republicans, who believed in real public service. WAYNE MORSE is that kind of man. Were Johnson, McNary and Borah alive they would have to do just what Wayne has done, or retire.

Think, think what awful things have happened to this western Republican representation. The Republicans in Congress from the West now represent the giveaway national resource bloc, the character assassin "gimme" brand of politics.

The only salvation for this part of our great country is the Democratic Party. That party will never represent special privilege as long as there are enough of us New Dealers, Fair Dealers and Square Dealers here to prevent it.

Something evil is happening in this country today, and we had better put a stop to it before it is too late. Our people have been preoccupied by the movement of many events around the world where one false move may lead us into trouble. And let me say that I know nothing more vital than the wise conduct of our foreign affairs, and this administration would do well to continue the bipartisan policy initiated by us in fact, instead of by lipservice.

But in the shadow of these world events, while our minds have been somewhat distracted, selfish interests in this country have been scheming to take away from the people vast public resources. I am sorry to say that much has already been lost in the last 2 years, and I fear vastly more will be taken away.

One of the reasons why Oregon must keep WAYNE MORSE in Washington, D. C., is to help put a stop to this. For Senator MORSE not only represents Oregon and the Nation with great credit, but his voice has stirred the country against those who would destroy one of our great American institutions, the public lands and the public power. From its very beginnings, this Nation has reserved for the common use of the people, rights in certain lands and resources as a permanent foundation for the well-being and future of our country. And succeeding generations have added to these lands and resources.

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This is part of the tradition of the American way of life.

In the past there have been raiders who sought to appropiate these resources. But up until recently we have been able to turn them back time and again. Many of those raiders called themselves rugged individualists and did not disguise their purpose. They said they did not like public ownership of anything and openly tried to help themselves to everything they could put their hands on. We could fight this sort of open attack. And we did fight it and win it in Woodrow Wilson's and Franklin Roosevelt's times and administrations.

But in the last 2 years the raider has been more subtle, and, for that reason, more dangerous. He says that he is not trying to grab anything for himself. Oh! No! He professes to be doing the public a service. He tells you he wants to save us from the terrible evil of the public being in business for itself in the management and conservation of its natural resources.

Pious in his pretentions and aided by experts in propaganda, the modern-day raider insists he is fighting for private enterprise, local rights, regional rights and State rights.

But he always winds up by taking over the people's rights.

The last time I was out here was in 1952. There seem to be more Democratic voters here now. It appears that the Republican administration in Washington has been more persuasive than I was in convincing the people that their interest are best represented by the Democratic Party.

When I was at Kalispell in Montana in 1952, I adivsed the voters to take a good look at Hungry Horse Dam. I said that if a Republican President were elected that was the last new dam they would see out here for a long time to come. Senator MORSE knew I was right.

WAYNE MORSE always had his heart set on the development of the water and power resources of the Northwest States. He knew that this was not just a local matter but that it concerned a large region, affecting many States—and a policy that affects the whole United States.

As long ago as 1787 the founders of our country realized the man-made boundaries should not control the great rivers of this country. And they wrote a provision in the Constitution to place control over these rivers as channels of commerce in the hands of the Federal Government.

In the last 2 years there has been an attempt to becloud the basic concept that our great rivers are a Federal responsibility. A number of people have been trying to make us believe that the Federal interest in our river systems is an encroachment on the rights of the States and local governments. There have been a lot of crocodile tears—great big ones—about how the Federal Government is setting up a power monopoly and breaking down States rights—and how the time has come to get the Federal Government out of the river business.

The development of our rivers must be planned—it cannot be opened as a grabbag to private interests to pick off the best revenue producing dam sites at the expense of future generations.

If there is anything I am proud of in the record of the New Deal and the Fair Deal, it is the development of our river basins. In the Tennessee Valley and the Pacific Northwest, future generations can see what a truly representative government could accomplish for its people.

Of course, there was a lot of opposition to this at the time. I remember when the Grand Coulee project was proposed, its opponents said there was no justification for it—that there was nothing out in that country but jackrabbits and coyotes, and that a big dam there would be as useless as the pyramids. But Franklin Roosevelt had the vision to see it another way, and the courage to do something about it. So Bonneville was built, and Grand Coulee was built, and people began living and working where the jackrabbits used to be.

The Pacific Northwest grew and flourished; its population and its income increased by leaps and bounds; its magnificent water projects produced the current that made the aluminum that helped win World War II (Davis' Aluminum Story). Water was brought to hundreds of thousands of acres of thirsty land. Other dams were built, and we went forward—not only in the local interest but in the national interest as well. Power sources: oil, water, coal, atomic energy.

And let me point out that with this public development private enterprise flourished, too. Here, as in the Tennessee Valley public river development meant the growth of private industry and private business. That's true of all public development under our system of government. Big dams and big projects, financed by the Government, mean far more private enterprise, in the long run, than little dams and inadequate projects financed by the utility companies.

The development of the water resources of this region was not a politically inspired or a partisan affair. Of course, the national leadership of the Republican Party—the Old Guard—was opposed to this program. But, in those days there were some Republicans from these States who fought for this development—who went to Washington and worked for the future prosperity and welfare of their constituents. I sat with one of them in the Senate of the United States—his name was Charles McNary. He was the Republican leader in the Senate, and one of these great new dams is named after him, because he worked to get it built.

Yes, there used to be Republican Senators—there was even a Republican President—Teddy Roosevelt—who favored the maximum development of our rivers, by the Federal Government.

Those days are gone. In fact, you have to be almost as old as I am to remember them. The fact that they are gone is dramatically illustrated by the presence at this Democratic dinner of WAYNE MORSE, now a Democrat but hitherto a lifelong Republican. And I believe there are thousands of conscientious Republicans, throughout these States and the country, who are facing the same decision that confronted WAYNE MORSE, and they are facing it with troubled hearts. For I know what it is to be loyal to a political party, and I know that such loyalties are not easily changed. But what is an honest man to do, when his party ceases to stand for what he believes in? What is he to do when his own party tears down and destroys the very policies which mean future prosperity and progress?

What is happening today is that a Republican President is being used to cripple the program of river development that has brought prosperity to many regions of our land. In 1952 I tried to tell the people just what the Republicans would do. Unfortunately, it was hard for the people to imagine that any President could be used to halt and undo our public-power programs.

As WAYNE MORSE said the other day, you can always repeal a law, but you can't repeal a dam once it is built—and if it is the wrong dam, and it turns part of the people's resources over to a private monopoly, the people can never get them back.

By tricky and devious ways, private raiders on public power have been at work. They did not try to make a head-on assault against one of the most successful and most popular programs of the Federal Government. Their methods were more subtle. The first thing they sought was to stack the Federal agencies with enemies of public power. They had been encouraged by a Secretary of the Interior who openly opposes public power. And, unfortunately, the new chairman of TVA has had no experience with the issue of public power.

The second stage was even more effective. This is how it works. If you have a successful and going concern like the TVA, which needs to expand its services, then the plan is to get the President's policy advisers to cut its appropriations and, at the same time, subsidize private power companies to move into its territory. If you have an agency like the Southwestern Power Administration, selling power at low cost to rural cooperatives, the technique is to rewrite the contracts in such a way that the cooperatives will have to go out of business. If you have a new source of publicly financed power coming into being, like the St. Lawrence project, they try to give the power to the private companies to distribute without any guaranties in the public interest. If you have a great plan for an entire river basin, like the plan for the Columbia, which is only partly built, then the technique is for the Federal Government to give up the crucial dam sites, and get the Federal Power Commission to turn them over to private power companies for piecemeal exploitation. This will block the future growth of the whole system, and prevent existing dams from turning out as much power as they could.

After a few years of this process of hamstringing, and obstruction and doubletalk, it ought not to be too hard for the private power monopoly to prove that our Federal program of river development is a mess, and that the people's dams and transmission lines ought not to be sold to the power trust.

Let us not be misled again by the strange assurances that keep coming from Washington. You know, the President, in his speeches and press conferences, keeps saying, after each new blow at the TVA, that the administration has no intention of destroying the TVA.

Nor should we be fooled, after each attempted giveaway of a high dam site, by the explanation that what the administration is really after is a partnership between public and private interests. And what a strange partnership it is, with the people paying for the dam, and the private partners taking all the profit.

There is yet another deception, and that is to trot out, from time to time, some public project that cannot possibly be built for years and years and to say nice things about it. In this way, it may be possible to keep the people from discovering what is going on.

Let me make one point perfectly clear. I do not have the slightest doubt that the President honestly believes that the expansion of our program of Federal power development is wrong. I am sure that he thinks he is doing the right thing in curbing TVA and in permitting the giving away of Hells Canyon. But the facts and our national experience are against him. If the administration continues its present policies, the future development of our river resources will be irretrievably lost to us.

The future of this part of the country depends not only on having a Congress that is sympathetic to projects necessary to your economic growth but a sympathetic administration as well. You must have a President who believes in the public development of our rivers. For unless the Executive power is on your side, there is nothing but frustration and delay in the way of the development on which your future depends. The people's lobbist. Who is he? The President of the United States.

The top leadership of the Republican Party is dominated by the special interests of big business. This is the fundamental reason for their attack on public power. You can also see the evidence of it in many other issues. You can see it in their haste to cut taxes for corporations and top incomes, even though the budget was unbalanced, and their

refusal to give a small amount of tax relief to the little fellow. You can see it in their labor policies and their farm policies. You can see it in the vetoes of justified pay increases for Federal workers. You can see it in the giveaway of our publicly financed rubber factories and tidelands oil. You can see it in the breakdown of the Foreign Service, the civil service, national defense.

The fight to return the Government of the United States to the people of the United States in 1956 is already underway. I pledge you now that I will do my level best in that fight.

REPUBLICAN REPORT OF 1ST SESSION OF 84TH CONGRESS AND REPUBLICAN ACHIEVEMENTS FROM JANUARY 1953 TO JULY 1955 (S. DOC. NO. 86)

Mr. KNOWLAND. Mr. President, earlier in the evening, I asked for and was granted unanimous consent to have printed in the RECORD and as a Senate document the Republican report on the 1st session of the 84th Congress, and also the Republican achievements from January 1953 to July 1955.

I now send forward the material and ask that it be printed in accordance with the order of the Senate.

The matters referred to are as follows:

REPUBLICAN REPORT ON THE 1ST SESSION OF THE 84TH CONGRESS

Taking into account the whole of the Eisenhower legislative program for this session, the performance of Congress was satisfactory in view of the close division that prevailed between the two major parties in both the Senate and House of Representatives. If Republicans had been in control of the Congress and its committees, it is our belief that much more of the President's domestic program would have been enacted and more of it in accordance with his recommendations.

In contrast to practices in the previous Democratic New Deal administrations, President Eisenhower followed the spirit of genuine bipartisanship in foreign policy with excellent results in the promotion of peace and safeguarding of the Nation's security.

EISENHOWER PROPOSALS DEMOCRATS DID NOT PASS

The cooperation that did exist should not obscure the fact that the Democratic-controlled Congress failed to enact many important domestic measures recommended by the President. Major administration legislative recommendations not considered or rejected included: Highway bill, atomic peace ship for international good will, omnibus health bill, Federal aid to public-school construction, a group of water-resource projects including the upper Colorado, Juvenile Delinquency Control Act, Taft-Hartley Act amendments, Refugee Relief Act amendments, Hawaiian statehood, comprehensive program of aid to low-income farmers, customs simplification, and military survivor benefits.

DEMOCRAT TACTICS

A number of Democrats in Congress acted to embarrass the President and sought to sway public opinion against him as part of their strategy for the 1956 political campaign. For example, at the very outset of the session, the House Democratic leadership pressed for a $20 personal income-tax cut, although they knew that such a cut would deprive the Government of over $2½ billion in much-needed revenue and force the Government to borrow money and go deeper into debt.

And at the very time some Democratic leaders were emphasizing their cooperation with the President, their party members in the Senate with one exception voted against the atomic peace ship requested by Mr. Eisenhower to gain the good will of the world in the struggle against communism.

Democrats forced passage of a postal pay bill stripped of the job reclassification plan recommended by the President to correct such inequities as differences in pay for employees performing the same type of work. The President was compelled to veto the act and call for another more in keeping with sound Government finances and personnel administration.

Several Democratic-controlled committees went sharpshooting for political targets, as in the case of the stock-market investigation, Dixon-Yates, the polio vaccine, and other subjects.

These are but a small number of examples by which some Democrats in the 84th Congress allowed partisan political considerations to be the controlling factor. It was the fear of just such tactics as these that led the President in September 1954 to observe:

"When unfortunately the Congress is controlled by one political party and the executive branch by the other, politics in Washington has a field day. The conduct of government tends, under these conditions, to deteriorate into an endless round of contests for political advantage—an endless round of political maneuverings, of stagnation and inaction—of half measures or no measures at all. These are the reasons—the compelling reasons—why the completion of your great program requires the election of a Republican-led Congress."

THE PARTY RECORD IN THE 84TH CONGRESS

On rollcall votes in the Senate and House in which the President's proposals were in issue, Democrats supported the President only a little more than half of the time. Republicans supported the President about three-fourths of the time and made a record advancing the policies which the President recommended to the Congress.

For example, Republicans supported measures requested or supported by the President and the administration far more strongly than did Democrats in the following instances: To eliminate the irresponsible $20 income tax reduction, to uphold the sale of Government-owned rubber plants, to support the President's recommendation on postal pay, to uphold his veto on the postal-pay bill, to support the President's highway plan, to support the President's public housing request, to prevent unbalancing of the Defense Establishment, to uphold the President's proposal for returning to private enterprise of certain commercial-type enterprises in the Defense Department, to carry out the President's request for funds for an atomic peace ship, to support the President's request for home rule legislation for the District of Columbia, and legislation to permit persons of experience and ability to serve Government without compensation.

The Republican administration has placed in operation many of the administrative improvements suggested by the second Hoover Commission, but the Democratic-controlled 84th Congress has not enacted a single Hoover proposal which required legislation.

REPUBLICAN ADMINISTRATION BRINGS PEACE WITH HONOR AND PROSPERITY

The outstanding fact of 2½ years of Republican administration is the changed atmosphere the administration helped to bring about in the world and in domestic affairs.

At the end of 1952, war and threats of war persisted in Korea, Indochina, and Formosa. Free nations in Europe and Asia feared for their security. Soviet Russia and militant communism everywhere troubled the peace of the world.

At home the economy was still based on war, upon excessive Government spending and crushing taxes, and beset by fears of wartime inflation and subsequent deflation.

By firmness, clear policies, and skillful negotiation, President Eisenhower and Secretary of State Dulles helped to remove some of the dark shadows that hung over the world. The active fighting stopped and fears of war are less than 2 years ago. New mutual defense treaties strengthened the free world and safeguarded its security. Tensions were relaxed and more friendly relations ensued. The Geneva Conference gave the world a hope for peace with honor.

The Eisenhower administration has built up the Nation's defense system to its greatest peacetime strength in history with military manpower carefully balanced with weapons power.

GREATEST PROSPERITY EVER

In domestic affairs, as the 1st session of the 84th Congress came to a close, the Nation was enjoying the highest levels of employment and prosperity ever achieved. Employment of over 64 million persons in June 1955 set a new high peak. Production of goods and services set a new record of $383 billion. Home, industrial, public, and other construction were setting new high records. Personal income exceeded the $300 billion level for the first time in history, while taxes and the cost of living were lower for the first half of 1955. The average weekly earnings of factory workers were $76.11, a rise of $4.61 over the figure last year. This means that people have more dollars to spend and each dollar buys more. All indications point to a higher level of general prosperity for 1955 than the Nation has ever reached in its entire history.

Peace and prosperity are the dividends stemming from President Eisenhower's policies. We released the energies of the people and private enterprise by removing Government controls on prices, wages, rents, and materials. We stopped the trend toward Government centralization and began the effort to withdraw Government from competition with our citizens in commercial-type activities. We cut Government spending and passed the savings on to the people by income-tax reductions. We provided incentives to industry and business to create jobs by reducing their tax burdens, enlarging Federal research, expanding aids to home construction, and by adjusting Government programs to meet the problems in areas of chronic and temporary unemployment. We created a Small Business Administration to provide financial aid and managerial assistance to small enterprises. Government fiscal, credit, expenditure, and other economic activities were adjusted as occasion required to keep the economy in balance and to promote increasing prosperity.

STEPS TAKEN TO IMPROVE FARM ECONOMY

Our Republican administration slowed down the decline in farm prices, launched programs to get rid of price-depressing surpluses, developed a long-range farm price-support program keyed to peacetime conditions, corrected inequalities in tax laws affecting farmers, and took many other steps to aid farmers and to improve the Nation's farm economy.

Under Republican policies of Federal partnership with States, local communities, and private enterprise, the Nation continued with its development of natural resources, electric power, and water conservation; with expanded road and highway programs; with construction of hospitals and public buildings; and began the great development of the St. Lawrence Seaway.

All this is a refreshing change from an economy fully employed only in wartime, an economy made timid by fears of New Deal inflation and deflation, and an economy throttled by Government restrictions

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and controls. Today our people can face the future with greater self-reliance, less fear, and with more promise of jobs and higher standards of living than they enjoyed in an entire generation under New Deal rule.

FOREIGN AFFAIRS

Participation by the United States, in the person of President Eisenhower, at the Geneva "Summit" Conference in July represented the climax of this year's efforts of the 84th Congress—working in close collaboration with the President—in coming to grips with the threat of the Communist axis.

Scores of barren and fruitless meetings with the Russians in the past had so disillusioned the American Government that it was long before the Eisenhower Administration deemed the conference idea expedient. Yet, at length, the President, strongly sustained by public opinion and by the Congress, was moved to try once more.

That there should be no misunderstanding of the American position the President warned against "fatuous expectations that a world, sick with ignorance, mutual fears and hates, can be miraculously cured by a single meeting." Almost simultaneously the Senate adopted a resolution (S. Res. 127) proclaiming the hope of the Senate that the soverign right of self-government should be restored to the enslaved peoples of Europe and Asia. At the same time, both Houses approved a resolution (H. Con. Res. 149) declaring that the United States should administer its foreign policies "so as to support other peoples in their efforts to achieve self-determination or independence under circumstances which will enable them to assume and maintain an equal station among the free nations of the world."

In substance, the intent of the President was to seek a softening up of the international tension, not with the expectation of securing concrete agreements at Geneva, but with the hope of opening the way to real and not stalemate negotiations thereafter. If, as he said after his return, the acid test would come when the foreign ministers began their discussions, it was clearly true that by his senational offer to exchange armament information under adequate safeguards the United States had at last seized the diplomatic initiative. The sham peace petitions which the Communists had been circulating internationally for years lost their value.

Such success as the President achieved was based, to a considerable degree, on his knowledge that he had strong support at home. This support, in turn, derived from the fact that the Republican administration had made bipartisan foreign policy consultation the rule rather than the exception as previous administrations had done. This was demonstrated within 3 weeks of the opening of the 1st session of the 84th Congress.

After a prolonged military build-up on the mainland, the Chinese Communists had announced that an attack on Formosa was forthcoming. In rejoinder, President Eisenhower, on January 24, sent a message to Congress asking express authority to use the Armed Forces, if necessary, for the protection of Formosa and the Pescadores.

The President's purpose in this request, he said, was to make clear to the world "the unified and serious intentions of our Government, our Congress and our people." After a relatively brief debate the resolution (H. J. Res. 159) passed both Houses by overwhelming majorities.

In general, the policy of strengthening the free world wherever possible was sustained by the 84th Congress. By mid-June 1955 the Southeast Asia Defense Treaty, the Mutual Defense Treaty with the Republic of China, and the Austrian State Treaty had been ratified by the Senate, the occupation of Germany brought to an end, and the Federal German Republic admitted to NATO membership.

On the economic side the Trade Agreements Act was extended for 3 years; the Mutual Security Act provided $2.7 billion for various foreign-aid programs, including military defense assistance; and the International Telecommunications Convention was ratified by the Senate along with a group of 3 tax treaties and 4 tax conventions.

The long-established Geneva Convention for the treatment of war prisoners was further developed and expanded by 4 new Geneva Conventions ratified by the Senate. These provide greater protection for the wounded, for prisoners, and enemy aliens. Torture, the taking of hostages, and deportations in occupied territories are prohibited. Regulations provide for the protection of interned civilians.

On June 11, in his speech at Pennsylvania State University, the President said that he would submit to Congress proposals that the United States offer research reactors to free nations which can use them effectively in promoting the peaceful use of atomic power. The President proposes that the United States stand half the cost of the reactors. Other nations which are in a position to invest their own money in atomic power reactors would, with due regard to security considerations, be granted atomic technological training opportunities. The President also asked Congress to approve construction of an atomic peace ship, a sort of practical demonstration project, which would move from port to port around the world, showing all comers to what useful purposes atomic energy could be put. Democrats in the Congress, however, failed to cooperate with the President on this project.

Republicans had brought about the publication of the Yalta papers, a project they had long urged and which had been studiously ignored by previous administrations. During the 83d Republican Congress the Senate Committee on Appropriations had provided the money for the publication and asked for speedy action. The 2 volumes of 834 pages were released March 16, 1955, causing a worldwide sensation and confirming longstanding suspicions of how the freedom of As'a was frittered away.

On July 25, the Senate passed S. Res. 93 which provided for a special subcommittee of the Foreign Relations Committee, set up for the purpose of making a special study of proposals looking toward world disarmament and the control of weapons of mass destruction. This subcommittee is to report, with recommendations, not later than January 31, 1956.

The treaty of mutual understanding and cooperation between the United States and the Republic of Panama (which had been signed at Panama, January 25, 1955) was ratified by the Senate on July 29. This treaty increases the annual rent paid by the United States in the Canal Zone from $430,000 to $1,930,000, establishes a single basic wage rate for Canal Zone employees, and restores certain Canal Zone land and buildings to Panama.

The position of the Congress toward Communist China was made clear in sec. 12 of the Mutual Security Act of 1955 which stated that "It is hereby declared to be the continuing sense of the Congress that the Communist regime in China has not demonstrated its willingness to fulfill the obligations contained in the Charter of the United Nations and should not be recognized to represent China in the United Nations."

NATIONAL DEFENSE

Under Republican leadership there has been developed the largest and most powerful armed force this Nation has ever maintained in peacetime.

And for the first time in our history United States defense is geared for stability over a long period of time; it is ready for whatever may come.

The practical concept of modern day United States defense policies and programs submitted to the 84th Congress by the Republican administration is eloquently expressed by the Nation's Commander in Chief in these words: "We should base our security upon military formations which make maximum use of science and technology in order to minimize numbers of men."

The program submitted to Congress met success because it was, and is, based on (1) the military knowledge of President Eisenhower and his military associates, and (2) Republican awareness of the taxpayers' burden.

The bulk of the administration's defense program was approved. House Democrats tried to tie up the important military manpower reserve bill by introducing a civil-rights amendment which, they well knew, other Democrats were sure to oppose as they had done on civil-rights issues in the past. The attempt flopped; the politically inspired obstacles were overcome, and reorganization of our peacetime defense system, begun by Republicans 2½ years ago, was almost completed. Here is the program enacted by the 84th Congress:

The National Reserve Plan Act of 1955, designed to build trained and ready military reserves, was enacted into law. President Eisenhower described the plan as an "effective and economical, fair and democratic" way of strengthening the military service for defense of the country. The law provides military service of various types for all able-bodied males before they grow out of the draft-age group. Most of the service would be through voluntary enlistment. The administration is hopeful that a Ready Reserve, with an estimated 2.9 million men, can be created within the next 6 or 7 years.

The Draft Act was modified and extended for 4 years, but volunteers for the new Ready Reserve will not be subject to drafting. The doctor-dentist draft was continued for 2 years and benefits under the Dependents Assistance Act were extended for 4 more years so enlisted personnel will receive additional allowances for dependents.

A Military Career Incentive Act, requested by the Republican administration early in the session, became law in late March and within 2 months the reenlistment rate began increasing. By July 1, 1955, the reenlistment rate in the Army alone was running 63 percent. A continued high enlistment rate will offset military pay raises granted in the new law. Legislation also was enacted to continue GI educational benefits to members of the Armed Forces on duty January 31, 1955.

The Defense Department Appropriation Act, biggest money bill in Congress, was passed with few changes. It increases the present 121-wing Air Force strength to 131 wings by June 30, 1956. It permits construction of a new supercarrier; an increase in Air Force personnel; stepped-up production of aircraft; 8 new submarines, 4 of them atomic powered; and a total armed might of 2,859,035 on active duty by June 30, 1956. Democrats tried to make an issue of the manpower program and at first selected the Army program as one target in their search for a possible political issue.

The Military Public Works Act approved by Congress authorized $2.6 billion for the building of Army, Navy, Marine, and Air Force installations and family housing for service personnel in 47 States and several foreign countries.

Congress approved the administration's request for extension of the main provisions of the Defense Production Act in order that the Government might continue to set aside certain necessary production for military uses and stockpiling. It was during consideration of this legislation that Democrats again sought to find a political campaign issue by suddenly objecting to the Government's long-standing custom of employing

dollar-a-year men who were called upon because of their scientific, economic, labor, educational, or business ability. Republicans succeeded in retaining the Government's right to make use of such men of ability and added a provision that those employed without compensation could not make decisions on policy matters.

ATOMIC DEVELOPMENT

An essential feature of the Republican administration's "atoms for peace" program was President Eisenhower's proposal for the construction of an atomic-powered peace ship. Many Democrats in Congress, however, sought to either belittle or scuttle it. Some said they wanted a strictly commercial vessel.

The original announcement of plans for the vessel was voiced by Mr. Eisenhower in an address April 25 at the annual luncheon of the Associated Press in New York City.

Emphasizing the necessity for a concrete example of this Nation's determination to use atomic energy for peaceful purposes, the President declared at that time that "in every possible way, in word and deed, we shall strive to bring to all men the truth of our assertion that we seek only a just and lasting peace."

On May 26 he submitted to Congress a request for $12,650,000 for the first phases of the ship's construction. Funds for the ship's atomic powerplant were to be furnished by the Atomic Energy Commission.

Congressional approval of the peace ship would have helped greatly to remove the stigma of desolation, death, and destruction associated with atomic power. People the world over could draw inspiration and new hope from the peaceful uses of atomic energy which this ship and its exhibits could demonstrate.

The majority Democrats on the Joint Atomic Energy Committee, however, refused to include any provision for the ship in the legislation authorizing atomic-energy construction projects. On the Senate floor Republicans supported an amendment to authorize the President's proposal but every Democrat present except one voted against it.

Later the House did pass a measure authorizing the United States Maritime Administration to construct an atom-powered merchant ship, but Democratic tactics succeeded in delaying any final action as far as this session of Congress is concerned.

The AEC authorization bill passed by Congress approved use of funds by the Atomic Energy Commission for operations, equipment, plants, facilities, real estate, or any other purposes covered by the Atomic Energy Act of 1946. These operations cover such diversified fields as atomic weapons development, reactor development, physical research, special nuclear material research and development, development of source and other raw materials, and research in biology and medicine.

In another law approving construction of aeronautical research facilities by the National Advisory Committee for Aeronautics, Congress authorized $4,850,000 for the Lewis Flight Propulsion Laboratory to construct specialized apparatus—including reactor handling and control equipment—and housing for component research for nuclear propulsion.

On December 8, 1953, before the United Nations General Assembly, President Eisenhower proposed the establishment of an international atomic pool to aid in the development of atomic energy for peaceful uses.

As of July 27, in furtherance of this historic move, the United States had entered into "atoms for peace" agreement with 26 nations and will participate in an international "atoms for peace" conference to be held in Geneva, Switzerland, in August of this year.

The Congress approved the administration's request for legislation authorizing a reward of up to $500,000 to any person or persons who help detect an atomic weapon which might be smuggled into the country or which might be illegally manufactured.

GOVERNMENT FINANCE

The Eisenhower administration's fiscal policies have played a big part in stimulating record-breaking prosperity, stabilizing the value of the dollar, and clamping the lid on inflation. In 1955, the Nation's financial picture continued to show improvement, and the outlook for 1956 is even better.

The Republican administration cut the deficit from $9.5 billion in 1953, the last year the Truman budget operated, to an estimated $2.4 billion for the year ending June 30, 1956. This is three-fourths of the way toward a balanced budget.

Compared with fiscal year 1953 spending, Republicans reduced actual spending by $6.5 billion in 1954, the first full fiscal year of Republican control; by almost $10 billion in 1955; and by almost $12 billion (estimated) in 1956.

The Republican administration reduced requests for new spending authority from $72.2 billion in the final Truman budget estimates (1954) to $58.6 billion in the 1956 Eisenhower budget.

In managing the public debt, this administration extended the maturity of the debt and moved a greater portion away from banks, where it could contribute to inflation, and put it into the hands of long-term investors.

The Democratic 84th Congress, like the Republican 83d, recognized the need for giving the Eisenhower administration more elbow room in managing the Nation's finances and voted a temporary increase of $6 billion in the Federal debt limit. Until June 30, 1956, the permissible ceiling will be $281 billion.

It was generally conceded that uneven tax collections put the Treasury in a tight squeeze between the permanent $275 billion ceiling on Government borrowing and insufficient cash to pay its bills during certain portions of the year.

The national debt stood at $267.3 billion when the Truman administration left office. Since then, the Eisenhower administration has reduced the yearly deficits, but spending needed to pay the $81 billion worth of c. o. d. bills left by the New Deal administration has exceeded revenue, requiring additional Government borrowing.

Republicans supported legislation on authorizing United States membership in the International Finance Corporation, to which this Government would subscribe about one-third of the authorized capital of $100 million. Affiliated with the International Bank, the IFC is designed to stimulate private venture capital investment in productive enterprises in member nations.

TAXATION

Republicans led the successful battle in the 84th Congress to kill two irresponsible Democratic tax cut schemes which—though possessing some popular appeal—were actually unsound.

Both the House and the Senate $20 tax cut schemes entailed loss of revenue to the Government. Such cuts could only be paid for with money borrowed by the Government—on which the Government, that is, taxpayers—would have to pay interest.

To push our already heavily indebted Government further into the red, as these tax schemes proposed, was flirting with inflation, which hurts modest-income people most—and playing fast and loose with the Nation's finances—which largely determine the value of the American dollar.

Republicans exposed these dangers and further revealed the gross unfairness of the tax schemes, pointing out they were not related to ability to pay—the accepted principle upon which our income-tax system has been based—but instead were per capita cuts. Republicans believe it is as unfair to cut taxes on a per capita basis as it is to increase them that way.

Though the House Democrats' scheme cleared that body, both tax schemes were defeated in the Senate, the House $20 cut by 61 (Republicans 45, Democrats 16) to 32 (Democrats 31, Republican 1), and the Senate scheme by 50 (Republicans 45, Democrats 5) to 44 (Democrats 43, Republican 1).

Thus, Democrats failed in their attempt to tack the tax propositions onto a much-needed revenue bill extending the 52-percent corporation taxes and excise taxes at existing rates. In the end, only the simple 1-year extension of the latter two taxes became law.

This action of the Democrats in the 84th Congress contrasts sharply with the sound, well-rounded $7.4 billion tax reduction program Republicans put into effect in 1954.

Republicans in the 84th Congress supported the Eisenhower administration's request for legislation closing two loopholes discovered in the 1954 Revenue Code. It appeared possible for some businesses to reap windfalls under an interpretation, not intended by Congress, of the 1954 code relating to tax treatment of prepaid income and reserves for estimated expenses. Treasury Secretary Humphrey requested tightening these provisions, and the 84th Congress complied.

Mr. Humphrey likewise suggested Congress curtail the program of rapid tax writeoffs which the Government started during the Korean war to stimulate private building of defense plants, but the 84th Congress adjourned without acting on this proposal.

NATURAL RESOURCES AND PUBLIC WORKS

The administration's recommendations to Congress in the fields of natural resources and public works were based on an expanding economy and provided joint efforts by the Federal Government, State, and local interests, both public and private, in conserving and developing water supplies, minerals, energy, and land.

While the administration urged accelerated development of our natural resources through local initiative and participation, it did not hesitate to act vigorously in an area where Federal interest is predominant.

The Senate passed legislation authorizing the Colorado River project, but the bill was held up in the House.

Congressional authorization was obtained for the Reclamation Bureau to construct the $225 million Trinity River power and irrigation project in California's Central Valley.

Money was appropriated for construction, which soon will begin, on a number of new hydroelectric power, reclamation, flood control, and navigation projects throughout the land—prime proof of Republican interest and initiative in these fields.

Among the 107 new projects on which construction soon will begin, under supervision of the Army Corps of Engineers, are the Fort Gaines, Ga., power dam, the Markland Dam on the main stem of the Ohio River, the Hartwell power dam on the Savannah River in Georgia and South Carolina, the Cougar, Oreg., power dam, the Hills Creek, Oreg., power dam, the multimillion-dollar Ice Harbor Dam on the Snake River in Washington for power and navigation, and other power, navigation, and flood-control dams in Kansas, Kentucky, New Mexico, Oklahoma, and West Virginia.

Among the new starts for which money was appropriated for the Bureau of Reclamation are the Yellowtail power dam in Montana, the Palo Verde and Santa Maria projects in Arizona and California, the Michaud Flats project in Idaho, and others throughout the West.

Starts on these dams were approved in the Republican administration's omnibus bill for

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an appropriation of $1.4 billion. Passage of the measure allowed money for a total of 63 irrigation and reclamation projects and the building or improvement of more than 300 river projects by the Army engineers.

Republicans also initiated and the Congress passed legislation authorizing Federal loans to local irrigation districts for construction of water-distribution systems which would be locally owned and operated without need for direct Federal spending.

One of the historic accomplishments of Republicans was in the realm of reforming 80-year-old land laws. This was an act correcting abuses to public lands under old mining statutes. In essence, the new law limits the filing of mining claims until the claimant proves out a bona fide claim and prevents claims being filed for control of valuable timber or grazing land. President Eisenhower termed the act "one of the most important conservation measures" enacted in many years.

Another important Republican-backed mining measure which passed Congress was the Mining Claims Rights Restoration Act which will open an estimated 7 million acres of public lands for mineral development under the general mining laws. The land to be opened to entry consists of acreage which had been withdrawn or reserved for many years for power development. This land now can be mined but power rights of the Government will be retained and considered paramount.

Republicans sponsored legislation which met congressional approval for expanding research on conversion of sea water and for water and air pollution. Programs initiated by the Republican 83d Congress to encourage more mining and utilization of strategic metals, were renewed by the 1st session of the 84th Congress.

President Eisenhower submitted a soundly conceived long-range program for the Nation's highways. Democratic opposition resulted in no program being enacted. Democrats submitted a program in the Senate without any method of financing; in the House they submitted a highway program calling for increased taxes, amounting to as much as 100 percent in some cases, for highway users. Their own program was defeated by more votes than they polled to defeat the President's plan.

The administration requested and Congress approved a 40-percent increase in funds for improved facilities and services in national parks and an expansion in forest ranger service.

Because of the loss of lives and heavy damage caused by hurricanes almost every year along the Atlantic seaboard, Congress enacted a Republican-sponsored bill authorizing a $3 million study to determine possible means of protection.

The Federal Airport Act, at the suggestion of the administration, was amended by the 84th Congress to authorize grants totaling $252 million over a 4-year period for airport facilities in towns and cities. The money would be on a matching basis.

Completion of the inter-American highway between the United States and Mexico was authorized at an estimated cost of $25 million.

AGRICULTURE

The most controversial issue in the agricultural field in this Congress was price support. Without giving the flexible price support program approved last year by the 83d Congress a chance to take effect, House Democrats voted on May 5 for a return to the discredited rigid system of the Truman administration. The rigid system, still operative until this year's harvests, has resulted in the piling up in Government storage of more than $7 billion worth of surplus commodities. These surpluses overhang the markets, depress farm prices, require storage costs of a million dollars a day, and force the Government into large-scale efforts to dispose of commodities at home and overseas by sale, barter, and gift.

Of the 206 House Members voting for the rigid 90 percent of parity support bill, 185 were Democrats. Only 29 Democrats joined with 172 Republicans in the effort to prevent the Eisenhower farm program from being scuttled before it was even tried. In the Senate, however, the Democratic leadership was less partisan in its approach to this matter and made no move to try to pass the House bill.

Owing to the continued accumulation of commodities acquired by the Government as a result of rigid price supports, the Congress was called upon in this session to vote another increase in the borrowing authority of the Department of Agriculture's Commodity Credit Corporation. Increased twice last year up to $10 billion, CCC's borrowing authority this year was raised to $12 billion.

With the 1954 price-support law kept intact, the Department of Agriculture was able to move in the direction of controlling production of crop surpluses through a gradual changeover to flexible supports for this year's harvest of the basic commodities. These were the 1955 support rates for the commodities designated in the law as basic: Wheat, 82½ percent of parity; corn, 87 percent; rice, 85 percent; cotton, tobacco, and peanuts, 90 percent. Dairy support rates were established at 75 percent of parity.

Despite the surplus problem, aggravated by a prolongation of the unsound policies of the preceding Democratic administration, actions taken by the Republican administration to effect an orderly transition from a war to a peacetime farm economy have had encouraging results. Reduction in farmers' buying power has been checked. After plummeting 19 points, from 113 to 94, in the last 2 years of the Truman administration, the parity ratio (which measures prices received by farmers against those paid for goods and services) has been held to a further decline of only a few points. It has fluctuated within a narrow range between 87 and 86 over the past 9 months.

Foreign markets for farm products have expanded for the second consecutive year, reversing the sharp decline which began in 1952. In the 1953 export year sales were $2.9 billion, 4 percent more than the year before. In the 1954 export year exports were $3.1 billion, 10 percent more than the 1952 low point.

Because of a high level of national prosperity and a constantly growing population, the domestic market for farm products is also increasing both in quantity and quality.

Adjusted price supports and a vigorous marketing program have increased consumption, decreased surpluses, and improved prices in the dairy industry. Egg producers are also looking forward to a stronger market this fall.

Foremost among President Eisenhower's agricultural recommendations this year was his 15-point program to help the 1.5 million farm families of lowest income. The program includes extension work, credit, research, industrialization of rural areas, vocational training, and employment service. The Democratic-controlled Congress, however, paid only the slightest attention to it and enacted none of the substantive legislation the President requested for this program.

The farm legislation that was passed, in addition to the increase in CCC's borrowing authority, included:

The Farm Credit Act of 1955, increasing borrower ownership and control of the farm credit system under the Farm Credit Administration.

Broadening of authority for GI loans to eligible war veterans for farm-housing purposes.

Modification of the allotment formula for Rural Electrification Administration loan funds to permit the funds to be made available where and as needed.

Extensions of authority for emergency loans in nondisaster areas, and special livestock loans to drought-affected producers, and establishment of a 3-percent interest rate on disaster loans.

Removal of restrictions on soil conservation payments by repeal of section 348 of the Agricultural Adjustment Act.

Authority to Secretary of Agriculture to allot additional acreage to Minnesota, Montana, North and South Dakota farmers willing to plant durum wheat, now in short supply.

Extension of authority to recruit farm labor in Mexico.

An increase from $700 million to $1.5 billion in the amount of appropriations authorized for a 3-year period ending in 1957 to carry out title I of the Agricultural Trade Development and Assistance Act passed last year as Public Law 480 by the Republican 83d Congress. Title I authorizes the sale of Government-held surplus farm commodities for foreign currencies. A further change made in the act this year increased the Secretary of Agriculture's authority in negotiating sales agreements with foreign countries. President Eisenhower reported to Congress on July 12 this year that $1.2 billion of surpluses had been sold, distributed, or committed in the last year under all 3 titles of Public Law 480.

LABOR

Of a total of 11 measures requested or supported by the administration in the field of labor, a minimum wage bill was the only one of national importance passed, but it was in a form contrary to the President's recommendations.

The Eisenhower recommendation for an increase in the legal minimum wage rate from 75 cents to 90 cents per hour was a carefully considered effort to balance higher wages with living costs without increasing the danger of inflation. Congress, however, passed a bill providing for a $1 minimum.

Republicans unanimously supported legislation raising railroad retirement benefits in line with social-security benefits raised last year by the Republican 83d Congress.

A minor bill with administration support that was passed deals with Mexican farm laborers.

The following Eisenhower measures were not passed by the Democratic-controlled 84th Congress:

1. Taft-Hartley Act amendments—even those favored by organized labor;

2. The proposed Work Hours Act of 1955, establishing standards of hours of work and overtime pay;

3. The charge-back bill, to reimburse expenditures from the employees' compensation fund by employing agencies;

4. Amendments to the District of Columbia Unemployment Compensation Act;

5. Proposed insurance for nonoccupational disability in the District of Columbia;

6. Transfer of District of Columbia employment service to the District of Columbia;

7. Aid to the States in furthering industrial safety;

8. Increased benefits under the Longshoremen's and Harbor Workers' Compensation Act (includes unemployment compensation for District of Columbia employees in private industry);

9. Authority for more effective use of the special fund under the Longshoremen's and Harbor Workers' Act.

HOUSING

In comprehensive housing legislation, Congress increased the Federal Housing Administration's general mortgage insurance authorization by adding $4 billion to the amount outstanding July 1, 1955. The FHA

mortgage insurance ceiling on rental properties was increased from $5 million to $12½ million.

Title I, covering the home improvement program, was extended for 14 months to September 30, 1956, without change in the loans permissible under the program.

Provisions to liquidate the present defense housing program were approved. In its place a new military housing program (known as the Capehart Act), with expiration date of September 30, 1956, was enacted authorizing insured FHA loans up to $1,363,500,000 with the Federal National Mortgage Association empowered to make advance commitments on military mortgages not to exceed $200 million. Funds for slum clearance and urban renewal programs were increased $400 million over the years 1956 and 1957, with an additional sum of $100 million expendable at the discretion of the President. The basis for insured mortgages on cooperative housing and urban renewal programs was changed from "estimated value" to "estimated replacement cost," and the Federal National Mortgage Association was authorized to issue advance commitments on cooperative housing mortgages up to a total of $50 million, or $5 million for any one State.

A revolving fund of $48 million was authorized to be serially available in specified amounts to July 1958, to assist local public agencies in planning for community facilities. A companion program of $100 million was authorized for 40-year mortgage loans to small communities for the construction of water, sewer, gas, and related public projects.

A last-minute compromise between the two Houses brought agreement on a program of 45,000 public-housing units for the period ending July 31, 1956, eliminating certain restrictions in existing law.

The program of housing loans to educational institutions was revised and extended with the loan fund limited to $500 million of which $100 million may be made available for other educational facilities. The present farm-housing program was continued through the fiscal year 1956, with $112 million made available for direct loans on adequate farms, for potentially adequate farms, and for improvement and repair of farms.

A new program of FHA insurance on trailer parks was launched, with limits of $1,000 per trailer space, or $300,000 per mortgage. The law provides for greater independence of the Home Loan Bank Board and requires the Board to report to the President instead of to the Housing and Home Finance Administrator.

GENERAL WELFARE

Education

The Democratic majority ignored the school-construction program President Eisenhower proposed February 8, 1955. This program affirmed the principle of State and local responsibility for control and support of schools, but recognized the current emergency by proposing new methods of school financing. Through cooperation of Federal, State, and local governments, and private citizens approximately $7 billion would be made available for school construction over a 3-year period. It would build some 200,000 classrooms for 6 million children.

School construction and operation in areas affected by Federal activities have been substantially assisted by new funds appropriated for 1955 and 1956 under laws greatly improved by the Republican 83d Congress. With the $24 million appropriated for fiscal 1956 added to funds previously provided, Federal aid to school construction in federally affected areas totals $270,500,000 during President Eisenhower's administration. In addition, $75 million was appropriated in 1955 to assist in the operation of schools in districts affected by Federal activities.

Health

Salk vaccine program: Congress accepted the President's request to make available $30 million worth of Salk polio vaccine to the States for distribution up to February 15, 1956, for eligible children and expectant mothers. Under the plan approved by Congress the vaccine situation will be reconsidered in February next year. The distribution of the vaccine will be administered through such regulations as the Surgeon General determines and through the regular procedures of the United States Public Health Service in cooperation with State agencies.

Mental health: In the field of mental health, legislation was enacted authorizing $1,250,000 for a nationwide analysis and evaluation of the human and economic problems of mental illness. The program was placed under supervision of the Surgeon General, with authority to use $250,000 of the appropriation for research on mental illness in the first year and $500,000 for each of the following 2 years.

Air pollution: As a health measure affecting many cities in our Nation, a fund of not to exceed $5 million annually was voted for a 5-year research and technical assistance program on air pollution to be administered by the Department of Health, Education, and Welfare in cooperation with other Federal agencies, States, and local governments, and other public and private agencies.

Omnibus health program: The President's health program, which failed of action in this Democratic-controlled Congress, called for:

1. Extension of health insurance to more persons by Federal reinsurance of existing private, voluntary hospitalization and surgical programs.
2. Extension of group insurance to rural areas.
3. Greater and more detailed insurance coverage of sicknesses.
4. Health coverage for those of average or lower income against medical care costs in the home and physician's office as well as the hospital.
5. Improved medical care of people on relief rolls by separate Federal matching of State and local funds used for such purposes.
6. Strengthening of public health agencies and programs, particularly those providing services to mothers and crippled children.
7. Expansion of the training of practical nurses and specialists through grants to States and establishment of traineeships by the Public Health Service.
8. Federal mortgage insurance of private loans to stimulate construction of hospitals, clinics, nursing homes, and other facilities.
9. Broadening of mental health programs.
10. New Federal grants to States to improve programs dealing with juvenile delinquency.
11. Increased United States financial support of the U. N. health organization.

Social security

House Democrats introduced and in a single week whipped through the House a bill to extend social-security benefits and coverage. They acted without public hearings, under suspension of the rules barring all amendments, and limiting debate to only 40 minutes. Yet this bill would cost $2 billion annually and would raise social-security taxes by 2.5 percent beginning January 1, 1956.

Although favoring many provisions of the bill, House Republicans protested against inadequate study of such important proposals and the steamroller tactics used in securing passage of the bill. A scale of benefits would be created, Republicans asserted, "which must be supported by a social-security tax which, in the not too distant future, will be equal to and in many cases higher than the Federal income tax."

The bill lowers the eligibility age for women from 65 to 62; allows payments to disabled workers after age 50 instead of 65; brings under social security all professional groups, except doctors, who are not now covered; and continues beyond age 18 benefits for children who become totally disabled before 18.

The Secretary of Health, Education, and Welfare emphasized the great importance of the bill and urged extended hearings before the Senate Finance Committee which opened hearings on the bill July 27, 1955.

VETERANS' AND SERVICEMEN'S BENEFITS

Among the more important veterans' legislation enacted with bipartisan support were measures enlarging upon home-loan benefits for veterans engaged in farming.

One law extended for 2 years the authorization for direct loans to eligible veterans to buy or construct dwellings or construct or improve farmhouses. It also provides authority, for the first time, for direct loans to purchase a farm with a farmhouse.

Also, in order to place the farm veteran on comparable terms with the city veteran, Congress authorized loans for the construction, purchase, or repair of farm housing to be guaranteed or insured under the same terms as apply to residential housing.

Since the Veterans' Administration's responsibilities have increased greatly in the last decade, the President, by Executive order on January 14, 1955, set up the President's Commission on Veterans' Pensions. The purpose of this Commission is to make a comprehensive survey and appraisal of the structure, scope, and administration of the laws of the United States providing pension, compensation, and related nonmedical benefits to veterans and their dependents. These recommendations then will be submitted to the President regarding policies which, in the judgment of the Commission, should guide the granting of such benefits in the future. A fund of $300,000 was voted by Congress for continuation of this study. This action is a furtherance of the Republican administration's reorganization of the VA which took place when this administration took office in order to give the best service to the veteran at the least cost and to place the VA on a more efficient basis.

Congress, in this session, extended to July 1, 1959, Federal contributions of dependency allotments for more than 1 million enlisted personnel. Provision for a continuance of paychecks and family allotments for Korean war prisoners and soldiers missing in action was extended to July 1, 1956.

Congress passed a law extending for 2 years the period during which veterans who suffered the loss of one or more limbs or permanent impairment of vision may apply for the $1,600 payment on an automobile. This new law also extended the automobile benefit to a veteran whose qualifying disability occurred subsequent to discharge and who applies within 3 years. It gives a veteran whose qualifying disability was not determined as service connected until after discharge or expiration of filing period a 1-year period in which to apply.

Other veterans' and servicemen's legislation enacted during this session included the following:

Extension of educational and training benefits under the GI bill of rights to those enlisting before February 1, 1955, in the peacetime Defense Establishment.

Establishment of period of entitlement for outpatient dental care.

Establishment of time limit for applying for GI unemployment compensation by Korean war veterans with cutoff date of January 31, 1960, for receiving compensation.

Extension of Korean war veterans' applications for mustering-out pay retroactively from July 16, 1954, to July 16, 1956, for those veterans who were discharged before mustering-out pay took effect.

Permission for renewal of term insurance within 120 days after separation from the services.

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Extension for 2 years of the existing provision for free importation of gifts from members of the Armed Forces abroad.

CIVIL AND POLITICAL RIGHTS

In the 1st session of the 84th Congress only one of the President's major requests in the field of civil and political rights became law. This was legislation to protect the right to vote in Federal elections of members of the Armed Forces stationed abroad and certain others serving overseas. The legislation provides in peacetime as well as during war for a simplified, uniform absentee ballot for use by such military and civilian personnel and their families. Due to Democratic opposition a provision for waiving payment of a poll tax as a condition of voting in Federal elections was stricken.

Other civil-rights measures requested by the President were either ignored or action on them was left uncompleted.

Hawaiian statehood was blocked by Democratic tactics in the House of tying statehood for Hawaii and Alaska together and then recommitting the bill to the House Committee on Interior and Insular Affairs by a 218 to 170 vote.

The Democratic majority failed to do anything about revision of the Immigration and Nationality Act.

Home rule for the District of Columbia was voted in the Senate but hung up in the House.

Legislation was enacted which provides for the first formal election in 81 years of District of Columbia delegates to national political party conventions where presidential candidates are selected.

COMMUNISM

In respect to the control of Communist activity in the United States, Republicans in the 84th Congress had the satisfaction of seeing that a party effort, sustained for more than a decade, was drawing increasing dividends. Both Republicans and Democrats joined in decisive action on two pieces of legislation dealing with this issue:

1. By unanimous vote the Senate adopted a resolution recognizing the Communist Party of the United States of America as a part of the international Communist conspiracy and registered the Senate's decision to vigorously continue committee investigations.

2. Republicans and Democrats in both Houses approved the setting up of a bipartisan commission to investigate the entire Government security system.

What made these two actions significant was this: It was evident that Democrats as a parliamentary group—and not a scattering of individual Democrats as in the past—acknowledged the validity of the position taken and held by the Republicans over the years.

Congressional investigations in this field during the 84th Congress were as follows: House Committee on Un-American Activities—Communist activity among youth and labor groups. Senate Subcommittee on Internal Security—Communist influences among American newspaper personnel, foreign language Communist publications in the United States, the Matusow case, activities of American citizens in Communist China, and further hearings on Senator BUTLER's (Republican, of Maryland) bill, S. 681, dealing with Communist influence in labor organizations. Senate Committee on Government Operations—the promotion of Major Peress.

During the 84th Congress a tabulation was made of the number of witnesses before congressional committees who, during the year 1954, invoked the fifth amendment. The total: 266 witnesses.

During the 84th Congress the newly organized Internal Security Section of the Department of Justice took action on legislation (granting of immunity to witnesses) passed during the 83d Congress. William Ludwig Ullman, offered immunity, still insisted on taking the fifth amendment. Action was filed against him; the court of appeals unanimously upheld the law; the case is now before the Supreme Court.

The Civil Service Commission states that 3,432 persons had employment in the Federal Government terminated because of security reasons in the period May 28, 1953, to March 31, 1955.

In the last year nine more convictions have been obtained under the Smith Act which provides for the prosecution of persons advocating the overthrow of Government by force and violence.

Shortly after the 84th Congress assembled, the Subversive Activities Control Board—following prolonged hearings—ordered the Labor Youth League to register under provisions of the Internal Security Act. A recommendation that a similar order be issued in the case of the National Council of Soviet-American Friendship was handed up last June 23. Almost simultaneously a similar recommendation was made in the case of the Veterans of the Abraham Lincoln Brigade. Hearings have been completed and opinions are forthcoming (but not yet issued) in the case of the Civil Rights Congress and the Jefferson School of Social Science.

GOVERNMENT ADMINISTRATION

Republicans in the 84th Congress continued to support and to enlarge the reforms and improvements in Government operations set afoot when a Republican administration took office. Republicans supported the extension until 1957 of the Reorganization Act under which President Eisenhower carried out 12 reorganization plans to make Government more efficient and less costly. While many of the recommendations of the second Hoover Commission were put in force by the Republican administration, the Democratic-controlled 84th Congress passed no legislation on this important subject of economy and efficiency in Government.

In the fiscal year ending June 30, 1955, the Republican administration spent nearly $10 billion less than the preceding Democratic administration in its last fiscal year (1953). Since January 1953 there has been a net reduction of 270,000 civilian employees of the Government.

Through legislation enacted by the 84th Congress, the civil service and other Government employment were improved and strengthened. Long overdue pay increases urgently needed to bring Government employees in equitable balance with the rise in cost of living and to improve the efficiency of Government services were provided. Among these were the increase in salaries of United States judges, attorneys, and Members of Congress. An average pay increase of 7.5 percent was provided for 1,073,262 Federal employees, 983,057 in the classified service and 90,205 others. Over 500,000 postal workers received an average pay increase of 8 percent. The reclassification of postal positions provided for in the postal pay act will eliminate inequities and improve the service. Legislation was enacted to improve conditions in the Foreign Service so as to make this important branch of Government more attractive as a career for men and women of exceptional talent and competence.

Other steps previously taken by the Republican administration in the personnel field include the extension of group life insurance, unemployment compensation, and other benefits to Federal workers to bring Government working conditions abreast of comparable practices in private business.

Senate and House Republicans unanimously supported the Senate joint resolution establishing a nonpartisan 12-member commission, patterned after the Hoover Commission, to study the operation of the entire Government security program and to recommend such changes as may be necessary to protect national security and preserve basic American rights.

At the same time the Republican administration raised the integrity and high standards of Government service by reforming the Internal Revenue Service and by prosecuting those who corrupted it; by ending practices of favoritism, influence, and corruption found in other departments and agencies; and by discontinuing secrecy and influence in Federal pardons of criminals.

Wherever possible in legislation enacted by the 84th Congress, Republicans supported the policies of the Republican administration which reversed the 20-year trend toward centralization of Government in Washington. Today, in sharp contrast with New Deal and Fair Deal administrations, the Republican administration is not seeking to dominate the country or to control the people's lives. It does not seek to socialize the economy. It does not agitate the Nation with emergencies and crises. It does not spend money wastefully or increase tax burdens. In legislation and administration, Republicans are practicing the principles that Government is a public trust; that it must treat all citizens with fairness and equality; that the wise principles of the Constitution must be preserved; and that the Federal Government should work in partnership with States, local communities, and private citizens to strengthen the security and advance the welfare of all our people.

REPUBLICAN ACHIEVEMENTS, JANUARY 1953 TO JULY 1955

FOREIGN AFFAIRS: THE CONFERENCE TABLE REPLACED THE BATTLEFIELD

Held meeting with the heads of Russia, Britain, and France at Geneva (July 1955) to find a common ground on which the foreign ministers later could negotiate concrete actions to relieve world tension. President Eisenhower scored a victory for the free world's efforts to promote peace with honor with his impressive offer to exchange full armament information under adequate safeguards.

Ended the stalemated war in Korea and reversed the previous irresolute foreign policy that had led to loss of 600 million people behind the Communist Iron Curtain in the decade 1943 to 1953.

Avoided involvement in the hot war in Indochina; took steps to aid Vietnam and build up its army.

Ratified mutual defense treaties with the Republic of China (Formosa), the Republic of Korea (South Korea), and the Southeast Asia Collective Defense Treaty, grouping together Australia, France, New Zealand, Pakistan, the Philippines, Thailand, Great Britain, and the United States.

Ended the military occupation of Western Germany and provided for the accession of the Federal Republic of Germany to the North Atlantic Treaty Organization.

Negotiated the Austrian State Treaty (signed by Austria, France, the Soviet Union, the United Kingdom, and the United States) by which Austria was reestablished as an independent state and the military forces of the Allied Powers were withdrawn.

Endorsed the President's authority to use the Nation's Armed Forces for the protection of Formosa and the Pescadores Islands—as a move to preserve peace in the Far East.

Continued foreign economic and military aid to the nations of the free world, with increasing attention to Asia.

Extended the foreign trade agreement program, permitting tariff reductions under regulations designed to protect American jobs and business.

Helped smash the Communist regime in Guatemala.

Took the initiative against communism in all parts of the world.

Reaffirmed official policy against Red China's admission to the United Nations.

Supported a United Germany (resolution of 83d Congress).

Condemned Soviet mistreatment of minorities and callous disregard of human rights (resolution of 83d Congress).

Moved for adoption by Western Hemisphere nations of the Caracas resolution declaring communism a threat to freedom and pledging full consultation in the event of aggression.

Negotiated arms pacts to strengthen Central American countries against Communist subversion.

Acted to oust Americans in the United Nations who have served the Communist cause.

Brought about a settlement of the oil controversy in Iran, preventing the threatened Communist subversion of that country.

Proposed an international pool of atomic energy resources for peaceful uses. Without waiting for its formal organization, the United States signed atoms-for-peace agreements with over 25 nations under which the United States furnishes enriched uranium for civilian uses. Further, the United States offered to furnish reseach reactors and to make available power reactors.

Passed the Refugee Relief Act to admit, over a 3-year period, up to 214,000 persons to the United States in excess of the quota limit.

Settled by negotiation the Italian-Yugoslav quarrel over Trieste which for years had threatened to cause war between the two countries.

Reiterated the traditional position of the Senate in favor of self-government and self-determination for all peoples in a move designed to give hope to the enslaved peoples of the satellite countries.

NATIONAL DEFENSE: INSTANT READINESS REPLACED UNPREPAREDNESS

Developed the greatest military strength the Nation has ever had when not in a shooting war—with emphasis on continuous combat readiness for any contingency.

Applied two-thirds of the national budget to national security (military defense, atomic-energy development, stockpiling of strategic materials, military aid abroad), compared with only 32 percent in 1950 and two-thirds in the peak years of the Korean war; by building up military muscle and cutting out waste fat, saved $8 billion in defense spending.

Put atomic and other new weapons into the Regular military arsenal for strategic and tactical use.

Tremendously increased the striking power of the ground, sea, and air forces through use of new weapons, making possible a reduction of manpower requirements. The Army now has a ratio of noncombat to combat personnel of 1 to 1 (under Democrats it took 2 men to back up every fighter). Increased Army firepower 80 percent over that of World War II.

Put more emphasis on modern airpower in the Air Force, Navy, and Marine Corps; raised the proportion of Air Force wings in the highest readiness state to three times what it was in 1952; doubled the number of Navy jet fighters; increased the number of Marine combat planes by one-third; increased funds for air research; approved Air Force Academy—another Republican first.

Built up the Marine Corps to full combat strength.

Launched the *Nautilus*, world's first atomic submarine, in 1954; the second, *Seawolf*, in July 1955; others are to follow.

Budgeted a fifth supercarrier of the *Forrestal* class.

Greatly strengthened our continental defenses; completed the early warning radar networks; extended radar eyes to the Far North; and began radar protection for the Atlantic and Pacific approaches; set up a new continental Air Defense Command with improved fighter-interceptor forces and antiaircraft weapons; coordinated communications systems over the Nation; installed Nike guided-missile battalions at key potential targets; budgeted for 1956 the greatest amount in any single year for continental defense.

Continued military aid to our allies to help equip and train the equivalent of more than 180 divisions, 551 combat ships, 278 air squadrons and supporting units.

Acquired new airbases in Spain and the Netherlands.

Tightened the security-risk program; acted to deny commissions to doctors and dentists who turn out to be security risks.

Made changes to improve the morale of service personnel, including a pay raise and fairer promotional systems; as a result, reenlistments reached record highs.

NATIONAL ECONOMY: PEACETIME PROSPERITY REPLACED WAR INFLATION

Achieved the greatest prosperity in history. The Republican record in peace is better than the New Deal record in war.

Halted inflations; stopped the decline in the buying power of the dollar; stabilized the cost of living. People have more dollars to spend—and each dollar buys more.

Prosperity this year tops the previous all-time high in 1953, which also occurred under Republicans. In the first 6 months of 1955:

Employment reached over 64 million, highest in history.

The average factory worker's pay rose to $76.11 a week, an increase of $4.61 over a year ago; plenty of overtime pay boosted incomes to record heights.

Personal income flowed to Americans at a yearly rate topping $300 billion for the first time in history.

Total production of goods and services smashed all records in the first half of 1955, rising in the second quarter to a yearly rate of $383 billion.

There was record output in such nondurable goods as paper, chemicals, petroleum, and rubber products.

Activity in textiles, apparel, and the shoe industries approached all-time peaks.

Steel mill output promises to equal or exceed the alltime record of 1953.

Automobile production had the best half year in its history.

New housing and other construction ran at an all-time high, and is expected to be 11 percent above the previous peak in 1954.

TAXATION: TAX CUTS REPLACED CRUSHING TAXES

Gave the American people a whopping $7.4 billion in tax cuts in 1954—the first tax cuts since the Republican 80th Congress in 1948—including:

Three-billion-dollar cut in individual income taxes (an average of 10 percent).

One-billion-dollar cut in excise taxes on household appliances, cosmetics, and other items of everyday use.

Two-billion-dollar cut by abolishing the excess-profits tax which was restricting the expansion of businesses and jobs.

One-billion-four-hundred - million - dollar cut by liberalized deductions and fairer tax treatment of millions of persons and thousands of businesses under the 1954 tax code.

Held the line in 1955 against unfair and unwise tax cuts proposed by Democrats because those cuts could be inflationary; refused to let Democrats fool the American people with schemes to lower their tax bills on the one hand, and raise their cost of living on the other.

Overhauled the Nation's tax laws into a new code, closing over 50 loopholes. Supported action closing two loopholes later discovered in this code.

Cleaned up the mess found in the Federal tax-collecting agency under Democrats; weeded out grafters and crooks; intensively prosecuted tax cases.

Collected record-breaking amount of back taxes and penalties from delinquent taxpayers—more than twice as much as the previous record in 1950 under Democrats.

GOVERNMENT FINANCE: SOUND POLICIES REPLACED RECKLESSNESS

Stimulated record-breaking prosperity; maintained the value of the dollar; clamped the lid on inflation; counteracted recession.

Advanced two-thirds of the way toward balancing the Federal budget; proposed a budget for 1956 to take the Government three-fourths of the way toward black-ink operations.

Compared with the last year the Truman budget operated (fiscal year 1953), Republicans reduced actual spending by $6.5 billion in the first full fiscal year (1954) of Republican control; by almost $10 billion in 1955; and by almost $12 billion (estimated) in 1956.

Reduced requests for new spending authority from $72.2 billion in the last Truman budget (1954) to $58.6 billion in the 1956 Eisenhower budget.

Extended the maturity of the Federal debt; moved more of the debt away from banks, where it can contribute to inflation, and into the hands of long-term investors.

HOUSING: BUILDING BOOM REPLACED GOVERNMENT PROMISES

Brought home ownership within the reach of additional thousands of American families by enactment of the Housing Act of 1954 which—

Permits lower downpayments, lower monthly payments, longer repayment periods, and increased mortgage limits.

Increased authorization for FHA mortgage insurance.

Authorized 35,000 additional federally aided public-housing units.

Tightened laws to prevent windfall profiteering and to protect homeowners from abuses under home-repair and improvement program.

Inaugurated vigorous prosecution program to recover windfall profits and to prosecute violators of Federal housing laws.

Empowered Federal Housing Administration to insure mortgages for construction and rehabilitation of homes in neighborhoods threatened with blight.

Continued direct home and farmhouse loan programs for veterans.

Continued program of FHA insurance of private construction of rental housing at AEC sites and permanent military installations.

Under a Republican administration private housing construction boomed, providing employment for some 5 million persons and adding greatly to national prosperity. Fifty-five percent of the 47 million American families own their homes.

LABOR: FAIRNESS REPLACED MISGUIDED FAVORITISM

Brought to the Nation's workers the highest standard of living in history.

An alltime record of 64 million Americans have jobs.

Wages climbed to new highs.

Workers had a net gain because, while wages rose, the cost of living remained stable.

Gave tax cuts which were the equivalent to a wage increase for every taxpayer; workers now keep more of what they earn.

Promoted harmonious labor-management relations, resulting in less time and wages lost on account of strikes; since Republicans took office there has been greater worker-industry peace than in any comparable post-World War II period.

Extended unemployment compensation insurance coverage to 4 million more people—the first major extension since the program began.

Urged States to modernize their unemployment compensation; 23 States increased

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jobless pay benefits and 7 lengthened the payment period.

Recommended and supported legislation raising the minimum wage.

Blacklisted minimum wage violators and recovered back wages for underpaid employees—in the most vigorous enforcement program since passage of the Davis-Bacon Act of 1935.

Recovered for workers $6.5 million due them from employers who violated either the Fair Labor Standards Act or the Walsh-Healey Act.

Extended railroad retirement benefits for 1½ million workers.

Speeded procedures of National Labor Relations Board for handling elections, settling disputes, and disposing of unfair labor practice cases.

Expanded vocational rehabilitation program; strongly enforced child labor laws and health and safety standards; pushed apprentice-training and on-the-job training programs; helped veterans return to preservice employment.

AGRICULTURE: PEACETIME PROGRESS REPLACED WAR DISLOCATIONS

Aided farmers in the difficult transition from war to peace, adjusting outmoded Federal programs to current needs and minimizing the changeover; brought solid progress, as follows:

Per capita farm income increased in 1953–54, despite the decrease in total farm income.

Farm buying power remained stable in the past year.

Farm lands and buildings increased in market value by $2 billion in the past year.

Farm markets abroad expanded for the second consecutive year. Domestic markets increased, too, both in terms of quantity and quality of farm products demanded.

Whole agricultural industries improved. For example, dairy farming, in the doldrums when Democrats left office, is enjoying increased consumption, decreased surpluses, and improved prices. Government holdings of surplus butter were cut in half in the last year.

Enacted long-range farm program to provide an effective floor under farm prices while avoiding accumulation of price-depressing surpluses. Program provides for flexible price supports, effective with the 1955 harvests.

Worked aggressively to eliminate burdensome surpluses of farm commodities resulting from the rigid price support system put into effect by Democrats. Disposed of more than $1 billion worth of farm surpluses at home and abroad in the past year through barter arrangements, sales for foreign currencies, expansion of the school lunch program, and distribution to the needy.

Increased grain storage capacity in order to make effective price support operations in these years of record harvests.

Provided larger loan authorizations for rural electrification loans and for rural telephone loans.

Gave emergency assistance to frost- and drought-stricken farmers and leadership in setting up a long-range land-use program.

Extended social-security benefits to self-employed farm operators and to farm workers.

Enacted legislation permitting the Agriculture Department for the first time to work in partnership with small local watershed groups, with initiative and leadership remaining with the local organization.

Organized in less than a year 30 new soil conservation districts with 16 million acres of farm and ranch land.

Proposed a 15-point program to better the condition of more than a million farm families with yearly cash incomes under $1,000. The Democratic 84th Congress ignored the proposal.

VETERANS: PEACE REPLACED WAR

Gave 5 percent increase in pensions and pay for veterans of all wars and their widows and dependents.

Gave Korean veterans the same benefits and preferences as World War II veterans in war housing, civil-service appointments, and GI training; extended period for initiating training under the GI bill.

Raised funds for building veterans' hospitals to record amount; speeded construction.

Continued direct home and farmhouse loan programs for veterans; supported legislation liberalizing direct farmhouse loans and permitting Government-guaranteed loans to veterans for farmhouse purchase, construction, and repair; increased revolving funds so more direct loans could be made.

Continued Federal contributions to dependency allotments for more than 1 million enlisted personnel.

Continued paychecks and family allotments under the Missing Persons Act for Korean war prisoners and soldiers missing in action.

Provided automatic renewal of term insurance policies and simplified handling of veterans' life-insurance policies.

Extended the period for granting military service credits toward old-age and survivors insurance, assuring many servicemen of larger retirement payments.

Increased Federal payments for veterans cared for in State soldiers' homes.

NATIONAL RESOURCES, WATER DEVELOPMENT, AND PUBLIC WORKS: PARTNERSHIP REPLACED PATERNALISM

Authorized the St. Lawrence Seaway project which will open the heartland of America to the world's ocean sailing vessels.

Approved the largest Federal nationwide roadbuilding and improvement program in history, and proposed a vast interstate roadbuilding program which the Democratic 84th Congress rejected.

Ended antagonism to local and private power development; permitted the Federal Power Commission to license local public-utility districts and private power companies to pay for and construct their own power projects. This resulted in many offers to build new power projects without Federal funds.

Authorized what may be the third largest public power dam in the Nation—Priest Rapids Dam on the Columbia River; other dams approved.

Approved construction of the St. Lawrence River power project by the State of New York and Province of Ontario, expected to generate the second largest amount of power of any similar project in the country.

Provided for upstream watershed protection and flood prevention under local control—reserving a 20-year trend toward Federal decisions on need for, and location of, such projects.

Extended the Water Facilities Act from 17 States to all 48 States in a move to conserve the Nation's soil and water resources.

Authorized new projects, including Trinity River and Santa Margarita projects, California; Michaud Flats and Glendo unit, Idaho; Talent division, Rogue River Basin, Oreg.; units in Niobrara Basin, Nebr.; Yellowtail Dam, Mont.; Deer Creek, Utah; Owl Creek, Wyo.; and Roza power unit, Washington.

Authorized over $1 billion for navigation, flood control, and beach-erosion projects throughout the Nation.

Sponsored legislation enacted in the 84th Congress authorizing Federal loans to local irrigation districts for building, on Federal reclamation projects, water-distribution systems to be locally owned and operated.

Made available thousands of small tracts of land for constructive use as homesites, community parks, and business sites; supported legislation to open more than 7 million acres of public lands to mineral development.

Improved Western grazing lands through reseeding programs, water-spreading systems, and encouragement of soil and moisture conservation practices by range users.

Returned to the States their rights to submerged lands and resources off their coasts out to their historical boundaries—an area comprising about one-tenth of the area of the Continental Shelf and about 17 percent of the mineral resources.

Kept for the Federal Government submerged lands and resources beyond State boundaries—an area comprising about nine-tenths of the area of the Continental Shelf and about 83 percent of the mineral resources. Private industry has already signed leases totaling almost $250 million; in all, an estimated $6 billion is expected for the United States Treasury from leases in the area.

Permitted—for the first time—multiple mineral development of the same tracts of public lands to encourage domestic sources of vital materials.

Inaugurated long-range programs for mining and metallurgical research; intensified study of thorium, the second most important radioactive metal; continued synthetic fuels research.

Improved facilities in national parks.

COMMUNISM: ACTION REPLACED COVERUP

Inaugurated an era of cooperation between Congress and the Executive in combating communism in the United States—a drastic change from the previous administration's 20 years of vacillation, obstruction, and coverup.

Enacted long-needed Communist-control laws which (1) outlaw the Communist Party; (2) grant immunity to witnesses before congressional committees (now being tested in the courts); (3) impose heavier penalties for concealing persons from arrest; (4) impose heavier penalties on bail jumpers; (5) deny a Government pension to any Federal employee convicted of a felony; (6) revoke the citizenship of persons convicted under the Smith Act of seeking to overthrow the Government by force and violence; (7) make peacetime spying a capital offense; and (8) require registration of all printing presses owned or used by Communists.

Set up Internal Security Division in the Justice Department to give exclusive attention to vigorous prosecution of antisubversive laws.

Obtained convictions of 57 persons under the Smith Act.

Ordered the Communist Party to register under the Internal Security Act; the order is on appeal in the courts. Other decisions by the Subversive Activities Control Board are in the mill.

Deported over 260 subversive aliens—more deportations in 2½ years than during the preceding 20 years.

Weeded out more than 3,000 security risks from Federal jobs; in addition, more than 5,000 resigned for security reasons.

Vigorously pushed congressional investigation of various Communist activities, revealing, among other things, the promotion of a known spy, Harry Dexter White. In 1953–54, 571 witnesses invoked the fifth amendment.

Reaffirmed determination to pursue congressional probes by joining Democrats in January 1955 in passing Senate Resolution 18 which declared committees should vigorously investigate the Communist international conspiracy.

Revoked the notorious Truman loyalty order; revised and improved—though did not perfect—security system in Government. The entire problem is to be resurveyed by a new bipartisan commission which is to make recommendations for improvements.

HEALTH, EDUCATION, AND WELFARE: PROPER AID REPLACED INCREASING INTERVENTION

Established Health, Education, and Welfare Department.

Voted funds for school construction and operation to full extent allowed by law where schools are crowded because of Federal activities.

Voted full amounts authorized for school-lunch program.

Developed program of State and local studies on educational problems, with national consideration scheduled at a White House conference this fall.

Authorized Federal Office of Education to contract with universities, colleges, and other educational agencies for research, surveys, and demonstrations on educational problems.

Approved—for the first time—payment of Federal funds to States for diagnostic or treatment centers, hospitals for the chronically ill, rehabilitation facilities, and nonprofit nursing homes.

Increased grants for research on cancer, heart, mental health, and arthritis.

Supported legislation requested by the President for research on air and water pollution.

Broadened vocational rehabilitation program to include training of doctors, physical therapists, occupational therapists, and other specialists.

Sponsored a nationwide health program stressing Federal reinsurance of private hospitalization and surgical insurance plans (still before Congress).

Extended social-security coverage to 10 million more people in the first major increase since 1935. For the first time, 9 out of 10 gainfully employed workers are covered.

Increased social-security benefits to those already on social-security rolls, with proportionate increases for dependents and survivors. Liberalized many other social-security features.

CIVIL RIGHTS: PERFORMANCE REPLACED PREACHMENTS

Wiped out virtually all segregation in Armed Forces units; also in veterans' hospitals as rapidly as medical considerations permitted.

Appointed Negroes to more important Government posts than ever before.

Established Government Contract Committee to promote equal job opportunities on all Government work done by private industry.

Established President's Committee on Government Employment Policy to end discrimination in Federal jobs.

Filed a friend-of-the-court brief with the Interstate Commerce Commission urging an end to segregation in interstate travel.

Ended segregation in restaurants, theaters, hotels, and schools in the Nation's Capital.

ATOMIC DEVELOPMENT: SHARING REPLACED MONOPOLY

Inaugurated peacetime development of atomic energy by private enterprise, ending Federal monopoly which limited work to war purposes.

Revised the Atomic Energy Act to permit (1) sale for public use of electricity developed by AEC—the first such power was delivered in July 1955; (2) joint Government-industry financing of civilian power reactors—the country's first nuclear powerplant is now under construction and other projects are being considered; and (3) privately financed nuclear powerplants—one firm has already applied for a license to build the first atomic plant without Government funds.

Continued spending for nuclear research on general reactors and civilian power reactors.

Launched the atoms-for-peace program to demonstrate America's sincere desire to harness nuclear energy to benefit—not destroy—mankind.

Proposed Federal funds to construct an atomic-powered merchant ship to show the feasibility of such transportation.

GOVERNMENT ADMINISTRATION: CONSTITUTIONAL GOVERNMENT REPLACED DICTATORIAL ACTION

Replaced extremist New Deal Democrats who tried to draft striking American workers into the Army and seized private property illegally.

Reversed the 20-year trend toward centralization of power in Washington.

Sold to private enterprise 25 federally owned synthetic rubber plants and the Inland Waterways Corporation; and disposed of many businesstype and commercial enterprises conducted by the Defense Department and civilian agencies in competition with private enterprise. Discontinued the RFC. All branches of the Government resurveyed their commercialtype activities, and in July 1955 recommended those which the Government could let private industry perform at less cost to the taxpayers.

Approved and put into effect 12 reorganization plans to improve the operations and efficiency of Government departments and agencies, and to lower the cost of government.

Established the Commission on Organization of the Executive Branch of the Government to study Government functions and operations. By July 1955 the Commission had made over 300 recommendations, which, if entirely adopted, would save an estimated $10 billion.

Established the Commission on Intergovernmental Relations to study Federal-State-local functions and fiscal resources and recommend proper allocation thereof.

All Government departments and agencies cooperated with these Commissions and wherever possible without legislation adopted many of their recommendations to improve the executive branch.

Where legislation was required, Republican Members of Congress sponsored appropriate measures.

Reduced the number of Government employees by more than 250,000.

SECRECY IN GOVERNMENT AND FREEDOM OF THE PRESS

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the RECORD a statement which I have prepared on the subject of Secrecy in Government and Freedom of the Press, together with the exhibits I have attached.

There being no objection, the statement and exhibits were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HUMPHREY

SECRECY IN GOVERNMENT AND FREEDOM OF THE PRESS

One of the unfortunate facts of the age we are living through is the impact of the Soviet Communist conspiracy upon our free democratic institutions. We may hope that in the long run the example of our free society in the world will make some impression on the totalitarian states and gradually modify their police states in the direction of freedom.

But we cannot be unaware of the reverse danger to ourselves. The threat posed to our security by the methods of international communism is not only the immediate one of attack or subversion. A less direct threat, but one the effects of which we can see even now in our midst, is the gradual change that the mere existence of the Communist conspiracy in the world works upon the accepted standards and precepts of our democratic society.

In subtle ways, each day, gradually over the years, transformations are being wrought that weaken and alter our democracy. In our efforts to combat the menace of international communism, we all too frequently ape the totalitarian methods.

In response to the methods of infiltration, espionage, and internal subversion of the Communist conspiracy, we have reacted with numerous safeguards—sometimes carefully thought out but more often makeshift and faulty. In adopting these security measures we tell ourselves that they are only temporary, that we will someday be able to dispense with them when they are no longer needed.

We retain a vision of a democratic society while accepting in reality curtailments of that democracy in the name of security.

The expectation that we will someday be able to eliminate these abridgements to our democracy and return to the freer society we have always known may be a false one. For, as we adopt such measures, they not only become imbedded, difficult to dislodge, but they work subtle transformations that are themselves destructive of our democratic institutions. An acceptance of curtailment of freedom is apt to come about—and I am afraid it has already come about—that dulls our senses to the appreciation of democracy. The fine lines that must be drawn between the methods of the free state and the police state, between democracy and totalitarianism, become blurred and are lost sight of. Still worse, our dulled senses come to accept uncritically further inroads upon our freedoms, inroads in no way necessitated by the needs of meeting the Communist threat.

There are many instances of this gradual erosion of our freedom. I wish to discuss only one of them here today, though, in actual fact, no one factor can be singled out from the mass psychological change that underlies this threat to our democratic society. I wish to discuss today the abridgement of freedom of the press that is taking place in numerous and subtle ways in the United States at this time.

When the founders of our Nation wrote into the Constitution that the "Congress shall make no law abridging the freedom of the press" they were embodying in our law a fundamental tenet of a free society—that the people must have all the facts if they are to participate and act intelligently in governing themselves, that the press must be free to get the facts upon which the people can base their thought and actions.

Congress, though elected by the people, can in no way abridge that freedom of the press and so deny the people access to the facts. For the press in this respect is the people's representative. As the Congress makes the laws and the Executive enforces the laws, the press provides to the people the information upon which their judgments of the laws and the lawmakers are based. A free press is as vital to the functioning of our Government as is any of the three branches of the Government itself. As Thomas Jefferson wrote to President Washington:

"No government ought to be without censors: and where the press is free, no one ever will. If virtuous, it need not fear the fair operation of attack and defense. Nature has given to man no other means of sifting out the truth either in religion, law, or politics."

When we consider what freedom of the press means in terms of the daily functioning of the working press we soon see that this freedom is today being seriously abridged.

We see that what the bill of rights has specifically forbidden the Congress to do by law is being done in myriad other ways and just as effectively.

Newsmen here in Washington tell me that it is becoming increasingly difficult for them to get the news. Barriers of every sort are set in their way.

The American Society of Newspaper Editors, Sigma Delta Chi, and other organizations are seriously concerned with this problem. In the past the newsmen themselves have been the greatest defenders of freedom of the press and of the public's right to know.

They still are vigilant against every encroachment upon their news gathering activities and their right to publish what they learn. But the magnitude and nature of some of the new restraints on the flow of information are such that all of us in government and all other citizens should be deeply concerned in order that our right of access to information be preserved.

If the newspaper community indicates that it wishes such an expression of our support, I will introduce at the beginning of the next session a resolution that will place the Congress on record in a way that will insure greater access to information.

At this time I wish to indicate what some of these new problems are that confront newsmen as they try to report the activities and policies of our Government.

I have already called to the attention of the Senate, in February of this year, that the excessive number of executive sessions being held by congressional committees poses a serious obstacle to the reporting of the news.

Whenever we exclude newsmen from a hearing or committee session we are excluding the 165 million Americans whose public business is being transacted there. We are not above reproach in this problem of secrecy, often in matters where no secrecy is required.

I would not presume to discuss the affairs of the other body, but I note that the chairman of the House Rules Committee recently objected to the fact that all hearings of the House Appropriations Committee are held in closed session. Not even Members of Congress are admitted.

I would like to call the attention of the Senate to some of the more recent developments that tend to constrict the flow of information on which the American people must base their judgments. Not the least of these, I am told by responsible newsmen, is simply the increasing difficulty of getting people to talk—to tell them the facts they need on which to write their stories. It is less and less possible for a reporter to call up someone in an executive agency or department and learn the facts of a situation upon which that individual may be better qualified to speak than anyone else.

Sometimes the call will be referred on to someone higher up, or the individual contacted will just be reluctant to talk to the newsman at all. This is a serious problem for news reporters.

It means the drying up of their news sources, or it means a dearth of information available. It is a problem for the reporter in the pursuance of his daily task, but I would suggest that it is an even more serious problem for the American people and the Government itself.

For this shroud of silence that has descended over the Government prevents not only the American people from knowing what their Government is doing but prevents the Government itself from functioning as it should. We in the Government are more dependent than we may realize upon the information that is gathered for us and presented to us daily by the press, radio, and TV news services.

I would not attempt to say what precisely is the cause of this reluctance on the part of the people in the executive branch to talk with newsmen. It probably stems from a number of causes. In some instances it is an established policy of a department—and I will take that up later.

But perhaps it more often arises just from a desire to play it safe and not get involved in controversy.

This symptom goes to the heart of the situation I am discussing here. Whatever its causes, it is indicative of a tightening up on the flow of information on governmental matters that should be public knowledge.

A more formal tightening up on information resulted recently from the Department of Defense directive on clearance of information issued on March 29. Here we get into the area in which information definitely becomes a matter of security. I do not suggest for a moment that there are not data and information that genuinely require secrecy and security measures of the most guarded sort. Until and if the day ever comes when the Soviets agree to exchange complete military information with us, we will have to maintain strict security measures to insure that our most vital secrets are protected.

But the March 29th Defense Department directive did not stop at that. Let me read to you one paragraph—which has proved to be a very controversial paragraph—from that directive:

"Such review and clearance shall be related not only to a determination of whether release of the material would involve any technical or substantive violation of security but also to a determination of whether release or publication of the material would constitute a constructive contribution to the primary mission of the Department of Defense."

Note the concluding phrase: "Whether release or publication of the material would constitute a constructive contribution to the primary mission of the Department of Defense."

Some question has been raised as to just what the Department of Defense would consider constitutes a "constructive contribution to the primary mission" of the Department. This question was most notably spelled out in an exchange of letters between J. Russell Wiggins, executive editor of the Washington Post and Times Herald, and R. Karl Honaman, Deputy Assistant Secretary of Defense for Public Affairs. Mr. Wiggins is chairman of the Freedom of Information Committee of the American Society of Newspaper Editors.

Mr. Honaman was formerly Director of the Office of Strategic Information which he set up in the Department of Commerce last November.

Here is what Mr. Wiggins wrote to Mr. Honaman on May 16:

"Ever since Secretary Wilson's order, I have wondered if the Department realized the extent to which this order has cast doubt upon all information emanating from the Defense Establishment. When an organization makes a deliberate statement that it is going to release only information that is self-serving, it is bound to have a very damaging effect upon public credibility."

In reply to this, on June 2, Mr. Honaman has this to say:

"Your letter of May 16 raised some questions which call for our thoughtful consideration. A particular reason to my mind is the fact that Mr. Wilson's directive of March 29 has been interpreted to mean that he wants to limit available information to that which is 'self-serving,' to quote from your letter.

"I am very sure that there was not in Mr. Wilson's mind any thought that we should limit the availability of information to that which is self-serving. In fact, I am sure that information which is only self-serving would not be constructive, and I surmise that in some cases there have been examples where things have not been constructive because they were self-serving.

"The public is eager to be informed of the activities of the Department of Defense, and needs to have this information in order to effectively play its part as citizens. There are, nevertheless, many cases where demands for information which take up the time of people with busy schedules do not truly meet the requirement of being useful or valuable, nor yet very interesting to the public. These are tests that should be met. Thus, I would substitute for self-serving, public serving, and I am sure that this is part of the interpretation of constructive.

"Beyond this is the question of information that will help an enemy to build his military potential. There may be cases where it is necessary to accept some risk along this line, but the test of usefulness should also be applied in cases like this. You have, of course, heard me discuss this question on a number of occasions, and I think the application of balanced judgment, balancing risk against usefulness is certainly within the purview of constructive as the order intended it to be. An excellent example of the way to accomplish our objective is to be found in the handling of the NIKE information several weeks ago.

"I am very sure that in time we will come to realize that the concern that has been expressed over the use of the word constructive will be found not to be justified, and that adequate information will flow, along with the exercise of appropriate care, not to harm our country."

That was R. Karl Honaman replying to J. Russell Wiggins. And here, further, is the letter that Mr. Wiggins wrote to Mr. Honaman on June 10:

"The trouble with releasing only information that is constructive or public serving is the difference of opinion that often arises in construing the terms. An official inside the Defense Department is not likely to regard as constructive, information that discloses his own errors. Persons on the outside of the Department may very well regard these disclosures as constructive and public serving. The real difficulty is that even conscientious people, after a long experience in government, have a great deal of difficulty in distinguishing between their own interests and those of the government. They are pretty likely to think that anything which puts them in a bad light is not constructive. These judgments cannot be made objectively by persons involved in the decisions that are under study. They can only be made objectively by persons who are not involved—by persons who are not in the government.

"The most arbitrary governments in the history of the world have frequently professed the desire to publish all constructive information. In order to insure that the information released was constructive, the Nazis and the Fascists preferred the staged and ordered and planned use of propaganda devices and frowned upon any information obtained by other methods.

"I have no objection to the kind of presentation of Nike information in which we participated a few weeks ago, unless it is the intent and purpose of the Department to limit the dissemination of Nike information solely to such planned and packaged presentations.

"In a democratic society there ought to be a continuous flow of information from the government to the people, and that information ought to include not only the facts which the government wishes released but some facts which citizens have obtained contrary to the wishes of government. Any other system makes the government the sole judge of what the people are to be told. This, I think you will agree, is an indefensible philosophy in a free society."

Now the significant fact that I think should be pointed out about this directive of the Department of Defense is that there is not any real consideration of security in the concept of "material that would constitute a constructive contribution to the primary mission of the Department of Defense." Any material that involved security considerations would not be released at all—it would be classified and stamped "Top Secret," or "Secret," or "Confidential" and

locked up in filing cabinets with combination locks. No reporter would expect to get classified information, and no one in the Defense Department would give out such information unless steps were first taken to declassify it. We can only conclude that the "constructive contribution" stipulation applies to information that is not in any way secret.

I understand that this directive and another promulgated at the same time have caused considerable confusion and difficulty in obtaining news from the Pentagon. The other order reduced public information personnel by one-half or one-third and replaced military public information chiefs with civilians.

Veteran Pentagon reporters inform me that the civilian public information people often do not have the technical knowledge that the military information officers had. As the directive further ordered that all material be passed upon by an information officer before being given out, the news gathering activities of reporters covering the Defense Department have been severely handicapped. And I would point out to you that the Department of Defense spends three-quarters of the money we appropriate, employs three-quarters of the people employed by the Federal Government, and carries on activities that are at the core of our foreign policy as well as our Nation's security.

I attach hereto as part of my remarks an article that appeared in the New York Times of March 31, 1955, headlined "Wilson Cuts, Curbs Information Staff."

(See exhibit 1.)

Also I would like to have included for purposes of the RECORD at this point, a copy of the Defense Department directive of Mar. 29, 1955, numbered 5230.9 entitled "Clearance of Department of Defense Public Information."

(See exhibit 2.)

Further, I would like to have included at this point in my remarks an article that appeared in the New York Times of April 7, 1955, headlined "News Curbs Stir Pentagon Dispute" which says about the Pentagon, following the issuance of the directives of which I have spoken, "Meanwhile newsmen were not getting much news out of the place. While waiting for the fight to simmer down, they were doing miles of extra legwork in the vast structure trying to get to news sources through back doors."

I ask that the article be included in my remarks.

(See exhibit 3.)

At a news conference held on April 12, Secretary of Defense Charles E. Wilson, defended his directives for control of Defense information. But according to the New York Times, of the following day, concerning the "constructive contribution" requirement for the giving out of information, Secretary Wilson indicated—and I quote from the Times—"that he was concerned with questions of propriety and criticism of his department and its policies as well as with defense secrets."

I attach the article from the New York Times of April 13, headlined "Censorship Move Denied by Wilson."

(See exhibit 4.)

I contend that events subsequent to the issuance of this "constructive contribution" directive have borne out whatever fears newsmen and others of us concerned about the public's right of access to information might have had that the order would be used for purposes other than preventing the leaking of information useful to a potential enemy.

Secretary Wilson may be understandably concerned with questions of propriety and criticism of his department and its policies, but what he does not seem to understand is that in government, in a democracy, this criticism is healthy and constructive.

Let us consider what have been some of the uses—and I should say "abuses"—of security classification since Secretary Wilson promulgated his famous order on March 29.

I am not sure but that the first instance of the abuse of classifying information would not have occurred anyway, even without the new directive. But it shows how the security classification can be used for matters other than security.

I am speaking of the reclassifying of the documents bearing on General of the Army Douglas MacArthur's views on the need for Soviet Army support before an invasion of the Japanese home islands. I think we all remember how the Yalta papers were released—that they were "leaked" to one newspaper after the State Department had earlier said that the publication of the papers would adversely affect our Nation's security.

Part of the controversy following the release of the Yalta papers concerned whether military advice had been given that the Soviet Union must be brought into the Pacific war before we attempted an invasion of the Japanese home islands.

A number of sources indicated that General MacArthur had given such advice. The General denied this. Newsmen asked that they be allowed to see the original documents pertaining to General MacArthur's position in the matter. The documents had already been utilized by historians, and newsmen learned that they had been declassified. Certain extracts pertinent to the dispute were marked and a general agreement made for their release. But just when they were about to be given out to the press, the documents were reclassified "confidential."

I attach as an exhibit the Defense Department memorandum, dated April 2, 1955, which declassified these documents:

(See exhibit 5.)

The memorandum declassifies the documents and states that the Department interposes no objection to the press examining them—with consideration for the fact that the documents, if reported in full, would reveal information about the planning and organization of United States Forces for the mounting of a major seaborne invasion. Newsmen would have respected this restriction, just as they have, during wartime, cooperated in maintaining secrecy on matters clearly requiring security.

While the memorandum makes clear that the documents had been declassified, actually they had been without classification since the time when the President's order had gone into effect doing away with the classification of "Restricted"—the lowest of all the security classifications. Yet at the very moment when they were to be given to the press they were reclassified "Confidential." This apparently was done under Secretary Wilson's new Information Directive of March 29. Whatever was the reason—and I am sure I do not know if there was one at all—the documents have not to this day been made available to newsmen. I am informed by newsmen that they still are trying to get the Pentagon to release this information to newsmen, but without success.

When it suits the administration's purposes to release documents, such as the Yalta papers, though their release may adversely affect our Nation's security, there is no hesitation about "leaking" such documents to a newspaper. And when it suits the administration's purposes to reclassify documents and put a "Confidential" label on them, as in the case of the MacArthur documents, there is no hesitation to so pervert the use of the security classification.

This is the manipulation of information for political gain and goes beyond even the problem of access to information with which I am here concerned.

Not only are newsmen being denied access to information in the name of security, but by official leaking some information to newsmen and then classifying other information without justification, the press of this country is being made the unwilling party to a propaganda stunt. That the propaganda stunt failed makes it no less reprehensible on the part of the administration.

I will not dwell longer on this particular instance of the press being denied information for reasons other than security. There are too many other examples I wish to present to the Senate. It points up rather clearly, however, that hand in hand with this excessive secrecy goes the temptation to manipulate information, to give out only what suits the administration's political purpose and not give out what may be inconvenient or embarrassing.

For the next example of the administration and the Defense Department's interesting new approach to information, we need a little background briefing. R. Karl Honaman spoke to the convention of the American Society of Newspaper Editors on April 22. Mr. Honaman was on that day still director of the Office of Strategic Information that he had set up in the Department of Commerce. But 4 days later he was to be introduced to newsmen at a press conference by Secretary Wilson as the new Deputy Assistant Secretary of Defense for Public Affairs. On April 22, Mr. Honaman told the newspaper editors of the problem of keeping strategic information of a technical and military nature from any potential enemy. To illustrate that he recounted the following story—and I quote Mr. Honaman:

"This example concerns guided missiles. An engineer without intelligence experience applied to a defense contractor for a job. While he was waiting for security clearance, he decided to check up on the guided missile program, as far as he could, to see what he could find out. He consulted published information only, such as was available in a public library in one of our large cities. This included newspapers, technical magazines, Government publications, and so forth. He worked on this project on his own for 3 months. At the end of this exercise he wrote a report on the United States guided-missile program. His report, 45 pages long, included 15 pages of charts which gave very accurate information on the characteristics of our weapons. He included detailed information which gave for each its name, model designation, manufacturer, guidance system, method of propulsion, length, diameter, range, and maximum altitude. He also included certain reasonable deductions concerning the high-level plans and policies of our whole guided missile program. This report was accurate and reasonably complete. In fact it was so accurate that it was found necessary to classify it. Yet, all the information put in that report was gathered from information readily available to anyone who wanted to take the trouble to bend his mind to that kind of study."

Now, that was R. Karl Honaman as he spoke to the American Society of Newspaper Editors on April 22 of this year. Four days later Mr. Honaman was introduced to the press at a press conference by Secretary Wilson as the new Deputy Assistant Secretary for Public Affairs.

It was at this press conference that the Department of Defense admitted that three technical items, not previously cleared but still classified, were included in the military information compiled in the Senate Republican Policy Committee Pamphlet titled "National Defense Under the Republican Administration—Today and Tomorrow."

In addition to much other information on the details of our military forces and weapons, the pamphlet gave, in particular, information on our guided-missile program. More than a dozen types of guided missiles were described in detail, even to their propulsion systems, and information was given as to how they would be utilized in combat. This was just the sort of compilation of pre-

viously published data that Mr. Honaman had described in his talk to the American Society of Newspaper Editors.

When it had been done by a private individual, the compilation was promptly classified as security information that should not be given out to the public, though no information was included that had not already appeared in public print.

But when the Senate Republican policy committee made such a compilation and brought it out as a political pamphlet to support the administration's reductions in our Military Establishment, the Defense Department did not classify it, though it was admitted that three of the items appearing in the pamphlet had never been declassified.

When this was called to the attention of the President at a press conference, he was not too sure of the details, but he promptly labeled it "a blunder." Yet the Defense Department did not classify the Republican policy committee's pamphlet. There is an obvious and blatant inconsistency here in the way in which the Pentagon administers its rules on security of information.

I attach as an exhibit the article from the New York Times of April 27, 1955, headlined "G. O. P. Evades Net on Defense News," and the article from the New York Times of April 28, 1955, headlined "President Limits Field of Secrecy."

(See exhibits 6 and 7.)

It might be worth mentioning here that in the latter article reference is also made to the President's remarks at his press conference on April 27, in which he said:

"I think today to hold secret any document of the world war, including my own mistakes, except only when they are held there by some past agreement with a foreign nation, that has not yet been abrogated, it is foolish. Everything ought to be given out that helps the public of the United States to profit from past mistakes, to make decision of the moment; that is current information."

It would be helpful if the President would make his views more emphatically known to the people in the Defense Department who have so far denied to newsmen the documents of World War II giving General MacArthur's position on bringing the Soviet Union into the war. All too often we see the situation of the President politely chastizing his officialdom, but such criticism not resulting in change of official policy. The President appears to be for expanded access to information, but his administration acts to the contrary.

Mr. President, I attach also an editorial that appeared in the Washington Post and Times Herald of April 28, 1955, titled "Bailing Out a Blunder."

(See exhibit 8.)

In the month of May a further instance of withholding information from the American people for questionable reasons occurred. The appearance of formation flights of new Soviet jet planes over Moscow around May Day was known in all the capitals of the world and was certainly known in Moscow. But this information was not immediately given to the American people. It would have indicated that the Soviet Union was catching up or perhaps overtaking us in the production of long-range jet bombers. This news seriously places in question the reductions the administration is making in our ground forces on the supposed basis of our strategic air superiority.

There was hesitation, there was delay. Finally, when it became clear that the news of these flights, published in other countries, would inevitably be picked up and reported in this country, the administration did release some information about the Soviet bombers. The release was late and reluctant.

But, as Hanson Baldwin, the military expert, said, writing in the New York Times on May 19: "The wording of the announcement was terse to a point of obscurity and the motivation decidedly mixed."

Mr. Baldwin has reference to the fact that the announcement seemed aimed more at heading off criticism by Members of the Senate of the reductions in ground forces than it did at genuinely giving the facts to the Congress, the press, and the American people. As Mr. Baldwin concluded in his article: "All this can, and should, be told to Congress and the American people—but not in a sudden 'crash' release issued not for information but for effect and restricted to partial truth. Last week's release about the new Soviet planes is the best possible illustration of what is wrong with Secretary of Defense Charles E. Wilson's formula for the release of military news that is constructive. The word 'constructive,' in this instance, was translated to mean for political advantage and service effect."

Mr. Baldwin's charge that only the "partial truth" was revealed in the administration release was borne out after the magazine Aviation Week carried the full data on the new Soviet planes, and the Defense Department then finally confirmed the omitted significant details.

Robert Hotz, editor of Aviation Week, wrote that the American people "should be shocked by what appears to be deliberate deception practiced against them by some of the highest civilian officials in their Government. These officials have concealed the unpleasant but true and complete facts of the Russian air display behind a vague and incomplete Department of Defense press release."

Mr. Hotz went on in the editorial in Aviation Week to say:

"Even more serious than the growing threat of Russian airpower is the deception being practiced officially by top-level civilians in Government that denies the American people the facts they must know if they are to make the intelligent judgments necessary to insure our survival as a Nation. The complete story of the Russian air display * * * was known to top civilian officials in the Defense Department and presumably in the White House, where the official press release was edited and cleared for publication."

Then Mr. Hotz asks:

"Why was the whole story withheld from the American people?

"Why were facts that were available to every resident of Moscow and hundreds of non-Russian observers who were in the Soviet capital between April 24 and May 7, 1955, denied to the American press and people?

"Why are the pictures of these aircraft taken by foreign observers still concealed in the Pentagon under the guise of military security?

"Why does not President Eisenhower use the leadership endowed by his position to tell the American people the complete story of the Moscow air show and what it means to the future of this country?

"If the executive branch of the Government does not fully discharge its responsibility to tell the American people the facts on Russian airpower it is clearly the duty of the legislative branch to formally investigate and put the whole story on public record."

And, finally, Mr. Hotz concluded:

"This alarm over Russian airpower is no shallow plea for a boost in the fiscal 1956 military budget. It is no false cry of 'wolf' from professional soldiers. The crisis is real. The country is facing one of its most dangerous hours. If freedom and democracy are to survive the American people must be told the whole truth.

"Intelligent decisions cannot be made in a dark aura of public ignorance and official secrecy."

I am trying to confine myself in these remarks primarily to pointing out instances in which I think the use of classification and secrecy has been perverted from its true purpose. As I have stated already, there is no question that some information and technical data must be kept from a potential enemy. But I think we can clearly see in some of the instances I am citing how secrecy is being extended beyond its justifiable use of protecting the Nation. Actually, the overzealous use of secrecy serves to weaken the Nation and gives us a sense of false security.

There is always that temptation for public officials to cover up their own mistakes or withhold information that might be inconvenient or embarrassing if revealed. And beyond covering up mistakes or embarrassing facts a further risk is involved in our having to maintain security over the flow of some information. That is, that by the manipulation of information, by releasing a little here and withholding a little there, a false picture can be built up to support an administration policy that would be insupportable if all the facts were revealed.

The psychological warriors are apt to become so enthused over their propaganda successes in the international realm that they are tempted to use psychological warfare on the American people.

Since they alone know the secrets, they come to feel that only they can decide policy. Then public opinion becomes something to manipulate, to mold to support the policy. The danger in this is that the policymakers might sometimes be wrong. Then there is no correcting influence of the press, or of the Congress, or of the people. I think we saw an instance of that earlier this year when a policy decided upon in complete secrecy was sent over to the Congress as a fait accompli—it could only be accepted and could not be altered.

I wish to include at this point some remarks that were made on this subject by the former assistant to the President for National Security Affairs, Robert Cutler. Much comment has already been made about General Cutler's remarks, and I am not sure that all of it has been justified.

But General Cutler does state rather boldly the need he feels for keeping a good many of the facts upon which policy is based, and perhaps some of the policy itself, from the American people. He is careful to state that he is speaking only of classified information, though he has some hesitations about making public much unclassified information that might in some way be of value to an enemy.

General Cutler's remarks are rather lengthy and carefully thought out. They are contained in an address made before the Associated Harvard Clubs meeting in Cincinnati on May 14, 1955, and are titled "Some Considerations Affecting the Publication of Security Laformation in Time of Propaganda War." I suggest, to my colleagues, that General Cutler's address be carefully studied. I shall not include its entire text in the RECORD, but do quote pertinent sections.

General Cutler poses some questions which I think need answering. He says, toward the conclusion of his address:

"In this world, where freedom as never before struggles rawly for survival, what is the role of free speech and free press in the United States with respect to publication of secret security matters? Is it enough today merely to assert these great principles in order to enjoy the right of their exercise in these secret and sensitive areas? Or should free speech and free press here validate their right to be heard? I suggest in these areas, they must make clear how they will contribute to our survival; they must prove to us that the widespread, public disclosure of our secret projects will make the free world stronger, and the neutrals better disposed will rally the subject peoples and will put the Communist regimes at disadvantage."

I think that General Cutler answers himself with his own question. He suggests that

free speech and free press must validate their right to be heard—he is speaking only with respect to the secrets of the councils where high policy is made, I am well aware. But that he could raise the question discloses the error to which those on the inside of the highest councils are subject. They come to feel so certain that they are the only ones who know enough to make policy that they begin to question the very purpose of that policy itself—the preservation of a free society. It is no longer secrecy that must justify itself, but rather free speech and the free press that are the upstarts, subject to question and perhaps censure. Others have criticized General Cutler's remarks more harshly than I do here, and I would like to include that comment in the RECORD at this point. I attach as an exhibit a column by Joseph and Stewart Alsop called "Security Versus Democracy" that appeared in the Washington Post and Times Herald on June 15, 1955, and an editorial titled "Secrecy a la Mode" published in the Washington Post and Times Herald on June 21, 1955.

(See exhibits 9 and 10.)

I would just like to return for a moment to the Department of Defense and its approach to information and security. While I have spoken a great deal of the Defense Department in these remarks, I do not intend to overemphasize its part in the problems of the free press in covering news in Washington. The Defense Department is one of the most difficult places for a newsman to attempt to gather the news, both because of its sprawling vastness and complexity and also because by its nature so much more of the information in which the Department of Defense deals is classified in one way or another.

And then we have the recent tightening up on information at the Pentagon under Secretary Wilson's directive of March 29 and by the new Deputy Assistant Secretary of Defense for Public Affairs, Mr. Honaman.

But I do not wish to give the impression by speaking at such length that the Defense Department alone presents a problem to the conscientious newsman trying to do his job of keeping the American people informed as to what is going on in their Government. Other agencies and departments present an equal challenge to the continuance of a free press—some more than others—and I intend to speak of some others in a moment.

But right now I would like to mention one additional attempt that has been made in the Defense Department to tighten up on the flow of information. All Army field commands have been sent forms "to help channel the thinking" and that is the Army's phrase, not mine—"to help channel the thinking" of information officers in answering questions from the press and other inquiries.

The forms are called "Balance Sheets for Strategic Information," and, interestingly enough, are the same forms that Mr. Honaman instituted in the Office of Strategic Information at the Department of Commerce before he moved over to the Defense Department. The forms help to channel the thinking of the field officers so as to decide whether giving out the information requested would be helpful or harmful to the interests of the United States. Note, here again, that we are not dealing with secret or classified information.

On the form the information officer is supposed to check under "Helpful to U. S." or "Harmful to U. S.," the "Net Effect on Military Power," the "Net Effect on Industrial Power," the "Effect on Morale," "Other Strategic Angles," and "Other considerations"—which has after it in parentheses "(Anything you can think of)."

I attach a copy of the "Balance Sheet for Strategic Information," and I also include the letter that was sent out explaining how this "balance sheet" is to be used.

(See exhibits 11 and 12.)

Now, the trouble with forms such as these, sent to information officers throughout the Army to remind them—and I quote from the letter—"that there are other considerations in connection with the release of material than simply whether the information is classified or privileged"—the trouble with such forms as these is that any officer receiving them will be inclined to play it on the safe side and not risk giving out information if it might, by the remotest possibility, be harmful to the interests of the United States. This is the great problem of the tightening up of information throughout the Government.

All people called upon to interpret such directives are going to be overly cautious and hesitate to respond to questions from reporters or anyone else who might make the inquiries. There is no penalty to being too secretive, but you might get in trouble if you give out information that might be harmful to the best interests of the United States. Little wonder that newsmen are finding their jobs increasingly difficult in Washington. The surprising thing is that they can get anyone to talk with them at all.

One of the most recent—and I might say most blatant—examples of the misuses of classifying information, I have already called to the attention of the Senate.

I am speaking of Secretary Wilson's explanation of why he had classified and withheld from the press General Ridgway's final report to him. General Ridgway, retiring as Chief of Staff of the Army, sent a letter to Secretary Wilson on June 27 which contained strong criticism of the administration's reductions in our ground forces. Secretary Wilson asked the Army to classify the letter "Confidential." The Army explained at the time that the classification was only temporary to permit study and review.

Over 2 weeks later the New York Times, having obtained a copy of the letter and found that there was nothing secret in it, published the Ridgway criticisms of the administration's cutbacks in our armed strength.

The Defense Department then released the letter—an admission that there was nothing secret about it. And then, Secretary Wilson, with his usual remarkable candor, is reported to have said that "he had ordered the Army to put a confidential stamp on the nonsecret document because he did not wish to add in any way to the problems of President Eisenhower and of Secretary of State Dulles at the Geneva Conference."

Apparently Secretary Wilson had read the letter sent out with Mr. Honaman's "balance sheets" declaring "there are other considerations in connection with the release of material than simply whether the information is classified or privileged."

I wish that Secretary Wilson and Mr. Honaman would stress that one of the "other considerations in connection with the release of material" is that the American people have a right to know a great deal of the information that is now being kept from them. All the stress and implications of these official directives are presently in the other direction.

Secretary Wilson has himself disclosed this attitude in classifying "confidential" a nonsecret document solely because he did not wish to add to the problems of President Eisenhower and the Secretary of State.

I submit that this is a classic example of the way in which the classifying of information is being perverted to cover up mistakes or merely for the convenience of someone who would rather not be criticised.

Democracy thrives on criticism. To be sure, it is the misfortune of the public official to be inconvenienced almost daily by having to reply to criticism.

The official can be relieved of that inconvenience only at the expense of our democratic institutions.

The classification and subsequent release of the Ridgway letter points up another problem in this whole matter, the difficulty of proving that there is material being held back that is in no way secret. Only when information is later declassified for some reason—as in this case—can we know that there was really no legitimate reason for classifying it in the first place. With the tendency to be overzealous and overcautious in maintaining secrecy, there is undoubtedly a great deal of material classified that should not be. But who is to complain? The newsmen and the public cannot know what is being withheld from them. Certainly those who are being protected by concealing information adverse to themselves are not going to reveal it. And anyone who violates the security regulations is subject to prosecution.

I think we may well have to institute some such system as that suggested by our former colleague, Senator Benton, that the public interest in these matters be protected by the appointment of "people's advocates" to serve in each department or agency that classifies information.

Men drawn from the newspaper field, or with other suitable background, in these posts could then fight for the release of information to the public as the security-minded officials presently fight for the withholding of information.

They could make the argument for disclosure thus "forcing clarification of the reasons for nondisclosure and with the right of appeal to the Secretary of the Department."

I have spoken mostly of the problem of getting information and news from the Department of Defense. But, as I have already said, other departments and agencies of the Government present an equal problem to the newsmen. Equally, there have been cases of concealment and unnecessary secrecy—of self-serving security classification—in other parts of Government.

I know of numerous instances of newsmen encountering difficulties in trying to get news out of the other agencies and departments. As I have already mentioned here on other occasions, the charge has been made that newsmen have even been investigated, and intimidated, and harrassed for having been too diligent in ferreting out news that someone would rather not have disclosed. I must say I was shocked when I first learned of these charges. The idea that a reporter might be subjected to the harrassment of being investigated and having his friends subjected to similar pressures as retaliation for doing an honest job of reporting strikes me as an enormity not to be countenanced in a free society. I have since inquired about this among some of our most responsible journalists here in Washington and they have assured me that they have heard of such instances. But they point out that it is difficult to make any charge against the agency that is doing the investigation. Such agency need only say that the investigation is being carried out to see whether there has been any violation of security or of the espionage laws, but the reporter usually gets the idea quite clearly that the investigation is aimed at him more than at the security of the Nation. As I have stated in the past, I consider this a most serious matter which deserves the attention of the Congress.

Another complaint that members of the press have voiced is that some members of the Cabinet seldom meet with the press. As the Freedom of Information Committee of the American Society of Newspaper editors reported in April: "Public access to execu-

tive departments of the Government, through the formal press conference, certainly has been, on the whole, far from adequate in the past year, and has been notably inadequate in the first quarter of 1955."

I believe that the heads of Departments have an obligation to meet with the reporters with some regularity to permit the news reporters to question them about the activities of their departments. I am afraid the attitude is too often that expressed by the Chief of the Department of Agriculture foreign service when he was asked at the time of the Wolf Ladejinsky security case if Government business is not public business—"It is not and you know it" he replied to the press.

Secretary Benson backed him up in this when he was later asked about it, by saying: "We give the public information, but there are times when it is not to the public benefit to make certain announcements concerning governmental functions." This sort of attitude is injurious to the democratic process.

I have mentioned in the past how information concerning radioactive fallout was withheld by the Atomic Energy Commission for many months, until February 15 of this year, when publication of information by Dr. Ralph Lapp and the Alsop brothers finally forced the AEC to release the facts on a development already known in the other nations of the world, but which the administration was afraid to give to the American people. During this long period civil defense planning was retarded and the American people did not have the true facts upon which to base their judgments about the nature of hydrogen warfare and what consideration it should have in our foreign policy. There is here an example of the attitude revealed among the "Q-cleared" that there are some things that only the select few can know—that the public cannot be trusted to make the right decisions and therefore cannot be trusted with the true information.

Another example of concealment purely for concealment's sake—that is for the convenience of the department concerned—was the secrecy of the Department of Agriculture earlier this year when it increased the rate on disaster loans to farmers from 3 percent to 5 percent. This was not information that could lose for us the struggle against international communism. But it was information that the Department of Agriculture knew would not be greeted with enthusiasm by the farmers of America. So the Department of Agriculture just played it cozy and did not tell anyone about it. Not until a number of months later did a reporter get wind of the news. One more example of how nice it would be for government officials if only they did not have newsmen nosing around turning up unpleasant facts.

And, of course, the prize example of concealment is the deal known as Dixon-Yates. I do not have to go into all the details here to convince anyone that the administration would rather not have had this transaction discovered. They certainly went to great lengths to keep it quiet. Here is an instance of a major change in public policy being taken by the administration in secret with every attempt made to keep anyone from finding out about it. Not only was the press kept away—everyone else and especially the Congress have been kept from finding out what has been going on in the Budget Bureau, at the Atomic Energy Commission, in the White House, and over the telephone lines between the White House and the home of the Chairman of the Securities and Exchange Commission. I submit that in Dixon-Yates we have disclosed what happens when secrecy comes to pervade the Government.

We are now not concerned with information from the Department of Defense or the National Security Council; there is no element of security involved, except for the security of the administration. Nothing concerning the building of a powerplant in West Memphis, Ark., should be classified. But the curtain of secrecy that has gradually been enshrouding this administration has so spread out from the agencies in which security measures must be taken that we now have matters of the utmost public interest being concealed and covered up.

Dixon-Yates gives us a sample of what Government would be like if the present trend toward exclusion of the press and tightening up on the flow of information continues. Not only are important public policies altered without discussion or any public knowledge, but serious departures from proper ethical and legal practices are covered up and, in fact, concealed.

The use that has been made of the Presidential directive concerning the privilege of communications between the executive branch poses a serious challenge to the investigative and legislative authority of the Congress. Certainly, if the Congress cannot find what is going on in this highly dubious situation, neither the press nor the people can hope to know the truth about their Government.

One of the most serious threats presented in a long time to the right of access of the Congress, the press, and the American people to information about possible wrongdoing in Government is posed by the use in this case of the privilege for communications within the executive branch.

First, the entire transaction is hidden within the secrecy of the Bureau of the Budget and the Atomic Energy Commission, and now that the facts have begun to come out the Congress and the press are prevented from getting at the truth by the refusal of members of the executive branch to talk.

I am afraid that here we have the attitude that Government business is not public business carried to its logical extreme.

We have no idea how many similar deals may be hidden behind that cloak of concealment that has been enveloping the administration. But if we are to have Government of the people, and by the people, and not just for the administration, we are going to have to reverse this trend and carry on the public business in public.

I have not tried here to give the definitive and final word on the subject of secrecy in Government and freedom of the press.

A great many more examples and a great many other problems plaguing the newsmen in Washington could be cited. But I have sought to call the attention of the Senate to the increasing seriousness of the denial to the press—and consequently to the American people—of access to information. I have tried to make clear that I recognize that given the present international situation and the nature of the Communist conspiracy, it is necessary to take some security measures to deny to any potential enemy vital secrets and security information.

But, at the same time there are at least two possible abuses of classifying information for security purposes.

One is that overcautiousness will lead to an excess of security and secrecy so that facts will be unnecessarily classified. Some of the unnecessarily classified information may be information that the American people should have in order to form their judgments upon which the informed public opinion of a democracy must rest.

The other possible abuse is the misuse of the secrecy label to cover up mistakes or to so manipulate information that a false picture is presented to the American people. I have tried to present recent examples that illustrate both of these abuses.

This entire problem of secrecy and security of information is, of course, one that the Commission on Government Security will look into. During the hearings on the resolution to set up the Commission, J. Russell Wiggins, chairman of the Freedom of Information Committee of the American Society of Newspaper Editors, presented testimony which I commend to my fellow Senators as a most incisive analysis of this whole problem and most eloquent in its support of the importance of a free press to our democracy.

Also, before the subcommittee, testimony was presented that indicated just how excessive secrecy might work to the detriment of our Nation. We cannot yet know what a price we may have to pay in the long run for the stifling of science through too much secrecy, or the possible retarding of our industry that may result from the loss of that atmosphere of free interchange of information in which it has thrived. All of these dangers and others I pointed out in my statement during the debate on the establishment of a Commission on Government Security.

As I have said, I am sure that the Commission will study and make recommendations concerning this whole area of the problem of maintaining security of information in a democracy without destroying the democracy.

Here, today, I have tried to focus on one aspect of that problem—how to maintain freedom of the press and truthfulness of information while not revealing vital secrets to a potential enemy. As I have indicated, if the newspaper community supports such a move, I intend to take up the matter early in the next session and see what we can do to insure that the right of access of the press and of the public to information about our Government is not taken away little by little.

I fear that in some of the instances I have cited here today we have seen how that right of access to information embodied in freedom of the press has been diminished by abuses of secrecy.

I am afraid that which the Congress has been specifically prohibited by the Constitution from doing—"that Congress shall make no law abridging the freedom of the press"—is being done instead by executive directives, by political manipulation, and by fear.

I heard President Eisenhower speak some eloquent words on this subject when he addressed the United Nations anniversary meeting in San Francisco a short time ago. He told the delegates from countries all over the world:

"The charter recognizes that only those who enjoy free access to historical and current facts and information, and through objective education learn to comprehend their meaning, can successfully maintain and operate a system of self-government. Our Republic, likewise, maintains that access to knowledge and education is the right of all its citizens—and of all mankind."

Those are noble words, and I hope that the President will reconsider in their spirit some of the measures presently being taken in his executive departments.

EXHIBIT 1

[From the New York Times of March 31, 1955]

WILSON CUTS, CURBS INFORMATION STAFF

(By Anthony Leviero)

WASHINGTON, March 30.—The Secretary of Defense ordered the Armed Forces today to reduce public-information personnel by one-half or one-third. He also imposed restrictions on what officials could say or write.

He directed the replacement of military public-information chiefs by civilians. This

means the removal of 1 rear admiral, 1 major general, and 2 brigadier generals from key Pentagon positions.

Secretary Charles E. Wilson issued two orders for the changes. Both appeared to have been pushed through hurriedly as a result of recent incidents.

Among them was the background press session held by Adm. Robert B. Carney, Chief of Naval Operations, last week that led to published reports that the Red Chinese might begin their attack on the Chinese offshore islands around the middle of April.

Two articles by Navy men on active service hastened the issuance of the written restrictions. One was by Rear Adm. Daniel V. Gallery. In it he advocated that United States troops captured by Communists should, to avoid brainwashing, sign false confessions and even give some factual information. He sent an information copy of the article to the Secretary of the Navy but did not submit it for advance review, according to a Navy spokesman. Many high officials were shocked by his proposal.

The other was a two-part article by Comdr. Eugene P. Wilkinson, captain of the atomic submarine *Nautilus*, about the cruises of the vessel. At the Navy's direction, he held a news conference today at New London, 1 week in advance of publication of the first article. Reporters had protested his articles on the ground that they had been denied information about the vessel on security ground.

REPORTERS PROTEST

Reporters did not react favorably to the directive to remove professional military men from the top information posts. Some freely expressed their views to C. Herschel Schooley, civilian Director of Information of the Defense Department, when the orders were issued.

They said that in the past some civilian public relations men in the three armed services had tended to become promoters of their particular chiefs and to slight or cover up activities in their departments.

On the other hand, the advent of distinguished combat officers in information positions during and since World War II has enabled the press to get much information that otherwise would be denied by crusty publicity-shy units at the General Staff level.

Moreover, the professional military men, while sometimes lacking experience in press needs, have a technical competence lacked by civilians that has often expedited the release of information about a highly complex military establishment.

A civilian without press experience is the topmost information official in the Defense Department. He is Robert T. Ross, a former Member of Congress, who is Assistant Secretary of Defense for Legislative Liaison and Public Affairs. Next below him is Mr. Schooley, with a centralized group of civilians and military officers from the three services to handle the vast demands of the press and veterans' and other civic and industry organizations.

The order imposing restrictions on what civilians and military officials may say or write was followed a few hours later by the force reduction. The chief points of the two orders were:

The information activities will be operated "within the letter and spirit of current Congressional directives."

The personnel reduction both in the field and in the Pentagon will eliminate between 200 to 300 persons from information activities.

Pending the elimination of the military information chiefs the Secretaries of the Army, Navy and Air Force will assume responsibility for public information activities.

Each service secretary is requested to "develop a constructive (public information) program consistent with national security and the objectives and policies of the Department of Defense."

Military and civilian personnel planning a news release or speech will have to submit it for clearance at least 3 days before issuance to the public. Some information officials said this made no exception for emergency situations requiring prompt official comment on an unexpected development.

Official personnel "shall not make any commitment to furnish manuscripts to any outside publication unless prior clearance is obtained from the service secretaries or the Secretary of Defense."

All manuscripts must be submitted to the same officials or their designees for clearance before submission to an editor or publisher.

Official personnel may not do outside writing during working hours, and must be on "an exact parity" with nonofficial writers "with respect to accessibility and use of technical or other information."

Clearance of an article will be based not only on security considerations but also on the test whether it is a "constructive contribution to the primary mission of the Department of Defense."

Civilians paid a salary of about $14,500 a year would replace these three service information chiefs: Rear Adm. William G. Beecher, Navy; Maj. Gen. Gilman C. Mudgett, Army; Brig. Gen. Brook Allen, Air Force; and Brig. Gen. Frank Wirsing, Marine Corps.

EXHIBIT 2

DEPARTMENT OF DEFENSE DIRECTIVE, MARCH 29, 1955

CLEARANCE OF DEPARTMENT OF DEFENSE PUBLIC INFORMATION

I. Purpose: This directive prescribes a uniform policy and procedure for the review of manuscripts concerning military matters prepared by military personnel and civilian employees for publication. It also prescribes guidelines for the official clearance of speeches, press releases, photographic material and other information.

II. General principles guiding the release of information: The people of the United States are properly interested in the Department of Defense and the steps it is taking to protect the national security. The Department of Defense has an obligation to inform the public within the limitations of security and policy with respect to the Department's activities and to provide the public with accurate factual and other proper information regarding the Army, Navy, Air Force and Marine Corps.

Information provided should be timely and presented to the public through the usual news media (press, magazines, journals, radio, television, etc.) in a manner consistent with the ethics and procedures normally followed in dealing with such media. The public information efforts of the Department of Defense, while essential, should always be consistent with the Department's major role of insuring national security.

III. Security and policy review: Defense information released to the public through news media by military or civilian personnel of the Department of Defense, such as speeches, press releases, and photographic material, shall be submitted to the Secretary of Defense through the Assistant Secretary of Defense (Legislative and Public Affairs) or other designees for review and clearance not less than 3 days in advance of the release of such information to the public.

Military and civilian personnel shall not make any commitment to furnish manuscripts to any outside publication unless prior clearance is obtained from the appropriate Secretary of a military department, and the Secretary of Defense or their designees. All such manuscripts on military matters written by military and civilian personnel for outside publication shall be submitted for review and clearance by the appropriate Secretary of a military department and the Secretary of Defense or their designees before submission to the publisher or editor.

Such review and clearance shall be related not only to a determination of whether release of the material would involve any technical or substantive violation of security but also to a determination of whether release or publication of the material would constitute a constructive contribution to the primary mission of the Department of Defense.

IV. Writing for publication by defense personnel: Personnel of the Department of Defense, military and civilian, who write for outside publication not in connection with their official duties on any subject or in any form shall ascertain that such activity will not interfere or conflict in any way with their regularly assigned duties. Such activity will not be conducted during normal working hours, or accomplished with the use of Department of Defense facilities, or personnel. Such writers will be on an exact parity with outside professional writers with respect to accessibility and use of technical or other information for manuscripts or articles written for publication.

V. Implementation: It is requested that the Secretaries of the military departments issue such supplementary guidelines implementing this directive as they consider necessary or appropriate to accomplish the purposes hereof.

It is recognized that certain types of information—for example, information released by local commands not having overriding national defense policy implications—cannot be cleared in full compliance with the requirements of this directive. To provide adequate leeway in such cases it is appropriate for the Secretary of any military department to submit to the Secretary of Defense for approval supplemental general instructions governing the clearance of such matters.

VI. Responsibility: All personnel shall assume personal responsibility for their speeches, articles and information releases being consistent with the national security and the policies and objectives of the Department of Defense.

VII. Relationship to other directives: All other directives or memoranda or parts thereof to the extent they are inconsistent with the provisions of this directive are modified accordingly or rescinded as appropriate.

VIII. Effective date: This directive is effective immediately.

C. E. WILSON,
Secretary of Defense.

EXHIBIT 3

[From the New York Times of April 7, 1955]

NEWS CURBS STIR PENTAGON DISPUTE—CONFUSION, RESISTANCE, CUT IN PUBLIC INFORMATION FOLLOW ISSUANCE OF WILSON ORDERS

(By Anthony Leviero)

WASHINGTON, April 6.—The Pentagon is experiencing one of the greatest internecine battles since the big conflict over unification of the Armed Forces ended in 1947.

In the great labyrinth on the Potomac River, passive resistance, seemingly deliberate slowdown, and honest confusion have followed the issuance of Charles E. Wilson's directive for strict controls on the release of information.

The Secretary of Defense put out two orders at once last week, one on controls and the other ordering the services to supplant their military information chiefs with civilians.

Meanwhile, newsmen were not getting much news out of the place. While waiting for the fight to simmer down, they were

doing miles of extra legwork in the vast structure, trying to get to news sources through back doors.

The battle essentially is between civilian forces, headed by C. Herschel Schooley, Director of Information for the Defense Department, and the military information officials. The military men are not organized, and some are well intentioned, but some are engaging in undercover psychological and guerrilla warfare against the edicts.

CONTROVERSIAL PROVISION

The basic cause of the strife was the following provision governing approval of information before its official release.

"Such review and clearance shall be related not only to a determination of whether release of the material would involve any technical or substantive violation of security but also to a determination of whether release or publication of the material would constitute a constructive contribution to the primary mission of the Department of Defense."

Another important factor is that the orders not only directed the supplanting of two generals, an admiral, and a colonel with civilian information officials but also required the armed services to reduce their public information personnel by one-third to one-half.

As a result of the directives, some service officials have been rejecting the most trivial and routine queries and referring them to the combined four-service information office operated by Mr. Schooley.

Formerly a reporter could go directly to a Navy, Army, Air Force, or Marine Corps information office and get a ready answer to a question. Now he is told to take it to the Defense Department level.

At the top level, the query is referred back to the pertinent service for an answer, which is then given to the reporter. This may take several days.

SOME RESULTS OF DIRECTIVES

Mr. Schooley has been under continuous bombardment of queries that he considers trivial or ludicrous. Here are some in which the constructive contribution provision figured:

The Navy submitted a new prayer guide for approval.

When a reporter for the Army-Navy-Air Force Journal obtained requested obituary material on a Marine Corps brigadier general it was marked "reviewed and cleared" by a Navy captain.

A reporter who requested the present assignment of Rear Adm. Daniel V. Gallery, who recently wrote a controversial magazine article on brain-washed prisoners of war, was referred by a Navy lieutenant to the Defense Department for the answer.

Last Friday night, the Army, which had agreed to release parts of some wartime documents, suddenly reclassified them confidential, though there was no legal authority to do so. Previously they had been marked "restricted," a category abolished by President Eisenhower. An Army spokesman said that even if they had not been made "confidential," he could not release them without a construction contribution review. The following morning the papers were declassified again but were turned over to Mr. Schooley, who still has them.

OFFICIALS TAKE NO CHANCES

Some of the service officials said that they simply could not take chances in view of the constructive contribution provision. Some were seeking interpretations, but as a matter of fact not all officials at the Defense Department level were sure of all the answers.

Mr. Schooley denied press criticism to the effect that the clause was intended to prevent unfavorable publicity. He noted that all three service Secretaries concurred in the directives at a recent meeting.

Some service officials also believed that they had found a loophole whereby they could evade the order to supplant military information chiefs with civilians paid $14,800 a year.

They suggested the Secretary or one of the Assistant Secretaries in each service could assume the chief responsibility, while retaining the present professional military men in essentially the same capacity.

But Mr. Schooley said nothing doing. He added that one or two of the service Secretaries had made overtures on this at a meeting last Monday, and Mr. Wilson and Robert B. Anderson, Deputy Secretary of Defense, "nailed that hard and quick."

Mr. Wilson also rejected a proposal to put in civilians as middlemen between the military men and the Secretaries.

All this has been going on while Mr. Wilson has been home sick with a cold. Some heads may be knocked together when he returns.

EXHIBIT 4

[From the New York Times of April 13, 1955]

CENSORSHIP MOVE DENIED BY WILSON—SECRETARY DEFENDS HIS CURB ON GIVING INFORMATION

(By Anthony Leviero)

WASHINGTON, April 12.—Charles E. Wilson, Secretary of Defense, defended today his directive for control of Defense information, denying that it was censorship.

He said in a news conference that the widespread publication of technical information in the hydrogen bomb age made national security a "greater problem than ever before in history."

He declared he would be willing to pay hundreds of millions of dollars to get the same kind of information about the Soviet Union as that country gets about the United States in its newspapers and periodicals.

The Secretary outlined a dilemma created by the great outpouring of technical information in a free and highly industrialized society. He said "our top folks" felt too much was being published as a result of rivalries between corporations with defense contracts and between the Armed Forces, and of the enterprise of a free press and the historical tendency of scientists to report all the latest developments.

Mr. Wilson said the administration was grappling with a complex problem the solution of which was not seen clearly yet. He remarked that perhaps it might be a good idea to consult a group of editors and publishers about it.

He disclaimed any intention to try to influence publishers but he made clear that he wished to keep a tight rein on spokesmen of his own Department.

During World War II this country carefully combed through all German technical and professional journals obtained through secret agents or neutral capitals. Often it was possible to gain from these nonsecret periodicals valuable data on weapons and equipment months before they were encountered on the battlefield.

Administration officials, including the President, now see this process applied by Russia to the United States, and Mr. Wilson's controversial directive was one effort to reduce the flow of technical data that gave away too much American information.

In the 70-minute news conference, Mr. Wilson was bombarded with far more questions about his "constructive contribution" provision than about other aspects of the directive of March 29.

In this discussion Mr. Wilson indicated that he was concerned with questions of propriety and criticism of his Department and its policies as well as with defense secrets.

The directive provides that defense information, before it is released, must be reviewed not only for security but also to determine whether it would "constitute a constructive contribution to the primary mission of the Department of Defense."

Critics have assailed this as an effort to obtain conformation or suppression of disagreeable facts. In a formal statement with which he opened the conference, Secretary Wilson reiterated this point.

He said the directive was also "intended to avoid criticism of service rivalry in the release of information."

Mr. Wilson was asked whether there was a typographical error in his directive, whether it should read "criticism and service rivalry."

It was suggested to him that criticism of unnecessary rivalry between the services would make a constructive contribution. But he replied that what was intended was that the departments should refrain from making statements that laid them open to criticism for rivalry.

"The last thing I would be a party to," said Mr. Wilson, "would be a cover-up of anything that ought to be exposed for the good of the country. The criticism is likely to be constructive."

Mr. Wilson said no effort would be made to muzzle any defense official who appeared before a congressional committee. But one Defense Department source said that material was censored out of a statement prepared by Gen. Nathan F. Twining, Air Force Chief of Staff, for presentation to a congressional committee.

The statement was passed by the security review branch of the Defense Department's Office of Public Information, but was cut out by a higher official.

It was understood that the censored portion dealt with the Falcon, an air-to-air guided missile, and other similar new weapons previously discussed in a speech by Trevor Gardner, Assistant Secretary of the Air Force.

Although Mr. Wilson denied that any recent incident has provoked his order and said it had been in preparation for months, other sources had said the Gardner speech had precipitated the action.

EXHIBIT 5

MEMORANDUM FOR DIRECTOR, OFFICE OF PUBLIC INFORMATION, DEPARTMENT OF DEFENSE, APRIL 2, 1955

Subject: GHQ, USAF in the Pacific Downfall Strategic Plan; GHQ, USAF in the Pacific Staff Study Operations Olympic; GHQ, USAF in the Pacific, Staff Study Operations Coronet; GHQ, USAF in the Pacific Downfall Strategic Plan—G2 Estimate of the Enemy.

1. As a result of press inquiries, the subject documents have been reviewed by the Department of the Army, and declassified.

2. The Department takes the position that no security is involved but that the documents, taken collectively and reported in full, or distributed to the press without control, would reveal information considered vital to an enemy in regard to the planning and organization of United States forces for mounting of a major seaborne invasion on a hostile shore.

3. The Department interposes no objection to the press examining the documents in the presence of an appropriate Department of Defense official who is aware of the position taken in paragraph 2 above.

4. Subject documents are forwarded to Department of Defense for appropriate action under the Department of Defense Directive No. 5230.9, 29 March, 1955, subject: Clearance of Department of Defense Public Information.

5. Request return of documents when they have served their purpose.

T. S. RIGGS,
Brigadier General, GS, Deputy Chief of Information and Education.

EXHIBIT 6

[From the New York Times of April 26, 1955]

GOP EVADES NET ON DEFENSE NEWS—DEPARTMENT OFFICIALS ASSERT PAMPHLET USED ITEMS NOT CLEARED FOR PUBLICATION

WASHINGTON, April 26.—The Pentagon conceded today that its new rules, designed to block publication of uncleared information, had been evaded by Republicans.

A pamphlet published in March by the Senate Republican Policy Committee contained information about three military items that had not been approved for publication, the Department said. Robert T. Ross, Assistant Secretary of Defense, asserted, however, that the disclosures revealed "no significant technical information" and did not constitute "a breach of security."

These comments were made at a Pentagon press conference, at which Secretary of Defense Charles E. Wilson tried to clarify his new regulations about what might and might not be released for publication. Pressed to clarify his rule that no information should be released that did not make a "constructive contribution" to the Department's mission, Mr. Wilson said it was impossible to do so.

"LET'S SEE HOW IT WORKS"

"I don't know how to define good judgment," the Secretary asserted. "If you just let us operate for a while, we'll all understand it. Let's see how it works."

Mr. Wilson introduced his new Deputy Assistant Secretary for Public Affairs, R. Karl Honaman. Mr. Honaman made it clear that his mission was to tighten the information clamps.

Mr. Honaman comes to his new job from the Department of Commerce. He headed the Office of Strategic Information there. In that position, he incurred sharp editorial criticism by his advocacy of voluntary censorship of "strategic" nonsecret technical information.

The Republican pamphlet, National Defense Under the Republican Administration—Today and Tomorrow, has been heavily criticized by Democrats in Congress. They assert the pamphlet violated the new secrecy orders.

The Commission on Organization of the Executive Branch of the Government headed by former President Hoover also came in for criticism during the press conference.

Thomas P. Pike, Assistant Secretary of Defense for Supply and Logistics, labeled some of the Commission's recent reports as not factual, misleading, and out of date.

EXHIBIT 7

[From the New York Times of April 28, 1955]

PRESIDENT LIMITS FIELD OF SECRECY—CONFINES SECURITY IN NEWS TO TECHNICAL MILITARY DATA HELPFUL TO ENEMIES

WASHINGTON, April 27.—President Eisenhower asserted today that he confined security in the news wholly to technical military information that could be of help to a potential enemy.

As if to back up his position, he revealed that he had personally looked into the exclusion of reporters from a White House conference on the distribution of the Salk antipolio vaccine. He noted that another vaccine conference this morning was open to reporters.

A recent order by Secretary Charles E. Wilson on the release of information from the Department of Defense and the handling of the vaccine conference of last Friday by Mrs. Oveta Culp Hobby, Secretary of Health, Education, and Welfare, have drawn protests from editors and reporters.

CITES A BLUNDER

The President also told his news conference that he thought a blunder had been made by the Senate Republican policy committee in a pamphlet that gave some information on new weapons and equipment.

Mr. Wilson said yesterday that he thought the pamphlet was all right. It was issued by the Republicans to combat Democratic attacks on defense cutbacks.

Somebody, said the President, "gave out information that I wouldn't have given out, at least." He went on that "for some 2 years and 3 months I have been plagued by inexplicable undiscovered leaks in this Government."

"I just don't believe that it is justifiable to release anything that applies to secret war plans, war policies, war purposes, and war equipment of this Government," he said.

Such information, he said, was what "foreign intelligence systems spend thousands and thousands of dollars to get unless we give it to them for nothing."

"And since we don't get it for nothing, I just don't believe in that kind of a trade," he said.

He described as "foolish" the holding secret of any document of the World War, "including my own mistakes," except any involving some past agreement still in effect with a foreign nation.

Without mentioning the rivalry among the Army, Navy, and Air Force in making public announcements, he observed that technical military secrets should not be put out "merely because of a desire of one section of the [Defense] Department to be first to make such an announcement."

Mr. Wilson's order directed that all information from any branch of the armed services must be cleared through his own information office.

EXHIBIT 8

[From the Washington Post and Times Herald of April 28, 1955]

BAILING OUT A BLUNDER

Consistency obviously is no virtue to Secretary Wilson, but he and his friends must be having a hard time keeping a straight face. What they have said, in effect, is that a compilation of military information published by the Republican Policy Committee does not constitute a violation of security even though it includes some items not previously released; but if anyone else should disclose such data, off to the dungeons with him. President Eisenhower demonstrated both a more acute sense of smell and a nicer sense of propriety yesterday by labeling the release a blunder.

How serious were the affronts to security, if any, we do not know. The brochure, entitled "National Defense Under the Republican Administration," contained descriptions of Air Force and Navy guided missiles—descriptions of the sort that the services themselves have been forbidden to give out. Possibly, however, the disclosure was not very important in itself. What is significant is that Mr. Wilson apparently has developed a double standard. It is not hard to imagine the screams that would have emanated from Mr. Wilson's office if a Democratic committee had undertaken a similar disclosure for political purposes.

All of this illustrates again the ineptness with which Mr. Wilson is approaching the information problem. The danger is that the present blunder will serve as an excuse for clamping down even more on information in which the people have a legitimate interest and which they need to judge public affairs. No one can object when responsible defense officials decide, on grounds of military security, that certain information about weapons and plans ought to remain classified. Some of the breaches of security in the past have resulted from the vying for publicity among the services. It is wholly proper that this kind of information should be controlled as an administrative matter. But there is a vast difference between the sort of control based on security considerations and Mr. Wilson's efforts to bottle up information that does not make a constructive contribution to the primary mission of the Defense Department. This may be an appropriate formula to apply in General Motors, but it is an indefensible standard for the conduct of public business.

Fears on this score will not be relieved by the appointment of R. Karl Honaman, lately head of the misnamed Office of Strategic Information in the Department of Commerce, as Deputy Assistant Secretary of Defense for Public Affairs. Mr. Honaman is an able man who no doubt was a very good director of publication for the Bell Telephone Laboratories. Here again, however, there is a great difference between a private company's interest in putting out information to its advantage and what ought to be the responsibility of the Defense Department in making available all information that does not bear on security. The burden of proof ought to be on those who would withhold information. Instead, it seems to have been transferred to those who would release it.

By the way, what ever happened to the Defense Department's promise to make public General MacArthur's World War II messages to the Joint Chiefs of Staff?

EXHIBIT 9

[From the Washington Post and Times Herald of June 15, 1955]

MATTER OF FACT

(By Joseph and Stewart Alsop)

SECURITY VERSUS DEMOCRACY

Until very recently, the American people's right to know the basic facts of their national situation was never questioned for an instant. The people's right to know was properly regarded as the mainspring of our democracy.

Now, however, no one seems to doubt the American Government's right to bamboozle people by the concealing of the life-and-death facts. The Eisenhower Administration is actively seeking to install a peacetime censorship in America. The censorship has as yet aroused very little opposition. And there was no word of protest, or even comment, when the thinking behind that censorship was unblushingly confessed a few weeks ago.

The confession was made by the former secretary of the National Security Council, Robert Cutler, in a speech to the Associated Harvard Clubs. The Cutler views on the measure of truth that ought to be told the people have been specially commended to the White House staff by the President himself. This incredible speech, then, can be taken as accurately reflecting the official White House line.

In a morass of somewhat self-satisfied verbiage, Cutler makes two central points. First, he declares that the people should be told no fact included in any document classified confidential or above and should be especially kept from knowing any facts about thermonuclear or other weapons; the status of our own defense effort; intelligence from the rest of the world which, of course, includes the status of the enemy defense effort and enemy intentions, and the reasons for our national security policies and character of our current diplomacy.

In short, all facts of real significance—all the vast paraphernalia that goes into executive decision-making—are to be kept from the American people. This is because of Cutler's second point. Theirs is not to reason why, he in effect, says of the American people. According to Cutler, national decision should be made, not by the people, but by the President alone. At best, the Nation is to have a sort of pale privilege of post-audit on the President's decisions. "The people," Cutler generously says, "may always call [him]to an accounting, for [his] acts and omissions to act.

The brackets are Cutler's and if you read his speech, you will wonder why he did not also capitalize the words "him" and "his." He has need to believe that the President possesses divine attributes; for none but a president-deity could accommodate the Cutler system and the American system.

Our system, although Cutler forgets it, happens to be a democracy. In a democracy, the people are the masters; and even such high officials as the Secretary of the Security Council and the President, himself, are the people's servants. And any democratic government will surely fail if its masters, the people, are successfully kept in the dark about the national situation.

The facts that Cutler would withhold from the people, on the ground that they are classified, are almost all the facts which define the national situation of this Republic. Such problems as the relative status of our own defense effort and the Soviet defense effort now have as much bearing on our national situation as the existence of the Atlantic and Pacific Oceans; and maybe they have more bearing. And if the Cutler recipe is followed in a free society—and the administration is going to any lengths to follow that system—three things automatically happen.

First, the society is automatically crippled because the people do not know the challenges that confront them, and therefore do not rise to meet those challenges.

Second, the society is crippled in another way, too. The official leadership starts whining that the "people won't stand for" doing the necessary things, whose necessity they, themselves, have hidden from the people.

Third, the temptation to cover up failures, instead of correcting them, becomes altogether irresistible to the leaders. For it is ridiculous to talk to the people about "holding the President accountable for his acts and omissions to act" when the people are being thoroughly and continuously bamboozled, and bamboozlement is established high policy.

All three of these results of the Cutler system are already beginning to appear in America. They must inevitably add up, in the end, to a kind of creeping national paralysis in the face of the deadly dangers of our times. And for what purpose, one asks, are we risking national paralysis by withholding the truth from our people?

For no purpose whatever, is the ironical answer. For even Cutler has not dared to suggest that we sacrifice the outward trappings of a free society, our budget is still public. The locations of our war plants, the patterns of our urban centers, all our new starts in industry, are not yet hidden matters. A great flood of technical publications will tell any subscriber who wishes to purchase them the current state of our military-industrial progress. And from these and other public sources, the Soviet intelligence is able to deduce with ease all those facts Cutler and others like him would hide from our people.

In short, the Cutler system, which is also the Eisenhower administration system, is not merely antidemocratic. Worse still, it is plain silly, unless its real purpose is to prevent those political embarrassments which officials of all governments have always wished to avoid.

EXHIBIT 10

[From the Washington Post and Times Herald of June 21, 1955]

SECRECY A LA MODE

Censorship is a horrid word, and you won't catch anyone in the administration endorsing such a repugnant concept. Publicly, that is. The fact remains that despite the sanctimonious denials something very akin to censorship—call it gray censorship or suppression of information—is fast spreading through the Government.

The latest example comes again from the Defense Department, which recently instituted a rule whereby the release of information was to be judged by whether it made a "constructive contribution" to the department's mission. R. Karl Honaman, Deputy Assistant Secretary for Public Affairs, has devised a "balance sheet for strategic information" to aid field commanders in deciding what nonclassified information should be released. Mr. Honaman was lately director of the misnamed Office of Strategic Information in the Department of Commerce, where he attempted to transfer to the press the responsibility for withholding information which the Government was unwilling to classify.

Among the criteria listed on the new balance sheet are "effect on miltary power," "effect on industrial power" and "effect on morale." These are to be used in weighing the release of information which bears no military security classification. If they are to be applied literally, it is hard to see how anything but the most innocuous information will be given out. Take, for example, a scandal in defense procurement. Would news of this make a constructive contribution to the Defense Department? Would it not have a bad effect on morale? The safe thing would be to suppress it.

Put this together with other tendencies in the administration. Cabinet members, with several conspicuous exceptions, seem to be holding progressively fewer press conferences. Not infrequently there is an air of hostility toward the press, and sometimes there are reprisals against reporters who manage to get information anyhow. The hush-hush over the problems of nuclear fallout is an example of suppression. The much advertised Operation Alert of last week could just as well have been Operation Asleep so far as the public was concerned. Not only did it seemingly ignore fallout, but there are no standards by which the public can judge the operation's success or failure except what the administration may choose to tell.

Robert Cutler, former executive secretary of the National Security Council and now a consultant to the President, enunciated in a speech last month a philosophy toward information that may be described as a sort of creeping aunty-knows-bestism. That is, information, even nonclassified information, is not something that belongs to the people for judgment of public affairs; it is a commodity to be manipulated to the Government's advantage. Undoubtedly the men who hold this view are sincere and patriotic. But their philosophy, even in a period of cold war, is a dangerous one for a country in which the successful operation of government depends on public enlightenment. For the idea that information is something that belongs to the Government to use as it sees fit comes perilously close to the concept of government for government's sake.

EXHIBIT 11

Form SEC-248
(5-2-55)

U. S. DEPARTMENT OF COMMERCE
OFFICE OF THE SECRETARY

BALANCE SHEET FOR STRATEGIC INFORMATION

Checking 1 column only for each line will help you to decide whether dissemination of information will help or harm the interests of the United States, in net balance, all things considered

Item	Helpful to United States		Balances	Harmful to United States	
	Much	Little		Little	Much
Net effect on military power (consider how information will help United States military power and that of hostile nations. Strike balance).					
Net effect on industrial power (consider effect on ability of United States and of hostile nations to build stronger economic foundation for military power).					
Effect on morale (from strategic angle consider effect on United States morale, on hostile morale, on world opinion).					
Other strategic angles (for example, does it reveal our weak points and strong points in way to help enemy decide where, when, how to attack or sabotage, undermine, or avoid us)?					
Other considerations (anything you can think of): ---------- ---------- ----------					

In my judgment, in light of above, net effect of the dissemination of this information would be helpful ------ harmful ------, to the interests of the United States.

---------- (Date)

---------- (Department)

---------- (Name)

---------- (Title)

EXHIBIT 12

JUNE 2, 1955.

DEAR ———: No doubt you are aware of the program of the Office of Strategic Information, Department of Commerce, for the control of the flow of technical information which is unclassified, but which is strategically valuable to enemy or potential hostile nations.

In furtherance of its program, that Office has prepared a check sheet, Balance Sheet for Strategic Information, for use in determining whether the release of a particular item of information will help or harm the interest of the United States. A pad of these forms is forwarded herewith (enclosure 1).

It is considered that this check sheet provides useful guidance with respect to the considerations which should be weighed in determining whether to release a given item of information. Those concerned with the release of information must necessarily think in general terms about whether the release of the information in question would be harmful to the United States. The considerations suggested by this guide are fairly obvious and are implicit in the overall judgment regarding release. However, the check sheet does serve to channel this thinking.

We here have found this form of interest with respect to the factors to be considered. We do not expect those concerned to accomplish any such form in connection with each proposed release. The usefulness of the form is rather in reminding, in a concrete way, those concerned that there are other considerations in connection with the release of material than simply whether the information is classified or privileged.

The enclosed pad of forms is made available to you for your information and such use as you may find appropriate.

Sincerely,

T. S. RIGGS,
Brigadier General, GS,
Acting Chief of Information and Education.

ADDITIONAL ENROLLED BILLS AND JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, August 2, 1955, be presented to the President of the United States the following enrolled bills and joint resolution:

S. 135. An act for the relief of the Elkay Manufacturing Co. of Chicago, Ill.;

S. 463. An act to authorize the issuance of commemorative medals to certain societies which Benjamin Franklin was a member, or sponsor in observance of the 250th anniversary of his birth;

S. 878. An act to amend the act extending the exterior boundary of the Uintah and Ouray Indian Reservation in the State of Utah so as to authorize such State to exchange certain mineral lands for other lands mineral in character;

S. 1093. An act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia, and for other purposes;

S. 1159. An act for the relief of Wilma Ann Schilling and her daughter, Ingertraud Rosalita Schilling;

S. 1296. An act for the relief of Maria Anna Coone;

S. 1577. An act to amend the acts granting the consent of Congress to the State of Connecticut, acting by and through any agency or commission thereof, to construct, maintain, and operate toll bridges across the Connecticut River;

S. 1730. An act for the relief of Anna Marie Hitzelberger Scheidt and her minor child, Rosanne Hitzelberger;

S. 1758. An act to amend the Bankhead-Jones Farm Tenant Act, as amended, to modify, clarify, and provide additional authority for insurance of loans;

S. 1965. An act to repeal a particular contractual requirement with respect to the Arch Hurley Conservancy District in New Mexico;

S. 2198. An act to extend the period of restrictions on lands belonging to Indians of the Five Civilized Tribes in Oklahoma, and for other purposes;

S. 2403. An act to authorize the dual employment of custodial employees in post office buildings operated by the General Services Administration, and for other purposes;

S. 2511. An act to amend the Agricultural Adjustment Act of 1938, as amended;

S. 2604. An act to increase the borrowing power of the Commodity Credit Corporation;

S. 2630. An act to facilitate the establishment of local self-government at the communities of Oak Ridge, Tenn., and Richland, Wash., and to provide for the disposal of federally owned properties of such communities; and

S. J. Res. 91. Joint resolution to authorize the Secretary of Commerce to sell the steamship *La Guardia.*

ADDITIONAL BILLS AND JOINT RESOLUTION INTRODUCED

Additional bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LEHMAN:

S. 2757. A bill for the relief of Sebastiano Lombardo; to the Committee on the Judiciary.

By Mr. MCCLELLAN (for himself and Mr. FULBRIGHT):

S. 2758. A bill to authorize Federal taxpayers to maintain an action to test the constitutionality of a certain appropriation; and for other purposes; to the Committee on the Judiciary.

By Mr. WATKINS:

S. 2759. A bill to amend the Boulder Canyon Project Adjustment Act; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. WATKINS when he introduced the above bill, which appear under a separate heading.)

By Mr. CLEMENTS (for himself and Mr. KNOWLAND):

S. J. Res. 104. Joint resolution equalizing the salaries of employees in the Senate press galleries with those of employees in the House of Representatives press galleries; considered and passed (an original joint resolution).

(See the remarks of Mr. CLEMENTS when he introduced the above joint resolution.)

ADDITIONAL MATTERS ORDERED TO BE PRINTED IN THE RECORD

By Mr. KEFAUVER:

Summary of hearings and results of investigation by Subcommittee on Juvenile Delinquency of the Committee of the Judiciary, dealing with the relationship of pornographic materials to juvenile delinquency.

CONCLUDING REMARKS OF THE VICE PRESIDENT

Mr. HUMPHREY. Mr. President, I am about to move that the Senate stand in adjournment——

The VICE PRESIDENT. Will the Senator withhold his motion so that the Presiding Officer may make a statement?

Mr. HUMPHREY. I withhold my motion.

The VICE PRESIDENT. The Presiding Officer does not wish this occasion to pass without expressing appreciation to the Members of the Senate, particularly to the acting majority leader and the minority leader, for the remarks concerning the Presiding Officer, and for the cooperation they have extended throughout this session, which was essential to maintaining the dignity of this great legislative body.

I wish also to express appreciation to the President pro tempore, who is not with us now, and to Senators on both sides of the aisle, but particularly those on the majority side, since most of the Presiding Officers, who presided over the Senate in the absence of the Vice President came from that side.

The junior Senator from Kentucky [Mr. BARKLEY], particularly has served frequently in that capacity, and his great experience was not lost to the Senate. It was fortunate that he was able to perform that duty on his return to the Senate during this session.

Finally, as Presiding Officer, I wish to express my appreciation to all during this session who have given advice which is essential to the smooth operation of the Senate, those who sit immediately in front of the Presiding Officer's desk. Having served in the Senate both as a Senator and as President of the Senate, I know the Senate could not properly conduct its business without the Parliamentarian and his assistants to advise the Presiding Officer on the rulings to be made.

So I express best wishes to the Members of the Senate, to their staffs, and to the staff of the Senate for a happy period of rest and relaxation until the next session.

Mr. MORSE. Mr. President, will the acting majority leader permit me to add to the eulogies a word for the wonderful little gentlemen, the pages of the Senate, for the wonderful service they have rendered, and the fine work they have performed?

Mr. HUMPHREY. I deem it a high privilege to be occupying the seat of the majority leader as a sort of acting-acting majority leader, and I wish to associate myself with the kind comments, and well-deserved comments, which have been made with respect to the Presiding Officer, the Vice President of the United States, the President pro tempore of the Senate, the minority leader, and, of course, as I said earlier, the majority leader.

On behalf of my distinguished colleagues, I also should like to say to the pages, to the staff of the Senate, to the doorkeepers, the clerks, those in the press and radio galleries, and to each and every one, a word of appreciation and gratitude for the kindliness, courtesy, and cooperation which has been extended to us.

I know that I bespeak for all when I say that I hope and pray that God in His infinite wisdom may see on safe journeys all those who go to their homes in distant places, and may this Republic of ours continue to be strong, mighty, and righteous.

In that spirit, Mr. President, in accordance with the terms of Senate concurrent resolution (S. Con. Res. 57) heretofore adopted, I move that the Senate do now adjourn sine die.

The motion was agreed to; and (at 12 o'clock p. m.) the Senate adjourned sine die.

ENROLLED BILLS SIGNED AFTER SINE DIE ADJOURNMENT

Pursuant to the order of the Senate of August 2, 1955,

The following bills were signed after the sine die adjournment by the Vice President, which had previously been signed by the Speaker of the House of Representatives:

On August 3, 1955:

S. 125. An act for the relief of the State of Illinois;

S. 197. An act for the relief of Vincenzo Santagata;

S. 198. An act for the relief of Fillipo Mastroianni;

S. 204. An act for the relief of Fred P. Hines;

S. 393. An act for the relief of Chieko Suzuki;

S. 550. An act for the relief of John Axel Arvidson;

S. 714. An act for the relief of Alfio Ferrara;

S. 730. An act granting the consent of Congress to the States of Kansas and Oklahoma to negotiate and enter into a compact relating to their interests in, and the apportionment of the waters of the Arkansas River and its tributaries as they affect such States;

S. 732. An act to promote public cooperation in the rehabilitation and preservation of the Nation's important historic properties in the New York city area, and for other purposes;

S. 1014. An act for the relief of Henry Duncan;

S. 1033. An act for the relief of Ann Arbor Construction Co.;

S. 1041. An act to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide for the inclusion in the computation of accredited service of certain periods of service rendered States or instrumentalities of States, and for other purposes;

S. 1077. An act to provide for settlement of claims resulting from the disaster which occurred at Texas City, Tex., on April 16 and 17, 1947;

S. 1189. An act to permit national banks to make 20-year real-estate loans, and 9-month residential construction loans;

S. 1415. An act for the relief of Anna Mertikas;

S. 1681. An act for the relief of Cecile Doriac and her minor child;

S. 1792. An act to amend the Federal Employees' Group Life Insurance Act of 1954;

S. 1899. An act to authorize the improvement of the Amite River and its tributaries;

S. 1906. An act to authorize the Pueblos of San Lorenzo and Pojoaque in New Mexico to sell certain lands to the Navaho Tribe, and for other purposes;

S. 1917. An act to authorize the construction within Grand Teton National Park of an alternate route to United States Highway No. 89, also numbered U. S. 187 and U. S. 26, and the conveyance thereof to the State of Wyoming, and for other purposes;

S. 2049. An act to provide recognition of the 50th anniversary of the Devils Tower National Monument, Wyo., the first national monument, established by the President of the United States pursuant to the Antiquities Act of 1906; to authorize the addition of certain land to the monument, to permit land exchanges, and for other purposes;

S. 2088. An act for the relief of Ladislav Mencl;

S. 2126. An act to extend and clarify laws relating to the provision and improvement of housing, the elimination and prevention of slums, the conservation and development of urban communities, the financing of vitally needed public works, and for other purposes;

S. 2295. An act to amend section 313 of the Agricultural Adjustment Act of 1938, with respect to tobacco allotments;

S. 2339. An act to authorize the Secretary of the Interior to include capacity to serve the town of Glendo, Wyo., in a sewerage system to be installed in connection with the construction of Glendo Dam and Reservoir, and for other purposes;

S. 2514. An act to declare the portion of the waterway of West Haven and New Haven, Conn., known as the West River, northerly of a line running north 85°54'43.5" east from a point whose coordinates in the Corps of Engineers Harbor Line System are north 4,616.76 and west 9,450.80, a nonnavigable stream;

S. 2576. An act to amend the joint resolution entitled "Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes," approved January 14, 1933, and for other purposes;

H. R. 5168. An act to provide for retirement of the Government capital in certain institutions operating under the supervision of the Farm Credit Administration; to increase borrower participation in the management and control of the Federal Farm Credit System, and for other purposes;

H. R. 6122. An act to remit the duty on certain bells to be imported for addition to the carillons of The Citadel, Charleston, S. C.;

H. R. 6182. An act to amend the Federal Property and Administrative Services Act of 1949 to make temporary provision for making payments in lieu of taxes with respect to certain real property transferred by the Reconstruction Finance Corporation and its subsidiaries to other Government departments;

H. R. 6198. An act to provide for the sale of certain war housing projects to the Housing Authority of Beaver County, Pa., for use in providing rental housing for persons of limited income;

H. R. 6199. An act to amend the act of October 14, 1940, to authorize the sale of personal property held in connection with housing under such act;

H. R. 6373. An act to amend the Domestic Minerals Program Extension Act of 1953 in order to extend the programs to encourage the discovery, development, and production of certain domestic minerals;

H. R. 6382. An act to amend the International Claims Settlement Act of 1949, as amended, and for other purposes;

H. R. 6887. An act to extend for 1 year the application of section 108 (d) and to amend section 2053 of the Internal Revenue Code of 1954;

H. R. 6994. An act to provide for entry and location, on discovery of a valuable source material, upon public lands of the United States, classified as or known to be valuable for coal, and for other purposes;

H. R. 7117. An act making appropriations for the legislative branch for the fiscal year ending June 30, 1956, and for other purposes; and

H. R. 7289. An act to authorize the States to organize and maintain State defense forces, and for other purposes.

On August 4, 1955:

S. 664. An act for the relief of Mecys Jauniskis;

S. 756. An act to authorize the appropriation of accumulated receipts in the Federal aid to wildlife-restoration fund established by the Pittman-Robertson Act and to authorize the expenditure of funds apportioned to a State under such act for the management of wildlife areas and resources;

S. 2039. An act to authorize the Secretary of the Interior to lease any unassigned lands on the Colorado River Indian Reservation, Arizona, and for other purposes;

S. 2127. An act to amend the Small Business Act of 1953;

S. 2296. An act to amend section 313 of the Agricultural Adjustment Act of 1938, with respect to tobacco allotments;

S. 2391. An act to amend the Defense Production Act of 1950, as amended, and for other purposes;

S. 2501. An act to provide grants to assist States to meet the cost of poliomyelitis vaccination programs, and for other purposes;

H. R. 191. An act to regulate the election of delegates representing the District of Columbia to national political conventions, and for other purposes;

H. R. 929. An act for the relief of Mrs. Maria Del Mul;

H. R. 1003. An act for the relief of Mrs. Lorenza O'Malley (de Amusategui), Jose Maria de Amusategui O'Malley, and the legal guardian of Ramon de Amusategui O'Malley;

H. R. 1235. An act for the relief of Vera Gregovich Kenter;

H. R. 1319. An act for the relief of Vasilios Linkopoulos;

H. R. 1641. An act for the relief of Mary Mancuso;

H. R. 1909. An act for the relief of Rodolfo Pugeda de la Cerna;

H. R. 2079. An act for the relief of Ingrid Liselotte Poch;

H. R. 2235. An act for the relief of Mrs. Margarete Gick Scordas;

H. R. 2339. An act for the relief of Monika Schefbanker;

H. R. 2704. An act for the relief of Kazuko Iwata Rausch;

H. R. 2897. An act for the relief of Chung Poik Cha and her minor child, Myra Poik Cha;

H. R. 2907. An act for the relief of Thomas F. Harney, Jr., doing business as the Harney Engineering Co.;

H. R. 2916. An act for the relief of Mrs. Elfrieda Schoeppe;

H. R. 3063. An act to confer jurisdiction upon the United States District Court for the Northern District of California to hear, determine, and render judgment upon the claims of the Bartlett Springs Co. and certain others;

H. R. 3195. An act for the relief of Rolf Hugo Neuman;

H. R. 4048. An act making recommendations to the States for the enactment of legislation to permit and assist Federal personnel, including members of the Armed Forces, and their families, to exercise their voting franchise, and for other purposes;

H. R. 4508. An act for the relief of Henry T. Quisenberry;

H. R. 4544. An act for the relief of Andrew Carrigan;

H. R. 4643. An act for the relief of Mrs. Lee Shee Yee (also known as Lee Lai Koon);

H. R. 4734. An act to amend the provisions of the River and Harbor Act of 1954 which authorize the Secretary of the Army to reimburse local interests for work done on a dredging project at Los Angeles and Long Beach Harbors, Calif., during a period ending on July 1, 1953, by extending that period to November 7, 1953;

H. R. 5074. An act for the relief of Miss Blanca Lina Rionegro;

H. R. 5082. An act for the relief of Mrs. Koto Nakagawa;

H. R. 5469. An act to extend the authority of the Corregidor Bataan Memorial Commission, and for other purposes;

H. R. 5908. An act for the relief of Mrs. Johanna Eckles;

H. R. 5913. An act for the relief of Mock Jung Shee (Mock Jung Liu);

H. R. 6102. An act to change the name of Garza-Little Elm Dam, located in Denton County, Tex., to Lewisville Dam;

H. R. 6634. An act to provide for the conveyance of 1⅝₀ acres of land, more or less, within the Grapevine Dam and Reservoir prject to the city of Grapevine, Tex., for sewage disposal purposes;

H. R. 6741. An act for the relief of Elfriede Rosa (Kup) Kraft;

H. R. 7195. An act to provide for the adjustments in the lands or interests therein acquired for reservoir projects in Texas, by the reconveyance of certain lands or interests therein to the former owners thereof;

H. R. 7244. An act to provide for the striking of medals in commemoration of the 120th anniversary of the signing of the Texas Declaration of Independence and the Battles of the Alamo, Goliad, and San Jacinto in the year 1836;

H. R. 7245. An act to amend Public Laws 815 and 874, 81st Congress, which provide for assistance to local educational agencies in areas affected by Federal activities, and for other purposes;

H. R. 7618. An act to amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended;

H. R. 7684. An act to authorize the Atomic Energy Commission to pay the salary of a Commissioner during the recess of the Senate, and for other purposes; and

H. R. 7746. An act to provide tax relief to a charitable foundation and the contributors thereto.

ENROLLED BILLS AND JOINT RESOLUTION PRESENTED AFTER SINE DIE ADJOURNMENT

The Secretary of the Senate presented to the President of the United States the following enrolled bills and joint resolution:

On August 3, 1955:

S. 72. An act to provide that certain lands acquired by the United States shall be administered by the Secretary of Agriculture as national forest lands;

S. 91. An act for the relief of Luzia Cox;

S. 987. An act to authorize the Secretary of Commerce, acting through the Coast and Geodetic Survey, to assist the States of Maryland and Delaware to reestablish their common boundary;

S. 1621. An act to authorize adjustment by the Secretary of Agriculture of certain obligations of settlers on projects developed or subject to the act of August 11, 1939, as amended, and for other purposes;

S. 1757. An act to amend the act known as the Agricultural Marketing Act of 1946, approved August 14, 1946;

S. 1759. An act to consolidate the Hatch Act of 1887 and laws supplementary thereto relating to the appropriation of Federal funds for the support of agricultural experiment stations in the States, Alaska, Hawaii, and Puerto Rico;

S. 1894. An act to provide for the granting of career-conditional and career appointments to certain qualified employees;

S. 1894. An act to provide for the participation of the United States in the International Finance Corporation;

S. 2087. An act to amend the act of May 19, 1947 (ch. 80, 61 Stat. 102), as amended, so as to permit per capita payments to the individual members of the Shoshone Tribe and the Arapahoe Tribe of the Wind River Reservation in Wyoming, to be made quarterly;

S. 2098. An act to amend Public Law 83, 83d Congress;

S. 2237. An act to amend the act of May 26, 1949, to strengthen and improve the organization of the Department of State, and for other purposes; and

S. J. Res. 73. Joint resolution to establish a commission to formulate plans for a memorial to Franklin Delano Roosevelt.

On August 4, 1955:

S. 2126. An act to extend and clarify laws relating to the provision and improvement of housing, the elimination and prevention of slums, the conservation and development of urban communities, the financing of vitally needed public works, and for other purposes; and

S. 2576. An act to amend the joint resolution entitled "Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes," approved January 14, 1933, and for other purposes.

On August 5, 1955:

S. 125. An act for the relief of the State of Illinois;

S. 197. An act for the relief of Vincenzo Santagata;

S. 198. An act for the relief of Fillipo Mastroianni;

S. 204. An act for the relief of Fred P. Hines;

S. 393. An act for the relief of Chicko Suzuki;

S. 463. An act to authorize the issuance of commemorative medals to certain societies of which Benjamin Franklin was a member, founder, or sponsor in observance of the 250th anniversary of his birth;

S. 550. An act for the relief of John Axel Arvidson;

S. 664. An act for the relief of Mecys Jauniskis;

S. 714. An act for the relief of Alfio Ferrara;

S. 730. An act granting the consent of Congress to the States of Kansas and Oklahoma to negotiate and enter into a compact relating to their interests in, and the apportionment of, the waters of the Arkansas River and its tributaries as they affect such States;

S. 732. An act to promote public cooperation in the rehabilitation and preservation of the Nation's important historic properties in the New York City area, and for other purposes;

S. 756. An act to authorize the appropriation of accumulated receipts in the Federal aid to wildlife-restoration fund established by the Pittman-Robertson Act and to authorize the expenditure of funds apportioned to a State under such act for the management of wildlife areas and resources;

S. 1014. An act for the relief of Henry Duncan;

S. 1033. An act for the relief of Ann Arbor Construction Co.;

S. 1041. An act to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide for the inclusion in the computation of accredited service of certain periods of service rendered States or instrumentalities of States, and for other purposes.

S. 1077. An act to provide for settlement of claims resulting from the disaster which occurred at Texas City, Tex., on April 16 and 17, 1947;

S. 1189. An act to permit national banks to make 20-year real-estate loans, and 9-month residential construction loans;

S. 1415. An act for the relief of Anna Mertikas;

S. 1681. An act for the relief of Cecil Doriac and her minor child;

S. 1792. An act to amend the Federal Employees' Group Life Insurance Act of 1954;

S. 1899. An act to authorize the improvement of the Amite River and its tributaries;

S. 1906. An act to authorize the Pueblos of San Lorenzo and Pojoaque in New Mexico to sell certain lands to the Navaho Tribe, and for other purposes;

S. 1917. An act to authorize the construction within Grand Teton National Park of an alternate route to U. S. Highway 89, also numbered U. S. 187 and U. S. 26, and the conveyance thereof to the State of Wyoming, and for other purposes;

S. 2039. An act to authorize the Secretary of the Interior to lease any unassigned lands on the Colorado River Indian Reservation, Arizona, and for other purposes;

S. 2049. An act to provide recognition of the 50th anniversary of the Devils Tower National Monument, Wyo., the first national monument, established by the President of the United States pursuant to the Antiquities Act of 1906; to authorize the addition of certain land to the monument, to permit land exchanges, and for other purposes;

S. 2088. An act for the relief of Ladislav Mencl;

S. 2127. An act to amend the Small Business Act of 1953;

S. 2295. An act to amend section 313 of the Agricultural Adjustment Act of 1938, with respect to tobacco allotments;

S. 2296. An act to amend section 313 of the Agricultural Adjustment Act of 1938, with respect to tobacco allotments.

S. 2391. An act to amend the Defense Production Act of 1950, as amended, and for other purposes;

S. 2339. An act to authorize the Secretary of the Interior to include capacity to serve the town of Glendo, Wyo., in a sewerage system to be installed in connection with the construction of Glendo Dam and Reservoir, and for other purposes;

S. 2501. An act to provide grants to assist States to meet the cost of poliomyelitis vaccination programs, and for other purposes; and

S. 2514. An act to declare the portion of the waterway of West Haven and New Haven, Conn., known as the West River, northerly of a line running north 85 degrees 54 minutes 43.5 seconds east from a point whose coordinates in the Corps of Engineers Harbor Line System are north 4,616.76 and west 9,450.80, a nonnavigable stream.

APPROVAL OF SENATE BILLS AND JOINT RESOLUTIONS AFTER SINE DIE ADJOURNMENT

The President of the United States, subsequent to the sine die adjournment of the Senate, notified the Secretary of the Senate that, on the following dates, he had approved and signed bills and joint resolutions of the Senate of the following titles:

On August 3, 1955:

S. 741. An act to extend the provisions of title XII of the Merchant Marine Act, 1936, relating to war risk insurance, for an additional 5 years; and

S. 1855. An act to amend the Federal Airport Act, as amended.

On August 4, 1955:

S. 667. An act to exempt meetings of associations of professional hairdressers or cosmetologists from certain provisions of the acts of June 7, 1938 (52 Stat. 611), and July 1, 1902 (32 Stat. 622), as amended;

S. 1177. An act for the relief of desert land entrymen whose entries are dependent upon percolating waters for reclamation;

S. 1741. An act to exempt from taxation certain property of the Jewish War Veterans, United States of America National Memorial, Inc., in the District of Columbia;

S. 2176. An act to repeal the requirement that public utilities engaged in the manufacture and sale of electricity in the District of Columbia must submit annual reports to Congress;

S. 2177. An act to repeal the prohibition against the declaration of stock dividends by public utilities operating in the District of Columbia;

S. 2427. An act to provide for the payment of compensation to officers and members of the Metropolitan Police force, the United States Park Police force, the White House Police force, and the Fire Department of the District of Columbia, for duty performed on their days off, when such days off are suspended during an emergency;

S. 2592. An act to increase the mileage allowance of United States marshals and their deputies from 7 cents per mile to 10 cents per mile; and

S. 2630. An act to facilitate the establishment of local self-government at the communities of Oak Ridge, Tenn., and Richland, Wash., and to provide for the disposal of federally owned properties of such communities.

On August 5, 1955:

S. 665. An act to revive section 3 of the District of Columbia Public School Food Services Act;

S. 847. An act to authorize the construction of two surveying ships for the Coast and Geodetic Survey, Department of Commerce, and for other purposes;

S. 1051. An act to amend section 8a (4) of the Commodity Exchange Act, as amended;

S. 1093. An act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia, and for other purposes;

S. 2237. An act to amend the act of May 26, 1949, to strengthen and improve the organization of the Department of State, and for other purposes;

S. 2375. An act to provide for 5-year terms of office for members of the Subversive Activities Control Board with one of such terms expiring in each calendar year; and

S. 2428. An act to increase the salaries of officers and members of the Metropolitan Police force, and the Fire Department of the District of Columbia, the United States Park

Police, and the White House Police, and for other purposes.

On August 9, 1955:

S. 34. An act to authorize the leasing of restricted Indian lands for public, religious, educational, recreational, residential, business, and other purposes requiring the grant of long-term leases;

S. 38. An act for the relief of Joseph Jerry Earl Sirois (also known as Jeremie Earl Sirois);

S. 56. An act authorizing construction of certain public works on the Mississippi River for the protection of St. Louis, Mo.;

S. 71. An act for the relief of Ursula Else Boysen;

S. 72. An act to provide that certain lands acquired by the United States shall be administered by the Secretary of Agriculture as national forest lands;

S. 85. An act for the relief of Rosetta Ittner;

S. 86. An act for the relief of Wilhelmine Schelter;

S. 91. An act for the relief of Luzia Cox;

S. 100. An act for the relief of Hermine Lorenz;

S. 119. An act for the relief of David Wei-Dao Lea and Julia An-Fong;

S. 135. An act for the relief of the Elkay Manufacturing Co., of Chicago, Ill.;

S. 141. An act for the relief of Pauline Ellen Redmond;

S. 167. An act for the relief of Ernesto DeLeon;

S. 176. An act for the relief of Gerda Irmgard Kurella;

S. 181. An act for the relief of Manhay Wong;

S. 191. An act for the relief of Liselotte Warmbrand;

S. 197. An act for the relief of Vincenzo Santagata;

S. 235. An act for the relief of Melanie Schaffner Baker;

S. 238. An act for the relief of Andreas Georges Vlastos (Andreas Georges Vlasto);

S. 240. An act for the relief of Mrs. Helena Planinsek;

S. 254. An act for the relief of Giussepina Cervi;

S. 293. An act for the relief of Miss Cecile Patricia Chapman;

S. 326. An act for the relief of Leopoldine Maria Lofolad;

S. 346. An act for the relief of Klara Anna Maria Fleischer;

S. 394. An act for the relief of Ali Hassan Waffa;

S. 397. An act for the relief of Maria Bertagnolli Pancheri;

S. 430. An act for the relief of Hedwig Marie Zaunmuller;

S. 463. An act to authorize the issuance of commemorative medals to certain societies of which Benjamin Franklin was a member, founder, or sponsor in observance of the 250th anniversary of his birth;

S. 464. An act to authorize the Secretary of the Interior to issue patents for certain lands in Florida bordering upon Indian River;

S. 466. An act for the relief of Capt. George Gafos, Eugenia Gafos, and Adamantios George Gafos;

S. 470. An act for the relief of Edith Winifred Loch;

S. 474. An act for the relief of Maria Elena Venegas and Sarah Lucia Venegas;

S. 476. An act for the relief of Harold Swarthout and L. R. Swarthout;

S. 503. An act for the relief of Cirino Lanzafame;

S. 518. An act for the relief of Elsa Alwine Larsen;

S. 535. An act to provide for the conveyance to the State of North Dakota, for use as a State historic site, of the land where Chief Sitting Bull was originally buried;

S. 606. An act for the relief of Gisela Hofmeier;

S. 707. An act for the relief of Christos Paul Zolotas;

S. 714. An act for the relief of Alfio Ferrara;

S. 843. An act for the relief of Gerda Graupner;

S. 878. An act to amend the act extending the exterior boundary of the Uintah and Ouray Indian Reservation in the State of Utah so as to authorize such State to exchange certain mineral lands for other lands mineral in character;

S. 884. An act for the relief of Gabor Lanyi;

S. 1014. An act for the relief of Henry Duncan;

S. 1033. An act for the relief of Ann Arbor Construction Co.;

S. 1035. An act for the relief of Ambrose Anthony Fox;

S. 1105. An act for the relief of Mrs. Lieselotte Emilie Dailey;

S. 1126. An act for the relief of Dimitrios Antoniou Kostalas;

S. 1138. An act to continue the effectiveness of the act of July 17, 1953 (67 Stat. 177), as amended, providing certain construction and other authority;

S. 1155. An act for the relief of Iva Druzianich (Iva Druzianic);

S. 1159. An act for the relief of Wilma Ann Schilling and her daughter, Ingertraud Rosalita Schilling;

S. 1167. An act to amend the Soil Conservation and Domestic Allotment Act;

S. 1187. An act to amend section 5221 of the Revised Statutes, relating to voluntary liquidation of national banks;

S. 1210. An act to amend the Public Buildings Act of 1949 to provide a 5-year limitation on the period of leases of space for Federal agencies in the District of Columbia;

S. 1266. An act for the relief of Helene Margareta Jobst;

S. 1296. An act for the relief of Maria Anna Coone;

S. 1340. An act to authorize the conveyance by quitclaim deed of certain land to the Brownsville Navigation District of Cameron County, Tex.;

S. 1496. An act for the relief of Ruriko Hara;

S. 1512. An act to amend section 107 of title 28 of the United States Code so as to eliminate separate divisions and reduce the number of places of holding regular terms of the United States District Court for the District of Nebraska;

S. 1521. An act for the relief of Garabed Papazian;

S. 1577. An act to amend the acts granting the consent of Congress to the State of Connecticut, acting by and through any agency or commission thereof, to construct, maintain, and operate toll bridges across the Connecticut River;

S. 1621. An act to authorize adjustment by the Secretary of Agriculture of certain obligations of settlers on projects developed or subject to the act of August 11, 1939, as amended, and for other purposes;

S. 1706. An act for the relief of Spyridon Saintoufis and his wife Efrossini Saintoufis;

S. 1730. An act for the relief of Anna Marie Hitzelberger Scheidt, and her minor child, Rosanne Hitzelberger;

S. 1757. An act to amend the act known as the Agricultural Marketing Act of 1946, approved August 14, 1946;

S. 1758. An act to amend the Bankhead-Jones Farm Tenant Act, as amended, to modify, clarify, and provide additional authority for insurance of loans;

S. 1899. An act to authorize the improvement of the Amite River and its tributaries;

S. 1906. An act to authorize the Pueblos of San Lorenzo and Pojoaque in New Mexico to sell certain lands to the Navaho Tribe, and for other purposes;

S. 1917. An act to authorize the construction within Grand Teton National Park of an alternate route to United States Highway 89, also numbered U. S. 187 and U. S. 26, and the conveyance thereof to the State of Wyoming, and for other purposes;

S. 1965. An act to repeal a particular contractual requirement with respect to the Arch Hurley Conservancy District in New Mexico;

S. 1974. An act for the relief of Rosa Birger;

S. 2049. An act to provide recognition of the 50th anniversary of the Devils Tower National Monument, Wyo., the first national monument, established by the President of the United States pursuant to the Antiquities Act of 1906; to authorize the addition of certain land to the monument, to permit land exchanges, and for other purposes;

S. 2081. An act to amend the Veterans' Readjustment Assistance Act of 1952 to provide that education and training allowances paid to veterans pursuing institutional on-farm training shall not be reduced for 12 months after they have begun their training;

S. 2087. An act to amend the act of May 19, 1947 (ch. 80, 61 Stat. 102), as amended, so as to permit per capita payments to the individual members of the Shoshone Tribe and the Arapahoe Tribe of the Wind River Reservation in Wyoming, to be made quarterly;

S. 2127. An act to amend the Small Business Act of 1953;

S. 2197. An act to authorize the Secretary of the Interior to distribute equally to members of the Kaw Tribe of Indians certain moneys to the credit of the tribe in the United States Treasury;

S. 2269. An act for the relief of Mualla S. Holloway;

S. 2277. An act authorizing the Administrator of General Services to convey certain land to the city of Sioux Falls, S. Dak., for park and recreational purposes, for an amount equal to the cost to the United States of acquiring such lands from the city;

S. 2297. An act to further amend the Agricultural Adjustment Act of 1938, and for other purposes;

S. 2339. An act to authorize the Secretary of the Interior to include capacity to serve the town of Glendo, Wyo., in a sewerage system to be installed in connection with the construction of Glendo Dam and Reservoir, and for other purposes;

S. 2351. An act to authorize the conveyance of certain war-housing projects to the city of Norfolk, Va.;

S. 2391. An act to amend the Defense Production Act of 1950, as amended, and for other purposes;

S. 2403. An act to authorize the dual employment of custodial employees in post office buildings operated by the General Services Administration, and for other purposes;

S. 2511. An act to amend the Agricultural Adjustment Act of 1938 as amended;

S. 2514. An act to declare the portion of the waterway of West Haven and New Haven, Conn., known as the West River, northerly of a line running north 85° 54′ 43.5″ east from a point whose coordinates in the Corps of Engineers harbor line system are north 4,616.76 and west 9,450.80, a nonnavigable stream;

S. 2566. An act to amend title 14, United States Code, so as to provide for compensatory absence of Coast Guard military personnel serving at isolated aids to navigation, and for other purposes;

S. 2573. An act to amend the rice marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended;

S. J. Res. 91. Joint resolution to authorize the Secretary of Commerce to sell the steamship *La Guardia;* and

S. J. Res. 92. Joint resolution to authorize the Secretary of Commerce to sell the steamship *Monterey.*

On August 11, 1955:

S. 92. An act for the relief of Irene C. (Karl) Behrman;

S. 125. An act for the relief of the State of Illinois;

S. 198. An act for the relief of Filippo Mastroianni;

S. 214. An act for the relief of Ahmet Suat Maykut;

S. 223. An act for the relief of Mary Freida Poeltl Smith;

S. 239. An act for the relief of Apostolos Vasili Percas;

S. 352. An act for the relief of Isaac Glickman, Reghina Glickman, Alfred Cismaru, and Anna Cismaru;

S. 388. An act for the relief of Petre and Liubitza Ionescu;

S. 393. An act for the relief of Chieko Suzuki;

S. 644. An act for the relief of Mecys Jauniskis;

S. 730. An act granting the consent of Congress to the States of Kansas and Oklahoma to negotiate and enter into a compact relating to their interests in, and the apportionment of, the waters of the Arkansas River and its tributaries as they affect such States;

S. 732. An act to promote public cooperation in the rehabilitation and preservation of the Nation's important historic properties in the New York City area, and for other purposes;

S. 987. An act to authorize the Secretary of Commerce, acting through the Coast and Geodetic Survey, to assist the States of Maryland and Delaware to reestablish their common boundary;

S. 1044. An act for the relief of Edward Naarits;

S. 1189. An act to permit national banks to make 20-year real-estate loans, and 9-month residential construction loans;

S. 1337. An act for the relief of Joseph Vyskocil;

S. 1353. An act for the relief of Mrs. Jeanette S. Hamilton;

S. 1367. An act for the relief of Antonio Jacoe;

S. 1391. An act granting the consent of Congress to the States of California and Nevada to negotiate and enter into a compact with respect to the distribution and use of the waters of the Truckee, Carson, and Walker Rivers, Lake Tahoe, and the tributaries of such rivers and lake in such States;

S. 1395. An act to amend the joint resolution entitled "Joint resolution to establish a commission for the celebration of the 200th anniversary of the birth of Alexander Hamilton," approved August 20, 1954;

S. 1397. An act providing for the conveyance of certain lands to St. Louis Church of Dunseith, Dunseith, N. Dak.;

S. 1415. An act for the relief of Anna Mertikas;

S. 1522. An act for the relief of Lieselotte Brodzinski Gettmen;

S. 1541. An act for the relief of Ernest Fraenkel and his wife, Hanna Fraenkel;

S. 1581. An act for the relief of Constaninos Pantermalis;

S. 1681. An act for the relief of Cecile Doriac and her minor child;

S. 1759. An act to consolidate the Hatch Act of 1887 and laws supplementary thereto relating to the appropriation of Federal funds for the support of agricultural experiment stations in the States, Alaska, Hawaii, and Puerto Rico;

S. 1792. An act to amend the Federal Employees' Group Life Insurance Act of 1954;

S. 1894. An act to provide for the participation of the United States in the International Finance Corporation;

S. 2088. An act for the relief of Ladislav Mencl;

S. 2098. An act to amend Public Law 83, 83d Congress;

S. 2126. An act to extend and clarify laws relating to the provision and improvement of housing, the elimination and prevention of slums, the conservation and development of urban communities, the financing of vitally needed public works, and for other purposes;

S. 2198. An act to extend the period of restrictions on lands belonging to Indians of the Five Civilized Tribes in Oklahoma, and for other purposes;

S. 2260. An act granting the consent of Congress to the States of Arkansas, Louisiana, Oklahoma, and Texas to negotiate and enter into a compact providing for the apportionment of the waters of the Red River and its tributaries;

S. 2270. An act for the relief of Nadia Noland and Samia Ouafa Noland;

S. 2295. An act to amend section 313 of the Agricultural Adjustment Act of 1938, with respect to tobacco allotments;

S. 2296. An act to amend section 313 of the Agricultural Adjustment Act of 1938, with respect to tobacco allotments;

S. 2312. An act for the relief of certain Korean war orphans;

S. 2575. An act for the relief of Mrs. Gertrud Hildegard Nichols;

S. 2604. An act to increase the borrowing power of Commodity Credit Corporation; and

S. J. Res. 73. Joint resolution to establish a commission to formulate plans for a memorial to Franklin Delano Roosevelt.

On August 12, 1955:

S. 541. An act for the relief of Martin Aloysius Madden;

S. 550. An act for the relief of John Axel Arvidson;

S. 756. An act to authorize the appropriation of accumulated receipts in the Federal aid to wildlife restoration fund established by the Pittman-Robertson Act and to authorize the expenditure of funds apportioned to a State under such act for the management of wildlife areas and resources;

S. 1077. An act to provide for settlement of claims resulting from the disaster which occurred at Texas City, Tex., on April 16 and 17, 1947;

S. 1849. An act to provide for the granting of career-conditional and career appointments to certain qualified employees;

S. 2168. An act to amend the Fair Labor Standards Act of 1938 in order to increase the national minimum wage, and for other purposes;

S. 2253. An act to reemphasize trade development as the primary purpose of title I of the Agricultural Trade Development and Assistance Act of 1954;

S. 2501. An act to provide grants to assist States to meet the cost of poliomyelitis vaccination programs, and for other purposes; and

S. J. Res. 82. Joint resolution to authorize the Secretary of the Interior to execute a certain contract with the Toston Irrigation District, Montana.

On August 14, 1955:

S. 2039. An act to authorize the Secretary of the Interior to lease any unassigned lands on the Colorado River Indian Reservation, Ariz., and for other purposes; and

S. 2576. An act to amend the joint resolution entitled "Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes," approved January 14, 1933, and for other purposes.

SENATE BILLS DISAPPROVED AFTER SINE DIE ADJOURNMENT

The President of the United States, subsequent to the sine die adjournment of the Senate, notified the Secretary of the Senate that, on the following dates, he had disapproved bills of the Senate of the following titles, together with his reasons for such actions:

On August 5, 1955:

AMENDING THE SUBVERSIVE ACTIVITIES CONTROL ACT

S. 2171. I am withholding approval of S. 2171, an act "To amend the Subversive Activities Control Act so as to provide that upon the expiration on his term of office a member of the Board shall continue to serve until his successor shall have been appointed and shall have qualified."

The language of this bill is incorporated in identical terms in S. 2375, which I have approved today. Under the circumstances, approval of S. 2171 is unnecessary and would result in a nullity and possible confusion.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *August 5, 1955.*

FRED P. HINES

On August 12, 1955:

S. 204. I have withheld my approval of S. 204, 84th Congress, an act for the relief of Fred P. Hines.

The bill would direct the Administrator of Veterans' Affairs to pay to Mr. Fred P. Hines the sum of $778.78, which sum represents the amount claimed as the cost of private hospital and medical expenses incurred in connection with the treatment of a disability not connected with his active military service in the Spanish-American War.

On July 20, 1953, I submitted a message to the Senate (S. Doc. No. 62, 83d Cong.) returning without my approval S. 152, 83d Congress, a bill identical to this bill except that S. 204 eliminates the payment of attorney fees in connection with the claim. No new evidence has been submitted in the interim, and the legislative history of the current bill contains no information which would justify a change in my position in the matter.

Under the circumstances and for the reasons set forth in my earlier message, I could take no other action than to withhold approval of S. 204.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *August 12, 1955.*

AMENDING THE CIVIL SERVICE RETIREMENT ACT

S. 1041. I am withholding approval of S. 1041, a bill to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide for the inclusion in the computation of accredited service of certain periods of service rendered States or instrumentalities of States, and for other purposes.

This bill would provide additional retirement benefits to those Federal and District of Columbia employees who also have been, are now, or in the future may become employees of the States or of State instrumentalities on Federal-State programs financed either wholly or in part by Federal funds, in five types of agricultural programs and in programs of vocational education.

The bill is not approved because it would (1) make improper use of Federal funds to pay for services never received by it, (2) result in an unsound shifting of fiscal responsibility from State to Federal Government, (3) set an undesirable precedent, and (4) constitute an unsound approach to a desirable goal of increased employee mobility.

First, and most important, these additional retirement benefits would not be based upon Federal employment but on State employment. States and State in-

strumentalities are responsible for paying for services rendered to them, and there is no assertion that such obligations are not met. Federal retired pay is a basic element in the compensation system provided by the Federal Government in exchange for work performed by its employees. To provide additional compensation payable out of the Federal civil-service retirement fund on the basis of work performed for another employer appears to be an unnecessary and improper use of Federal funds.

Second, the financing principle followed in this bill is unsound. The Federal civil-service retirement fund has been built up by contributions from Federal employees and from the Federal Government as an employer. Under the bill the affected employees would now pay retirement contributions for their State service as if it had been Federal service but since the ultimate annuity payments would average several times such contributions, the major portion of the cost of this bill would be borne by Federal taxpayers. This shift of fiscal responsibility from the actual employer, the State or State instrumentalities, to the Federal Government would be accomplished with no corresponding transfer of funds. This unsound fiscal policy could become an even more serious matter if the program were to be extended to all employee groups having similar claims.

Third, the bill appears to establish an undesirable precedent for making similar payments on the basis of employment in many other Federal-State cooperative programs. The record on the bill indicates that over 80 such programs have already been identified. Extension of similar benefits to employees of all such programs would lead far afield.

Fourth, although the bill seems to have the sound objective of encouraging transfers of employees between State and Federal employment, I do not believe that it moves toward this objective in a proper manner. A firmer, more acceptable step would be to extend the Federal old-age and survivors system to include Federal employees. With employees of an increasing number of States also covered under that system, both Federal and State retirement systems would share a common base and all OASI benefits would be preserved in moving from one employer to another. Recommendations to the Congress will be made on this matter early in the next session.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *August 12, 1955.*

REPORT OF COMMITTEE ON BANKING AND CURRENCY AFTER SINE DIE ADJOURNMENT ENTITLED "SUMMARY OF ACTIVITIES" (S. REPT. NO. 1306)

Pursuant to the order of the Senate of August 1, 1955,

Mr. FULBRIGHT, from the Committee on Banking and Currency, on August 10, 1955, submitted a report of that committee entitled "Summary of Activities," which was ordered to be printed.

INTERIM REPORT OF ALEXANDER HAMILTON BICENTENNIAL COMMISSION (S. DOC. NO. 89)

Pursuant to the order of the Senate of July 30, 1955,

Mr. MUNDT, on September 20, 1955, submitted an interim report of the Alexander Hamilton Bicentennial Commission, pursuant to section 6, Public Law 601, 83d Congress, to establish a Commission for the Celebration of the Two Hundredth Anniversay of the Birth of Alexander Hamilton, which was printed.

SUMMARY OF ACTIVITIES—REPORT OF COMMITTEE ON POST OFFICE AND CIVIL SERVICE SUBMITTED AFTER ADJOURNMENT SINE DIE (S. REPT. NO. 1307)

Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service, pursuant to the order of the Senate of August 1, 1955, submitted on September 23, 1955, a report of that committee entitled "Summary of Activities," which was ordered to be printed.

APPOINTMENTS AFTER SINE DIE ADJOURNMENT

Under the authority of the order of the Senate of August 2, 1955, the Vice President, subsequent to the sine die adjournment, made appointments to the following commissions, joint and special committees, and subcommittee authorized by law or resolution of the Senate:

To the Boston National Historic Sites Commission: Mr. SALTONSTALL.

To the District of Columbia Auditorium Commission: Mr. Neely, Mr. McNamara, Mr. Beall, Dr. George Johnson, Dean of Howard University Law School, Mr. Barney Balaban of New York, Mrs. Eugene Meyer of Washington, D. C., and Mrs. James H. Rowe, Jr., of Washington, D. C.

To the Franklin Delano Roosevelt Memorial Commission: Mr. IVES, Mr. CASE of New Jersey, Mr. HUMPHREY, and Mr. LEHMAN.

To the Theodore Roosevelt Centennial Commission: Mr. O'MAHONEY and Mr. MUNDT.

To the Joint Congressional Committee on Construction of a Building for a Museum of History and Technology for the Smithsonian Institution: Mr. ANDERSON, Mr. SALTONSTALL, Mr. SMITH of New Jersey, Mr. SYMINGTON, and Mr. MARTIN of Pennsylvania.

To the Committee on Disarmament: Mr. HUMPHREY, chairman, Mr. BARKLEY, Mr. SPARKMAN, Mr. WILEY, Mr. HICKENLOOPER, and Mr. KNOWLAND, from the subcommittee of the Committee on Foreign Relations, as appointed by the chairman of the Committee on Foreign Relations; Mr. BYRD, Mr. SYMINGTON, Mr. BRIDGES, and Mr. SALTONSTALL, from the Committee on Armed Services, and Mr. PASTORE and Mr. BRICKER, from the Joint Committee on Atomic Energy.

To the Special Committee on the Senate Reception Room: Mr. JOHNSON of Texas, chairman, Mr. RUSSELL, Mr. MANSFIELD, Mr. MILLIKIN, and Mr. BRIDGES.

To the Committee on Invitation from the British Parliament: Mr. HUMPHREY, Mr. MANSFIELD, Mr. BARKLEY, Mr. PAYNE, Mr. CURTIS, and Mr. GOLDWATER.

To the Commission on Government Security; Mr. Stennis of Mississippi, Mr. Cotton of New Hampshire, Loyd Wright, Past President of the American Bar Association, of Los Angeles, California, and Dr. Susan Riley, Professor of Education, George Peabody College, Nashville, Tennessee.

CONFIRMATIONS

Executive nominations confirmed by the Senate August 2, 1955:

SECURITIES AND EXCHANGE COMMISSION

Harold C. Patterson, of Virginia, to be a member of the Securities and Exchange Commission for the term expiring June 5, 1960.

DEPARTMENT OF LABOR

Newell Brown, of New Hampshire, to be Administrator, Wage and Hour Division, Department of Labor.

REJECTION

Executive nomination rejected by the Senate August 2, 1955:

POSTMASTER

The nomination of Margaret E. Smith to be postmaster at Montreat in the State of North Carolina.

HOUSE OF REPRESENTATIVES

TUESDAY, AUGUST 2, 1955

The House met at 11 o'clock a. m.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou God of all our days, may our hearts expand with gratitude for the many mercies which Thou hast bestowed upon us.

Wilt Thou continue to give us the glad assurance that no needed blessing wilt Thou ever withhold from us if we do justly, love mercy, and walk humbly with the Lord.

We thank Thee for the high and holy privilege we have had of working together in the service of our God, our country, and humanity.

Grant that when we come to the closing hour of this session of the Congress we may receive the benediction of Thy grace, "Well done, thou good and faithful servant."

May the Lord bless us and keep us; may the Lord make His face to shine upon us and be gracious unto us; may the Lord lift upon us the light of His countenance and give us peace.

Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that

the Senate had passed without amendment bills of the House of the following titles:

H. R. 3908. An act to provide for the regulation of fares for the transportation of schoolchildren in the District of Columbia; and

H. R. 6199. An act to amend the act of October 14, 1940, to authorize the sale of personal property held in connection with housing under such act.

The message also announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 7618. An act to amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 2087. An act to amend the act of May 19, 1947 (ch. 80, 61 Stat. 102), as amended, so as to permit per capita payments to the individual members of the Shoshone Tribe and the Arapahoe Tribe, of the Wind River Reservation in Wyoming, to be made quarterly; and

S. 2237. An act to amend the act of May 26, 1949, to strengthen and improve the organization of the Department of State, and for other purposes.

The message also announced that the Senate agrees to the reports of the committees of conference on the disagreeing votes of the two Houses on the amendments of the Senate to bills of the House of the following titles:

H. R. 191. An act to regulate the election of delegates representing the District of Columbia to national political conventions, and for other purposes;

H. R. 4048. An act making recommendations to the States for the enactment of legislation to permit and assist Federal personnel, including members of the Armed Forces, and their families, to exercise their voting franchise, and for other purposes;

H. R. 6373. An act to amend the Domestic Minerals Program Extension Act of 1953 in order to extend the programs to encourage the discovery, development, and production of certain domestic minerals; and

H. R. 6382. An act to amend the International Claims Settlement Act of 1949, as amended, and for other purposes.

The message also announced that the Senate agrees to the reports of the committees of conference on the disagreeing votes of the two Houses on the amendments of the House to bills of the Senate of the following titles:

S. 1041. An act to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide for the inclusion in the computation of accredited service of certain periods of service rendered States or instrumentalities of States, and for other purposes;

S. 1077. An act to provide for settlement of claims for damages resulting from the disaster which occurred at Texas City, Tex., on April 16 and 17, 1947; and

S. 2126. An act to extend and clarify laws relating to the provision and improvement of housing, the elimination and prevention of slums, the conservation and development of urban communities, the financing of vitally needed public works, and for other purposes.

The message also announced that the Senate had ordered that the Senator from California, Mr. KNOWLAND, be appointed an additional conferee on the bill (H. R. 7117) entitled "An act making appropriations for the legislative branch for the fiscal year ending June 30, 1956, and for other purposes."

CALL OF THE HOUSE

Mr. MARTIN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently no quorum is present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 146]

Abernethy	Gray	Powell
Alger	Gregory	Prouty
Andrews	Griffiths	Radwan
Anfuso	Gubser	Reece, Tenn.
Barden	Halleck	Reed, Ill.
Baumhart	Hillings	Reed, N. Y.
Belcher	Hinshaw	Richards
Bell	Hoffman, Ill.	Riehlman
Blitch	Holifield	Robsion, Ky.
Bowler	Holt	Scrivner
Boykin	Jarman	Sheehan
Buchanan	Kearney	Shuford
Buckley	Kilburn	Sieminski
Chatham	Kluczynski	Siler
Chiperfield	Krueger	Smith, Kans.
Christopher	McConnell	Taylor
Clevenger	McDowell	Thomson, Wyo.
Cole	McGregor	Tuck
Colmer	Mason	Van Pelt
Cooley	Mumma	Van Zandt
Dawson, Ill.	Nelson	Velde
Dempsey	Norblad	Vursell
Dies	O'Brien, N. Y.	Watts
Dingell	Osmers	Widnall
Dolliver	Passman	Williams, Miss.
Durham	Pelly	Winstead
Eberharter	Perkins	Younger
Frazier	Phillips	
Gordon	Poage	

The SPEAKER. On this rollcall 347 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

AMEND SECTION 8 OF THE CIVIL SERVICE RETIREMENT ACT

Mr. MURRAY of Tennessee. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 7618) to amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee? The Chair hears none, and appoints the following conferees: Messrs. MURRAY of Tennessee, MORRISON, and REES of Kansas.

HOUSING AMENDMENTS OF 1955

Mr. SPENCE submitted the following conference report and statement on the bill (S. 2126) to extend and clarify laws relating to the provision and improvement of housing, the elimination and prevention of slums, the conservation and development of urban communities, the financing of vitally needed public works, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 1622)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2126) to extend and clarify laws relating to the provision and improvement of housing, the elimination and prevention of slums, the conservation and development of urban communities, the financing of vitally needed public works, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows: That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

"That this Act may be cited as the 'Housing Amendments of 1955'.

"TITLE I—GENERAL HOUSING AMENDMENTS

"Home improvement loans

"SEC. 101. Section 2 (a) of the National Housing Act, as amended, is hereby amended by striking 'August 1, 1955' and inserting 'September 30, 1956'.

"Mortgage insurance

"SEC. 102. (a) Section 204 (f) of said Act, as amended, is hereby amended by adding the following paragraph at the end thereof:

" 'Notwithstanding any other provisions of this section, the Commission is authorized, with respect to mortgages insured pursuant to commitments for insurance issued after the date of enactment of the Housing Amendments of 1955, and, with the consent of the mortgagee or mortgagor, as the case may be, with respect to mortgages insured pursuant to commitments issued prior to such date, to effect the settlement of certificates of claim and refunds to mortgagors at any time after the sale or transfer of title to the property conveyed to the Commissioner under this section and without awaiting the final liquidation of such property for the purpose of determining the net amount to be realized therefrom.'

"(b) Section 207 of said Act, as amended, is hereby amended as follows:

"(1) In subsection (a) (1) (B), after the words 'residential use', insert 'or upon which there is located or to be constructed facilities for trailer coach mobile dwellings';

"(2) In subsection (a) (6), before the period, insert the following: 'or space in a trailer court or park properly arranged and equipped to accommodate trailer coach mobile dwellings';

"(3) In the first proviso of subsection (c) (2), after the words 'of this section', insert 'or a mortgage on a trailer court or park';

"(4) Before the colon immediately preceding the proviso in subsection (c) (3), insert 'or not to exceed $1,000 per space or $300,000 per mortgage for trailer courts or parks'; and

"(5) In the last sentence of subsection (c), after the word 'project', insert 'may include eight or more family units and'.

"(c) Sections 207 (c) (1), 213 (b) (1), 213 (c), 220 (d) (3) (B), and 221 (d) (3) of said Act, as amended, are hereby amended by striking out '$5,000,000' and inserting in lieu thereof '$12,500,000'.

"(d) Section 213 (b) (2) of said Act, as amended, is amended by striking out 'the estimated value' both times it appears and inserting in lieu thereof 'the amount which the Commissioner estimates will be the replacement cost'.

"(e) Section 213 of said Act, as amended, is hereby amended by adding, in the last sentence of subsection (d), after the words 'subsection (a) of this section', the words 'may include eight or more family units and'.

"(f) Section 217 of said Act, as amended, is hereby amended by striking 'July 1, 1954' and inserting 'July 1, 1955', and by striking '$3,500,000,000' and inserting '$4,000,000,000'.

"(g) Section 220 (d) (3) of such Act, as amended, is amended as follows:

"(i) In subparagraph (A) by striking out 'the appraised value' and inserting in lieu thereof 'the amount which the Commissioner estimates will be the replacement cost', and by striking out 'such value' and inserting in lieu thereof 'such costs' and by adding the following proviso before the last semicolon in said subparagraph (B) (ii): '*And provided further*, That in the case of properties other than new construction, the foregoing limitations upon the amount of the mortgage shall be based upon appraised value rather than upon the Commissioner's estimate of the replacement cost'; and

"(2) In subparagraph (B) (ii) by striking out 'the estimated value' and inserting in lieu thereof 'the amount which the Commissioner estimates will be the replacement cost', and by striking out 'value' and inserting in lieu thereof 'replacement cost', and by adding the following proviso before the semicolon in said subparagraph (B) (ii): ': *Provided*, That in the case of properties other than new construction, the foregoing limitation upon the amount of the mortgage shall be based upon appraised value rather than upon the Commissioner's estimate of the replacement cost'.

"(h) In the performance of, and with respect to, the functions, powers, and duties vested in him by section 213 of the National Housing Act, as amended, the Commissioner, notwithstanding the provisions of any other law, shall appoint a Special Assistant for Cooperative Housing, and provide the Special Assistant with adequate staff, whose sole responsibility will be to expedite operations under such section and to eliminate obstacles to the full utilization of such section under the direction and supervision of the Commissioner. The person so appointed shall be fully sympathetic with the purposes of such section.

"(i) Clause (a) of the second sentence of section 227 of said Act, as amended, is hereby amended by striking 'under section 221' and inserting 'under section 221 if the mortgage meets the requirements of paragraph (3) of subsection (d) thereof'.

"(j) Section 221 (a) of said Act, as amended, is amended as follows:

"(1) By inserting after the words 'in order to assist in relocating families' the following: 'from urban renewal areas and in relocating families';

"(2) By striking out the words 'to be so displaced' in the first proviso of the second sentence;

"(3) By striking out the words 'to be so displaced and' and inserting 'referred to above' in the second proviso of the second sentence.

"(k) Section 223 (a) of said Act, as amended, is amended by striking out 'section 203 or section 207' each time it appears and inserting in lieu thereof 'section 203, 207, or 213'.

"Federal National Mortgage Association

"SEC. 103. Section 305 of said Act, as amended, is amended by adding at the end thereof the following:

"'(e) Notwithstanding any other provision of this Act, the Association is authorized to enter into advance commitment contracts which do not exceed $50,000,000 outstanding at any one time, if such commitments relate to mortgages with respect to which the Federal Housing Commissioner shall have issued pursuant to section 213 either a commitment to insure or a statement of eligibility; but not more than $5,000,000 of such authorization shall be available for such commitments in any one State.'

"Certificates of claim

"SEC. 104. Section 604 (f) of said Act, as amended, is hereby amended by adding the following paragraph at the end thereof:

" 'Notwithstanding any other provisions of this section, the Commissioner is authorized, with the consent of the mortgagee or mortgagor, as the case may be, to effect the settlement of certificates of claim and refunds at any time after the sale or transfer of title to the property conveyed to the Commissioner under this section and without awaiting the final liquidation of such property for the purpose of determining the net amount to be realized therefrom.'

"Termination of title IX of the National Housing Act

"SEC. 105. The second sentence of section 104 of the Defense Housing and Community Facilities and Services Act of 1951, as amended, is hereby amended by striking in clause (a) thereof 'designate hereunder' and inserting 'designate hereunder or (iii) pursuant to a commitment to insure issued pursuant to the preceding clause (ii)'.

"Slum clearance and urban renewal

"SEC. 106. (a) Section 103 (b) of the Housing Act of 1949, as amended, is hereby amended by striking '$100,000,000, which limit shall be increased by further amounts of $100,000,000 on July 1 in each of the years 1950, 1951, 1952, and 1953, respectively: *Provided*, That (subject to the total authorization of not to exceed $500,000,000)' and inserting '$500,000,000, which limit shall be increased by further amounts of $200,000,000 on July 1 in each of the years 1955 and 1956, respectively: *Provided*, That'.

"(b) Section 106 (e) of said Act, as amended, is hereby amended by striking '$35,000,000' and inserting '$70,000,000'.

"(c) Section 110 (c) of said Act, as amended, is hereby amended by inserting between the first and second sentences thereof the following sentence: 'Where land within the purview of subparagraph (1) (ii) or (1) (iii) hereof (whether it be predominantly residential or nonresidential in character) is to be redeveloped for predominantly nonresidential uses, loans and advances under this title may be extended therefor if the governing body of the local public agency determines that such redevelopment for predominantly nonresidential uses is necessary and appropriate to facilitate the proper growth and development of the community in accordance with sound planning standards and local community objectives and to afford maximum opportunity for the redevelopment of the project area by private enterprise: *Provided*, That loans and outstanding advances to any local public agency pursuant to the authorization of this sentence shall not exceed 2½ per centum of the estimated gross project costs of the projects undertaken under other contracts with such local public agency pursuant to this title.'

"SEC. 107. The Territorial Enabling Act of 1950 (64 Stat. 344) is hereby amended—

"(1) by inserting 'urban renewal,' after 'urban redevelopment,' in the title;

"(2) by inserting ', and urban renewal' after 'redevelopment' in the heading of title I;

"(3) by inserting 'and urban renewal projects' after the term 'urban redevelopment projects' in each place where that term appears in title I;

"(4) by inserting 'urban renewal,' after 'redevelopment,' in the heading of title III;

"(5) by inserting 'urban renewal', after 'urban redevelopment,' in sections 301 and 303;

"(6) by inserting 'or urban renewal' after 'urban redevelopment' in section 304;

"(7) by inserting 'as amended,' after '(Public Law 171, Eighty-first Congress),' in sections 101, 301, and 304;

"(8) by inserting 'as amended,' after 'Housing Act of 1949,' in the clause numbered '(1)' in section 304; and

"(9) by inserting ', as amended,' after 'this Act' in sections 101, 301, and 304.

"Public housing

"SEC. 108. (a) Section 101 (c) of title I of the Housing Act of 1949, as amended, is amended by striking out 'or for annual contributions or capital grants pursuant to the United States Housing Act of 1937, as amended, for any project or projects not constructed or covered by a contract for annual contributions prior to the effective date of the Housing Act of 1954,'.

"(b) Subsection (1) of section 10 of the United States Housing Act of 1937, as amended, is hereby amended to read as follows:

" '(1) Notwithstanding any other provisions of law the Authority may enter into new contracts for loans and annual contributions for not more than forty-five thousand additional dwelling units during the period from the date of enactment of the Housing Amendments of 1955 through July 31, 1956, and may enter into only such new contracts for preliminary loans in respect thereto as are consistent with the number of dwelling units for which contracts for annual contributions may be entered into hereunder: *Provided*, That no new contracts for loans and annual contributions for additional dwelling units in excess of the number authorized in this sentence shall be entered into unless authorized by the Congress.'

"(c) Notwithstanding the provisions of any other law, the Housing and Home Finance Administrator is authorized to sell and convey all right, title, and interest of the United States (including any off-site easements) at fair market value as determined by him, in and to war housing project CONN–6028, known as Welles Village, containing one hundred and ninety-nine dwelling units on approximately thirty-four and one-half acres of lands in Glastonbury, Connecticut, to the Housing Authority of the town of Glastonbury, Connecticut, subject to the approval of the legislative body of the town of Glastonbury, for use in providing moderate rental housing. Any sale pursuant to this section shall be on such terms and conditions as the Administrator shall determine: *Provided*, That full payment to the United States shall be required within a period of not to exceed thirty years with interest on the unpaid balance at not to exceed 5 per centum per annum: *Provided further*, That the provisions of this subsection shall be effective only during the period ending 12 months after the date of approval of this Act.

"(d) The Act entitled 'An Act to expedite the provision of housing in connection with national defense, and for other purposes', approved October 14, 1940, as amended, is hereby amended by amending the last paragraph of section 605 (a) to read as follows:

" 'In any city in which, on March 1, 1953, there were more than ten thousand temporary housing units held by the United States of America, or any two contiguous cities in one of which there were on such date more than ten thousand temporary housing units so held, the Administrator may acquire, by purchase or condemnation, a fee simple title to any or all lands in which the Administrator holds a leasehold interest, or other interest less than a fee simple, acquired by the Federal Government for national defense or war housing or for veteran's housing where (1) the Administrator finds that the acquisition by him of a fee simple title in the land will tend to expedite the orderly disposal or removal of temporary housing under his jurisdiction by facilitating the availability of improved sites for privately owned housing needed to replace such temporary housing, and will tend to expedite the transition of

the city from a war-affected community containing, as of said date, a large number of temporary houses to a community having additional permanent, well-planned, residential neighborhoods, (2) the local governing body of the city makes a like finding and requests the Administrator to acquire such title to the land, and (3) the city has furnished assurances satisfactory to the Administrator that no individual who is employed by, or is an official of, the government of the city in which the land is located, or any agency thereof, shall be permitted, directly or indirectly, to have any financial interest in the purchase or redevelopment of such land: *Provided,* That such acquisitions by the Administrator pursuant to this sentence shall be limited to not exceeding four hundred and twenty-five acres of land in the general area in which approximately one thousand five hundred units of temporary housing held by the United States of America were unoccupied on said date: *And provided further,* That funds for such acquisition by the Administrator, which are authorized, pursuant to subsection (c) of this section and title II of the Independent Offices Appropriation Act, 1955, to be expended from the revolving fund established by that title under the heading "Housing and Home Finance Agency Office of the Administrator, revolving fund", shall be taken into consideration, to the extent that they are needed, in making any determination pursuant to the second proviso under that heading. All or any part of any land so acquired by the Administrator may, during the five year period following the date of its acquisition, be sold by the Administrator, through negotiated sale, to such city or any local public agency where (1) the city or local public agency has represented to the Administrator that it is duly authorized under State law to purchase and resell such land, that such land will be made available to private enterprise for development in accordance with local zoning and other laws, and that the aggregate of such land and any other land in the same city previously sold under the authority of this paragraph to the city or a local public agency will be developed for predominantly residential use, and (2) the city or local public agency has agreed to pay the fair market value of the land as determined by the Administrator, after giving consideration, among other relevant information, to the cost to the Federal Government of acquiring the fee simple title and of holding the land pending sale (including estimated amounts to cover legal and overhead expenses of such acquisition and to cover interest costs to the Federal Government of moneys invested in the land pending sale). Any such negotiated sale of land to the city or a local public agency shall be made upon terms which require (1) that the city or public agency shall pay in cash at least one-third of the price of the land upon its conveyance and the entire price within one year after its conveyance and (2) that any portion of the entire price not paid upon such conveyance shall be represented by an indebtedness which shall bear interest on outstanding balances at a rate of 4 per centum per annum and which shall be secured by a first mortgage lien upon the land or such portion of the land as the Administrator deems adequate to protect the financial interest of the Federal Government. The Administrator may, at any time that he deems it to be in the public interest to do so, dispose, under authority of other provisions of this Act, of any land acquired by him pursuant to this paragraph. Any land acquired by the Administrator pursuant to this paragraph which has not been disposed of within five years after its acquisition shall be disposed of by him as expeditiously as possible in the public interest in accordance with other authority contained in this Act. Notwithstanding the provisions of section 306 of this Act or any other provisions of law, no payments in lieu of taxes shall be made for any tax year beginning subsequent to the date of the acquisition of title to the property by the Administrator.'

"Home Loan Bank Board

"SEC. 109. (a) The Federal Home Loan Bank Act, as amended, is hereby amended—

"(1) by striking the first sentence of section 6 (i) and inserting: 'Any member other than a Federal savings and loan association may withdraw from membership in a Federal Home Loan Bank six months after filing with the board written notice of intention so to do, and the board may, after hearing, remove any member from membership, or deprive any nonmember borrower of the privilege of obtaining further advances, if, in the opinion of the board, such member or nonmember borrower (i) has failed to comply with any provision of this act or regulation of the board made pursuant thereto; (ii) is insolvent: *Provided,* That any member of a bank which is a building and loan association, savings and loan association, cooperative bank, or homestead association shall be deemed insolvent if the assets of such member are less than its obligations to its creditors and others, including the holders of its withdrawable accounts; or (iii) has a management or home-financing policy of a character inconsistent with sound and economical home financing or with the purposes of this act.';

"(2) by striking the period at the end of section 7 (a) and inserting a colon and the following: '*Provided,* That the board may by regulation increase the number of elective directors of any Federal Home Loan Bank having a district which includes five or more States to a number not exceeding twice the number of States comprising such district, but such additional elective directors shall be apportioned as nearly as may be practicable in the same manner and order as is provided for the apportionment of elective directors under subsections (c) and (d) hereof: *Provided further,* That there shall be not less than one elective director from any of the States nor more than three elective directors from any of the States in any district referred to in the preceding proviso and in no event shall the total number of elective directors in any one district exceed 11. The term "States" as used in the preceding provisos shall mean the States of the Union and the District of Columbia.';

"(3) by inserting '(a)' after the section number in section 17 and adding at the end thereof a new subsection (b) as follows:

"'(b) The Home Loan Bank Board which was, pursuant to Reorganization Plan Numbered 3 of 1947, established and made a constituent agency of the Housing and Home Finance Agency shall, from the effective date of the Housing Amendments of 1955, cease to be such a constituent agency and shall be an independent agency (including the Federal Savings and Loan Insurance Corporation) in the executive branch of the Government: *Provided,* That the functions vested in the Chairman of said board under clause (2) of the last sentence of subsection (b) of section 2 of said reorganization plan are hereby transferred to said board. Notwithstanding any other provision of law, said board, the Chairman thereof except as herein otherwise provided, and the Federal Savings and Loan Insurance Corporation, respectively, shall have and may exercise all functions which they respectively had or could exercise, immediately prior to the effective date of the Housing Amendments of 1955 or immediately prior to the effective date of the Independent Offices Appropriation Act, 1955. Said board shall annually make a report of its operations (including those of the Federal Savings and Loan Insurance Corporation) to the Congress as soon as practicable after the first day of January in each year. The name of the Home Loan Bank Board is hereby changed to "Federal Home Loan Bank Board".'

"(b) Subsection (e) of section 406 of the National Housing Act, as amended (12 U. S. C. 1729 (e)), is hereby amended by striking the words 'Housing and Home Finance Administrator' and inserting in lieu thereof the word 'Congress.'

"SEC. 110. The Home Owners' Loan Act of 1933, as amended, is hereby amended by striking the proviso at the end of the second paragraph of section 5 (c) and inserting: '*Provided,* That no such loan, unless so insured or guaranteed, shall be made in excess of $2,500.'.

"FSLIC admission fees

"SEC. 111. The National Housing Act, as amended, is hereby amended by striking section 403 (d) and inserting:

"'(d) Any institution which applies after the effective date of the Housing Amendments of 1955 for insurance under this title shall pay, in the event its application is approved, an admission fee in such amount as the Corporation shall determine, taking into consideration the total cost of processing all insurance applications.'

"Community Facilities Administration

"SEC. 112. Section 702 of the Housing Act of 1954 is hereby amended to read as follows:

"'SEC. 702. (a) In order (1) to encourage municipalities and other public agencies to maintain at all times a current and adequate reserve of planned public works the construction of which can rapidly be commenced, particularly when the national or local economic situation makes such action desirable, and (2) to help attain maximum economy and efficiency in the planning and construction of public works, the Administrator is hereby authorized to make advances to public agencies (notwithstanding the provisions of section 3648 of the Revised Statutes, as amended) to aid in financing the cost of engineering and architectural surveys, designs, plans, working drawings, specifications, or other action preliminary to and in preparation for the construction of public works: *Provided,* That the making of advances hereunder shall not in any way commit the Congress to appropriate funds to assist in financing the construction of any public works so planned: *And provided further,* That advances outstanding to public agencies in any one State shall at no time exceed 10 per centum of the aggregate then authorized to be appropriated to the revolving fund established pursuant to subsection (e) of this section.

"'(b) No advance shall be made hereunder with respect to any individual project unless it is planned to be constructed within a reasonable period of time, unless it conforms to an overall State, local, or regional plan approved by a competent State, local, or regional authority, and unless the public agency formally contracts with the Federal Government to complete the plan preparation promptly and to repay such advance or part thereof when due. Subsequent to approval and prior to disbursement of any Federal funds for the purpose of advance planning the applicant shall establish a separate planning account into which all Federal and applicant funds estimated to be required for plan preparation shall be placed.

"'(c) Advances under this section to any public agency shall be repaid without interest by such agency when the construction of the public works is undertaken or started: *Provided,* That if the public agency undertakes to construct only a portion of a planned public work it shall repay such proportionate amount of the advances relating to the public work as the Administrator determines to be equitable: *And provided further,* That in the event repayment is not made promptly such unpaid sum shall bear interest at the rate of 4 per centum

per annum from the date of the Government's demand for repayment to the date of payment thereof by the public agency.

"'(d) The Administrator is authorized to prescribe rules and regulations to carry out the purpose of this section.

"'(e) In order to provide moneys for advances in accordance with this section, the Administrator is hereby authorized to establish a revolving fund which shall comprise all moneys heretofore or hereafter appropriated pursuant to this section, together with all repayments and other receipts in connection with advances made under this section. There are hereby authorized to be appropriated to such revolving fund, in addition to the amount authorized by this section as originally enacted, the further amounts of $12,000,000 which may be made available to the revolving fund on or after July 1, 1956; $12,000,000 which may be made available to such fund on or after July 1, 1957; $14,000,000 which may be made available to such fund on or after July 1, 1958; and such additional sums which may be made available from year to year thereafter as may be estimated to be necessary to maintain not to exceed a total of $48,000,000 in undisbursed balances in the revolving fund and in advances outstanding for plans in preparation or for completed plans with respect to projects which, in the determination of the Administrator, can be expected to be undertaken within a reasonable period of time.'

"SEC. 113. Effective upon the date of enactment of this Act the basic rate of compensation of the Community Facilities Commissioner of the Housing and Home Finance Agency shall be the same as the basic rate of compensation established for the heads of the constituent agencies of the Housing and Home Finance Agency.

"TITLE II—PUBLIC FACILITY LOANS

"Declaration of policy

"SEC. 201. It has been the policy of the Congress to assist wherever possible the States and their political subdivisions to provide the services and facilities essential to the health and welfare of the people of the United States.

"The Congress finds that in many instances municipalities, or other political subdivisions of States, which seek to provide essential public works or facilities, are unable to raise the necessary funds at reasonable interest rates.

"It is the purpose of this title to authorize the extension of credit to assist in the provision of certain essential public works or facilities by States, municipalities, or other political subdivisions of States, where such credit is not otherwise available on reasonable terms and conditions.

"Federal loans

"SEC. 202. (a) The Housing and Home Finance Administrator, acting through the Community Facilities Administration, is authorized to purchase the securities and obligations of, or make loans to, States, municipalities, and other political subdivisions of States, public agencies, and instrumentalities of one or more States, municipalities, and political subdivisions of States, and public corporations, boards, and commissions established under the laws of any State, to finance specific public projects under State or municipal law. No such purchase or loan shall be made for payment of ordinary governmental or nonproject operating expenses.

"(b) The powers granted in subsection (a) of this section shall be subject to the following restrictions and limitations:

"(1) No financial assistance shall be extended under this section unless the financial assistance applied for is not otherwise available on reasonable terms, and all securities and obligations purchased and all loans made under this section shall be of such sound value or so secured as reasonably to assure retirement or repayment, and such loans may be made either directly or in cooperation with banks or other lending institutions through agreements to participate or by the purchase of participations or otherwise.

"(2) No securities or obligations shall be purchased, and no loans shall be made, including renewals or extensions thereof, which have maturity dates in excess of forty years.

"(c) In the processing of applications for financial assistance under this section the Administrator shall give priority to applications of smaller municipalities for assistance in the construction of basic public works (including works for the storage, treatment, purification, or distribution of water; sewage, sewage treatment, and sewer facilities; and gas-distribution systems) for which there is an urgent and vital public need. As used in this section, a 'smaller municipality' means an incorporated or unincorporated town, or other political subdivision of a State, which had a population of less than ten thousand inhabitants at the time of the last Federal census.

"Financing

"SEC. 203. (a) In order to finance activities under this title, the Administrator is authorized and empowered to issue to the Secretary of the Treasury, from time to time and to have outstanding at any one time, in an amount not exceeding $100,000,000, notes and other obligations. Such obligations shall be in such forms and denominations, have such maturities and be subject to such terms and conditions as may be prescribed by the Administrator, with the approval of the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average rate on outstanding marketable obligations of the United States of comparable maturities as of the last day of the month preceding the issuance of such notes or other obligations. The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations of the Administrator to be issued hereunder and for such purpose the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under such Act, as amended, are extended to include any purchases of such notes and obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this section. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States.

"(b) Funds borrowed under this section and any proceeds shall constitute a revolving fund which may be used by the Administrator in the exercise of his functions under this title.

"General provisions

"SEC. 204. In the performance of, and with respect to, the functions, powers, and duties vested in him by this title the Administrator shall (in addition to any authority otherwise vested in him) have the functions, powers, and duties set forth in section 402, except subsection (c) (2), of the Housing Act of 1950. Funds obtained or held by the Administrator in connection with the performance of his functions under this title shall be available for the administrative expenses of the Administrator in connection with the performance of such functions.

"SEC. 205. No loans shall be made under section 108 of the Reconstruction Finance Corporation Liquidation Act (67 Stat. 230), as amended, after the date of enactment of this Act, except pursuant to an application for such loan filed prior to such date.

"TITLE III—COLLEGE HOUSING

"SEC. 301. Section 401 of title IV of the Housing Act of 1950, as amended, is hereby amended to read as follows:

"'SEC. 401. (a) To assist educational institutions in providing housing and other educational facilities for students and faculties, the Administrator may make loans of funds to such institutions for the construction of such facilities: *Provided*, That (1) no such loan shall be made unless the educational institution shows that it is unable to secure the necessary funds for such construction from other sources upon terms and conditions equally as favorable as the terms and conditions applicable to loans under this title, and (2) no such loan shall be made unless the Administrator finds that the construction will be undertaken in an economical manner, and that it will not be of elaborate or extravagant design or materials.

"'(b) Any educational institution which, prior to the date of enactment of this Act, has contracted for housing or other educational facilities may, in connection therewith, receive loans authorized under this title, as the Administrator may determine: *Provided*, That no such loan shall be made for any housing or other educational facilities, the construction of which was begun prior to the effective date of this Act, or completed prior to the filing of an application under this title.

"'(c) A loan to an educational institution may be in an amount not exceeding the total development cost of the facility, as determined by the Administrator; shall be secured in such manner and be repaid within such period, not exceeding fifty years, as may be determined by him; and with respect to loan contracts under which loan funds have not been fully disbursed prior to the date of enactment of the College Housing Amendments of 1955 shall bear interest at a rate determined by the Administrator which shall be not more than the higher of (1) 2¾ percentum per annum, or (2) the total of one-quarter of 1 per centum per annum added to the rate of interest paid by the Administrator on funds obtained from the Secretary of the Treasury as provided in subsection (e) of this section.

"'(d) To obtain funds for loans under this title, the Administrator may issue and have outstanding at any one time notes and obligations for purchase by the Secretary of the Treasury in an amount not to exceed $500,000,000: *Provided*, That the amount outstanding for other educational facilities, as defined herein, shall not exceed $100,000,000.

"'(e) Notes or other obligations issued by the Administrator under this title shall be in such forms and denominations, have such maturities, and be subject to such terms and conditions as may be prescribed by the Administrator, with the approval of the Secretary of the Treasury. Such notes or other obligations issued to obtain funds for loan contracts entered into after the effective date of the College Housing Amendments of 1955 shall bear interest at a rate determined by the Secretary of the Treasury which shall be not more than the higher of (1) 2½ per centum per annum, or (2) the average annual interest rate on all interest-bearing obligations of the United States then forming a part of the public debt as computed at the end of the fiscal year next preceding the issuance by the Administrator and adjusted to the nearest one-eighth of 1 per centum. The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations of the Administrator issued under this title and for such purpose is authorized to use as a public-debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued

under such Act, as amended, are extended to include any purchases of such notes and other obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this section. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public-debt transactions of the United States.

"'(f) There are hereby authorized to be appropriated to the Administrator such sums as may be necessary, together with loan principal and interest payments made by educational institutions assisted hereunder, for payments on notes or other obligations issued by the Administrator under this section.'

"SEC. 302. That subsection (c) of section 404 of title IV of the Housing Act of 1950, as amended, is hereby amended to read as follows:

"'(c) "Development cost" means costs of the construction of the housing or other educational facilities and the land on which it is located, including necessary site improvements to permit its use for housing or other educational facilities.'

"SEC. 303. Section 404 of title IV of the Housing Act of 1950, as amended, is amended by—

"(1) strike out subsection (b) and inserting in lieu thereof the following:

"'(b) "Educational institution" means (1) any educational institution offering at least a 2-year program acceptable for full credit toward a baccalaureate degree, including any public educational institution, or any private educational institution no part of the net earnings of which inures to the benefit of any private shareholder or individual, and (2) any corporation (no part of the net earnings of which inures to the benefit of any private shareholder or individual) (A) established by any institution included in clause (1) of this subsection for the sole purpose of providing housing or other educational facilities for students or students and faculty of such institution without regard to their membership in or affiliation with any social, fraternal, or honorary society or organization, and (B) upon dissolution of which all title to any property purchased or built from the proceeds of any loan secured under this title will pass to such institution.'; and

"(2) adding at the end thereof the following new subsection:

"'(h) "Other educational facilities" means (1) new structures suitable for use as cafeterias or dining halls, student centers or student unions, infirmaries, or other inpatient or outpatient health facilities, and for other essential service facilities, and (2) structures suitable for the above uses provided by rehabilitation, alteration, conversion, or improvement of existing structures which are otherwise inadequate for such uses.'.

"SEC. 304. This title may be cited as the 'College Housing Amendments of 1955'.

"TITLE IV—ARMED SERVICES HOUSING MORTGAGE INSURANCE

"SEC. 401. Title VIII of the National Housing Act, as amended, is hereby amended to read as follows:

"*'Title VIII—Armed services housing mortgage insurance*

"'SEC. 801. As used in this title—

"'(a) The term "mortgage" means a first mortgage on real estate, in fee simple, or on a leasehold (1) under a lease for not less than ninety-nine years which is renewable; or (2) under a lease for a period of not less than fifty years to run from the date the mortgage was executed; and the term "first mortgage" means such classes of first liens as are commonly given to secure advances on, or the unpaid purchase price of, real estate, under the laws of the State in which the real estate is located, together with the credit instruments, if any, secured thereby.

"'(b) The term "mortgagee" includes the original lender under a mortgage, and his successors and assigns approved by the Commissioner; and the term "mortgagor" includes the original borrower under a mortgage, his successors and assigns.

"'(c) The term "maturity date" means the date on which the mortgage indebtedness would be extinguished if paid in accordance with periodic payments provided for in the mortgage.

"'(d) The term "housing accommodations" means housing designed for occupancy by military personnel and their dependents, assigned to duty at or near the military installation where such housing units are constructed.

"'(e) The term "personnel" shall include military and civilian personnel approved by the Secretary of Defense, or his designee, and the dependents of all such personnel.

"'(f) The term "military" includes Army, Navy, Marine Corps, Air Force, and Coast Guard.

"'(g) The term "State" includes the several States and Alaska, Hawaii, Puerto Rico, the District of Columbia, Guam, and the Virgin Islands.

"'SEC. 802. The Military Housing Insurance Fund created by this section prior to amendment thereto shall hereafter be known as the Armed Services Housing Mortgage Insurance Fund. General expenses of operation of the Federal Housing Administration under this title (including operations with respect to mortgages insured or to be insured pursuant to this title prior to enactment of the Housing Amendments of 1955) may be charged to the Armed Services Housing Mortgage Insurance Fund.

"'SEC. 803. (a) In order to assist in relieving the acute shortage and urgent need for family housing which now exists at or in areas adjacent to military installations because of uncertainty as to the permanency of such installations and to increase the supply of necessary family housing accommodations for personnel at such installations, the Commissioner is authorized, upon application of the mortgagee, to insure mortgages (including advances on such mortgages during construction) which are eligible for insurance as hereinafter provided, and, upon such terms as the Commissioner may prescribe, to make commitments for so insuring such mortgages prior to the date of their execution or disbursement thereon: *Provided*, That the aggregate amount of principal obligations of all mortgages insured under this title shall not exceed $1,363,500,000: *And provided further*, That the limitation in section 217 of this Act shall not apply to this title: *And provided further*, That no mortgage shall be insured under this title after September 30, 1956, except pursuant to a commitment to insure issued before such date.

"'(b) To be eligible for insurance under this title a mortgage shall meet the following conditions:

"'(1) The mortgaged property shall be held by a mortgagor approved by the Commissioner. The Commissioner may, in his discretion, require such mortgagor to be regulated or restricted as to capital structure, and methods of operation. The Commissioner may make such contracts with, and acquire for not to exceed $100 stock or interest in, any such mortgagor, as the Commissioner may deem necessary to render effective such restriction or regulation. Such stock or interest shall be paid for out of the Armed Services Housing Mortgage Insurance Fund, and shall be redeemed by the mortgagor at par upon the termination of all obligations of the Commissioner under the insurance.

"'(2) The mortgaged property shall be designed for use for residential purposes by personnel of the armed services and situated at or near a military installation, and the Secretary or his designee shall have certified that there is no intention, so far as can reasonably be foreseen, to substantially curtail the personnel assigned or to be assigned to such installation, and (i) shall have determined that for reasons of safety, security, or other essential military requirements, it is necessary that the personnel involved reside in public quarters (*Provided, however*, That for the purposes of this subsection housing covered by a mortgage insured, or for which a commitment to insure has been issued, under section 803 prior to the enactment of the "Housing Amendments of 1955" may be considered the same as available quarters), or (ii) after consultation with the Commissioner, shall have determined that adequate housing is not available for such personnel at reasonable rentals within reasonable commuting distance of the installation. The housing accommodations shall comply with such standards and conditions as the Commissioner may prescribe to establish the acceptability of such property for mortgage insurance, except that the certification of the Secretary of Defense, or his designee, shall (for purposes of mortgage insurance under this title) be conclusive evidence to the Commissioner of the existence of the need for such housing. However, if the Commissioner does not concur in the housing needs as certified by the Secretary, the Commissioner may require the Secretary to guarantee the Armed Services Housing Mortgage Insurance Fund from loss with respect to the mortgage covering such housing. There are hereby authorized to be appropriated such sums as may be necessary to provide for payment to meet losses arising from such guarantee.

"'(3) The mortgage shall involve a principal obligation in an amount—

"'(A) not to exceed the amount which the Commissioner estimates will be the replacement cost of the property or project when the proposed improvements are completed (the cost of the property or project as such term is used in this paragraph may include the cost of the land, the physical improvements, and utilities within the boundaries of the property or project);

"'(B) not to exceed an average of $13,500 per family unit for such part of such property or project as may be attributable to dwelling use: *Provided*, That the replacement cost of the property or project as determined by the Commissioner, including the estimated value of any usable utilities within the boundaries of the property or project where owned by the United States and not provided for out of the proceeds of the mortgage, shall not exceed an average of $13,500 per family unit; and

"'(C) not to exceed the bid of the eligible builder of the property or project under section 403 of the Housing Amendments of 1955.

The mortgage shall provide for complete amortization by periodic payments within such terms as the Commissioner shall prescribe, have a maturity not to exceed twenty-five years, and shall bear interest (exclusive of premium charges for insurance) at not to exceed 4 per centum per annum of the amount of the principal obligation outstanding at any time. The Commissioner may consent to the release of a part or parts of the mortgaged property from the lien of the mortgage upon such terms and conditions as he may prescribe and the mortgage may provide for such release.

"'(c) The Commissioner is authorized to fix a premium charge for the insurance of mortgages under this title but in the case of any mortgage such charge shall not be less than an amount equivalent to one-half of 1 per centum per annum nor more than an amount equivalent to 1½ per centum per annum of the amount of the principal obligation of the mortgage outstanding at any time, without taking into account delinquent payments or prepayments. Such premium charges shall be payable by the mortgagee, either in cash, or in debentures issued by the Commissioner under this title

at par plus accrued interest, in such manner as may be prescribed by the Commissioner: *Provided*, That the Commissioner may require the payment of one or more such premium charges at the time the mortgage is insured, at such discount rate as he may prescribe not in excess of the interest rate specified in the mortgage. If the Commissioner finds, upon the presentation of a mortgage for insurance and the tender of the initial premium charge and such other charges as the Commissioner may require, that the mortgage complies with the provisions of this title, such mortgage may be accepted for insurance by endorsement or otherwise as the Commissioner may prescribe. In the event that the principal obligation of any mortgage accepted for insurance under this title is paid in full prior to the maturity date, the Commissioner is authorized to refund to the mortgagee for the account of the mortgagor all, or such portion as he shall determine to be equitable, of the current unearned premium charges theretofore paid. The Commissioner may reduce the payment of premiums provided for herein.

"'(d) The failure of the mortgagor to make any payment due under or provided to be paid by the terms of a mortgage insured under this title shall be considered a default under such mortgage, and, if such default continues for a period of thirty days, the mortgagee shall be entitled to receive the benefits of the insurance as hereinafter provided, upon assignment, transfer, and delivery to the Commissioner, within a period and in accordance with rules and regulations to be prescribed by the Commissioner of (1) all rights and interest arising under the mortgage so in default; (2) all claims of the mortgagee against the mortgagor or others, arising out of the mortgage transactions; (3) all policies of title or other insurance or surety bonds or other guaranties and any and all claims thereunder; (4) any balance of the mortgage loan not advanced to the mortgagor; (5) any cash or property held by the mortgagee, or to which it is entitled, as deposits made for the account of the mortgagor and which have not been applied in reduction of the principal of the mortgage indebtedness; and (6) all records, documents, books, papers, and accounts relating to the mortgage transaction. Upon such assignment, transfer, and delivery, the obligation of the mortgagee to pay the premium charges for mortgage insurance shall cease, and the Commissioner shall, subject to the cash adjustment provided for in subsection (e) of this section, issue to the mortgagee debentures having a total face value equal to the value of the mortgage, and a certificate of claim as hereinafter provided. For the purposes of this subsection, the value of the mortgage shall be determined in accordance with rules and regulations prescribed by the Commissioner, by adding to the amount of the original principal obligation of the mortgage which was unpaid on the date of default, the amount the mortgagee may have paid for (A) taxes, special assessments, and water rates, which are liens prior to the mortgage; (B) insurance on the property; and (C) reasonable expenses for the completion and preservation of the property and any mortgage insurance premiums paid after default; less the sum of (i) any amount received on account of the mortgage after such date; and (ii) any net income received by the mortgagee from the property after such date.

"'(e) Debentures issued under this title shall be in such form and denominations in multiples of $50, shall be subject to such terms and conditions, and shall include such provisions for redemption, if any, as may be prescribed by the Commissioner with the approval of the Secretary of the Treasury, and may be in coupon or registered form. Any difference between the value of the mortgage determined as herein provided and the aggregate face value of the debentures issued, not to exceed $50, shall be adjusted by the payment of cash by the Commissioner to the mortgagee from the Armed Services Housing Mortgage Insurance Fund.

"'(f) Debentures issued under this title shall be executed in the name of the Armed Services Housing Mortgage Insurance Fund as obligor, shall be signed by the Commissioner, by either his written or engraved signature, and shall be negotiable. All such debentures shall be dated as of the date of default as determined in accordance with subsection (d) of this section, and shall bear interest from such date at a rate determined by the Commissioner with the approval of the Secretary of the Treasury, at the time the mortgage was accepted for insurance, but not to exceed 3 per centum per annum, payable semiannually on the 1st day of January and the 1st day of July of each year, and shall mature twenty years after the date thereof. Such debentures shall be exempt, both as to principal and interest, from all taxation (except surtaxes, estate, inheritance, and gift taxes) now or hereafter imposed by any Territory, dependency, or possession of the United States or by the District of Columbia, or by any State, county, municipality, or local taxing authority. They shall be paid out of the Armed Services Housing Mortgage Insurance Fund, which shall be primarily liable therefor, and they shall be fully and unconditionally guaranteed as to principal and interest by the United States, and such guaranty shall be expressed on the face of the debentures. In the event the Armed Services Housing Mortgage Insurance Fund fails to pay upon demand, when due, the principal of or interest on any debentures so guaranteed, the Secretary of the Treasury shall pay to the holders the amount thereof which is hereby authorized to be appropriated, and thereupon to the extent of the amount so paid the Secretary of the Treasury shall succeed to all the rights of the holders of such debentures.

"'(g) The certificate of claim issued by the Commissioner to any mortgagee in connection with the insurance of mortgages under this title shall be for an amount determined in accordance with subsections (e) and (f) of section 604 of this act, except that any amount remaining after the payment of the full amount under the certificate of claim shall be retained by the Commissioner and credited to the Armed Services Housing Mortgage Insurance Fund.

"'(h) The provisions of section 207 (k) and section 207 (l) of this Act shall be applicable to mortgages insured under this title and to property acquired by the Commissioner hereunder, except that as applied to such mortgages and property (1) all references in such sections to the "Housing Fund" shall be construed to refer to the "Armed Services Housing Mortgage Insurance Fund," and (2) the reference in section 207 (k) to "subsection (g)" shall be construed to refer to refer to "subsection (d)" of this section.

"'(i) The Commissioner shall also have power to insure under this title or title II any mortgage executed in connection with the sale by him of any property acquired under this title without regard to any limit as to eligibility, time, or aggregate amount contained in this title or title II.

"'(j) Any contract of insurance executed by the Commissioner under this title shall be conclusive evidence of the eligibility of the mortgage for insurance and the validity of any contract of insurance so executed shall be incontestable in the hands of an approved mortgagee from the date of the execution of such contract, except for fraud or misrepresentation on the part of such approved mortgagee.

"'SEC. 804. (a) Moneys in the Armed Services Housing Mortgage Insurance Fund not needed for current operations under this title shall be deposited with the Treasurer of the United States to the credit of the Armed Services Housing Mortgage Insurance Fund, or invested in bonds or other obligations of, or in bonds or other obligations guaranteed as to principal and interest by, the United States. The Commissioner may, with the approval of the Secretary of the Treasury, purchase in the open market debentures issued under the provisions of this title. Such purchases shall be made at a price which will provide an investment yield of not less than the yield obtainable from other investments authorized by this section. Debentures so purchased shall be canceled and not reissued.

"'(b) Premium charges, adjusted premium charges, and appraisal and other fees received on account of the insurance of any mortgage insured under this title, the receipts derived from any such mortgage or claim assigned to the Commissioner and from any property acquired by the Commissioner, and all earnings on the assets of the Armed Services Housing Mortgage Insurance Fund, shall be credited to the Armed Services Housing Mortgage Insurance Fund. The principal of and interest paid and to be paid on debentures issued in exchange for any mortgage or property insured under this title, cash adjustments, and expenses incurred in the handling of such mortgages or property and in the foreclosure and collection of mortgages and claims assigned to the Commissioner under this title, shall be charged to the Armed Services Housing Mortgage Insurance Fund.

"'SEC. 805. Whenever the Secretary of the Army, Navy, or Air Force determines that it is necessary to lease any land held by the United States on or near a military installation to effectuate the purposes of this title, he may lease such land upon such terms and conditions as will, in his opinion, best serve the national interest. The authority conferred by this section shall be in addition to and not in derogation of any other power or authority of the Secretary of the Army, Navy, or Air Force.

"'SEC. 806. The second sentence of section 214 of the National Housing Act, as amended, relating to housing in the Territory of Alaska, shall not apply to mortgages insured under this title on property in said Territory.

"'SEC. 807. The Commissioner is authorized and directed to make such rules and regulations as may be necessary to carry out the provisions of this title. In the performance of, and with respect to, the functions, powers, and duties vested in him by this title, the Commissioner, notwithstanding the provisions of any other law, shall appoint a Special Assistant for Armed Services Housing for Mortgage Insurance, and provide the Special Assistant with adequate staff, whose whole responsibility will be to expedite operations under this title and to eliminate administrative obstacles to the full utilization of this title under the direction and supervision of the Commissioner.

"'SEC. 808. The cost certification required under section 227 of this act shall not be required with respect to mortgages insured under the provisions of this title as amended by the Housing Amendments of 1955.'

"SEC. 402. Section 305 of the National Housing Act, as amended, is amended by adding the following at the end thereof:

"'(f) Notwithstanding any other provision of this act, the Association is authorized to make commitments to purchase and to purchase, service, or sell, any mortgage (or participation therein) which is insured under title VIII of this Act, as amended by the Housing Amendments of 1955: *Provided*, That the total amount of purchases and commitments authorized by this subsection shall not exceed $200 million outstanding at any one time.'

"SEC. 403. (a) The Secretary of Defense or his designee is hereby authorized to enter into contracts with any eligible builder to

provide for the construction of urgently needed housing on lands owned or leased by the United States and situated on or near a military reservation or installation for the purpose of providing suitable living accommodations for military personnel of the armed services assigned to duty at the military installation at or in the area where the housing is situated. Any such contract shall provide that each housing unit in the project shall be placed under the control of the Secretary of Defense, or his designee, as soon as the unit is available for occupancy as determined by the Commissioner. Any such contract shall also provide that, except for stock held by the Commissioner, the capital stock of the builder (where the builder is a corporation) be transferred to the Secretary of Defense, or his designee, when the housing has been completed as determined by the Commissioner. Any such contract shall contain such terms and conditions as the Secretary may determine to be necessary to protect the interests of the United States. Before the Secretary shall enter into any contract with any builder as authorized by this section for the construction of housing, he shall invite the submission of competitive bids after advertising in the manner prescribed in section 3 of the Armed Services Procurement Act of 1947.

"(b) For the purposes of this title, the term 'eligible builder' means a person, partnership, firm, or corporation determined by the Secretary after consultation with the Commissioner (1) to be qualified by experience and financial responsibility to construct housing of the type described in subsection (a) of this section, and (2) to have submitted the lowest acceptable bid.

"(c) Notwithstanding any other provision of law, the Secretary of Defense or his designee is authorized to acquire the capital stock of mortgagors holding property covered by a mortgage insured under title VIII of the National Housing Act, as amended by the Housing Amendments of 1955, and to exercise the rights as holder of such capital stock during the life of such mortgage and, upon the termination of the mortgage, to dissolve the corporation; to guarantee the payment of notes or other legal instruments required by the Commissioner of such mortgagors; to make payments thereon; and to guarantee and indemnify the Armed Services Mortgage Insurance Fund against loss in cases where so required. All housing facilities placed under the control of the Secretary of Defense pursuant to the provisions of this title shall be deemed to be housing facilities under the jurisdiction of the military department to which they are assigned.

"SEC. 404. Whenever the Secretary of Defense or his designee shall deem it necessary for the purposes of this title, he may acquire by purchase, donation, or other means of transfer, or may cause proceedings to be instituted in any court having jurisdiction of such proceedings to acquire by condemnation, any unimproved land, or (with the approval of the Federal Housing Commission) any housing financed with mortgages insured under the provisions of title VIII of the National Housing Act as in effect prior to the enactment of the Housing Amendments of 1955. Notwithstanding the provisions of any other law, the price paid for any such unimproved land or housing purchased by the Secretary under this or any other law shall be the fair market value of such land or housing as determined by the Secretary on the basis of an independent appraisal, and, in connection with any agreements to purchase such housing, the Secretary of Defense or his designee may assume, or purchase subject to, any such mortgage. Any such condemnation proceedings shall be conducted in accordance with the provisions of the act of August 1, 1888 (25 Stat. 357), as amended, or any other applicable Federal statute. Before condemnation proceedings are instituted pursuant to this section, an effort shall be made to acquire the property involved by negotiation unless, because of reasonable doubt as to the identity of the owner or owners, because of the large number of persons with whom it would be necessary to negotiate, or for other reasons, the effort to acquire by negotiation would involve, in the judgment of the Secretary, such delay in acquiring the property as to be contrary to the interest of national defense. In any condemnation proceeding instituted pursuant to this section, the court shall not order the party in possession to surrender possession in advance of final judgment unless a declaration of taking has been filed, and a deposit of the amount estimated to be just compensation has been made, under the first section of the Act of February 26, 1931 (46 Stat. 1421), providing for such declarations. Unless title is in dispute, the courts, upon application, shall promptly pay to the owner at least 75 per centum of the amount so deposited, but such payment shall be made without prejudice to any party to the proceeding. Property acquired under this section may be occupied, used, and improved for the purposes of this section prior to the approval of title by the Attorney General as required by section 355 of the Revised Statutes, as amended.

"SEC. 405. The Secretary of Defense or his designee is authorized to maintain and operate any housing acquired under this title and assign quarters therein to military and civilian personnel and their dependents. Appropriations for quarters allowances or appropriate allotments, and rental charges to civilian personnel, may be utilized by the military department concerned for the payment of principal, interest, and other obligations, except those of maintenance and operation, of the mortgagor corporation with respect to such housing projects. Such payments shall not exceed an average of $90 a month per housing unit and total payments for all housing so acquired shall not exceed $9,000,000 per month: *Provided*, That, in case of the United States Coast Guard, total payments for all housing so acquired shall not exceed $90,000 per month.

"SEC. 406. Whenever the Secretary of Defense or his designee determines that it is desirable in order to effectuate the purposes of this title, the Secretary is authorized, without regard to the civil service and classification laws, to procure, by negotiation or otherwise, the services of architects and engineers, or organizations thereof, under such arrangements as he deems desirable, but at an expense not in excess of that permissible under the schedule of fees allowed from time to time by the Public Housing Administration in connection with projects assisted under the United States Housing Act of 1937, as amended. Such services may include the development of plans, drawings, and specifications for family housing under this title and other services in connection therewith: *Provided*, That such plans, drawings, and specifications may include the use on any project to be constructed under this title of alternate materials or alternate types of construction, including prefabrication, that provide substantially equal value and conform to standards established by the Federal Housing Commissioner: *Provided further*, That the Secretary may designate certain sites or parts thereof for family housing to be furnished from prefabricated houses or housing components. Such arrangements may include provision for advance or progress payments, for payment by third parties, for payment by the Government of any such compensation as is not paid for by third parties, and shall include provision for reimbursement by third parties to the Government of any compensation or other expenses paid by the Government pursuant to this section, and may include other provisions for compensation. Any public-works appropriations now or hereafter available to the Departments of the Army, Navy, or Air Force or the Coast Guard may be obligated by the respective departments or the Coast Guard for these purposes. Reimbursements to the Government on account of payments made pursuant to this section shall be made to appropriations against which such payments were charged. The Secretary is further authorized to advance or pay to the Federal Housing Administration its 'Appraisal and Eligibility Statement' fees in connection with such family housing. The Secretary is further authorized to enter into arrangements by contract or otherwise for eventual acquisition by the Government, without cost to the Government, of all right, title, and interest in sites on which housing is constructed pursuant to this title and improvements thereon.

"SEC. 407. (a) There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of sections 403 through 406 of this Act.

"(b) Any funds heretofore or hereafter authorized to be expended by any of the military departments or the Coast Guard for the payment of allowances for quarters for military personnel may be used for the purposes specified in subsection (a) above.

"SEC. 408. Notwithstanding the provisions of section 401 of this Act, the provisions of title VIII of the National Housing Act in effect prior to the enactment of the Housing Amendments of 1955 shall continue in full force and effect with respect to all mortgages insured pursuant to a certification by the Secertary of Defense or his designee made on or before June 30, 1955, and a commitment to insure issued on or before June 30, 1956, or pursuant to a certification by the Atomic Energy Commission or its designee made on or before June 30, 1956, except that the maximum dollar amount for each such mortgage shall be $12,500,000.

"SEC. 409. (a) Wherever the terms 'Secretary of Defense' or 'Secretary' or 'Secretary of the Army, Navy, or Air Force' appear in this title or in title VIII of the National Housing Act, as amended by the Housing Amendments of 1955, they shall be deemed to mean the Secretary of the Treasury in the case of the application of the provisions of this title or of title VIII of the National Housing Act, as amended by the Housing Amendments of 1955, for the benefit of the United States Coast Guard.

"(b) Wherever the term 'armed services' appears in this title it shall be deemed to include the United States Coast Guard.

"TITLE V—FARM HOUSING

"SEC. 501. Title V of the Housing Act of 1949, as amended, is hereby further amended as follows:

"(1) In the first sentence of section 511 immediately following the phrase 'July 1, 1953' strike out the word 'and' and insert at the end of the sentence immediately before the period a comma and the following: 'and an additional $100,000,000 on and after July 1, 1955'.

"(2) In section 512, (A) strike out 'and 1954' and insert '1954, and 1955', and (B) strike out 'and $2,000,000' and insert '$2,000,000 and $2,000,000'.

"(3) In section 513, strike out 'and $10,000,000 on July 1 of each of the years 1950, 1951, 1952, 1953, and 1954' and insert '$10,000,000, and $10,000,000 on July 1 of each of the years 1950, 1951, 1952, 1953, 1954, and 1955'."

And the House agree to the same.

BRENT SPENCE,
PAUL BROWN,
WRIGHT PATMAN,
ALBERT RAINS,
Managers on the Part of the House.

JOHN SPARKMAN,
J. W. FULBRIGHT,
PAUL H. DOUGLAS,
HOMER E. CAPEHART,
I. M. IVES,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2126) to extend and clarify laws relating to the provision and improvement of housing, the elimination and prevention of slums, the conservation and development of urban communities, the financing of vitally needed public works, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House amendment struck out all of the Senate bill after the enacting clause and inserted a substitute amendment. The conferees have agreed to a substitute for both the Senate bill and the House amendment. The following is a section-by-section explanation of the substitute agreed to in conference.

SECTION 1. SHORT TITLE

This section provides that the Act may be cited as the "Housing Amendments of 1955."

Title I—General housing amendments

Section 101. Extension of Title I—FHA Home-Improvement Program

This section would amend section 2 of the National Housing Act to extend the FHA title I home repair, modernization, and improvement program from August 1, 1955, to September 30, 1956.

Section 102. Title—Mortgage Insurance

Subsection (a) would amend section 204 (f) of the National Housing Act to authorize FHA to make final settlement of certificates of claim held by mortgagees and refunds to mortgagors at any time after the sale or transfer of title by FHA on sales housing acquired by FHA in cases of defaulted mortgages.

Subsection (b) would amend section 207 of the National Housing Act (the section relating to the regular FHA rental housing program) to enable FHA to insure mortgages on trailer courts or trailer parks. Such mortgages could not exceed $1,000 per trailer space or $300,000 per mortgage. This mortgage insurance would not relate to the mobile homes, but to the land, utilities, and other improvements where the mobile homes are to be located. The requirement of the National Housing Act that the project covered by the mortgage be "economically sound" would apply to an insured mortgage on a trailer park, and it is expected that FHA will impose such additional requirements and standards as necessary to assure that mortgage insurance for these parks will improve the living conditions of the occupants of mobile homes.

Subsection (b) would also amend section 207 of the National Housing Act to specifically authorize FHA to insure mortgages on rental properties having eight or more family units. By administrative limitation, properties insured under that section must now have 12 or more family units.

Subsection (c) would revise the present dollar amount limitations in the National Housing Act for FHA insured mortgages financing multifamily projects. The present $5 million limitation would be increased to $12.5 million for projects with private sponsorship under the regular section 207 rental housing program, the section 213 cooperative housing program, the section 221 program for housing for families displaced from slum clearance or urban renewal areas or as a result of Government action, and the section 220 program for the construction or rehabilitation of housing in slum clearance or urban renewal areas. This dollar limitation is applicable only to each insured mortgage as more fully explained on pages 8, 9, and 10 of the report of the House Committee on Banking and Currency on S. 2126 with respect to section 102 (b) of the bill as reported by that Committee.

Subsection (d) would amend section 213 (b) (2) of the National Housing Act to provide that the basis for determining the maximum amount of a mortgage financing cooperative housing which can be insured by FHA under section 213 would be estimated "replacement cost" of the project instead of "estimated value" as is presently required.

Subsection (e) would amend section 213 (d) of the National Housing Act to provide specifically that mortgage insurance can be provided by FHA under the multifamily provisions of section 213 for structures consisting of eight or more family units.

Subsection (f) would amend section 217 of the National Housing Act (the FHA general mortgage insurance authorization) to authorize FHA mortgage insurance up to the aggregate of outstanding insurance liability and commitments on June 30, 1955, plus $4 billion.

Subsection (g) would amend section 220 (d) (3) of the National Housing Act to provide that the maximum amount of a mortgage to be insured under section 220 of the National Housing Act may be determined on the basis of estimated "replacement cost" rather than "estimated value" as required by the present provisions of section 220. However, mortgages financing rehabilitation of housing would be excluded from the change made by this amendment. Section 220 provides for the insurance of mortgages financing the construction or rehabilitation of housing in slum clearance or urban renewal areas.

Subsection (h) provides that the Federal Housing Commissioner shall appoint a Special Assistant for Cooperative Housing and provide the Special Assistant with adequate staff, whose sole responsibility would be to expedite operations of the FHA under section 213 of the National Housing Act for the provision of mortgage insurance for cooperative housing.

Subsection (i) would amend section 227 of the National Housing Act to remove a requirement presently in that section that cost certifications shall be provided by builders of single-family homes with mortgages insured under section 221 of the Act.

Section 221 of the National Housing Act would be amended by subsection (j) to permit the housing assisted under that section to be available for families living in an urban renewal area even though such families are not required by governmental action to leave the area. Section 221 provides FHA mortgage insurance for low-cost housing for families displaced by slum clearance or urban renewal activities or by other governmental action.

Subsection (k) would amend section 223 of the National Housing Act to permit cooperative housing groups to finance the purchase of Government-owned housing being disposed of under other provisions of law with the assistance of mortgages insured under the section 213 cooperative housing mortgage insurance provisions of the National Housing Act.

Section 103. Federal National Mortgage Association

This section would authorize the Federal National Mortgage Association to enter into advance commitments totaling not more than $50 million outstanding at any one time to purchase cooperative housing mortgages insured by the Federal Housing Administration under section 213 of the National Housing Act. Not more than $5 million of the authorization provided could be used for commitments in any one State.

Section 104. Settlement of Claims

This section would amend section 604 (f) of the National Housing Act to authorize FHA to make final settlement of certificates of claim held by mortgagees and refunds to mortgagors at any time after the sale or transfer of title by FHA on sales housing acquired by FHA in cases of defaulted mortgages insured under section 603.

Section 105. Defense Housing and Community Facilities

All authority to insure mortgages under title IX of the National Housing Act (which relates to defense housing) expired August 1, 1955. Section 105 of the conference substitute would authorize the granting of such insurance pursuant to a commitment issued before August 1, 1955, for a project designated by the President under section 104 of the Defense Housing and Community Facilities and Services Act of 1951.

Section 106. Slum Clearance and Urban Renewal

Subsection (a) would increase the authorization in title I of the Housing Act of 1949 for capital grants for slum clearance and urban renewal by an additional $200 million to be made available on July 1, 1955, and another $200 million to be made available on July 1, 1956. Also, the President would be authorized to increase the authorization at any time or times by an additional $100 million.

Under section 106 (e) of the Housing Act of 1949, not more than 10 percent of the capital grants authorized under title I of the Housing Act of 1949, as amended, may be expended in any one State, except that an additional $35 million (subject always to the limitation on the total authorization) of capital grants may be allocated to local public agencies in States in which more than two-thirds of the maximum capital grants permitted in those States has been obligated. Subsection (b) of this section would increase the $35 million authorization to $70 million.

Subsection (c) would add a provision to section 110 (c) of the Housing Act of 1949 which would authorize loans and advances to be made under the slum clearance and urban renewal program to assist in the redevelopment of either predominantly open land or open land for industrial or other nonresidential uses. The local governing body would be required to determine that such redevelopment is necessary and appropriate. The loans and outstanding advances to any local public agency for this purpose would not be permitted to exceed 2½ percent of the estimated gross project costs of all the other urban renewal or redevelopment projects undertaken by that agency.

Section 107. Urban Renewal in Territories

This section is a technical amendment to permit Territories to take full advantage of the provisions of title I of the Housing Act of 1949, making financial assistance available for urban renewal projects. The Territorial Enabling Act of 1950 authorized the governments of the Territories to enact laws which would authorize municipalities or public authorities in those Territories to carry out slum-clearance and redevelopment projects which would be eligible for financial assistance under title I of the Housing Act of 1949. However, the Housing Act of 1954 added provisions to the Housing Act of 1949 to authorize Federal aid to urban renewal, which includes aid not only for land acquisition and clearance for redevelopment as previously provided, but also aid to help in preventing the spread of slums and blight through rehabilitation and conservation measures. This section would broaden the authority of the Territories in this respect to cover the broader urban renewal activities.

Section 108. Public Housing

Subsection (a) would terminate the requirement that before a contract for annual contributions to a public housing project can be entered into by the Public Housing Administration the community must have a workable program for the prevention and

elimination of slums and blight in the locality.

Subsection (b) would rewrite subsection 10 (i) of the United States Housing Act to authorize new contracts for loans and annual contributions for not more than 45,000 additional dwelling units. This authorization would expire July 31, 1956. Eliminated are the restrictions in the former subsection 10 (i) requiring as a condition to any new contract that a title I slum clearance and urban redevelopment or urban renewal project is being carried out in the community, that the local governing body certify that the housing is needed to assist in meeting the relocation requirements of title I, and that the Housing and Home Finance Administrator determine that the number of units does not exceed the number needed to house families relocated by governmental action.

Subsection (c) would authorize the Housing and Home Finance Administrator to sell at fair market value a war housing project known as Welles Village, in the town of Glastonbury, Conn., to the housing authority of that town, subject to the approval of the legislative body of the town, for use as moderate rental housing. Full payment would be required within 30 years with interest at not to exceed 5 percent.

Subsection (d) would amend section 605 (a) of the Lanham Act to authorize the Housing and Home Finance Administrator to acquire (where certain conditions exist) by condemnation a fee title to certain lands in Richmond, Calif., in which the Administrator now holds a less than fee simple interest for use in the war housing and veterans' housing programs. The Administrator would also be authorized, at the request of the city, to sell such land at fair market value to the city or to the local redevelopment agency upon payment of one-third of the sales price at the time of conveyance and the balance at 4-percent interest. No payments in lieu of taxes could be made with respect to the land during the time title is held by the Administrator.

Section 109. Home Loan Bank Board

This section would amend section 6 (1) of the Federal Home Loan Bank Act to provide that any member institution may be removed from membership if in the judgment of the Home Loan Bank Board it is insolvent or the character of such institution's management or its home-financing policy is inconsistent with sound and economical home financing or with the purpose of that act. A member institution (which is a savings and loan or building and loan type) would be deemed insolvent if its assets are less than its obligations to its creditors and others, including the holders of its withdrawable accounts.

The present law provides that no institution shall be eligible to become a member of a bank if in the judgment of the Home Loan Bank Board its financial condition is such that advances may not safely be made to it or if the character of its management and home financing policy is inconsistent with sound and economical home financing or with the provisions of the act. There is, however, no provision for removal of a member institution for these grounds once the institution becomes a member of the Federal home loan bank system. The bill would correct this situation.

The section also expressly provides that a Federal savings and loan association may not voluntarily withdraw from membership. These institutions are required by law to become members of a Federal home loan bank. The present law requiring these institutions to be insured does not permit them to voluntarily cancel insurance of accounts by the Federal Savings and Loan Insurance Corporation.

The section would permit the Home Loan Bank Board, in any district in which there are more than four States to increase the directorate so that there could be as many as, but not more than, twice as many elective directors as there are States. However, there shall be not less than 1 elective director from any State nor more than 3 elective directors from any State in any such district and in no event shall the total number of elective directors in any one district exceed 11.

The section would remove the Home Loan Bank Board, including the Federal Savings and Loan Insurance Corporation, from the Housing and Home Finance Agency and establish the Board as a separate independent agency in the executive branch of the Government. The name of the Board would be changed to the Federal Home Loan Bank Board.

Section 110. Removal of $2,500 Limitation on FHA and VA Improvement Loans by Federals

This section would make a correction in the existing law to remove the specific dollar limitation as applied to the amount of an FHA or VA insured or guaranteed loan made by a Federal savings and loan association.

Section 111. FSLIC Admission Fee

This section would provide that lending institutions applying for insurance by the Federal Savings and Loan Insurance Corporation hereafter shall pay an admission fee as determined by FSLIC, taking into consideration the cost of processing the applications.

Section 112. Reserve of Planned Public Works

This section would amend section 702 of the Housing Act of 1954, which authorized the third public works advance planning program, to make the following changes:

(1) The Housing and Home Finance Administrator would be authorized to establish a revolving fund for the making of planning advances. In addition to the $10 million authorized to be appropriated by section 702 as originally enacted there would be authorized to be appropriated to the fund $12 million, $12 million, and $14 million to be made available on or after July 1, 1956, 1957, and 1958 and, in addition, such appropriations from year to year thereafter as may be estimated to be necessary to maintain not to exceed a total of $48 million in outstanding advances (and any undisbursed balances in the fund) for plans of projects which can be expected to be undertaken within a reasonable period of time.

(2) Advances outstanding to public agencies in any one State would be limited to not more than 10 percent of the aggregate then authorized to be appropriated to the revolving fund. (Under the present law not more than 5 percent of appropriations may be expended in any one State.)

(3) The July 1, 1957, expiration date for the present program would be eliminated.

(4) Provisions would be added to the law which would require a public agency to repay only proportionate amounts of advances when only a portion of the construction of a planned public work is undertaken by the local public agency.

Section 113. Salary of Community Facilities Commissioner

This section would make the salary of the Community Facilities Commissioner of the Housing and Home Finance Agency the same as that of the heads of the constituent agencies.

Title II. Public facility loans

Section 201. Public Facility Loans—Declaration of Policy

This section states that it has been the policy of Congress to assist States and their political subdivisions to provide the services and facilities essential to the health and welfare of the people of the United States. It states further that the purpose of title II is to authorize the extension of credit to assist in the provision of certain essential public works where such credit is not otherwise available on reasonable terms and conditions.

Section 202. Federal Loans for Public Facilities

Subsection (a) of this section would authorize the Housing and Home Finance Administrator, acting through the Community Facilities Administration, to make loans to States, municipalities, and other public agencies and instrumentalities of one or more States to finance specific public projects under State or municipal law.

Subsection (b) would provide that no loans shall be extended unless the financial assistance applied for is not otherwise available on reasonable terms, the loans shall be so secured as reasonably to assure retirement or repayment, and loans may be made either directly or in cooperation with banks or other lending institutions. The maturity dates of the loans could not exceed 40 years.

Subsection (c) would provide that priority shall be given to applications for loans of smaller communities (municipalities of less than 10,000 population) for assistance in the construction of basic public works for the storage, treatment, purification, or distribution of water; sewage, sewage treatment, and sewer facilities; and gas distribution systems.

Section 203. Financing of Loans

To provide funds for public facility loans the Housing and Home Finance Administrator would be authorized by this section to borrow from the Treasury and have outstanding at any one time up to $100 million in obligations to the Treasury. Obligations to the Treasury would bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average rate on outstanding marketable United States obligations of comparable maturities.

Subsection (b) would provide that funds borrowed from the Treasury and any proceeds from the funds shall constitute a revolving fund to carry out the purposes of title II.

Section 204. General Provisions

This section would provide powers to the Administrator for carrying out the purposes of title II and that funds obtained or held by the Administrator under this title shall be available for the administrative expenses of carrying out the functions under the title.

Title II would be made applicable to the States, the District of Columbia, Puerto Rico, and the Territories and possessions of the United States.

Section 205. Termination of Authority to Make Loans Under the Reconstruction Finance Corporation Liquidation Act

This section would provide that no loans shall be made under section 108 of the Reconstruction Finance Corporation Liquidation Act, as amended, after the date of enactment of the Housing Amendments of 1955, except pursuant to an application for a public facility loan filed prior to such date.

Title III—College housing

Section 301. Broadening and Liberalizing of College Housing Loan Program

This section would amend section 401 of the Housing Act of 1950 to broaden the purposes for which college housing loans could be made, and to authorize such loans to be made on more liberal terms.

Under the amended subsection (a) the Administrator would be authorized to make loans not only for housing but also for other educational facilities. The revised subsection would also provide that an eligible loan may be made unless funds can be obtained by the educational institution upon terms equally as favorable as the terms of the Government loan. Under the present provisions of this subsection, loans are not

made unless the educational institution shows that it is unable to secure the necessary funds from other sources upon terms and conditions generally comparable to the terms and conditions applied to the Government loans.

Subsection (b), as amended, would provide that no loan could be made where construction of the housing or other educational facilities had been completed prior to the filing of an application under this title.

Subsection (c), as amended, would increase the maximum terms of the loans from 40 years to 50 years, and lower the interest rate charge to the institutions. The lower interest rate would apply with respect to all loan contracts (including existing contracts) under the title where the loan funds have not been fully disbursed prior to the date of enactment of the bill.

Subsection (d), as amended, would provide for an increase from $300 million to $500 million in the total amount of obligations which can be issued to the Treasury and outstanding at any one time to provide funds for loans. Not more than $100 million of these obligations can be used for other educational facilities.

Subsection (e) would reduce the rate paid by the agency on borrowings from the Treasury to provide funds for loans.

Sections 302 and 303. Definitions

Section 302 would amend section 404 (c) of the Housing Act of 1950, to include other educational facilities in the definition of "development cost" provided in that subsection.

Section 303 would redefine the term "educational institution" to specifically include junior colleges, and to include nonprofit corporations established by a college for the sole purpose of providing housing or other educational facilities for the students or faculty. It would also define "other educational facilities" to include cafeterias or dining halls, student centers or student unions, infirmaries or other inpatient or outpatient health facilities, and other essential service facilities.

Section 304. Short Title

This section provides that title III may be cited as the College Housing Amendments of 1955.

Title IV—Military housing

Section 401. Amendments to Wherry Act

This section would extend until September 30, 1956, the life of the FHA title VIII (Wherry Act) military housing program, and would amend title VIII in the following major respects:

(1) An insurance authorization of $1,363,500,000 would be established for this program, in addition to the general FHA insurance authorization.

(2) Insurance would be issued for units which the Secretary of Defense determines are needed to meet essential military requirements, or for personnel for whom adequate housing is not available at reasonable rentals within reasonable commuting distance of a military installation. If the Federal Housing Commissioner does not concur in the Secretary's determination, he may require the Secretary to guarantee the insurance fund against loss on the mortgage in question.

(3) The amount of the insured mortgage may not exceed the FHA estimate of replacement cost, including the cost of land, physical improvements, and onsite utilities; and it may not exceed an average of $13,500 per family unit for the part of the project attributable to dwelling use; and it may not exceed the lowest acceptable bid submitted by a qualified builder, as determined by the Secretary of Defense after consulting FHA. Also, the replacement cost of the property (including the estimated value of any usable utilities within the boundaries of the property where owned by the United States and not provided for out of the proceeds of the mortgage) shall not exceed $13,500 per unit.

(4) The mortgage must mature in not more than 25 years, and bear interest at not more than 4%.

(5) The cost certification provisions of section 227 of the National Housing Act would not apply to this program.

(6) The program would be extended to include the Coast Guard as well as the military departments.

Section 402. Purchases by FNMA

This section would authorize the Federal National Mortgage Association to make commitments to purchase, and to purchase, service, and sell, mortgages insured under the new military housing program, but the total amount of purchases and commitments outstanding at any one time could not exceed $200 million.

Section 403. Contracts for Construction of Housing

Section 403 (a) authorizes the Secretary of Defense to enter into contracts with any eligible builder for the construction of housing on Government land at or near a military installation, after competitive bidding in accordance with the Armed Services Procurement Act of 1947. Under the contract, the housing will be placed under the control of the Secretary of Defense as it becomes available for occupancy, and the capital stock of the builder corporation will be transferred without cost to the Secretary.

Section 403 (b) defines "eligible builder."

Section 403 (c) authorizes the Secretary to acquire the capital stock of the mortgagor corporation and to exercise rights under the stock until the mortgage terminates, when the corporation will be dissolved. It also authorizes the Secretary to guarantee payment of the legal instruments which FHA requires of the mortgagor, and to guarantee the FHA insurance fund against loss, where such a guarantee is required.

Section 404. Acquisition of Land and Wherry Act Housing

This section authorizes the Secretary of Defense to acquire unimproved land and, with FHA approval, existing Wherry housing, for purposes of the military housing program, through purchase or other transfer or through condemnation proceedings, and contains provisions to protect the interests of the owners in condemnation cases.

Section 405. Assignment of Quarters; Payments on Mortgage

This section authorizes the Secretary of Defense to maintain and operate housing acquired under the program and assign quarters in such housing to military and civilian personnel. The military department concerned may use appropriations for quarters allowances or appropriate allotments, and rental charges to civilian personnel to pay the obligations of the mortgagor with respect to the housing. Such payments shall not exceed an average of $90 a month per housing unit, and shall not total more than $9 million per month, nor more than $90,000 per month for housing for the Coast Guard. Maintenance and operation expenses would not be paid in this manner, but would be paid out of funds appropriated for the purpose.

MISCELLANEOUS PROVISIONS

Section 406 provides for procurement of services of architects and engineers; section 407 authorizes necessary appropriations; section 408 contains savings provisions necessary to complete operations (including operations with respect to projects certified by the Atomic Energy Commission prior to July 1, 1956) under the existing Wherry Act; and section 409 contains provisions necessary to permit inclusion of the Coast Guard in the program.

Title V. Farm housing

Section 501. Farm Housing

This section would provide the following additional authorization for farm housing under title V of the Housing Act of 1949, as amended, to be available on or after July 1, 1955: (1) $100 million in the amount of loan funds which can be obtained from the Treasury; (2) $2 million per annum in the amount of annual contribution commitments for housing on potentially adequate farms; and (3) $10 million in the amount of appropriations authorized for loans and grants for improvements and repairs of farm dwellings and other buildings, and loans for the enlargement and development of farms.

Title V of the 1949 act authorizes the Secretary of Agriculture to make (1) long-term loans to farmers having adequate farms who are nevertheless unable to obtain private credit on reasonable terms; (2) similar loans supplemented by modest contributions for 5 years, where the farmer is unable to undertake to repay the loan in full and the farm is not adequate but capable of being improved to the point where it is self-sustaining; and (3) modest loans and grants to help farm families on very poor farms to undertake minor improvements or minimum repairs to farm dwellings where necessary to remove hazards to the health or safety of the occupants, and modest loans for enlargement and development of farms.

BRENT SPENCE,
PAUL BROWN,
WRIGHT PATMAN,
ALBERT RAINS,
Managers on the Part of the House.

Mr. SPENCE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill (S. 2126) to extend and clarify laws relating to the provision and improvement of housing, the elimination and prevention of slums, the conservation and development of urban communities, the financing of vitally needed public works, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Clerk read the statement.

Mr. SPENCE. Mr. Speaker, I yield myself 8 minutes.

Mr. Speaker, I know there is general recognition of the fact that we need housing. This is a bill that is designed to produce that result. If you vote this conference report down the chances are you are going to have no housing with any Government support.

In this bill there is title I, which provides insurance, improvements, and repairs to property. One of the most effective ways of securing additional housing is to keep the old houses in repair. We see an illustration of that in our neighboring city of Georgetown. Many of those houses there are 100 years old or more. They are still habitable and in good condition. We need that provision because it will stimulate people to keep their homes in repair and make them adequate to the needs of their families.

We have in this bill the FHA, insurance of mortgage loans, which has stimulated the building of homes. I think it is essential to continue that. There

are provisions to aid in the building of college housing. The colleges all testify to their need of help in that respect. The very foundation and strength of our free government lie in the intelligence and knowledge of the people. We must see that our colleges are maintained in order that the mental development of our citizens may be commensurate with their potentialities in the gaining of information and in the development of judgment. These powers are essential to a people who are charged with the exercise of the duties of citizenship.

One of the greatest needs of this country today is military housing. We ask the young men or young women to volunteer in the armed services of their country. The manner in which we sometimes house them is a disgrace. Adequate housing would attract additional volunteers. Without the provisions of this bill, it would be impossible to have decent housing.

Everybody agrees that the military housing is in a deplorable state. Those who are in control of our Armed Forces realize that, and they have earnestly urged the passage of the provisions that are in this conference report. They say without them they cannot obtain adequate housing for the men and women who have volunteered to defend our country.

Then there is the farm housing. This provides for insurance of farm housing. We know that the rural sections need improved housing, additional housing, housing that is compatible with the dignity and the decency of the American citizen wherever he resides.

We have in this bill 45,000 units of public housing. I know that public housing has some very earnest advocates. Then it has some Members who have a settled aversion to it. But the Members that have a settled aversion to public housing seldom see it, and they have no need for it.

There is a reason why the Senate wanted more low-rent public housing than the House. Every Senator represents a State, and in every State there is some city that needs public housing. The Senate passed the bill authorizing 135,000 units a year for 4 years. We reduced it, because we knew the sentiment of the House and the attack that would be made upon it, to 35,000 a year for 2 years. In the conference we had difficulty in getting the Senate to agree to the 45,000 units for the very reason that every senatorial district has need for public housing. The Senate conferees desired more public housing than in this report.

It seems to me that 45,000 units is a very inadequate number to be designated as a public-housing program, and will not meet the minimum requirement.

The provisions of the bill are only effective for 1 year. If you want to sabotage the report because of a deep prejudice, you may do it. But, there are other provisions than public housing in this report that are essential to many housing programs, and if you fail to agree to the conference report they will all go down together. Good homes are essential to the happiness and welfare of our people and to the economy of our Nation. So I appeal to you, if you are for the other provisions—if you are for college housing, if you are for farm housing, if you are for the FHA, if you are for insuring the obligations for repairs to keep the houses in decent condition—then vote for this conference report.

The SPEAKER. The time of the gentleman from Kentucky [Mr. SPENCE] has expired.

Mr. SPENCE. Mr. Speaker, I yield 13 minutes to the gentleman from Michigan [Mr. WOLCOTT].

Mr. WOLCOTT. Mr. Speaker, of course, the most controversial part of this conference report is on public housing. But there are many other things in the bill which are distasteful to many, including the President of the United States himself. On the question of public housing, let it be clearly understood that the conferees have brought back to you a bill which calls for 45,000 public housing units in 1 year without any questions being asked, without any limitations, without any criteria, without any formula tying these public-housing units in with slum clearance and urban development. Now the President said, in substance, as has been declared on the floor of this House, and I shall read his position on it:

> The low-rent public-housing legislation requested by the administration, unlike the provisions of S. 2126, would be limited to meeting the relocation needs of families of low-income displaced by slum clearance and urban redevelopment projects or by other Government action. The legislation proposed by the administration would authorize the continuation of the public-housing program, but would retain present requirements which make public housing a part of the Government overall program to help cities eliminate and prevent slums and urban blight.

That provision, in keeping with the President's recommendation, was written into the 1954 act, under which we have been functioning for the last year. Under it, over 29,500 units of the 35,000 units we authorized for the fiscal year, 1955, have been contracted for. There are about 6,000 of them left. The President's program does not call for 35,000 units for 1 year or 2 years without that formula, and therein lies the difference between the President's program and the program as brought back to the House by the conferees.

The President does not want public housing without tying it in with slum clearance and urban renewals. He wants only the authority to house those persons who may be displaced by slum clearance and urban renewal.

The President does not want many other things in this bill. The President does not want the provisions in respect to trailer camps. He does not want the independence of the Home Loan Bank Board, because of administration problems. He does not want the provisions of this bill in respect to facility loan programs because that facility-loan program contained in this conference report bypasses the Committee on Appropriations. They go directly to the Treasury for financing, and you will have absolutely no say henceforth about whether they indulge in this program or not. We provided for facility loans in the 1954 act, and it is just and reasonable that the provisions of the 1954 act be continued in that respect. It has worked out splendidly. There is no reason why this Congress should be bypassed to make direct Treasury financing of facility loans.

Mr. FERNANDEZ. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. No, not at this time.

Now, we create a new assistant to the FHA Administration. The Administration does not want it. And with a staff, which it does not want or need. It is in this conference report. There are a great many budgetary problems in this conference report that we have not given too much consideration to.

In respect to public housing, our files are full of information as to vacancies in public housing. We all perhaps have a file full of newspaper clippings of material, wherein public-housing agencies are advertising—advertising for occupants—can you imagine that? Advertising to people to come into public housing units. The outstanding one that I have tells about the merits of renting public-housing units in New Orleans. The Public Housing Authority asks people to come in and apply, and tells them that they can get rent as cheaply as $15 a month. Other places say to the Federal Government, through the press, "We do not expect to have any workable programs. If we are going to have a workable program, we would rather build our own public-housing units."

There are numerous cases where localities themselves do not want public housing because of the expense they are put to. Of course, they would want to turn it over to the Federal Government and let the Federal Government take the responsibility, take Federal money and build those houses.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. DONDERO. In the city of Pontiac, Mich., in my district, the city commission did not pass a motion or a resolution. They passed an ordinance prohibiting public housing within the city of Pontiac.

Mr. WOLCOTT. Many other municipalities have done the same.

Mr. FISHER. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Texas.

Mr. FISHER. I will ask the gentleman even though the number of public-housing units authorized in the conference report is considerably lower than the original Senate figure, if the House conferees have not in effect completely surrendered on this subject of public housing in this conference?

Mr. WOLCOTT. I think on five different occasions throughout the last 5 years this House has refused to provide for any public-housing units. We surely surrendered in that respect, because the one time that we did provide for them, last year, we added requirements tying them in to slum clearance and urban development.

Mr. FISHER. I notice in the CONGRESSIONAL RECORD today that when this

conference report was taken up in the Senate yesterday the Senator who was in charge of the Senate conferees made the statement that—I quote:

> Ninety percent of the conference report is the Senate bill.

Does the gentleman not think that finally, somewhere along the line, after all these years, the will of the House should be maintained to some extent in these conferences?

Mr. WOLCOTT. I agree with that.

Mr. THOMAS. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Texas.

Mr. THOMAS. May I inquire of the gentleman whether or not provisions which have heretofore been carried in the Independent Offices appropriation bill, namely, limitations on public-housing units, are repealed in this conference report?

Mr. WOLCOTT. My understanding is that they are repealed. There is no limitation; the sky is the limit. The only limitation on the number of public-housing units that can be built is the 45,000; and I understand there is another 43,000; I am not just clear on that, but I think the total number of public-housing units that can be built under this will be in the neighborhood of 90,000.

Mr. THOMAS. Has the leapfrogging provision been repealed? And has the provision against Communists living in these units been repealed?

Mr. WOLCOTT. Let us take them one at a time. The leapfrog provisions are left in the bill.

Mr. NICHOLSON. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Massachusetts.

Mr. NICHOLSON. In the public housing preamble it states that the number of units shall be limited to the number of persons displaced in slum clearance programs, and sets up $100 million to take care of gas, electricity, and other things.

It goes even further, Mr. Speaker, and the majority of the House managers accepted the Senate provision that permits FHA insurance of mortgages up to $500,000 on trailer camps.

Mr. WOLCOTT. That is right.

Mr. NICHOLSON. Yet the preamble of the bill states that this is to make homes for people If a trailer camp is a home, all right, I would vote for it, but I do not think it is.

Mr. WOLCOTT. It is the first time we have adopted the concept of making FHA mortgage financing available to potentially vacant properties, because you can move a trailer off a trailer camp and you have no house left there; so virtually under this we are making FHA financing available for vacant property.

Mr. KEATING. Mr. Speaker, will the gentleman yield for a question?

Mr. WOLCOTT. I yield.

Mr. KEATING. I wanted to clarify what the President's position is with regard to the public housing feature apart from the number of units involved. Am I correct that his position is that we have reached the point in this country where any public housing should be coupled only with the clearance of slums or an urban development program?

Mr. WOLCOTT. That is the President's position.

Mr. KEATING. And in this conference report am I correct that there is no such linking up of those features?

Mr. WOLCOTT. There is absolutely none.

Mr. KEATING. It has been completely eliminated?

Mr. WOLCOTT. Yes.

Mr. WESTLAND. Mr. Speaker, I would like to call to the attention of the House an omission in the conference report we are considering today, which I believe to be wasteful and against the best interests of our elderly citizens.

Earlier in the session I introduced a bill to allow single elderly persons to occupy public housing units when vacancies exist. The Senate version of the housing bill had a similar provision, which provided that 10 percent of yearly admissions would be allotted to single elderly citizens.

This problem of the older person in straitened circumstances who cannot find housing within his or her income is increasing each year. People are living longer. Longevity in turn increases the number of widows and widowers. Often these persons exist on tiny pensions augmented by limited social-security payments. They are not freeloaders or panhandlers, but often are frugal, thrifty persons whose careful plans for retirement income were led astray by misfortune or the ravages of inflation over the past 20 years.

It is indeed wasteful if we fail to use present housing facilities to give these people a place to live. It would not cost any additional money, nor require any new construction. Rather, it would provide paying occupancy for Federal housing units now standing vacant and help eliminate part of the subsidy for public housing which today amounts to $87 million a year. In my own second district, there are many units not occupied. There have been many elderly people, unaware that single persons cannot occupy them, who have attempted to gain admission to these units but who have been denied occupancy because of the present law.

Testimony here today indicates that many public housing units across the Nation have vacancies. It is with deep regret that I see this House consider a housing bill, obstensibly designed to provide for low-income persons, which wastes through nonuse, present facilities while considering the construction of more units.

I attempted, both through amendment and by conversations, to have this law changed so that elderly single persons could be admitted. Because of the haste of Congress to adjourn my proposals were not accepted. I believe that I am right in my contention and that the Congress will eventually recognize the inequities of the present law. I shall press for the acceptance of this provision when Congress meets again next January.

Mr. SPENCE. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. MULTER].

Mr. MULTER. Mr. Speaker, obviously those opposing public housing in this bill would like to show how bad the bill is and in order to do that they must resort to giving you misinformation. The Administrator of this program, the President's representative, Mr. Cole, came before our committee and said in so many words you must eliminate the restrictions that tie together public housing and slum clearance, one into the other, or you have an unworkable program. It was at his request we took that limitation out.

This talk about other limitations and other restrictions that are destroyed by this bill is nonsense. There is nothing in this bill which will take away from any locality its right to approve or disapprove public housing. Once the locality has disapproved it, there is nothing that the Administrator of this law can do and nothing in this bill which will give any authority to the Federal Government to override that disapproval.

Mr. OLIVER P. BOLTON. Mr. Speaker, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from Ohio.

Mr. OLIVER P. BOLTON. It seems to me that is the crux of the whole debate. As I understand it, the gentleman's position is that the Federal Government should put in public housing unless the locality disagrees?

Mr. MULTER. No. My position is directly to the contrary. My position is that no locality should have public housing unless the locality wants it. If the locality says "No" this bill says "No" and the law says "No."

Mr. OLIVER P. BOLTON. If that is the case why should the locality not say so in accordance with the plan that was drawn up?

Mr. MULTER. That is the plan. The locality must come before the Public Housing Administrator, appointed by the President, and make out a good case for a public housing project. One of the things they must show is that it is in accordance with local law and has local approval. If there is disapproval, that is the end of it so far as the Federal Government is concerned. Nobody in the Federal Government can say to a locality that has disapproved a public housing project: "You must take it nevertheless" and there is nothing in this bill, no matter what anybody will tell you, there is nothing in this bill, nothing in the law, that will permit any Federal authority to say "You must have public housing," in any area.

Mr. JACKSON. Mr. Speaker, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from California.

Mr. JACKSON. That is very fine on the surface, but the facts of the matter are that public housing has time and time and time again been forced upon cities and municipalities without their consent and against their wishes.

Mr. MULTER. The gentleman is so far wrong it is not funny. No locality has had public housing forced upon it.

Even to the extent of permitting a locality to break an existing contract, there has been no public housing foisted on any locality anywhere in this country. Anything to the contrary that may be said to you, notwithstanding, the California situation referred to in order to sustain that argument is a myth. In that case the local community officials had approved the project in accordance with local law before the referendum. After the referendum rejecting the project, the city was faced with the choice of paying damages for breach of the city's—not the Federal Government's, but the city's—contract or completing the project. The city chose to finish the contract. There was no compulsion by the Federal authorities.

Nor is there anything to this talk about $100 million in this bill for community facilities. Why talk about shortcutting or bypassing the Appropriations Committee? You have done that to the extent of $22 billion in this law in providing an FHA program for private housing; you have done it for the Commodity Credit Corporation to the extent of $12 billion. Now you say this bill is bad because you have $100 million for community-facility loans as against the increase of $2 billion that we have just authorized for the Commodity Credit Corporation and the increase of $4½ billion in this bill for FHA private housing.

Those who are opposed to public housing can join with those on my left if they want to kill this bill. But, Mr. Speaker, if they do, there will be no more private FHA housing. The other body has already approved this conference report. If we do not approve it now we are going to stop the entire housing program, which is the backbone of the economy of this country today. The whole building program will come to an end because FHA will then die. You have already given them $22 billion in lending insurance authority; this bill gives them another $4½ billion of authority, without which your private housing cannot go on.

There is over $1,300,000,000 in this bill for military housing. Do you want that to stop? Then vote against the conference report.

There is a half billion dollars in this bill for a college loan program. Do you want that? If not, then vote against the conference report.

There is another half billion dollars for slum clearance. If you do not want slum clearance vote against the conference report.

Mr. NICHOLSON. Mr. Speaker, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from Massachusetts.

Mr. NICHOLSON. The question of housing soldiers, sailors, and marines is taken care of in another bill, is it not?

Mr. MULTER. No, it is not. It is not taken care of so far as private housing is concerned as it is done in this bill. There is nothing in any other bill which covers the same subject matter that is covered here. If you want private enterprise doing this job instead of the Government, this is the way to do it.

The argument that there is no proof before our committee of any need for public housing, flies in the face of the record. I say to anyone so arguing, read any of the hearings of the committees of either body. With the exception of the mayor of Los Angeles, the mayor of every city of any size has asked for it and proved the necessity therefor.

The only answer I can give to those who now wish to dispute the recommendations—now part of the printed hearings—of the President's appointees, is that they should stop doubletalking.

The suggestion that this bill should be broken up into two bills, comes with ill grace from members of the Rules Committee who have heretofore insisted on rules waiving points of order on appropriation bills so that public-housing modification and repealer legislation could be swallowed up in such bills. No legislative committee has ever reported any bill repealing public-housing laws. The only successful votes on final passage of bills restricting or repealing public housing came on appropriation bills. Every final vote on authorization bills has favored the continuance thereof.

This bill, as now before us, will permit well over a million units of private housing to be built in the next year. It will permit only 45,000 units of public housing to be contracted for in the same period.

I urge the adoption of this conference report.

Mr. SPENCE. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. COUDERT].

Mr. COUDERT. Mr. Speaker, I rise with the utmost reluctance when it means expressing disagreement with the distinguished gentleman from Michigan [Mr. WOLCOTT], for whom I have the highest regard and whom I have followed through the years. This is a case, however, where I am forced by circumstances to disagree with him and rise in support of this conference report. I do it because, much as I regret it, I am forced to recognize the desperate situation of housing in the great city of New York, a part of which I have the honor to represent.

My attention was called this morning, as a matter of fact, to an article that appeared in the World-Telegram on Saturday with this significant heading: "Mr. Average Man Is Being Squeezed Out of New York."

One of the leading builders, Paul Tishman, of New York, goes on to say: "It is almost impossible for a middle-income family to find adequate apartments in New York City."

Well, I know something about that, and it is impossible and something has to be done. Now, I hold no brief for public support of housing except as a dire necessity. Unfortunately I think that circumstances necessarily call for continued action. Everything reasonably possible has got to be done to get this housing crisis straightened away in great cities like New York so Mr. Average Man may continue to live there without slums. I fervently hope that in the not too distant future the need for Government-supported housing may become unnecessary, and to that end I have introduced legislation to provide for Federal income tax exemption for all housing constructed by State-approved limited profit and limited dividend corporations, to the end that private investment may be attracted to low-income and middle-income housing.

Mr. SPENCE. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. HIESTAND].

Mr. HIESTAND. Mr. Speaker, there are 2 or 3 things that perhaps should be stressed in addition to the very able presentation made by the gentleman from Michigan [Mr. WOLCOTT]. He did stress, of course, that this positively is not an administration bill, and he documented his statement quoting directly from the President. There are a number of parts in this bill to which the administration objects and objects emphatically. The gentleman cited most of them. However, the most important part, of course, is the 45,000 subsidized public housing units without any restriction as to what or who goes into them.

The gentleman from New York stated that never had any public housing been jammed down any community's throat. In the middle of 1952 Los Angeles had an election, 350,000 votes against public housing and 220,000 in favor of public housing, and yet the Public Housing Authority said, "You shall have it whether you want it or not. You are going to take it." And they gave them 10,000 units. True, we later managed to get 6,000 knocked out of the 10,000 but 440 of the remainder are still in my own district and were completed last January. As of last week, it is still empty and the taxpayers are paying that deficit.

Last year we gave the figure of $26.90 per month per unit that the taxpayers of the United States are called upon to pay to subsidize public housing units. If the vacancy ratio increases at its present rate, including those we have just mentioned, that figure will go up very decidedly. It could go to $40 or $50 per month per unit. The appropriation made several years ago to make up that deficit was $21 million. It has risen steadily. The request this year to make up the deficit is $87 million. Where it will go from here, who can tell?

This unrestricted public housing measure, Mr. Speaker, is in my judgment, more important than all other parts of the bill combined. It's socialism in the raw.

The question of 45,000 unrestricted units this year brings the matter down to how the bill was passed last year. You will recall that the administration sent to our committee a bill that they recommended without any units in it. Various people have quoted the President as saying he wanted 35,000 units or that that number was desirable, but we passed a bill without any housing units in it. This House again, as it had done many times in the past, repudiated subsidized public housing. The conference had to admit 35,000 units, but in accordance with the President's wish, it was limited to the victims of slum clearance and urban renewal of which

the President is emphatically in favor. This house would never have passed that bill without the restriction in behalf of slum clearance victims.

Mr. FISHER. Mr. Speaker, will the gentleman yield?

Mr. HIESTAND. I yield to the gentleman from Texas.

Mr. FISHER. There has been something said here about the position of the administrator, Mr. Cole, on the restrictive amendment. I have his position here, and if the gentleman will yield for the purpose, I should like to state it; it is very brief.

Mr. HIESTAND. I yield.

Mr. FISHER. I will quote from his statement of July 13, which was contained in the Washington Star. He said that the administration wanted the housing bill to require that—

First. Cities develop approved programs of urban renewal prior to participation in Federal public housing aid.

Second. Public housing be made available only to families displaced by slum clearance projects.

I hope that clears up Mr. Cole's position.

Mr. HIESTAND. I thank the gentleman from Texas. There is this other point upon which this House might want to be refreshed. During the 11 days of testimony during the hearings, no evidence was introduced to show that more public housing was needed. There were no witnesses testifying to that. No evidence was introduced to show the need of added public housing. Actually, the evidence was that most cities did not want it. It was said that many mayors appeared in behalf of it. The number was two. Hundreds of cities do not want it any many have so voted.

I urge this House reaffirm its previous stand against public housing and vote down this report.

The SPEAKER. The time of the gentleman from California has expired.

Mr. SPENCE. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Speaker, when this bill was in the House a few days ago, the Wolcott substitute was adopted, as I remember, by a little over 30 votes. A shift of 15 or 16 votes would have defeated the Wolcott substitute.

At that time I called attention to some of the things the Wolcott substitute did. It left out Wherry housing, for men in the service and their families. The program, of course, is operated by and through private capital. The Department of Defense said that they needed about 110,000 units to meet the problem which confronts them.

I called attention to other important activities that the Wolcott substitute left out. However, the substitute was adopted.

We are now back with the conference report. It seems to me that the conferees have worked very hard and have brought back a conference report which should be adopted. We know that in legislation of this type, with the broadness of the legislation, everyone cannot be satisfied with all the provisions of a bill. Neither am I. I am making sacrifices of some of my views in urging the adoption of the conference report and in voting for it.

It seems to me the conferees have done a very good job under the circumstances. As a matter of fact, I would rather have 45,000 units for 2 years. In relation to the doubt expressed by my friend from Michigan as to whether or not this was confined to 1 year, my understanding is that it is confined to 1 year. There is nothing in the report that would justify a continuance of the program of 45,000 units for a second year.

Much has been said about the position of Mr. Cole. I have here the testimony given by Administrator Cole before the committee, in which he said:

However, the technical legal effect of the requirements, as applied to existing title I slum clearance and redevelopment projects and other circumstances, have had an unreasonably restrictive effect which delayed and prevented, in large part, the use of the new public housing authorization.

That makes it clear that he is dissatisfied with the existing law and that he feels there should be some relaxation. As he says, these requirements have had an unreasonably restrictive effect which delayed and prevented, in large part, the use of the new public housing authorization. The conference report takes care of that situation.

I might say that without regard to how Administrator Cole voted when he was a Member of the House, and we know how his votes were, in my opinion he has done an outstanding job in his present position. I want to commend him publicly. I have consulted with him and his associates on several occasions and I have found very fine leadership under Administrator Cole. So I welcome the opportunity not only because he is a former colleague of ours, one whom I respected, one who consistently voted against public-housing legislation, but because as the Administrator he has with vision and with courage administered the law. I am very happy, I repeat, to have the opportunity of expressing the very high regard I have for him as Administrator, a regard that I had for him while he was a Member of the House.

There is much more involved in this bill than public housing. I am not going to be one of those who say that no legislation will pass. I would not take that responsibility. But there is always that uncertainty or calculated risk, particularly in the closing days of the Congress such as we are undergoing now. Under the circumstances, I think the conferees have done about as good a job as could be done, and I hope the House will accept and adopt the conference report.

Mr. SPENCE. Mr. Speaker, I yield 5 minutes to the gentleman from Virginia [Mr. SMITH].

Mr. SMITH of Virginia. Mr. Speaker, last week when the bill came in here from the Committee on Banking and Currency, I was so bold as to make a prediction as to what was going to happen. I predicted that the House would vote down the committee bill because we had always voted down public housing in this House. I predicted that the conferees would be appointed and that they would go to the other body and surrender abjectly to the wishes of the Senate and bring back to us a conference report which was in opposition to the record vote of this House. Now that is what has happened this morning. Unfortunately, we are here today, called upon to vote upon a conference report which, though it was agreed to yesterday, for some strange reason has not been printed and you are being asked to vote for something you cannot see. You are threatened now that if you do not take this thing and swallow it whole, without looking at it, that there is not going to be any housing bill. Well, if there is not—that is the responsibility of somebody else—it is not the responsibility of the House of Representatives. You are in the position now of being asked to agree to a bill, which according to the reports which we have been unable to see, is worse than the bill which the House rejected on the record vote just last week. I cannot see how any person who on his conscience and on the principles involved voted against this bill last week can reconcile his conscience to himself and to the people whom he represents by voting for this monstrosity that we have not even been accorded the privilege of reading or seeing. That is what you are up against. I hope that we will stand fast on this matter. Is it so important we should adjourn and go home to sit in the shade that we should surrender on the vital issue of socialism, which is involved in this bill? All there is to this thing is what we discussed last week, namely, that we are being forced to take a bill on public housing in connection with the regular housing bill, when they have always been treated as separate bills, and should not be a part of this bill at all.

It has been said from the beginning when this bill was hung up in the Committee on Rules that if you separate the two things and let each bill stand on its own bottom and on its own merits, as has always been the case, there would be no difficulty about getting the rule and bringing this matter to the floor of the House and discussing it and voting our sentiments on it. Yet, we are not permitted to do that. We are not permitted to vote on the two separate propositions. We are not permitted to see what we are voting on. I want to tell you gentlemen that I read the original bill and there are a lot of things in it which, I assume, are in this conference report and that you would not vote for if you knew what they were. I appeal to those who voted against this thing last week to stand fast today upon the principle involved and vote like you did last week, and not take a worse bill just because it is being crammed down your throat on the last day of the session.

Mr. SPENCE. Mr. Speaker, I yield 2 minutes to the gentleman from Georgia [Mr. BROWN].

Mr. BROWN of Georgia. Mr. Speaker, I did not expect to speak on the conference report, but since the statement by the gentleman from Virginia [Mr. SMITH], I feel I ought to make some remarks. The conferees, I think, did a pretty good job. The bill as passed by the House provided for no public housing. The other body voted by a large majority vote for 135,000 units a

year for 4 years, and 10,000 a year for 5 years, and for 1 year that would make 145,000 units. We came back with only 45,000. That is the best we could do. I believe we did a better job for the House than the conferees did for the other body, so how can anyone say we surrendered? I think I am as honest and sincere as the gentleman from Virginia. When you are in a conference, you cannot always get all you want. You have to give and take. You cannot disregard altogether the views of others. Furthermore, 45,000 units for this country which has a population of 162 million or more is not a great number. I want to say that public housing is the smallest item in this entire bill. Nine-tenths of the bill relates to Title I, FHA insurance, housing for military personnel, etc. We were in conference until 12 o'clock Saturday night and met again yesterday for several hours and agreed on this amount. We reduced the number of units as passed by the other body from 145,000 to 45,000. That is the best we could do. You will not have any bill providing for extension of the Federal housing programs unless this conference report is adopted. I have never been as enthusiastic about public housing as some people, but I repeat this is a small item in this bill.

I shall vote for this report.

Mr. SPENCE. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. MARTIN].

Mr. MARTIN. Mr. Speaker, there has been some doubt as to the position of Administrator Cole. A half hour ago he issued a statement, and with your permission I will read that statement in full:

HOUSING AND HOME
FINANCE AGENCY,
OFFICE OF THE ADMINISTRATOR,
Washington, D. C.

Housing and Home Finance Administrator Albert M. Cole said today he is standing firm on the President's housing program and will urge the House leadership to have the pending conference report on the housing bill altered to give the President substantially what he has been seeking.

"So far as this Agency is concerned," Housing Administrator Cole said, "we are not willing to compromise on 45,000 new public housing units on a 1-year basis. We want, we need, and we will continue to seek the full 70,000 new public housing units over a 2-year period, as well as the 5,500 uncommitted units left over from the past year's authorization, that the President has requested.

"We also believe it is most important that these units be provided to communities which have assumed their basic responsibility for attacking slums and blight on a large scale, as demonstrated through a comprehensive workable program for this purpose, and which need these units for the rehousing of low-income families displaced by urban renewal activities. The present conference proposal sabotages the President's program by ignoring this vital principle.

"But public housing is not the only concern we have with this conference proposal. It is loaded with so many other objectionable features, such as trailer park financing, a split-up of Government housing coordination by making the Home Loan Bank Board an independent agency, a greatly expanded program of direct Government loans for local public facility construction, and other matters, that it totally distorts the principles and purposes of the administration's objectives. In some respects, it is even more objectionable than the House Committee bill which we also opposed.

"I believe the Congress can and should frame a sound, constructive bill and that the President's recommendations represent that kind of bill."

AUGUST 2, 1955.

I also want to speak in the moment allotted to me of the position of the President.

The President believes in public housing. He sincerely wants public housing to continue. He wants a continuation of FHA because he believes that is essential to the economic growth of this country. But the Congress should not take advantage of the need for FHA to make alterations to the bill that will be injurious to the country.

There is talk here that there will be no bill if this conference report is not adopted now. Let me tell you there will be a housing bill because the President has no intention of letting this agency lapse. If we do not pass suitable legislation at this session, I can vision the calling of a special session whereby we can take care of this bill as well as the roads bill, which are so essential to the economic prosperity of this country.

I, too, question whether this Congress can adjourn without housing legislation. I do not believe sufficient votes to adjourn can be secured without housing legislation. So, Mr. Speaker, let us vote down the conference report, let the conferees—and I agree with the distinguished gentleman from Georgia—they have worked hard, I think they tried to do a fine job, but it is not a satisfactory job. It contains administrative legislation that is not desirable. They are being written into law under the name of public housing. Let the conferees go back and work again, perhaps after a little extra time, and they may be able to bring back the kind of legislation that will be suitable to the President and be most beneficial to the country. Here is a real chance to cooperate with President Eisenhower.

This is not the type of legislation that should be enacted. I trust the report will be voted down. No one need worry—we will have a housing bill before we adjourn or we will have a special session to correct the failure.

Mr. SPENCE. Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. PATMAN].

COMPROMISE A PART OF OUR PARLIAMENTARY-DEMOCRATIC SYSTEM

Mr. PATMAN. Mr. Speaker, every major law represents a sacrifice of view or a compromise of opinion on the part of practically every Member of the House and Senate. We must give and take in order to have legislation, there is no other way in our democracy in a republic to enact laws.

It has been suggested that we should have had two bills. We were told, when we asked for a rule, that we should bring in two bills. One of the bills would have been title I which provides 9.7 percent interest on guaranteed riskless housing modernization loans. The lenders, the bankers like these loans. They would like you to pass that part and then quit right there; some do not want anything else. If we were to separate the bill and have the 9.7 percent in one part and public housing in the other, I do not believe we would get consideration of the latter.

There was a farmer who went to the drugstore to get two prescriptions filled. He gave specific instructions to the pharmacist; he said: "Be careful with these prescriptions, make sure you fill them carefully and right. One is for my wife and the other is for my cow. I sure do not want anything to happen to that fine Jersey cow."

I am apprehensive that we would have the same situation on the housing bill if we brought two bills in, one that would take care of the private lenders and the bankers, the one with the Government-guaranteed riskless loan at 9.7 percent—that is what it is—and then the other for the people. I do not believe we would have a fair chance of getting one through for the people. So I am in favor of keeping the bankers' part, the lenders' part, and the people's part all together and pass them all at one and the same time. I hope the conference report is adopted.

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. ASHLEY] and the gentleman from Illinois [Mr. O'HARA] may extend their remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. ASHLEY. Mr. Speaker, I rise to support the conference report and to urge the Members of this body to consider for a moment the arguments which we heard on the floor of this House late last week.

You will recall that during debate on the Wolcott amendment, which eventually eliminated the 35,000 public housing units each year for 2 years from the Spence bill which had been approved by the House Committee on Banking and Currency, we heard the argument that it was necessary to send such an amended measure to the Senate. The reason, of course, was that the Senate had already passed its housing bill calling for 135,000 public housing units for each of the next 4 years. We were told that if a reasonable public housing program was to come out of conference, the housing bill could contain authorization for no public housing units whatsoever.

Now, Mr. Speaker, the same voices are telling us that the 45,000 public housing units which resulted from the conference committee are far too many, and that the House conferees should have demanded that their Senate counterparts recede to a lower figure.

Mr. Speaker, I respectfully urge that we ask ourselves at this time whether or not we are the kind of country which feels an obligation to provide suitable shelter for those in economic distress. We all know that, at the present time, private enterprise cannot profitably construct adequate and decent homes for

the millions of families who are in the lower economic bracket. If we feel no responsibility toward these families, then by all means let us vote against this conference report. But if, as I sincerely believe, we do feel a very deep concern and a very real responsibility for these families, then let us adopt the conference report before us.

Mr. O'HARA of Illinois. Mr. Speaker, I trust that the report of the conferees will receive the approval of the House. Public housing has been a matter of controversy which has been due to the misunderstanding of urban problems by those who live in other surroundings. I trust we are reaching a plane of greater understanding. I was both heartened and inspired by the remarks of the very able and lovable gentleman from Georgia [Mr. BROWN], one of the House conferees. Mr. BROWN has never been an advocate of public housing, largely I think because the pattern of his distinguished and very useful life has not been set in the surroundings upon which the pattern of my life has been set. But when there are honest differences of opinion among sincere and patriotic men sitting as conferees on legislative measures there must always be understanding and from a mutual understanding must come a measure of compromise. To me the great statesman from Georgia was speaking the mind and the heart of America when he urged his colleagues, similarly minded as himself as regards public housing, to accept the compromise.

The gentleman from Georgia comes from a rich agricultural section of our Nation. Whenever the call came to us from the urban centers of the North to help our colleagues from the agricultural sections in meeting their problems, we sought always to understand and always we responded. Today the gentleman from Georgia has shown that he is trying to understand our urban problems, and he has urged his colleagues from such sections as his to help us meet our problems at least to the extent of the compromise presented by the conferees on the housing bill. I trust that his counsel will be a guide to other Members of this body who in the past have opposed any measure of public housing because the problems of large cities are far away from them.

It is such men as PAUL BROWN who knit closer together the people of our great Nation, knit them closer together in understanding of one another's problems and in cooperation to the achievement of our maximum of development.

The 45,000 units of public housing provided is far below our needs and far below what we had hoped would come from the first session of the 84th Congress. In Chicago, the city from which I come, we have had an increase in population during the last 5 years of over 600,000 persons. Many of the men and women who have come to join their lot with ours are untrained in urban ways. Among them, and I cite this merely to illustrate, are 3,000 American Indians who are leaving the life of the tribes to adjust themselves to the industrial world of the big cities. Three thousand of them have been brought to Chicago, to be residents and neighbors in the great amazing Second Congressional District that I have the honor to represent. They are being brought to Chicago, and we are glad to receive and to welcome them, under the Indian-relocation program that this Congress authorized. We in Chicago have always prided ourselves in being the great melting-pot city of the world. We are happy to continue in that mission, happy again that there has been given us the opportunity to serve as a great melting pot of humanity in a period when the great cities are undergoing great changes.

These great changes are coming to the big cities from many causes. One is the advent of the automobile, which has caused countless blocks of residential and business structures to be torn down to make way for boulevards and superhighways to accommodate great streams of traffic. In every way we are building and rebuilding, and we must have understanding of our problems from those of us in this Congress who live with other problems and know not ours. The great vibrant and dynamic mayor of Philadelphia came before our committee and said that unless there were understanding and more help given to our cities it would only be a matter of a short time until urban democracy was dead.

Public housing is needed as much in the big cities as is fertilizer in a soil that is losing its fertility. The acceptance of the report of the conferees will mean that we will have authorized 45,000 units of public housing for 1 year. That is not enough, but it will be something.

There can be no backward steps in America's progress toward the time when over every American family will be a decent roof.

Mr. SPENCE. Mr. Speaker, I yield the balance of my time to the gentleman from Alabama [Mr. RAINS].

The SPEAKER. The gentleman from Alabama is recognized for 7 minutes.

Mr. RAINS. Mr. Speaker, I have served on the Committee on Banking and Currency since 1945. I took the place on that committee of a distinguished Alabamian who died in harness here in the House of Representatives, Henry Steagall.

I hail from a section of the Deep South where we do not believe in socialism, and one of the men who stuck strongest by that principle was the man whose picture hangs over the deliberations in the Banking and Currency Committee room, remembered by many of you, Henry Steagall, of Alabama.

The other day, here in the House, as I heard the effort made to brand public housing as socialism, and heard the reference made to Senator Taft, my mind went back to the Deep South and the southern Democrats, because Henry Steagall, a deep, dyed-in-the-wool southerner, was the author of the first public-housing bill. When I hear my esteemed friends from the South, and I do not bow my head to any of them in my feeling for free enterprise, point the finger of scorn at anyone who believes that a man, who is so poor in this world's goods, private enterprise cannot build him a home and make a profit on it, and they are entitled to a profit, and still furnish that unfortunate man and his family a decent place in which to live, I wonder what has happened in these days since Henry Steagall fought, bled, and died for the principle of adequate housing for all—rich and poor alike?

Is our thinking out of perspective? We have read so many of the conflicting reports about public housing, that we have allowed it to become a shibboleth of political preferences. We have allowed ourselves to be sucked into the idea it will get votes if we vote against it, or votes to vote for it. I say to you, in any well-rounded housing program, and that is what I am for, there ought to be some provision made for those who are unable to get a house built by private enterprise. I made a proposition year after year to witnesses who appeared before the Committee on Banking and Currency: Can you build a house that a man with a $1,800-a-year salary can pay a rent on which will let you make a profit? The answer is "No." The answer is "No" in any city.

I am not going to devote all of my time to public housing. I agree with my friend from Georgia [Mr. BROWN] that is only a minor part of this bill. I listened to the gentleman from Virginia complain about not having the House conference report printed. He knows we are in the closing days of the session. He knows the staffs are working night and day and that the printers are unable to get out even the RECORD of last night's debates. I would like to say to him in all candor we gave the distinguished chairman of the Rules Committee a bill on July 1. If a rule had been reported promptly we would have had time to debate all the facts, we would have been able to go back to conference and discuss the matter pro and con. I am not going to say the delay is the gentleman's fault, but he was chairman of the committee which handed this bill to us in the closing hours of this session. Then you sent us to conference and the statement is made that we surrendered. We did not. We stayed there until Sunday morning from 4 o'clock in the afternoon the first time. Then we went back and with might and main we pleaded. I can say to you that men like the gentleman from Kentucky [Mr. SPENCE], the gentleman from Georgia [Mr. BROWN], the gentleman from Texas [Mr. PATMAN], the gentleman from Michigan [Mr. WOLCOTT], and myself do not give up too easily. You can find that out from the record, if you will check. We tried to get the House version as nearly as we could.

Then what happens? We are faced with a Senate conference report which last night had one long tough debate to adopt it. Why? Because it did not have enough housing in it. As I said before the Rules Committee, we may not like what the other body does, but we cannot abolish it. We may not like the thinking of the men who control the Banking and Currency Committee on the other side, but you cannot get them out of office now.

Since my esteemed friend from Massachusetts read something for the RECORD, let me read you a quotation. The Senate has accepted the conference

report and has discharged the conferees. The chairman of that Senate committee is my esteemed fellow Alabamian, JOHN SPARKMAN. This came in on the ticker out in the lobby a moment ago:

Senator SPARKMAN, Democratic Senate housing leader, told newsmen he would definitely favor a special session of Congress this fall—when it gets cool—if the housing measure is lost in the adjournment shuffle.

SPARKMAN said he would oppose sending the compromise housing bill back to the Senate-House conference committee at this late date. He said he still hoped the House would take the compromise version.

Asked about MARTIN'S statement of Presidential displeasure at the community facilities and trailer-park provisions in the bill, SPARKMAN said Congress has "expressed its will very firmly three times" on the former provision, and Senate Republicans, he said, "originated the trailer-park section of the bill. If the President wanted that removed from the bill," SPARKMAN said, "he should have taken it up with members of his own party."

Now, I was in the conference, and I am not releasing information, but this is on the record, and I say it is right. So, I am about to say simply this, I want a well-rounded housing program, one that encompasses title I. Sure I am for it—FHA, community facilities, military housing, loans to colleges, and all the others—and I say bluntly that if the President of the United States wants to veto that bill, let him bear the onus, because this is a good, well-rounded bill. And this hairsplitting idea of my friend from Michigan about some kind of restrictions not being in it—let me tell you that the gentleman from Texas [Mr. THOMAS] asked a question, but the gentleman from Michigan did not seem to want to give a direct answer. In this bill are all of the restrictions placed there by the Committee on Appropriations and included, in addition, is the Hiestand amendment, the Roanoke amendment, the Phillips amendment, and the Gwinn amendment. So, what are we arguing about? It is either this this session or nothing.

The SPEAKER. All time has expired. The question is on the conference report.

Mr. SPENCE and Mr. WOLCOTT demanded the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 187, nays 168, answered "present" 4, not voting 75, as follows:

[Roll No. 147]

YEAS—187

Addonizio	Burdick	Denton
Albert	Burnside	Diggs
Ashley	Byrd	Dodd
Aspinall	Byrne, Pa.	Dollinger
Ayres	Canfield	Donohue
Bailey	Cannon	Donovan
Baker	Carnahan	Dorn, N. Y.
Baldwin	Carrigg	Doyle
Barrett	Celler	Edmondson
Bass, Tenn.	Chelf	Elliott
Becker	Chudoff	Engle
Bennett, Fla.	Clark	Evins
Bennett, Mich.	Cooley	Fallon
Blatnik	Cooper	Fascell
Boggs	Corbett	Feighan
Boland	Coudert	Fernandez
Bolling	Cretella	Fine
Boyle	Curtis, Mass.	Fino
Bray	Davidson	Flood
Brooks, La.	Davis, Tenn.	Fogarty
Brooks, Tex.	Deane	Forand
Brown, Ga.	Delaney	Forrester
Fountain	Lesinski	Rivers
Friedel	Long	Roberts
Fulton	McCarthy	Rodino
Garmatz	McCormack	Rogers, Colo.
Granahan	McDowell	Rogers, Mass.
Grant	Macdonald	Rooney
Gray	Machrowicz	Roosevelt
Green, Oreg.	Mack, Ill.	Sadlak
Green, Pa.	Madden	Saylor
Hagen	Magnuson	Scott
Hand	Mailliard	Shelley
Harris	Marshall	Sheppard
Hays, Ark.	Metcalf	Sikes
Hays, Ohio	Miller, Calif.	Sisk
Hayworth	Mills	Spence
Hébert	Mollohan	Staggers
Heselton	Morano	Steed
Holmes	Morgan	Sullivan
Holtzman	Morrison	Thompson, La.
Huddleston	Moss	Thompson, N. J.
Hull	Moulder	Thompson, Tex.
Ikard	Multer	Thornberry
Jennings	Murray, Ill.	Tollefson
Johnson, Wis.	Natcher	Trimble
Jones, Ala.	O'Brien, Ill.	Tumulty
Judd	O'Hara, Ill.	Udall
Karsten	O'Konski	Vanik
Kean	Patman	Vinson
Kee	Patterson	Wainwright
Kelley, Pa.	Pfost	Walter
Kelly, N. Y.	Philbin	Wier
Keogh	Pilcher	Williams, N. J.
Kilday	Preston	Willis
Kilgore	Priest	Withrow
King, Calif.	Prouty	Wolverton
Kirwan	Quigley	Wright
Klein	Rabaut	Yates
Knutson	Rains	Zablocki
Lane	Reuss	Zelenko
Lanham	Rhodes, Pa.	
Lankford	Riley	

NAYS—168

Abbitt	Fjare	Matthews
Adair	Flynt	Meader
Alexander	Ford	Merrow
Alger	Frelinghuysen	Miller, Md.
Allen, Calif.	Gamble	Miller, Nebr.
Allen, Ill.	Gary	Miller, N. Y.
Andersen, H. Carl	Gathings	Minshall
	Gavin	Murray, Tenn.
Andresen, August H.	Gentry	Nicholson
	George	Norrell
Arends	Gross	O'Hara, Minn.
Ashmore	Gwinn	Osmers
Auchincloss	Hale	Ostertag
Avery	Haley	Pillion
Bass, N. H.	Harden	Poage
Bates	Hardy	Poff
Beamer	Harrison, Nebr.	Ray
Belcher	Harrison, Va.	Rees, Kans.
Bentley	Harvey	Rhodes, Ariz.
Berry	Henderson	Robeson, Va.
Betts	Herlong	Rogers, Fla.
Bolton, Frances P.	Hiestand	Rogers, Tex.
	Hill	Rutherford
Bolton, Oliver P.	Hinshaw	St. George
	Hoeven	Schenck
Bonner	Hoffman, Mich.	Scherer
Bosch	Hope	Schwengel
Bow	Horan	Scudder
Brown, Ohio	Hosmer	Selden
Brownson	Hyde	Short
Broyhill	Jackson	Simpson, Ill.
Budge	James	Simpson, Pa.
Burleson	Jarman	Smith, Va.
Bush	Jenkins	Smith, Wis.
Byrnes, Wis.	Jensen	Springer
Carlyle	Johansen	Taber
Cederberg	Johnson, Calif.	Talle
Chase	Jonas	Teague, Calif.
Chenoweth	Jones, Mo.	Teague, Tex.
Church	Jones, N. C.	Thomas
Coon	Kearns	Thompson, Mich.
Cramer	Keating	
Crumpacker	King, Pa.	Thomson, Wyo.
Cunningham	Knox	Velde
Curtis, Mo.	Laird	Vorys
Dague	Landrum	Vursell
Davis, Ga.	Latham	Weaver
Davis, Wis.	LeCompte	Westland
Dawson, Utah	Lipscomb	Wharton
Derounian	Lovre	Wickersham
Devereux	McCulloch	Widnall
Dixon	McDonough	Wigglesworth
Dondero	McIntire	Williams, N. Y.
Dorn, S. C.	McMillan	Wilson, Calif.
Dowdy	McVey	Wilson, Ind.
Ellsworth	Mack, Wash.	Wolcott
Fenton	Mahon	Young
Fisher	Martin	

ANSWERED "PRESENT"—4

Hess	Smith, Miss.	Utt
Seely-Brown		

NOT VOTING—75

Abernethy	Gordon	Polk
Andrews	Gregory	Powell
Anfuso	Griffiths	Price
Barden	Gubser	Radwan
Baumhart	Halleck	Reece, Tenn.
Bell	Hillings	Reed, Ill.
Blitch	Hoffman, Ill.	Reed, N. Y.
Bowler	Holifield	Richards
Boykin	Holt	Riehlman
Buchanan	Kearney	Robsion, Ky.
Buckley	Kilburn	Scrivner
Chatham	Kluczynski	Sheehan
Chiperfield	Krueger	Shuford
Christopher	McConnell	Sieminski
Clevenger	McGregor	Siler
Cole	Mason	Smith, Kans.
Colmer	Mumma	Taylor
Dawson, Ill.	Nelson	Tuck
Dempsey	Norblad	Van Pelt
Dies	O'Brien, N. Y.	Van Zandt
Dingell	O'Neill	Watts
Dolliver	Passman	Whitten
Durham	Pelly	Williams, Miss.
Eberharter	Perkins	Winstead
Frazier	Phillips	Younger

So the conference report was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Holifield for, with Mr. Utt against.
Mr. Price for, with Mr. Cole against.
Mr. Anfuso for, with Mr. Colmer against.
Mr. Dingell for, with Mr. Chatham against.
Mrs. Buchanan for, with Mr. McGregor against.
Mr. Frazier for, with Mr. Holt against.
Mr. Gordon for, with Mr. Siler against.
Mr. Buckley for, with Mr. Van Pelt against.
Mr. Bowler for, with Mr. Reed of Illinois against.
Mrs. Griffiths for, with Mr. Smith of Mississippi against.
Mr. Perkins for, with Mr. Riehlman against.
Mr. Baumhart for, with Mr. Tuck against.
Mr. Christopher for, with Mr. Dolliver against.
Mr. Boykin for, with Mr. Hoffman of Illinois against.
Mr. Seely-Brown for, with Mr. Halleck against.
Mr. Van Zandt for, with Mr. Hess against.
Mr. Dawson of Illinois for, with Mr. Taylor against.
Mr. Dempsey for, with Mr. Dies against.
Mr. Kluczynski for, with Mr. Shuford against.
Mr. O'Brien of New York for, with Mr. Chiperfield against.
Mr. O'Neill for, with Mr. Krueger against.
Mr. Polk for, with Mr. McConnell against.
Mr. Powell for, with Mr. Mason against.
Mr. Sieminski for, with Mr. Williams of Mississippi against.
Mr. Radwan for, with Mr. Sheehan against.
Mr. Gregory for, with Mr. Smith of Kansas against.
Mr. Watts for, with Mr. Gubser against.
Mr. Kearney for, with Mr. Younger against.

Until further notice:

Mr. Winstead with Mr. Clevenger.
Mr. Whitten with Mr. Norblad.
Mr. Abernethy with Mr. Mumma.
Mr. Andrews with Mr. Nelson.
Mr. Passman with Mr. Hillings.
Mr. Eberharter with Mr. Kilburn.
Mr. Durham with Mr. Reed of New York.
Mr. Richards with Mr. Phillips.
Mrs. Blitch with Mr. Pelly.
Mr. Bell with Mr. Robsion of Kentucky.
Mr. Barden with Mr. Scrivner.

Mr. SMITH of Mississippi. Mr. Speaker, I have a live pair with the gentlewoman from Michigan, Mrs. GRIFFITHS. I voted "no." Had she been present she would have voted "yea." I withdraw my vote and answer "present."

Mr. SEELY-BROWN. Mr. Speaker, I have a live pair with the gentleman from Indiana, Mr. HALLECK. I voted "yea." Had Mr. HALLECK been present he would have voted "nay." Therefore I withdraw my vote and answer "present."

Mr. HESS. Mr. Speaker, I have a live pair with the gentleman from Pennsylvania, Mr. VAN ZANDT. I voted "nay." If present, Mr. VAN ZANDT would have voted "yea." I therefore withdraw my vote and answer "present."

Mr. UTT. Mr. Speaker, I have a live pair with the gentleman from California, Mr. HOLIFIELD. I voted "nay." If present, the gentleman would have voted "yea." I therefore withdraw my vote and answer "present."

Mr. MERROW changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. ALGER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. ALGER. Mr. Speaker, I feel that our action, so hasty and ill advised, in just approving the conference report on public housing is a gigantic step forward toward socialism.

We were in a hurry; we were warned of returning for a special session; other necessary features were included in the bill—so the few needed votes went from one side to the other since our decisive last vote against public housing—after all, it was only 45,000 units of public housing.

Any units at all are too many. Further, we now have public housing not in conjunction with slum clearance and community planning at the local level, but as a measure standing by itself as an accepted part of Federal legislation. Localities may well have public housing forced on them. This is entirely contrary to the expressed vote of the House on so many occasions.

It was not right to tie public housing onto the other needed housing measures in order to expedite its passage. This is dishonest legislative procedure. Of course, we recognize the need for continuing FHA—so in the closing minutes of the session public housing is tied onto FHA and is railroaded through. Is this the responsible, judicious, statesmanlike conduct our constituents expect?

Other features of the bill and this procedure may well be criticized but they are secondary to the grievous miscarriage of Federal power just perpetrated in accepting public housing.

I listened in amazement earlier to a colleague speak of the plight of the average man in New York who needs housing. He appealed to us to help the middle-income family by this bill. Are we now to provide homes for all? Originally, it was for the destitute or very low income. This demonstrates once again how the idea of Federal do-gooding spreads.

What are we doing to our people when we leave the province of limited government outlined by our Constitution and built on the Declaration of Independence? It is not the function of government—we have not so amended the Constitution—to build houses for our people. For example, to consider just one problem thus created, who is to get the housing when built, and what is the wage level beyond which they are not entitled to such housing? To answer these, have we the wisdom to so specify, and the bureaucracy to implement the decisions?

Individual initiative must not be buried under the weight of Federal bureaucracy. We must not kill incentive for an increased paycheck because the right to rent public housing might be lost. We must not set up a caste system of those who live in public housing as wards of the Government. The human rights and feelings of our citizens have been violated by this legislation.

In short, we must not have public housing. Either that or we must change our form of government and abandon our time-honored principles. Public housing is part and parcel of socialism—notwithstanding oratory and demagoguery to the contrary.

We hold that our rights come from God, not from the Federal Government, and that government is an instrument to serve us, not to rule us. Freedom is lost when property rights are lost. There are no property rights in public housing—or in socialism—or in communism. There are such rights in our form of a republic and democracy.

So there is the choice and the time is now—long overdue—to recognize the eternal truths our forefathers embodied in government. Let us free ourselves from socialism. There is no such thing as a degree of socialism with safety. We only weaken our basic strength and beliefs when we mistakenly embrace foreign ideology.

I hope that my colleagues will realize the error of this action today and return to eliminate public housing from the American scene.

GENERAL LEAVE TO EXTEND

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

AUTHORIZING MERGER OF STREET RAILWAY CORPORATIONS (DISTRICT OF COLUMBIA)

Mr. SMITH of Virginia. Mr. Speaker, I call up H. Res. 333 and ask for its immediate consideration.

The Clerk read, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 7718) to authorize the Capital Transit Co., under certain conditions, to surrender its franchise, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the District of Columbia, the bill shall be considered as having been read for amendment. No amendment shall be in order to said bill except amendments offered by direction of the Committee on the District of Columbia, and all points of order against such committee amendments are hereby waived, and said amendments shall not be subject to amendment. At the conclusion of such consideration, the committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit.

Mr. SMITH of Virginia. Mr. Speaker, I wonder if the gentleman from Illinois desires to use any time? I rather hope the House will let this resolution pass without too much discussion so we can get down to the bill.

Mr. ALLEN of Illinois. I agree with the gentleman but I do have a few requests for time.

Mr. SMITH of Virginia. I will ask the gentleman to yield the time now.

Mr. ALLEN of Illinois. Mr. Speaker, I yield such time as he may desire to the gentleman from Missouri [Mr. CURTIS].

Mr. CURTIS of Missouri. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CURTIS of Missouri. Mr. Speaker in the July 29, 1955, CONGRESSIONAL RECORD, pages 12050–12059, there appear certain charges that there has been political manipulation in the farm program in Missouri. Under the Rules of the House which do not permit criticism to be directed against Members of the other body, it is awkward to refute the charges in detail on the floor of the House. However, it is proper to state that any charges that there has been political manipulation by the Eisenhower administration in the farm program in Missouri are incapable of proof because they are untrue. I have written a letter to the Secretary of Agriculture, Mr. Benson, which I have made public setting forth in detail a refutation of the charges made with comment as to what the situation actually is.

Certain charges were also made about the large increase in expenses in the ASC program, exclusive of CCC grain storage structures. The following statement shows conclusively that the expenses in the ASC county offices have decreased with respect to programs where the workload is the same or has declined and has increased only in those cases where there

has been additional workload. It demonstrates that the total increase in county expenses is attributable in its entirety to workload rather than the method of operation.

The statement which follows shows the program breakdown of ASC county committee expenses for the State of Missouri and in total for all States for the fiscal years 1953 and 1954:

ASC county committee expenses

Program	Fiscal year		Increase (+) or decrease (−), 1954 over 1953
	1953	1954	
I. STATE OF MISSOUR.			
Agricultural conservation and farmland restoration	$829,760	$718,435	−$111,325
Agricultural adjustment programs	190,202	950,214	+760,012
Loans and purchase agreements	131,622	134,054	+2,432
Crop insurance	44,208	14,913	−29,295
CCC (other than grain storage structures)	105,566	824,000	+718,434
Reimbursements	16,516	15,338	−1,178
Total	1,317,874	2,656,954	+1,339,080
II. TOTAL ASC COUNTY COMMITTEES FOR ALL STATES			
Agricultural conservation and farmland restoration	20,977,502	18,156,348	−2,821,154
Agricultural adjustment programs	8,627,680	33,869,387	+25,241,707
Sugar	285,000	318,108	+33,108
Loans and purchase agreements	4,298,236	5,505,107	+1,206,871
Crop insurance	1,992,075	545,988	−1,446,087
CCC (other than grain storage structures)	7,606,404	10,019,297	+2,412,893
Reimbursements	493,660	549,129	+55,469
Total	44,280,557	68,963,364	+24,682,807

Analysis of these figures indicates that for the only program where the workload was relatively stable, agricultural conservation, the expenditures decreased in 1954.

The increase in expenses for the agricultural-adjustment programs was due to the imposition of acreage allotments and marketing quotas on wheat, cotton, and corn in 1954 which were not in effect for 1953.

The increase in expenses for the sugar program was caused by the imposition in 1954 of proportionate shares on sugarcane.

An increase in the number and amount of CCC loans in 1954 accounts for increased expenses in that year.

The decrease in crop-insurance expenses in 1954 reflects primarily the decrease in workload.

The emergency feed program which was particularly heavy in Missouri accounts for the increase in CCC programs other than grain storage structures.

The wide fluctuations of workloads make it extremely difficult to segregate savings due to changes of methods of operations, but the agricultural-conservation program, the only program with a relatively stable workload, does show a significant decrease.

Analysis of expenditures for county committeemen's office managers', and chief clerks' salaries in the fiscal years 1953 and 1954 indicates, first, that about $1,200,000 was saved in 1954 over 1953 in the 10 States which had no office managers in 1953; and, second, that about $1,300,000 was saved in county committee salaries in 1954 over 1953, although the agricultural-adjustment programs required nearly 400 man-years of additional work.

A comparison of 1954 expenses with those for 1953 in a State where there was no change in the method of operations proves conclusively that increased expenses in 1954 were due primarily to increases in workload, chiefly the agricultural production programs and the drought emergency programs. This is evident in the statement for Oregon shown below. It should be noted that expenses for the agricultural-conservation program increased in 1954 and that there was no drought emergency program in Oregon in that year.

Oregon ASC county committee expenses

Program	Fiscal year		Increase (+) or decrease (−), 1954 over 1953
	1953	1954	
Agricultural conservation	$213,619	$230,390	+$16,771
Agricultural adjustment programs	52,991	157,380	+104,389
Sugar	5,513	4,936	−577
Loans and purchase agreements	87,641	76,343	−11,298
Crop insurance	19,098	8,610	−10,488
CCC (other than grain storage structures)	93,688	68,717	−24,971
Reimbursements	4,911	6,324	+1,413
Total	477,461	552,700	+75,239

There was further criticism on the change in the farmer committee system and the establishment of county office managers. The following, I believe, is a statement that accurately presents the Department of Agriculture's position on this matter and the reasons for the changes.

Early in this administration, it became apparent from the Department's studies that several changes were needed to strengthen the farmer committee system. The Department was aware of the splendid contribution these committees had made in the past, and determined to make the best possible use of their services in administering farm programs. This committee structure, composed of community and county committees elected by farmers, and the State committees appointed by the Secretary, is responsible for the local administration of the agricultural conservation, acreage allotment and marketing quota, price support, and sugar programs. Formerly known as production and marketing administration committees, these committees are now known as agricultural stabilization and conservation committees to conform with internal reorganizations made in the Department.

The first changes were made in March 1953. These were for the purpose of increasing efficiency, promoting economy, and attracting more competent farmers to serve in committee positions. The principal change made at that time was to separate the policymaking and policy-executing functions of State and county offices. The policy-forming functions were assigned to farmer committees. The committees now operate in much the same manner as a board of directors. They make the policies of the office and hire trained employees appointed by and responsible to them to carry out the committee's decisions and to be responsible for the day-to-day operation of the office. This method of operation has enabled both the farmer committeemen and their hired employees to perform the functions which each is best qualified to undertake. A second change was to employ committeemen on a part-time and when-actually-needed basis, rather than full time. This change not only reduced costs, but enabled the Department of Agriculture to attract many capable and interested farmers to serve in these positions who otherwise would have been unwilling or unable to serve.

These first two changes affected primarily the Midwest States. Most of the other States were already operating on this basis. The good experience gained from the operation in most of the States, convinced the Department that this system should be used nationwide.

Third, a rotation system was established for State committees under which a member is replaced each year. This has brought fresh and wider viewpoints to bear on farm problems in the State, and at the same time insured stability and continuity of policy by retaining experienced members of the committees from one year to the next.

Early in the Eisenhower administration it was determined that county committees should continue to choose their own personnel. It was felt that the local farmers had generally done a good job in selecting employees, and that an important part of the new grassroots approach should be to keep these committees functioning with a maximum of local responsibility. However, in order to attract capable people, the Department published minimum standards which employees were required to meet. The enforcement of these national standards, or such higher standards for the State as the State ASC committee elected to use, was delegated to the State committee. It was emphasized that these standards were to be used to get qualified employees and

not to substitute the judgment of the State committee for that of the county committee where the employee selected by the county committee met the qualification standards. The Department also established for the first time a national scale of salaries for these employees which provides flexibility to meet varied situations in different States and counties.

Last year the Department made additional changes in the committee system, all designed to strengthen and improve it, and necessary to supplement the several improvement actions taken previously. These changes place the election machinery in the hands of an independent group of farmers to insure fairness in the conduct of committee elections, tighten eligibility requirements for committeemen to exclude persons with conflicting interests, and simplify the election procedure. One of the most frequent criticisms of the farmer committee system in the past has been that some committees were using the election machinery to perpetuate themselves in office. This is not a valid criticism under today's operations because the Department has moved to make committeemen as representative as possible of the farmers they are selected to serve.

It has been, and continues to be, the Department's policy to free the farmer committee system of partisan politics. The Department has stated on many occasions that these committees can serve their cause and their country best in an atmosphere which is as devoid as humanly possible from partisan considerations.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 3 minutes to the gentleman from Nebraska [Mr. MILLER].

Mr. MILLER of Nebraska. Mr. Speaker, I asked for this time in order to inquire of the Rules Committee if this is a closed rule under which there will be no opportunity to offer amendments except by the committee itself.

Mr. SMITH of Virginia. It is a closed rule.

This is the same bill which was voted on yesterday, carried by a majority but failed under a suspension of the rules which requires a two-thirds majority.

Mr. MILLER of Nebraska. This is the House bill which was presented yesterday.

Mr. SMITH of Virginia. Identical.

Mr. MILLER of Nebraska. This is not the Senate bill which provides for seizure.

Mr. SMITH of Virginia. No; there is no seizure in this bill.

Mr. MILLER of Nebraska. I thank the gentleman, and I think, Mr. Speaker, the Members of the House ought to know that.

The Congress should give the Commissioners some machinery by which they may have an opportunity to settle the transit strike. I believe the House would be derelict in its duty if this were not done. I recommend to the District Committee and to my colleagues in the House that we adopt this rule so we may have an opportunity to discuss the bill for at least 1 hour, and if there are certain amendments that are to be offered by the chairman of the committee, the gentleman from South Carolina [Mr. MCMILLAN], or by the minority members of the committee that they may be discussed. But we must afford some machinery by which the Commissioners may have an opportunity to cooperate with the company and settle the several problems connected with the transit strike.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 7 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN of Michigan. Mr. Speaker, this is the same bill we had under consideration yesterday, only today we have a copy of the bill; it has been printed. We have a report, but the report is only a copy of the bill. The committee has not seen fit in a report to give us any reasons why this bill is a good bill or as to why it should be passed. So we are on our own, apparently passing a bad bill just to be doing something.

There has been a great deal said at various times during the session about going along with the administration. I have never been favored with any direct communications from those down below or up above, whichever it may be, as to what the administration wanted, but I have gathered from the papers and from general statements the thought that the administration wants to get the Government out of business where it is competing with private individuals or corporations. Under the direction of the President the Defense Department has caused the ending of 143 activities of that Department. If this is adopted, we are putting the Government—that is, the District of Columbia, which is under the Congress—in business. With the administration taking the Government out of business—we today put it in the transportation business. I do not know how anyone can say that this is an administration measure.

Another thing, I have heard John L. Lewis, I have heard William Green, I have heard Phil Murray, in fact I have heard practically every spokesman for labor who appeared before congressional committees in the last 20 years, express bitter opposition to arbitration. Those who represent organized labor might well take note of this bill. It is true it does not contain any provision for compulsory arbitration, but it does put the Commissioners, an agency of the Government, in the place and stead of the company when it comes to bargaining collectively as to wages and benefits, and the Commissioners will be the arbitrators—acting both as an interested party and as judge. There is no question about that.

We have had the Taft-Hartley Act on the books now for 7 years. Just the other day President Meany, of the AFL, at the Press Club said: "The unions never had it so good."

Well, if the Taft-Hartley Act has created conditions where the unions never had it so good, why not let this matter go along under that act, let the union and the company bargain collectively as they should? Why not let them do that? If it be said that the company will not bargain, there is an answer to that, I would think, and that is public sentiment and the terms of the Taft-Hartley Act.

What we are trying to do now, if I read this bill right, is to bale out both the company and the union because they have not really sat down and tried to bargain. I made some remarks on this yesterday, so I will not repeat them today.

Here is what will happen, at least in my judgment. The union thinks that if this bill goes through the employees are going to have their demands granted. That might be true if it were not for the fact that there are more riders on the transit system than there are employees and before the fare is hiked those Commissioners are going to listen to what the people in Washington have to say about what the fare is to be. It was practically admitted yesterday that the increase in fare which has been granted heretofore resulted in a lessening of the transit company's business and revenues. It has been admitted, I think it is conceded, that if the demands of the employees are granted, their present demands, the cost of operating will exceed the revenues. So we will have the taxpayer who pays for his own transportation paying a part of the fare of the streetcar rider.

Now, in that situation, I know we all want to go home, we would all like to see this strike settled before we leave, but what are we up against? We pass this bill—and I am not under any illusions about that—we pass this bill today and then we go home and leave the Commissioners to operate the transit system, a losing concern, and we place on the taxpayers the obligation to meet any loss. That is what will happen. And then, after the year and after there has been an ever increasing loss and no doubt a loss in business if the fare is hiked and, if it is not hiked, a greater loss in revenue, we place that burden of making good all losses on the taxpayers of the District of Columbia.

Now, it seems to me that the transit company should attempt to bargain—and I hold no brief for the Wolfsons—should attempt to bargain. It seems to me that the union officials should suggest to its members that they make a few concessions and not shift all of the load over onto the taxpayers. Why now ignore the Taft-Hartley Act? Why put the government of the District of Columbia in business in competition with a concern that pays taxes and then go home and leave them with that problem?

Mr. BAILEY. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield to the gentleman from West Virginia.

Mr. BAILEY. It was my understanding from the discussion yesterday that the Taft-Hartley Act did not apply in this particular case.

Mr. HOFFMAN of Michigan. Well, some features of it do not.

Mr. BAILEY. I was a little surprised. I thought it covered everything from the top of a man's hat to the brim of a woman's bonnet.

Mr. HOFFMAN of Michigan. If the activity is in interstate commerce, there is no question about it. That covers it, unless you are going to say that this

company here is not engaged in a business which affects interstate and foreign commerce. Obviously, under all the decisions of the National Labor Relations Board and the courts, this company is engaged in a business which affects interstate commerce. It hauls passengers just as the railroads do, passengers who come from other countries and other States to Washington. So, there is no reason why the bargaining features of the Taft-Hartley Act do not apply to this situation.

Mr. SMITH of Virginia. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. SHELLEY].

Mr. SHELLEY. Mr. Speaker, yesterday when this matter came up under suspension of the rules, I was among those who voted against suspension, and I did so because I felt, and I still feel, that this bill is not a good bill. However, I am changing my vote today. I am going to vote to pass this bill, and I urge the Members of the House to do likewise. I do this because of a conference I attended last night and another this morning with people closely involved in this situation, namely, some of the labor people and some gentlemen from the other body. Yes, I think this is a poorly drawn bill. You hear rumors that it was drafted by Mr. Wolfson and his people. I do not know if that is so, but I will say that they could not have done a better job for the company if Mr. Wolfson himself wrote it. However, I think that we have an obligation to the public in Washington, D. C. If we do not pass this bill now, you will have a strike situation that may go on for months and months. We have an obligation to make some contribution toward bringing these people together and creating an atmosphere in which negotiations for a settlement can be resumed. To date the company has not bargained; they have practically refused to bargain except on their own terms. Now, if we adopt this bill, there is no question but that under the legislative procedure it must go to conference. Something other than this will perhaps come out of the conference. If something other than this does not come out of the conference, I have been advised by those gentlemen of the other body who have been active on this matter, that this bill will not be the final act. Therefore, this cannot be used as a club to break the strike or make the men go back to work, which might be the situation if that bill now before us became the law. What we are doing is, we are opening the door toward bringing something out of this conference that will bring the company and the strikers together on the basis of cooperation for the benefit of the company, of the employees, and of the public.

Mr. ROONEY. Mr. Speaker, will the gentleman from California yield?

Mr. SHELLEY. I yield to the gentleman from New York.

Mr. ROONEY. Mr. Speaker, I should like to say that I find myself in exactly the same position as the gentleman from California. I voted against the bill yesterday, but I expect to join him today in voting for it.

Mr. DONOVAN. Mr. Speaker, will the gentleman yield?

Mr. SHELLEY. I yield to the gentleman from New York.

Mr. DONOVAN. If the District Commissioners, on the assumption that this bill becomes law, take over the operation of the transit lines in this town, is there any provision in law to prevent the strike from continuing?

Mr. SHELLEY. Not that I know of. Furthermore, may I say to the gentleman I am not at this point assuming that this bill now before us will become a law. I am assuming that what will become the law eventually will be different from this and will be the result of conferences between the two bodies.

Mr. DONOVAN. One more question, if I may.

If the Senate bill passes and the Commissioners seize the property and proceed to operate it, may the strikers legally continue the strike against a quasi-public body or an arm of the Government of the United States?

Mr. SHELLEY. I certainly never have and do not now advise any workers to strike against the Government of the United States. In fact, I advise not to strike against the Government.

Mr. DONOVAN. Is it not prefectly obvious then, that if this bill pass, the same situation will obtain and the strike will be broken?

Mr. SHELLEY. Not necessarily, no.

Mr. DONOVAN. Not necessarily; in other words, the gentleman does not know whether or not that would be the legal situation?

Mr. SHELLEY. Nor does the gentleman from New York know that that will be the situation.

Mr. DONOVAN. I do not pretend to.

Mr. SHELLEY. And I am being just as sincere in my answer as is the gentleman from New York in his.

This is perhaps a dangerous procedure—urging you to vote for what I admit is a bad bill—but it is the only way anything can come out of conference. I feel we must take that chance and I, therefore, urge an aye vote.

The SPEAKER. The time of the gentleman from California [Mr. SHELLEY] has expired.

Mr. SMITH of Virginia. Mr. Speaker, I yield 3 minutes to the gentleman from West Virginia [Mr. BAILEY].

Mr. BAILEY. Mr. Speaker, my colleagues in the House know my traditional opposition to the closed-rule procedure. I am opposed to the application of a closed rule in this particular case, but I recognize, Mr. Speaker, that the Congress cannot adjourn without taking recognition of the situation that exists in the city of Washington in the matter of the transit strike. I know that the passage of this bill is the only way we can get a conference and arrive at some decision.

I voted yesterday, Mr. Speaker, against suspension of the rules, because I did not think the 40 minutes debate allowed was sufficient to explain the provisions of this bill or the bill passed by the other body.

At this time, Mr. Speaker, I yield to my colleague from West Virginia [Mr. STAGGERS].

Mr. STAGGERS. Mr. Speaker, I wish to express my opinion against the closed rule. I have always thought it undemocratic that Members are not able to express their views on a problem which in this case affects a great many of the people from my district who live here in Washington. For that reason I believe the rule should be voted down.

According to the testimony in the Senate, this Wolfson gang paid $2.2 million for their right in the transit company, and each year for 5 years they have been drawing 48 percent on their original investment. That amounts to well over 200 percent. And if this bill passes, I suppose they will make 200 percent more out of their investment. I am just not in favor of doing that.

I have confidence in Commissioners Lane, McLaughlin, and Spencer. I have met the distinguished gentlemen. I have enough confidence in them to believe that if we give them the authority asked in the Senate bill they would do a good job. They are men who are picked by the President of the United States because of their character and integrity. I think they would do a good job, and it would keep the Congress out of this situation. If we vote this House bill up, I believe we are going to have a situation before the end of the year in which Congress will not have done their job.

Mr. NICHOLSON. Mr. Speaker, will the gentleman yield?

Mr. BAILEY. I yield to the gentleman from Massachusetts.

Mr. NICHOLSON. Did this Wolfson grab this stock without owning any stock in the railroad himself?

Mr. BAILEY. I am at a loss to answer that. The gentleman would have to ask some member of the committee who heard the testimony on the bill.

Mr. NICHOLSON. He is notorious for going around grabbing stock.

Mr. BAILEY. I agree with the gentleman's suspicions. It looks bad.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. BAILEY. I yield.

Mr. HOFFMAN of Michigan. If the Commissioners take over the operation of the railroad, they are an agency of the Government, and then if employees cannot strike against the Government and you take this bill, are you not getting into a situation where the employees either must quit the strike or quit being employees?

Mr. BAILEY. There is a possibility that might break the strike.

Mr. HOFFMAN of Michigan. I cannot understand why those who speak for labor want to cut off the right to strike.

Mr. BAILEY. I do not believe the House bill will be the final solution to this.

Mr. SMITH of Virginia. Mr. Speaker, I have no further request for time except that the gentleman from Michigan [Mr. HOFFMAN] seems to have some questions in his mind. If I am able to answer them, I will be happy to do so.

Mr. HOFFMAN of Michigan. I wanted to ask a question or two about the bill. I understood the gentleman from California [Mr. SHELLEY] to say he was going to vote for this bill because he thought we were going to do some-

thing, but he would not have voted for the bill—maybe I do not get that quite right—if this was to be the end of the legislation. It was going to conference, and the conferees would be back with something else.

My question is this: If the bill we have here is adopted and the Commissioners take over as the operators, and the bargaining is to be done with them, can the employees still strike?

Mr. SMITH of Virginia. There is nothing in this bill that would stop anyone from striking, and there is nothing in this bill that authorizes the Commissioners to take over and operate the railroad.

Mr. HOFFMAN of Michigan. Pardon me, if I may be heard a little further. As I understand the very first section in the bill, it states that the Commissioners shall enter into a contract with the company for the operation of the railroad.

Mr. SMITH of Virginia. Yes.

Mr. HOFFMAN of Michigan. But the Commissioners have the ultimate decision on all the contract provisions. The Capital Transit Co. cannot do anything without the consent of the Commissioners. Is that not true?

Mr. SMITH of Virginia. They are operating under the direction of the Commissioners; no question about that.

Mr. HOFFMAN of Michigan. Sure, there is no question about that. The ultimate authority is there. Then in effect the employees are really the employees of the Commissioners. If that is true—and I notice the gentleman from Arkansas [Mr. HARRIS] is nodding in the affirmative, and he is the one who carried the burden on the bill yesterday—if that is true, what becomes of the right of the employees to strike? I know the gentleman said there was nothing in the bill about it, but under the general provisions of the law, how can the employees strike?

Mr. SMITH of Virginia. It is just my opinion, and my opinion is that there is nothing in this bill that prohibits them from striking. I am quite sure I am right in that.

Mr. HOFFMAN of Michigan. I agree with the gentleman there is no question about what is in and what is not in the bill. The bill does not say a word about striking. But under other provisions of the law, such as the Taft-Hartley Act, they cannot strike.

Mr. SMITH of Virginia. There is nothing in this bill that will stop a strike.

Mr. HOFFMAN of Michigan. That is right, but other provisions will.

Mr. LANKFORD. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Maryland.

Mr. LANKFORD. Is it not true that if this bill passes the Capital Transit Co. would be the operating agency for the Commission?

Mr. SMITH of Virginia. I have already stated that.

Mr. LANKFORD. The employees would be the employees of the operating agency.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Iowa.

Mr. GROSS. Does not the gentleman think this bill opens up the possibility of another windfall for Wolfson and his crowd?

Mr. SMITH of Virginia. No; in fact the Commissioners insist that this bill is the only thing that they can use to preclude another windfall, and that is what we are all anxious to do.

Mr. Speaker, I yield to the gentleman from North Carolina [Mr. BONNER].

Mr. BONNER. Mr. Speaker, several times during the current session of the Congress, I have been deeply concerned over actions taken by other committees of the Congress in matters which I personally felt were within the jurisdiction of the Committee on Merchant Marine and Fisheries. I refer particularly to the several bills which have been introduced and considered in connection with the construction of an atomic-powered merchant vessel. If a request for legislation to authorize the construction of a merchant ship does not come within the jurisdiction of the Committee on Merchant Marine and Fisheries, then I cannot conceive of any legislation that properly should be referred to that committee. The mere fact that the motive power of such a vessel would be supplied by atomic energy certainly should not alter the committee's jurisdiction. If the future possibilities of atomic power are as great as some scientists would have us believe, and if the use of atomic power should revolutionize the American merchant marine, I can foresee what eventually could happen to the jurisdiction of the Committee on Merchant Marine and Fisheries. Consequently, I want to serve notice that I shall oppose—and I hope the chairmen of other committees will take notice and oppose—the evident position that atomic energy as a means of propulsion will rest solely within the jurisdiction of one committee. It is to be regretted that this session of Congress, now drawing to a close, has taken no action toward utilization of atomic power for peaceful purposes, particularly in the maritime field. At the same time, I want to commend the action of the House in passing the bill that is now pending in the Senate, which bill I hope will receive proper consideration during the next session of Congress.

The existing philosophy which measures the utilization of atomic power is all wrong, in my opinion. This philosophy is that money is no object in the experimentation and utilization of atomic energy in the defense field, but in the field of peaceful commerce and utilization of atomic energy the cost must not only be considered but be very much within the limits of the cost of conventional power.

There are indications on all sides—from the experts in the field of atomic energy and from all who are in a position to know—that we are rapidly approaching the point when many uses of atomic energy which today are merely in the drawing board stage will become commonplace. Certainly this is not the time for anyone to drag his feet in developing the great possibilities for all mankind which we know are inherent in the atomic-energy field, and yet, I cannot but believe that there are some who wish to keep a stranglehold on atomic energy for their own pet projects. The history of science has proven, however, that this is not the path to the rapid development of new ideas.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. KEARNS].

Mr. KEARNS. Mr. Speaker, at this time I want to say I think the vote yesterday was a compliment to the House of Representatives because the bill was confused and many of us did not know what we were voting on. At the same time, I would like to pay a great tribute to the chairman of our Committee on the District of Columbia and also to the ranking minority member, Mr. SIMPSON of Illinois. We tried to work out a compromise here whereby we would not seize the transit lines, but put the Commissioners in a position to arbitrate. We told them we would be back the first of the year, and if they could not do the job by that time, we could have legislation after the first of the year which would bail the situation out. If they can get the buses running and give service to the people and do the job that the Congress wants done before we adjourn, I would like to tell the chairman of the Committee on Rules, the distinguished gentleman from Virginia, I hope the House will go along and vote this rule out. Then when we hear the debate on the bill to settle the problem so that we can get the buses running in the District of Columbia.

Mr. SMITH of Virginia. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. SMITH of Virginia. Mr. Speaker, on yesterday the House passed a Senate bill, S. 2237, for which there was a rule granted. I ask unanimous consent that the rule, House Resolution 327, be laid on the table.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. McMILLAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 7718) to authorize the Capital Transit Co., under certain conditions, to surrender its franchise, and for other purposes.

The SPEAKER. The question is on the motion of the gentleman from South Carolina.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 7719, with Mr. FORAND in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. McMILLAN. Mr. Chairman, I am sure you will agree with me this legislation was gone into rather thoroughly yesterday afternoon. I cannot see much reason for 1 hour of general debate

today. We all know that this is merely a permissive piece of legislation which grants authority to the District Commissioners to enter into a contract with the transit company for the purpose of operating the transit company here in Washington for 1 year, and after that time take over the franchise. I know there has been a great deal of misinformation published in the Washington Post and Times Herald on this subject during the past few days, and I would like to tell them, after reading this morning's paper that if I had not worked here day and night for 1 month, with my committee, there would be no legislation here on the floor of the House for consideration today. We had hearings day after day and I canceled engagements on 3 weekends and remained in Washington to meet with the transit people, the unions and the District Commissioners. My committee was not inclined to report any type of legislation to the floor of the House, and especially they were not inclined to vote out any kind of legislation that carried seizure. My committee had no intention of setting a precedent here by taking over the transit company. Next year, perhaps, the Chesapeake & Potomac Electric Power Co. employees might want to go on strike and come in here and want us to take over that company.

The telephone people next year would decide they wanted to strike and they would come to Congress and ask us to take over the telephone company, and they would strike and get higher rates. We do not want to set any such precedent as that. If the District Commissioners actually need additional legislation to take care of this transit problem in Washington, in my opinion we have it in the proposed legislation before us today.

I would like to state to the gentleman from California that Mr. Wolfson did not write this piece of legislation. The staff of the District Committee and the legislative counsel drafting room wrote this bill after we had a hearing between the attorneys for the transit company and the Corporation Counsel for the District of Columbia. It was my understanding that this bill would take care of the request made by the Commissioners. I can see no reason for the Congress to go into the question of writing contracts and getting this Congress involved in strikes and everything else.

I hope the House will adopt this bill without very much debate. Let us get something up to the White House that will give the Commissioners the authority they say they need. I am not certain that they need any other, but they say they do.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. McMILLAN. I yield.

Mr. HOFFMAN of Michigan. Is it the gentleman's opinion that this bill will aid in getting transportation for the people of Washington.

Mr. McMILLAN. I held hearings personally myself for 2 full days. The union representatives stated that they thought they could do business with the District Commissioners, but they could not do business with the Transit Co.

Mr. HOFFMAN of Michigan. As I understand it, the District Public Utilities Commission has refused to give the Capital Transit Co. any increase in fares.

Mr. McMILLAN. That is a fact. I think that is one reason you could not expect any company to operate at a loss. I do not know anything about the Wolfson company, but I know if I wanted to go into business I would want to know where I could get the funds to operate before signing a contract.

Mr. HALEY. Mr. Chairman, will the gentleman yield?

Mr. McMILLAN. I yield.

Mr. HALEY. The gentleman from South Carolina has followed this controversy very closely. I want to ask the gentleman this question: Is this bill now before the Committee a good bill? Is it good legislation?

Mr. McMILLAN. I would say it is the best we could get out of our committee.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. McMILLAN. I yield.

Mr. GROSS. I have the feeling that in the gentleman's mind the Commissioners already have authority to solve this situation.

Mr. McMILLAN. I think if I were a District Commissioner I would solve it.

Mr. GROSS. I thought so and I thank the gentleman.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. McMILLAN. I yield.

Mr. HYDE. With reference to the question asked by the gentleman from Michigan [Mr. HOFFMAN], about the refusal of the Commission to increase fares, it is a fact that Commissioner Lane said before our committee that he felt they could give reasonable assurance that within 5 days after the wage settlement the Public Utilities Commission would come up with some fare increase?

Mr. McMILLAN. That is correct.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield further?

Mr. McMILLAN. I yield.

Mr. HOFFMAN of Michigan. Is it not also true that if it grants the increase requested by the union, they will be operating at a greater loss than at present?

Mr. McMILLAN. About $7 million in the red.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. SIMPSON of Illinois. Mr. Chairman, I yield 5 minutes to the gentleman from Nebraska [Mr. MILLER].

Mr. MILLER of Nebraska. Mr. Chairman, I want to compliment the chairman of this committee and the gentleman from Virginia [Mr. BROYHILL] and the other members of the committee who have worked so diligently in trying to solve this problem without the benefit of legislation. There have been many long conferences. The entire committee met with the transit company officials and the labor union officials and the Commissioners in an attempt to find a solution. During those conferences I have often said publicly to some of the contestants, "A plague on both your houses," meaning the company and the union. Then I said, "A plague on all three houses," which includes the company, the union, and the Commissioners. If Congress does not take some action today I say there ought to be a plague on all four of us, the union, the transit interests, the Congress, and the Commissioners, because we do have a duty here to enact some legislation that will make it possible for the Commissioners to get the transit wheels rolling again.

If you read the bill you will find it merely says that the Commissioners of the District of Columbia are authorized to enter into an operating contract with the Capital Transit Co. for a period of 1 year from the effective date of this act, from the date authority is obtained from the stockholders. We have been promised by the company that they would take all means possible to get agreement from the stockholders.

Some Members stand on the floor of the House and horsewhip Mr. Wolfson. I hold no brief for Mr. Wolfson. I am not defending him, but you must remember that there are 2,400 stockholders of this company. Mr. Wolfson owns 27 percent of the stock, yet you are whipping the other 2,399 stockholders of the corporation who have an interest in this thing. That should be remembered.

I think both sides have been a bit stubborn. If we grant all the demands made by the labor union it is going to cost another $7 million to the people who use the transit company. I think we might as well face it. It is my opinion after talks with the company officials that they no longer want to operate a utility transportation company in the District of Columbia.

It is my opinion that after this contract is ended, this legislation is passed, or whether we pass it or not, there will be no more Wolfson transit company in the District of Columbia. You are going to have a public-utilities operation in the District, whether you like it or not. Personally, I do not like it, but I think we are going to have just that.

I hope the Commissioners will not meet all of the demands of the labor union, because I think they have been excessive. If they do meet all of the demands of the union, then the transit rides of the people who use it will probably go up to maybe 25 cents a ride. When the cost of rides goes up, revenue goes down. No one can afford to operate at a loss. The strike has taught people to double up on rides. Traffic moves well. There may well be a new era in public transportation in the making. I have never approved of public ownership of these utilities, but I think that is the thing we are facing; and, in my opinion, the Wolfson people no longer want it.

The handwriting is on the wall in the letters they sent the District Committee. I see no way in which we can avoid it, but I think it is the duty of this Congress to pass some enabling legislation which the Commissioners say they must have if they are to settle this thing within the framework of the law.

I do not want the Senate bill; that calls for seizure. Many Members of the House do not want it. But here is a piece of legislation under which they can operate and I think they will make a settlement maybe with the labor unions and with the company officials and through the people who set the fares that will at least get the wheels rolling again, and next year when we come back we can take another look.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield.

Mr. SPRINGER. I want to ask the gentleman if he would point out the differences between the House bill and the Senate bill other than the seizure provision.

Mr. MILLER of Nebraska. There are many things in the other bill that are not in the House bill. The House bill is a very mild bill, but it permits the Commissioners to do certain things, gives them a certain amount of leeway.

The Senate bill is a seizure bill, which would not only seize the franchise but also private property and create a great many problems of litigation.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield.

Mr. SPRINGER. It is my understanding that under seizure it would be possible for the Wolfson interests to make more money than under a negotiated sale.

Mr. MILLER of Nebraska. That was freely admitted, that under the seizure bill there would be all kinds of lawsuits and it would be a very expensive proposition.

I hope the House bill will be adopted.

Mr. McMILLAN. Mr. Chairman, I yield 1 minute to the gentleman from Michigan [Mr. DONDERO].

Mr. DONDERO. Mr. Chairman, may I inquire whether or not it is true that the demands of the labor union are greater than the entire income of the transit company from fares?

Mr. MILLER of Nebraska. I do not think that is quite true; however, it would run to about $7 million a year.

Mr. BROYHILL. The demands made by the union are approximately 10 times the amount of the net income of the Capital Transit Co.

Mr. SIMPSON of Illinois. Mr. Chairman, I yield 10 minutes to the gentleman from Maryland [Mr. HYDE].

Mr. HYDE. Mr. Chairman, first I would like to answer some of the inquiries made by the gentleman from Michigan [Mr. HOFFMAN] with regard to the right of the employees to strike. Under the House version and under the Senate version the employees will still be employees of the Capital Transit Co. The version we are now considering provides that the Capital Transit Co. will continue to operate its property and it further provides that the Capital Transit Co. will enter into a contract subject to approval as directed by the District Commissioners. So the employees under the House version will still be employees of the Capital Transit Co. The Senate version specifically provides that the employees engaged by the Commissioners under authority granted by section 3 of the bill shall be deemed to be employees of the Capital Transit Co. Under either version the employees will be employees of the Capital Transit Co. So you will not have any question arise under this legislation as far as striking against the Government is concerned.

Mr. Chairman, this bill, as I tried to make plain yesterday, is the least we can do. The House version is not a seizure bill, as has been made quite clear. Personally, of course, I do not think the House bill is adequate. On this matter of seizure I think there has been a lot of misinformation.

The franchise of the Capital Transit Co. was given to it by the Government under an act of Congress known as the Transportation Merger Act of 1925. That act provides that the franchise can be revoked upon a year's notice by Congress. All that was suggested in the Senate bill was that the Congress exercise that authority which is provided in the Merger Act, under which the transit company got its franchise in the first place, to revoke the franchise. The revocation would not necessarily entail seizure of private property. It might in the public interest entail some temporary taking over of private property for the year period if that was necessary in the public interest. I do not see how anyone could really quarrel with that, but nevertheless before that year is up the District government if it wants to operate must negotiate with the company for the purchase of its property. It must find a new operator to come in and take over the transit operations in the District. So there would not be any permanent seizure of property without compensation or anything of that sort which so many in the House seem to fear.

There have been some other misunderstandings about this proposition. A great many people seem to think that these statements with regard to what the transit company has done or has not done are all things being said in the heat of the strike and that, like the Commissioners' attitude, is the result of pressure by the unions to bring about some settlement of this strike. I would like to call the attention of the committee to the fact that the operations of this company have been under investigation by committees of this Congress for a long time before this strike started.

The conclusions that have been expressed in the press with reference to the operation of this company are not merely conclusions that have been drawn under the heat of a strike. These conclusions have been reached by a committee of this Congress after a careful study. The committee to which I refer was a committee known as the Payne committee in the 83d Congress, which made a very exhaustive study of the Capital Transit Co. That committee was composed of Senator PAYNE, of Maine; Senator BEALL, of Maryland; and Senator MORSE, of Oregon. That committee unanimously came to these conclusions, and I would like to quote from that report. Bear in mind this is a report made not under the heat of a strike but after a thorough study of the transit company. The report said on page 62:

> The Capital Transit Co. follows that course of action which best suits the interests of its controlling group irrespective of the public interest.

And again on the same page the report says:

> The general managerial attitude of the Wolfson group toward the problems previously discussed in this section and their public statements clearly indicate that they place their own private financial interests above those of the public in their operation of Capital Transit Co. This attitude has given credibility to the widespread public belief that the Wolfson group is "milking" the Capital Transit Co. preparatory to dumping the system on the Government. Whether this is the intent of the group, the subcommittee cannot, of course, conclusively determine, but there are strong indications that this well may be their ultimate goal.

Again in conclusion the report says:

> Lest this report seem too harsh on Capital Transit Co. and the Wolfson group, the subcommittee states that the facts have been developed and analyzed to the best of their ability with the staff and time available. No illegal actions on the part of Louis E. Wolfson and his associates were discovered in the operation of the Capital Transit Co. The subcommittee found, however, that the general managerial attitude of the Wolfson group was contrary to the managerial attitude which should be held by the operators of a public transportation company.

So, Mr. Chairman, the conclusion reached by the Commissioners that they needed some authority to step in and do something about this situation, the conclusion they reached that the transit company had so conducted its affairs that its franchise should be revoked, are not just conclusions reached in the heat of a strike. That the actions of the transit company have been contrary to the public interest had been found over a year ago by a committee and so stated in the report that I have just read.

What the House is doing here is merely giving the District Commissioners the authority to contract with the transit company. If the terms do not suit the Commissioners, they do not have to sign a contract. If they do not suit the company, they do not have to sign a contract. In either event, either the Commissioners or the company still have to make their peace at the bargaining table with the union. So, it seems to me that this is a mild thing to which no one could object, and the only objection which anyone would have would be the one I voiced, namely, that it probably does not go far enough.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from Minnesota.

Mr. JUDD. I am grateful for the gentleman's explanation, which, for the first time, has made clear the answers to some of the questions I have had in my own mind. I voted against this bill yesterday because, among other things, I feared it might get us into a situation where the Government would be taking over the transit company and using its power to break a strike. And I do not think that is the way to deal with labor

difficulties. In general, the less the intervention by Government, the more effectively the bargaining process operates. I suspect that if Congress had not been in session, the parties would have been willing really to bargain long ago. Each has held on hoping it could get something through Congress favorable to its side.

Under the gag procedure yesterday, there was no opportunity adequately to explain and debate the bill. I am glad it had to come back today under circumstances where it could be explained and discussed. With what I now know about it, I am prepared to support it as the least evil of the various alternatives available to us. I think the vote will be nearly unanimous for it now, largely because most of the fears which were expressed yesterday have been dissipated by more complete explanation of the bill.

Mr. MURRAY of Illinois. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from Illinois.

Mr. MURRAY of Illinois. The gentleman made the statement that under the terms of this bill the employees are not employees of the Government but rather of the Capital Transit Co.

Mr. HYDE. That is right.

Mr. MURRAY of Illinois. I hope that is correct. But I think the question whether or not the employees are employees of Capital Transit Co. or of the Government is a legal question, and under the terms of this bill the Government is underwriting the losses of the Capital Transit Co. for the following year. The Government also, at least in some part, will be in the management of the business, in that the terms of wages and working conditions will be under the direction of the Commissioners. Do not those conditions in effect place the Government at least in a position of partnership with the Capital Transit Co.?

Mr. HYDE. No; I do not think they do.

Mr. AUCHINCLOSS. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. AUCHINCLOSS. Mr. Chairman, it is with reluctance and much misgiving that I am supporting this legislation, which is an effort to correct the situation brought on by the transit strike in the District of Columbia. My fears are based on the realization that the proposals embodied in this legislation have been arrived at during a state of confusion which is permeated by much emotionalism. Furthermore, I have my doubts as to whether this legislation will correct the present state of affairs, although it may possibly end the strike by bringing about municipal ownership of the transit company which I am opposed to.

Let us review this situation briefly. About 5 years ago, Mr. Wolfson and his crowd appeared before the authorities seeking permission to purchase a large block of the stock of the Capital Transit Co. During the hearings this group frankly admitted they were interested in securing a high return on their investment and their concern about the efficient and effective operation of the transit company was entirely secondary. In spite of this attitude they received permission to purchase the stock and having secured control of the corporation they proceeded to distribute to the stockholders its liquid assets which were considerable. At the same time they asked for and secured permission to increase fares and continued their policy of insisting on a high return to the stockholders without giving any thought to the rights of the traveling public—indeed, little consideration was given to the rights and welfare of their employees.

The salaries of the executives were increased as well as the dividends and the corporate structure of the company was changed with the inevitable result that the financial position of the company was considerably weakened.

Since the strike started over a month ago, very little or no effort has been made on the part of the company to negotiate with the labor union, blame being placed by the company on the Public Utilities Commission. It may be said also that there has been no strenuous effort made by the representatives of the employees to negotiate a settlement and I reluctantly state that the attitude of the District Commissioners has left much to be desired.

Other strikes of a similar nature have been settled in due time and it is evident that in the settlement of disputes of this character firm and strong leadership is necessary. In this controversy the will to accomplish anything has been lacking.

It was suggested on more than one occasion that provisions of the Taft-Hartley Act should be called upon to settle this dispute, but it was said that this law does not apply in this instance. If that is the case, the Taft-Hartley Act should be amended so that in a labor dispute of this character the rights of the public will be safeguarded, and I urge that the appropriate committee of Congress study this matter. It may be observed that in none of the discussions that have been held has anything been said about the rights of the public and after all is said and done the welfare of the people living and working in the District of Columbia is the responsibility of the Congress.

I hope this legislation will be helpful but I deplore the confusion which exists promoted by dislike for the philosophy of Wolfson and his crowd in which I join. I must say that if the residents of this great capital city enjoy home rule and the election of their own municipal officers, this matter would have been settled long ago.

Mr. McMILLAN. Mr. Chairman, I yield to the gentleman from Maryland for a unanimous-consent request.

Mr. LANKFORD. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. LANKFORD. Mr. Chairman, as I stated yesterday when the bill was under consideration by the House, I have purposely not taken an active part in the present transit squabble. Not being a member of the District of Columbia Committee, I have not had the advantages of all the facts as the members of that committee have had. The one thing that I am interested in is a fair and equitable settlement of the strike so that those that are affected by it, both the employees and the riders, may resume their normal lives.

I do not think that we want to be fooled into thinking the bill before us today is the answer to all the problems. There is no assurance that this bill will settle the strike; however, I do not want it to be said that I have overlooked any opportunity to further the welfare of those people affected by the strike and so, therefore, I will vote for the bill, as I did yesterday.

Much has been said about the right to strike and the question as to whether the employees would be striking against the Federal Government has been raised. I think that this fear is exaggerated inasmuch as the Capital Transit Co. will be the operating agency of the Commissioners of the District of Columbia. If this bill passes the employees will be the employees of the operating agency and not of the District of Columbia. It is my earnest desire, Mr. Chairman, that this strike be settled and although I do not believe that this bill will accomplish the desired effect, I believe that it may in some way help work toward a speedy end of the strike. Therefore, I urge that my colleagues in the House vote for the bill in the hopes that it can be of some help in settling the strike.

Mr. McMILLAN. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. KLEIN].

Mr. KLEIN. Mr. Chairman, we really have gotten ourselves into a beautiful mess in the closing days of the session, with so many other matters of importance pending, because we have got to take time out to deal with a purely local situation, such as this strike. I admit that it is a very important matter, but unfortunately under the law we are charged with the responsibility of governing the District of Columbia. This responsibility comes with it.

I have been a member of the Committee on the District of Columbia for many years past, and year after year I have introduced bills for home rule for the District. If we had home rule, we would not have to take time out now and deprive the people whom we represent of our time, the time their representatives should be devoting to national affairs. We have had this sort of situation time and time again.

We have gotten ourselves into a situation where something must be done in this purely local controversy, and admittedly it must be done by us, because there is nobody else to do it. But why should we have this kind of situation? Why should we year after year have to worry about daylight saving time for the District? Why should we have to worry about the Capital Transit strike, and other local matters? We may have another emergency next year just as we have now. Each one of these matters occupies the time of the Committee on

the District of Columbia and the time of Members on the floor of the House.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. KLEIN. I yield to the gentleman from Ohio.

Mr. HAYS of Ohio. Does not the gentleman think if we had home rule here and had someone to look after the interests of the District of Columbia this jackal Wolfson would not have been allowed to come in here and cannibalize this company?

Mr. KLEIN. I should like to remind the gentleman that Mr. Wolfson has gotten into other companies in other communities where they have home rule, and where they have somebody who should have jurisdiction over such matters.

Mr. HAYS of Ohio. That may be true, but Mr. Wolfson's actions in this instance in bleeding off the assets of this company were called to the attention of the country and I think his latest venture with respect to Montgomery Ward was unsuccessful largely because of his record right here and his record in connection with some of the other companies he has gotten into. May I say that if the Public Utilities Commission had been on the ball here, they would not have let him come in here in the first place.

Mr. KLEIN. I cannot agree with the gentleman there, because I do not believe the Public Utilities Commission of the District of Columbia is charged with the duty of checking on any particular interests who seek to buy an interest in the transit company here, or any other public utility. I do not know Mr. Wolfson, but it may not be altogether his fault. It is our fault, however, and, unfortunately, we do not have enough time to devote to the affairs of the District of Columbia. We really ought to have a local city council to do that.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. KLEIN. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. Will cussing out Wolfson help solve the strike and get transportation for the folks here?

Mr. KLEIN. It certainly will not, at this late date.

Mr. HOFFMAN of Michigan. I do not think so, either.

Mr. HALEY. Mr. Chairman, will the gentleman yield?

Mr. KLEIN. I yield to the gentleman from Florida.

Mr. HALEY. I just want to say to the gentleman who has just been talking about Mr. Wolfson that I do not know him myself, but I think he neglects this one important factor which is that before Mr. Wolfson and his people could come into this community, they had to get the approval of a Government agency to move into the position that they now occupy.

Mr. KLEIN. I do not know that that is correct.

Mr. HAYS of Ohio. I just wanted to say that I was aware of that, and I mentioned the fact that they got that. In response to the gentleman from Michigan, may I say that of course it is not going to do any good to settle this strike because Wolfson has got the boodle and gone with it.

Mr. KLEIN. My point is that we have gotten ourselves into this situation and the best way to get out of it is to give the people of the District of Columbia home rule, which they want, and which will take away from us the responsibility and the necessity of devoting our time and our efforts to purely local matters as a city council. If they had a city council or some other local body, they would have to worry about this matter themselves. In the last days of this session we have to take some action. We do not know whether it is the correct action, in all due deference to the Committee on the District of Columbia, because we do not know enough about it. Yet we have to do something. We cannot be irresponsible and leave here and leave this situation in midair. Therefore we have to take this time to do it.

Mr. HALEY. I agree with the gentleman. The Congress of the United States should give the people of the District of Columbia the right to handle their own affairs. If they had that right, we would not be in this situation. It is a matter to which we should give serious consideration. I do not think this legislation will change that situation at all.

Mr. KLEIN. I wish the gentleman who has just addressed the Committee would talk to the chairman of the District Committee, and have him help me in getting my bill for home rule out of committee. Then the gentleman would have a chance to vote for it.

Mr. KEARNS. Mr. Chairman, will the gentleman yield?

Mr. KLEIN. I yield to the gentleman from Pennsylvania.

Mr. KEARNS. I have great respect for the gentleman. Does he not personally feel, inasmuch as he has served on the District Committee for 14 years, that the Members of Congress have a responsibility to settle this thing through collective bargaining before we leave the job?

Mr. KLEIN. The gentleman is absolutely correct. Unless we take some action, however, and we can only do it through passage of this bill, we can be and should be accused of walking out on our responsibility. We have to do something to give the Commissioners the opportunity to straighten this out. They may not be able to work it out, but by passing this legislation we will be giving them that opportunity.

Mr. HALEY. May I say to the gentleman that the Congress certainly has been aware of the situation existing here in the District of Columbia for 32 days now. They have been aware of a situation that probably they did not like and the people did not like for some time. Why has not something been done?

Mr. KLEIN. That is a very good question. I wish I had the answer.

Mr. SIMPSON of Illinois. Mr. Chairman, I yield 5 minutes to the gentleman from Virginia [Mr. BROYHILL].

Mr. KEARNS. Mr. Chairman, will the gentleman yield?

Mr. BROYHILL. I yield to the gentleman from Pennsylvania.

Mr. KEARNS. I think that great tribute belongs to the gentleman from Virginia [Mr. BROYHILL], the gentleman from South Carolina [Mr. MCMILLAN], and our ranking minority member, the gentleman from Illinois [Mr. SIMPSON], for trying to settle this thing. However, I know the gentleman agrees with me that we should not adjourn the Congress until we can set this thing up properly, and not by a seizure, which the Senate wants.

Mr. BROYHILL. I agree with the gentleman, and thank the gentleman for his observation.

As I stated yesterday, this bill before us is the least action we can take before the adjournment of this Congress. I said also yesterday that it offers no guarantee, no assurance whatsoever, that this strike will be settled as a result of this legislation, and that the transportation will get started again. However, it does give the Commissioners almost the same authority they have been asking the Congress for during the last 2 or 3 weeks.

I regret that we are having to act on this thing in the closing hours of the Congress with the rush of other legislation. I think we should have a great deal more time to discuss this matter a great deal more in detail. Some of us tried to get action by the Congress as long ago as July 1, when the strike first occurred, but at that time the general sentiment was that Congress should stay out of it, that management and labor should settle this thing themselves through collective bargaining. I have no quarrel with that. Yet here in the closing hours finally the majority of us are aware of the necessity of Congress doing something, so we are having to do it somewhat in haste. In doing it in haste, we should take the least possible action.

Other proposals which have been made and were considered somewhat by the committee, which would deal directly with the strike and would get the men back to work were called or referred to as strike busting or union busting. So we bypassed such an approach. Yet, ever since then, and I think the District of Columbia Commissioners can be blamed for this just as much as anyone else, everything else has been directed at company busting. I know that Wolfson is a very unpopular figure here, but the Commissioners have stated repeatedly that the Capital Transit Co. has provided good transportation service here to the people of the District of Columbia. They have stated they have maintained the property and equipment properly, and they have also stated that their income is not unreasonable. The only reason they are trying to get them out of town is because they took a little extra dividend and drained the surplus somewhat, which I agree they should not have done, but that is not what has caused the strike, and by getting them out of town will not necessarily settle the strike. We have been directing too much attention here to one side of the problem. It takes two to have an argument or disagreement. This is not a lockout, it is a strike. The men quit work when the company

refused to meet their demands which would cost the company approximately $7 million a year. Their income averages $600,000 or $700,000 a year, and it is quite obvious that the company could not even begin to meet those payments. The chairman of the Committee on the District of Columbia and myself had the company representatives and the union in several conferences. We did get the company to make 2 offers, or to agree to 2 offers, to the union. One for 10 cents an hour for a temporary settlement of 120 days, with the Commissioners as arbitrators. That was rejected by the union. Then we got the company to offer a permanent increase of 10 cents an hour and $5 a month increase on the pensions. The union turned that down and have yet to this day to make a counteroffer in order to work out some sort of compromise between the differences of the two groups.

Mr. KEARNS. Mr. Chairman, will the gentleman yield?

Mr. BROYHILL. I yield.

Mr. KEARNS. Did not the Commissioners sit with us in committee and say that they did not know to whom they could even give the franchise?

Mr. BROYHILL. That is correct. In spite of that, the Commissioners and the majority of the people here want to run the Capital Transit Co. out of town. Well, this bill will give them the authority to enter into an agreement voluntarily to lift the franchise and to operate the company under the terms and conditions of the Commissioners for the next year. I want, however, to call the attention of the House to section 2 of the bill, which is a very dangerous section. It gives the company the authority to operate the company under terms and conditions as directed by the Commissioners of the District of Columbia for a period not to exceed 1 year, which means that the Commissioners may raise the wages of the employees as much as they see fit.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SIMPSON of Illinois. Mr. Chairman, I yield 5 additional minutes to the gentleman from Virginia, and ask him if he will yield for a question.

I understood the gentleman from Virginia to say, Mr. Chairman, that the Commissioners could raise the salaries of the employees. I do not understand it that way.

Mr. BROYHILL. Well, it states in section 2 that the Capital Transit Co. will enter into a contract with a bargaining agency of its employees covering wages and working conditions under terms and conditions, as directed by the Commissioners of the District of Columbia, for a period not to exceed 1 year. I think the intent of the Congress ought to be made quite clear in this matter. We do not mean for the Commissioners to meet the demands of the employees regardless of what they might be. The average salary of the transit employees of the largest cities of this country is $1.94½ an hour. The men were receiving about $1.90 an hour when they went on strike. They asked for an increase up to $2.15 an hour. I am certain it is not the intent of anyone to vote for this bill for the Commissioners to set that wage at anywhere near the figure the union demands.

Another serious thing. There are two other transportation companies operating in the area, the A. B. & W. in Alexandria and the Arnold Bus Line in Arlington. Their employees receive $1.80 an hour. Their contract expires at the end of October. The managers of those companies have told me that if they have to pay their men as much as 10 cents an hour increase, raising it to $1.90, they would have to go out of business. So whatever the Commissioners raise the employees of the Capital Transit Co., they are going to set a pattern for the employees of the other two transportation companies in the area, and drive them right into a strike for which there will not be funds available to settle it. I think we should make our intent clear, that we do not mean for the Commissioners to set this wage rate at whatever figure is necessary to get the men back to work; and certainly not to exceed 10 cents an hour.

Mr. HALEY. Mr. Chairman, will the gentleman yield?

Mr. BROYHILL. I yield.

Mr. HALEY. I know the gentleman from Virginia has spent days and weeks on this proposition and he is probably as well informed as any member of the committee. I would like to ask the gentleman one direct question. Is this or is this not a good bill?

Mr. BROYHILL. I will not answer that "Yes" or "No." I will say it is not a perfect bill. It is a weak bill, and it merely gives the Commissioners limited authority to enter into an agreement.

Mr. HALEY. The gentleman from Maryland was reading from some of the Senate hearings. I wonder why he did not read just this—and I think this sums up the situation in the District of Columbia.

Mr. Wolfson testifying in response to a question as to whether he felt that the employees deserved an increase, said this:

> We feel that they are entitled to a fair increase.

Now, here is a further statement in the same paragraph. Mr. Wolfson said this:

> Without additional revenue we cannot begin to meet the union requirements. We cannot give employees more money, for the simple reason that we do not have it.

Is that not the situation here?

Mr. BROYHILL. That is true. Their income the last full calendar year was approximately $700,000. Ten cents an hour increase, which was offered by the company, would cost the company approximately $900,000 a year. So they would have to have a rate increase to stay out of the red with a 10-cent increase.

Everybody has been pointing the finger of scorn at the "Big Bad Wolfson," but there are many, many other stockholders in this company.

Mr. JOHANSEN. Mr. Chairman, will the gentleman yield?

Mr. BROYHILL. I yield.

Mr. JOHANSEN. Is it true that under this bill the power to fix a pay increase would be granted to the Commissioners?

Mr. BROYHILL. That is correct.

Mr. JOHANSEN. So that whatever intent the Congress might express, the Commissioners would have the power to set the increase?

Mr. BROYHILL. That is correct. And that is a very dangerous thing, so we should make the intent of Congress very, very clear.

Mr. JOHANSEN. May I ask one other question?

The gentleman from Nebraska expressed concern and expressed the hope that we would not have public ownership. If there is a possibility clearly implied here, if the Commissioners increase the operating deficit and cost to the company, how would it be possible to more clearly open the way to public ownership than through the creation of just that situation? Is that not one of the dangers to which the gentleman refers?

Mr. BROYHILL. That is correct. There is danger that lifting the franchise will force the public transportation company into public ownership.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. McMILLAN. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois [Mr. BOYLE].

Mr. BOYLE. Mr. Chairman, I have not litigated all the problems in the transportation field, but I do have some empirical knowledge on the subject due to the fact that I drove a bus for 7 years, and during that time I was a dispatcher, checker, driver, and inspector. After that tour of duties I served some 12 years with the city of Chicago on its committee on local transportation.

I do not care what the House does today, but I would feel surely derelict in my duty if I did not take this opportunity to ask you good people to pause and study this situation.

Transportation throughout the United States is a dying business. You cannot do much about it, and I will tell you one of the reasons. Every family has at least 1 automobile; many have 2, and I think that is all right. I also think that the 10½ million married women who are working have had a lot to do with the way automobiles have come into use. It is probably a luxury item, but they have the right to drive to and back from work. If you care to look over the daily vehicular situation you will find that car after car coming and going into your cities has 1 or not more than 2 occupants. What does that situation do?

That condition imposes a terrific overload on the already overcrowded and superannuated highways. Congestion and roadblocks increase the length of the running time. Say the schedule should take 22 to 24 minutes for a certain route, under this new traffic problem it is taking 40 to 50 to 60 minutes. When it does the operator has to spend twice as much time to reach his destination, and when that happens it ties up your equipment and requires twice as many units. Not only do transportation companies require twice as much equipment,

twice as much manpower, but traffic congestion increases all administrative expense, and resultingly you run into all kinds of additional operating expenses, such as liability claims and workman-compensation actions. Your costs and expenses are skyrocketing and your revenue is always out of step.

It seems to me, Mr. Chairman, that if we step into this 11th-hour muddle and project our legislative talents into this little matter that looks like a simple dispute or a controversy between management and labor we are going to open the door for a lot of future headaches, because the big thing about transportation is that it is costing more and more money in the face of loss of public rider acceptance.

I can assure you that 20 cents will not long be the fare; transportation being such as it is, you are going to have to get 25-cent fares and the people are not going to like the Congress when in a little dispute like this we assume the responsibility of running a streetcar or bus company and start to raise the fares.

Of course, this is still another argument in favor of home rule for the District to which, I may say, I honestly and thoroughly subscribe.

So I think before you pass this bill today you ought to insist on all the administrative remedies being exhausted, and, in addition, further insist that the Commissioners go into conference and see what can be accomplished regarding the problem of a wage increase, together with its fringe benefits. This bill, which has been described from the floor as a bad bill, is not going to resolve that question. This bill puts the Congress in the streetcar and bus business and I am opposed to it and shall vote against it.

Mr. SIMPSON of Illinois. Mr. Chairman, I yield the balance of time on this side to the gentleman from Minnesota [Mr. O'HARA.]

Mr. O'HARA of Minnesota. Mr. Chairman, in the light of what transpired yesterday it was quite obvious that there was great concern over this problem as expressed not only by the vote in the House but also by various Members in debate. I do think there was some considerable misunderstanding as to the intent and purpose of this bill, and as a result we are back here today obviously trying to do what is right in dealing with this problem. I agree with what the gentleman from Illinois has just said that, of course, the transit problems countrywide are very serious ones. Various transit companies of many of the large cities have been either in receivership or under strike conditions or in financial difficulties and all of the other headaches that go with transit operations.

Let me say to the membership of the committee that the bill which is before you is not a perfect bill; no one claims it is, but it is the best kind of a bill we can report out of the committee. I think it is a practical kind of a bill. The success of it depends upon the future, it depends upon the good judgment of the District Commissioners, assuming this bill becomes law, in carrying out the terms of the law.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Minnesota. I yield to the gentleman from Ohio.

Mr. VORYS. I am one of those who voted against this bill yesterday. I have studied the bill, I have discussed it with the gentleman, I have listened to the discussion today, and I thoroughly agree with the statement the gentleman has just made that it is the best we can do under the circumstances. We cannot pass a miracle for a dying industry today. I am going to vote for this bill.

Mr. O'HARA of Minnesota. I thank the gentleman.

Mr. Chairman, the problem of the administration is going to be dependent upon the good judgment of the Commissioners of the District of Columbia and successful operation by the Capital Transit Co. during this interim of a year. I want to agree with the gentleman from Virginia [Mr. BROYHILL] it is not the intent of the Congress that the provisions of section 2 shall in any way open the door for an unreasonable increase to be allowed to the Capital Transit employees. I think they are entitled to a reasonable increase, but it is not for me to say how much that should be. It is very obvious that you cannot grant an increase of any kind without increasing the fares in the District of Columbia. If an unreasonable or an unconscionably high increase is granted, you will have the obvious situation that any future operations of a successor company are going to be so handicapped. So I say frankly you cannot increase fares unreasonably and expect people to ride the buses. They are just not going to ride.

Mr. KEARNS. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Minnesota. I yield to the gentleman from Pennsylvania.

Mr. KEARNS. Is it not true that after the buses do start running, after this long term of idleness, their revenue will probably depreciate around 28 to 30 percent?

Mr. O'HARA of Minnesota. I agree with the gentleman, there will undoubtedly be fewer riders because a lot of people have made other arrangements that they like better than riding the buses.

Mr. JOHANSEN. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Minnesota. I yield to the gentleman from Wisconsin.

Mr. JOHANSEN. I ask this question by way of seeking information. What influence does the Congress have, or the District Commissioners, or what do they properly have, with the Public Utilities Commission in fixing rates? The Commissioners under this bill would have the authority to agree as to the pay increases. What may they or may they not properly do or conceivably do with respect to fares?

Mr. O'HARA of Minnesota. I think it is very obvious as a practical matter—I will try to answer the gentleman's question directly—that any increase in wages is going to require an increase in fares. There just cannot be any question about that. The Public Utilities Commission will have to grant such an increase.

Mr. McMILLAN. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. ROOSEVELT].

Mr. ROOSEVELT. Mr. Chairman, I think I have lived off and on in Washington since I was a very small boy in the administration of Woodrow Wilson, and therefore I have a very keen interest in the District of Columbia.

Yesterday I voted against the passage of this bill for a number of reasons, but as I have had a chance to think about it overnight, I decided today to vote for the passage of the bill, because I can find no other way in which the interests of the employees and the interests of the people of the District can be taken care of in this time of emergency. But I would like to say, as I think the gentleman from Florida well brought out, that in my opinion, even though we vote for this bill, it still is a bad bill no matter how you look at it. I particularly regret that it is possible for management of the kind that the Capital Transit Co. has had to get away with coming into the District with the announced purpose of making a financial profit at the expense of everybody else concerned. I feel, too, in the second place, that the principle of the least possible legislative intervention in labor-management disputes is very clearly violated in this case. Third, I agree very wholeheartedly with the gentleman from New York, for I cannot help but feel that this again illustrates, as we have had many illustrations in the past, that the Congress of the United States cannot be charged with the responsibility of running the details of the government of the city of Washington or the District of Columbia. I certainly hope that in the very near future we may somehow work out proper legislation so that this kind of a situation will not again come before the Congress at the very last moment.

Mr. MURRAY of Illinois. Mr. Chairman, will the gentleman yield?

Mr. ROOSEVELT. I yield to the gentleman from Illinois.

Mr. MURRAY of Illinois. From the debate yesterday, I understood that it was not the intention of this legislation to provide the Capital Transit Co. with any profit or to recover any of their losses occasioned by the strike. Reading section 5 of the bill I note that the District agrees to pay the Capital Transit Co. their cost of operation, including depreciation, for the year's period the bill provides for. During the period of the strike the depreciation loss would be unusually high because of lack of maintenance of equipment; therefore, are we not in effect, by including depreciation for a year's period, going to pay the Capital Transit Co. some of the losses attributable to this strike period?

Mr. ROOSEVELT. Subject to correction by members of the committee, may I say that it is my understanding from reading section 5 that the depreciation starts at the time they enter into this agreement with the Capital Transit Co. If that is wrong, perhaps a member of the committee can correct me.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. ROOSEVELT. I yield to the gentleman from Arkansas.

Mr. HARRIS. The bill provides in section 5 that such deficiency during said period shall be determined in accordance with the accounting practices now prescribed by the Public Utilities Commission, so that there would not be any windfall because of any unusual depreciation.

Mr. MURRAY of Illinois. Is it not a fact that the Public Utilities Commission considers depreciation on a yearly basis so that it would be impossible under this legislation for the Public Utilities Commission to consider this depreciation under its present practices? They would have to set up some different accounting practice for determining depreciation in this case; is that not correct?

Mr. HARRIS. No; I do not think it is altogether correct, because the Public Utilities Commission has issued its Order No. 4001, I believe, in which it sets up how depreciation shall be treated in the rate structure.

Mr. ROOSEVELT. I thank the gentleman.

I would like to make one other comment. The gentleman from Virginia stated that he would like to have it known that it was the intent of the Congress not to grant the union demands in full. I would like to say, if this bill is passed, it is my understanding that the Commissioners have a complete right to do exactly as they see fit, and that the Congress is not telling them either to do one thing or the other.

Mr. McMILLAN. Mr. Chairman, I yield 3 minutes to the gentleman from West Virginia [Mr. STAGGERS].

Mr. STAGGERS. Mr. Chairman, I think this situation is really absurd. We are here at a crucial time in American history and the Congress is debating a bill for the city of Washington when we should have given this city of a million people home rule a long time ago. This comes at a time when our representatives are over in Geneva talking with the Communists, yes, Communists, and perhaps getting ready to give way to them; at a time when there is a buildup in Formosa and in northern Korea, where they have violated the truce and have built 40 modern airfields, and where they have almost 600 of the best fighting planes in the world, at a time when the State Department knows that the Communist timetable calls for an attack in 1958. But here we are, the Congress of the United States, debating this bill at this time when the answer is to give the people of the District home rule.

The gentleman from Virginia made the statement that this is a weak bill. I agree with him. I do not think the bill ought to pass. I was in favor yesterday of voting down this rule and substituting the Senate bill. That is what the Commissioners want, the Senate bill or a bill like it. That will give the Commissioners something nearer to what they want. I talked to the Commissioners and they said they could do business under that bill but it would be difficult under this bill to handle a situation like this.

Mr. McMILLAN. Mr. Chairman, will the gentleman yield?

Mr. STAGGERS. I yield to the chairman of the committee.

Mr. McMILLAN. The District Commissioners helped to write this bill, and if they cannot do business under it, they should not have written it this way.

Mr. STAGGERS. I should like to say that the gentleman from Maryland [Mr. HYDE] made a very good statement. He made reference to the statement made by Mr. PAYNE in the committee in the other body. I am sorry this committee did not have the benefit of that information before. The gentleman from Maryland [Mr. HYDE] made a very good presentation. We cannot substitute the Senate bill, as was my intention today, but because of this closed rule this is impossible. We have to vote for this bill or vote it down. No substitutions or amendments are allowed. A great many of us are going to be forced to vote for it because we have the responsibility of doing something in this situation before we leave town.

I think in the next session of Congress we had better turn that responsibility over to the representatives of a city of a million people. I know that my people did not elect me to come down here to run the District of Columbia, but, rather, to represent them and their interests. They did not elect me to be city commissioner of the city of Washington. I think it is time that the Congress of the United States turn that responsibility over to the representatives of the city of Washington, a city of a million people. Then we could get on with the more serious affairs before this House, affecting the welfare of the Nation, and perhaps the free world.

The CHAIRMAN. The time of the gentleman from West Virginia has expired.

Mr. McMILLAN. Mr. Chairman, I yield the remainder of the time on this side to the gentleman from Arkansas [Mr. HARRIS].

Mr. HARRIS. Mr. Chairman, in the closing few minutes of this debate on this important bill, I should like to remind Members of the House that the Constitution of the United States when it was written by our Founding Fathers provided that the Congress of the United States shall have exclusive jurisdiction over legislation affecting the District of Columbia. Therefore, it is the responsibility of the Congress to meet this problem along with the many other problems that come before us.

Mr. SIMPSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Illinois.

Mr. SIMPSON of Illinois. The gentleman from Arkansas [Mr. HARRIS] is absolutely correct. We will not be able to settle the transportation problem here or help settle it if we get into a debate on home rule for the District of Columbia. If we do that, we will be here until Christmas.

Mr. HARRIS. I thank the gentleman. Mr. Chairman, I am very glad to see so many of our colleagues who on yesterday did not feel that this was the best approach thus far advanced and voted against the bill, now, after further consideration and of course a better understanding of the problem, of what we seek to do, state that they plan now to vote for the bill.

I can well understand the aversion in the minds of a good many of the Members yesterday. Due to the fact we had only 20 minutes on each side to explain the measure, you can understand how difficult it was for us to explain this problem as we would have preferred.

Now, let me say, in the first place, that this is a bill to which the distinguished chairman of our committee, the gentleman from South Carolina [Mr. McMILLAN], has given much time and effort. He is to be highly commended for his untiring efforts in working with the Commissioners of the District of Columbia and others in trying to get this difficult and highly controversial matter solved. He has worked hard in trying to help settle the problem. He has worked with the Commissioners of the District, representatives of the Capital Transit Co., our legislative counsel's office and has sought other information so that he could bring a bill to you yesterday and again today. Therefore, I join my other colleagues in expressing my deep appreciation for the fine work he has done.

Some have been afraid of this because they were afraid it was a seizure proposition. There is no seizure provision at all in this legislation.

Second, others have been afraid it would not maintain the bargaining rights of the labor organizations. This does not in any way affect the bargaining rights of the labor organization to try to reach a decision, a compromise, and a solution to this problem that they feel they should have.

Those are the two things that I think were in the minds of the Members yesterday on the vote and on which we hope there is a better understanding today.

Mr. JOHANSEN. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Michigan.

Mr. JOHANSEN. In regard to the preservation of collective bargaining rights, we assume, of course, that on their own initiative the Commissioners will attempt to continue negotiations, but as this section 2 is written, under which the Capital Transit must enter into a contract with the employees on terms specified by the Commissioners, may not the Commissioners by specifying those terms close the door on collective bargaining and say to the Capital Transit Co. as their agent, "You are to say to the employees, 'Take it or leave it. This is it.'" If they can do that, can they not close the door on collective bargaining?

Mr. HARRIS. The District Commissioners are given wide latitude and discretion in this manner, and it was so intended, because they seem to have reached an impasse in the bargaining between the Capital Transit Co. and the union organization. They cannot get together any further. The Com-

missioners feel that if they were given the authority and some discretion in the matter they could come to a satisfactory decision in this matter and get these employees back to work.

Mr. FORRESTER. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield.

Mr. FORRESTER. It was stated here on the floor just a few minutes ago that the transit industry is a dying industry. Is that true?

Mr. HARRIS. Well, I do not know just what is meant by the transit industry being a dying industry. We do know that there is only one franchise for mass transportation in the District of Columbia and efforts are being made today to do something about the problem and adjust matters in some way. It is the responsibility of the Congress and the Commissioners of the District of Columbia to see that there is adequate transportation.

Mr. FORRESTER. Here is a question I particularly want to ask the gentleman. As I understand it, if there is a deficit after the Commissioners operate this transit company, then the District of Columbia is to pay that deficit?

Mr .HARRIS. If there is a deficit in the operating revenues of the company at the end of the year, the company having no return on their investment at all, then under those circumstances if there is a deficit the District of Columbia must make up the deficit.

The CHAIRMAN. The time of the gentleman from Arkansas [Mr. HARRIS] has expired. All time has expired.

Mr. HOFFMAN of Michigan. Mr. Chairman, I offer a motion.

The Clerk read as follows:

Mr. HOFFMAN of Michigan moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken.

Mr. HOFFMAN. Mr. Chairman, never since I was a boy attending camp meeting have I ever heard or seen such a procession of individuals hitting the sawdust trail. But in those days, repentance was sincere. A fellow said, "I accept the Lord," and he was doing it. Here in this debate, and it would be amusing if it were not such a serious situation, not one single Member who has spoke in favor of the bill but has apologized for its terms and for his support. Now think of that. I am under no delusions as to what the vote will be. Sure, the House intends to adopt the bill because the House wants to go home, and they would like to see something done to give the people of Washington transportation service. The gentleman from Virginia [Mr. BROYHILL] stated that the company had made two offers. The first one, I think, was 10 cents an hour increase. Then he added that the union rejected both offers, and that even if the first offer of 10 cents an hour had been accepted, the revenue would not have been sufficient to meet the union's demands. What does the union intend to do? Do the employees intend to go back to work? I do not know. But apparently they think that if we, the Congress, just transfer the bargaining authority from the company, as section 3 does, over to the Commissioners, and the Commissioners will grant the union the increase which will result in what? Everyone admits that it will result in a further loss, which is to be imposed on the taxpayers of the District; the strike will be settled forthwith.

Now, this is a strikebreaking measure, and it will do it 1 of 2 ways. We will either end the strike by granting the increase to the employees, or the Commissioners, being a branch of the Federal Government, or under the supervision of the Federal Government, will say to the strikers, "You are through. You cannot strike against the Government. Get back to work." Now, that is what this bill will authorize. Are we going to increase the fare? Evidently, and it is admitted, an increase in fare will result in fewer passengers riding the cars and will result in a greater loss. So the Commissioners have that alternative. They can increase the fare and give the higher wages and throw the cost over on the District taxpayers. If they do that, then you know what will happen next year. Back to the Congress will come the District Commissioners asking for a contribution from the Federal Treasury, and I am not saying at this time that they are not entitled to it. In fact, I would rather the money would go here to the District than over to India or Asia or some other place, if we must expend additional funds, but that will be the result. That is not all of it, either. There is another thing—we are establishing a precedent by the enactment of this bill. We want something done—it does not make much difference what it is. It makes me think of the days when the folks went off to church and I stayed at home. Then I would take the old family clock down and take it apart. I was doing something, but I was not helping anything—and neither are we helping anyone, nor are we contributing to an orderly settlement of this strike. Next year, suppose the telephone employees go on strike, and they have been on strike twice since I have been here. Is Congress to step in and say, "We will settle it for them"? Oh, we are making a mistake, I think, in establishing this precedent. I do not care to prolong the matter, and I ask unanimous consent to withdraw the motion.

Mr. GROSS. Mr. Chairman, I object, and I rise in opposition to the preferential motion.

Mr. FORRESTER rose and Mr. NICHOLSON rose.

The CHAIRMAN. For what purpose does the gentleman from Georgia rise?

Mr. NICHOLSON. Mr. Chairman, I rise to make a point of order. Two of us were seeking recognition here.

The CHAIRMAN. The Chair is inclined to be fair. One Member on the Republican side had just spoken and therefore the Chair considered the gentleman on the other side of the aisle was entitled to recognition.

Mr. NICHOLSON. I am glad the Chairman is willing to be fair.

The CHAIRMAN. The gentleman from Georgia [Mr. FORRESTER] is recognized.

Mr. FORRESTER. Mr. Chairman, I rise in opposition to the preferential motion.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. FORRESTER. In just a moment.

Mr. NICHOLSON. I just wanted to ask a question. Would you take 4 minutes and give me 1 minute?

Mr. FORRESTER. Yes, sir. I will probably give you 2 or 3 minutes.

Mr. Chairman, I take this opportunity to make 1 or 2 observations. Particularly I wanted to propound a question. I was exceedingly interested in the remarks of the gentleman from Illinois, Mr. BOYLE, who perhaps knows as much on this subject as any Member of this House. The gentleman from Illinois said that the transit industry is a dying industry. He said that the transit companies in the large cities of the United States, or at least in a large majority of those cities, are losing money in the operation of those transit systems. That being true over the country generally, I would like to ask this question: As I understand it, the Commissioners will have a right to direct and operate this transit company and pay such wages as they find proper. It certainly follows that there is going to be a deficit if it is so operated. I have been told that the District of Columbia is going to make up this deficit, but I am afraid it is going to be the taxpayers of the 48 States of this country who are going to make up the deficit. If that be true, I think we might as well understand that if Chicago or Los Angeles or New York or some of the other cities should find themselves in the same situation, if we are going to subsidize one city, probably we are putting ourselves in a situation that would be embarassing to say "No" to those other cities all over the country who come and ask for a subsidy.

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield?

Mr. FORRESTER. I yield.

Mr. JOHNSON of California. If the gentleman will read sections 1 and 2, it looks like under section 2 the Commissioners can direct the conditions under which the strike will be settled. So this is really strike-breaking legislation, and it sets a bad example. It gives the District Commissioners the power to lay down the exact terms those men must comply with, if they wish to end the strike. This deprives them of their right of bargaining. I believe if we reject this bill the parties would soon get together.

Mr. FORRESTER. I am convinced there is going to be a deficit. I want to know whether it is going to be the District of Columbia or the taxpayers of the United States who will pay that deficit.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. FORRESTER. I yield.

Mr. HARRIS. It is the District of Columbia under the provisions of the bill.

Mr. FORRESTER. Will it not be tweedledee and tweedledum, and will they not be up before the House asking for the money next year?

Mr. HARRIS. I cannot say the gentle is wrong in that.

Mr. FORRESTER. If that be true, the United States of America is paying it.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. FORRESTER. I yield.

Mr. GROSS. It does not make any difference how thick or how thin they slice it. They will be in here asking for an appropriation.

Mr. FORRESTER. Apparently you are right.

Where is my friend the gentleman from Massachusetts [Mr. NICHOLSON]? I promised to save him a little time, and I am afraid I have not saved him enough.

Mr. JACKSON. Mr. Chairman, will the gentleman yield in the meanwhile?

Mr. FORRESTER. I yield.

Mr. JACKSON. I think the gentleman is absolutely correct. There is no question in my mind but what Congress will be called upon to pay an operating deficit. But I think what is more important is the fact that what we do here today is going to establish a pattern of wage rates and operating conditions throughout this country so far as municipal operations of this type are concerned.

Mr. FORRESTER. And what about subsidies?

Mr. JACKSON. Subsidies, yes.

Yesterday I voted for the bill, but on calmer and cooler study I am voting against it today.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

The question is on the motion of the gentleman from Michigan.

The motion was rejected.

The CHAIRMAN. Under the rule the bill is considered as having been read for amendment. No amendment is in order except amendments offered by direction of the Committee on the District of Columbia.

The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: Strike out all after the enacting clause and insert "That the Commissioners of the District of Columbia are authorized to enter into an operating contract with the Capital Transit Co. for a period of 1 year from the effective date of this act or from the date authority is obtained from the stockholders under paragraph 6, whichever is the later, to provide mass transportation in the area now served by Capital Transit Co., said contract to contain substantially the following provisions, and in addition such other provisions not inconsistent herewith as the Commissioners and the Capital Transit Co. may agree upon to effectively carry out the purpose of this act:

"1. Capital Transit Co. will continue to operate its properties as required by its franchise obligations.

"2. Capital Transit Co. will enter into a contract with the bargaining agent of its employees covering wages and working conditions under terms and conditions as directed by the Commissioners of the District of Columbia for a period not to exceed 1 year.

"3. Salaries of officers of Capital Transit Co. in effect on July 1, 1955, will be continued in effect during the term of said contract.

"4. In the event increased wages and benefits are accorded employees under paragraph 2 hereof, appropriate increases may also be granted salaried employees other than company officers subject to the approval of the Commissioners of the District of Columbia.

"5. If, at the end of the period of said contract the operating revenues derived by the company from the operation of its properties in utility service for the convenience of the public have not been sufficient to meet the cost of operation during such 1-year period, including but not limited to depreciation and all taxes, but not including any return on investment, the District of Columbia shall pay Capital Transit Co. the amount of such deficiency: *Provided, however,* That such deficiency during said period shall be determined in accordance with the accounting practices now prescribed by the Public Utilities Commission or upon such other terms as may be agreed upon by the Commissioners of the District of Columbia and the Capital Transit Co.

"6. Capital Transit Co. will promptly take all necessary steps to secure from its stockholders authority to amend said contract to provide for the relinquishment of all of its franchise rights upon the termination of said contract. If within 90 days after the date of the contract hereby authorized said authority is obtained the parties agree that said contract shall be amended by inserting the following paragraph:

" 'Capital Transit Co. shall relinquish all of its franchise rights upon the termination of said agreement and said relinquishment shall be accepted by the Commissioners and thereafter Capital Transit Co. shall be under no obligation to furnish public transportation in the District of Columbia'."

Mr. O'HARA of Minnesota (interrupting the reading). Mr. Chairman, I ask unanimous consent that further reading of the amendment be dispensed with and that it be printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. Under the rule the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. FORAND, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 7718) to authorize the Capital Transit Co., under certain conditions, to surrender its franchise, and for other purposes, pursuant to House Resolution 333, he reported the same back to the House with an amendment.

The SPEAKER. Under the rule the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. CRUMPACKER. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. CRUMPACKER. I am.

The SPEAKER. The gentleman qualifies. The Clerk will report the motion.

The Clerk read as follows:

Mr. CRUMPACKER moves to recommit the bill H. R. 7718 to the Committee on the District of Columbia for further study.

Mr. HOFFMAN of Michigan. Mr. Speaker, on that motion I demand the yeas and nays.

The yeas and nays were refused.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and on a division (demanded by Mr. HOFFMAN of Michigan) there were—ayes 29, noes 130.

Mr. NICHOLSON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. The Chair will count.

Mr. NICHOLSON. Mr. Speaker, I ask unanimous consent to withdraw my objection to the vote on the ground a quorum is not present.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. NICHOLSON]?

Mr. FORD. Mr. Speaker, I object.

The SPEAKER [after counting]. There are 219 Members present, a quorum.

So the motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. JACKSON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

The bill was passed and a motion to reconsider was laid on the table.

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2576) to amend the joint resolution entitled "Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes," approved January 14, 1933, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That it is hereby declared that the business of mass transportation of persons for hire in the District of Columbia is clothed with a public interest and is essential to the proper functioning of the Government of the United States and the government of the District of Columbia. The continuous, uninterrupted, and proper functioning of such business in the District of Columbia is hereby declared to be essential to the welfare, health, and safety of the public, including the civilian and military personnel of the Government of the United States located in the District of Columbia and the metropolitan area of Washington. It is declared to be the duty of any common carrier holding a franchise from Congress to engage in the business of mass transportation of passengers for hire in the District of Columbia to use every reasonable means within its power to perform its franchise functions. The Capital Transit Co. in the District of Columbia has disregarded its franchise obligations to render public service and has forfeited its right to enjoy franchise privileges. Therefore it is necessary in the public interest to repeal the franchise of the Capital Transit Co. and

grant the Commissioners of the District of Columbia the authority hereinafter set forth.

SEC. 2. The joint resolution entitled "Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes," approved January 14, 1933 (47 Stat. 752, ch. 10), is amended by adding at the end thereof the following section:

"SEC. 14. All rights of franchise of Capital Transit Co. created by this resolution are hereby repealed in accordance with the terms of section 13 hereof."

SEC. 3. It is hereby declared that because of cessation of mass transportation service in the District of Columbia an emergency exists and therefore, in addition to their other powers, the Commissioners of the District of Columbia are, during the remainder of the franchise period, authorized and empowered to take temporary possession of any and all property and assets of Capital Transit Co., after giving notice thereof to the company in writing, and to operate the same in the District of Columbia for and on behalf of the said company for the duration of any stoppage of service during said period. If, upon being advised by the proper officials of Capital Transit Co. that the company is ready and in a position to resume operation of its properties, and the Commissioners so find, they shall release and turn back to the management of such company its properties and assets. The authority to take possession and operate herein granted to the Commissioners is expressly declared to be emergency legislation enacted to carry out the intent and objectives of the first section hereof, and shall not be deemed in any way to indicate a future policy concerning conditions which may arise in other circumstances.

SEC. 4. In carrying out the powers authorized in section 3 of this act, the Commissioners are empowered to make and enforce such regulations and to issue such orders as they may deem necessary or file any legal action they deem appropriate to carry out the authority herein granted. The Commissioners are authorized to exercise such power, authority, and discretion herein granted by and through such agents or officers as they may direct, in conformity with such rules and regulations as they may prescribe: *Provided*, That the Capital Transit Co. shall be compensated by the District of Columbia for the use of its property in accordance with the terms of any contract that may be negotiated between the Commissioners and the company, or in the absence of any such contract, as determined in an appropriate court action. The District of Columbia, the Commissioners, and their agents shall not be liable, individually or officially, to suit or action or for any judgment or decree for any damage, loss, or injury claimed by any person for any action taken pursuant to the authority granted by section 3 of this act, or for any act of commission or omission of Capital Transit Co. or any officer or employee thereof. Any taxes due the Government of the United States or the government of the District of Columbia from the Capital Transit Co. during the period of the possession and operation herein granted shall be charged against and deducted from the revenues derived from operation while the property is being so operated. All taxes due from the Capital Transit Co. for a period or periods prior to governmental possession shall be paid from and out of the property and assets taken over from the company.

SEC. 5. All actions at law or in equity may be brought by and against Capital Transit Co. during the governmental possession of its property under the authority herein granted. In such actions no defense shall be made that Capital Transit Co. is an instrumentality or agency of the Government of the United States or the government of the District of Columbia. No actions now pending in or before any court or administrative agency shall be affected by the governmental possession or operation of the property and assets of Capital Transit Co. authorized by this act.

SEC. 6. Upon assuming the authority granted in section 3 of this act, it shall be the duty of the Commissioners to offer employment to all officers and employees of Capital Transit Co. who were employed by the said company at the time of stoppage of service who are found by the Commissioners necessary to perform the duties herein authorized, at rates of pay which shall be fair and reasonable: *Provided, however*, That if during the period when the property of Capital Transit Co. is being operated by the Commissioners the said employees become entitled by negotiation or by other lawful manner to wages at a higher level retroactive to a date which falls in the period of operation by the Commissioners, the Commissioners shall make such retroactive payment out of the assets of Capital Transit Co. in their possession. The employees engaged by the Commissioners under the authority granted in section 3 and this section shall be deemed to be employees of Capital Transit Co. Nothing herein shall prevent the employees or a bargaining agent or representative of such employees from continuing bargaining negotiations with the management of Capital Transit Co. The fares to be charged for the services rendered to the public in the operation of Capital Transit Co. shall be those established from time to time by the Public Utilities Commission.

SEC. 7. The authority granted in section 3 of this act shall be temporary and shall be exercised only when necessary to render such essential transportation service in the District of Columbia as the Commissioners may determine, and shall not be deemed to be authority to take or hold title to the properties of Capital Transit Co. The operation authorized in section 3 of this act shall be deemed for and on behalf of the Capital Transit Co. and there shall be continuity of accounting for the operations of the company during the period of operation by the Commissioners. Nothing herein shall deny the Capital Transit Co. the right to bargain with its employees or their bargaining agent nor deny it the right to take over the operation of its properties when the Commissioners are satisfied that the management can and will satisfactorily carry on its franchise duties.

SEC. 8. The revenues received from the operation of the properties of the Capital Transit Co. shall be used to carry on the business and to pay the costs and expenses incident to taking over such operations and they shall be used for and on behalf of the company in carrying out its franchise obligations.

SEC. 9. It shall be unlawful for any person to interfere with or to obstruct the Commissioners, in any way, in the taking possession of or in the operation of the property of Capital Transit Co., or any person engaged in the performance of any of the powers granted in sections 3 and 6 of this act. Any person violating the provisions of this section shall be guilty of a misdemeanor and shall be fined not less than $25 nor more than $1,000, or imprisoned not more than 12 months, or both.

SEC. 10. The Commissioners of the District of Columbia, during the year following the date of enactment of this act, may authorize (including authorization under such contractual agreements as may be necessary) such public transportation within the District of Columbia as may be necessary for the convenience of the public. Such transportation shall be furnished to the public at such rates and under such terms and regulations as may be recommended by the Public Utilities Commission, and approved by the Commissioners of the District of Columbia, for the purpose of providing a satisfactory system of public transportation within the District of Columbia during the year following the date of enactment of this act.

SEC. 11. The Commissioners of the District of Columbia may, with the approval of the Public Service Commission of the State of Maryland exercise any of the powers granted in this act (1) within the portion of the State of Maryland which is provided with public transportation by the Capital Transit Co. (including subsidiaries), and (2) with respect to any property of such company (including subsidiaries) within such portion of such State.

SEC. 12. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such amounts as may be necessary, if any, over and above the revenues received from operations herein provided for, to carry out the provisions of this act.

SEC. 13. Nothing in this act shall affect the right of Capital Transit Co. or its successors in interest to continue railroad service to the Potomac Electric Power Co. as currently performed by the East Washington Railway Co., nor shall it affect its present rights with relation thereto.

SEC. 14. If any provision contained in this act be declared invalid, such invalidity shall not be deemed to affect or impair the validity of the remainder or of any other part of this act.

Mr. McMILLAN. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McMILLAN: Strike out all after the enacting clause and insert the following: "That the Commissioners of the District of Columbia are authorized to enter into an operating contract with the Capital Transit Co. for a period of 1 year from the effective date of this act or from the date authority is obtained from the stockholders under paragraph 6, whichever is the later, to provide mass transportation in the area now served by Capital Transit Co., said contract to contain substantially the following provisions, and in addition such other provisions not inconsistent herewith as the Commissioners and the Capital Transit Co. may agree upon to effectively carry out the purpose of this act:

"1. Capital Transit Co. will continue to operate its properties as required by its franchise obligations.

"2. Capital Transit Co. will enter into a contract with the bargaining agent of its employees covering wages and working conditions under terms and conditions as directed by the Commissioners of the District of Columbia for a period not to exceed 1 year.

"3. Salaries of officers of Capital Transit Co. in effect on July 1, 1955, will be continued in effect during the term of said contract.

"4. In the event increased wages and benefits are accorded employees under paragraph 2 hereof, appropriate increases may also be granted salaried employees other than company officers subject to the approval of the Commissioners of the District of Columbia.

"5. If, at the end of the period of said contract the operating revenues derived by the company from the operation of its properties in utility service for the convenience of the public have not been sufficient to meet the cost of operation during such 1-year period, including but not limited to depreciation and all taxes, but not including any return on investment, the District of Columbia shall pay Capital Transit Co. the amount of such deficiency: *Provided, however*, That such deficiency during said period shall be determined in accordance with the accounting practices now prescribed by the Public Utilities Commission or upon such other

terms as may be agreed upon by the Commissioners of the District of Columbia and the Capital Transit Co.

"6. Capital Transit Co. will promptly take all necessary steps to secure from its stockholders authority to amend said contract to provide for the relinquishment of all of its franchise rights upon the termination of said contract. If within 90 days after the date of the contract hereby authorized said authority is obtained the parties agree that said contract shall be amended by inserting the following paragraph:

"'Capital Transit Co. shall relinquish all of its franchise rights upon the termination of said agreement and said relinquishment shall be accepted by the Commissioners and thereafter Capital Transit Co. shall be under no obligation to furnish public transportation in the District of Columbia.'"

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

A similar House bill (H. R. 7718) was laid on the table.

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (S. 2576) to amend the joint resolution entitled "Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes," approved January 14, 1933, and for other purposes, with House amendment thereto, insist on the House amendment and ask for a conference with the Senate.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. McMILLAN, HARRIS, SMITH of Virginia, JONES of North Carolina, O'HARA of Minnesota, BROYHILL, and HYDE.

TEXAS CITY DISASTER

Mr. CELLER submitted the following conference report and statement on the bill (S. 1077) to provide for settlement of claims for damages resulting from the disaster which occurred at Texas City, Tex., on April 16 and 17, 1947:

CONFERENCE REPORT (H. REPT. NO. 1623)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1077) to provide for settlement of claims for damages resulting from the disaster which occurred at Texas City, Texas, on April 16 and 17, 1947, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

"The Congress recognizes and assumes the compassionate responsibility of the United States for the losses sustained by reason of the explosions and fires at Texas City, Texas, and hereby provides the procedure by which the amounts shall be determined and paid.

"SEC. 2. The Secretary of the Army or such persons as he may designate shall investigate and settle claims against the United States for death, personal injury, and property losses proximately resulting from the disaster at Texas City, Texas, on April 16 and 17, 1947, commonly referred to as the Texas City disaster.

"SEC. 3. (a) Claimants shall submit their claims in writing to the Secretary of the Army, under such rules as he prescribes, within one hundred and eighty days after the enactment of this Act.

"No claim shall be entertained by the Secretary of the Army unless it shall appear to his satisfaction that such claim was a part of a civil action filed against the United States in a United States district court prior to April 25, 1950, except that, for good cause, the Secretary may waive the limitation date of April 25, 1950, where it is shown that claimant, by reason of infancy, insanity, or other legal reason, was unable to bring such civil action.

"(b) The Secretary of the Army shall promulgate and publish rules of procedure for handling the claims referred to in section 2 within sixty days after the date of enactment of this Act.

"He shall determine and fix the amount of awards, if any, in each claim within twelve months from the date on which the claim was submitted.

"Except as otherwise provided herein, the law of the State of Texas shall apply.

"SEC. 4. Since it is the intention and purpose of this Act, and of the Congress, to relieve the claimants hereunder, the Secretary of the Army shall limit himself to the determination of—

"(1) whether the losses sustained resulted from the explosions and fires at Texas City on April 16 and 17, 1947;

"(2) the amounts to be allowed and paid pursuant to this Act; and

"(3) the persons entitled to receive the same.

"SEC. 5. (a) Claims for awards based on death shall be submitted only by duly authorized legal representatives. No claim under this subsection shall be approved by the Secretary of the Army in amount in excess of $25,000.

"(b) No claim for personal injuries may be approved by the Secretary of the Army in amount in excess of $25,000.

"(c) No claim for property losses may be approved by the Secretary of the Army in amount in excess of $25,000.

"SEC. 6. (a) In determining the amounts to be awarded for death, personal injury, or property losses, the Secretary of the Army shall reduce any such amount by an amount equal to the total of insurance benefits (except life insurance benefits), or other payments or settlements of any nature, previously paid with respect to such death claims, personal injury, or property loss.

"(b) Payments approved by the Secretary of the Army on death, personal injury, and property loss claims, shall not be subject to insurance subrogation claims in any respect.

"(c) The Secretary of the Army shall not include in an award any amount for reimbursement to any insurance company or compensation insurance fund for loss payments made by such company or fund.

"(d) Except as to the United States, no claim cognizable under this Act shall be assigned or transferred.

"SEC. 7. The Secretary of the Treasury shall pay out of moneys in the Treasury not otherwise appropriated, the claims referred to in this Act in the amounts approved for payment by the Secretary of the Army.

"SEC. 8. A payment made under the provisions of section 7 shall be in full settlement and discharge of all claims against the Government of the United States.

"SEC. 9. The Secretary of the Army shall require assignment to the United States of any right of action against a third party arising from the death, personal injury, or property loss claim with respect to which settlement is made.

"SEC. 10. The Secretary of the Army shall, twenty-four months after the date of enactment of this Act, transmit to the Congress—

"(a) a statement of each claim submitted to the Secretary of the Army in accordance with this Act which has not been settled by him, with supporting papers and a report of his findings of facts and recommendations; and

"(b) a report of each claim settled by him and paid pursuant to this Act. The reports shall contain a brief statement concerning the character and justice of each claim, the amount claimed, and the amount approved and paid.

"SEC. 11. Attorney and agent fees shall be paid out of the awards hereunder. No attorney or agent on account of services rendered in connection with each claim shall receive in excess of 10 per centum of the amount paid, any contract to the contrary notwithstanding.

"Whoever violates the provisions of this Act shall be fined a sum not to exceed $5,000.

"SEC. 12. If any particular provision of this Act or the application thereof to any person or circumstance, is held invalid, the remainder of the Act shall not be affected thereby."

Amend the title so as to read: "An act to provide for settlement of claims resulting from the disaster which occurred at Texas City, Texas, on April 16 and 17, 1947."

And the House agree to the same.

EMANUEL CELLER,
THOMAS J. LANE,
E. L. FORRESTER,
WILLIAM E. MILLER,
DEWITT S. HYDE,
Managers on the Part of the House.

OLIN D. JOHNSTON,
THOMAS HENNINGS,
ARTHUR V. WATKINS,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (S. 1077) to provide for settlement of claims for damages resulting from the disaster which occurred at Texas City, Texas, on April 16 and 17, 1947, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

An issue of major concern at the conference was the statement in the House amendment denying any equitable or legal responsibility on the part of the United States for the disaster at Texas City, Tex. The Senate bill had already made a finding of equitable responsibility. However, since the Circuit Court of Appeals and the Supreme Court found it unnecessary to determine this question, the conferees decided not to determine it either but to state, simply, that because of the enormity of the disaster and the great number of people either injured or killed the Government recognizes compassionate responsibility toward the innocent victims of the disaster. It should be clearly understood, however, that in no way is this action on the part of the conferees to be interpreted as acknowledging legal responsibility or negligence on the part of the Government. It is the express desire of the managers on the part of the House that the instant legislation will finally dispose of all claims presented to the Congress on behalf of those who suffered losses at Texas City.

In order to set up a standard of measure to guide the Secretary of the Army in the processing of the claims hereunder, the conferees agreed to the amendment making the

law of the State of Texas applicable to these claims. The law of Texas contains ample provision for governing the rights of survivors and of statutory beneficiaries who are authorized legal representatives.

The conferees also agreed to raise the amounts which individuals, associations, corporations, etc., might receive for death, personal injury, or property loss from $20,000 to $25,000. It is the intention of the conferees that section 1 of title I, United States Code, be used by the Secretary of the Army in construing such terms as "person," "insanity," etc.

There are several technical amendments which were agreed to in order to conform the provisions of the bill to the major changes mentioned above.

EMANUEL CELLER,
THOMAS J. LANE,
E. L. FORRESTER,
WILLIAM E. MILLER,
DEWITT S. HYDE,
Managers on the Part of the House.

Mr. CELLER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill (S. 1077) to provide for settlement of claims for damages resulting from the disaster which occurred at Texas City, Tex., on April 16 and 17, 1947, as amended.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CELLER. Mr. Speaker, I ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the statement.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

DISTRICT OF COLUMBIA DELEGATES

Mr. HARRIS. Mr. Speaker, I call up the conference report on the bill (H. R. 191) to regulate the election of delegates representing the District of Columbia to national political conventions, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. 1619)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 191) to regulate the election of delegates representing the District of Columbia to national political conventions, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted in the Senate amendment insert the following:

"That the following officials of political parties in the District of Columbia shall be elected as provided in this Act:

"(1) National committeemen and national committeewomen;

"(2) Delegates to conventions of political parties nominating candidates for the Presidency and Vice Presidency of the United States;

"(3) Alternates to the officials referred to in clauses (1) and (2) above, where permitted by political party rules; and

"(4) Such members and officials of local committees of political parties as may be designated by the duly authorized local committees of such parties for election at large in the District of Columbia.

"DEFINITIONS

"SEC. 2. For the purposes of this Act—

"(1) The term 'District' means the District of Columbia.

"(2) The term 'qualified elector' means a citizen of the United States (A) who does not claim voting residence or right to vote in any State or Territory, and who has resided in the District continuously since the beginning of the one-year period ending on the day of the next election, or, if such period has not begun, resides in the District; (B) who is, or will be on the day of the next election, twenty-one years old; (C) who has never been convicted of a felony in the United States, or if he has been so convicted, has been pardoned; and (D) who is not mentally incompetent as adjudged by a court of competent jurisdiction.

"(3) The term 'Board' means the Board of Elections for the District of Columbia provided for by section 3.

"CREATION OF BOARD OF ELECTIONS

"SEC. 3. There is hereby created a Board of Elections for the District of Columbia, to be composed of three members appointed by the Commissioners of the District of Columbia. The first terms of offices on the Board shall expire, as designated by the Commissioners, one at the close of December 31 of each of the first three years which begin after the date of enactment of this Act. Subsequent terms of each such office shall be three years beginning January 1 following the expiration of the preceding term of such office. Any person appointed to fill a vacant office shall be appointed only for the unexpired term of such office. Until his successor is appointed and has qualified, a member may continue to serve even though the term of the office to which he was appointed has expired.

"QUALIFICATIONS AND COMPENSATION OF MEMBERS

"SEC. 4. (a) No person shall be a member of the Board unless he qualifies as an elector and resides in the District. No person may be appointed to the Board unless he has resided in the District continuously since the beginning of the three-year period ending on the day he is appointed. Members of the Board shall hold no other paid office or employment in the District government and shall hold no active office, position or employment in the Federal Government. Not more than two members shall be members of the same political party.

"(b) Each member of the Board shall be paid compensation of $25 per day while performing duties under this Act. Except as provided in subsection (a) no person shall be ineligible to serve or to receive compensation as a member of the Board because he occupies another office or position or because he receives compensation (including retirement compensation) from another source. The right to compensation from another source otherwise secured to such a person under the laws of the United States shall not be abridged by the fact of his service or receipt of compensation as a member of the Board, or as an employee of the Board.

"FUNCTIONS OF BOARD

"SEC. 5. (a) The Board shall—

"(1) maintain a permanent registry, keeping it accurate and current;

"(2) conduct registrations and elections;

"(3) print, distribute, and count ballots, or provide and operate suitable voting machines;

"(4) divide the District into appropriate voting precincts, each of which shall contain at least three hundred and fifty registered persons;

"(5) operate polling places;

"(6) certify nominees and the results of elections; and

"(7) perform such other duties as are imposed upon it by this Act.

"(b) The Board, and persons authorized by it, may administer oaths to persons executing affidavits pursuant to sections 7 and 8. It may provide for the administering of such other oaths as it considers appropriate to require in the performance of its functions.

"(c) The Board may prescribe such regulations as it considers necessary to carry out the purposes of this Act.

"(d) The Board may employ necessary personnel, at such rates of compensation as may be fixed by the Commissioners of the District of Columbia, without reference to the provisions of the Classification Act of 1949, as amended.

"BOARD TO BE INDEPENDENT AGENCY

"SEC. 6. (a) In the performance of its duties, the Board shall not be subject to the direction of any nonjudicial officer of the District.

"(b) The District government shall furnish to the Board, upon request of the Board, such space and facilities as are available in public buildings in the District to be used as registration or polling places, and such records, information, services, personnel, offices, and equipment, and such other assistance and facilities, as may be necessary to enable the Board properly to perform its functions. Subject to the approval of the Commissioners of the District of Columbia, privately owned space, facilities and equipment may be rented for the registration, polling, and other functions of the Board.

"REGISTRATION

"SEC. 7. (a) No person shall vote in any election in the District unless he is a qualified elector and, except as provided in subsection (e), is registered in the District.

"(b) No person shall be registered unless—

"(1) he is a qualified elector;

"(2) he has resided in the District continuously since the beginning of the nine-month period ending on the day he offers to register; and

"(3) he executes a registration affidavit by signature or mark (unless prevented by physical disability) on the form prescribed by the Board pursuant to subsection (c), showing his political affiliation, and that he meets each of the requirements specified in section 2 (2) for a qualified elector as well as the requirement of paragraph (2) of this subsection.

"(c) In administering the provisions of subsection (b) (3), the Board shall prepare and use a registration affidavit form in which each request for information is readily understandable and can be satisfied by a concise answer or mark. The Board may request additional information required to determine whether the registrant meets the requirements imposed by or referred to in subsection (b).

"(d) The registry shall be kept open except during the fifteen-day period ending

on the first Tuesday in May of each presidential election year, and except as provided by the Board in the case of a special election. While the registry is open, any person may apply for registration or change his registration.

"(e) If a person is not permitted to register, such person, or any qualified candidate, may appeal to the Board, but not later than three days after the registry is closed for the next election. The Board shall decide within five days after the appeal is perfected whether the challenged elector is entitled to register. If the appeal is denied, the appellant may, within three days after such denial, appeal to the municipal court for the District of Columbia. The decision of such court shall be final and not appealable. If the appeal is upheld by either the Board or the court, the challenged elector shall be allowed to register immediately. If the appeal is pending on election day, the challenged elector may cast a ballot marked 'challenged', as provided in section 9 (d).

"NOMINATIONS: CONTENTS OF BALLOTS

"SEC. 8. (a) Candidates for office participating in an election held pursuant to this Act shall be the persons registered under section 7 who have been nominated for such office by a petition—

"(1) prepared and presented to the Board in accordance with rules prescribed by the Board, but not later than thirty days before the date of the election; and

"(2) signed by not less than one hundred voters, registered under section 7, and of the same political party as the nominee.

"(b) No person shall hold elected office pursuant to this Act unless he has been a bona fide resident of the District of Columbia continuously since the beginning of the three-year period ending on the date of the next election, and is a qualified elector registered under section 7.

"(c) The Board shall arrange the ballot of each political party so as to enable the voters of such party—

"(1) to vote for the candidates duly qualified and nominated for election by such party under this Act; and

"(2) to answer in the affirmative or negative such questions relating to the conduct of the affairs of such party as the duly authorized local committee of such party may file with the Board in writing: *Provided, however,* That the questions shall be so filed not later than thirty days before the date of the election.

"METHOD OF VOTING

"SEC. 9. (a) Voting in all elections shall be secret. Voting may be by paper ballot or voting machine.

"(b) The ballot of a person who is registered as a resident of the District shall be valid only if cast in the voting precinct where the residence shown on his registration is located.

"(c) Each qualified candidate may have a watcher at each polling place, provided the watcher presents proper credentials signed by the candidate. No one shall interfere with the opportunity of a watcher to observe the conduct of the election at that polling place and the counting of votes. Watchers may challenge prospective voters who are believed to be unqualified to vote.

"(d) If the official in charge of the polling place, after hearing both parties to any such challenge or acting on his own initiative with respect to a prospective voter, reasonably believes the prospective voter is unqualified to vote, he shall allow the voter to cast a paper ballot marked "challenged". Ballots so cast shall be segregated, and no such ballot shall be counted until the challenge has been removed as provided in subsection (e).

"(e) If a person has been permitted to vote only by challenged ballot, such person, or any qualified candidate, may appeal to the Board within three days after election day. The Board shall decide within seven days after the appeal is perfected whether the voter was qualified to vote. If the appeal is denied, the appellant may within three days of such denial appeal to the municipal court of the District of Columbia. The decision of such court shall be final and not appealable. If the Board decides that the voter was qualified to vote, the word 'challenged' shall be stricken from the voter's ballot and the ballot shall be treated as if it had not been challenged.

"(f) If the official in charge of the polling place is satisfied that a qualified elector is unable to record his vote by marking the ballot or operating the voting machine, two officials of the polling place shall on the request of the voter enter the voting booth and vote as directed. The officials shall tell no one how the voter voted. The official in charge of the voting place shall make a return of all such voters, giving their names and disabilities.

"(g) No person shall vote more than once in any election nor in an election held by a political party other than that to which he has declared himself to be a member.

"(h) Copies of the regulations of the Board with respect to voting shall be made available to prospective voters at each polling place.

"ELECTIONS

"SEC. 10. (a) The elections of the officials referred to in clauses (1), (2), and (3) of the first section and of officials designated pursuant to clause (4) of such section shall be held on the first Tuesday in May of each presidential election year. Any such election shall be conducted by the Board in conformity with the provisions of this Act. Polls shall be open from 8 o'clock antemeridian to 8 o'clock postmeridian on election days.

"(b) Candidates receiving the highest number of votes in said election shall be declared the winners.

"(c) In the case of a tie, the candidates receiving the tie vote shall cast lots before the Board, at 12 o'clock noon on a date to be set by the Board, but not sooner than 10 days following the election, and the one to whom the lot shall fall shall be declared the winner. If any candidate or candidates, receiving a tie vote, fail to appear before 12 o'clock noon on said day, the Board shall cast lots for him or them. For the purpose of casting lots any candidate may appear in person, or by proxy appointed in writing.

"(d) In the event that any official elected pursuant to this Act dies during his or her term of office leaving no person elected pursuant to this Act to serve the remainder of the unexpired term of office, the successor or successors to serve the remainder of such term shall be chosen pursuant to the rules of the duly authorized local committee.

"RECOUNTS AND CONTESTS

"SEC. 11. (a) If, within seven days after the Board certifies the results of an election, any qualified candidate at such election petitions the Board to have the votes cast at such election recounted in one or more voting precincts, the Board shall order such recount. In each such case, the petitioner shall deposit a fee of $20 for each precinct petitioned to be recounted. If the cost of the recount is less than $20 per precinct, the difference shall be refunded. If the result of the election is changed as a result of the recount, the entire amount deposited by the petitioner shall be refunded. Such recounts shall be conducted in the manner prescribed by the Board by regulation.

"(b) Within seven days after the Board certifies the results of an election, any person who voted in the election may petition the United States District Court for the District of Columbia to review such election. In response to such a petition, the court may set aside the results so certified and declare the true results of the election, or void the election in whole or in part. To determine the true results of an election the court may order a recount or take other appropriate action, whether or not a recount has been conducted or requested pursuant to subsection (a). The court shall void an election only for fraud, mistake, the making of expenditures by a candidate in violation of this Act, or other defect, serious enough to vitiate the election as a fair expression of the will of the registered qualified electors voting therein. If the court voids an election it may order a special election, which shall be conducted in such manner (comparable to that prescribed for regular elections, and at such time, as the Board shall prescribe. The decision of such court shall be final and not appealable.

"INTERFERENCE WITH REGISTRATION OR VOTING

"SEC. 12. No one shall interfere with the registration or voting of another person, except as it may be reasonably necessary in the performance of a duty imposed by law.

"EXPENDITURES

"SEC. 13. (a) There are hereby authorized to be appropriated, out of any money in the Treasury to the credit of the District of Columbia not otherwise appropriated, such amounts as may be necessary to carry out the purposes of this Act.

"(b) Subject to the penalties provided in this Act, a candidate for national committeeman, national committeewoman, delegate, or alternate, in his campaign for election, shall not make expenditures in excess of $2,500.

"(c) No independent committee or party committee shall receive contributions aggregating more than $100,000, or make expenditures aggregating more than $100,000 for any campaign covered by this Act.

"(d) No person shall, directly or indirectly, make contribution in an aggregate amount in excess of $5,000 in connection with any campaign for election of any national committeeman, national committeewoman, delegate, or alternate.

"(e) Every candidate and independent committee or party committee shall, within ten days after the election, file with the Board of Elections an itemized statement, subscribed and sworn to, by the candidate or committee treasurer, as the case may be, setting forth all moneys received and expended in connection with said election, the names of persons from whom received and to whom paid, and the purpose for which it was expended. Such statement shall set forth any unpaid debts and obligations incurred by the candidate or independent committee or party committee with regard to such election, and specify the balance, if any, of such election funds remaining in his or their hands.

"PENALTIES

"SEC. 14. Any person who shall register, or attempt to register, under the provisions of this Act and make any false representations as to his place of residence or his voting privilege in any other part of the United States, or be guilty of bribery or intimidation of any voter at the elections herein provided for, or, being registered, shall vote or attempt to vote more than once in any election so held, or shall purloin or secrete any of the votes cast in such elections, or attempt to vote in an election held by a political party other than that to which he has declared himself to be affiliated, or, if employed in the counting of votes in such elections, make a false report in regard thereto, and every candidate, person, or official of any political committee who shall make any expenditure or contribution in violation of this Act, shall upon conviction thereof be fined not more than $500 or be imprisoned not more than ninety days, or both. The provisions of this

section shall be supplemental to and not in derogation of any penalties under other laws of the District of Columbia."

And the Senate agree to the same.

OREN HARRIS,
THOS. G. ABERNETHY,
JAMES C. DAVIS,
SID SIMPSON,
JOS. P. O'HARA,

Managers on the Part of the House.

WAYNE MORSE,
ALAN BIBLE,
ROMAN L. HRUSKA,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 191) to regulate the election of delegates representing the District of Columbia to national political conventions, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

FIRST SECTION

The first section of the House bill provided for the election of national committeemen and committeewomen for political parties and of delegates and alternates from the District of Columbia to conventions of political parties nominating candidates for the Presidency and Vice Presidency of the United States.

The Senate amendment provided for the election of the same group of officials with the exception that alternates to such officials were to be elected where permitted by political party rules and with the additional provision that members and officials of local committees of political parties designated by such local committees for election at large were also to be elected under the provisions of the amendment.

The conference agreement incorporates the provisions of the Senate amendment.

DEFINITIONS

The House bill defined the terms "District," "qualified elector" and "Board." The Senate amendment adopted the same definitions with respect to "District" and "Board," amended the definition of "qualified elector," and added a definition of the term "absentee resident," a term used in the Senate amendment.

The Senate amendment defined "qualified elector" substantially as it is defined in the House bill with the further prohibition that a qualified elector cannot claim the right to vote in any State or Territory. The Senate amendment definition of "qualified elector" adopts the test of residence in the District for purposes of qualification for voting rather than domicile as provided in the House bill. The Senate amendment also contained a definition of the term "absentee resident."

The conference agreement incorporates the Senate amendment with respect to the definition of "qualified elector," but deletes the definition of "absentee resident." The conference decided that the question of absentee voting should be postponed at this time for further consideration.

CREATION OF BOARD OF ELECTIONS

The House bill provided for the creation of a Board of Elections consisting of three members appointed by the Commissioners of the District of Columbia and provided for filling vacancies.

The Senate amendment adopted these provisions of the House bill without change.

The conference agreement makes no change in this section.

QUALIFICATIONS AND COMPENSATION OF MEMBERS

Section 4 (e) of the House bill provided certain qualifications for members of the Board of Elections. The Senate amendment is substantially the same except for the change in the qualifications for appointment from "domicile" to "residence" in the District and for the provision that members of the Board shall hold no other paid office or employment in the District government and shall hold no active office, position, or employment in the Federal Government, which differs from the House bill in that the House bill provided that members of the Board shall hold no other office or employment in the Federal or District Government.

Section 4 (b) of the House bill provided for the rate of compensation to be paid each member of the Board and provided that the right to another office or position or compensation from another source otherwise secured to such person under the laws of the United States shall not be abridged by the fact of service or receipt of compensation as a member of the Board if such service as a member of the Board does not interfere with the discharge of his duties in such other office or position.

The Senate amendment to section 4 (b) of the bill adopts the provisions of the House bill with the exception that the right to receive compensation from another source otherwise secured to a person under the laws of the United States shall not be abridged by reason of his service or receipt of compensation as a member or employee of the Board. The Senate amendment also deletes the provisions of the House bill which refer to service by a member of the Board interfering with the discharge of his other duties.

The conference agreement incorporates the provisions of the Senate amendment without change.

FUNCTIONS OF THE BOARD

The House bill set forth the various functions of the Board, authorized members of the Board and persons authorized by the Board to administer oaths, and authorized the Board to employ necessary personnel.

The Senate amendment is substantially the same with the exception that necessary personnel employed by the Board shall be paid at rates of compensation fixed by the Commissioners of the District of Columbia, without reference to the provisions of the Classification Act of 1949, as amended.

The conference agreement incorporates the provisions of the Senate amendment with a technical change to conform to the deletion of provisions relating to absentee voting.

BOARD TO BE INDEPENDENT AGENCY

The House bill provided that the Board shall not be subject to the direction of a nonjudicial officer of the District and provided that available space in a public building be made available by officers of the District government to the Board for use by the Board as registration and polling places. The House bill further provided that certain other assistance and facilities be furnished the Board.

The Senate amendment is substantially the same with the additional provision that, subject to the approval of the District Commissioners, privately owned space for facilities and equipment may be rented by the Board.

The conference agreement incorporates the provisions of the Senate amendment without change.

REGISTRATION

The House bill established qualifications for registration of qualified electors, provided for the preparation of a registration affidavit form, provided for the period during which the registry shall be kept open, and provided for an appeal in the case of a person who is not permitted to register.

The Senate amendment is substantially the same except (1) that it omits the literacy requirement of the House bill, (2) that it changes the requirements to "residence" in the District of Columbia rather than "domicile" and except that it provides that the registry shall be kept open for a 15-day period ending on the first Tuesday in May in each presidential election year rather than the 60-day period ending on the first Tuesday in April of each such year as provided in the House bill. The Senate amendment also reduces from 7 days to 5 days the time within which the Board is required to decide an appeal.

The conference agreement incorporates the provisions of the Senate amendment without change.

NOMINATIONS

The House bill provides that candidates participating in an election held pursuant to the bill shall be persons registered under section 7 who have been nominated by a petition prepared and presented to the Board not later than 60 days before the date of election signed by 100 voters of the same political party as the nominee. The House bill further provided that no person shall hold office of committeeman, committeewoman, delegate, or alternate unless he has been a bona fide domiciliary of the District for three years previous to his nomination and is a voter registered under section 7.

The Senate amendment provided that the petition must be prepared and presented to the Board not later than 30 days rather than 60 days as provided in the House bill and also changes the test from that of "domiciliary" to "resident" of the District of Columbia. The Senate amendment added a new subsection relating to the content of the ballot which provided that the Board should arrange the ballot of each political party so as to enable the voters of such party (1) to vote for the candidates duly qualified and nominated for election by such party, (2) to answer in the affirmative or the negative such questions relating to the conduct of the affairs of such party as the local committee of such party may have filed with the Board in writing not later than 30 days before the date of election, and (3) to state their preferences as candidates for President and Vice President from among the names of the persons who have been certified to the Board in writing by the local committee of the applicable political party and who have filed with such committee and the Board in writing their consent to the use of their names for such purposes, if such documents are filed not later than 30 days before the date of election.

The conference agreement deletes the provisions of the Senate amendment requiring the arrangement of the ballot to enable the voters to state their preferences as candidates for President and Vice President. The conference agreement incorporates all other provisions of the Senate amendment.

METHOD OF VOTING

The House bill provided that the voting in all elections shall be secret, provided for validation of the ballots, prohibited absentee voting, provided for watchers at the polls, provided for procedure for challenging a prospective voter at the polls and for the questioning of a challenged ballot, provided for the voting of a person physically unable to operate the voting machine, prohibited voting more than once in any one election or in an election held by a political party other than that to which the voter belongs, and provided that copies of regulations of the Board with respect to voting shall be made available to the prospective voter at every place of voting in an election.

With the following exceptions the Senate amendment is the same as the provisions of

the House bill. The Senate amendment struck out the prohibition against absentee voting, added an appeal from the decision of the Board to the Municipal Court of the District of Columbia in the case of a challenged ballot, provided that two officials should accompany a physically disabled voter in the voting booth upon the request of such a voter, and vote as directed by such physically disabled person.

The conference agreement incorporates the provisions of the Senate amendment without change.

ABSENTEE VOTING

The House bill in section 9 (c) prohibited absentee voting. The Senate amendment provided for absentee voting. The conference agreement contains no provision authorizing absentee voting. The conferees agreed that consideration of absentee voting in the District should be postponed at this time pending further study of the problems involved.

ELECTIONS

The House bill provided (1) that the election of national committeemen, committeewomen, delegates, and alternates to national political conventions should be held on the first Tuesday in April in each presidential year, (2) that the polls should be open from 8 a. m. to 8 p. m., (3) that the candidates receiving the highest number of votes in the election should be declared the winners, and (4) that in the case of a tie, lots should be cast before the Board and the one to whom the lot falls should be declared the winner.

The Senate amendment is substantially the same except that it provided that the election should be held on the first Tuesday in May of each presidential election year and further provided that in the event an officer elected pursuant to the bill dies during his tenure of office leaving no one elected pursuant to the bill to serve the remainder of his unexpired term of office, that a successor or successors to serve the remainder of his term should be chosen pursuant to the rules of the duly authorized local committee.

The conference agreement incorporates the provisions of the Senate amendment without change, except that the section and all succeeding sections are renumbered, and a reference in the section to a "primary" is corrected to refer to "election."

RECOUNTS AND CONTESTS

The House bill provided for a procedure for recounting in the case of a contested election. It required the deposit of a fee of $5 for each precinct to be recounted and provided that any voter may petition the United States District Court for the District of Columbia to review the determination.

The Senate amendment is substantially the same except that it required a deposit of $20 for each precinct petitioned to be recounted, added the requirement that within 7 days after the Board certifies the results of an election a person who voted in the election may petition the United States District Court for the District of Columbia to review the election and provided that the court may set aside the results so certified and declare the true result or void the election in whole or in part. The Senate amendment also adds to the list of reasons provided in the House bill for which the court shall void an election, the making of expenditures by a candidate in violation of the bill.

The conference agreement incorporates the provisions of the Senate amendment without change.

INTERFERENCE WITH REGISTRATION OR VOTING

The House bill provided that no one shall interfere with registration or voting except as it may be reasonably necessary in the performance of a duty imposed by law. It provided that no person performing such a duty shall interfere with the registration or vote of a person because of his race, color, sex, or religious belief or his want of property or income. It further provided that no registered voter shall be required to perform military duty on election day which would prevent him from voting, except in time of war or public danger or unless he is away from the District in the military service. It also provided that no registered voter may be arrested while voting or going to vote except for a breach of the peace then committed for treason or felony.

The Senate amendment provided only that no person shall interfere with the registration or voting of another person except as it may be reasonably necessary in the performance of a duty imposed by law and does not contain the other prohibitions contained in the House bill.

The conference agreement incorporates the provisions of the Senate amendment without change.

EXPENDITURES

The House bill provided certain limitations for expenditures in campaigns for elections conducted pursuant to the bill, and authorized appropriations to carry out the Act.

The Senate amendment was substantially the same with the exception that it provided that the itemized statement provided for in the House bill shall be subscribed and sworn to by the committee candidate or the treasurer, as the case may be.

The conference agreement incorporates the provisions of the Senate amendment, with a clarifying change in subsection (a), to specify in the usual language the source of funds to be appropriated to carry out the act shall be money in the Treasury "to the credit of the District of Columbia".

PENALTIES

The House bill provided for certain penalties for violations of the bill.

The Senate amendment is substantially the same with the addition of a sentence providing that the provisions of the penalty section shall be supplemental to and not in derogation of any penalties under other laws of the District of Columbia.

The conference agreement incorporates the provisions of the Senate amendment without change.

OREN HARRIS,
THOS. G. ABERNETHY,
JAMES C. DAVIS,
SID SIMPSON,
JOS. P. O'HARA,
Managers on the Part of the House.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

AMENDING THE CIVIL SERVICE RETIREMENT ACT

Mr. MURRAY of Tennessee submitted the following conference report and statement on the bill (S. 1041) to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide for the inclusion in the computation of accredited service of certain periods of service rendered States or instrumentalities of States, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 1624)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1041) entitled "An Act to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide for the inclusion in the computation of accredited service of certain periods of service rendered States or instrumentalities of States, and for other purposes", having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House numbered 1 and 2 and agree to the same.

Amendment numbered 3: That the Senate recede from its disagreement to the amendment of the House numbered 3, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the House amendment, strike out in the Senate engrossed bill lines 16 to 25, both inclusive, on page 4 and lines 1 to 4, both inclusive, on page 5, and insert in lieu thereof the following:

"SEC. 2. The annuity of any person who shall have performed service described in the second paragraph of section 5 of the Civil Service Retirement Act of May 29, 1930, as added by this Act, and who on or after June 30, 1954, and before the date of enactment of this Act shall have been retired on annuity under the provisions of the Act of May 22, 1920, as amended, section 8 (a) of the Act of June 16, 1933, or the Act of May 29, 1930, as amended, shall, upon application filed by such person within one year after the date of enactment of this Act and compliance with the conditions prescribed by such second paragraph, be adjusted, effective as of the first day of the month following the date of enactment of this Act, so that the amount of such annuity will be the same as if such paragraph had been in effect at the time of such person's retirement."

And the House agree to the same.

TOM MURRAY,
JAMES C. DAVIS,
EDWARD H. REES,
Managers on the Part of the House.
OLIN D. JOHNSTON,
MATTHEW M. NEELY,
FRANK CARLSON,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1041) entitled "An act to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide for the inclusion in the computation of accredited service of certain periods of service rendered States or instrumentalities of States, and for other purposes," submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Amendment numbered 1: The House amendment inserted the words "of the United States Government or the municipal government of the District of Columbia" after the word "employee" on page 1, line 9, of the Senate engrossed bill in order to designate more specifically that the type of position referred to is a position in the Federal Government or the municipal government of the District of Columbia. The Senate recedes.

Amendment numbered 2: The House amendment deleted "(other than a position described in this paragraph)" on page 2, lines 1 and 2, of the Senate engrossed bill, in order to eliminate language which is surplusage and which might have become the basis for conflicting, inconsistent, or incorrect interpretations of the provisions of the new second paragraph, as agreed to in conference, of section 5 of the Civil Service Retirement Act of May 29, 1930.

The Senate recedes.

Amendment numbered 3: Section 2 of the Senate bill provided that the annuity of any individual (1) who shall have performed service under the new second paragraph (added by the Senate bill to section 5 of the Civil Service Retirement Act of May 29, 1930, and (2) who, prior to the date of enactment of the Senate bill, shall have been retired on annuity under certain provisions

of law, shall be adjusted (effective as of the first day of the month following such date of enactment) upon his application within 1 year after such date of enactment in such manner that the amount of such annuity would be the same as if the new second paragraph of such section 5 had been in effect at the time of the retirement of such individual.

The House amendment struck out all of section 2 of the Senate bill thereby making the provision of the amendment made by the Senate bill to section 5 of the Civil Service Retirement Act of May 29, 1930, prospective in effect only and applicable only to officers and employees retiring on or after the date of enactment of the bill. The Senate recedes with an amendment which is in effect the same as section 2 of the Senate bill except that such section will apply only with respect to individuals who retired on or after June 30, 1954, and prior to the date of enactment.

TOM MURRAY,
JAMES C. DAVIS,
EDWARD H. REES,
Managers on the Part of the House.

Mr. MURRAY of Tennessee. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill (S. 1041) to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide for the inclusion in the computation of accredited service of certain periods of service rendered States or instrumentalities of States, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. MURRAY of Tennessee. Mr. Speaker, I ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the statement.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

FEDERAL VOTING ASSISTANCE ACT of 1955

Mr. BURLESON submitted the following conference report and statement on the bill (H. R. 4048) Federal Voting Assistance Act of 1955:

CONFERENCE REPORT (H. REPT. No. 1625)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4048) making recommendations to the States for the enactment of legislation to permit and assist Federal personnel, including members of the Armed Forces, and their families, to exercise their voting franchise, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows: That the Senate recede from its amendment and agree to the same.

OMAR BURLESON,
ROBERT T. ASHMORE,
ALBERT P. MORANO,
Managers on the Part of the House.

THEODORE FRANCIS GREEN,
ALBERT GORE,
CARL T. CURTIS,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 4048) to permit and assist Federal personnel, including members of the Armed Forces, and their families, to exercise their voting franchise, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Section 307 of the House bill contained a provision repealing in its entirety the 1942 soldiers' voting law (act of September 16, 1942 (56 Stat. 753), as amended). The corresponding provision of the Senate amendment repealed only the last three titles of the 1942 law, leaving in effect the portion of that law which makes certain of its provisions mandatory in time of war.

The Senate recedes from its amendment, with the result that all of the provisions of the House bill are retained in the form in which they passed the House.

OMAR BURLESON,
ROBERT T. ASHMORE,
ALBERT P. MORANO,
Managers on the Part of the House.

Mr. BURLESON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill (H. R. 4048) the Federal Voting Assistance Act of 1955.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BURLESON. Mr. Speaker, I ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the statement.

Mr. LECOMPTE. Mr. Speaker, will the gentleman from Texas yield to me for a question?

Mr. BURLESON. I am happy to yield to the gentleman from Iowa.

Mr. LECOMPTE. As I understood the reading of the report, actually what occurred is that the Senate receded from an amendment that had been adopted in the other body.

Mr. BURLESON. That is correct.

Mr. LECOMPTE. The report that is before us represents the bill as it actually passed the House?

Mr. BURLESON. That is correct.

Mr. LECOMPTE. Without any amendment at all?

Mr. BURLESON. That is correct.

Mr. LECOMPTE. And it passed the House practically unanimously?

Mr. BURLESON. That is correct.

Mr. LECOMPTE. I thank the gentleman.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

STATUS OF FORCES TREATIES

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GROSS. Mr. Speaker, some of us are very strongly opposed to the status of forces treaties and other secret agreements that are being made, under which American servicemen and their dependents may be tried in the civil courts of foreign countries and incarcerated in foreign prisons.

I should like to read an item appearing in one of last Sunday's newspapers. It is from the leased wire of the New York Times and the dateline is London.

An American airman lost the right to drive in Britain for 12 months, and paid a $14 fine, for an act that would have won him commendation in most American courts.

Thomas Eugene Rogers, 25, told a South End magistrate that he knew he had had too much to drink the other night, so he climbed into the back of his car to sleep it off. A friend removed the ignition key.

But British law says you're "in charge" of a car if it isn't in the garage. A bobby pulled Rogers out of the back seat and took him to a police station, where a doctor certified he was unfit to be "in charge."

Rogers pleaded strenuously that he had done just what American police would have advised, and couldn't possibly have started the car without the keys.

THE REAL WALTER REUTHER AND HIS PURPOSE—THE ESTABLISHMENT OF A SOCIALISTIC GOVERNMENT

The SPEAKER. Under previous order of the House, the gentleman from Michigan [Mr. HOFFMAN] is recognized for 20 minutes.

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to revise and extend my remarks, and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, doubtless Walter Reuther is the kind and loving parent, the generous, faithful husband portrayed in recent years in many nationally circulated publications.

Beyond question, he has a political and economic philosophy in which he firmly believes and which he probably thinks will be helpful to all mankind.

His thinking, as indicated by his writings and his words, as shown by his acts and the measures which he has advocated—that is, the record—shows that he is a Socialist, in many instances following the methods of the Communists. The attainment of his objectives would destroy free enterprise and a free representative, republican, constitutional form of government—just as completely, just as effectively as would a victorious war by an armed force.

The real, mature Reuther of today, notwithstanding the high position which he has attained, the powerful influence which he wields in the industrial world, the favorable—sometimes laudable—publicity given him, is the same brutal, lawless, politically greedy, self-seeking, ruthless Reuther that he was when working in a Russian factory, when a goon during the sitdown strikes in 1937, and during his subsequent rise to power in a labor organization.

In the opinion of many, Walter Reuther, because of his shrewdness, his intellectual ability, his adroitness, and the power he wields, is far more dangerous to the security of the Republic and the liberty of the individual citizen than is Russia or any possible federation of Communist nations.

If the foregoing seem to be strong, biased, or unjustifiable statements, look at the record, not only at Reuther's words, but at his acts and conduct, not forgetting his present undercover activities in connection with the Kohler strike.

Words unsupported by actual conduct are not always the true measure of either a man's thinking or his purpose.

THE EARLY DAYS OF WALTER REUTHER—HIS YOUTH—THE REASON FOR HIS CONDUCT

Walter P. Reuther was born in Wheeling, W. Va. His grandfather, Jacob, a Lutheran minister, has been described as a German Social Democrat, who came to the United States in 1892 to save his sons from military service. Reuther's father, Valentine, was a union organizer and an ardent Socialist.

Reuther quit school at 16, became an apprentice machinist, and in 1927 went to Detroit, first being employed at Briggs, later at Ford Motor Co. Working nights, he attended high school in Detroit, then studied for 3 years at Wayne University, first taking up law but transferring to sociology and economics.

Undoubtedly the key to the true Reuther and to the unlawful activities of the UAW–CIO in the present Kohler strike will be found in his early training, conduct, and statements.

Perhaps the first public notice that was taken of Walter P. Reuther was when, with his brother Victor, he attended Wayne University in Detroit, Mich. During their study at Wayne they associated with many of the leftwingers and radicals of the university. It was during those years that red, pink, and radical movements were strong in Detroit.

The Reuther brothers, being sincere radicals, or perhaps leftwing Socialists, soon became leaders in some of these movements.

Walter was active in the Young People's Socialist League and the Social Problem Club. Later he studied and lectured at the Brookwood Labor College in Katonah, N. Y. That school was well known as a center for Socialists and leftwing radicals and some Communists.

All three brothers have been associated with Brookwood Labor College, notorious Socialist school. The director of that school was then a prominent member of the Socialist Party in Michigan. When that school was disbanded the entire library was purchased by Walter Reuther and placed in the archives of the Reuther-controlled local 174 in Detroit.

The Reuther brothers have been closely identified with every factional endeavor in the union and have been, at various times, "pro" one thing or another, First, pro-Communists, and then pro-Socialist. At one time pro-John L. Lewis, pro-Homer Martin, pro-Hillman with his middle-of-the-road policy. When it was popular they were pro-peace, then pro-war, pro-Britain. They have changed their allegiance many times, but the records will show that they have been consistently careerists and have always been pro-Reuther as evidenced by the fact that they have been able to place on the payroll of the UAW–CIO four members of their family: Roy, Victor, Walter, and his wife.

For some time, Walter Reuther was a member of the executive board of the UAWA, this being the highest authority in that CIO international labor union, having been elected at the May 1936, South Bend, Ind., convention.

In June 1937, he incurred the displeasure of Homer Martin for his activities in promoting wildcat and sitdown strikes. He drew his first salary as an executive board member in December 1936.

In August 1937, he directed the distribution of literature at gate 4 of the Ford plant, which was the scene of his alleged beating at the same point during May, when, with Richard Frankensteen, he engaged in a pitched battle with Ford workers on an overpass leading to the Ford plant.

Shortly after Walter Reuther finished at Wayne, he became an organizer for the UAW–CIO, working very closely at times with John Anderson, a notorious Communist.

When communism became strong in Spain, Walter Reuther became chairman of the Conference for the Protection of Spanish Youth. He and some of his associates were active in helping to raise money for Spanish Communist organizations during the Spanish Civil War.

Walter Reuther later, when feeling against Communists grew strong, while himself employing Communist methods and techniques, fought Communists in the CIO.

REUTHER'S THOUGHT-SHAPING EXPERIENCE IN RUSSIA

The inevitable depression following World War I hit this country with full force in 1929. There was resulting unemployment and discontent. Reuther capitalized on that situation.

Walter and his brother Victor went to Europe in 1933. There, while working and studying in an industrial plant in Russia, on January 20 of 1934, they wrote a letter to close friends in Detroit, a copy of which was published in the August 14, 1948, issue of the Saturday Evening Post.

Among other things, the letter stated:

What you have written concerning the strikes and the general labor unrest in Detroit plus what we have learned from other sources of the rising discontent of the American workers, makes us long for the moment to be back with you in the front lines of the struggle; however, the daily inspiration that is ours as we work side by side with our Russian comrades in our factory, the thought that we are actually helping to build a society that will forever end the exploitation of man by man, the thought that what we are building will be for the benefit and enjoyment of the working class, not only of Russia, but the entire world is the compensation we receive for our temporary absence from the struggle in the United States. And let no one tell you that we are not on the road to socialism in the Soviet Union. Let no one say that the workers in the U. S. S. R. are not on the road to security, enlightenment and happiness."

The factory in which they worked was described as:

The largest and most modern in Europe, and we have seen them all, there are no pictures of Fords and Rockefellers, or Roosevelts and Mellon. No such parasites, but rather huge pictures of Lenin, etc., greet the workers' eyes on every side. Red banners with slogans "Workers of the World Unite" are draped across the craneways. Little red flags fly from the tops of presses, drill presses, lathes, kellers, etc. Such a sight you have never seen before. Women and men work side by side—the women with their red cloth about their heads, the men with their fur hats. We work here 7 hours per day, 5 days a week (our week here is 6 days long). At noon we all eat in a large factory restaurant where wholesome plain food is served. A workers' band furnishes music to us from an adjoining room while we have dinner. For the remainder of our 1-hour lunch period we adjourn to the Red Corner recreation where workers play games, read papers and magazines or technical books or merely sit, smoke, and chat. Such a fine spirit of comradeship you have never before witnessed in your life. Superintendent leaders and ordinary workers are all alike. If you saw our superintendent as he walks through the shop greeting workers with "Hello Comrade" you could not distinguish him from any other worker.

Further praising the Russian thinking and methods, the letter ends with the statement:

Carry on the fight for a Soviet America.

It should be noted that Reuther, questioned in an NLRB case, denied that he was a Communist, denied that he was the author of the letter to which reference has just been made, but he has never either complained too strenuously or brought suit against anyone for the publication or circulation of the letter. Nor when at Buffalo, N. Y., in a public meeting where the letter was used against him, did he strenuously deny authorship.

In August of 1941, the UAW–CIO held a convention at Buffalo, N. Y., in the municipal auditorium on Main Street.

The convention developed into a battle between supporters of John L. Lewis and Sidney Hillman. The Addes group belonged to the Lewis crowd and the so-called Walter Reuther group was supporting the Hillman side and as a result of this bitterness both sides entered into personalities and, on the night of August 9, a caucus was held by the Walter Reuther group on the first floor of the auditorium. The opposing Addes crowd held a caucus of several hundred men on the second floor and it was during this caucus meeting that material was handed out by Addes on the night of August 9.

The January 20, 1934, "Dear Mel" letter, mailed from Abmozavos, Topkini, Russia, by Walter and Victor Reuther, was read.

At the time that this mimeographed material was handed out by Addes on August 9, he told his group that undoubtedly the Reuthers would deny having written such a letter from Russia, whereupon Melvin Bishop, the recipient of the letter, at Addes' request, got up on the platform and admitted that he had

received the letter from Walter and Victor Reuther and that it was authentic.

The letters, "Y. P. S. L." evidently refer to the Young People's Socialist League.

George Addes, secretary and treasurer, who put out this material, knew the Reuthers well. He was affiliated with them in the union movement in Detroit from its inception and therefore the information he distributed came from a knowing source.

REUTHER'S SOCIALIST OR COMMUNIST VIEWS

In 1935, the three brothers, Walter, Victor, and Roy, participated as leaders in a conference held in Columbus, Ohio, at which the Communist National Student League and the Socialist Student League for Industrial Democracy were merged to become the American Student Union.

The three brothers were all vouched for by Celeste Strack, who was then the representative of the central committee of the Communist Party.

At this meeting, Walter and Victor supposedly represented Brookwood Labor College, which had been branded as communistic by the American Federation of Labor.

Roy, brother of Victor and Walter, was registered as a representative of Wayne University of Detroit.

In the summer of 1936, Victor was a teacher at the Southern Workers Anti-War Summer School at Commonwealth College at Mena, Ark. This school, at one time, was prosecuted and convicted under an Arkansas statute on charges of anarchy; of failing to display the American flag, showing the Soviet emblem in classrooms.

From his March 18, 1936, speech before the Young People's Socialist League, at the Masonic Temple in Flint, Mich., on the topic, "Russia's Economic Position Today," it is evident that Reuther's thinking was then far to the left of that of the Socialists.

Permit me to read from the following report of that talk made at the time by an accurate observer and narrator:

On Wednesday evening, 8 p. m., March 18, 1936, Walter Reuther was introduced as Comrade Walter Reuther at a meeting of the Young People's Socialist League, Masonic Temple, Flint, Mich. He was presented by Nordine Johnson, who organized the Women's Brigade during the big strike. His topic: "Russia's Economic Position Today."

He said he spent 33 months in Europe. Formerly employed by Ford Motor Co. of Dearborn. Left for Europe after the Dearborn strike and riot in 1932. Traveled in 17 European countries. In these countries his passport was marked "not permitted to work"—In Russia—he must work, and it was so stamped.

He told of conditions in Germany and the Nazist party. The Nazi Government made things so hot for him in Germany while he was visiting his grandmother that he had to leave by rope from an upper window when the authorities came for him.

While in Japan he was in serious trouble with the authorities. Reuther always relied on his American citizenship to get him out of difficulties.

What is happening in Russia today.

Housing: The workers live in apartment houses. Each one is assigned to a certain room. Never more than two in a room. They eat in a cafeteria furnished by the Government. They work 6 hours a day and in their leisure hours they have recreation which is furnished by the Soviet Government. In past years the eating places of the worker were in a very poor condition. Eating with their fingers they did not even know of the furnishings of a modern cafeteria. Today, this has changed.

Education: Grade school runs for 10 years. Trade school for 1½ years. Universities for life. You may go to school as long as you wish to study.

Social security: Paid by a certain percent of the daily worker's wage. Equaled by the Soviet Government.

To marry, all you have to do is sign a register. To divorce all you have to do is sign a register.

Each worker was promised an automobile free under the 5-year plan. The 5-year plan made automobiles, trucks, and combines. Today they are making very few automobiles but more trucks and combines, and workers have not received their free automobiles.

Shop: The workers elect the foremen and superintendents. Hire and discharge, set own speed of production. A red flag is placed by the worker's machine for good work and a burlap flag by the machine for poor work. Nine hundred women work in one automobile factory. Nine hundred women had children (900) in 1 year. They have 2 hours 15 minutes nursing, 4 hours 45 minutes work, and the remaining time is pleasure, recreation, and sports.

The paper ruble equals 70 cents purchasing power. Useless in foreign exchange. The gold ruble is for foreign exchange.

One of the most significant statements during his speech on this occasion, showing his orientation in the direction of desired worker-control of American industry, was in effect that workers in the Soviet Union elect their own foremen and superintendents; the workers hire and discharge employees and set their own speed of production; red flags are placed at the workers' machines who do good work, and burlap flags at the machines of those who do poor work.

At this meeting he was asked the question as to whether there was any belief in the Soviet Union concerning a "hereafter" and, in fact, a God, and his answer was, "We do not believe in God, but that man is God." Particular notice in this connection should be taken of the pronoun "we." He apparently, at this late date, still includes himself as a Soviet proletarian, despite all his previous denials.

Walter's brother, Victor, who has been closely associated throughout his union activities, speaking at the K. P. hall, Flint, Mich., on January 13, 1938, among other things said:

Let me paint you a picture. Why was the *Panay* blown up? Was it on the Yangtze River to protect missionaries? Was it there to clothe and feed the destitute and hungry Chinese? No; I'll tell you what the *Panay* was doing in the Yangtze River. The *Panay* was escorting three Standard Oil tankers up the Yangtze. It was there to protect the interests of John D. and big business—Ford, Du Pont, and GM. Would you call this the protection of the workers' rights? The sinking of the *Panay* parallels the sinking of the *Lusitania*, and is an excuse to stir up hatred against Japan to protect such murderers as Tom Girdler, etc.

You workers don't know how near war is. Ford, Du Pont, and GM and the young Tom Girdlers expect you to go to war to protect their foreign investments.

When we have cleaned the Fascists in America we will help them clean out the rest of the world. You workers alone have the key, not Geneva conferences, or big business. We sat down on big business before, we can do it again if necessary. Don't forget we still have Hank Ford. This problem of war is still around the corner. GM still battles. There is a battle to be fought, and by mass labor organizations. We will win. I speak as a Socialist, not a UAWA member.

The question period—Victor Reuther:

Question. How does the Socialist Party agree with the United Front?

Answer. A united front is unions, churches, fraternal, and farm labor organizations. The Socialists agree with them as long as they agree with the worker and his rights and take profit from Ford, Du Pont, and GM.

Question. How does the Socialist Party compare with the Communist Party?

Answer. A Socialist believes in a workers' democracy. Communism is a dictatorship composed of workers controlling all industries and resources including the Ford's, Du Pont's, and GM's.

Question. Do the Socialists believe they can vote themselves into power by ballot?

Answer. I think they can if they have the backing of trade unions, mass labor, and farm labor movements.

Roy Reuther is reported as having said:

Fight Ford, Du Pont, and General Motors. If you split up, they will surely give you a good licking. Work for the working classes. The breaking of picket lines by Ford, Du Pont, and General Motors takes money. Subscribe to the Socialist Call. It takes money to rent this hall. Give money tonight. War against unemployment. (Passes hat. Collection amounted to about $7.) It is not enough to listen. You must do something, build organizations to fight war. Over at New Haven we have a young Tom Girdler springing up. I want all of you who can go to New Haven to report to the Pengelly Building at once. Transportation will be provided. They are organizing a vigilante at New Haven right now to smash the picket lines.

In a talk made by me on the floor of the House on June 1, 1937, titled "Committee for Industrial Organization" (or "Communism's Iron Grip"), you will find a list of Reuther's Communist associates, what they proposed and what they did. (CONGRESSIONAL RECORD, 75th Cong., 1st sess., vol. 81, pt. 5, pp. 5168–5177.)

REUTHER'S DETROIT EXPERIENCE

When Walter Reuther and his brother returned from Russia, they found Detroit in a period of depression and labor unrest.

He again became interested in union activities and rose rapidly to power as a union official. Both were active participants in the sit-down strikes which came to Michigan early in 1937, and which were characterized not only by violence, including beatings and the malicious destruction of private property, but by an open and successful defiance of law and law-enforcing officers.

The efforts of Walter Reuther and his associates in connection with these strikes were successful, primarily because of the support of the then Governor, Frank Murphy, who called out the National Guard to assist the CIO in by force taking and holding possession of industrial plants.

Reuther and his brothers, Roy and Victor, might accurately be characterized as among the sparkplugs of the sit-down strikes. See infra.

THE SITDOWN STRIKES OF 1937—REUTHER'S PARTICIPATION THEREIN

The sitdown strikes came to Michigan in 1937. They followed the pattern of strikes instigated and carried on in France by the Communists. They fed on unemployment and discontent. They were used in an undercover attempt to overthrow our Government. Their methods were violence, rioting, the open disregard of law, defiance of law-enforcing officers and the orders of the courts.

Frank Murphy, Governor General of the Philippines, had been brought back by President Franklin Delano Roosevelt to run as Democratic candidate for Governor of Michigan. Murphy was elected.

As Governor, he not only was in sympathy with the pronouncements and the methods of the Communist leaders of the strikes, but he actively assisted them. As an excuse or reason for his assistance, he gave as reason for his refusal to protect citizens and property from violence his wish to avoid bloodshed.

That declaration amounted to no less than a surrender to the law-defying Communists. The same argument has been used this year by Governor Kohler when he failed to curb violence in Wisconsin.

The strike was called on the last day of December 1936 and it continued until June 11, 1937.

At that time John L. Lewis, who had scathingly in 1924 [1] denounced the Communists and their attempt to take over the labor movement of America, was the head of the CIO, and Communists were actively supporting and taking part in the strike.

The strikers, by force and violence, took over factory after factory, welding shut the gates and doors to factories and damaging or destroying not only raw material and finished products, but in some instances valuable machinery.

To aid them, when citizens threatened to arm themselves and repossess the factories, Governor Murphy called out some 2,700 State Troopers.

Not only industrial plants, but cities, fell under the control of the Communist-led strikers. The Capital of the State, Lansing, was, on one occasion, taken over completely by the strikers—and this on a day when Murphy, as Governor, was present.[2] Strikers defied the sheriff at the city of Flint, Mich.[3]

Strike activities of some of Reuther's coworkers are described in a letter dated July 2, 1937 from Flint—CONGRESSIONAL RECORD, 75th Congress, first session, volume 81, part 6, pages 6773–6774:

The citizens of this city are getting awfully sick of the CIO rule and the union members themselves, in many instances, are beginning to rebel. To illustrate, a strike has been in progress at the Mary Lee Candy Shop on our main street for several days. Picket lines have been established around the front of the store and during the first few days the store did a bigger business than ever before. Finally the union officials became convinced apparently that there was a bad public reaction so they began calling customers who entered the store scabs and shouting that they would be awfully sick before night, indicating that the food had been poisoned. These lines were established at both the front and back doors of the store. Finally on Saturday the pickets began attacking customers who went into the store. Not satisfied with that they gathered a group of 50 or 60 hoodlums on the sidewalk, and when someone came along whom they knew as antagonistic, one of the hoodlums would push this person into one of the pickets who, then, would assault and beat up the passer-by. Then they would claim that the passer-by had assaulted the picket. One of the persons assaulted is a union man who is employed at the Chevrolet. Upon being assaulted he promptly knocked down the picket who had hit him. Thereupon 14 or 15 hoodlums began beating this fellow up while the police stood by. Finally the police very gently told the hoodlums they should not disturb the peace.

Quoting further from the same CONGRESSIONAL RECORD, page 6774:

Protest was made against this violence to the city manager of Flint, and, according to the Flint Journal of June 27, I quote:

"City Manager Findlater having informed a group of downtown businessmen that the blame for the trouble rested upon the citizens of Flint, who, he said, had no business going into the Mary Lee Restaurant, or saying anything to the pickets who blocked the sidewalk in front of the place during the rush of downtown Saturday afternoon shopping."

The same paper gives instances of violence which occurred that afternoon and evening and which I will insert:

"Men and women patrons of the restaurant were subjected to a running fire of verbal attacks and some fared even worse as they left the establishment.

"Previously Betty Simpson, union organizer in charge of strike activities at the Mary Lee, was heard to inform the pickets and the crowd in front of the store that 'the city manager said it was all right for us to go ahead and do what we wanted to do.'

"Most seriously beaten during the day was Mr. Miller, whose face was a mass of blood and bruises. He said he had just stepped out of the restaurant when he was set upon by 5 or 6 men who began to beat him.

"Another who was attacked was Dr. J. W. Orr, who was kicked in the shins and struck in the face by a woman picket.

"One uniformed policeman was on duty at the scene of the fighting when the Saturday afternoon disorders broke out and he was helpless to handle the situation."

* * * * * *

Here is a letter from the wife of a worker in the Chevrolet factory at Flint. It is dated June 28. Among other things, she wrote:

"Our fair city has become a lawless place, indeed. Businessmen that have done much to make Flint what it is are being forced to sign up with the CIO racketeers, but it is done only as a last step to save their business.

"Don't think for a moment all those that belong to the CIO do so by choice. The majority were driven to it.

'I know men who have been beaten and called all manner of names because they find themselves the possessors of too much manhood to sign up with the hellbent racketeers.

"Our men are threatened with being dumped into compound tanks, etc., but thank God, some have stood their ground. My husband had connecting rods brandished at him and was told to get to h--- out of the Chevrolet or join the CIO."

The woman is frightened. She fears for her personal safety. Note this. She writes:

"Today I stopped at police headquarters to make application to carry an automatic."

As an indication that even the slightest show of firmness on the part of the governor would have corrected the situation was the result of the action of the students at East Lansing, Mich., who, when the strikers attempted to close the eating places where the students were served, threw the would-be pickets in the river. That ended the attempt to close East Lansing, just a few miles from the capital where violence reigned supreme with the acquiescence of the governor.

In those sitdown strikes, Walter Reuther and his brothers were not only active participants in the labor dispute but they were the sparkplugs and the Brain Trust of the sitdown strike. They were in frequent conference with radical Communists who advocated the overthrow of this Government by force, who

[1] See quotations from S. Doc. No. 14, 68th Cong., 1st sess., as given in vol. 81, pt. 2, CONGRESSIONAL RECORD, p. 1623. Also the following quotes from the same document, CONGRESSIONAL RECORD, vol. 81, pt. 5, pp. 5170–5171:

"Imported revolution is knocking at the door of the United Mine Workers of America and of the American people. The seizure of this union is being attempted as the first step in the realization of a thoroughly organized program of the agencies and forces behind the Communist International at Moscow for the conquest of the American continent.

"The overthrow and destruction of this Government, with the establishment of an absolute and arbitrary dictatorship, and the elimination of all forms of popular voice in governmental affairs, is being attempted on a more gigantic scale, with more resolute purpose, and with more crafty design than at any time in the history of this Nation.

"The movement is aimed not only at the labor unions but at the entire industrial, social, and political structure of the country, and with the single aim of eventually establishing a Soviet dictatorship in the United States.

"It (the Communist Party) is purely a revolutionary organization and makes no pretense at legality. * * * This party has at its head the supreme executive revolutionary committee in America, responsible only to officials of the Communist International.

"On the surface and working partly in the open is another revolutionary organization, known as the Workers Party of America * * * (with a mission) fundamentallly the same as that of the Communist Party of America, i. e., to overthrow the Government of the United States.

"Joined with these two revolutionary parties is the Trade Union Educational League, headed by William Z. Foster. This league is the direct instrumentality of the Communist International.

"They are fused into united effort, giving mutual support to each other in their numerous activities.

"These Communist groups interlock also with the Communist International and the Red Trade Labor Union International at Moscow, so that the revolutionary movement in America is the direct offspring and agency of the Communist regime in Russia, for the purpose of seizing and possessing themselves of the American continent through the mediumship of revolution inspired and conducted from the stronghold of bolshevism on the other side of the Atlantic."

[2] See remarks in CONGRESSIONAL RECORD, 75th Cong., 1st sess., June 15, 1937, vol. 81, pt. 5, p. 5737.

[3] CONGRESSIONAL RECORD, 75th Cong., 1st sess., March 19, 1937, vol. 81, pt. 3, pp. 2520–2521.

employed the methods and procedures of the Communist Party.

They were not only on the picket line but were actively engaged in spreading propaganda.

The sitdown strike has frequently been the subject of comment from the well of the House.[4] That the strikes were a part of the program of the Communists is evident from the statements made at that time.

Walter and his brothers frequently participated in violence in connection with strikes. At one time, with Richard Frankensteen, Walter engaged in a pitched battle with Ford employees on the overpass leading to the Ford factory in Detroit.

At a secret conference which was held on February 12, 1939, in Detroit, for the purpose of planning for the future organization of the automobile industry and which was called at the instigation of Earl Browder and presided over by William Z. Foster, head of the Communist Party in America, Walter Reuther was listed as an active participant.

In the American Communist Party there then were 60 members of what was known as the national committee. Twenty of those members came to Detroit for this meeting. The purpose of the meeting was to figure out how they would develop leadership within the CIO, how they would overthrow the anti-Communist labor leaders, how they would operate in the coming mayoralty, gubernatorial, congressional, senatorial, and presidential elections; the secret minutes of this meeting were not intended to get out to the general public.

Walter Reuther had been a candidate in the primaries for councilman, Detroit, in 1937. He was defeated, being 15th on the list, with a vote of 126,160.

Among those who were present in this executive revolutionary committee were: Israel Amter, of New York City, Communist Party State organizer for New York; Max Bredacht, of New York City, secretary of the International Workers Order; Ella Reeve Bloor, of New York City; Fred Brown—correct name Alpi—New York City, of the national Communist Party organizational department; Earl R. Browder, of New York City, national secretary, Communist Party of United States of America; Morris Childs—correct name Chilovsky—of Chicago, Communist Party State secretary of Illinois; James R. Ford, Negro, of New York City, in charge of Negro work for Communist Party; William Z. Foster, of New York City, national chairman of Communist Party of United States of America; B. K. Gebert, of Detroit, assigned for work among members of the United Automobile Workers' Union; Clarence A. Hathaway, of New York City, editor of Daily Worker; Roy Hudson, of New York City, in charge of Communist Party work among marine workers; V. J. Jerome—correct name Israel Romaine—New York City, editor of Communist Party monthly magazine, the Communist; Jack Johnstone, of Chicago, assigned for work among employees of the stockyards and steel mills in the Chicago district; Charles Krumbein, of New York City, Communist Party, State secretary for New York; Robert Minor, of New York City, Communist Party foreign correspondent; Wyndham Mortimer—party name Bake—of Detroit, international organizer, United Automobile Workers' Union, CIO; Steve Nelson, of Pittsburgh, veteran of Spanish Communist army, assigned for work among coal and steelworkers in the Pittsburgh district; Ned Spark, of Milwaukee, Communist Party secretary for Wisconsin; John Williamson, of Cleveland, State secretary for Communist Party for Ohio; Martin Young—correct name Leon Platt—of Pittsburgh, Communist Party organizer in Pittsburgh district.

Of the foregoing, Amter, Bedacht, Browder, Ford, Foster, Bloor, Hathaway, Hudson, Krumbein, and Minor were members of the political buro of the national committee at that time, the real steering committee of the Communist movement in this country.

In addition to the foregoing members of the national committee, the following Communist Party leaders were also present: Phil Hart, Indianapolis, State secretary of Indiana; Anthony Gerlach, Detroit, Communist Party trade-union organizer for Detroit CIO; Emil Gardos, Communist Party organizer for the upper peninsula of Michigan; Henry Johnson, Negro, Chicago, assistant national director, Packinghouse Workers' Organizing Committee, CIO; Elmer Johnson, Detroit, Communist Party State secretary for Michigan; James Keller—correct name Carl Shklar—Akron, Ohio, Communist Party organizer for Akron area; Stanley Nowak, Detroit, member of the Michigan Legislature; George Powers, Pittsburgh, Pittsburgh district CIO leader; Walter Reuther, Detroit, president Detroit West Side local of the United Automobile Workers, CIO, director of General Motors strike; Beatrice Shields, Detroit, Communist Party organizational secretary for Michigan, and wife of State secretary Elmer Johnson; Maurice Sugar, Detroit, attorney for United Automobile Workers' Union, CIO; Joseph R. Weber, Chicago, organizer for the Farm Implement Workers Organizing Committee and formerly Communist Party organizer in South Chicago, CIO; Carl Winter, St. Paul, Communist Party State secretary for Minnesota.

That Walter Reuther had not forgotten his early training and the thinking he acquired while in Russia and his early associations with Communists was shown by a statement made by Hon. Eugene E. Cox, Representative from Georgia, inserted in the CONGRESSIONAL RECORD on January 16, 1941.

Mr. Cox said:

[From the CONGRESSIONAL RECORD of January 16, 1941, 77th Cong., 1st sess.—vol. 87, pt. 10, pp. A142–A145]

WALTER REUTHER

Extension of remarks of Hon. E. E. COX, of Georgia, in the House of Representatives, Thursday, January 16, 1941

Mr. COX. Mr. Speaker, much prominence was given recently to Reuther because of the plan he proposed to produce 500 airplanes a day through the utilization of idle and obsolete automobile-manufacturing equipment. This plan was rejected by the Defense Advisory Commission, now Office of Production Management. Reuther appeared in Washington as a guest speaker before the National Press Club.

It is rumored that he is to be named as a special assistant to Sidney Hillman, a member of the four-man Office of Production Management Board.

If Reuther is to be appointed as a special assistant to Hillman, his past life, his past activities, his political and philosophical views, and his close relatives and associates assume a great degree of importance in judging his fitness to occupy such a high place in the supreme council charged with creating the national defense.

Even though the rumors of Reuther's appointment as special assistant to Hillman should prove to be erroneous, and even if he should not be named to such a position, it is still important for his radical philosophy and communistic connections to be known, because he has been in the past and is now a very influential officer in the CIO Automobile Workers Union which is now very largely engaged in the production of airplanes for the national defense. Consequently, this man Reuther is in a position to exercise a vast influence for or against strikes, slowdowns, sabotage, presence of Communists in the unions, etc.

Research of the hearings of the Special Committee on Un-American Activities—DIES committee—has been made and the following digest of the testimony referring to Walter Reuther, his brothers Victor and Roy, and close associates, has been prepared from the evidence, documentary and oral, given to the Dies committee.

Walter Reuther, of Detroit, Mich., is one of the leaders of the Automobile Workers Union, CIO. President Martin preferred charges against him. He has been to Russia several times and made reports as a result. One of his close associates is J. Lovestone, New York City and Detroit, who is said to be influential in the Automobile Workers Union. Lovestone was at one time national secretary of the Communist Party. (John P. Frey, American Federation of Labor, vol. 1, p. 116, hearings before Committee on Un-American Activities.)

Walter Reuther visited Soviet Russia and sent back a letter to this country which included the following paragraph:

"Carry on the fight for a Soviet America."

Documentary evidence submitted by John P. Frey, A. F. of L. (vol. 1, p. 125).

Moscow praised the Reds for aiding in the automobile strike, according to the New York Herald Tribune of March 22, 1937. The Communists were in a leading role in the sitdown strike. They collected money, carried out demonstrations. The Communist Party, through its central organ, the New York Daily Worker, advised on how to conduct the struggle.

Before the United Automobile Workers Union convention opened in Milwaukee, the Communist Party members held a faction meeting or caucus at the Eagles Hall in that city. Present in this caucus were Wyndham Mortimer, Ed Hall, Walter Reuther, 90 delegates to the convention who were actual

[4] CONGRESSIONAL RECORD, 75th Cong., 1st sess.: February 25, 1937, vol. 81, pt. 2, pp. 1620–1623; March 19, 1937, vol. 81, pt. 3, pp. 2520–2521; April 8, 1937, vol. 81, pt. 3, pp. 3292–3295; June 1, 1937, vol. 81, pt. 5, pp. 5168–5177; June 15, 1937, vol. 81, pt. 5, pp. 5736–5740; June 28, 1937, vol. 81, pt. 6, pp. 6464–6469.

Communist Party members; William Weinstone, Michigan secretary of the Communist Party; Jack Stachel, of New York, a member of the central committee of the Communist Party; Morris Childs, of Chicago, secretary of the Communist Party; Ned Sparks, district organizer in Milwaukee of the Communist Party; Jack Johnstone, of Chicago; Roy Hudson, of New York; members of the Communist central committee; B. K. Gebert and Louis Budenz, the latter a member of the editorial staff of the Communist Daily Worker.

There was a factional fight between the Stalinist and the Trotskyist groups. Walter Reuther was alined with the Stalinist group. Development of sitdown strikes was advocated at this meeting. Mortimer, Hall and Reuther conspired to oust Martin, president of the Automobile Workers Union. The Mortimer-Hall-Reuther combination was Communist-controlled, but disguised this fact by styling themselves the "unity group." After the Communist Party caucus in the Eagles Hall, before referred to, another caucus was decided upon to support the Mortimer-Hall-Reuther "unity" faction.

Mortimer, Hall, and Reuther worked closely with Ora Gassaway, personal representative of John L. Lewis and David Dubinsky, president of the International Ladies Garment Workers' Union.

Another caucus was held on August 25 to which only the top Communist leaders were invited. A load of Communist leaders from Chicago arrived and they all went into caucus together. Present at this caucus were Jack Stachel, Roy Hudson, William Weinstone, Ned Sparks, Wyndham Mortimer, Ed Hall, Walter Reuther, and B. K. Gebert. Wyndham Mortimer has recently been leading the strikes against defense work in the airplane production plants. (John P. Frey, factual reports of meetings, vol. 1, pp. 248, 249, and 250.)

Walter Reuther's name appears in a list of Communists or Communist sympathizers in the official family of the Auto Workers Union. (John P. Frey, vol. 1, p. 251.)

William Weinstone, author of the pamphlet entitled "The Great Sitdown Strike," was the district organizer of the Communist Party in district No. 7, headquarters in Detroit. He was in direct charge of Communist Party activities within the Auto Workers' Union from the beginning of the sitdown strike. Among those reporting to him were Maurice Sugar, counsel for one group of the auto workers, who has been a candidate for public office in Detroit on the Communist ticket. Actively operating with Weinstone and Sugar were Roy Reuther—brother of Walter—Walter Reuther, William Raymond, and Wyndham Mortimer. (John P. Frey, vol. 1, p. 255.)

The Communist movement among the Negroes of the United States is under the direction of the Communist Party of the United States and the National Negro Congress. The international organization is the Provisional International Trade Union Committee of Negro Workers, which is a section of the Red International of Labor Unions of Moscow. Among those sending greetings to the Second National Negro Congress, held in Philadelphia, October 15–17, 1937, were Walter Reuther, "Communist president of Local 174" of the United Auto Workers Association. (Document submitted to Dies committee containing a report on the Second National Negro Congress, vol. 1, p. 626.)

The Communists in Detroit perpetrated frauds on the city by swearing that they were unable to pay for medical examinations and treatments and getting such examinations and treatments at the expense of the city, when in fact they were able to pay for such examinations and treatments. Among those who so defrauded the city of Detroit were Walter Reuther and his wife, and his brother, Victor Reuther and his wife. At the time the city of Detroit was so defrauded both Walter and Victor Reuther had good incomes from their CIO union activities. (Testimony of John D. McGillis, secretary, Detroit Council, 305, Knights of Columbus, vol. 2, p. 1248.)

Walter Reuther was president of the West Side Local 174, Automobile Workers, in Detroit at the time he signed a statement that he could not afford to pay for medical examination and treatment for himself and wife and got such examination and treatment at the expense of the city of Detroit. At that time the West Side local, of which Reuther was president, claimed a membership of 30,000. (Sgt. Harry Mikuliak, Detroit Police Department, vol. 2, p. 1286.)

Both Walter Reuther and his wife got these treatments, and in 1 case 1 voucher, or charge, amounted to $122 paid by the city of Detroit to Dr. E. M. Shafarman. (Sergeant Mikuliak, Detroit police force; vol. 2, p. 1287.)

Victor Reuther, a brother of Walter Reuther, and Mrs. Victor Reuther also received medical examinations and treatment by Drs. Shafarman and Adler. Victor Reuther's wife's name is Sophia. (Sergeant Mikuliak, Detroit police force; vol. 2, p. 1289.)

It apparently was a common practice for the Communists of Detroit and any visiting Communists, no matter what their financial circumstances, to impose upon the city of Detroit by signing these false affidavits that they were unable to pay for medical examinations and treatment and to get treatment at the expense of the city. (Testimony, Sergeant Mikuliak, Detroit police force; vol. 2, p. 1290.)

Communists plotted and led the sit-down strikes, and the three Reuther boys, Walter, Victor, and Roy, had important and leading parts in these strikes. Victor Reuther played a very important part in the Flint, Mich., strikes by driving sound trucks through the area of the strikes and inciting the workers in various ways. He was a leader of the sit-down strikes in Michigan. He has been in Soviet Russia and received training in agitational methods there. He is a member of the Friends of the Soviet Union and a paid official of local 174 of the U. A. W. (Testimony of Clyde Morrow, Detroit, Mich.; vol. 2, pp. 1495–1496.)

Victor Reuther, in his sound car, told the strikers when to hold their fire against the police and when to let loose. (Report of Mar. 10, 1937, made by William Weinstone to the Communist Party; vol. 2, p. 1496.)

Walter Reuther led the Kelsey-Hayes Wheel strike. He is a radical, harebrained; also his two brothers, Victor and Roy Reuther, both of whom are revolutionary radicals. (Testimony of Ralph Knox, Detroit, Mich.; vol. 2, p. 1532.)

Walter Reuther, president of local 174 of the UAW in Detroit, assisted Anna Louise Strong, editor of the Moscow Daily News, to raise money for the Spanish Communists through lectures in Detroit. (Testimony of Sgt. Harry Mikuliak, Detroit police force; vol. 2, p. 1560.)

Walter Reuther's close associates were Communists. Reuther and a man named Bishop were leaders in the sit-down strike. (Testimony of Sgt. Harry Mikuliak, Detroit police force; vol. 2, p. 1596.)

Victor Reuther, Walter Reuther's brother, an intimate associate of Communists, drove a loudspeaker truck to and fro at the plants, exhorting the men to strike and intimidating those who did not desire to do so. (Testimony of Fred W. Frahm, superintendent of police, Detroit, Mich.; vol. 2, p. 1697.)

Man named Bishop and Walter Reuther arrested for injuring police, inciting riots against the police, and destruction of property at the Federal Screw Works in Detroit. (Testimony of Fred W. Frahm, superintendent of police, Detroit, Mich.; vol. 2, pp. 1625–1626.)

In the strikes of 1936–37, two of the Reuther brothers, Roy and Victor, first put in an appearance in the transportation strike. Later, during the automobile strike in January 1937, Victor Reuther headed a group of 200 people who assembled before the jail to break through the police lines and rescue from jail a number of Communists who had been arrested for rioting. (Testimony of Capt. E. H. Hughes, police department, Flint, Mich.; vol. 2, pp. 1642–1643.)

Intensive organization of the sit-down strike carried on by means of sound trucks manned by Roy and Victor Reuther, brothers of Walter Reuther. Rioting was directed by the Reuther brothers with their sound trucks during the different strikes. (Testimony of Capt. E. H. Hughes, police department, Flint, Mich.; vol. 2, pp. 1644–45.)

Walter and Victor Reuther while in Russia in 1934 wrote letters back advocating communism in the United States. (Capt. E. H. Hughes, police department, Flint, Mich.; vol. 2, p. 1648.)

When Communists and revolutionary Reds lost their jobs in the Detroit automobile plants for agitating and rioting, they were immediately taken into certain CIO unions as organizers for the automobile union. The union headed by Walter Reuther was called an old soldiers' home for discharged Communist Party leaders. (Testimony of Clyde Morrow; vol. 2, p. 1653.)

Walter Reuther lectured in Flint, Mich., in March 1933, after he had spent 33 months in Europe. He told his audience that he had bicycled through Germany, Italy, and other European countries. He praised Russia and the communistic Government of Russia and the "wonderful things" accomplished there. He was speaking under the auspices of the Young People's Socialist League, which was the forerunner of the League for Protection of Civil Rights. At this meeting Walter Reuther was asked this question:

"Do you believe in religion and God or in science as a religion?"

His answer was:

"We do not believe in God, but that man is God."

(Testimony of Herman Luhrs, chairman of the joint committee of the American Legion, Flint, Mich.; vol. 2, p. 1654.)

Copy of letter written by Walter and Victor Reuther from Russia identified. (Testimony of Herman Luhrs, chairman of the joint committee of the American Legion, Flint, Mich.; vol. 2, p. 1655.)

At a meeting demanding the impeachment of Judge Black and Police Chief James V. Wills in Flint, the speakers were Prof. Robert Lovett, Morris Sugar, William Weinstone, all Communist leaders; Victor and Roy Reuther, brothers of Walter Reuther. (Testimony of Herman Luhrs, chairman of the joint committee of the American Legion, Flint, Mich.; vol. 2, p. 1656.)

At a huge rally in Detroit, Mich., about $2,000 worth of subversive and communistic literature was sold. Victor Reuther—brother of Walter—was a speaker at this meeting. He said, among other things:

"Dig down in your pockets, and if you owe the landlord money, let him wait. This movement must go on."

The Lovestone group of Communists held a meeting at Detroit on December 12, 1937. J. Lovestone was the speaker. At another meeting of the same group, Earl Browder was the speaker. Weinstone and Browder held several meetings in Flint. At one of these meetings, on January 13, 1938, Victor Reuther—brother of Walter—was a speaker.

On May 11, 1938, at organizational meetings of the Communist Party held in Flint, Walter Reuther was billed as the main speaker. He failed to show up, and his brother, Roy, spoke instead. Among other things, Roy Reuther declared in his speech that a man was crazy to put on a soldier's

uinform, and that he would much prefer his own suit to any uniform that could be placed on him. The song, The Russian Internationale, was sung twice at this meeting. Roy Reuther stood at the Communist salute and joined in the singing of the Russian Internationale at this meeting. (Testimony of Herman Luhrs, chairman of the joint committee of the American Legion, vol. 2, pp. 1658–1659.)

The Reuther brothers were in the forefront of all of the strike troubles during the sit-down strikes in Michigan. (Testimony of John M. Barringer, city manager and director of public safety, Flint, Mich., 1932–37; vol. 2, pp. 1683–1689.)

The Reuther brothers incited violence and riots against the police and the other peace officers by means of loudspeaker trucks and in other ways. (Testimony of John M. Barringer, city manager and director of public safety, Flint, Mich., 1932–37; vol. 2, p. 1686.)

The Reuthers have communistic ideas and associate with Communists. (Testimony of J. B. Matthews, investigator for the Dies committee; vol. 3, p. 2188.)

WALTER P. REUTHER DEFERRED FROM MILITARY SERVICE

When men were being drafted for World War II, and Walter P. Reuther was called by his local draft board, deferment for Reuther was asked for occupational reasons by R. J. Thomas, then UAW–CIO president.

Reuther in his questionnaire did not ask for deferment. He listed as dependents his wife, May, who was then a UAW–CIO employee, and his sister, Anna Mae, 17.

Thomas, requesting deferment status for Reuther, gave three reasons: That he was a director of the union's General Motors department; that he was a member of the National Subcommittee on Training and Industry of the National Defense Advisory Commission and that he was engaged in plans for speeding up airplane production through the Reuther plan for utilization of surplus automobile plant capacity.

Reuther had received two invitations from Uncle Sam. One was from the draft board, as indicated. The other came from the OPM.

Later, in March of 1941, the draft board rejected the union's request that he be deferred because of his defense activities. However, the Office of Production Management, Monday, March 24, 1941, stated that Reuther had been recommended for an appointment for "certain consulting services or other services." It added that, while the job was without compensation, expenses would be paid while he was on Government duty.

The board held that Reuther had no dependents.

On April 30, 1941, the board gave Reuther a class I–A rating, the tentative induction date being May 21, when 42 men from the Detroit area were to be sent to the Army.

A few days later Thomas, president of the union, and Philip Murray, president of the CIO, announced that an appeal would be taken from the board decision. Murray stated that Reuther "has direct supervision for the union on labor relations covering 78 plants and 173,000 workers. A great many of these employees are engaged in defense production."

Shortly thereafter the draft appeal board put Reuther in class III–A. He was given deferment because his wife, May, was dependent upon him—the board stating that, inasmuch as she was employed as Reuther's secretary, had he been drafted, she would have been out of a job and unable to support herself.

From the selective service questionnaire of Reuther, the following appears:

Questionnaire to be mailed January 16, 1941; to be returned January 21, 1941. It was returned the 21st of January signed by Walter P. Reuther, order No. 744.

"First joint large toe on right foot amputated.

"Eight years of elementary school and 4 years high school and 3 years at Wayne University, economics, sociology—labor problems."

"Administrative duties at the present time—CIO have done this for 3½ years: Salary: $57.70 weekly. Employer: International Union United Automobile Workers of America, CIO at 281 West Grand Boulevard, Detroit, Mich., whose business is a labor organization. Other business or work in which I am now engaged is member of the National Committee on Training within Industry Division of the National Defense Advisory Council.

"Served apprenticeship as tool and die maker, all type of tool and die construction—bench and machine—1924 to 1936."

Married March 13, 1936, and lives with his wife. Wife, May Wolf Reuther, age 30, receives $1,000 year. Also claims Anna Mae C. Reuther, age 17, sister. Date when support began: September 1, 1940, $10 weekly NYA, "and it costs me to maintain my home for the last 12 months, $1,000; rents house at $60 per month."

Reuther was born in Wheeling, W. Va., September 1, 1907.

REGISTRANT'S STATEMENT REGARDING CLASSIFICATION

"My wife intends to discontinue work within the next month or two at which time she will become entirely dependent.

"WALTER PHILLIP REUTHER."

Minutes of action by local board: This local board classifies the registrant in class I, subdivision A, by a vote of 3 to nothing—(not dated.)

April 29, 1941: Classified in class I–A after examination by medical advisory board.

Walter P. Reuther appealed to the board of appeal on April 30, 1941. On May 27, 1941, the appeal board No. 3, by a vote of 5 to 0, classified the registrant in class III–A.

SUPPLEMENTARY INFORMATION REQUESTED BY BOARD OF APPEALS

May 9, 1941: Date of mailing was May 9, 1941—received by the local board May 19, 1941. Page 4, note: "My sister Anna Mae Reuther is no longer receiving any support from me. She has secured employment for her room and board since I filed my questionnaire on January 21, 1941.

SERIES VII, DEPENDENCY

The income I earned during the past 12 months was $3,000. The following is a list of property owned in the last 12 months: Walter P. Reuther and May Wolf Reuther home at 20101 Appoline purchased, paid $4,050, due $3,700; bank deposits Walter Reuther and Mae Wolf Reuther, $1,265.

No. 12: "My wife and I will move into our new home the first week in June at which time my wife will discontinue work and become entirely dependent."

May 7, 1941: Letter from board of appeal No. 3 to local board No. 31. This is just a letter requesting that the answers to questions on dependency be supplied. See questions 6, 9, 10, and 12 under series VII.

May 1, 1941: Letter from the local board No. 31 to appeal board No. 3: "Walter Philip Reuther, has not requested a hearing but has signed an appeal to the board of appeal but simply is adding data signed by R. J. Thomas, president of the CIO and newspaper clippings which he has filed with the board.

"After he filed his questionnaire on January 22, 1941, he filled out portions of the questionnaire but left most spaces blank, therefore, it was impossible for the board to determine his classification. He was invited in for a hearing on the matter of his questionnaire on Monday, February 3, 1941. He appeared at this hearing and when questioned stated that he did not think it was necessary to fill in the questions which he did not fill in, which were all those covered by pages 4 and 5, as he had filed an affidavit for deferred classification signed by R. J. Thomas, president of the CIO, which he figured was all that was necessary. When questioned he was told that from information given in questionnaire the board could not do otherwise than put him in class I as there was nothing that we could find in the rules that would permit us to defer him. He then gave information that was not originally on his questionnaire, and from which we determined he belonged in class I.

"This board passed upon Mr. Reuther's classification solely upon his questionnaire supplemented by the affidavit of R. J. Thomas filed with this board January 28, 1941. You will find a request for deferment from Philip Murray, dated April 23, 1941, coinciding with the original request of Mr. R. J. Thomas, president of the CIO. You will also find a letter signed by Col. I. D. Brent, State adviser on occupational deferments. This letter was in response to telephone conversations between Mr. DeLand, Mr. Harrigan, and Colonel Brent. You will also find copy of letter, dated February 7, 1941, mailed to Mr. Reuther regarding his dependency. We might state further on page 7 of his questionnaire registrant's statement regarding classification at the time of his hearing, you will note he wrote in on the questionnaire at the same time that he filled in pages 4 and 5. At that time he notified the board that his wife was his private secretary and the job he was holding it was utterly impossible to replace her with any other woman to do the work."

May 23, 1941: Letter from the local board to appeal board No. 3.

"We herewith submit the complete record of Walter Philip Reuther, order No. 744, consisting of request for appeal; CIO Bulletin; 8 pages of newspaper clippings; R. J. Thomas' letter, April 30, 1941; questionnaire; form 42, R. J. Thomas; medical reports; form 42, Philip Murray; Philip Murray letter, April 17, 1941; copy of DeLand letter, February 7, 1941; I. D. Brent letter, February 13, 1941; supplemental questionnaire; affidavit of board members; newspaper clipping.

"Please sign original and return to local board No. 31.

"JANET D. DELAND."

May 21, 1941: Letter from Mr. Walter P. Reuther to local draft board No. 31: "Mr. Philip Murray, president of the Congress of Industrial Organizations, and Mr. R. J. Thomas, president of the International Union, United Automobile Workers of America, CIO, have asked me to appeal my classification to the local appeal board. The request of Messrs. Murray and Thomas for my deferment is for occupational reasons, as stated in affidavits already in the files of the local board No. 31. I shall be glad to appear before the local draft board No. 31 on Friday, May 23 at 11 a. m."

May 23, 1941: Notice to the press from the local board No. 31:

"Mr. Walter P. Reuther, order No. 744, appeared before the board today to comply with the request to get additional information as requested by the appeal board No. 3. The

board has received this information and are forwarding it to the appeal board and can take no action until we hear from the appeal board."

Signed by Edward H. Harrigan, chairman.

It seems funny that this further information should be referred to the local board prior to the appeal board, and what reasons had Harrigan for giving this statement to the newspapers as it is.

February 13, 1941: Letter from Col. I. D. Brent to the local board No. 31:

Colonel Brent admits that he knows Mr. R. J. Thomas, president of the UAW-CIO, has submitted an affidavit and, under regulations, he (Reuther) meets their requirements as a necessary man, and in the light of this situation and in the national interest, as well as the community interest he believes it advisable that the board (local) give serious consideration to placing this registrant (Reuther) in class II–A for a period not to exceed 6 months, which is the maximum period permitted under the regulations.

Signed by I. D. Brent, Colonel.

February 13, 1942: Claim for deferred classification by person other than registrant. This claim was filed on DSS Form 42, signed by Philip M. Murray and sworn to on the 7th day of April 1941. It was received by the local board April 23, 1941. (Notice the dates.)

April 17, 1941: This was a letter dated April 17, 1941, to the chairman of the draft board No. 31, signed by Philip Murray relative to the collective bargaining relationship in the plants of the General Motors Corp. at this time. This was received by the local board April 23, 1941 (notice the dates).

Letter of February 7, 1941 to Reuther from the local board asking more information pertaining to his wife.

January 24, 1941: Letter from the local board to the registrant directing him to appear before the local board at 10 a. m. Monday, February 3, 1941, for a hearing in the matter of his questionnaire.

May 16, 1941: Memorandum to file signed by Janet D. DeLand, chief clerk:

"I received a telephone call at 3: 40 p. m., from Washington, D. C. from Mr. Reuther, explaining that he would not be back in Detroit until this weekend, and asking if we would grant him permission to file his supplementary questionnaire on Monday, May 19th. I agreed that I would take the matter up with Mr. Harrigan. Mr. Harrigan agreed to give Mr. Reuther an extension of time until Monday."

Telegram to the local board pertaining to his delay in Washington.

May 9, 1941: Letter from the local board to Mr. Walter P. Reuther: "This Board has received a communication from the Appeal Board to which your appeal had been sent, requesting us to have you give further information that you failed to give in filling out your questionnaire. We are enclosing a supplementary questionnaire marked under series VII, 'see questions No. 6, No. 9, No. 10, and No. 12' which the appeal board insists on you filling out completely. At the time you signed the appeal you were requested to state on what grounds you appealed. You declined other than verbally, which you stated was "occupational," and, at that time, you submitted certain documents to accompany your appeal. The appeal board now insist on you sending in a written statement stating this information on what grounds you are basing your appeal. We would like to have this information within the next 5 days."

April 30, 1941: Received by the local board a note from Walter P. Reuther: "Please add the enclosed material to my file and refer same to appeal board. (Signed) WALTER P. REUTHER."

It was a 16-page pamphlet—"500 Planes a Day a Program for the Utilization of the Automobile Industry for Mass Production of Defense Planes," by Walter P. Reuther. These papers were received by the Local Board No. 31 on April 30, 1941. The local board also received from Mr. R. J. Thomas a very lengthy letter on the same date. Also a lot of newspaper clippings and the public reaction to same. These editorials and clippings were no doubt collected by Reuther and given to Mr. Thomas.

February 14, 1941: A letter from the chairman of the board to Col. Samuel D. Pepper:

"I enclose you herewith copy of a letter I wrote Walter P. Reuther regarding his classification. This letter was dated February 7, and up to this date Mr. Reuther has paid no attention to it that I know of except to show it to Colonel Brent. I will admit that if this board wanted to be absolutely cold blooded, we could classify every registrant upon his questionnaire as he returns it to us, and perhaps we should do it that way, but it has seemed to us that it is more human to ask registrants who fail to completely fill out their questionnaire to do so, or ask them in to talk about their dependents, or, even in what I consider a close case, like this one, to ask for some additional information.

"It was my original idea that if Reuther's wife was about to quit work as he states in his questionnaire and as he told Mr. Harrigan, our board member, that we could then classify him as a 3–A man solely upon the question of dependency but he doesn't seem to want to cooperate."

January 21, 1941: Form 42 was filed by Mr. R. J. Thomas and received by the local board on the same date—January 21, 1941.

Highlights:

1. Mr. Reuther is director of the General Motors department of the United Automobile Workers of America, CIO. As such, he has charge of labor relations covering 69 plants and 160,000 workers. Almost all of these plants are important in the national defense program. It is Mr. Reuther's function to keep labor relations smooth so as to permit continuous operation of these plants. He is engaged in almost daily conference with GM executives on these problems in Detroit and elsewhere. It would be impossible to replace him with a person as responsible as he is and as familiar with labor relations machinery in GM.

2. He is a member of the subcommittee on training in industry of the National Defense Advisory Commission and as such is doing important and responsible work in developing sufficient trained personnel for defense industries.

3. He is engaged in important discussions with officers of the War Department, the Defense Commission and other Federal officials looking toward the more speedy construction of defense aircraft.

At the time Walter P. Reuther was deferred while other men were drafted, I made inquiry as to Reuther's status of Lewis B. Hershey, Deputy Director of Selective Service System. Hershey's reply,[5] among other things, stated that while Reuther did not desire to be deferred because of dependency but rather as a "necessary man," on appeal, inasmuch as it was their duty to place the appellant "in the lowest classification justified by the evidence" and occupational deferments being not as low as the dependency deferment, the appeals board, acting in conformity with the regulations—evidently because of the dependency situation—placed Reuther in class III–A.

THE PRESENT-DAY WALTER REUTHER; HIS POLITICAL PHILOSOPHY AND HIS FRIENDS

Having taken a look at the Reuther of yesterday, knowledge of what he is now attempting may suggest and determine the nature of the procedure necessary to preserve the form of government which has given so many of us so much of everything that is desirable, not only of material things, of educational advantages, of freedom of personal action, but of opportunity for security of the future, both individual and national.

Whatever may be Reuther's purpose, his present efforts, if successful, will result in the disappearance of constitutional government as we have known it.

It cannot truthfully be said that it is Reuther's purpose to overthrow this Government by armed rebellion. Unfortunately, the adoption of the principles which he advocates will bring about that disastrous result.

His recent success in fastening what is advertised as a guaranteed annual wage upon industry may well frighten those who believe in the law of supply and demand, in the right of the individual to

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[5] NATIONAL HEADQUARTERS,
SELECTIVE SERVICE SYSTEM,
21st Street and C Street NW.,
Washington, D. C., August 5, 1941.
(In replying address The Director of Selective Service and refer to No. 1–8.5–75)

Hon. CLARE E. HOFFMAN,
House of Representatives.

DEAR MR. HOFFMAN: In accordance with your request, we have made a complete investigation of the classification of Walter Philip Reuther, order No. 744, Wayne County Local Board No. 31, Lansing, Mich.

It appears that this registrant at no time made a claim for deferment on the grounds of dependency, although his record indicated that dependency was involved. The registrant did claim deferment as a necessary man because of his occupation as a representative of the United Automobile Workers, an affiliate of the Congress of Industrial Organizations.

Upon appeal of the case of this registrant, board of appeal No. 3 at Detroit, Mich., deferred the registrant in class III–A on the grounds of dependency.

While it is not specifically stated in the file, it appears that the registrant does not desire to be deferred on account of dependency but rather desires to be deferred as a necessary man.

When a case is appealed to a board of appeal, it is incumbent upon that board of appeal to consider all questions and to place the registrant in the lowest classification justified by the evidence and information contained in his record. Occupational deferments in class II–A or II–B are not as low in classification as the dependency deferment in class III–A. For this reason, the board of appeal acted in direct conformity with the Selective Service Regulations when it placed this registrant in class III–A, as the lowest deferment status justified by the record.

Accordingly, as the record now indicates, the registrant is deferred and is free to carry on his occupation and maintain those who are dependent upon him. In our view this deferment should be entirely satisfactory to the registrant, and we believe that there is no good reason why he should pursue any further his objection to such a classsification. In the event that subsequently his classification may be changed, by reason of a change in circumstances, from class III–A, then full consideration would be given to any other grounds upon which a claimed deferment would be found to exist.

We trust that the information contained in this correspondence is found satisfactory to your inquiry.

peacefully trade, barter, and engage in what is known as private enterprise.

Reuther seeks to and, if not stopped, will force all of us as consumers to provide the funds to pay the members of his labor organizations a guaranteed sum for every working day in the year, regardless of whether they work or loaf. A part of his plan is to supplement the contributions paid by industry into a trust fund by enforced contributions exacted from the taxpayers, through either State or Federal legislation, i. e., an increase in unemployment benefits under State or Federal statute.

Obviously, if that kind of a plan can be forced upon the taxpayer, all of us will want to join the union, for certainly the unorganized workers of a 160-odd million population will not continue to submit to the picking of their pockets for the benefit of a comparatively small group who belong to the UAW-CIO.

Eventually, we will all have our bowl and spoon out at the soup kitchen's door. All join the line at the State or Federal pay window.

Others of Reuther's economic proposals seem to the average hardworking, thrifty citizen slightly grandiose. For example: Reuther's July 15, 1950, letter to then President Truman, while labeled a program to stop communistic aggression throughout the world, among other things proposed, and I quote:

> For the next hundred years (1950–2050) the people of the United States through their Government pledge themselves to make available through the United Nations an annual sum of $13 billion. (This, over the 100-year period will equal the final money cost—$1,300 billion—of the last war to the American people.[6])

Just who was to do the work to, for a hundred years, each year earn and turn over the $13 billion to the people of other countries and just what those workers were to pay in the way of initiation fees, dues, and special assessments to Reuther's organization was not disclosed.

His suggestion seems just about as, but no more workable than, his proposal made during one of our wars to turn the idle machinery in the automobile industry into the production of airplanes,[7] well knowing that planes cannot be produced on auto-making machines.

Walter Reuther is a scheming dreamer and apparently in his dreams he sees himself as a glorified solver of all our problems, with himself sitting on a throne, solving and directing the solution of all worldly problems.

Not only are many of the economic proposals of Reuther unsound, unworkable, but he seeks to impose them upon the rest of us by violence, rioting, by a total disregard of the civil rights of those who oppose him, of the fundamental law of the land—a defiance of the law and law-enforcing officers.

If this indictment seems unjustified, again permit a citation of a part of the record.

THE KOHLER STRIKE

The Kohler Co., manufacturing plumbing equipment, located at Kohler, near Sheboygan, Wis., has always operated its plant by employing people from the local village of Kohler.

Employees own their own homes in fee simple. That means they are the absolute owners of the homes in which they live and of the land on which those homes stand.

No opinion is expressed as to the merits of the existing labor dispute between local 833 of the UAW-CIO, of which Allen G. Graskamp is president, and the Kohler Co.

My purpose is to show by a reference to the facts that Walter Reuther has been and is, through this strike, attempting to demonstrate to the people of Kohler, of Sheboygan, of Wisconsin, and the rest of the United States, and especially to employers, that he is "the law"; that he is above the law and that neither courts, police, sheriffs, private citizens, mayors or a governor can successfully and with impunity resist his orders.

An editorial from the News-Palladium, published at Benton Harbor, in the Fourth Congressional District of Michigan, on July 29, last, summarizes the situation as follows:

THE ISSUES AT KOHLER

Union strategists are struggling by every means they can conjure up to avoid surrendering in their strike war with the Kohler plumbing manufacturing company of Kohler, Wis.

In their efforts the CIO-UAW has the passive support, at least, of the Governor of Wisconsin and the mayor of Sheboygan, port of entry for raw materials consigned to Kohler. The union has even invaded the field of marine and interstate transportation to prevent shipments from reaching Kohler. By sheer threats of revolutionary violence, the union has reduced one of the 48 States to a position of abject terror reminiscent of the Michigan administration of the late Frank Murphy many years ago.

The union called the Kohler strike April 5, 1954. That strike is still in progress although the Kohler company has largely replaced the strikers and continues operations on a fairly normal scale.

Chesly Manly, Chicago Tribune writer, in a current article on Kohler in the Spotlight, publication of the Committee for Constitutional Government, points out that "Labor Czar Walter Reuther has been defeated at Kohler, but dares not admit defeat and loss of prestige. His situation is desperate."

Kohler management, relying upon Federal rulings, refuses a CIO demand as a provision of settlement, that it fire nonstrikers and reinstate strikers, who have lost millions in wages. This Kohler rightfully refuses to do, insisting that compulsory unionism and dictatorship is contrary to American principles.

The issue at Kohler is not wages—it pays the highest rate in the industry. Boiled down, the issue is who is going to run Kohler—the owner-management or the CIO.

Collective bargaining, industrially, has been losing its meaning in recent years, to be supplanted by the "take our terms or else" philosophy.

In the long run, of course, this kind of unionism will destroy competitive enterprise, drive industry in huge combines, lower production, earnings, and employment.

When competitive incentive is eliminated from the American system there will most assuredly be fewer jobs, less pay, and an end to freedom as we know it.

Free enterprise has raised the living standard of every American, in whatever productive role, to the highest level in the world. A few power-hungry, selfish individuals have come a dangerously long way toward killing the goose that lays the golden egg.

But back to the acts as well as a few of the words of Czar Reuther and some of his lieutenants.

April 5, 1954, local 833, UAW-CIO, hereinafter referred to as the local, went on strike against the Kohler Co. Immediately 2,500 pickets, in violation of a Wisconsin statute, closed the entrances to the plant. On that day and for the 54 days following the plant was closed—production nonexistent.

Reuther sent Emil Mazey, secretary-treasurer of the UAW-CIO, who once described himself as "the Patton of the picket lines," and second only to Reuther in authority and an expert in successfully disregarding the law, defying law-enforcing officers, to assist the local. Mazey appeared on the picket line on the third day of the strike.

A little of Mazey's past history and activities will indicate Reuther's purpose and the methods he desired to use, for you do not turn a sheep-killing dog loose in the pasture.

Mazey, according to his own sworn testimony, given on October 20, 1947, in answer to questions which I put to him, stated that as early as 1933 he had been an organizer for the CIO. He testified:[8]

> I have been an active official of the UAW-CIO since 1936, and during the course of that time I have participated in practically every major strike that our union has had, with the exception of the General Motors strike in 1946, and I happened to be on a little island in the Pacific at that time and I couldn't participate.

He was then asked:

> Question. Did you make an attempt to organize the soldiers?
>
> Mr. MAZEY. I did organize them.

But he also admitted that he did not collect dues.

To aid in understanding Mazey's activities, as carried on at Kohler, under Reuther's directions, permit a reference to Mazey's participation in a strike at Clinton, Mich., a town of some 1,600 people, located some 75 miles from Detroit.

The strike at Clinton was not going too well, although the strikers had the passive assistance of the Michigan State police, locally commanded by Captain Scavarda, who sometimes seemed to conceive it to be his duty to aid the strikers by assisting them in keeping workers from entering a struck factory.

To assist the local union and to stop employees who wanted to go into the factory to work, Mazey—but let him tell the story.[9]

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[6] CONGRESSIONAL RECORD, 81st Cong., 2d sess., vol. 96, pt. 16, p. A5249. See also The United Automobile Worker, vol. 14, No. 8, August 1950, p. 3.

[7] Reuther had proposed to produce 500 airplanes a day through the use of idle and obsolete automobile-manufacturing equipment; the plan was rejected by the Defense Advisory Commission. See CONGRESSIONAL RECORD, 77th Cong., 1st sess., January 16, 1941, vol. 87, pt. 10, pp. A142–A145.

[8] Hearings, labor-management disputes in Michigan, Indiana, and Ohio, before Special Subcommmittee of the House Committee on Education and Labor, 80th Cong., 1st sess., p. 332.

[9] Ibid., p. 326.

Question. You took 400 people down there from Detroit to Clinton?

Answer. That is right.

The 400 were joined by others so that the picket force numbered approximately 550.

Mazey was asked:[10]

Mr. HOFFMAN. Was it your purpose if, when you got to Clinton you found a picket line down at the plant and that the employees or some of the employees of the company attempted to go through that picket line and if it became necessary in order to get through for them to push or shove your pickets aside, that you were going to call for action from so many of your 400 supporters as might be necessary to prevent that?

Mr. MAZEY. That was our purpose and our record there speaks for itself. We did not prohibit anybody physically from going into the plant.

Mazey's statement that "We did not prohibit anybody physically from going into the plant" was not only false, but an absurdity, for, when asked if he contended that the picket lines at Clinton had not been keeping workers who wanted to return, from going into the plant, he replied,"I did not say that," and he added,[11] "We just wouldn't tolerate the smashing of our picket lines; that is what I said."

That Mazey intended to, by force if necessary, close the Kohler plant is indicated by his sworn statement as to what he tried to do at Clinton, Mich.

He testified that he took the 400 pickets—a goon squad—from Detroit to Clinton to "educate" the people of Clinton to serve as a lesson to other employers.

Mazey added that "if the strike was to continue, we would bring additional people, thousands if we had to," to "educate" the people of Clinton and small employers elsewhere.

When questioned as to whether 50 educators could not do the job he said: [12] "A thousand 'educators' can do a much better job than 50," and he added, "All of our members have training on selling their ideas on unionism."

When Mazey went from Detroit to assist the local at Kohler's, he had the services of some of the CIO strike experts.

With him went William Paul Vinson, a 27-year-old, 6-foot, 200-pound organizing expert, currently serving a 1- to 2-year term in Wisconsin State penitentiary because he slipped up behind 50-year-old, 140-pound Willard Van Ouwerk, who, with his wife, had been shopping in Sheboygan Falls, hit him from behind, knocked him unconscious, then kicked and trampled him, sending him to the hospital with internal injuries, a crushed chest, a pierced right lung, four fractured ribs.[12a]

Vinson is one of Reuther's and Mazey's typical goon-squad "educators."

Another typical goon "educator" who appeared on the scene was John Gunaca, alias John Ballerino, alias John Moreski, alias John Price, a fugitive from justice, now seeking and obtaining sanctuary in my own State of Michigan by virtue of the kindness of Gov. G. Mennen Williams, who has refused the request of Wisconsin that he be extradited for prosecution in Wisconsin.

Another of the goon "educators" was Guy Barber, a Detroit specialist in persuasion, often appearing on illegal picket lines.

Still another "educator" was James Fiore, a big, burly fellow, handy with his fists, very effective, not only in inciting others to violence, but as a participant.

Still another "educator" was Donald Rand, an expert known to many of his victims for his effective kneeing and kicking. His claim was that he came from Detroit to assist in "an orderly and peaceful manner."

Still another expert "educator" was Jess Ferrazza, who was an assistant to the UAW–CIO international secretary-treasurer, Emil Mazey. Jess was a careful man, often wearing—for his own protection—heavy reinforced gloves while working on the picket line and while "working over" employees trying to enter the plant.

Now, it will probably be the claim of Reuther and of Mazey and their hired attorneys, who are usually well qualified experts in extricating their clients from the law's toils, that all those who came from outside to assist the local merely went there on peaceful missions.

Mazey undoubtedly went to Kohler because the union decided, as he testified [13] they had at Clinton, "We decided to take things into our own hands."

However, the real purpose of the pickets and the Detroit and other reinforcements at Kohler was disclosed when, on May 9, 1954, the president of the local, Graskamp, declared:

We have tried to discourage people from going into that plant by peaceful means but from now on the gloves are off.

On the same day, Burkart, a UAW-CIO international representative in charge of the Kohler strike, said:

Let us do everything we can to keep them away from the plant before they get to the picket line.

Mazey followed up the declarations of war by stating at a mass meeting held on August 15, 1954, as reported in the Milwaukee Journal of the next day, and referring to employees who wanted to work:

They've joined the ranks of the enemy and they ought to be treated as such. During the war, when they join the enemy, they are shot when convicted.

That statement is similar to the one alleged to have been made by Reuther during a CIO strike in Michigan, when he is alleged to have said, "Shoot the cops."

Both Mazey's statement and the one reported to have been made by Reuther are in strict accordance with the Communist practice of liquidating opponents.

The militant policy of the union, its determination to win by foul, if it could not win by fair, means and its success is indicated by the September 1954, issue of the United Automobile Worker, which said:

Church picnics have been called off because clergymen have feared the fate of scabs—

A scab being an employee who here in America desired to work at a job which was acceptable to him.

The daily strike bulletin of the union, on September 30, 1954, stated:

The Kohler strikers will not tolerate the continuance of such activities—

Meaning the people going into the plant, and it added:

The double-crossing activities (of Kohler Co. production workers) should be dealt with just as one would deal with those who would steal money from a home or food from a pantry. There is no difference.

After the Kohler Co. had been closed for some 54 days; after the Wisconsin Employment Relations Board, the NLRB, a Federal court and the local court had been appealed to without a settlement of the strike, an injunction was issued against further violence against the company.

Then the goons of the CIO went underground. No longer could the goons

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[10] Ibid, p. 327.

[11] Ibid, p. 328. See also Mazey's testimony in connection with the strike at Clinton, Mich., hearings before the Special Subcommittee of the House Committee on Education and Labor, 80th Cong., 1st sess., October 15, 16, 1947:

Mazey had taken 400 union members from Detroit to join others on the picket line at Clinton. He was asked:

"Mr. HOFFMAN. Now, I continue to read from the paper: 'This demonstration by the Detroit and Toledo locals is just a sample of what is going to happen if this strike continues.' What did you mean by that?

"Mr. MAZEY. I meant that if the strike was to continue we would bring additional people, thousands if we had to.

"Mr. HOFFMAN. Thousands, if you had to?

"Mr. MAZEY. That is right."

Ibid., pp. 332, 333:

"Mr. MAZEY. Getting back to the observation I was about to make, I want to state that for a number of years we have been assisting sister local unions when they are in difficulty. What took place in Clinton, Mich., has taken place in a number of other communities for the last 10 years. I have been in Flint, I have been in Pontiac, I have been in every section of the State assisting our local unions to settle their problems with management and this is the only time that people seem to have gotten excited in this particular hysterical era that we are living in today with the Taft-Hartley Act and so on; this thing has been made quite an event, quite an affair * * * but we have for years, we have been able to build our organization and maintain it on the basis of assisting our local unions when they are in difficulty; we have been doing it for 10 years and we intend to continue doing it.

"Mr. HOFFMAN. Now, let us analyze that just a moment. You intend to continue for example sending in to say Berrien County and Benton Harbor hundreds of thousands of men from other unions in order to assist local union?

"Mr. MAZEY. If our services are needed; yes.

"Mr. HOFFMAN. And when they come in do you intend to assist them on the picket line?

"Mr. MAZEY. Yes."

[12] Ibid, p. 329.

[12a] (Perhaps some attorney will volunteer to bring a civil suit against Vinson, Mazey, Reuther, the local and international unions for civil damages.)

[13] Ibid, p. 326.

with impunity assail the plant or at the gates assault those seeking to return to work. So, like the cowards that they are, those acting in the interests of the union began to assail working employees and their sympathizers.

Of course, being masters of evasion and deception, the union sanctimoniously announced that it was not responsible for the violence and destruction of property directed against working employees or others—this notwithstanding the fact that there had been, during the first year of the strike, more than 460 incidents of violence and vandalism occurring not on the picket line, but at other places, in other sections of the town."[14]

Now, just who, may I ask Mr. Reuther and Mr. Mazey to tell me, was more than 400 times interested in destroying the property or beating employee workers who would not obey their commands?

[14] Mass picketing, preventing employees from going to work.

Preventing men and women from seeking employment, by abuse, physically by shoving, elbowing, shouldering and kicking.

Kidnaping.

Physical assaults on nonstriking workers, including beating and kicking one man almost to death, breaking another's neck, and assaulting another and his wife, and wrecking their tavern.

Mass picketing of homes of nonstrikers in residential areas, often with 300 or more pickets shouting, cursing, and menacing the householders.

Dynamiting of automobiles and buildings.

Shotgun blasts through the windows of homes.

Throwing flaming torches and other incendiary devices into automobiles and onto the porches of homes.

Hurling paint bombs, fashioned from electric light bulbs, through the windows of homes and against the sides of homes.

Smashing of automobile windshields.

Shouting vile and obscene language on the picket lines.

Smearing nonstrikers' automobiles with paint or paint remover.

Scratching the finish of non-strikers' cars as they were driven through the picket lines.

Putting sugar in tractor and automobile gasoline tanks, and sand in the crankcases.

Slashing automobile tires.

Telephone threats to the wives and children of nonstrikers.

Tying bolts and other metal objects to cornstalks, ruining farmers' corncutters. (Directed at those who had relatives working at the Kohler plant.)

Publishing vicious rumors and slanderous untruths about nonstrikers and members of their families.

Tearing up landscaping in the yards of nonstrikers.

Breaking into the summer cottage of a nonstriker and hurling acid over the walls and furnishings, and damaging the boats and outboard motors.

Telephoning nonstrikers throughout the night, threatening them, and preventing them from getting sleep.

Throwing rocks and other missiles through automobile and house windows.

Slinging ball bearings through the windows of homes.

Smearing excrement over the interior of a nonstriker's automobile.

Mutilation of farmers' cows, in one case so severe that the animal had to be destroyed.

What happened to these individuals was in accord with local President Graskamp's statement, which I repeat:

We have tried to discourage people from going into that plant by peaceful means but from now on the gloves are off.

That the union was responsible is indicated by Mazey, who, infuriated over the conviction of Vinson, went to Sheboygan, and publicly denounced Judge Schlichting who sentenced him, and, believe it or not, ordered a boycott of food markets in which the judge had a financial interest.

For this effrontery, the swellheaded, egotistical, lawless Mazey deserved, and he got, the denunciation of many of the people and of civic and ministerial organizations of the two counties of Sheboygan and Manitowoc.

The foregoing is but a very brief and incomplete statement of some of the unlawful activities of the Reuther-Mazey directed strike at Kohler, Wis.

The union not only had the help, through a failure to enforce the law, of the city, the county and the State authorities, but it received indirect assistance from Washington.

From James E. Murray went a letter to the president of the company, indicating that perhaps a congressional committee should investigate the situation.[15]

[15]

WASHINGTON, D. C.,
December 31, 1954.

HERBERT V. KOHLER,
President, Kohler Co.,
Kohler, Wis.:

I have been advised that the labor-management dispute between Kohler Co. and its employees which has been going on since April 5, 1954, has been characterized by flagrant and persistent violations of National Labor Relations Board orders and complaints issued under the Labor Management Relations Act. I am further advised that union members in Kohler are intimidated by the fear that your company has built up an industrial munitions arsenal within the plant and that company policy in its relations with the union is predicated on a willingness to resort to use of such arms rather than to the collective bargaining procedures which the Congress has established. I am further advised that our Federal tax law may be used by your company indirectly and in violation of the intent of those laws as a means of prolonging the dispute and as a strike-breaking weapon. Should these allegations have substance, I believe the Senate's Committee on Labor and Public Welfare will most certainly want to investigate the situation at Kohler. Will you therefore please advise me immediately as to:

1. What quantities and types of industrial munitions if any, are or have been stored on the company premises at any time since the beginning of the current labor dispute on April 5, 1954. 2. Your company's policy with respect to the intended use of any such industrial munitions, including tear gas, during the current dispute. 3. If the Kohler Co. is losing $46,000 a day in expenses because of the strike, as you are reported to have stated to the United States district court in Milwaukee, what if any part of this $13 million in strike costs, will your company attempt to recapture under the carry-back, carry-forward provisions of the tax law? 4. Why have you and other company officials rejected efforts to negotiate an agreement with the employees' recognized collective bargaining agent, including the proposal to submit the dispute to arbitration made by Gov. Walter J. Kohler.

JAMES E. MURRAY.

Mr. Murray got an answer from the company's president, giving him the requested information and advising that, although the company had been shut down for 54 days in 1954, it made a net profit and added that no laws had been violated.

The correspondence seemed to end any desire for a full and fair investigation by a congressional committee.

The union's demand, made to President Eisenhower, that the company's $2 million contract with the Federal Government be canceled, thus aiding the strikers, apparently went unanswered.

THE MORE RECENT SITUATION AT KOHLER

Reuther and Mazey with their goon squads, and notwithstanding the support given by local and State authorities, failed to close the Kohler plant. Kohler operated at a profit during 1954, even though closed for 54 days. Reuther was forced either to confess defeat—a most humiliating admission—or take drastic action to force Kohler to close.

To operate, Kohler needs ceramic clay which, purchased in England, is transported in Norwegian ships, over which neither the AFL nor the CIO has control. Knowing that if Kohler's supply of raw material could be cut off the plant would be down, union strategists evidently decided that they would close the lake port of Sheboygan through which Kohler received the clay.

On July 5, the Norwegian ship, MS. *Fossum*, loaded with clay from England, arrived at Sheboygan Harbor and attempted to unload. A Buteyn tractor, hauling a flat-bed trailer carrying a Kohler crane and manned by Buteyn employees, tried to enter the dock.[16] A mob of between 500 and 600 CIO goons and sympathizers took over the dock approaches. A company employee was beaten—(when Roman Gruenwald, a farmer of Plymouth, Wis., and a nonunion employee appeared, he was chased a block, surrounded, beaten by the goons, several of his teeth knocked out and released only when he promised never to return to work at the struck firm—vehicles, including police cars, were halted, stoned, and damaged, while 25 Sheboygan policemen stood idly by.[17]

Sheboygan's mayor, Rudolph J. Ploetz, and Police Captain Steen Heimke, gave the rioters their implied approval of their violence and rioting by statements made over a public address system. The mayor induced the mob to disperse by promising that the crane would be taken "back to Kohler where it belongs."

The incident attracted attention throughout the Midwest and many local papers published the news story while some commented editorially. Typical of the stories is the one published in the Niles (Mich.) Daily Star.[18]

[16] Chicago Tribune, July 6, 1955.

[17] Chicago Tribune of July 6, 1955.

[18] Niles Daily Star, Niles, Mich., of July 7, 1955:

KOHLER DIVERTS DISPUTED CARGO—DEPARTURE OF SHIP ENDS VIOLENCE BY STRIKERS

SHEBOYGAN, WIS.—A cargo of clay that sparked mob reaction into violence in a 15-month-old Kohler Co. strike left Wednesday night aboard a foreign freighter sailing under sealed orders.

The Chicago Daily Tribune of July 7 carried the mayor's statement that "I want it understood that I am not trying to prevent the Kohler Co. from unloading the clay boat, but am primarily concerned with protecting the people of Sheboygan from injury or even death through a riot."

That is the same old excuse used by Governor Murphy of Michigan and many another public official, who apparently proceed on the theory that armed, reckless violators of the peace, rioters, will not be interfered with if bloodshed might result from any attempt to enforce the law. That attitude is a surrender to those who stage armed rebellion.

President George Washington, confronted with the Whisky Rebellion; President Grover Cleveland in the Pullman strike; Teddy Roosevelt in the coal strike; Governor Coolidge in the threat of the police force of Boston—all had the right answer—and avoided bloodshed.

The *M. S. Fossum* is under the command of Capt. F. Svensen, who told newsmen he sailed under sealed orders. He said he did not know his destination. The ship is out of Skien, Norway.

Kohler Co. announced earlier it would not try to unload the vessel. Loss of the shipment, the company said, would not force it to close.

About 100 persons watched the ship depart. The same dock 24 hours earlier was filled with a milling crowd estimated to include 1,000 persons at times. The mob beat up a nonstriking Kohler worker, broke windows in the home of another nonstriker, and tipped over his car, threw rocks at an auto carrying a company official, and damaged unloading equipment bound for the dock.

The plumbing ware firm, located in the nearby village of Kohler, has been the scene of a strike by local 833 of the UAW–CIO since April 5, 1954. Paramount issue is union security. A National Labor Relations Board hearing into unfair labor practice charges against the company is in recess until July 20.

The trouble broke out Tuesday when the *Fossum*, with clay consigned to Kohler from Fowley, England, docked and the firm tried to move a derrick alongside to unload it.

Police roped off the area Tuesday night, but it was not until Sheboygan Mayor Rudolph Ploetz appealed to the crowd that the mob broke up. Ploetz announced that a meeting with the company was arranged for Wednesday morning. The mayor planned to ask the firm not to unload the vessel.

That meeting broke up when Lyman Conger, counsel for Kohler, stalked out with other company representatives. Conger acted after Associated Press photographer Dan Nero asked to take a picture of the group before the meeting started.

Conger told Ploetz he [Ploetz] was "pulling a publicity stunt." Ploetz said later the "dramatic walkout is another display of the Kohler Co. not wanting to bargain." He added that the vessel "will definitely not be unloaded if it endangers the lives or welfare of the people here."

Robert Burkart, international representative of the UAW–CIO, said: "We didn't promulgate this thing. It is merely the doings of the mayor and we are willing to go along."

They met Wednesday afternoon with Kohler representatives. That meeting produced a statement from the company stating that the firm would not try to remove the clay "because of the danger to the lives of the Kohler Co. and the unloading contractor."

Mayor Ploetz made clear his attitude by adding, "Regardless of how long that boat"—the *Fossum*—"remains here, it will not be unloaded." And that position he brazenly declared to be a "neutral position in the current unrest."

July 7, the Chicago Tribune, which had at least two reporters covering the situation at Sheboygan, editorially denounced public officials as lawbreakers.[19]

Because of lack of protection from law-enforcing officers, the Kohler Co. gave up the attempt to unload the *M. S. Fossum* at Sheboygan. The owners ordered it to proceed to Milwaukee, where it arrived on July 7.

On the ship's arrival, Wisconsin's State president of the CIO, Charles M. Schultz, threatened that, if an attempt was made to unload the ship, he would call a general strike of CIO members—50,000—which would paralyze some of the city's largest industries. He said:

We feel it would be a disgrace to labor in Milwaukee if this ship were unloaded here.

Municipal Port Director Harry C. Brockel said:

It is a policy question of utmost importance. The port of Milwaukee serves hundreds of shippers in Midwest States. We always have recognized valid and legitimate labor disputes and have refused to handle strikebound ships and cargoes from other ports.

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[19] Chicago Tribune editorial July 7, 1955.

PUBLIC OFFICIALS AS LAWBREAKERS

The latest rioting at Sheboygan, Wis., in connection with the strike against the Kohler Co. is a subject for immediate grand-jury action. The principal offenders are not the goons, though they also should be punished, but Mayor Rudolph J. Ploetz of Sheboygan and his police chief, Steen Heimke.

Ploetz made a strong appeal for, and was granted, union support when he ran for office last fall. During the riot Tuesday he abandoned all pretense of performing his sworn duties and acted as a partisan of the lawbreakers.

The disorders were caused by the arrival of a shipload of English ceramic clay for the Kohler plant. When equipment was sent to the Sheboygan dock to unload it, a mob of 500 or more CIO goons took possession of the dock area. The equipment was prevented from reaching the dock. Automobiles were stoned. The only arrest made was that of a truckdriver who attempted to defend himself with a jack handle when he was assailed by the mob.

During the riot, Mayor Ploetz, Chief Heimke, and 25 city policemen stood by and made no effort to restore order. Eventually Ploetz addressed the mob, pleading with it to release the loading equipment and promising that it would be sent back to the neighboring village of Kohler, "where it belongs." Yesterday he proclaimed that the ship could never be unloaded in Sheboygan.

Ploetz and his police chief were clearly guilty of malfeasance in office, and perhaps also of the graver crime of conspiracy with the lawbreakers. They should be given the opportunity of conducting their official business from the county jail.

Meanwhile, it is up to the Sheboygan County authorities, and failing their performance, of Governor Kohler (who has no official connection with the Kohler Co.) to restore order. The unrestrained violence incited by the UAW leaders, whose strike has been a demonstrated failure for months, is becoming a national scandal.

The mayor's secretary observed that:

This vessel was chartered by the Federal Government and we must consider our obligations to the Federal Government to service the vessel.

But the ship's master could not unload.

On July 8, after the issue had been tossed back and forth by Milwaukee authorities, the harbor commission followed the lead of Mayor Zeidler and voted against ordering the unloading of the ship at the municipal dock. The commission adopted a resolution advising the owners to return the ship to Sheboygan and to seek legal relief in the courts.

Thus did Reuther's influence close the port of Milwaukee to a federally chartered ship from a foreign port owned by Norwegians, carrying raw material purchased from England. In effect, the action declared the port closed to any cargo, foreign or domestic, bound for a struck industry.

The *Fossum's* skipper, being unable to discharge cargo, sailed for Montreal.

An attorney for the chartering Paper Makers Importing Co., of Easton, Pa., demanded a formal statement from the harbor commission as to whether another Norwegian ship, the *Divina*—and five other ships chartered to bring clay from England, all flying the Norwegian flag, either on the way or loading in England—would receive treatment similar to that given the *Fossum*, adding that the *Divina* had orders to proceed directly to the Milwaukee port.

He called attention to the fact that the operating expenses of the *Fossum* were $700 per day, that other losses had been incurred, and Milwaukee and others would be held responsible.

The Milwaukee city authorities finally receded somewhat from their stand, but it is still impossible to determine accurately whether they will or will not give protection to the ships seeking to unload raw material for the struck Kohler plant.

The Chicago Sunday Tribune of July 10, 1955, editorialized the situation under the caption, "Wisconsin's Cowards." [20]

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[20] Chicago Tribune editorial of July 10, 1955:

WISCONSIN'S COWARDS

We do not indict the State of Wisconsin or its people. We do indict their elected leaders, in particular Governor Kohler and the mayors of Milwaukee and Sheboygan, as cowards who in the incident of the shipload of clay for the Kohler Co. have surrendered law and order to lawless bosses of the CIO and AFL. This invitation to anarchy is as repulsive to the decent people of Wisconsin, we are sure, as it is to decent people everywhere else.

The ceramic cargo arrived at Sheboygan, near the village where the CIO has been conducting an unsuccessful and violent strike against the Kohler Co. for 15 months, on a Norwegian ship from England. A mob of CIO goons prevented its unloading. Mayor Rudolph Ploetz, of Sheboygan, whose brothers are among the Kohler strikers, stood by with 25 of his policemen and made no effort whatever to restrain the mob.

The ship then went to Milwaukee. CIO leaders in that city threatened a general strike of their 50,000 members if the ship were permitted to unload. AFL dock workers, employed by the Milwaukee Port Com-

ORGANIZED LABOR AND MILWAUKEE AUTHORITIES STAGED PARTIAL CONCESSION TOO LATE

The opposition of organized labor and labor-dominated city officials of Milwaukee to the unloading of foreign ships at the Milwaukee harbor collapsed in part the evening of July 11. This was probably due to threatened lawsuits and the probable increasingly grave complications which might grow out of the protests of foreign governments to our own State Department.

Milwaukee authorities and Milwaukee workers, both CIO and AFL, and unorganized, began to realize that their arbitrary, illegal actions had given, would continue to give, the port of Milwaukee a black eye, and that, in competition with other lake cities for an anticipated increase in foreign shipping which might come to the Great Lakes because of the building of the St. Lawrence Waterway, Milwaukee would be a losing competitor.

The city of Milwaukee evidently realized that it was off on the wrong foot; that it had taken an untenable position; that its attitude might result in irreparable harm to the city as a port of entry for lake shipping.

On July 12, the Milwaukee Harbor Commission recommended to the city council that the Norwegian freighter *Divina* be invited to come to that port from Port Clayborne, Ontario, where it had been held awaiting information as to the situation at Milwaukee, to unload. Alderman Dales, who is secretary-treasurer of a Milwaukee industry, evidently realizing the false position in which Milwaukee was being put, described the violence which had occurred as "black Tuesday."

He said the issue was whether the city authorities were responsible for the closing of the port. He said:

Basically it is a question involving a fundamental law under which each of us is entitled to full protection without which will lead to complete anarchy.

Dales quoted Wisconsin laws referring to unlawful assembly and riot, suppression of unlawful assembly, officers' neglect of duty, and mob damage. He also criticized Milwaukee's subsequent refusal to permit the *Fossum* to unload there. The alderman also proposed that Governor Kohler be asked to alert officials of the National Guard "to be prepared in the event the situation gets out of hand."

After the departure of the *Fossum*, the mayor announced that the *Divina*, the second ship in the fleet of six, would be permitted to dock and unload. He stated that the leaders of both the AFL and the CIO had withdrawn their opposition and that there would be no interference by organized labor with the unloading.

However, both organizations stood firm in their previous refusal to unload the *Fossum* and indicated that their opposition would be renewed if that ship would attempt to return. The *Fossum* was then well on its way to Montreal.

That both Reuther and Mazey were directing the closing of the Sheboygan and Milwaukee ports is evident from the story of Joseph Egelhof, who was on the Milwaukee scene as an observer for the Chicago Tribune. Egelhof reported that the attorney for the owners of the clay cargoes in the 6 ships had charged that "the long arm of Walter Reuther has reached out and paralyzed the Milwaukee city government."

With reference to the Reuther policy at Milwaukee, Mazey announced: "There is no neutrality in this for us." And he added that he was giving full support to the move to prevent the unloading of the ship.

Emil Mazey is the accomplished goon-squad leader, who once, when under oath, boasted:[21]

I want to state that for a number of years we have been assisting sister local unions when they are in difficulty. What took place in Clinton, Mich.,[22] has taken place in a number of other communities for the last 10 years. I have been in Flint, I have been in Pontiac, I have been in every section of the State assisting our local unions to settle their problems with management, and this is the only time that people seem to have gotten excited in this particular hysterical era that we are living in today with the Taft-Hartley Act.

Mazey forgot to mention that practically everywhere he has been violence and rioting have resulted, and that he, as well as the pickets generally, on the occasions above mentioned, violated the provisions of at least two Michigan statutes.

Editorially, the Chicago Tribune on July 13 again asked, "Will Wisconsin Uphold the Law?"[23]

In view of the attitude of the labor leaders and of the city council, the attorney for the importing company announced that:

Under these circumstances we deem it advisable to divert these cargoes to other ports where we can get real assurance that the cargoes will be unloaded.

So it came about that, because of the activities of the UAW–CIO strikers in the Kohler plant, as directed by Walter

mission, said that they would not handle the cargo.

Either the general strike or a refusal to handle the cargo would be an unlawful secondary boycott under the provisions of the Taft-Hartley Act. It is the duty of the General Counsel of the National Labor Relations Board, in instances like these, to obtain a Federal court injunction against the participants. He cannot act, however, until there is some overt act.

Mayor Frank Zeidler, of Milwaukee, conferred Friday with his appointees to the port commission. The commission said that the ship would not be unloaded. The excuse given, that facilities were not available to do so because dock labor would not do the job, was wholly fraudulent. It is the commission's duty to preserve discipline among its employees, and they have no lawful reason to refuse the work. Mayor Zeidler later rejected a formal demand that the ship be unloaded.

Governor Kohler is, in a way, the worst offender of all. When local law enforcement was abdicated at Sheboygan, it was his duty to see that order was restored and the ship unloaded, by use of the National Guard if necessary. His conduct throughout the strike has been shamefully soft. The fact that he is a member of the Kohler family, though not financially interested in the company, is no excuse. His relatives are just as much entitled to the protection of the laws as are any other citizens of Wisconsin.

Wisconsin stands shamed before the Nation. Its people, we hope, will in due course rectify their errors of judgment at the polls.

[21] Hearings, labor-management disputes in Michigan, Indiana, and Ohio, before Special Subcommittee of the House Committee on Education and Labor, 80th Cong., 1st sess., pp. 332–333.

[22] At which city of 1,600 people, when a strike was on, Mazey had taken 400 members from Detroit unions to assist a picket line and said he would, if necessary, call a thousand.

[23] Chicago Tribune editorial of July 13, 1955:

WILL WISCONSIN UPHOLD THE LAW?

Lawless officers of the CIO United Auto Workers have refused to let the harried public officials of Wisconsin off the hook in the Kohler case. After Mayor Zeidler, of Milwaukee, had obtained the consent of AFL and CIO officials to the unloading of a second ship carrying English china clay for the Kohler company, CIO leaders reneged and said they would picket the ship.

"There is no neutrality in this for us," Emil Mazey, secretary-treasurer of the UAW, told the mayor by telephone.

What Mayor Zeidler, Governor Kohler, and the craven Mayor Ploetz, of Sheboygan, Wis., face, however, is no problem in neutral conduct. Their duty is plain. It is to uphold the law. In this instance, that means that cargoes destined for Kohler must be unloaded and delivered to the plant where the UAW has been conducting a strike for 15 months.

Either a refusal to unload the ship or a general strike, which Milwaukee CIO leaders threatened, would be an unlawful secondary boycott. The National Labor Relations Board, through its General Counsel, has the duty of obtaining an injunction against either of these actions, if it takes place, but on local and State offices falls the burden of maintaining order.

Mayor Zeidler is doing his best to squirm out of his responsibility. Governor Kohler has said that he will assist local authorities in obtaining additional officers to preserve the peace, and might use the National Guard if local efforts failed.

Most of the furor in the Kohler strike arises from the efforts of Walter Reuther, boss of the UAW and the CIO, to save face. He got his union into a strike at Kohler which they lost, principally because the Kohler Co. pays average wages substantially higher than those in the Nation's plumbing industry and higher than those in Milwaukee factories.

The Kohler plant is operating, the strike is defeated, and current appeals to violence are a last gasp effort by Reuther and his goons. There is no question here of union rights, merely a question of protecting citizens against lawless conduct by a union.

Milwaukee is proud of its port commission and ambitious to become an important port of entry for the foreign trade that is expected to reach the Middle West by water when the St. Lawrence Seaway is finished. In their threats to tie up the port, the labor officials of the city are striking at the future prosperity of the city. No European exporter is going to consign goods through Milwaukee, and no shipping line is going to accept cargo for the port, if it is demonstrated that the shipper and carrier are first going to have to make sure that none of the consignees are likely to have labor trouble that will cause goons to tie up a ship at Milwaukee for weeks or months.

Reuther and Emil Mazey, the support given by a few A. F. of L. leaders, Sheboygan and Milwaukee were deprived of the business which otherwise 6 ships would have brought to the 2 cities. The reason which prevented one or the other of the ports from getting this business, which may prevent the Milwaukee port being used by other importers, was stated by the attorney for the importing company, which was also the charterer of the 6 vessels, in this way:

> In view of the action of the City Council of Milwaukee, the charterers of vessels carrying clay from Fowley, England, destined for the Kohler Co. plant, do not feel justified in sending such ships into Milwaukee. We have no assurance these ships actually will be unloaded by Milwaukee port facilities.

Walter Reuther and Emil Mazey, CIO and AFL officials, might well by the citizens of Milwaukee be asked:

> If you cannot have your way, if you cannot monopolize all port business, will you force Sheboygan and Milwaukee to die on the vine?

SHEBOYGAN AND MILWAUKEE PORTS CLOSED—FOREIGN COMMERCE DIVERTED TO MONTREAL

Because of the action of the Sheboygan and Milwaukee authorities, inspired by the CIO and AFL officials, and despite assurances made by Governor Kohler on July 14, that the State would maintain law and order and protect the unloading of the ships in Wisconsin ports—unfair suspicion rests upon the two cities even though the Governor said, the "unlawful interference with the effort to unload the *Fossum* was inexcusable—had the situation been brought to my attention immediately by the local authorities, I would have acted to make it unnecessary for the ship and cargo to leave Sheboygan"; that statement came too late and after more than a year of violence at the Kohler plant.

The importing company's spokesman said both the *Fossum* and *Divina* would be unloaded at Montreal where their cargoes would be transferred to freight cars for overland shipment.

RETALIATION AT SHEBOYGAN

In the meantime, on the 16th of July, at Sheboygan, tempers developed because of the refusal of Mayor Ploetz to take any steps to maintain law and order 10 days previously when union goons resorted to violence to prevent the unloading of the shipload of clay.

Workers at the Kohler plant, angered because their families had been subjected for months to criticism and abuse from strikers on Sheboygan streets, are notifying Sheboygan's mayor that they will trade there no longer.

They also threatened to institute a petition for the mayor's recall.

So it is that one act of violence is an open invitation for retaliation and it is just possible that, if Reuther's and Mazey's goons continue to disregard the law, if would-be law-abiding citizens are given no protection, continue to be beaten, their homes damaged, we may revert to the days and methods of the California vigilantes—a lawless, unfortunate, and to be deplored, situation.

It is a tribute to the Kohler workers, and to others who have no interest in this strike but who have been misused and personally abused and assailed, that they have not retaliated in kind.

AN AFL UNION JOINS CIO IN AN EFFORT TO CLOSE LAKE PORTS AT WESTERN END OF LAKE SUPERIOR

Back to the Kohler situation:

The press of July 15, 1955, carried a statement by Mike Antilla, an AFL union boss at Duluth, to the effect that Mike had announced that he had called a meeting of the International Lake Head Labor Council, of which he is president, to meet at Port Arthur, Ontario, to consider closing the ports of Port Arthur, Fort William, and Duluth to Kohler cargoes.

An AP dispatch of July 17, from Port Arthur, Ontario, carried the following story:

AFL CHIEFS BAR KOHLER SHIPS FROM TWO PORTS—MAKE AGREEMENT WITH CANADIAN AFFILIATE

PORT ARTHUR, Ontario, July 17.—An American union leader said today ships carrying clay for the strike-troubled Kohler Co. of Kohler, Wis., will not be unloaded at Port Arthur or Fort William, Ontario.

E. L. Slaughter of St. Louis, secretary-treasurer of the AFL International Longshoremen's Association, said he had received assurances from longshoremen of the 2 ports that the cargoes of 2 Norwegian freighters, the *Divina* and the *Fossum*, would not be unloaded.

Longshoremen of the twin ports on the western end of the Canadian side of Lake Superior are members of the Trade Labor Congress (TLC) of Canada, an AFL affiliate.

CLOSES WEST END OF LAKE

Slaughter made the agreement during sessions of the third annual convention of the International Lake Head Labor Council, an organization designed to foster good relations between trade unionists from the American and Canadian sides of Lake Superior.

The St. Louis union leader said the agreement, in effect, closed the western end of Lake Superior to the Norwegian ships.

Antilla injected himself into the situation and, of course, in view of what has already happened at Sheboygan and Milwaukee, he will get just nowhere in closing United States Great Lakes ports. He sure will be in trouble if he attempts any shenanigans in any of the Canadian ports. The Canadian Government just does not tolerate the exercise of governmental authority by union bosses or the taking over of official action by egotistical union officials.

SHIPS UNLOAD AT CANADIAN PORT

On July 16, Montreal authorities, not being under the domination of either Reuther and Mazey or the A. F. of L. hierarchy, announced that they expected no interference with the cargo of the two Norwegian freighters destined for the strikebound Kohler plant.

July 18, both the *Fossum* and the *Divina* docked at Montreal from Port Clayborne, Ontario.

July 19, longshoremen at Montreal began unloading the cargoes of clay of the two ships after Constable Real Laviguerir of the Montreal city police gave 15 pickets 10 minutes to leave the picket line. That was a demonstration of what a legal order, backed by law-enforcing officers, means in Montreal, Canada, not in the free States of the United States of America. There was no bloodshed.

The cargoes were being transferred to the box cars of the Canadian Pacific and the Canadian National. The action further demonstrates that while Mr. Antilla, of Duluth, and Mr. Slaughter, of St. Louis, may be powerhouse boys in Duluth and St. Louis, they don't weigh too heavily in Montreal, Canada.

But the Sheboygan and Milwaukee labor bosses, as well as Reuther and Mazey, were slow to learn. When some 70 Canadian National railroad cars, loaded with the clay for Kohler, were expected to go through Milwaukee, Harvey Kitzman, regional director of the UAW-CIO, said his union would "probably" ask the railroad brotherhoods involved not to handle the cars. He added:

> We're going to advertise that this clay is headed for a strikebound plant. We have the right to advertise and we are going to advertise to the fullest extent.

Undoubtedly, the gentleman expected AFL employees of the railroads to refuse to cross the picket line even though such refusal might cost them their jobs.

In the meantime and while the clay was being shipped from Montreal by freight, citizens of Sheboygan, on July 21, decided to visit Governor Kohler. Governor Kohler is a nephew of the president of the Kohler Co., and though he has no financial interest in that company, probably because he is related, he has leaned over backwards to favor the strikers and the unions.

SHEBOYGAN CITIZENS APPEAL TO GOVERNOR FOR LAW ENFORCEMENT

A group of citizens led by Jacob Federer, a Sheboygan attorney, and including Walter Grasse, a dairy company president; Clarence Leverenz, a shoe manufacturer; William Reiss, a coal company president; and Carl Prange, department store owner, called on the Governor. They were selected by Sheboygan businessmen and civic leaders and, after a futile call on the mayor, decided to take their case direct to the Governor. These independent, patriotic citizens are certainly demonstrating their courage, for the arms of Reuther, of Mazey, and their goons are long and heavy, as many a would-be disinterested citizen in strikebound cities, and especially Sheboygan, has learned to his sorrow.

THE GOVERNOR TALKS

That the action of the Citizens Committee of Sheboygan, backed by the closing of the port of Milwaukee, and the adverse publicity given the city, has finally convinced the Governor of Wisconsin that there is something wrong somewhere around Kohler and Sheboygan is apparent from the fact that the press, under a July 25 date, carries the story of a changed gubernatorial attitude.

When the CIO officials attempted to tell him that they were not responsible for what had happened at Sheboygan, the Governor told them of the overwhelming amount of violence that was done against present employees of the company. He added that he would not buy their alibi that the union was not responsible, and told them:

> You have the right to picket peacefully and I'll see that that right is defended. * * * On

the other hand, I'll see that the laws are enforced and massed picketing is illegal.

Well, what a discovery. If the Governor had read the papers, not only the Chicago Tribune, but his own Milwaukee Journal, had he looked at the pictures which had been appearing in the press ever since April 1954, he would have known that Reuther's and Mazey's goons, with the professional goon-squad leaders—William Paul Vinson, John Gunaca, Guy Barber, James Fiore, Donald Rand, and Jess Ferrazza—were, to use a somewhat common expression, beating the tar out of Kohler workers and, in some cases, innocent Sheboygan citizens who had no part in the strike. Had the Governor had his ear tuned in the right direction, he might even have heard the anguished cries from some of the beat-up citizens of Sheboygan.

HOW FAR DID THE CERAMIC CLAY TRAVEL BEFORE DELIVERY TO KOHLER?

That the clay, which started from England in a Norwegian vessel, traversed the ocean, sailed up the St. Lawrence River, down through Lake Ontario, through Lake Erie, Lake St. Clair, the St. Clair River, up Lake Huron, through the Straits of Mackinac, and down Lake Michigan to Sheboygan, then, traveling a reverse course, back up Lake Michigan, again through the Straits of Mackinac, down Lake Huron, down the St. Clair River, across Lake St. Clair, traversed the full length of Lake Erie, through the canal at Niagara Falls, east across Lake Ontario, down the St. Lawrence to Montreal, a distance of 4,739 miles, had not, when loaded on the cars at Montreal, received a through ticket for an uninterrupted passage by rail to Sheboygan, is evident by what happened when it was routed by rail through Muskegon in my own State of Michigan, and when it arrived at Sheboygan.

A Chicago Tribune reporter, writing from Muskegon, Mich., on July 26, gives us the information that Walter Scowles, a former city commission member and now a regional representative of the UAW-CIO, had induced the city commmission to ask the Grand Trunk Railway to reroute the clay-carrying cars around the city of Muskegon.

The union leader had warned: "We will do everything we can to stop the clay shipment." He said "Muskegon's port should not be used to break a strike." Scowles added, according to the press, that spotters had been placed at rail centers throughout the State to watch for trains hauling the clay from Montreal to Sheboygan. He stated that the cars would be picketed "any place in the State." The railroad, when notified of the commission's action, had replied:

It is the Grand Trunk-Western's legal obligation to transport all shipments tendered it in accordance with routing as selected by shippers.

The law imposes upon a common carrier the obligation to take all necessary and continuous legal steps to effect delivery as routed. Recent court decisions dictate that carriers obtain injunctive process if necessary to effect delivery.

We, too, deplore being put in the middle of labor-management controversies in which we have no interest, but we must perform our duties in accordance with the law. We expect the public officials of Muskegon to give all the necessary protection as required by law.

The Greater Muskegon Chamber of Commerce did not fancy Muskegon being put in the same position that Sheboygan and Milwaukee were occupying. Its executive board forthwith adopted a resolution censuring the city commission's action. It told the commission that:

Muskegon being an open port serving international traffic, shall under no circumstances have its normal flow of trade tied up by labor disputes, particularly labor disputes having their origin far from Muskegon harbor. The harbor is not a tool for labor disputes.

CLAY REACHES DESTINATION BY RAIL

The railroads delivered the cars at Sheboygan, but again on the 26th of July, CIO pickets, at a point where the railroad tracks cross the public street, blocked the tracks and prevented the delivery of the clay to the Kohler plant. Three Canadian National Railway cars, pulled by a North Western locomotive switch engine, were halted at the Union Avenue crossing on the south side of Sheboygan. The pickets, carrying anti-Kohler placards, marched in a tight circle between the rails as the train approached. When the police ordered them off, additional pickets joined them. The railroad crew refused to go through the picket line.

The fireman on the locomotive evidently remembering the picketing, the violence, the beatings, and the property destruction brought to Sheboygan by Reuther's and Mazey's goons, but who declined to give his name, said "I've got two babies. I've been reading the stories about this and I'm scared." [24]

But the next day, July 27, the story was a little different—Reuther, Mazey, and their goons lost again. Governor Kohler, in the meantime, announced that the law would be enforced; the idea had evidently seeped through to the mayor, Police Captain Heimke, and the pickets that the law would be enforced.

This time when the cars, pushed by a locomotive manned by supervisory employees, came down to the street line where the pickets were standing on the tracks, the pickets, realizing that the train was going through, got off the track, and the clay, after a journey of nearly 6,000 miles, rolled into the Kohler plant.

Walter Reuther, Emil Mazey, and the goons sent over from Detroit, certainly Vinson in the Wisconsin Penitentiary, had, for once at least, due to the stand taken by the Kohler Co., publicity given by the Milwaukee and Chicago press, the reversal of attitude on the part of the Governor, lost this particular battle with the law.

MORE THAN ONE BATTLE BEING WAGED

But do not get the idea that because the UAW-CIO, with its Communist methods and procedures, its defiance of the law and of the courts, with its trampling of the rights of innocent citizens, its malicious beatings and destruction of personal property, apparently has lost this battle, that it is not fighting on other fronts.

Walter P. Reuther never accepts defeat. His life shows not only that he is able, adroit, determined, courageous, ruthless, has no respect for the law, but that he is a sincere, never-give-up Socialist, if not wholly converted to communistic ideas.

He is one of those individuals who seems determined that the welfare of his countrymen as well as the welfare of peoples throughout the world can best be served by a share-the-wealth program.

That is indicated by his economic proposals; by his determination that employers and investors shall, by law or by force, be compelled to give up an ever-increasing portion of their earnings.

That determination, carried to its logical conclusion, would, because of a lack of funds for replacement or for the creation of new industrial plants, destroy our economic system.

Logically followed, it would leave no one, no agency, except the Federal Government to create employment.

Reuther's record shows that the CIO, under his direction, has for years disregarded the laws, not only of Michigan, his home State, but of practically every other State where he has staged a prolonged strike.

In carrying on his strikes he has deliberately ignored the fact that Wisconsin and practically every State in the Union [25] have enacted legislation barring riotous assemblies, the use of force or violence, or the obstruction of a plant entrance as means of winning a labor dispute.

Mr. Average American must learn that to protect the hard-won liberties and opportunities which have come to us through the years he must come to grips with the philosophy of Reuther and his associates, and with the methods employed by them.

If interested in the continuing war, you will find a news story from Hagerstown, Ind., dated July 26, 1955, which advises that:

Police, Wayne County officers and Indiana State Troopers today failed to subdue rioting and goon squad violence that broke out as the CIO-UAW struck the Perfect Circle Corp. plant.

The story states:

A mob of 300 to 500 shouting goons, most of them imported from other Indiana cities, terrorized nonstrikers and company executives who sought to enter the plant, beat up and tore clothing off some workers, including at least one woman, tried to overturn vehicles that had no connection with the dispute and invaded company property to smash cameras taking pictures of their lawlessness.

[24] July 26, 1955, Chicago Tribune.

[25] Wisconsin's statutes are very specific concerning the right to work: "Any person who by threats, intimidations, force, or coercion of any kind shall hinder or prevent any other person from engaging in or continuing in any lawful work or employment, either for himself or as a wage worker, or who shall attempt to so hinder or prevent shall be punished by fine not exceeding $100 or by imprisonment in the county jail not more than 6 months, or by both fine and imprisonment in the discretion of the court" (sec. 343.683).

(See also Appendix A.)

Just one more battle of many that might be cited.

Another from the Chicago Tribune of July 29, 1955, under the caption, "Union Halts Trucks Going in Main Gate—Row Over Sailors on Off Duty Jobs," we find a story by Wayne Thomis, evidently assigned to cover the strike, that Angelo Inciso, exconvict top man of Local 286 of AFL workers, "yesterday served notice on Rear Adm. Daniel V. Gallery, Chief of Naval Air Reserve Training, that union pickets are prepared to stop all truck deliveries into Glenview Naval Air Station."

Trucks were halted the day before—after pickets appeared. When asked to remove the sign-carrying pickets from the main gate to the naval air station, Inciso replied:

I'm the top man in this union and I don't think I'm making a mistake. Far from withdrawing my pickets, I intend to put a lot more of them at your gates all around the air station.

The union is picketing the naval air station even though it has no dealing with the station and not because of any action taken by Navy authorities or Navy suppliers, but because sailors on permanent duty at the station have been working nights when off duty at a small electronics shop.

Four sailors who were stationed at the Glenview Naval Air Station had been working during off-duty hours for a private company. Perhaps the sailors had wives and children. It is just possible that they wanted to earn a few extra dollars to supplement their Navy pay, to buy a few necessities or conveniences for their children, their wives, or themselves.

But into the picture stepped Angelo and demanded that the sailors cease trying to earn a little extra money. To enforce his demand, the union threw pickets around the Navy air station, demanding the sailors be ordered to give up their extra, off-duty work. Rear Adm. Daniel V. Gallery turned down Angelo's demand.

Then, according to press reports, the Under Secretary of the Navy, Thomas S. Gates, personally telephoned the base to, figuratively speaking, haul down the Navy's flag.

The reason given was that the "Federal Code in effect states that Navy personnel shall not be employed in a situation which causes interference with the normal civil occupations in any local area."

That, the Judge Advocate General, it is said, construed to mean that Navy personnel should not be employed outside duty time in any case where embarrassment to the Navy may arise.

Well, will the Judge Advocate General just tell the sailors and their families—especially their families, if they have families—and the rest of us, how working nights when off duty would embarrass the Navy?

If Angelo tells Rear Admiral Gallery to give the sailors a jackknife and a pine stick, or a pair of scissors and a roll of paper, and to either whittle or cut out paper dolls, will Washington tell the rear admiral to keep the sailors at one or the other during their off-duty hours? Or will Angelo come up with a schedule telling the sailors just what they may, may not, and shall do in their off-duty hours?

Under present-day conscription, the Armed Forces will take a 19-year-old, they will take the head of a family, they will take a father, forcing him into the armed services. There he will do what he is told to do and do it when told, or else.

But when along comes an ex-convict labor leader, saying that a conscripted man shall not be permitted to earn a few extra dollars when off duty, even though his activities can in no way impair his usefulness as a soldier, sailor, or marine, the Under Secretary of the Navy just transmits the order from the ex-convict and the boys are out of a job.

Oh, yes, this happened in the United States of America, at Glenview, Ill., not in Russia nor in any of its satellites.

Are we revising our military code? Giving the orders of an ex-convict labor boss priority over the civil rights of those who have volunteered or been conscripted to serve their country? Just how abject can we get? Is it any wonder the Navy is losing its most desirable personnel?

Just who in heck—yes, the word is heck—from whom are those who enlist or who are conscripted to get their orders? From Angelo? Or from their commanding officer?

One more question: Do Angelo's orders apply to Navy men who are on the high seas? Are they effective only in peacetime? Or do Angelo and his ilk expect to follow through when the Navy is at sea during war?

If, after listening to what has been said, you are still in doubt as to whether Reuther, his associates and the CIO are determined, by fair means or foul, peacefully or by the use of force, to impose their will—regardless of what the law may be—upon individuals and communities, permit me to read from an official document dated October 20, 1939, signed by Charles Edison, then the Acting Secretary of the Navy.[*]

In August of 1939, a strike was called by the CIO at a plant of the Bohn Aluminum & Brass Corp. in Detroit, Mich., which had a contract for the manufacture of special bearings for aircraft engines which the Navy needed for national defense.

On September 15, 1939, a second strike was called at all of the 7 plants of the company in the Detroit district.

At that time, plant No. 2 was engaged in manufacturing castings for airplane engines which were being manufactured at the naval aircraft factory at the Navy yard in Philadelphia.

The United States Navy resident inspector of naval materiel informed the regional director of the United Automobile Workers—Congress of Industrial Organizations, Detroit, of the seriousness of delay in the delivery of the material due on contracts.

He also advised, and I quote:

The urgent need of the shipment of patterns and requested that he instruct his representative in charge of the picket line at the corporation's plant No. 2 to allow a representative of the inspector of naval material and a truck to pass through the picket line to pick up Government-owned patterns and ship them on a Government bill of lading.

The union representative was given full information. Three of the union's representatives were given access to the files of the Navy contracts; were advised that—

The delay in releasing patterns for delivery were [sic] seriously jeopardizing the manufacture of airplane engines at the Naval Aircraft Factory.

And, at the end of the discussion, the union's "answer was emphatically 'no' and that they would not let patterns or inspected castings be removed."

So listen and note that as long ago as 1939, the UAW–CIO, in plant No. 1 for a period of 41 days, in plant No. 2 in a period of 24 days, defied the United States Government; retained control of the Government's patterns and castings.

IS THE PRESIDENT, OR IS ANGELO INCISO, COMMANDER IN CHIEF OF THE ARMED FORCES—WHO GIVES THE ORDERS?

Nor was the Navy's surrender to the CIO's demand in the Bohn strike an isolated incident. It was a part of the program then and now imposed upon industry and the Government by a defiant, militant, law-disregarding CIO.

Permit me to remind you that just last Friday, July 29, Thomas S. Gates, Under Secretary of the Navy, for the Navy, abjectly surrendered to the demands of Angelo Inciso, an ex-convict and police character, representing the AFL–UAW and local 286, of Glenview, Ill.

So, while the Navy may, and it always has when in conflict with a foreign foe, fought valorously and almost always without exception successfully, when the ex-convict union boss demanded a surrender, the Navy backed up.

IS THE LAW OR IS REUTHER SUPREME?

May I quietly and in a whisper ask you just who is running this Government? Just how long shall we permit a labor organization, now dominated by the Reuther who received a part of his early training in Russia, to tell this Government what it can, what it cannot do?

So, if your boy and only son, or one of a half dozen, feeling patriotic stirrings decides to enlist in the armed services, or if the conscription authorities grab him and cart him off to the Army, just remember that he will obey not only the orders of the Army, but possibly the orders of some ex-convict who has muscled his way into an official position in the AFL or the CIO.

Oh, yes, this is a free country—so we are told. But do not let anyone fool you overlong. If you wish to work in an industry where wages are high, where the hours are short, just remember that, before you can don your working clothes, you must cross the palm of a union organizer with silver—an initiation fee, monthly dues raised at the whim of the officers of the union, as some recently were from $2.50 to $7.50 per month. You

[*] Official reply of the Secretary of the Navy to H. Res. 314, 76th Cong., 2d sess., requesting certain information relative to the Bohn Aluminum & Brass Corp. strike.

must also meet all special assessments—for political or other purposes.

You will not be subject to orders from your employer, but some union-shop steward, organizer, or political lieutenant will shortly be telling you just what you can do; ultimately, what you may say, although for the present he will have some difficulty in getting at what you think if you control your facial muscles and your tongue.

This is a great and a glorious land. A land where the flag of freedom waves. The citadel of liberty, so we have been told.

To this land of ours desire to come the oppressed and the unfortunate of all nations, thinking that here they will find freedom. The freedom established by our forefathers when they wrote the Declaration of Independence, gave birth to the Constitution and the first 10 amendments, after, for 8 years, fighting and finally winning the war for our independence.

The War of 1812 was fought to establish the freedom of the seas. Through the Civil War, thousands of our countrymen fought each other, many of them died, to maintain this a nation.

We fought and won World War I to end all wars. We fought, and won, World War II to stop Hitler and to aid Russia and other countries.

We fought world war III in Korea—although the politicians prevented our fighting men from winning that one—to stop communism and our former friend and ally, Russia.

We now propose to maintain an Armed Force of more than 2 million men. We have an army of more than 250,000 in Germany. We have more than 900 military installations scattered around the world.

We have soldiers, sailors, airmen, marines, in every land, on every sea on which the sun shines.

We have spent and given away billions upon billions of dollars to aid "the free people of free nations"—whatever that may mean.

But, here in the homeland, here in the birthplace and the cradle of liberty and of freedom, we have surrendered a part of all we have ever won to the demands of those—some of them trained in Russia, like Reuther; some of them coming from other lands, taking advantage of the freedom and the opportunities given them here; some of them just ordinary criminals, crooks, and racketeers—who are avaricious, politically ambitious, arrogant, overbearing, tyrannical, unprincipled, and ruthless, whose objectives, if attained, would destroy this, a free nation.

To me it seems strange that, descended from the patriots who, for 8 long years, suffered and fought for and finally won our freedom from Great Britain, we should now permit a few would-be tyrants to deny, to take from us, the privileges, the right, which the forefathers established; which we as a people have so long enjoyed.

Are we ignorant? Do we lack courage? Or have we just grown so fat, enjoyed so many privileges, become so indolent, that we no longer care what happens to us, to our children, or to our country?

Before Reuther establishes himself as an absolute dictator, should he not at least go through the formalities of an election?

APPENDIX A

EXHIBIT A. RIOT, UNLAWFUL ASSEMBLY, ETC. CITATION TO STATE LAWS THROUGH AVAILABLE 1947 SESSION LAWS

Alabama

Code (1940) (Laws Searched Through 1953 Session)

Title 14

Sec. 407. Unlawful assembly defined.
Sec. 408. Rout (riot) defined.
Sec. 409. Riots and routs—destruction of buildings, etc., penalized.
Sec. 410. Selling arms, etc., during riot in city, town, or village.
Sec. 411. Violating proclamation prohibiting sale of arms, etc., in city, town or village during riot.
Sec. 412. Remaining after warning to disperse.
Sec. 413. Combination to resist process.
Sec. 414. Violating order of officer commanding Alabama national guard.

Title 35

Secs. 325–329, inclusive, sec. 333, Supp. (1953) Use of militia.

Title 45

Sec. 114 (2). Unlawful act by three or more convicts or prisoners upon a common cause.

Alaska

Compiled Laws of 1949 (Laws Searched Through 1953)

Sec. 65–4–10 (3). Justifiable homicide in suppressing riot.
Sec. 65–10–1. Riot defined.
Sec. 65–10–2. Penalty.
Sec. 66–22–41. Authority to command unlawful or riotous assembly to disperse.
Sec. 66–22–42. Arrest on failure to disperse.
Sec. 66–22–43. Person refusing to aid officer as rioter.
Sec. 66–22–44. Officer failing to act as guilty of misdemeanor.
Sec. 66–22–45. Commanding aid of persons.
Sec. 66–22–46. Guilt where death ensues.

Arizona

1939 Code Annotated (Laws Searched Through 1954)

Sec. 43–1303. Riot defined, penalty.
Sec. 43–1304. Rout and unlawful assembly defined, penalty.
Sec. 43–1305. Failure of officer to suppress.
Sec. 64–222. National guard, when called to aid civil authorities.
Sec. 64–223. Power of commanding officer in actual service; attacking or firing on mob or unlawful assembly; firing blank cartridges prohibited.

Code Annotated (1952 Cum. Supp.)

Sec. 10–931. Emergency expenditure when arising from riots, etc., authorized.
Sec. 64–1004. National guard mobilization.
Sec. 64–1009. Discretion of national guard officers suppressing riot.

Arkansas

Arkansas Statutes Annotated (1947) (Laws Searched Through 1953)

Sec. 11–112. Authority to call out the militia in riots.
Sec. 11–114. Power of governor to order out militia—retention of State designations.
Sec. 11–506. Suppression of invasion or insurrection by militia.
Sec. 12–1110. General duties of sheriffs.
Sec. 19–1702. Powers and duties of police chiefs.
Sec. 19–1705. Duties of officers and watchmen of municipal corporations—under direction of mayor.
Sec. 19–2303. General powers of cities and towns.
Sec. 26–210. Constable as conservator of the peace—arrest for offense in his presence.
Sec. 41–1402. Unlawful assembly, rout, riot—penalty.
Sec. 41–1403. Disturbers failing to disperse—penalty.
Sec. 42–112. Bringing armed force in State—civil liability.
Sec. 42–113. Construction of act.
Sec. 42–201. Preventive measures in crime prevention.
Sec. 42–206. Riotous assembly—dispersal.
Sec. 42–207. Duties of officers on failure to disperse—penalty.
Sec. 42–208. Refusal to aid officers in case of riot.
Sec. 42–209. Officers neglecting to suppress unlawful assembly.
Sec. 42–210. Authority to call militia in case of riot.
Sec. 42–211. Unlawful assembly of three or more persons—proclamation to disperse.
Sec. 42–212. Disobedience to proclamation to disperse—authority of officer.
Sec. 42–213. Summoning militia in riot.
Sec. 42–214. Duty to obey officer.

California

Deering's Codes (Laws Searched Through 1953)

Penal Code of 1949

Sec. 197 (4). Justifiable homicide in suppression of riot.
Sec. 404. Riot defined.
Sec. 405. Punishment for.
Sec. 405a. Lynching as riot.
Sec. 405b. Punishment for.
Sec. 406. Rout defined.
Sec. 407. Unlawful assembly defined.
Sec. 408. Punishment for rout and unlawful assembly.
Sec. 409. Warning to disperse.
Sec. 410. Magistrates, duty of.
Sec. 697. Suppression to prevent crime.
Sec. 723. Assistance in dispersing.
Sec. 726 (1953 Supp.). Assistance in dispersing.
Sec. 727. Arrest of rioters not dispersing.

Government Code

Sec. 26602. Sheriffs, as preventing.
Sec. 50141. Action for damages caused by.
Sec. 50142. Negligence, effect of.
Sec. 50143. General fund as paying damages caused by.
Sec. 50144. Taxation.
Sec. 50145. Attorney General, damage action as prosecuted by.

Military, Veterans Code (1953 Supp.)

Sec. 128. Calling out unorganized militia in case of riot, etc., governor may call for and accept volunteers.
Sec. 143. Proclamation of State insurrection.
Sec. 145. Violation of martial law.
Sec. 146. Call of militia into active service in case of riot, etc., authorized.
Sec. 365. Armed force called out to suppress unlawful or riotous assembly under temporary direction of civil officer.

Insurance Code

Sec. 5050.5. County mutual fire insurers protecting against damage by.
Sec. 9095 (1953 Supp.). Fire insurers protecting against.

Civil Code of 1949

Sec. 1815. Involuntary deposits in case of riot defined.
Sec. 1816. Duty of involuntary depositary.

Code of Civil Procedure

Sec. 340. Limitation of action against municipal corporation in cases of riot.

Colorado

Revised Statutes 1953 (Laws Searched Through 1954)

Chapter 40

Sec. 7–19. Insurrection, crime, penalty.
Sec. 7–27. Inciting to riot by furnishing weapons, penalty.
Sec. 8–6. Riot, crime, penalty.

Chapter 53

Sec. 4–1. Proclamation of insurrection, firearm permits, etc.
Sec. 4–2. National guard, sheriff, firearms authorized.
Sec. 4–3. Property, defense of, effect of insurrection on.
Sec. 4–4. Misdemeanors and penalties, firearms violations.

Chapter 79

Sec. 15–1. Constable, duty to suppress.

Chapter 94

Sec. 2–5. Military enrollment, no exemption during.

Chapter 94

Sec. 7–7. State guard, service outside State authorized.

Chapter 105

Sec. 4–23. Penitentiaries, suppression of riot, duty of citizens and officers, immunity.

Chapter 139

Sec. 32–1 (55). Town and city police power in riot.

Connecticut

General Statutes (Revision of 1949) (Laws Searched Through 1954)

Sec. 452. Sheriff, authority in riot.
Sec. 459. Special deputy sheriffs, appointment of.
Sec. 698. Municipal liability for damage done by riot.
Sec. 1226. Authority of governor over militia.
Sec. 1243. Increase of militia.
Sec. 1260. Civil commotion, suppression of by militia.
Sec. 1261. Civil commotion, suppression of by militia.
Sec. 1296. Immunity of militia from arrest and imprisonment for conduct during.
Sec. 1326. Governor's guards, calling out.
Sec. 3620. Fees and expenses of sheriff in suppressing riot.
Sec. 3651. State police, suppression by.
Sec. 6103. Insurance against damage, power to issue.
Sec. 8506. Number of persons constituting riotous assembly.
Sec. 8507. Fine, interfering with proclamation, or refusing to disperse.
Sec. 8508. Injuries in suppressing riot, magistrate not responsible for.

Delaware

Code Annotated (1953) (Laws Searched Through 1953)

Title 10

Sec. 2723. Constables, power to arrest in riots.

Title 11

Sec. 361. Unlawful assembly and riots, definitions.
Sec. 5902. Justices of peace, arrest without warrant, riot.
Sec. 5907. Binding to the peace by justice of peace.
Sec. 1518. Power of registrar to prevent and suppress.

Title 15

Sec. 2302. Penalty for inciting or creating riot at polls.
Sec. 4953. Elections, prevention or suppression of.

Title 20

Sec. 171. Occasions on which governor may call out guard (including riot).
Sec. 172. Proclamation of state of insurrection.
Sec. 303. When State guard may be called out.

Florida

Statutes 1951 (Laws Searched Through May 3, 1955)

Chap. 30.09. Riot, calling bystanders to quell.
Chap. 30.15. Suppression of riot by sheriffs.
Chap. 165.19. Cities and towns, ordinances for suppression.
Chap. 250.06. Militia called out to suppress.
Chap. 250.28. Order for troops to aid civil authorities.
Chap. 250.29. Duty of officer receiving order to aid civil authorities.
Chap. 251.15. County guards, calling out to suppress.
Chap. 569.08. Saloons, closing in time of riot.
Chap. 569.09. Saloons, penalty for violation thereof.
Chap. 782.02. Homicide in quelling, liability for.
Chap. 870.01. Riot, defined.
Chap. 870.02. Unlawful assembly, defined.
Chap. 870.03. Penalty for riot or unlawful assembly.
Chap. 870.04. Magistrates, powers in suppression of riots.
Chap. 870.05. Homicide in quelling, excused.
Chap. 870.06. Unauthorized military organizations.

Georgia

Code Annotated (1933) (Laws Searched Through Session Laws of 1954)

Sec. 26–904. Inciting riot against State.
Sec. 26–4902. Peace officers, appointment in case of riot.
Sec. 26–5302. Riot defined, penalty.
Sec. 86–110 (1951 Supp.). Power to call militia into active service in case of.
Sec. 86–111 (1951 Supp.). Notice to governor by local authorities.
Sec. 86–112 (1951 Supp.). Insurrection, authority of governor in case of.
Sec. 86–114 (1951 Supp.). Dispersion of mob.
Sec. 86–115 (1951 Supp.). Killing rioters and injuring property: exemption from liability.
Sec. 86–116 (1951 Supp.). Resisting attack.
Sec. 86–117 (1951 Supp.). Duty of citizens where shot fired or missile thrown.
Sec. 86–118 (1951 Supp.). Control of streets.
Sec. 86–1301—86–1308, inclusive. Use of national guard militia in suppressing insurrection, riots, and mob violence. (Sec. 86–1302 amended, see Supp. 1951.)
Sec. 86–1607 (1951 Supp.). Active service of State guard in suppression of insurrections, riots, etc.
Sec. 86–9906. Failure to obey order to disperse; penalty.
Sec. 86–9907. Failure of member of assemblage to retire therefrom on shot being fired or missile thrown; penalty.
Sec. 86–9908. Violation of street closing regulations; penalty.

Hawaii

Revised Laws (1945) (Laws Searched Through Session Laws of 1953)

The section of riot in the revised laws of 1945 was completely revised in 1949, and continues under the old section numbers only as follows:

Sec. 11571. Riot defined.
Sec. 11579. Penalty where persons are endangered.
Sec. 11581. Dispersion of unlawful assemblies.

Idaho

Code (1947) (Laws Searched Through 1954)

Sec. 18–2313. Election, interference with, penalty.
Sec. 18–6401. Riot, definition.
Sec. 18–6402. Participation in, misdemeanor.
Sec. 18–6406. Remaining present, misdemeanor.
Sec. 18–6407. Officer neglecting to suppress.
Sec. 19–220. Public peace—how preserved.
Sec. 19–221. Suppression of riots—officer may command assistance.
Sec. 19–222. Certificate of person resisting arrest.
Sec. 19–223. Calling out militia, application of sheriff.
Sec. 19–224. Commanding rioters to disperse.
Sec. 19–225. Arrest of rioters, failure to disperse.
Sec. 19–226. Armed forces called out to suppress, command by civil officer.
Sec. 19–227. Calling out militia, application of prosecuting attorney or probate judge.
Sec. 19–228. Proclamation, violation of, penalty.
Sec. 19–229. Revocation of proclamation.
Sec. 31–2202. Sheriff's duty to suppress.
Sec. 41–302. Fire insurance coverage.
Sec. 46–601. Declaration of martial law—authority of governor.
Sec. 46–602. National guard and unorganized militia—ordering into active service.
Sec. 46–603. Active duty—articles of war in force, etc.
Sec. 46–604. Cooperation of armed force with civil authorities—calling out military forces.
Sec. 50–1122. Municipality's power to suppress.

Illinois

Revised Statutes 1953 (Laws Searched Through 1953)

Chapter 24

Sec. 8–6. Jurisdiction of police in police districts.
Sec. 9–24. Mayor, calling of militia in riot.
Sec. 23–58. Prevention or suppression of riot by municipal authorities.

Chapter 38

Sec. 471. Publication and exhibitions, prohibited.
Sec. 504. Riot, defined.
Secs. 506, 507. Unlawful assembly, defined.
Sec. 508. Suppression.
Sec. 509. Refusal to disperse.
Sec. 510. Killing justified.
Sec. 511. Injuries to property, penalty.
Secs. 518–524. Indemnifying owners of property for damages occasioned by mobs and riots.
Secs. 525–533. Suppression of riots, use of military forces, authority of governor.

Chapter 46

Secs. 13–16. Elections, citizens to aid in arrest of rioters.

Chapter 73

Sec. 204.2, 204.5. Farm, county, or township mutual companies, riot insurance.
Sec. 616. Riot insurance, defined.
Sec. 1006. Unearned premium reserve.
Sec. 1008. Additional reserves.

Chapter 108

Sec. 38. Convicts, liability of officer for killing when rioting.
Secs. 194–202. Calling out-of-State militia to suppress mobs, riots, and disturbances.

Chapter 129

Secs. 265, 266. State guard, used to suppress riot.
Sec. 268. Duties of officers.

Chapter 134

Secs. 10, 11. Aiding rebellion or riot by transmission of aid by telegram.

Indiana

Statute Annotated (Burns 1933) (Laws Searched Through 1953)

Sec. 10-1505. Riot defined, penalty.
Sec. 10-1506. Riotous conspiracy defined, penalty.
Sec. 45-701 to 45-705, inclusive. Use of militia in suppression of riot.
Sec. 48-6108. Appointment of special police.
Sec. 49-2901. Duty of coroner to suppress riots, etc.

Iowa

Code Annotated (Laws Searched Through 1954)

Sec. 19.7. State contingent fund for suppressing, etc.
Sec. 29.2. Active service of militia as defined includes service in case of riot, breach of peace, etc.
Sec. 29.29. Calling out militia to aid civil authorities in case of breach of peace, etc.
Sec. 337.1. Aid to officers by citizens.
Sec. 363.30. Marshal, duty to suppress.
Sec. 363.31. Policeman, duty to suppress.
Sec. 365.17. Deputizing persons, without examination, to act as peace officers in case of threatened mob violence.
Sec. 368.7. (7) Powers of cities and towns to restrain and prohibit.
Sec. 742.6. Calling out military force or posse.
Sec. 742.7. Armed forces under command of sheriff.
Sec. 743.1. Unlawful assembly, defined; penalty.
Sec. 743.2. Riot defined; penalty.
Sec. 743.3. Individuals tried and convicted for riot.
Sec. 743.4. Unlawful assemblages—dispersion.
Sec. 743.5. Arrest—aid to others.
Sec. 743.6. Refusing to aid; penalty.
Sec. 743.7. Failure of duty to suppress.
Sec. 743.8. Calling aid—arrest of offenders.
Sec. 743.9. Riotous conduct, injury to person or property.
Sec. 794.1. (2) Compromising of offense prohibited.

Kansas

General Statutes of Kansas (Corrick 1949) (Laws Searched Through 1953)

Chap. 12-201. Cities and towns, liability for damages from action of mobs.
Chap. 12-202. Mitigation of damages.
Chap. 13-514. Duty of mayor to call out militia to enforce laws against mobs.
Chap. 13-2011. Same; in cities with commission form of government.
Chap. 14-418. Cities of second class; authority of council to restrain and prohibit various unlawful acts.
Chap. 14-423. Same; cities of third class.
Chap. 19-813. Duty of sheriff to preserve peace.
Chap. 21-404. Homicide, justifiable in certain circumstances.
Chap. 21-406. Verdict where homicide justifiable or excusable at common law.
Chap. 21-1001. Unlawful assemblies; penalty.
Chap. 21-1002. Duties of peace officers in dispersing unlawful assemblies.
Chap. 21-1003. Mob and lynching defined.
Chap. 21-1008. Sheriff may command assistance; penalty for failure to assist.
Chap. 21-1009. Militia for aid of sheriff; expenses.
Chap. 40-901. Insurance against riots, etc., may be made.
Chap. 40-1023. Scope of insurance by companies having guarantee fund.
Chap. 40-1027. Kinds of insurance authorized to companies with $100,000 net surplus.
Chap. 48-241. Ordering militia into active service in case of riot.
Chap. 48-242. Call by sheriff or mayor for aid.
Chap. 48-243. Failure to obey order or to cooperate with civil authorities.
Chap. 80-704. Constables, duty to suppress riots, etc.

Kentucky

Revised Statutes (1953) (Laws Searched Through 1954)

Sec. 26.160. Police court, power to arrest for, warrant.
Sec. 37.240. Calling out active militia to suppress riots.
Sec. 38.030. Calling out national guard in case of riot (amended by Stat. 1954, pp. 283, 284).
Sec. 411.100. Liability of city for property damaged by mob.
Sec. 437.010. Riot, etc., penalty.

Louisiana

Statutes Annotated (West's, 1952) (Laws Searched Through 1954)

Sec. 14:103. Unlawful assembly, disturbing peace.
Sec. 22:6. Insurance against loss or damage from riot.
Sec. 22:691. Same.
Sec. 29:28. Military forces called for active service in case of riot.
Sec. 33:5065. Municipality's liability for property damage.

Maine

Revised Statutes, 1954 (Laws Searched Through 1954)

Chapter 14

Sec. 2. Active service of national guard or other authorized State militia or naval forces in case of insurrection, riot, etc.
Sec. 6. Governor may issue proclamation.
Sec. 7. Member of militia not civilly or criminally liable for acts under orders; defense.

Chapter 136

Sec. 6. Unlawful assembly, riot, definition; one person may be convicted without others.
Sec. 7. Riotous assemblies destroying certain properties or causing personal injuries; liability of rioters.
Sec. 8. Liability of towns for property injury by mobs; town's remedy against rioters.
Sec. 9. Duty of officers to disperse unlawful assembly; disobedience.
Sec. 10. When rioters refuse to disperse, officers may require aid of armed force; suppressing unlawful assembly.
Sec. 11. If any person killed or wounded, officers guiltless; liability of rioters.
Sec. 12. Judges and justices may require aid upon view of a riot without warrant.

Maryland

Annotated Code (Flack, 1951) (Laws Searched Through 1955)

Article 82

Sec. 1. Owner of property destroyed by rioters to be compensated by city or county.
Sec. 2. Conditions of their liabilities; limitations.
Sec. 3. When indemnity shall not be received.
Sec. 4. Pleadings.

Article 65

Sec. 8. Calling out of militia by governor in case of riot, etc.

Massachusetts

Annotated Laws (Through 1954)

Chapter 33

Sec. 40 (1954 Supp.). Calling out militia in case of invasion, insurrection, etc.
Sec. 41 (1954 Supp.). Calling out militia in case of tumult or riot, etc.
Sec. 43 (1954 Supp.). Orders to be in writing (under sec. 41, etc.) wherever practicable.
Sec. 46 (1954 Supp.). Troops to appear armed, etc.; obedience to orders, etc.
Sec. 47 (1954 Supp.). Excused from duty only on physician's certificate; punishment for absence without leave.
Sec. 49 (1954 Supp.). Expense of service at call of sheriff, etc., how collected.

Chapter 41

Sec. 98. Police officers, powers and duties in case of riot.

Chapter 138

Sec. 68. Alcoholic liquors, not to sell during riot.

Chapter 147

Sec. 2. Public safety officers and inspectors, services.

Chapter 220

Sec. 3. Justices of courts of commonwealth, power to suppress riots.

Chapter 269

Sec. 1. Suppression of unlawful assembly.
Sec. 2. Penalty for refusal to assist in suppression thereof.
Sec. 3. Neglect of mayor or other officer to suppress, etc.
Sec. 4. Officers may quell unlawful assembly by force, etc.
Sec. 5. Armed forces, if called out, to obey orders of governor.
Sec. 6. Officers, etc. Guiltless if death ensues.
Sec. 7. Riotously destroying dwelling house, etc.
Sec. 8. Liability of cities and towns, etc., for property destroyed.

Michigan

Statutes Annotated (Laws Searched Through 1954)

Sec. 4.632. Calling out militia in case of riot.
Sec. 4.633. Control and direction of militia when called to suppress riot.
Sec. 4.634. Power of civil authority over militia.
Sec. 5.1244. Power of village president, powers, in case of riot.
Sec. 5.1659. Mayor of fourth class city, powers.
Sec. 5.1674. Marshal of fourth class city.
Sec. 5.1740. Subdivision 1. Cities of fourth class, powers, in respect to riots.
Sec. 28.789. Riot, definition.
Sec. 28.790. Unlawful assemblies; failure to disperse when commanded.
Sec. 28.791. Unlawful assembly; refusal to aid officer to disperse or arrest rioters or depart.
Sec. 28.792. Same; neglect of officers to suppress.
Sec. 28.793. Same; use of force to quell.
Sec. 28.794. Same; armed force to obey orders of governor, judge, sheriff, chief of police, State policeman or magistrate.
Sec. 28.795. Homicide ensuing from efforts to disperse, penalty, immunities.
Sec. 28.796. Destruction of property.

Minnesota

Statutes Annotated (Laws Searched Through 1955)

Sec. 191.05. Militia, calling out.
Sec. 191.06. Powers and duties.
Sec. 192.27. Military officers' liability for acts in dispersing.
Sec. 205.34. Polling places, riotous conduct in or near.
Sec. 387.22. Special deputy sheriff in riots.
Sec. 411.19. Cities of fourth class, mayor's duties in case of riot.
Sec. 411.37. Cities of fourth class, officers' power to suppress.
Sec. 411.40. Cities of fourth class, council's power to prevent.
Sec. 412.09. Village officers may suppress.

Sec. 615.02. Riot, definition.
Sec. 615.03. Riot, punishment.
Sec. 615.04. Unlawful assembly, misdemeanor.
Sec. 615.05. Unlawful assembly, remaining after warning.
Sec. 615.06. Unlawful assembly, destruction of property.

Mississippi

Code 1942 (Laws Searched Through 1954)

Sec. 2218 (h). Justifiable homicide—in lawfully suppressing riot.
Secs. 4254–4256. Sheriff's duties respecting quelling of riots and dispersing mobs.
Sec. 8576 (1954 Supp.). Order to mob to disperse before using military force; governor may order out national guard.
Sec. 8577. Officers, duty.
Sec. 8578 (1954 Supp.). National guard, not liable for certain acts.
Sec. 8588. National guard, aiding civil authorities, expenses.

Missouri

Vernon's Annotated Missouri Statutes 1951 (Laws Searched Through 1954)

Const. Art. 4, sec. 6—Call of militia, conditions specified.
Sec. 41.110. Governor, call of organized militia to duty.
Sec. 41.150. Suspension of law by governor.
Sec. 41.580. Discretion of commanding officer as to attacking or firing upon.
Sec. 41.590. Blank cartridges not to be fired.
Sec. 57.100. Sheriff's duty to suppress riot.
Sec. 73.110. Cities of first class, suppression.
Sec. 74.153. Cities of first class, alternative commission government, prevention and suppression.
Sec. 74.203. Duties of chief of police.
Sec. 75.110. Cities of second class, suppression.
Sec. 77.570. Cities of third class, suppression.
Sec. 79.450. Cities of fourth class, suppression.
Sec. 84.540. Policemen, Kansas City, additional appointments.
Sec. 217.710. Penitentiary, homicide while suppressing riot, liability.
Sec. 380.250. Insurance against property damage, farmers' mutual insurance companies.
Sec. 542.150. Riot, number constituting; conservators of peace to disperse, make arrests.
Sec. 542.160. All participants in riot deemed guilty.
Sec. 542.170. What officers may require aid of persons to disperse rioters.
Sec. 542.180. Command of officers to be obeyed.
Sec. 542.190. Special deputies and policemen to be residents of State.
Sec. 542.200. Failure to aid peace officer a misdemeanor.
Sec. 542.210. Killing of rioters justified.
Sec. 542.220. Mayor may require minors to keep within doors during riot.

Montana

Revised Codes of Montana 1947 (Laws Searched Through 1954)

Sec. 11–1503. Actions for damages due to riot, against municipalities, liability.
Sec. 93–410. Jurisdiction of justices' courts.
Sec. 93–2608. Riot; when commenced.
Sec. 94–35–181. Riot, defined.
Sec. 94–35–182. Riot, punishment.
Sec. 94–35–244. Failure to disperse, misdemeanor.
Sec. 94–35–245. Magistrate refusing to disperse rioters.
Sec. 94–5004. Suppression of riot.
Sec. 94–5303. Governor, duty to call militia, when.
Sec. 94–5304. Commanding rioters to disperse.
Sec. 94–5305. Arrest of rioters on refusal to disperse.
Sec. 94–5306. Militia, who may order out.
Sec. 94–5307. Commanding officer, and troops, to obey.
Sec. 94–5308. Armed forces to obey whom.
Sec. 94–5309. Sheriff, when militia to obey.
Sec. 94–5310. Commanding officer, firing on mob, to use discretion.
Sec. 94–5311. Endeavors to disperse without danger to life.
Sec. 94–5312. Proclaiming state of insurrection.
Sec. 94–5313. Revocation of proclamation.
Sec. 94–5314. Officers, liability for neglecting duties concerning.

Nebraska

Revised Statutes 1943 (Laws Searched Through 1953)

Sec. 14–221. Suppression of riots in metropolitan cities.
Sec. 14–604. Same.
Sec. 15–225. Suppression of riots in primary cities.
Sec. 15–314. Mayor may call posse comitatus in primary cities.
Sec. 15–403. Ordinances, primary cities.
Sec. 16–308. Mayor may call posse comitatus in first class cities.
Sec. 16–405. Ordinances in first class cities.
Sec. 16–227. Suppression of, in first class cities.
Sec. 17–116. Mayor may call posse comitatus in second class cities.
Sec. 17–556. Suppression of riots in second class cities and villages.
Sec. 17–613. Ordinances in second class cities and villages.
Sec. 23–1704. Sheriff may summon posse comitatus.
Sec. 27–1703. Constable may summon posse comitatus when.
Sec. 28–804. Riotous conspiracy, forming, penalty.
Sec. 28–805. Dispersing, proclamation by sheriff.
Sec. 28–806. Refusal to disperse, penalty.
Sec. 28–807. Killing of rioters justified, when.
Sec. 29–204. Constables, duty to suppress.
Sec. 29–307. Commitment without process for riot.
Sec. 55–180. Militia, duty in case of riot.
Sec. 55–210. State guard exempted from posse comitatus, when.

Nevada

Compiled Laws (Hillyer, 1929) (Laws Searched Through 1953)

Sec. 10279. Rout and riot defined; penalty.
Sec. 10276. Assembling to disturb peace, etc., penalty.
Sec. 10278. Unlawful assemblage defined; penalty.
Sec. 10295. Destruction of property, penalty.
Sec. 4836. Riotous assemblage—command to disperse.
Sec. 4837. Arrest—power of county.
Sec. 4838. Refusing to use authority to suppress riot; penalty.
Sec. 4840. Calling out the troops to aid civil authorities in suppressing unlawful or riotous assembly.
Sec. 7152. Conduct of troops.

New Hampshire

Revised Laws (1943) (Laws Searched Through 1953)

Chapter 51

Sec. 46. Use of militia to suppress or prevent riot, powers of towns.

Chapter 143

Sec. 4. Calling out unorganized militia in time of riot.
Sec. 41. Emergency call of national guard in time of riot or civil commotion.
Sec. 80. Nonliability for injury to rioter.

Chapter 434. Suppression of riots.

Sec. 1. Duty of officials.
Sec. 2. Assistance, etc.
Sec. 3. Military aid.
Sec. 4. Official immunity from liability for death or injury to persons or property.
Sec. 5. Liability of rioters.
Sec. 6. Penalty, official neglect.
Sec. 7. Penalty, refusal to aid.
Sec. 8. Liability as principal.
Sec. 9. Refusal to disperse.
Sec. 10. Immunity of witnesses.

New Jersey

Statutes Annotated (Laws Searched Through May 1955)

Title 2A

Sec. 48–1. Liability of municipality or county; action.
Sec. 48–2. Limitation of action against municipality or county.
Sec. 48–3. Negligence of party suing; notice of threats.
Sec. 48–4. Protection of property; expenses.
Sec. 48–5. Action against persons participating in mob or riot.
Sec. 48–6. Compromise by municipality or county with owner.
Sec. 48–7. Recovery over by municipality or county from persons participating in mob or riot.
Sec. 48–8. Liability of municipality or county in damages; amount.
Sec. 85–1. Riot, misdemeanor.
Sec. 126–1. Mob: definition.
Sec. 126–2. Taking part in mob with intent to injure person or property.
Sec. 126–3. Mob violence; penalty for persons participating; "serious injury" defined.
Sec. 126–4. Unlawful assemblies; proclamation to disperse from; duties of peace officers.
Sec. 126–5. Arrest of persons continuing together after proclamation; penalty.
Sec. 126–6. Persons killing rioters held guiltless.
Sec. 126–7. Obstructing making of proclamation to disperse.

Title 32

Sec. 2–5. Militia, power of governor to order to service in case of riot.

Title 40

Sec. 47–16. Police, exception during riots to eight hours duty.
Sec. 114–8. Mayor, control of police in quelling riots.

New Mexico

Statutes Annotated 1953 (Laws Searched Through 1955)

Sec. 9–9–4. Suppression of unlawful or riotous assembly—cooperation with civil officials—aid on application of sheriff.
Sec. 9–10–16. Powers of the governor—use of State guard.
Sec. 9–10–17. Cooperation with civil authority.
Sec. 9–10–25. Members not liable civilly for acts in performance of duty.
Sec. 14–21–27. Municipalities; power to suppress riots and disorders.
Sec. 40–12–10. Unlawful assemblies, riot.
Sec. 40–12–11. Dispersal of rioters; duty of judicial and ministerial officers; calling aid; penalty for refusing aid.
Sec. 40–12–12. Penalty for rioting or obstructing officer.
Sec. 40–12–13. Penalty of officer neglecting to suppress riot.
Sec. 40–12–14. Persons failing to assist in suppression deemed rioters.
Sec. 40–12–15. Aid of armed persons in suppression of riot.
Sec. 40–12–16. Armed forces—duties in suppressing riot.
Sec. 40–12–17. Liability for casualties in suppression of riot.
Sec. 40–12–18. Destruction of building by persons unlawfully assembled.

New York

McKinney's Consolidated Laws of New York (Laws Searched Through 1955)

Criminal Code

Sec. 102. Power of sheriff or other officer in overcoming resistance to process.
Sec. 103. Certification to court of names of resisters and their abettors.
Sec. 104. Duty of person commanded to aid the officer.
Sec. 106. Magistrates and officers to command rioters to disperse.
Sec. 107. To arrest rioters if they do not disperse.
Sec. 108. Consequences of refusal to aid the magistrates or officers.
Sec. 109. Consequences of neglect or refusal of a magistrate or officer to act.
Sec. 110. Proceedings, if rioters do not disperse.
Sec. 115. Governor may, in certain cases, proclaim a county in a state of insurrection.
Sec. 116. May call out militia.
Sec. 117. May revoke the proclamation.
Sec. 663. No compromise of criminal action permitted where injury occurred during riot.

Penal Code

Sec. 1055. Justifiable homicide in lawfully suppressing riot.
Sec. 2090. Riot, defined.
Sec. 2091. Punishment of riot.
Sec. 2092. Unlawful assemblies.
Sec. 2093. Remaining present at place of riot or unlawful assembly after warning.
Sec. 2094. Remaining present at place of a meeting, originally lawful, after it has adopted unlawful purpose.
Sec. 2095. Refusing to assist in arresting rioter.
Sec. 2096. Leaving State with intent to elude provisions of this article.
Sec. 2097. Witnesses' privilege.

General Municipal Law

Sec. 71. Liability for damages by mobs and riots.

Local Finance

Sec. 29.00 (a). Issuance of budget notes by municipality or district corporation to meet emergency expenses, including those from riots.

Second Class Cities

Sec. 57. Power of mayor in emergency, calling out police.

Town Law

Sec. 130 (11). Ordinance to preserve peace, good order and safety.

Village Law

Sec. 189-a. Powers of mayor relating to special policemen in time of emergency; appointment, etc.

North Carolina

General Statutes (Laws Searched Through 1954)

Sec. 14-12.1. Unlawful assemblies; subversive activities.
Sec. 15-39. Persons present shall endeavor to suppress riot, etc., and may arrest offenders.
Sec. 15-45. Persons summoned by officials to aid in suppression of riot, etc.
Sec. 127-71. National guard may be ordered out to suppress riots.
Sec. 127-73. Unorganized militia may be ordered out to suppress riots, etc.
Sec. 127-111. State guard subject to call of governor to suppress riots, etc.

North Dakota

Revised Code (1943) (Laws Searched Through 1953)

Sec. 12-1903. Riot defined.
Sec. 12-1904. Punishment of riot.
Sec. 12-1905. Rout defined.
Sec. 12-1906. Unlawful assembly defined.
Sec. 12-1907. Rout or unlawful assembly; misdemeanor.
Sec. 12-1908. Remaining at place of riot, etc., after warned to go; misdemeanor.
Sec. 12-1909. Remaining at place of riot or rout after unlawful purpose disclosed; misdemeanor.
Sec. 12-1910. Refusing to aid officer at riot; punishment.
Sec. 12-1915. Governor may order additional force to suppress riots.
Sec. 12-1916. Governor may ask aid of the United States.
Sec. 12-1917. Peace officer may order unlawful assembly to disperse.
Sec. 12-1918. Arrest of rioters if they do not disperse.
Sec. 12-1919. When officer may disperse unlawful assembly.
Sec. 12-1920. Person who refuses to aid officer deemed rioter.
Sec. 12-1921. Negligence of officer in not suppressing unlawful assembly.
Sec. 12-1922. Officers must endeavor to disperse riot before endangering life.
Sec. 12-1923. Resisting execution of process or suppression of riot; felony.
Sec. 29-0224. When officers may disperse assembly.
Sec. 37-0104. Governor may order out national guard in case of insurrection or riot; reserve militia ordered out.

Ohio

Page's Ohio Revised Code (Laws Searched Through 1954)

Sec. 715.49. Municipal corporations, powers to preserve peace and protect property.
Sec. 737.19. Village marshal, powers to preserve peace and protect property.
Sec. 1711.35. Appointment of special constables by justice of peace to keep peace at various assemblies.
Sec. 1907.25. Appointment of special constables upon application of director of public works or three freeholders.
Sec. 3761.01. Assemblies and mobs, definitions.
Sec. 3761.13. Prohibition against riot.
Sec. 3761.14. Dispersing riotous assembly; peace officers may call for assistance.
Sec. 3761.15. Killing rioter who resists officer; liability.
Sec. 3761.99. Penalties for riot.
Sec. 5923.21. Organized militia ordered to service by governor to aid civil authorities.
Sec. 5923.22. Commander in chief may issue call for troops in case of riots and mobs.
Sec. 5923.23. Military aid of civil authority.
Sec. 5923.24. Punishment for refusal of officer to obey.
Sec. 5923.25. Notice of order given to command.
Sec. 5923.26. Refusal or neglect by enlisted men to serve on notice.
Sec. 5923.31. Endeavoring to persuade officer or soldier to disregard duty in case of riot.
Sec. 5923.99. (A) Penalty for violation of orders to serve in case of riot.

Oklahoma

Statutes (1951) (Laws Searched Through 1953)

Title 11

Sec. 655. City Council may restrain and prohibit riots, etc.

Title 19

Sec. 516. Duty of sheriff, under-sheriffs, and deputies to quiet and suppress riots, unlawful assemblies, etc.

Title 21

Sec. 733 (3). Justifiable homicide, in lawfully suppressing riot.
Sec. 1311. Riot defined.
Sec. 1312. Punishment for riot.
Sec. 1313. Rout defined.
Sec. 1314. Unlawful assembly defined.
Sec. 1315. Punishment for rout or unlawful assembly.
Sec. 1316. Remaining after warning to disperse.
Sec. 1317. Presence after unlawful purpose becomes known.
Sec. 1318. One refusing to aid in arrest deemed rioter.

Title 22

Sec. 94. Assistance from other counties in suppressing riot, duty of governor.
Sec. 95. Governor to furnish military force to suppress riots, etc.
Sec. 101. Unlawful assemblages.
Sec. 102. Proceedings if assembly does not disperse—commanding aid of others.
Sec. 103. Refusal to assist.
Sec. 104. Neglect of officer, respecting unlawful assembly a misdemeanor.
Sec. 105. Officers may disperse assembly and arrest offenders—commanding aid.
Sec. 106. Precautions before endangering life.
Sec. 107. Offenses during riot or insurrection.

Title 39

Sec. 602. Duty of constable to suppress riots, unlawful assemblies, etc.

Title 44

Sec. 72. Governor ordering militia into active service in case of riot, etc.
Sec. 73. Local commanding officer—order militia into service in emergency.

Oregon

Revised Statutes (1953 ed.) (Laws Searched Through 1953)

Sec. 145.010. General provisions regarding suppressing riot.
Sec. 145.020. Dispersal of unlawful or riotous assemblages.
Sec. 145.030. Justification of persons aiding officers.
Sec. 166.040. Riot and unlawful assembly defined.
Sec. 166.050. Punishment for participating in riot.
Sec. 397.040. Martial law; call for armed forces by governor or other officers.
Sec. 397.045. Designation of armed force objectives; execution.
Sec. 397.050. Duty to attempt to disperse rioters before attack.
Sec. 397.055. Liability for death or injury in dispersing riotous assembly.

Pennsylvania

(Purdon's) Pennsylvania Statutes (Laws Searched Through 1953)

Title 13

Sec. 45. Constables, arrest without warrant in riot.

Title 16

Sec. 3921. Remedy of owners of property in Philadelphia destroyed by mob or riot.
Sec. 3922. When owner may not recover; liability of officer neglecting duty.
Sec. 3923. Remedy against county not exclusive.
Sec. 3924. Remedy of county commissioners against rioters.
Sec. 3925. Act of 1841 extended to Allegheny county.
Sec. 3926 (1954 Supp.). Act of 1841 extended to Northampton county.
Secs. 2151-1515 (1954 Supp.). Counties of second class, police, temporary appointment without examination in emergencies.

Title 18

Sec. 4401 (1954 Supp.). Riot, routs, assemblies, and affrays.
Sec. 4402. Riotous destruction of property.

Title 35

Sec. 1424. Volunteer police may be organized by governor for suppression of riots and tumults.

Title 40

Sec. 657 (3). Standard fire insurance policies shall not cover risks from riot.

Title 51

Secs. 1–206. Enrolled militia subject to active duty, when.

Secs. 1–310. Draft of unorganized militia by governor during emergency.

Secs. 1–311. Active State duty for national guard units, organized guard units, on call of governor.

Title 53

Sec. 9566. Power of police magistrates to punish for minor offenses, *e. g.*, rioting.

Sec. 9659. Power of incorporated municipalities to prevent and restrain riots, disturbances, etc.

Secs. 12198–2403 (25) (1954 Supp.). Power of city to prevent riots.

Sec. 12938 (1954 Supp.). Powers of burgess shall include suppression of riot.

Sec. 13201 (1954 Supp.). Borough police under jurisdiction of burgess.

Rhode Island

General Laws Annotated (1938) (Laws Searched Through 1953)

Chapter 607

Sec. 1. Riotous assembly defined, who may make proclamation to disperse; form of proclamation. Proclamation by governor, if he anticipates riotous assembly. Effect of disobedience to it.

Sec. 2. Penalty for not aiding officer.

Sec. 3. Riotous hindrance to officer in making proclamation, or riotous destruction of property, how punished.

Sec. 14. Liability of towns or cities for any property destroyed or injured in time of riot.

Chapter 607

Sec. 15. Recovery of damages by towns from rioters.

Sec. 16. Procedure on claims under sec. 14.

Acts and Resolves, 1940, ch. 840.

Par. 20. Militia ordered into service in case of martial law, riot, etc.

Acts and Resolves, 1942, ch. 1135.

Members of militia have same powers in emergencies as town constables in protection of life and property.

South Carolina

Code of Laws, 1952 (Laws Searched Through 1954)

Sec. 16–103. Duty of officers when notified of danger of attack on property.

Sec. 16–105. Hindering officers in arrest of rioters, penalty.

Sec. 16–107. Indemnity for property destroyed by mob or riot.

Sec. 16–108. When damages cannot be recovered from county.

Sec. 16–109. Owner of damaged property may sue participants.

Sec. 16–110. Jurisdiction of circuit courts.

Sec. 16–111. Governing body of county may sue offenders.

Sec. 16–112. Sheriffs et al. enforce preceding provisions.

Sec. 16–113. Engaging in riot, etc., penalty.

Sec. 43–215. Arrest by magistrates or rioters and others.

Sec. 44–112. Liability of national guard to service in case of riot.

Sec. 44–113. Duty when called to suppress unlawful assembly.

Sec. 44–114. Authority of governor to order out militia.

Sec. 44–115. Calling out militia when laws cannot be enforced by judicial proceedings.

Sec. 44–116. Proclamation to disperse.

Sec. 44–117. Governor to employ sufficient force.

Sec. 44–119. When local commanding officer may order out militia.

Sec. 44–120. Call of unorganized militia to service.

Sec. 44–121. Penalty for refusal to serve when ordered.

Sec. 44–122. Penalty for false certificate by physician.

Sec. 44–123. Proclamation of state of insurrection.

South Dakota

Code (1939) (Laws Searched Through 1953)

Sec. 13.1402. Riot, rout, unlawful assembly; definitions.

Sec. 13.1403. Refusing to aid officer at riot, same punishment as riot.

Sec. 13.1404. Punishment for riot.

Sec. 13.1405. Punishment for rout and unlawful assembly.

Sec. 13.1406. Continuing present at meeting after unlawful purpose becomes known; misdemeanor.

Sec. 13.1407. Continuing present after legal order to disperse; misdemeanor.

Sec. 41.0105. Governor may order out militia.

Sec. 41.0179. Riot; suppression by militia.

Sec. 41.0149. Governor may order out national guard.

Tennessee

(Williams) Code Annotated (Laws Searched Through 1953)

Sec. 3627. In riot or emergency, assistance summoned by mayor or city manager.

Sec. 11454. Duties of State police officer—to suppress riots, etc.

Texas

Vernon's Statutes Annotated (Laws Searched Through 1953)

Penal Code

Art. 318a. Causing mutiny or riots in penitentiary or prison farm; penalty.

Art. 349. Punishment of prisoners engaged in riot; modes allowed.

Art. 439. Unlawful assembly, defined.

Art. 440. To prevent elections.

Art. 441. To prevent execution of law, etc.

Art. 442. To effect rescue of capital felon.

Art. 443. To effect rescue of noncapital felon.

Art. 444. To rescue one accused of capital felony.

Art. 445. To rescue one accused of lesser felony.

Art. 446. To rescue one accused of misdemeanor.

Art. 447. To prevent the sitting of any tribunal.

Art. 448. To prevent collection of taxes.

Art. 449. To prevent any person from pursuing his labor.

Art. 450. To frighten anyone by disguise.

Art. 451. To disturb families.

Art. 452. To effect any other illegal object.

Art. 455. Riot, defined.

Art. 456. To prevent collection of taxes.

Art. 457. To prevent the execution of law.

Art. 458. To rescue felon under death sentence.

Art. 459. To rescue felon under less than capital sentence.

Art. 460. To rescue one convicted of misdemeanor.

Art. 461. To rescue one imprisoned for capital felony.

Art. 462. To rescue one convicted of felony less than capital.

Art. 463. To rescue prisoner convicted of misdemeanor.

Art. 464. To prevent any person from labor.

Art. 465. To disturb a residence.

Art. 466. To commit any other illegal act.

Art. 467. Penalty when object not accomplished.

Art. 468. All participants guilty.

Art. 469. Where assembly was first lawful.

Art. 470. One participant may be prosecuted.

Art. 471. Indictment.

Art. 472. Duty of officers in case of riot.

Art. 1219. Justifiable homicide in suppression of riot.

Code of Criminal Procedure

Art. 95. Officer may require aid to suppress riot.

Art. 96. Military aid in executing process.

Art. 97. Military aid in suppressing riots.

Art. 98. Dispersing riot.

Art. 99. Officer may call aid.

Art. 100. Means adopted to suppress.

Art. 101. Unlawful assembly.

Art. 102. Suppression at election.

Art. 103. Power of special constable.

Art. 305. Search warrant—to search places where it is alleged arms or munitions are kept or prepared for purpose of insurrection or riot.

Art. 442. Quelling by sheriffs.

Art. 695. Riot is an offense having several degrees.

Civil Statutes

Art. 995. Special police force to suppress riot, etc.

Art. 996. Powers of the mayor in case of riot, etc.

Art. 999. Marshal, duties, etc., in quelling riots, etc.

Art. 1015 (21). Power of governing body of city or town to suppress and prevent riot, etc.

Art. 5770. Reserve militia may be called to active service during riot, etc.

Art. 5778. Power of governor to call militia to active service.

Art. 5780. Authorized strength of national guard may be increased in case of riot.

Art. 5831. Governor may call out national guard in case of riot.

Art. 5832. Mobilization order.

Art. 5833. Commanding officer's duty.

Art. 5834. Governor may order active militia to assist civil authorities.

Utah

Code Annotated (1953) (Laws Searched Through 1955)

Sec. 39–1–5. Governor may call militia into active service in riot, etc.

Sec. 39–1–6. Failure to appear on order, penalty.

Sec. 39–1–8. Governor may proclaim martial law.

Sec. 39–1–11. Civil and criminal liability of members for acts done under orders.

Sec. 76–52–2. Riot, defined.

Sec. 76–52–3. Penalty for riot.

Sec. 76–52–4. Rout, defined.

Sec. 76–52–5. Unlawful assembly defined.

Sec. 76–52–6. Penalty for rout or unlawful assembly.

Sec. 76–52–7. Refusing to disperse.

Sec. 76–52–8. Officers failing to perform duty.

Sec. 76–52–9. Members of assembly severally guilty.

Sec. 77–5–1. Officers may command assistance.

Sec. 77–5–2. Officers to report names of those resisting.

Sec. 77–5–3. Officers to command rioters to disperse.

Sec. 77–5–4. Arrest on refusal to disperse.

Sec. 77–5–5. Persons refusing to assist, deemed rioters.

Vermont

Statutes 1947 (Laws Searched Through 1953)

Sec. 7203. National guard may be called out by governor in emergency.

Sec. 7204. Riots, additional force.

Sec. 7205. Enlisted men not obeying; penalty.

Sec. 7206. Town to furnish subsistence and transportation.

Sec. 7207. Control of militia assisting civil officer.

Sec. 7973. Riots among prisoners; duties of officers to suppress.

Sec. 7974. Refusal to assist; penalty.

Sec. 7975. Person killing rioter; guiltless.
Sec. 8245. Justifiable homicide in suppressing riot.
Sec. 8450. Riots, duties of officers.
Sec. 8451. Rioters refusing to disperse; penalty.
Sec. 8452. Hindering officer.
Sec. 8453. Officer killing resisting rioter, not liable.
Sec. 8454. Rioters injuring building or vessel.

Virginia

Code 1950 (Laws Searched Through 1954)

Sec. 18–124. Suppression of riots.
Sec. 18–125. Persons arrested therefor to be committed on failure to give bail.
Sec. 18–126. Judge or justice failing in his duty; how punished.
Sec. 18–127. If persons disobey order of judge or justice to disperse, he may require assistance.
Sec. 18–128. Death of person during riot.
Sec. 18–129. Punishment of rioter.
Sec. 18–130. Riotous or disorderly conduct on train or street car; a misdemeanor.
Sec. 18–131 (1954 Supp.). Riotous or disorderly conduct in other public places.
Sec. 44–75. Calling out militia when execution of laws obstructed.
Sec. 44–76. Transportation, equipment, and support of militia.
Sec. 44–77. Orders to officers and appointment of rendezvous.
Sec. 44–78. How troops called out in time of danger.
Sec. 44–79. Orders from civil officers to military commanders.
Sec. 44–80. Unorganized militia last ordered out.
Sec. 44–81. Length of service when ordered out.
Sec. 44–86. Unorganized militia, when ordered out for service.
Sec. 44–87. Manner of ordering out for service.
Sec. 44–88. Draft of unorganized militia.
Sec. 44–90. Punishment for failure to appear.

Washington

Revised Code (Laws Searched Through 1953)

Sec. 9.27.040. Riot defined.
Sec. 9.27.050. Riot—penalty.
Sec. 9.27.060. Unlawful assembly.
Sec. 9.27.070. Remaining after warning.
Sec. 9.27.080. Destruction of property.
Sec. 38.08.030. Martial law.
Sec. 38.08.040. Governor may order out organized militia.
Sec. 38.08.050. Unorganized militia may be ordered out.
Sec. 38.08.060. Governor's decision final.
Sec. 38.32.080. Failure to obey call—penalty.
Sec. 38.40.010. Liability of officers and enlisted men on duty.
Sec. 38.40.020. Liability for discretionary acts.

West Virginia

Code of 1949 (Laws Searched Through 1953)

Sec. 687. Tax assessment and collection when emergency exists.
Sec. 1176. Calling out national guard by governor.
Sec. 1177. Calling on governor or commander for aid; summons.
Sec. 1178. When order by civil officer to be in writing; compliance with written orders.
Sec. 1179. Command to assembly or mob to disperse.
Sec. 1180. Penalty for failure to disperse.
Sec. 1181. Powers of officers.
Sec. 1182. Assaults on national guard or persons aiding them; penalty.
Sec. 1183. Repelling assault.
Sec. 1184. Failure to retire from unlawful assembly; penalty.
Sec. 5169. Jurisdiction of justices over offenses, including riot.
Sec. 6028. Commitment and recognizance of rioters.
Sec. 6029. Failure of judge or justice to exercise powers at riots and unlawful assemblies; penalty.
Sec. 6030. Summoning of persons to aid in suppressing riots and unlawful assemblages; penalty.
Sec. 6031. Death of person in suppression of riot and unlawful assemblage.
Sec. 6032. Destruction of building by rioters; penalty therefor and for rioting without such injury.
Sec. 6036. Riots and unlawful assemblages; suppression.

Wisconsin

Statutes 1951 (Laws Searched Through 1953)

Sec. 21.11. Militia, or national guard; call to active service.
Sec. 59.24. Peace maintenance; powers and duties of peace officers.
Sec. 66.091. Mob or riot damage; liability of county or city.
Sec. 340.29. Homicide; when justified.
Sec. 347.06. Unlawful assemblies; suppression (1953 laws).
Sec. 347.40. Refusing aid to officer (1953 laws).

Wyoming

Compiled Statutes 1945 (Laws Searched Through 1953)

Sec. 9–405. Riot; defined.
Sec. 9–406. Rout; defined.
Sec. 27–1006. Sheriff and deputies to be peace officers in cases of affrays, riots, etc.
Sec. 27–1016. Special deputies to be appointed in case of mob violence.
Sec. 27–1017. Such special deputies shall be under jurisdiction of sheriff.
Sec. 29–243. Ordinances in case of riot, etc., immediately effective on proclamation.
Sec. 29–317. Cities of first class have power to suppress riots.
Sec. 29–430 (12). Incorporated towns; power to suppress riots.
Sec. 30–137. Militia called out for suppression of riots.
Sec. 30–138. Governor may call for aid of militia—expense—limitation.
Sec. 30–139. Order for assembly—penalty for failure to obey—persons advising disobedience.

ALEXANDER HAMILTON BICENTENNIAL COMMISSION

Mr. COUDERT. Mr. Speaker, I ask unanimous consent that the Alexander Hamilton Bicentennial Commission may have permission to file an interim report during the recess.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

WORLD SOFTBALL TOURNAMENT IN CLEARWATER, FLA.

Mr. CRAMER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. CRAMER. Mr. Speaker, in these closing hours of Congress and as our minds are turned on our homes and a vacation from this busy session, I would call your attention to an event to be held in my First District of Florida that you would find most interesting and relaxing.

The World Softball Tournament will be held in Clearwater, Fla., on September 19–24. This is an event of great consequence to a great many American sports followers, for softball is by far the largest spectator and participant sport in this Nation. The tournament will be held in the beautiful and palm-surrounded Jack Russel Stadium recently built by Clearwater for use of the Clearwater Bombers and for a winter training quarters of the Philadelphia Phillies.

The tournament itself will bring together the best softball players and teams in the world. From the 55,000 teams of the Nation regional and metropolitan champions will appear from all sections. The Army, Navy, and Air Force will have their champions. Teams from Puerto Rico, Canada, Mexico, and Hawaii will be on hand. It is truly a worldwide tournament of champions.

I might proudly call to your attention the fact that the Clearwater Bombers are now the world champions for the second time, having won in both 1950 and 1954. We are proud of their achievement in this sport that is so highly contested and widespread.

I know that I extend the welcome of the whole First District of Florida, as well as the warm good wishes of the real homefolks of Clearwater and their sports enthusiasts when I extend to you and the Nation an invitation to attend the World Softball Tournament. You will enjoy a wonderful sport at its best—thrill to a great game—and be entranced by the sun coast of Florida that is the Nation's playground.

REPORT OF THE PRESIDENTIAL ADVISORY COMMITTEE ON TRANSPORT POLICY AND ORGANIZATION

Mr. HARRIS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HARRIS. Mr. Speaker, since the release of the report of the Presidential Advisory Committee on Transport Policy and Organization some weeks ago a great deal of interest has been manifested by those who prepared the report and affected groups. It has been referred to as the Cabinet report on the transportation policy and discussed as such.

Our Committee on Interstate and Foreign Commerce to which the report was referred has been besieged with requests for hearings and consideration. A bill purporting to carry out the recommendations of the report was introduced by request and referred to our committee. Some time ago in discussion with interested persons affected by the proposed report commitments were made that an opportunity would be provided for a hearing in order that the matter may be fully discussed and explained during the recess.

This has been discussed by the chairman and other members of our committee. In view of the developments and

interest in the proposal I am today announcing that our Subcommittee on Transportation and Communications will meet during the recess and hold hearings on the proposed transportation policy and therefore will give an opportunity for full discussion and explanation of the report and recommendations.

The Advisory Committee on Transport Policy and Organization was established by the President on July 12, 1954. The Secretary of Commerce was appointed Chairman, the Secretary of Defense and the Director of the Office of Defense Mobilization were appointed as active members. The Secretary of the Treasury, the Secretary of Agriculture, the Postmaster General, and the Director of the Bureau of the Budget were selected as ad hoc participating members. After months of study by a task force set up by the Committee, the Committee submitted a report to the President which was released April 18, 1955.

The Advisory Committee's views during the hearings will be presented by the Chairman, the Honorable Sinclair Weeks; a representative from each of the affected transportation industries is being invited and expected to comment upon the basic principles and proposals involved in the report as they bear upon the overall national transportation policy and upon the individual industry.

The hearings will begin on Monday, September 19, 1955, at 9: 30 a. m., in the committee room in the New House Office Building.

RECESS

The SPEAKER. The House will stand in recess until 4 o'clock today.

Accordingly (at 3 o'clock and 34 minutes p. m.) the House stood in recess until 4 o'clock p. m.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 4 o'clock and 5 minutes p. m.

COPIES OF PART 2 OF THE HEARINGS ON POLIOMYELITIS VACCINE

Mr. HAYS of Ohio. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 335 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That there be printed for the use of the Committee on Interstate and Foreign Commerce, House of Representatives, 10,000 additional copies of part 2 of the hearings on poliomyelitis vaccine, held during the current session by the said committee.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. McBride, one of its clerks, announced that the Senate insists upon its amendments to the bill (H. R. 7618) entitled "An act to amend the Civil Service Retirement Act of May 29, 1930, as amended," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. JOHNSTON of South Carolina, Mr. SCOTT, and Mr. CARLSON to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the amendments of the House to bills and a concurrent resolution of the Senate of the following titles:

S. 197. An act for the relief of Vincenzo Santagata;

S. 198. An act for the relief of Fillipo Mastroianni;

S. 550. An act for the relief of John Axel Arvidson;

S. 664. An act for the relief of Mecys Jauniskis;

S. 714. An act for the relief of Alfio Ferrara;

S. 1014. An act for the relief of Henry Duncan;

S. 1189. An act to permit national banks to make 20-year real estate loans, 9-month residential construction loans and 18-month commercial construction loans;

S. 2039. An act to authorize the Secretary of the Interior to lease any unassigned lands on the Colorado River Indian Reservation, Ariz., and for other purposes; and

S. Con. Res. 42. Concurrent resolution favoring the suspension of deportation in the case of certain aliens.

The message also announced that the Senate insists upon its amendments to the bill (S. 2576) entitled "An act to amend the joint resolution entitled 'Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes,' approved January 14, 1933, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. NEELY, Mr. MCNAMARA, Mr. MORSE, Mr. BEALL, and Mr. CASE of New Jersey to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the reports of the committees of conference on the disagreeing votes of the two Houses on the amendments of the Senate to bills of House of the following titles:

H. R. 1003. An act for the relief of Mrs. Lorenza O'Malley (de Amusategui), Jose Maria de Amusategui O'Malley, and the legal guardian of Ramon de Amusategui O'Malley; and

H. R. 2907. An act for the relief of Thomas F. Harney, Jr., doing business as the Harney Engineering Co.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2391) entitled "An act to amend the Defense Production Act of 1950, as amended, and for other purposes."

LEAVE OF ABSENCE

Mr. DAVIS of Wisconsin. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. HILLINGS] may have a leave of absence.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

ADDITIONAL CLERK, OFFICE OF OFFICIAL REPORTERS OF DEBATES

Mr. ROONEY. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Resolution 336.

The Clerk read the resolution, as follows:

Resolved, That effective August 1, 1955, there shall be paid out of the contingent fund of the House, until otherwise provided by law, compensation at the basic rate of $3,200 per annum for the employment of an assistant clerk to the Official Reporters of Debates of the House.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. JONES of Missouri. Mr. Speaker, reserving the right to object—and I am not going to object—I would like to express my opposition to this method of considering this type of resolution. We have a Committee on House Administration, and I would like for it to go through that committee.

Mr. ROONEY. Mr. Speaker, may I say that this resolution has been cleared with the leadership on the minority side of the aisle and with those on the majority side. I have been given to understand that it has the approval of the ranking minority member of the committee, the gentleman from Iowa [Mr. LECOMPTE]. The resolution itself bears the name of the chairman of the distinguished Committee on House Administration [Mr. BURLESON]. It concerns Mr. Johnny Sigurdsen, who does not happen to be present in the Chamber at this moment. He is the gentleman who brings the reporters' transcripts at the end of the day to the Members' offices. For years he has been on the payroll of the Government Printing Office, and the Government Printing Office has been reimbursed by the legislative branch for his services. The pending resolution provides for his appointment at a salary of $3,200 per annum as assistant clerk in the office of the Official Reporters of Debates, the same as his counterpart in the other body.

Mr. JONES of Missouri. Mr. Speaker, it is not a question of objecting to the individual or to the salary. I have no objection to that, but we have been running on here for 7 months, and in all probability at the beginning of the session this situation existed. We have had surveys, we have had studies made by our committee. Later on in the day we are going to have the conference report on the legislative appropriation bill, and I am not going to object to the adoption of the report, although I do not approve of the procedure which has been followed.

I should like to express my opposition to, and invite the attention of the Members of the House to the fact that we do have a committee set up for the purpose of considering these salary increases. It should make the study. I think at this time it would be appro-

priate to suggest that since we do have a Joint Committee on Printing, and do have a Joint Committee on the Library, it might be appropriate that we have a joint committee on employees of both Houses of Congress in order to see that all of our employees are adequately compensated, without the gross inequities that exist in the pay schedules. I am not objecting to salary increases as such, but I am opposed to those increases that throw our schedules further out of line. Furthermore, we should see that we do get the service we are entitled to from some that there is some question about.

Mr. LECOMPTE. Mr. Speaker, will the gentleman yield?

Mr. ROONEY. I am delighted to yield to the distinguished gentleman from Iowa.

Mr. LECOMPTE. It is true that I did agree to the consideration of this resolution if it had the approval of the leadership on both sides, although I did at the time express the feeling that the gentleman from Missouri has—that resolutions of this kind should clear the Committee on House Administration.

Mr. ROONEY. May I say that I discussed this resolution with the distinguished minority leader, the gentleman from Massachusetts [Mr. MARTIN], and with the leadership on this side of the aisle.

Mr. LECOMPTE. It was mentioned to me at least twice, and I said on account of the lateness of the session I had no objection provided it cleared with the leadership on both sides.

Mr. ROONEY. I thank the gentleman for that information.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

HON. CARL HINSHAW

Mr. WILSON of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WILSON of California. Mr. Speaker, I was interested to note in the paper this morning the announcement of the resignation of Mr. Talbott, and one of our colleagues being suggested as a possible successor, the gentleman from California, Mr. CARL HINSHAW. Certainly, Mr. HINSHAW has a background that would recommend him for appointment as Secretary of the Air Force. I recall that 2 years ago he won the Wright Memorial Trophy. He has a citation from the Air Force Association for his outstanding contribution to aviation. He is vice-chairman of the National Aviation Policy Board. He holds honorary memberships in the Institute of Aeronautical Sciences and the Society of Automotive Engineers. There are at the present time no Members of the House or the Senate in Cabinet positions, although it has been done in the past in many instances to recognize the capabilities of Congressmen and Senators to positions in the Cabinet. I would like to endorse the proposal that our colleague, the senior Republican Member from California, Mr. HINSHAW, be given consideration to replace Mr. Talbott as Secretary of the Air Force.

FURTHER COMMUNIST AGGRESSION

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, within a few days after the summit meeting in Geneva, with the dangerous feeling of exuberance resulting therefrom among the diplomatic leaders of the western countries—except possibly Secretary Dulles—we find that the evil minds of the Communists have not changed, by the intentional and vicious shooting down by the Bulgarian Communists of a defenseless passenger airplane of an Israeli company.

There are other incidents passed by practically unnoticed. While the Conference at Geneva was taking place, a news item, small in size, and probably passed by or unnoticed by most readers, told us of the heaviest bombardment of Quemoy by the Chinese Reds since last September.

We also noted the release by the Hungarian Reds of Cardinal Mindszenty, but what kind of a release?

Where is he?

Under what condition was he released?

Is he permitted to function with freedom as a cardinal of the Catholic Church?

But while the summit meeting was taking place, Communist persecution of innocent persons started again in Hungary.

The shooting down of the Israeli airliner was in violation of international law and of every rule of decency. This cold, calculated act could not be condemned too strongly. It could have happened to a passenger plane owned by any other country, or company therein. Furthermore, as a number of Americans were killed, this directly concerns our own country.

I admire the small but brave country of Israel in the courageous stand its leaders have taken; for its demands upon the Communist Government of Bulgaria were not only immediate but firm and just. There are some large and powerful nations in the world who could follow the brave and courageous example of this small country.

Not content with the backhanded apology given, the people of Israel, speaking through their proper officials, have firmly but directly demanded of Bulgaria, which means the Soviet Union and its satellite-dominated countries, that it—Israel—expects the Bulgarian Government to trace down and punish those responsible for the shooting down of the airliner resulting in the loss of 58 lives.

And, I repeat, this took place a few days after the meeting at Geneva.

I am very much concerned with the feeling of exuberance and freedom from fear of any further evil intentions by the Communists that I find existing, not only among our people but among some officials of our Government in high positions.

We must remember that the Kremlin leaders gave up nothing at Geneva. They did not give an inch on German reunification, but advanced their well-known plans, the acceptance of which in whole or in part would be disastrous to the West and to future peace.

The Communist leaders at Geneva sharply and abruptly refused to even have the question of the Communist Party in the Soviet Union with its international conspiracy discussed. For we must remember that within the organizational setup of the Soviet Union the Communist Party is supreme; it is the master, and the government known as the Soviet Union is subordinate to and the agent or servant of the Communist Party.

The Communist leaders present at Geneva also refused to have the question of internal subversion of other governments discussed or put upon the agenda of the Foreign Ministers meeting.

They refused also to have discussed or considered the important question of a free election, internationally supervised, with Soviet troops removed, of the peoples of the captive nations in order that they might determine their own form of government.

The Communist leaders and government still adhere to the Lenin-Stalin policy of world revolution and world domination.

With all due respect to the views of those who may disagree with me, even including some high officials of our Government, I cannot lead myself to the opinion and conviction, that Krushchev, Bulganin, Molotov, and Zhukhov, or any other Communist, is sincere for peace as long as they adhere to the policy of world revolution and of the infiltration and subversion of other governments, and the enslavement of other peoples.

What do the Communists mean by "peace"?

By "peace" do they mean the same as we do?

I will let you answer that question yourself.

So far as I am concerned, they do not mean the same as we do.

By "peace" they mean that peoples everywhere must either believe in communism and adopt a Communist form of government subject to the will and domination of the Kremlin, or to subject themselves against their will to Communist domination.

The Communist "peace" to men and women who want freedom under law means slavery, persecution, and death.

So "peace" to the Communists is just the opposite to what it means to you and to me and to others.

So while I may be somewhat alone in America of today, with the peoples' hopes running so high and the exuberance and complacency which follows, and also with the letdown of our guard,

upon the evidence that exists, despite Geneva, I cannot see where the Communists have changed.

If it did not seem to have the appearance of a serious note, it would be amusing to read the newspapers that some day in the near future we may have Bulganin, and other Communists, visiting the United States. What a picture it would be, having Bulganin as the present head of his nation, addressing the House and the Senate of the United States, and at the same time, as we well know, being the leader of the Communist conspiracy movement that is determined to overthrow our Governments, as well as all other free governments.

The Communists may be sincere in their desire for a Communist peace, which means a captive world and enslaved peoples, but that is not my peace.

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Missouri.

Mr. SHORT. I want to take advantage of this opportunity to congratulate the distinguished majority leader on the very forceful and most timely warning he has just issued to us. I hope it will strike at the heart of every American. I am utterly amazed at the disposition of some people who are willing to forgive the Red Chinese for returning stolen goods.

Mr. McCORMACK. Giving up what they should never have had.

Mr. SHORT. Giving up what they never should have had to begin with. If we ever need to remain alert and not go to sleep at the switch, it is at this particular time. Again I congratulate the majority leader on the fine statement he has made.

Mr. McCORMACK. I thank my friend the gentleman from Missouri. I congratulate him because he knows of the importance of that committee, being the ranking member on that great Committee on Armed Services and as former chairman of it. He knows how much we have to be on our guard.

Mr. JUDD. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. JUDD. I, too, want to commend the gentleman for what he has said, and express my wholehearted approval. He and I have talked about these things a great many times during the last few years—actually during more than a decade. We find ourselves in full agreement.

One of the things that troubles me most these days is that here we are spending hundreds of millions of dollars for the Voice of America, our libraries, and all sorts of information agencies abroad—to do what?—to tell other peoples about America and the truth about communism; to warn them of its sinister designs and devious methods; and to encourage them to resist its pressures. Do not fall for their blandishments, we urge them; do not get sucked into their traps; do not allow the Communists to fool or trick you.

Then what are many Americans, including high officials and influential writers, saying to our own people? The very opposite. We are supposed now to have faith in the sincerity of the Communists, to take their fine words at face value, believe the best about them.

And look at what we do—we rush to fraternize with them, let bygones be bygones, forget the barbarous crimes of yesterday—yes, even those still being committed today.

If I were in Japan or Burma or India, or whatever country today, would I listen to the words of the Voice of America? Or watch the actions of those in the American Government who seem to grab at the first little straw that the Communists toss in our direction?

I cannot forget something that a high official in Burma said to our subcommittee a year and a half ago. He said, "We are not pro-Communist, but we have to be realists. We have a border with Communist China 800 miles long. They have 600 million people while we have 19 million people. They have 4 million plus first-rate troops—fully equipped and fully trained. We have less than 60,000—half equipped and half trained. Now," he said, "how can little Burma follow your advice and come out openly for the West, stand up and defy Communist China right across the border, when you and some of your powerful allies 6,000 miles away are apparently going to accept the Communists?" I had no good answer. How can we ask the weak to resist Communist wiles and power, if we, the strong, are to accept them? My greatest concern is not over what may happen in Germany and some of the stronger countries among our Western allies. My greatest concern is what is happening in the minds of these millions of people in Asia and Africa who are on the fence. They want to be on our side, but they are not sure that they can count on us to resist Communist blandishments when the showdown comes. They are afraid that if Bulganin or Molotov or Chou En-lai were to come along and make a nice big package offer that looked as if it would give peace and security to we white people of the West, we might buy it, no matter what the cost to them. This is the gravest and most alarming thing about the whole picture. By what we do and say in trying to win over our enemies, we may find we have lost our friends.

I know full well that our Government does not intend to be taken in or to be tricked, and that it does not intend to betray anybody or injure their interests; but, at the same time, unless we follow faithfully the President's warning to keep our guard up, we may wake up one day and find we have lost faithful allies without in the least changing the policies or reducing the menace of our enemies. We must never forget that the best way to influence our enemies is to be always steadfast and loyal in support of our real friends.

The SPEAKER pro tempore (Mr. ALBERT). The time of the gentleman from Massachusetts has expired.

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts may proceed for 5 additional minutes.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. McCORMACK. Mr. Speaker, I appreciate very much the remarks of my colleague, the gentleman from Minnesota whose knowledge of world conditions is as profound as that of anyone I have met or discussed these problems with. His views and my views are basically the same, if not the same in every detail. We have had many discussions during the past several years and I find that the gentleman and I have always seen eye-to-eye.

Mr. MORANO. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. MORANO. Mr. Speaker, I share with the gentleman from Massachusetts the alarm he expresses in his statement. There are two things which he said that concern me. The gentleman said that the Communists gave up nothing at that meeting, which, of course, I hope does not imply that we gave up something. Can the gentleman make an observation on that point?

Mr. McCORMACK. The gentleman from Connecticut is asking a question which, if the gentleman from Massachusetts was to reply to it, would prompt the gentleman to go far beyond what the gentleman from Massachusetts had intended to go in the brief remarks I am making here. Responsible men, of course, may express their own personal views, but hesitate to go too far on some occasions. I will subscribe to what the gentleman from Minnesota said, that certainly no one representing our country intends to do anything except what they consider to be for the national interest of our country. I think with that statement the gentleman ought to be satisfied. But if you ask me to go further than that I could talk about reunification being linked up with the security of Europe.

I could talk about the fact that the Russians went back with complete knowledge that there would be no fear of any sneak attack on our part, which of course would not take place. There are many things I could discuss. They certainly did not place on the agenda the most important question, the question of the Communist Party. That is where they do their work. When I read Bulganin's speech, I said, "There is not much to be hoped for from their angle." I have no disagreement with the Conference. I hope there is no idea of developing a division of cultural relations in the State Department between the United States and the Soviet Union. There are many things we could discuss, but I deliberately confined myself to the statement I have made. I may be much alone in America today. I do not yet trust the Communists.

Mr. MORANO. I agree with you in that respect, but I feel that perhaps we did not give up anything at that high summit conference, and in the end we will have gained something.

Mr. McCORMACK. I am sure that whether we gave up anything will be governed by the law of natural and probable consequences. Whether or not we gave up anything, the future will tell that in accordance with the law of natural consequences.

Mr. MORANO. The second thing that the gentleman said that concerns me, the gentleman said that we had let our guard down.

Mr. McCORMACK. No, I did not say that.

Mr. MORANO. I understood the gentleman to say that perhaps we had let our guard down.

Mr. McCORMACK. I said that the feelings of exuberance and complacency that followed, that is human. If there is that feeling, it is again the law of natural consequences, and we are liable to unintentionally let our guard down. I did not say we were letting our guard down. My words were a warning against letting our guard down.

Mr. MORANO. If the gentleman did not say that, I am glad he did not say it. I am one of those who believe that we did not let our guard down. I believe that if there is a man who can find a right and just and durable peace in this world, that man is President Eisenhower.

Mr. LONG. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. LONG. I want to associate myself with the remarks made by the gentleman from Massachusetts.

Mr. McCORMACK. I thank my friend.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. DOYLE. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from California.

Mr. DOYLE. Speaking briefly and extemporaneously, as a member of the Committee on Un-American Activities of the House, and of course without authority of the committee, as such, I wish to join in the remarks of the distinguished majority leader, and to state this:

I have heard no testimony and seen no evidence in the last year, as a member of the Committee on Un-American Activities, of any letup or any intention on the part of the Communist Party in America to do anything other than they determined at the time Earl Browder was deposed in April 1945, which, as the distinguished majority leader knows, was by forceful revolution, if necessary, to take over the control of our Nation. The distinguished majority leader has been very helpful to me in my membership on that committee to understand the problem all these years, and I am pleased to join in his remarks and again have occasion to compliment him on his foresight in making them. I pray God that no major clash of armies shall ever again come in the experience of mankind.

I wish to say this: There have been two recent high court decisions in the United States courts of America by Federal judges in recent actions. Both of those high United States district court judges have held unreservedly, that the intention of the Communist Party in America, based on evidence before them, to take over, by forceful means if necessary and when they determine it opportune, the control of our Nation has not changed. We want a peace such as the President of the United States seeks in prayer and humility. We must have a bona fide peace.

Mr. McCORMACK. I appreciate the remarks made by the gentleman from California.

May I say to the gentleman from Connecticut [Mr. MORANO] that I will read what I did say:

> So, while I may be somewhat alone in America today, with the people's hopes running so high and the exuberance and complacency which follows and also with the letting down of our guard, which follows.

I did not say our guard was let down. The thing is we do not want to get too exuberant, too complacent. Then, at that point, we might yield to the human tendency to let our guard down.

Under no conditions would I say that our guard was let down, because it is not. But again, the people might have such a feeling of exuberance and complacency that as a result then there might be the letting down of our guard.

Mr. MORANO. I think the President and the Secretary of State whenever they made speeches to the American people made it very plain that our guard was not down.

Mr. McCORMACK. I am not taking issue with that; my comments have no relationship to that, but that we should be careful and be cautious and have our guard high.

Mr. MORANO. I am in complete agreement with the gentleman.

PRESIDENT EISENHOWER MAY BRING WORLD PEACE

Mr. JOHNSON of California. Mr. Speaker, I was much impressed by the remarks of the majority leader concerning our relations with the Soviet Union.

I, too, was impressed by the summit meeting. I also had some reservations as to the friendliness and the outward cooperative attitude of the Soviets.

I feel sure that the Members of the House will forgive me if I relate some personal experiences to illustrate what I mean, when I say I have some misgivings as to what is going to happen between the Soviet world and the free world.

In 1917 when I was an aviation cadet I remember that Kerensky had spearheaded a revolution and driven out the Czarist regime of Russia. I paid little attention to this news as I was preparing myself to fight the Germans. But I did believe that since Kerensky had been educated in America that he would set up a representative government.

Later, in 1918, when I was flying missions on the front we read in the papers that Lenin and Trotsky had driven Kerensky out and set up a dictatorship. They set up the organization that is now in existence in Russia. Later, as we all know, Lenin banished Trotsky and he went to Mexico, where he was murdered under very peculiar circumstances.

The particular conduct that I want to emphasize is that Lenin told the people of the world that the Communist world and the free world could not exist side by side. He made it plain that one or the other must be destroyed and he started very soon to carry out that program.

From that day to this very hour that program has been in effect. It went on in peace and in war. In the Second World War, Russia was our ally. But the program she had in mind was being carried out. When the capture of Berlin was eminent and our troops were poised to take the German capital, the Russians asked to be given the assignment. The United Sates consented to it. Ever since then Russia has been in East Berlin carrying out her announced program.

When the end of the war came Russia requested to be permitted to supervise the elections in Poland, Czechoslovakia, Rumania, Austria, Albania and in part of Yugoslavia and was permitted to do so. In all of them the Communists set up iron clad organizations, which banned freedom in the sense in which we and some of the countries involved had known it. They are still completely controlled by Soviet officials.

Before and during the Korean war the Soviets brought under their orbit about 800 million people—northern Korea, China, and other areas.

They made trouble in Korea. They finally drove Chiang Kai-shek from the mainland and now dominate Communist China. In other words, the program of wiping out the free world and of taking control by the Communists is still going on.

I merely mention this so that we will all realize that soft and friendly words must be considered carefully and with Russia's background and consistent policy since 1918 in mind.

Will they change and really become friendly and peaceful and work and live peaceably with the free world? I am not sure. They need our help now and they seem cooperative and friendly.

There is one situation that I think will work in our favor. We are militarily strong. Communists respect might. The situation is now such that an atomic war could destroy the entire industrial world. The Soviets know our atomic strength. I believe they respect and fear it. They know if they strike, our power could be promptly used and they could be destroyed. As Churchill said, the atomic power of the United States is what has protected the free world in this postwar period. No dictator can afford to lose. When the Soviet dictators contemplate aggression against us I believe they will pause and consider the consequences. They must be smart enough to know that our power once unleashed could destroy every city in Russia in the matter of hours.

But there is another personal factor that I think very important. The leader of the free world has had more to do with Russians, both in a military and a civilian sense than any other statesman in the world. He knows the big men in the Soviet Union. He knows how they operate. He understands what motivates their actions.

That man is Dwight D. Eisenhower. He also has the confidence of the free world, which may mean much in our

negotiations with the Soviets to lessen the tensions. If he cannot solve the present difference between the Soviets and the free world, I doubt if anyone can. He is dedicated to the completion of that mission. I am positive that he is not fooled by any apparently friendly actions of the Soviets. Also, I have good reason to believe that they respect him. In that situation we have the key that might unlock the door that could lead to world peace. The President is preparing the way for peace by successive steps. Each is to develop the climate that will lead to confidence and friendship. This type of negotiation cannot be rushed. It must be developed by successive steps, each with a definite objective and each tending to lead to the purpose in mind.

In that way, I think, we can hope for peace. We can finally perhaps look forward to the day, when our children and grandchildren, at least, may live in a peaceful world.

That was the aim of Christ. That is the aim of our Christian President, Dwight D. Eisenhower. He, like all of us, seeks divine guidance. We hope and pray that the purpose he has in mind will be accomplished. I feel certain that if the health of our President continues good that the end that he is seeking will be attained.

WHAT TREATMENT SHOULD BE ACCORDED THE RETURNED MEN WHO ONCE REFUSED REPATRIATION?

Mr. O'KONSKI. Mr. Speaker, I ask unanimous consent to address the House for 3 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. O'KONSKI. Mr. Speaker, there are several things I would like to state for the RECORD and for the open record so that the people whom I represent can see and know where I stand. No. 1 is that I for one am disturbed about the plans of the Army in the matter of the three boys who at one time refused repatriation and now come back, and who are going to be subjected to court-martial.

I think if we do that we are giving the Communists one of the finest pieces of propaganda that they have had in 20 years.

I do not know what these boys did behind the Iron Curtain, why they refused repatriation, but I do know that 2 of the boys enlisted when they were only 15½ years old. They were given a few months training and they were sent into combat at the age of 16. They were not told what kind of enemy they were going up against; they were not told anything about communism. At the age of 16 they were sent into battle and in a matter of a few days they were captured.

I ask the Members of the House in good conscience: Suppose they were your boys, your son or my son who was sent into actual combat at the age of 16, and did what these boys did, would you think that they ought to be subjected to court-martial? Suppose it were your boy what would you do in such a circumstance?

I am one of those who feels that if these 2 young boys who were only 16 years old when they were sent into combat are court-martialed, the high brass who permitted them to go into combat at all when they were mere juveniles ought also to be court-martialed.

If we court-martial these youngsters, not knowing that they are mere juveniles, we are contributing to juvenile delinquency, and I think we are giving the Communists one of the finest pieces of propaganda that they have had in 20 years.

The other matter I want to refer to is this: I, too, am jubilant about the release of these other 11 American flyers, but I am not so jubilant that I am going to give anybody in America or on our side of the fence credit for it. This idea of giving the Secretary of the United Nations credit for the release of these men is just plain humbug.

Let me tell you something, Mr. Speaker. These 11 men were released by the Chinese Communists not because our present President asked that they be released; not because the United Nations head asked that they be released; these 11 men were released because the Red Chinese thought this was the appropriate time to do it, and if they had not felt like doing it they would not have done it. It was not anything that anyone on the Western side did that caused the Communists to release these men.

So we should not be so jubilant about giving too much credit, because if the Red Chinese thought they could gain some advantage by holding them 1 more day, 1 more year, or 10 years, they certainly would have held them and there is nothing we would have done about it. It goes to show only that the Chinese Reds do as they please when they please. We should not falsely glorify any leader for accomplishing something they had not accomplished.

And mark you this: When the need arises, the Chinese Reds will have more Americans in prison and release or kill them as they see fit and again we will do nothing about it.

The United States today is in its greatest era of appeasement. The Reds all over the world have reason to smile.

WILDLIFE RESTORATION FUND

Mr. BONNER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 756) to authorize the appropriation of accumulated receipts in the Federal aid to wildlife-restoration fund established by the Pittman-Robertson Act and to authorize the expenditure of funds apportioned to a State under such act for the management of wildlife areas and resources.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina [Mr. BONNER]?

Mr. MARTIN. Mr. Speaker, reserving the right to object, and I am not going to object, this is a bill that we had up for consideration the other day?

Mr. BONNER. This is the identical bill that the gentleman made some observations on just a few days ago.

Mr. MARTIN. This is good legislation. It will put money in our Treasury.

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Mr. MARTIN. I understand that.

Mr. BONNER. The various States have already made preparations to use it.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of the Federal aid to wildlife restoration fund established by the act entitled "An act to provide that the United States shall aid the States in wildlife-restoration projects, and for other purposes," approved September 2, 1937, as amended (16 U. S. C., secs. 669–669i), for the 1956 fiscal year and for each fiscal year thereafter, an amount equal to 20 percent of the accumulated unappropriated receipts in such fund on the date of enactment of this act, until the accumulated unappropriated receipts in such fund on such date have been appropriated and expended. Funds appropriated under the authority of this section shall be made available to the States in accordance with the provisions of, and under the apportionment formula set forth in, such act of September 2, 1937, and shall be in addition to the funds appropriated under section 3 of such act.

SEC. 2. Section 8 of such Act of September 2, 1937, as amended, is amended by adding at the end thereof the following: "Notwithstanding any other provision of this act, funds apportioned to a State under this act may be expended by the State for management (exclusive of law enforcement and public relations) of wildlife areas and resources, but not more than 30 percent of the total amount apportioned to a State for any fiscal year may be expended for such purpose."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. METCALF. Mr. Speaker, I am pleased to see this legislation which grew out of different plans, among them mine, to put the $13½ million backlog in the Federal aid to wildlife restoration fund to work for the purpose for which it was intended—wildlife programs in the States.

This bill by the junior Senator from Nevada—Senator BIBLE—retains the language in my H. R. 3257 which amends the basic act by inserting the words "and management exclusive of law enforcement and public relations" with a limitation of 30 percent for this purpose. Senator MURRAY introduced a companion bill in the Senate.

In addition to allocating one-fifth of the $13½ million each year for 5 years to the States, this bill will permit expenditure of State funds for such purposes as acquisition of refuges.

EIGHTY-FOURTH CONGRESS, FIRST SESSION—FINAL REPORT

The SPEAKER. Under previous order of the House, the gentleman from Ohio [Mr. MINSHALL] is recognized for 60 minutes.

Mr. MINSHALL. Mr. Speaker, the record of the 1st session of the 84th Con-

gress is now complete. Within a short time we will adjourn, after 7 months in session, during which period over 7,700 bills have been introduced and over 500 measures enacted into law.

The record is before us, but the effect it will have on the lives of the American people cannot be known until each law we have passed has been evaluated and tested.

We have spent many hours each day in committee and on the floor preparing and debating the legislation comprising this record, and each of us has been most diligent in our desire to do what we believe is best for our district and country.

The record of the first session is clear. We now await the decision of the American people.

FOREIGN POLICY

The field of foreign policy provided one area of relative bipartisan agreement and accomplishment. The complete coordination of White House policy with the legislative leaders of both parties during these past 8 months is unparalleled in our history, and practically every legislative pronouncement affecting America's international relations was near unanimous.

GENEVA

Foremost of the accomplishments of the first session in the foreign policy field was the expressed confidence given President Eisenhower in his negotiations with the world leaders at Geneva. Never before has a President of the United States attended an international conference with such overwhelming prior approval of his purpose and goal, but never before has a President strived so earnestly for such true bipartisan cooperation.

FORMOSA

This bipartisan cooperation was evident from the very beginning of the first session when on January 25, by the impressive vote of 409 to 3, the House approved a joint resolution authorizing the President to employ the Armed Forces of the United States in the defense of Formosa, the Pescadores, and the related positions and territories of that area. This congressional action provided unmistakable warning to Red China that the United States would not tolerate further Communist aggression in the Far East.

DESIRE FOR PEACE

The Congress then approved a resolution expressing the deep desire of our citizens for an honorable and lasting peace and our hope that the people of all the nations of the world would join with us in a renewed effort for this peace. This resolution became a basis for the President's remarks before the 10th anniversary meeting of the United Nations in San Francisco.

RELIGIOUS FREEDOM

In similar spirit, the House resolved that in recognizing the intent of communism to destroy the rights of people of all nations to speak, act, and worship in accordance with their own beliefs, the people of the United States would call upon the people of the world to join in protecting their continued right to worship and practice their own spiritual beliefs.

POLICY OF LIBERATION

During the preparation of the 1952 Republican platform, heavy emphasis was placed on the new policy of liberation, and since January 20, 1953, this administration has continued to assist the Soviet satellites in their desire for the right of self-determination. This policy gained a bipartisan status when, without a dissenting vote, the Congress approved a resolution in support of "other peoples in their efforts to achieve independence under circumstances which will enable them to assume and maintain an equal station among the free nations of the world."

FOREIGN AID

The Congress continued to review all foreign-aid expenditures with careful scrutiny to guarantee an effective program of mutual security. Military aid and defense funds accounted for approximately two-thirds of the total $2.7 billion appropriated.

Ohioans gained greater confidence in the mutual-security program when John B. Hollister, a former Cincinnati law partner of the late Senator Robert A. Taft, was appointed by President Eisenhower to direct the new International Cooperation Administration which will handle the distribution of these funds.

GENERAL

The entire success of this administration's dynamic foreign policy can be attributed to three basic factors:

First. President Eisenhower's personal popularity at home and abroad, and the widespread confidence in his ability and integrity;

Second. A new long-range program singularly designed for promoting and maintaining world peace; and

Third. The strength afforded the President by the Congress in approving his policy and providing the strongest peacetime defense establishment known to mankind.

NATIONAL DEFENSE

President Eisenhower in his state of the Union message to Congress on January 6, 1955, stated:

> To protect our nations and our peoples from the catastrophe of a nuclear holocaust, free nations must maintain countervailing military power to persuade the Communists of the futility of seeking to advance their ends through aggression.

The President's ability to accurately appraise our defense requirements is beyond dispute, and the Congress readily agreed that the steadily increasing Soviet strength demands strong countervailing power, costly as it might be. We also realized that the total expenditure necessary for the President's defense program is infinitesimal when compared with the cost of a nuclear war in terms of lives and dollars.

DEFENSE APPROPRIATION

Congress appropriated $31.9 billion in defense funds for the 1955–56 fiscal year. Approximately 30 percent is for military personnel costs, 29 percent is for the procurement of aircraft, ships, weapons, ammunition, guided missiles, and electronics; 27 percent is for maintenance, and operations; and the remaining 14 percent is for other general items.

This $31.9 billion will maintain a Defense Establishment which, in part, will consist of over 1 million civilian employees; an Army force of 18 divisions, 11 regiments and regimental combat teams, 136 antiaircraft battalions; a Marine Corps of 3 combat divisions and 3 combat air wings; an active Navy fleet of 1,000 ships and the construction of 33 ships, including a fifth *Forrestal*-type aircraft carrier and 4 more nuclear submarines; and an overall Air Force strength of 975,000 officers and men and an active aircraft inventory of 21,000 planes.

This appropriation for our national defense represents approximately 55 percent of the entire national budget. There are constant surveys to make sure that this gigantic sum is wisely spent on an economical and businesslike basis.

NUCLEAR SHIP

The success of the *Nautilus*-type submarine proved the necessity of developing nuclear powered surface vessels for our Navy and our peacetime merchant marine. Recognizing this, the House authorized the development and construction of an atomic-powered ship of new design.

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President Eisenhower's defense plans contemplate a peacetime active force of approximately 2.85 million men. Postwar experience has shown that the maximum strength which can be maintained by the active forces without selective service is about 1.4 million men, or about one-half the necessary number. Consequently, it was necessary to extend selective service for another 4 years.

However, in approving the draft extension, the Congress also extended the Dependents' Assistance Act providing a continuation of the monthly $90 to $175 quarters allowance for enlisted men with dependents, clarified the policy on agricultural deferments, included an amendment reducing the age of liability from 35 to 30 of persons deferred from the draft because they joined the National Guard prior to attaining age 18½, and provided exemptions to persons who have been on active duty for 12 months.

RESERVE PLAN

In planning for a defense establishment which is economically feasible over a long cold war period, the security of our Nation requires a Ready Reserve force of well-trained men available for speedy mobilization. Congress recognized this need and passed the Reserve Forces Act.

The Reserve Act requires that, hereafter, all men drafted into the Armed Forces will spend 2 years on active duty, then 3 years in the Ready Reserve with attendance each year at a 17-day field training period and 48 weekly drills, or 30 days of field training with no weekly drills.

The President, however, may permit up to 250,000 youths to join the Reserves before they are 18½ years of age. They would be draft-free if they remain in the Reserves until they are 28 or complete 3 to 6 months of active training and 8 years of Reserve duty.

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RESERVE PLAN

In planning for a defense establishment which is economically feasible over a long cold war period, the security of our Nation requires a Ready Reserve force of well-trained men available for speedy mobilization. Congress recognized this need and passed the Reserve Forces Act.

The Reserve Act requires that, hereafter, all men drafted into the Armed Forces will spend 2 years on active duty, then 3 years in the Ready Reserve with attendance each year at a 17-day field training period and 48 weekly drills, or 30 days of field training with no weekly drills.

The President, however, may permit up to 250,000 youths to join the Reserves before they are 18½ years of age. They would be draft-free if they remain in the Reserves until they are 28 or complete 3 to 6 months of active training and 8 years of Reserve duty.

AERONAUTICAL RESEARCH

Congress appropriated $4,850,000 for the construction of additional facilities at the Lewis Flight Propulsion Laboratory in Cleveland for research and development of nuclear propulsion. This is part of a $13.3 million expanded research program to be conducted by the National Advisory Committee for Aeronautics in national-defense projects.

ARMED FORCES

The American people have long recognized the necessity of providing incentives for a career military service and benefits for persons involuntarily required to serve in the Armed Forces.

GI BILL EXTENSION

One such group of benefits for men involuntarily required to serve during the Korean war was included in the Veterans' Readjustment Act of 1952, or the so-called Korean GI bill, but a Presidential proclamation ended the Korean emergency on January 31, 1955, which ceased the accrument of educational benefits under this act.

The Congress then speedily passed a law providing that persons serving in the Armed Forces on January 31, 1955, may continue to accrue educational benefits, subject to the maximum entitlement of 36 months' education or training.

MILITARY PAY RAISE

One of the problems in maintaining a well-trained active force is the rapid turnover of personnel in the armed services, which necessitates immense training costs and lower morale. As a military career incentive, Congress granted selective pay raises to enlisted men with over 2 years of active duty and to officers with over 3 years of active duty along with other benefits.

As a result of this incentive increase, defense officials reported an immediate rise in morale and reenlistments.

The range of percentage increases for officers is 8 percent for a major general to 25 percent for a second lieutenant—for enlisted men, 8 percent for a private to 16 percent for certain noncommissioned officers.

In addition to these base pay incentive increases, the authorized per diem allowance was increased, a dislocation allowance for men with dependents was granted, hazardous duty pay was increased, and an increase in pay was voted for cadets and midshipmen.

VETERANS

During the Republican 83d Congress, a select committee was appointed to study the many diverse and conflicting laws affecting the survivors of both servicemen and veterans. As a result of this study, the House during this first session approved a bill reconstructing the existing legislation and providing more equitable benefits.

Referred to as the Servicemen's and Veterans' Survivors' Benefits Act, the bill provides increased grants to approximately 300,000 widows, improves the financial status of some 85,000 orphans of veterans, grants larger awards to many of the 285,000 dependent parents, and maintains the insurance rights of more than 6 million veteran policyholders and one-half million insurance beneficiaries.

ECONOMIC POLICY

While the record of the first session was one of relative unanimity and bipartisanship in the field of foreign policy and national defense, the debate between Republicans and Democrats on the Nation's domestic problems continued at an election-year pace. One thing was clear—the Democrats controlled the Congress.

TAX EXTENSION

The first major dispute between the 2 parties during the 1st session came early in February when President Eisenhower requested a 1-year extension of the existing corporate tax rates.

The Democrats approved this extension, but sponsored an amendment providing a $20-tax credit for each exemption on the individual income tax. This strictly partisan maneuver was staunchly opposed by the administration and the Republican Members of the House, because what would have been an insignificant 37 cents a week credit for each individual would have amounted to a highly significant $3 billion increase in the Federal deficit.

This $20 credit passed the House but was killed in the Senate with the aid of the southern Democrats. The existing corporate tax rates were extended as the President has requested.

GOVERNMENT IN BUSINESS

Partisan debate continued when the House considered two resolutions designed to permit the Government sale of federally owned rubber producing plants to private enterprise.

But, despite the opposition to this administration-backed proposal, the Government received congressional permission for the sale of these facilities and continued the administration policy of removing Government competition with private business.

RECIPROCAL TRADE

Debate on the administration's request for a 3-year extension of the Reciprocal Trade Agreements Act with authority to gradually reduce tariffs over the 3-year period crossed party lines, and after numerous rollcalls the controversial bill was approved.

In its final form, as sent to the President for his signature, the bill contained each of the administration proposals, but it also retained the escape clause and peril-point safeguards of the old law against injury, or threat of injury, through tariff reduction to domestic producers.

CUSTOMS SIMPLIFICATION

Following the approval of the trade agreements extension, the House passed the Customs Simplification Act, which revises the administrative provisions of the basic tariff act. In particular, the bill repealed a number of obsolete provisions, and improved the procedures for the valuation of imports and the conversion of foreign currency into dollars for the purpose of assessing customs duties.

SMALL BUSINESS ADMINISTRATION

One of the great accomplishments of the Republican administration was the creation of the Small Business Administration to assist small businesses in their negotiations with the Federal Government and in their needs for new-enterprise capital. Numerically, small businesses represent 92 percent of the Nation's individual business establishments, and this new agency was designed to meet the problems inherent in small-business competition with big business.

Congress, after hours of partisan debate, finally extended the life of this important agency in recognition of this vital phase of our economy.

NATURAL GAS

In another action designed to lessen the domestic power of a centralized bureaucracy, the House approved a bill removing Federal controls from 4,000 independent natural gas producers.

However, natural-gas consumers retained protection from increased prices, as Congress specifically granted the Federal Power Commission authority to supervise new company-pipeline contracts and the interstate pipeline system.

BUDGET

The record of this administration's cuts in spending is revealed by the estimated expenditures for fiscal 1956, totaling $62,400,000,000—this is a drop of over $15 billion compared to the last year of the previous administration.

It is also $2 billion below expenditures in fiscal 1955.

One other comparison between this administration's progress toward a balanced budget, compared to the free-spending days of the past, is in deficits. In fiscal 1953 and in fiscal 1954 the Truman deficit was approximately $10 billion a year. In fiscal 1956 the Secretary of the Treasury anticipates the lowest deficit in more than a decade—$2,400,000,000—with the chances excellent under Eisenhower administration prosperity for an even smaller deficit.

AGRICULTURE

Partisan debate continued during the consideration of agricultural legislation, and a new era in politics was born when the various union leaders deserted their consumer ranks and joined in opposition to the administration's flexible price-support program.

PRICE SUPPORTS

One of the first projects of the Democrat leaders in the House was to destroy the administration farm program before it even went into operation. The bill to restore high rigid supports received a low number, H. R. 12, and passed the House, although no further action has been taken in the Senate, pending a study of the farm economy after 1 year under the administration's flexible program.

MARKETING QUOTAS

In addition to the House action on the overall farm program, wheat acreage allotments, wheat marketing quotas, burley-tobacco marketing quotas, and rice marketing quotas were all increased.

PUBLIC LANDS

Interparty conflicts and sectional disputes were also prevalent in the Public Land and waterway discussions.

COLORADO RIVER

National interest in the proposed upper Colorado River project was high with most nonarea opposition arising among the conservationist groups which were opposed to the construction of Echo Park Dam and the resultant flooding of Dinosaur National Park.

The entire project was approved by the Senate, but further consideration in the House was postponed, even though the Echo Park Dam portion of the project has been deleted by House committee action.

ST. LAWRENCE SEAWAY

A project to deepen the Great Lakes connecting channels between Lakes Erie and Huron and between Lakes Huron and Superior was approved by the House of Representatives and will probably come up for Senate consideration early in 1956.

HIGHWAY BILL

President Eisenhower's 10-year highway program was defeated in both the House and Senate, and while the Senate approved a substitute proposal, the House killed all possible approval of a national highway construction in this session of the Congress.

The major dispute arose over the financing of the proposed multi-billion-dollar program. The Eisenhower plan was designed from a report of a nonpartisan commission and called for a Federal Highway Corporation bond issue. The Democrat substitute would have increased the taxes on fuel and tires of the so-called highway users. All methods of financing brought objections, and the program was at least temporarily defeated.

MULTIPLE LAND USE

Both the House and Senate took action to supplement the administration multiple-use land policy, which permits the full economic use of federally owned lands by encouraging grazing, mining and mineral development, homesteading, recreation, and other uses.

Specifically, the Congress set up a procedure for determining present surface rights in the same manner used for determining mining claims which will allow rights to sand, stone, gravel, cinders, and so forth, but excluding timber.

STATEHOOD

Statehood for both Alaska and Hawaii under equal terms was included in a single bill which was defeated in the House. No action was taken in the Senate.

GENERAL WELFARE

The record of the first session in general welfare legislation was productive. Many previous programs were continued and expanded, and new programs were begun.

MENTAL HEALTH

Another new program begun during the first session was the authorization of $750,000 for the analysis and reevaluation of the human and economic problems of mental illness under the direction of the Surgeon General. The money is to be spent as grants for a program of research into the methods of diagnosing and treating the mentally ill.

MINIMUM WAGE

An administration recommendation for an increased minimum wage was approved, although the Congress set a base figure of $1 an hour as opposed to the recommendation of an increase from the present 75 cents an hour to 90 cents. The law goes into effect on March 1, 1956.

RAILROAD RETIREMENT

The Railroad Retirement Act was amended to remove the $40 limitation now placed upon the amount of annuity payable to spouses of individuals under the act and makes the amount equal to the maximum amount which could be paid to such a person under social security.

SOCIAL SECURITY

Without holding public hearings or consulting the executive branch, the Committee on Ways and Means reported a social-security bill which was approved by the House only because a large majority of the Members were in favor of increased social-security benefits.

The Senate took no action on the measure and plans to hold extensive hearings on the various provisions in 1956. But as the bill passed the House, it reduces from 65 to 62 the age at which all women may become eligible for benefits, provides for the payment of disability-insurance benefits to permanently and totally disabled workers, continues monthly benefits to disabled children over 18 years of age, extends coverage to all the presently excluded self-employed groups except physicians, and increases the tax rate by one-half of 1 percent on the employer and the employee.

FEDERAL PAY RAISES

In a program to increase the pay level of all Federal employees in accordance with the rise in the cost of living since 1950, the Congress enacted various raises in pay for all employees in the executive, legislative, and judicial branches.

PUBLIC HOUSING

After heated debate and hours in conference, the House and Senate in the closing hours of the session finally agreed upon a public-housing bill providing for the construction of 45,000 public-housing units in the next year, and the extension of public-utility loans, college-housing loans, military-housing loans, and the Federal Housing Administration program.

The 84th Congress, unless called back for a special session later this year, will not meet until the second session convenes on January 3, 1956.

Much remains to be accomplished, and it is hoped that some of the legislation which failed of enactment during the first session because of insufficient consideration will be approved next session.

LET'S LOOK AT RUSSIA HONESTLY

The SPEAKER. Under previous order of the House, the gentleman from Ohio [Mr. FEIGHAN] is recognized for 20 minutes.

Mr. FEIGHAN. Mr. Speaker, Members of Congress in particular, and the American people as a whole, are intensely interested in getting every bit of truthful information available concerning the conspiracy of communism which seeks to reduce all the people of the world to a state of abject slavery. This interest has compelled Members of Congress and a large number of citizens to seek valid information concerning the Union of Soviet Socialist Republics, its history, its strength, its weaknesses, its vulnerability, the people who populate the vast area which geographers call the Soviet Union, and such other information as may assist us in eliminating those international tensions which now exist and very likely could lead to World War III. Ordinarily the American people would not look to the Central Intelligence Agency to provide public information on the subject matters which I have referred to, because of the character of the work assigned to this Agency by law. However, it appears that the Director of the Central Intelligence Agency was possessed with a desire to tell the American people something about the U. S. S. R. and the people who populate that geographical area and the things they aspire to in the future. I say this because he authored an article which appeared in the Parade magazine section of the Washington Post and Times Herald on July 3, 1955, titled "Let's Look at Russia Honestly." The front page of Parade magazine announced this article by the Director of Central Intelligence Agency as a 4th of July message to the American people, which caused me to give special attention to its contents.

After reading the article by Mr. Allen W. Dulles, I felt compelled to write him a letter on July 6 in which I raised a number of elementary, but fundamental, questions concerning the content of his article. I did this because I felt that the public writings of a person in his capacity would have an authoritative effect upon the reading American public. Moreover, since his article seemed to be confused in the usage of political terminology and carried a loose inference that the people of the U. S. S. R. were Russians, with all that implies, I was fearful that the American people would be misled into concepts and beliefs which would prove disastrous to us in the unhappy event of a full-scale shooting war with the leaders of the Kremlin.

I did not have a reply from Mr. Allen W. Dulles to my letter of July 6, but instead one of his assistants telephoned my office to arrange for a discussion of the contents of my letter of July 6. Again I felt the importance which attaches to the article written by Mr. Dulles on July 3, and the questions which I raised in connection with it, required a written answer rather than a conference. I reached this conclusion on the basis that anyone having sufficient time on hand to write an article for a magazine surely would have sufficient time and knowledge of the subject to answer a congressional inquiry.

On July 28, with Congress rapidly approaching adjournment, I had not yet heard from Mr. Allen W. Dulles concerning my letter of July 6 seeking answers to questions which bear upon the public interest and indeed the security of the

United States, which caused me to write him another letter requesting that he do me the courtesy of answering my letter before Congress adjourned.

Up until this minute I have not had one word from Mr. Allen W. Dulles, the Director of Central Intelligence Agency, in answer to my letter of July 6, 1955. To me this is a strange performance on the part of the Director of an agency which by law is charged with the responsibility of coordinating, evaluating, and distributing intelligence data affecting the national security. In my considered judgment, the questions which I have raised with Mr. Dulles bearing upon his public writings on the subject of the Union of Soviet Socialist Republics has a direct bearing on the national security and therefore demands a public answer.

I am herewith making public in the CONGRESSIONAL RECORD my letters of July 6, July 18, and July 28, addressed to Mr. Allen W. Dulles, Director, Central Intelligence Agency. I shall make public any and all replies Mr. Dulles gives to the three letters which I am today making public. Likewise I would like to assure Mr. Dulles that I shall continue to seek an answer from him to the questions which I raised in my letter of July 6, 1955.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., July 6, 1955.

Mr. ALLEN W. DULLES,
Director, Central Intelligence Agency,
Washington, D. C.

DEAR MR. DULLES: I read your article, Let's Look at Russia Honestly, which appeared in the Parade magazine section of the Washington Post, and as a consequence, have a number of questions concerning the views expressed in your article.

I am sure you will agree that since you direct the work of the Central Intelligence Agency which, by law, is charged with the responsibility of coordinating, evaluating, and distributing intelligence data affecting the national security, your public writings have an authoritative effect upon the reading public.

Since there is such little valid information given to the American people concerning the Union of Soviet Socialist Republics, the many nations and distinct people which now comprise it, your analysis of the Union of Soviet Socialist Republics is especially important, coming as it does at this time.

I am anxious to get all the facts on the heartland of the international Communist conspiracy. Consequently, I would be grateful to you for clarifying the confusion which your article has created in my mind concerning the basic facts as I know them.

In the first place, the terminology of your article uses Russia and the U. S. S. R. interchangeably. Do you regard the U. S. S. R. as Russia, or are you referring to the Russian Federated Socialist Republic which is but one of the many nations within the U. S. S. R.?

Similarly, your article indicates the inhabitants of the Soviet Union are Russians. Are we to understand that all the people of the U. S. S. R. are Russians, or that the superior people of the Soviet Union are Russians as Stalin many times claimed in public statements.

You indicate stresses and strains which the leaders of the Soviet Union must face (a) the agricultural problem; (b) industrialization; and (c) the satellite areas. You omit the tensions created by the struggles of the non-Russian nations of the U. S. S. R. against the Russian occupation which, according to sworn testimony before the Select Committee To Investigate Communist Aggression, has been a constant and major factor in Estonia, Latvia, Lithuania, Byelorussia, Ukraine, Georgia, Armenia, Turkestan, North Caucasus, and in other parts of the Soviet Union.

Several examples of the political importance of the non-Russian nations within the U. S. S. R. can be taken from the fact that Stalin at Yalta claimed that unless membership in the United Nations was provided for Ukraine, Byelorussia and Lithuania, he feared they would attempt to break away from the Soviet Union; in January of last year, on the occasion of the 300th anniversary of the Treaty of Pereyaslav, the Russians ordered all their agents and proconsuls in Ukraine and the other non-Russian nations of the Soviet Union to carry on extensive public ceremonies for a period in excess of six months. The object of these public ceremonies was to acknowledge the national independence of Ukraine while claiming Ukraine to be socialist in substance, to thank the "great Russian brothers" for Ukrainian national independence, and to express the "solidarity" of the non-Russian people with their "great Russian benefactors."

It may be that I do not properly evaluate such situations as I have cited above and I would appreciate having your opinion as to whether the non-Russian nations within the U. S. S. R. do, in fact, constitute a major internal problem for the Russian Communists.

In enumerating the so-called satellite states, you failed to include Estonia, Latvia, or Lithuania. I assume, however, that this was an oversight on your part, but if they are considered officially in any other relationship I would be grateful to have you set me straight on this matter.

At several points your article refers to "Soviet people" and I wonder if such a thing really exists. Perhaps you will agree with me that one of the long range objectives of the Kremlin is to create the notion in the free world that there does exist a Soviet man in order that they may completely discredit any claims of resistance within the Russian Communist empire and to give credibility to the Russian myth that a new type of man has emerged from their socialist experiments. It is important for all of us to know whether the Russians have, in fact, broken the resistance of the non-Russian nations and people they now enslave, and have been able to secure their loyalty and support. If this is your conclusion, I would like to have the basic facts supporting it.

I also notice your article refers to the Soviet Union as a country. It is my understanding that the Soviet Union is made up of many countries, only one of which is Russia, and that each of these countries have a distinctiveness and a separativeness which even the Kremlin itself has been forced to recognize.

The House Select Committee To Investigate Communist Aggression of the 83d Congress described the U. S. S. R. as an empire made up of many once free and independent nations, all of which were the victims of Communist subversion and Russian aggression. This conclusion was based upon the sworn testimony of the most expert witnesses available; former nationals of those once free nations who themselves suffered at the hands of the Red tyrants. In order to properly acquaint the American people with the facts concerning these submerged nations, the committee had prepared a table of Communist aggression which appears on page 44 of its summary report. I would therefore, appreciate receiving from you an official estimate as to whether these submerged non-Russian nations within the U. S. S. R. do constitute a major internal vulnerability or whether their national identities, spirit, and aspirations have been destroyed and replaced with a Soviet civilization.

This may seem a long and detailed letter, but I know you appreciate the importance I attach to the matter your article undertook to analyze. If our people are led to believe that the U. S. S. R. and Russia are one and the same, or that the people who populate the U. S. S. R. are Russians, the way will then be prepared, in the event of an armed conflict with the international Communist conspiracy, for us to make the same political blunders which, in fact, caused the defeat of Hitler on his eastern front. It is my strong personal conviction that the only way we can prevent world war III is by engaging in a political offensive against world communism. Such a political offensive must be very sensitive to the national aspirations of all the enslaved nations and capable of exploiting all the major vulnerabilities of the Russian Communist empire.

Interim Report No. 8 of the Select Committee To Investigate Communist Aggression contains most of the sworn testimony on the non-Russian nations of the U. S. S. R. I believe you will find that report throws a sharp light on some basic but little known facts concerning the U. S. S. R. With the hope you will read that report I am enclosing it.

Please be assured that I shall appreciate receiving from you official estimates concerning the above questions.

Sincerely yours,

MICHAEL A. FEIGHAN.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., July 18, 1955.

Mr. ALLEN W. DULLES,
Director, Central Intelligence Agency,
Washington, D. C., July 18, 1955.

DEAR MR. DULLES: My secretary informed me that on Friday afternoon Col. Stanley Grogan had telephoned. My secretary also informed me that Colonel Grogan identified himself as your assistant, and stated that in connection with my letter of July 6, instead of getting into a lengthy exchange of communications, that you would prefer to talk over with me the subject matter of my letter of July 6.

For many years, I have devoted a great deal of time and study to the international Communist conspiracy, the many different nations and people which comprise the U. S. S. R., and the important part that Russian imperialism fills in this conspiracy.

This is a subject matter which could consume many hours of discussion and exchange of views. What prompted my writing to you as my letter of July 6 indicates, was the article published under your name in the Parade magazine section of the Washington Post and Times Herald of July 3 titled "Let's Look at Russia Honestly," and my concern lest the views expressed in that article are reflective of the combined opinion of our intelligence agencies and do comprise a part of our established national policy. Consequently, I have reduced my questions to a few in number and have made them as succinct as possible in order to make unnecessary long conferences or lengthy communications.

I am firmly convinced that you, Mr. Dulles, are as vitally concerned as am I, as a Member of Congress, and as an American, that the vast expenditures of public funds for the collection and evaluation of intelligence should put us in a position to know all the facts on the international Communist conspiracy. Moreover, it is my strong personal conviction that it is impossible to assess properly an actual or potential enemy unless we know all his strength and all his vulnerabilities and assess them according to their relative weight.

I am looking forward to receiving your letter in response to my letter of July 6.

Sincerely,

MICHAEL A. FEIGHAN.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., July 28, 1955.

Mr. ALLEN W. DULLES,
Director, Central Intelligence Agency,
Washington, D. C.

DEAR MR. DULLES: On July 6, 1955, I wrote you a letter in which I sought answers to a number of questions growing out of your article, Let's Look at Russia Honestly, which appeared in the Parade section of the Washington Post and Times Herald on July 3.

On July 18 I again wrote to you on the same subject after one of your assistants, Col. Stanley Grogan, had telephoned my office stating that you were in receipt of my letter.

Because of my study of, and my intensive interest in, the international Communist conspiracy, I would greatly appreciate having your answer before Congress adjourns.

Sincerely,

MICHAEL A. FEIGHAN.

With reference to Mr. Dulles' article—Let's Look at Russia Honestly—and the questions which I raised concerning it, I would like at this point to bring to the attention of the Members of the House an excerpt from a book written by Adm. William H. Standley, and published only a few months ago, titled "Admiral Ambassador to Russia."

Admiral Standley was American Ambassador to the Union of Soviet Socialist Republics from February 1942 until the closing months of 1943 when he resigned. On page 507 of this illuminating exposition of Russian Communist behavior, the following verbatim statement appears:

There is nothing new in Russia. Perhaps things are a little worse or a little better for the common man, woman, and child than they were under the czars—but not much. History teaches that conditions have not changed materially since the 17th century when Peter the Great unified Russia and "liberated" the serf. Russia has always looked outward, has always been expansionist. Possessing one-sixth of the world's surface, she has yet wanted more—an ice-free port on the Atlantic and one on the Pacific, control of the Dardanelles, a defensible frontier, security from the barbarians of the north or the south.

Our Minister to Russia in 1852, Mr. Neill S. Brown, has left us this fine diagnosis of Russian imperialism:

"A strange superstitution prevails among the Russians, that they are destined to conquer the world, and the prayers of the priests in the church are mingled with requests to hasten and consummate this 'divine mission,' while appeals to the soldiery founded on this idea of fatality and its glorious rewards are seldom made in vain. To a feeling of this sort has been attributed that remarkable patience and endurance which distinguish the Russian soldier in the greatest privations."

Over the ancient skeleton of Russian imperialism, Lenin and Stalin threw a cloak of Communist ideology, but the bones of the skeleton show through. Even as in Czarist times, when the Russian bear stands on its hind feet with its front paws held up as if in prayer, we must "beware of the bear that walks like a man."

During the past 4 years, we have studied the problem of communism intensively. We have discussed it, read about it, thought about it, worked at it. In the light of the experience with Russian Communist leaders recorded in the foregoing chapters, we have asked ourselves, What is the meaning of communism? To us as Americans? To the world at large? How can our own self-interest, how can the best interests of our country best be served in a world which is an armed camp divided between communism and anticommunism, with the ever-present fear of thermonuclear destruction hanging heavy over our heads? As a challenge, what do we know about communism?

For a program, we must first examine briefly how Russian and international communism got this way.

A year ago Independence Day just past, I was in Munich, Germany, as a member of the Select Committee To Investigate Communist Aggression, where we were taking testimony from expert witnesses on the subject of Communist aggression against and occupation of the many once free and independent nations that now comprise the U. S. S. R. While in Munich, I was asked by the director of the Munich Voice of America station to deliver a brief address to the people behind the Iron Curtain. The brief address which I delivered was beamed behind the Iron Curtain in all the foreign languages in which the Voice of America broadcasts to the enslaved people therein. My Fourth of July Independence Day message to all the nations and people enslaved by communism was carried by the Voice of America during a 12-hour period, and since it has a direct bearing on the questions which I have raised in my letters to Mr. Dulles, I believe it is worth while reading at this point:

During the time I have been in Munich, the House Committee on Communist Agression has devoted eight days to taking testimony on Communist aggression. Although I have made a study of communism, its methods, tactics, and objectives, some of the evidence produced during these hearings was startling in that it unmasked the terrible brutalities and unbelievable inhumanities committed by the leaders and followers of communism. There can be no doubt but that communism is an international conspiracy which we must either destroy or it will engulf the entire world.

The committee heard eye witnesses to the most terrible crimes ever committed against mankind. These crimes committed by the Russian Communists ranged from the devilish torture of individuals to the brutal and heartless mass destruction of entire nations of people. Other witnesses bore testimony on the manner in which the Communists desecrate and destroy all those things that mankind has labored and died for up through the centuries. In particular, we heard about the tactics the Communists used to violate the integrity of the family and the sanctity of the home, to destroy all the temples of God regardless of the particular belief, the destruction of all laws upon which the order of civilization is based, the gross perversion of historical truths and facts and the climate of fear which the elite leaders of the conspiracy provoke in order to control the people.

All of these crimes when put together present a picture which is the blackest ever known to mankind.

I was particularly impressed with the evidence presented by the spokesmen for the enslaved people of the non-Russian nations of the U. S. S. R. This testimony was supported by documents and hard facts and eye witness testimony of the tactics used by the Bolsheviks during the period of 1917 through 1921 to destroy the national independence of some fifteen non-Russian nations. For a great many years Communist propanganda has been seeking to becloud the issue with respect to the national aspirations of the people of these non-Russian nations. The testimony we have received will serve as a death blow to this evil propaganda because it will expose the Soviet Union for what it is—the prison of nations and the ruthless enslaver of all the people under its control. It is my fervent hope that from the testimony taken here in Munich and elsewhere it will be possible for the United States to develop a positive policy, calling for the liberation of all the nations and people enslaved by communism by our firm advocacy of those moral and political principles upon which the American way of life is based. Those moral and political principles are far more powerful in the cause of freedom and justice than are all the armies and destructive weapons known to mankind. But before we can fully use this arsenal for true peace and freedom we must totally discard the morally bankrupt policy of containment and all its advocates.

This is the task that lies ahead for all liberty-loving people. I sincerely believe that the testimony our committee has been receiving from witnesses who know best what communism means and what must be done to defeat it, will make our historic task, as Americans, much easier.

The basic policy of the United States, since the days of its inception, has been based upon the political belief that all nations, large and small, have not only the right but also the duty to separate themselves from any tyrannical oppressor. In more recent years we have expressed this policy by our unwavering support of the principle of national self-determination.

This should stand as a beacon of hope to all the enslaved nations of the Communist empire.

I refer particularly to the people of Estonia, Latvia, Lithuania, Poland, East Germany, Czechoslovakia, Rumania, Bulgaria, Byelorussia, Ukraine, Georgia, Armenia, Adzerbaidzahn, Turkestani, Idel-Ural, Cossackia, North Caucasia, and Russia.

Another very pertinent and timely article which should help all Americans to "look at Russia honestly" is one titled "The Russia First Movement in the United States," which appeared in the scholarly Ukrainian Quarterly magazine during the summer of 1953 by an author named Americus. I do urge Mr. Dulles to give this article several careful readings, just as I have urged him to read the 8th interim report and the summary report of the Select Committee To Investigate Communist Aggression of the 83d Congress. Because I feel this article contributes to the strengthening of our national security and throws an illuminating light on a diabolical menace at work within our beloved democracy, I am compelled to read this article in its entirety:

THE RUSSIA-FIRST MOVEMENT IN THE UNITED STATES

(By Americus)

A few weeks after the inauguration, I visited Washington with the assignment to get a real story on the plans of the new administration to implement its policy of liberation. During the election campaign the containment policy had been fully exposed and identified as both spiritually and intellectually stagnant by the Republicans. The Democrats denied any responsibility for such a policy, stating it never existed as the official policy of the Government and was the result of political misunderstandings and misinterpretations. With both major political parties denying the policy of containment, the American people looked for a positive and dynamic answer to the belligerent threat to all human freedom presented by the Russian Communists. General Eisenhower provided the popular answer when he

proclaimed a policy of liberation as the only one that would preserve human freedom and individual liberties in any quarter of the world. This declaration raised the hopes of all mankind, including the millions of people enslaved by the Communists, and was a major factor in bringing victory to the Republican Party. It was only natural that I should be in Washington early looking for a story on the methods that would be developed to bring about the restoration of national independence and human freedom for the enslaved nations.

After almost a week of effort to get a lead on my story I was about to give up because everyone seemed to be too busy even to hint on how long it would take to develop the new, dynamic policy. It was evident that it would take several more months before the administration would have the reins solidly in hand, with the new policy people placed in all the key positions of control. After making reservations for the trip back home, I began to wonder what my new assignment would be. A last-minute luncheon with an old friend determined my next assignment because it put me on the lead of a story linked with the policy of liberation. Seated at the table next to us were three very serious-looking men. They were talking with such vigor and emphasis that we could not help but overhear their conversation. One of them appeared to be an old Government hand and the other two were obviously newcomers but with definite convictions on what had to be done, and done quickly, if the election promises in the field of foreign affairs were to be accomplished.

The subject of their conversation was the Russia movement and its influence on the foreign policy of the United States. All three were certain that this movement exercised a dangerous influence on the development and exercise of our foreign policy but they were in considerable disagreement on the methods to be used in removing its roots from the Washington bureaucracy. One held that it would take a full scale congressional investigation to complete the removal. The other two maintained the task could be accomplished by removing the leading advocates from policy positions within the Government, replacing them with people whose first loyalties were to the glorious traditions which form the foundations of our country, and as a consequence the lesser lights would abandon the movement.

Here, in brief, is how they described the Russia first movement and its adherents. The territory of Russia is held to be sacred and inviolate and subject to a dark mysticism which is beyond the comprehension of ordinary westerners. The Russian people are looked upon as superior with a mission in life to bring the inferior peoples of the world under their domination so that all mankind may advance to a higher civilization. Since the Russian people are imbued with this mystic mission, we of the West must do nothing to offend them because in their hour of world triumph they might become unduly harsh toward those who opposed their self-appointed mission. Moscow is looked upon as the center of a new autocratic paternalism. The despotism and cruel tyranny of Moscow is only temporary since it results from the resistance of the inferior non-Russian peoples to the missionary work of the Russians. All this will end when the mystic mission is completed; the world will then be at peace under the warm paternal protection of Moscow. The ordinary Western mind is supposed to be ignorant of the facts concerning the peoples of Russia and their aspirations; therefore, it is the first duty of the movement to make certain they remain in that confused and helpless state.

With this challenging background my curiosity was aroused to a point where I determined my next assignment had to be the Russia first movement in the United States. If the charges were true and the movement had a foothold in and out of Government, I had a story better than the one I came to Washington for originally. The policy of liberation would have very tough going if the Russia first movement was as well anchored in the higher echelons of the Government career service as the three narrators maintained. This would mean the administration would have another internal enemy in addition to the Communists and their active sympathizers.

In talks with some of my old friends in the Government career service, my suspicions were further aroused. I hit either a wall of polite silence or obtained small bits of information handed out with the plea "don't quote me and for heaven's sake don't get me involved." Some of the people interviewed suggested I drop my search for a story because the new administration had committed itself against the containment policy and had promised to replace it with one consistent with American principles and ideals. These people held that the spirit of the containment policy was the lifeblood of the Russia first movement and with its demise the movement would die. Others interviewed took the position that the leaders of the containment policy had established a resistance movement in the Government which would fight every move of the administration to develop a dynamic policy and so the Russia first movement would continue to have strong advocates in key career positions. While some very helpful leads were developed in talks with government people, it was most discouraging that few of them would speak freely about the movement, while on the other hand most of them knew about it and despised it.

The second stage of my search took me to the leaders of the World War II emigree groups living in the United States because it was there, I was told, the most current and complete information would be available. These were the people who had lived under the rule of the Russian Communists and they were sensitive to both its open and hidden tactics. In discussions with these leaders I only confirmed the existence of a Russia first movement but was treated to a liberal education about the many different people who make up the U. S. S. R., the powerful forces within it pulling against the Kremlin and the powder keg frailties of the system. The first thing I learned was that there are Russians and non-Russians in the U. S. S. R. The next thing I learned was that the U. S. S. R. was not a nation but an empire made up of many different nations only one of which is Russian in character, language, history, tradition, and aspiration. To my amazement I learned that the Russian people are in the minority in the U. S. S. R. but that they occupy the vast majority of the positions of power and influence under the Communist system. However, the most important thing I learned was that when the Czarist Empire burst at the seams in 1917, the non-Russian nations, held in the slavery of that system for many years, declared their national independence, and established governments representative of the popular will of the people. This development caused the creation of the Union of Soviet Socialist Republics (U. S. S. R.) which was nothing but a cover for the Bolshevik army under Trotsky then charged with the task of destroying all these reborn nations and expanding the realm of Marxism.

These are the things I learned from the World War II non-Russian emigres of the U. S. S. R. Over and above this I learned how well organized they are and of their determination to carry on their fight against Moscow. They are violently anti-Communist and intensely loyal to the traditions and institutions most characteristically American. In their eyes the American Declaration of Independence set forth unchangeable principles which today coincide with the aspirations of the enslaved nations within the Communist empire. They are not anti-Russian, but they are dedicated to exposing and destroying Russian chauvinism. Russian chauvinism to them is the same as Nazi super-racism, a belief peculiar to the intelligentsia but lacking in mass support, because the masses are the innocent victims of it.

In discussions with the Russian emigres I learned quickly that one must distinguish between the old and the new. The old are those who came to the United States between the great wars but who, nevertheless, are more Russian than anything else. The new are those who suffered under Communist rule and became self-exiled after World War II by refusing repatriation to the U. S. S. R. They are to some degree misfits because they do not understand the unrealistic dreams of the old Russians, and they are groping for a solution to the problem of communism which will forever lift the hand of tyranny from the people. This makes for conflict between the old and the new. It is further aggravated by the old, who insist they know what is best for the newcomers, particularly what they should think and say about the present-day U. S. S. R. But the old have the upper hand, and their voices still speak for all the Russians in the United States.

The Russians take the position that everyone in the U. S. S. R. is a Russian, that is, historically and sentimentally. They speak only about Russia and never about the U. S. S. R. The peoples of their Russia are considered as one happy family, with common bonds uniting them to a common destiny. Their only unhappiness with the U. S. S. R. is with the Communist masters, and they proclaim that once they are removed all will be at peace and harmony within a reborn Russia. When queried about the breakup of czarist Russia following World War I and the rebirth of some 16 separate and independent nations, they shrug off this period of history as the consequence of meddling in the internal affairs of Russia by opportunist western politicians. When asked to account for the Independence Day rallies held annually in the United States and in many other parts of the free world by the Ukrainians, Byelorussians, Georgians, Armenians, Latvians, Lithuanians, Estonians, and others, the uniform answer given was that they did not represent the aspirations of the people of Russia. It struck me as peculiar that the Russians did not engage in similar independence day rallies, so I inquired as to the reasons for this failure to demonstrate a fervor for national independence. This proved to be a shocking question, because, as I learned later, enlightened nationalism is as much taboo with the Russians as it is with the Communists and the ideological Marxists.

In one rather heated discussion with a Russian group, I was amazed to hear the Ukrainians singled out for special castigation. They were referred to as separatists and in a tone of voice which made it sound like quisling. This prompted me to ask whether the founding fathers and the signers of the Declaration of Independence were separatists. The astounding answer given was that the Declaration of Independence had nothing to do with the Russian people and that any effort to apply its principles to Russia would only unite the Russian people with the Communist regime. This struck me as rather strange, because the non-Russian people of the U. S. S. R., who are far more numerous than the Russians, were urging just the opposite position. Could it be true, I asked myself, that the masses of the Russian people would cast their loyalties with the Communists rather than accept a program which would destroy the Communist

empire and bring individual freedom to all those enslaved by it?

The third stage of my search led me to the long-established nationality organizations, particularly those dedicated to the task of keeping alive the national heritage of the nations enslaved by communism. This was a stimulating experience. Here were native-born Americans who had spent a lifetime of study and research on the subjects of communism and Russian imperialism. The various people of the U. S. S. R. and their aspirations were well known to these organizations and championed by them. The Russia-first movement was no stranger to them. They all provided me with books, pamphlets, and other materials on the subject and urged me to make a comprehensive study and reach my own conclusions. After several months of research and consultation with specialists on the subject, I have been able to outline the basic form of the Russia-first movement and to distinguish the most important segments of it. For purposes of identification these segments are described as wings because their purposes and activities converge at essential points.

The monarchists: This wing of the movement is dominated by World War I Russian emigres, gullible Americans who have become enchanted by meaningless titles, and some of the business opportunists who can afford to play long shots on futures. The Russian emigres are the hard core of this wing. They carry out the master planning and confusing propaganda work. The Americans attached to this wing serve as window dressing and lend respectability to the master planners. The program of this wing calls for the restoration of the Russian monarchy, maintaining the territorial integrity of the empire, keeping the Russian people in a dominant position over the non-Russian people of the empire and developing an enlightened paternalism as the cohesive force of the monarchy.

The Neo-Marxists: This wing of the movement is made up of Russian emigres having some ideological differences with the present Kremlin regime, misguided idealists who still believe that utopia is possible and theoreticians who believe that human freedom and individual liberty must be limited by the demands of collectivism. The hard core of this wing are the old Russian emigres whose only quarrel with the present Kremlin regime is that they are better prepared to run the Communist empire. This core is supported by a broad flank of theoreticians, academicians, and foggy idealists all of whom pour out volumes of propaganda in support of Marxist doctrine. The program of this wing calls for the preservation of the territorial integrity of the U. S. S. R., maintaining centralized control over the empire from Moscow, maintaining the dominant position of the Russians because of their natural vent for collectivism and attaining the utopian goal by less severe and more gradual methods than those used by the Communist regime.

The Mensheviks: This wing of the movement is made up of Russian emigres who fled from Moscow after the Bolsheviks took over control of the Russian Federated Socialist Soviet Republic and some poorly informed Americans who still believe the Mensheviks represented a movement of democratic forces supported by a majority of the peoples of old Russia. The advocates of this wing are not numerous but their influence is strong in some important quarters. The program of this wing calls for the preservation of the territorial integrity of the old Czarist Russian Empire, keeping the non-Russian nations within the Empire and under the dominance of the Russian people and the utilization of a limited popular franchise within a federal system tightly controlled from Moscow.

The Neophytes: This wing of the movement is made up exclusively of Americans with a very limited knowledge of the political stresses and strains within the U. S. S. R. Nevertheless, they enjoy the current status of experts on Russia. When the Russians played their hand too hard following World War II and exposed their plans to dominate the world the clamor went up for experts on Russia. As the tempo of the cold war increased the demand for more and more experts on Russia increased. Classes in the Russian language became a must. Institutes for special study on Russia were developed for the super-experts. In this wild scurry for knowledge the source had to be authoritative so what could be better than old Russian history and technical texts? Little did the unsuspecting scholars know that Russian chauvinism is as old as the Russian written language and as a consequence they were denied their academic freedom. All they were able to learn about the U. S. S. R. and its people was what the Russians have been trying to sell the intellectuals of the world for several centuries. Many of these captive minds give support to the movement by advancing the point of view acquired in this controlled setting.

There are other wings to the movement but to identify them will take more time and additional research. The four wings here described should provide a sufficient base to arouse the interest of American scholars interested in preserving academic freedom. These political wings frequently engage in open controversy over the form of government to replace the Kremlin regime but on one point they are in solid agreement. That point is—Russia must be preserved intact and there can be no interference with the internal affairs of the U. S. S. R. The common efforts of these four political wings form a movement in every sense of that term, dedicated to Russia first.

The champions of the policy of liberation had better keep a sharp eye on the Russia first movement because it is keeping a constant eye on them. The movement has skill, experience, and ability to adapt itself to the change of administrations. It cannot fight in the open but as an infighter it is a most dangerous opponent. The outcome of this struggle will determine whether the policy of liberation is to be an unfulfilled promise or a dynamic reality. There can be no compromise between the two conflicting forces. One or the other must win.

EXTENSION OF REMARKS BY CHAIRMEN OF STANDING COMMITTEES OF THE HOUSE

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the chairmen of all the standing committees and subcommittees of the House may extend their remarks up to and including the publication of the last RECORD and to include a summary of the work of their committee; also that the ranking minority member of each standing committee or any subcommittee may have the same permission to extend their remarks and to include a summary, if they desire, from their angle separately from that of the chairmen.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

AMENDING THE SMALL BUSINESS ACT OF 1953

Mr. SPENCE. Mr. Speaker, I move to suspend the rules and pass the bill (S. 2127) to amend the Small Business Act of 1953.

The Clerk read as follows:

Be it enacted, etc., That section 204 (a) of the Small Business Act of 1953 is hereby amended by inserting after the word "branch" the following: "and regional."

SEC. 2. Section 207 of such act is further amended by inserting after subsection (e) a new subsection as follows:

"(f) To further extend the maturity of or renew any loan made pursuant to subsection (a) or (b) of this section, beyond the periods stated therein, or any loan transferred to the Administration pursuant to Reorganization Plan No. 2 of 1954, for additional periods not to exceed 10 years, if such extension or renewal will aid in the orderly liquidation of such loan."

SEC. 3. (a) The last sentence of section 204 (b) of the Small Business Act of 1953 is amended to read as follows: "The administration shall pay into miscellaneous receipts of the Treasury at the close of each fiscal year, interest on the net amount of the cash disbursements from such advances at a rate determined by the Secretary of the Treasury, taking into consideration the current average rate on outstanding interest-bearing marketable public debt obligations of the United States of comparable maturities."

(b) Section 204 of the Small Business Act of 1953 is further amended by inserting the following new subsections (e) and (f), as follows:

"(e) As used in this act, the term 'United States' includes the several States, the Territories and possessions of the United States, the Commonwealth of Puerto Rico, and the District of Columbia.

"(f) The Administrator may establish regional offices of the administration in the Territories of Alaska, Hawaii, and in the Commonwealth of Puerto Rico."

SEC. 4. (a) Section 205 (a) of the Small Business Act of 1953 is amended (1) by striking out "require bonds of them, and fix the penalties thereof" and inserting in lieu thereof "to provide bonds for them in such amounts as the Administrator shall determine, and to pay the costs of qualification of certain of them as notaries public," and (2) by inserting at the end thereof the following new sentence: "Subject to the standards and procedures under section 505 of the Classification Act of 1949, as amended, not to exceed 15 positions in the Small Business Administration may be placed in grades 16, 17, and 18 of the General Schedule established by that act, and any such positions shall be additional to the number authorized by such section."

(b) Section 205 (b) (7) of the Small Business Act of 1953 is amended (1) by inserting immediately following "all actions" the following: ", including the procurement of the services of attorneys by contract," and (2) by changing the period at the end thereof to a colon and adding the following: "*Provided*, That no attorneys' services shall be procured by contract in any office where an attorney or attorneys are or can be economically employed full time to render such services."

(c) Section 205 (c) of the Small Business Act of 1953 is amended by adding at the end thereof the following new sentence: "Any individual so employed may be compensated at a rate not in excess of $50 per diem, and, while such individual is away from his home or regular place of business, he may be allowed transportation and not to exceed $15 per diem in lieu of subsistence and other expenses."

SEC. 5. Section 207 of the Small Business Act of 1953 is amended to read as follows:

"SEC. 207. (a) The administration is empowered to make loans to enable small-business concerns to finance plant construction, conversion, or expansion, including the acquisition of land; or to finance the acquisition of equipment, facilities, machinery,

supplies, or materials; or to supply such concerns with working capital to be used in the manufacture of articles, equipment, supplies, or materials for war, defense, or essential civilian production or as may be necessary to insure a well-balanced national economy; and such loans may be made or effected either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis: *Provided, however,* That the foregoing powers shall be subject to the following restrictions and limitations:

"(1) No financial assistance shall be extended pursuant to (a) above unless the financial assistance applied for is not otherwise available on reasonable terms and all loans made shall be of such sound value or so secured as reasonably to assure repayment; no immediate participation may be purchased unless it is shown that a deferred participation is not available; and no loan may be made unless it is shown that a participation is not available.

"(2) No loan shall be extended pursuant to (a) above if the total amount outstanding and committed (by participation or otherwise) to the borrower from the revolving fund established by this title would exceed $250,000, and no loan, including renewals or extension thereof, may be made for a period or periods exceeding 10 years, except that any loan made for the purpose of constructing industrial facilities may have a maturity of 10 years plus such additional period as is estimated may be required to complete such construction, and any such loan shall bear interest at the rate prevailing in the area where the money loaned is to be used but shall not exceed 6 percent per annum: *Provided,* That the foregoing limitation of $250,000 shall not apply to any loan extended to any corporation formed and capitalized by a group of small business concerns with resources provided by them for the purpose of establishing facilities in and through such corporation to produce or secure raw materials or supplies: *Provided further,* That for any such corporation the limit of any loan extended or made as provided for in this section shall be $250,000 multiplied by the number of separate small businesses which have formed and capitalized a corporation as hereinbefore provided for in this section, and if a loan to such corporation is for the purpose of constructing facilities, then the loan may have a maturity not to exceed 20 years plus such additional time as is required to complete such construction and at an interest rate of not less than 3 nor more than 5 percent per annum: *And provided further,* That no act or omission to act pursuant to this section, if found and approved by the Small Business Administration as contributing to the needs of small business, shall be construed to be within the prohibitions of the antitrust laws or the Federal Trade Commission Act of the United States. A copy of the statement of any such finding and approval intended to be within the coverage of this section, and any modification or withdrawal thereof, shall be furnished to the Attorney General and the Chairman of the Federal Trade Commission when made, and it shall be published in the Federal Register. The authority granted in the last preceding proviso shall be delegated only (1) to an official who shall for the purpose of such delegation be appointed by the President by and with the advice and consent of the Senate, unless otherwise required to be appointed, (2) upon the condition that such official consult with the Attorney General and with the Chairman of the Federal Trade Commission not less than 10 days before making and stating any such finding and approval as is authorized in this subsection (a), and (3) upon the condition that such official obtain a statement in writing from the Attorney General that he, mindful of the antitrust laws and the public interest, concurs in the finding and approval made and granted by the Small Business Administration. Upon withdrawal of any finding or approval made hereunder the provisions of this section shall not apply to any subsequent act or omission to act by reason of such finding or approval. The Attorney General is directed to make, or request the Federal Trade Commission to make for him surveys for the purpose of determining any factors which may tend to eliminate competition, create or strengthen monopolies, injure small business, or otherwise promote undue concentration of economic power in the course of the administration of this act. The Attorney General shall submit to the Congress and the President within 90 days after approval of this act, and at such times thereafter as he deems desirable, reports setting forth the results of such surveys and including such recommendations as he may deem desirable.

"(3) In agreements to participate in loans on a deferred basis under this subsection or under subsection (b) (1) of this section, such participation by the Administration shall not be in excess of 90 percent of the balance of the loan outstanding at the time of disbursement.

"(b) The Administration also is empowered—

"(1) to make such loans (either directly or in cooperation with banks or other lending institutious through agreements to participate on an immediate or deferred basis) as the administration may determine to be necessary or appropriate because of floods or other catastrophies, including necessary or appropriate loans to any small-business concern located in an area where a drought is occurring, if the administration determines that the small-business concern has suffered a substantial economic injury as a result of such drought, and the President has determined under the act entitled 'An act to authorize Federal assistance to States and local governments in major disasters, and for other purposes,' approved September 30, 1950, as amended (42 U. S. C., secs. 1885–1855g), that such drought is a major disaster, or the Secretary of Agriculture has found under the act entitled 'An act to abolish the Regional Agricultural Credit Corporation of Washington, D. C., and transfer its functions to the Secretary of Agriculture, to authorize the Secretary of Agriculture to make disaster loans, and for other purposes,' approved April 6, 1949, as amended (12 U. S. C., secs. 1148a–1–1148a–3), that such drought constitutes a production or economic disaster in such area: *Provided,* That no such loan including renewals and extensions thereof may be made for a period or periods exceeding 10 years except that where such loan is for acquisition or construction (including acquisition of site therefor) of housing for the personal occupancy of the borrower, it may be made for a period not to exceed 20 years and at an interest rate not to exceed 3 percent per annum;

"(2) to enter into contracts with the United States Government and any department, agency, or officer thereof having procurement powers obligating the administration to furnish articles, equipment, supplies, or materials to the Government;

"(3) to arrange for the performance of such contracts by negotiating or otherwise letting subcontracts to small-business concerns or others for the manufacture, supply, or assembly of such articles, equipment, supplies, or materials, or parts thereof, or servicing or processing in connection therewith, or such management services as may be necessary to enable the Administration to perform such contracts; and

"(4) to provide technical and managerial aids to small-business concerns, by advising and counseling on matters in connection with Government procurement and on policies, principles, and practices of good management, including but not limited to cost accounting, methods of financing, business insurance, accident control, wage incentives and methods engineering, by cooperating and advising with voluntary business, professional, educational, and other nonprofit organizations, associations, and institutions and with other Federal and State agencies, by maintaining a clearinghouse for information concerning the managing, financing, and operation of small-business enterprises, by disseminating such information, and by such other activities as are deemed appropriate by the Administration."

SEC. 6. Section 211 of the Small Business Act of 1953 is amended to read as follows:

"SEC. 211. When directed by the President, it shall be the duty of the Administration to consult and cooperate with governmental departments and agencies in the issuance of all orders or in the formulation of policy or policies in any way affecting small-business concerns. When directed by the President all such governmental departments or agencies are required, before issuing such orders or announcing such policy or policies, to consult and cooperate with the Administration in order that the interests of small-business enterprises may be recognized, protected, and preserved: *Provided further,* That, for the purposes of aiding in carrying out the national policy to insure that a fair proportion of the total purchases and contracts for supplies and services for the Government be placed with small-business enterprises, and to maintain and strengthen the overall economy of the Nation, the Department of Defense shall make a monthly report to the President, the President of the Senate, and the Speaker of the House of Representatives not less than 45 days after the close of the month, showing the amount of funds appropriated to the Department of Defense which have been expended, obligated, or contracted to be spent with small-business concerns and the amount of such funds expended, obligated, or contracted to be spent with firms other than small business in the same fields of operation; and such monthly reports shall show separately the funds expended, obligated, or contracted to be spent for basic and applied scientific research and development."

SEC. 7. (a) Section 212 (c) of the Small Business Act of 1953 is amended by adding immediately before the semicolon at the end thereof the following language: "and to carry out this purpose the Administrator, when requested to do so, shall issue in response to each such request an appropriate certificate certifying an individual concern as a 'small-business concern' in accordance with the criteria expressed in this act. Any such certificate shall be subject to revocation when the concern covered thereby ceases to be a 'small-business concern'."

(b) Section 212 (g) of the Small Business Act of 1953 is amended by inserting after the words "to insure" the following language: "that a fair proportion of the total purchases and contracts for supplies and services for the Government be placed with small-business enterprises, to insure that a fair proportion of Government contracts for research and development be placed with small-business concerns, and to insure."

SEC. 8. Section 213 of the Small Business Act of 1953 is amended by adding "(a)" immediately following "SEC. 213." and by inserting an additional subsection, as follows:

"(b) Offices of the Government having procurement or lending powers, or engaging in the disposal of Federal property or allocating materials or supplies, or promulgating regulations affecting the distribution of materials or supplies shall accept as conclusive the Administration's determination as to which enterprises are to be designated 'small-business concerns,' as authorized and directed under section 212 (c) of this title."

SEC. 9. Section 214 of the Small Business Act of 1953 is amended (1) by inserting before "mobilizing" the words "maintaining or."

SEC. 10. Section 215 of the Small Business Act of 1953 is amended by inserting at the end thereof the following new sentence: "The Administration shall make a report to the President, the President of the Senate, and the Speaker of the House of Representatives, to the Senate Select Committee on Small Business, and to the House Select Committee To Conduct a Study and Investigation of the Problems of Small Business on December 31, 1955, and at the end of each 6 months thereafter, showing as accurately as possible for each such period the amount of funds appropriated to it that it has expended in the conduct of each of its principal activities such as lending, procurement, contracting, and providing technical and managerial aids."

SEC. 11. Section 215 of the Small Business Act of 1953 is further amended by adding at the end thereof the following sentence: "The Administration shall retain all correspondence, records of inquiries, memoranda, reports, books, and records, including memoranda as to all investigations conducted by or for the Administration, for a period of at least 1 year from the date of each thereof, and shall at all times keep the same available for inspection and examination by the Senate Select Committee on Small Business, and the House Select Committee To Conduct a Study and Investigation of the Problems of Small Business, or their duly authorized representatives.".

SEC. 12. (a) Section 218 (a) of the Small Business Act of 1953 is amended by striking out "(a)" immediately following "SEC. 218."

(b) Section 218 (b) of the Small Business Act of 1953 is hereby repealed.

SEC. 13. Section 221 (a) of the Small Business Act of 1953 is amended by striking out the figures "1955" and inserting in lieu thereof "1957."

SEC. 14. The Small Business Act of 1953 is amended by adding at the end thereof two new sections which shall read as follows:

"SEC. 224. All laws and parts of laws inconsistent with this act are hereby repealed to the extent of such inconsistency.

"SEC. 225. The Administration shall not duplicate the work or activity of any other department or agency of the Federal Government and nothing contained in this act shall be construed to authorize any such duplication unless such work or activity is expressly provided for in this act."

SEC. 15. Section 3 of the Armed Services Procurement Act of 1947 is amended by adding at the end thereof the following new paragraph:

"(c) All bids or invitations for bids shall contain in their specifications all the necessary language and material required and shall be so descriptive both in its language and attachments thereto in order to permit full and free competition. Any bid or invitation to bid which shall not carry the necessary descriptive language and attachments thereto, or if such attachments are not available or accessible to all competent, reliable bidders, such bid or invitation to bid shall be invalid and any award or awards made to any bidder in such case shall be invalidated and rejected."

SEC. 16. This act shall take effect as of the close of July 31, 1955.

The SPEAKER. Is a second demanded?

Mr. WOLCOTT. Mr. Speaker, I demand a second.

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. SPENCE. Mr. Speaker, I yield such time as he may desire to the gentleman from New York [Mr. MULTER].

Mr. MULTER. Mr. Speaker, this bill as amended will extend the Small Business Administration Act for 2 years. It will continue the authorization of lending power as presently contained in existing law. It will increase the amount of each loan that may be made to a maximum of $250,000. It has other technical perfecting amendments so as to make the law more workable. It has a provision which will permit the pooling of interests so that small-business concerns can get together, and if they meet with the other requirements of the statute they can qualify for much larger loans. The bill, in principle, was approved by the unanimous vote of the 11 members of the Small Business Committee. It was originally reported unanimously to this House, with amendments, by the House Banking and Currency Committee. It has now been put in such form so as to meet practically all of the objections that have heretofore been urged against it, and I believe it now can be said to reflect the unanimous opinion of the Small Business Committee and the House Banking and Currency Committee.

Mr. WOLCOTT. Mr. Speaker, I concur in what the gentleman from New York has said.

Mr. HILL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. HILL. Mr. Speaker, the extension and strengthening of the Small Business Act of 1953 I consider to be one of the more important pieces of legislation which will come before the House during this session of Congress.

The strength and vitality of our economy is based on the fact that new small firms have been started each year and that established small concerns have grown into large business. Such a climate for business enterprise can only be sustained when there is equality of opportunity among firms of different sizes, where it is the hope of every person entering business that they can grow and prosper. We in Congress are trying to keep these incentives alive and to assure that there is equal opportunity for those who are willing to risk their time and money in a business venture. Every Member here knows the importance to the communities in his district of small firms manufacturing in, and servicing, those areas. Every Member also knows the invaluable contribution made by small firms to our defense programs, both past and present.

On at least three occasions in the past, the Congress has deemed it necessary, however, to assist small firms by specific legislation. During World War II the Smaller War Plants Corporation was set up to assure small business of more equitable procedures and greater opportunities in Government procurement. Again in 1952 the Small Defense Plants Administration was established to provide assistance to small firms engaged in production for the Korean war. In 1953 Congress established the Small Business Administration as the first peacetime agency devoted exclusively to providing assistance to small business. The procurement, technical, and lending programs of former agencies were continued under this new agency.

The reasons for the establishment of SBA were obvious. Small firms were unable to obtain necessary credit from private sources, or to secure a fair proportion of Government contracts. Small firms had no representation on a policy level in the Federal Government nor could they afford to have representatives either in Washington or throughout the country. Finally, these same firms were in need of technical and management assistance with which to maintain or improve their competitive position. In every sense the Small Business Administration is the advocate and spokesman for small business in the executive branch of our Government.

These problems and others were recognized by the Congress when it stated in the Small Business Act of 1953 that—

> The essence of the American economic system of private enterprise is free competition. Only through full and free competition can free markets, free entry into business, and opportunities for the expression and growth of personal initiative and individual judgment be assured. The preservation and expansion of such competition is basic not only to the economic well-being but to the security of this Nation. Such security and well-being cannot be realized unless the actual and potential capacity of small business is encouraged and developed—

And that the "Government should aid, counsel, assist, and protect insofar as is possible the interests of small business concerns in order to preserve the competition."

In the 2 years which have elapsed since the passage of Public Law 163 in the 83d Congress and the establishment of the Small Business Administration, much progress has been made in the development of programs which are of material assistance to small business. There is no question that the assistance rendered has been invaluable—small-business men and small business associations both in my district and throughout the country have testified many times to the assistance rendered and to the necessity of continuing this agency.

I would like to review the work of the agency which has created this considered and constructive support on the part of small-business men.

BUSINESS LOANS

It is generally agreed, I believe, that nearly everyone who has made any study of the problems of small businesses has found that adequate, sound financing is one of their most pressing problems.

I have known of many instances of small firms in my district—and I am sure all of you know of similar cases—where the management and ownership of a small firm is capable and enterprising, but where the firm is seriously handicapped by this lack of adequate financing. It is therefore unable to take full advantage of the opportunities opening up before it—to create more jobs and to play a more vital role in our expanding economy.

To help meet this financing need, the Congress authorized the Small Business Administration to make business loans under certain conditions. It is important, I think, to understand these conditions.

The law provided that business loans could be made only in those cases where financing was not available on reasonable terms from private sources. It was clearly the intent of Congress that every effort first be made by the concern itself, or the individual as the case may be, to secure private financial assistance. In this effort the SBA could offer its facilities if requested to do so. If the continued efforts of the applicant and the Small Business Administration were unsuccessful the next step is to arrange a bank-participation loan on a deferred basis, if that be possible. Finally, if these efforts failed, the Small Business Administration then had the authority to consider and to arrange an immediate participation or a direct Government loan. Under Public Law 163 these loans could be for a maximum of $150,000 and up to 10 years maturity.

The lending program in my opinion is gradually achieving success. As of June 30, 1955, the Small Business Administration had approved 1,645 business loans to small firms, for a total of $83,714,000. That these loans were truly for small firms is indicated by the fact that the average size loan was for $51,404, and that approximately 88 percent of loans going to manufacturing concerns were to those which employed fewer than 100 persons. That small firms in virtually every industry in our economy are receiving assistance is indicated by the fact wholesalers and retailers have received some 24 percent of all loans approved, the service industry 7 percent and the construction industry 6 percent. Only 52.1 percent of all loans approved have gone to manufacturing industries. These figures mean that our entire economy is in need of and is receiving financial assistance.

While it may be argued that $84 million in loans is but a small part of total loans outstanding to business concerns in our economy, it must be remembered that in every instance where a loan is made by SBA, private financial institutions were either unable or unwilling to advance the credit necessary to the operations of these concerns. This program has been particularly important to small communities where one company provides most of the income for that area and is unable to secure necessary financial assistance from the local banks or their correspondents.

It should also be remembered that the best indication of the agency's workload under the financial assistance program is the number of applications received and processed. Some 5,600 loan applications had been received as of June 30. While 30 percent were approved, each declined application had to receive as thorough a credit review as an approved application.

That intermediate and long-term credit so urgently needed by small business is being advanced by SBA is indicated by the fact that, as of October 1954, some 18 percent of SBA loans were for terms of less than 3 years, 69 percent for 3 to 8 years, and 13 percent for 8 to 10 years.

I should like to make the observation that one very important aspect of the SBA financial assistance program which is generally overlooked is the counsel and advice given small firms with respect to their financial problems.

All of us, I presume, would agree that financial aid in the form of loans for small business is important and necessary. And all of us would likewise agree that where possible it is best to have financial assistance provided through the established private banking system.

That is just what the Small Business Administration is seeking to do through its financial counseling program. Through its trained financial specialists, the agency gives small firms advice and counsel on financial management problems and in some cases active aid in meeting the credit requirements of private lending sources.

In the first 9 months of this fiscal year, the Small Business Administration has through its field offices carried out approximately 5,500 cases of financial counseling.

Experience has shown that the small business which encounters financial difficulties generally thinks first of borrowing funds from whatever source is available, failing to recognize other possible courses of action which would eliminate the need for incurring debt.

For the most part such enterprises are not financially able to employ specialists in financial management. It is in assisting these firms that the Small Business Administration's financial counseling program is most effective.

Whenever possible, experienced financial specialists in the Small Business Administration field offices assist the small firms to solve their financial problems by pointing out solutions which do not involve intermediate or long-term borrowing. Often the problem is undercapitalization of the firm, or perhaps a need for inventory liquidation, revised credit policies or changes in product pricing principles. A contemplated expansion by the firm may be too extensive or premature, its product line may be too diversified or too restricted, or its sales policies may need review.

Where a small firm does need intermediate or long-term credit or short-term working capital for general business purposes or normal growth, the Small Business Administration often can assist it in preparing a more effective request for the consideration of a prospective investor or financial institution.

Through offering advice and counsel on financial problems, facilitating transactions with private lending institutions, and providing other specialized services, the Small Business Administration has been able to render additional financial assistance to small business concerns.

DISASTER LOANS

In addition to extending financial assistance to small business through direct loans or in participation with private financial institutions, Public Law 163 directed the Small Business Administration to make loans to individuals and concerns who have suffered because of flood or other catastrophe. Such assistance is most important since homes and businesses may be entirely wiped out in a matter of hours by such catastrophes. Frequently there is inadequate credit in the local community to permit reconstruction of damaged property and replacement inventories.

From the beginning of SBA through June 30 of this year the agency had received 1,577 disaster-loan applications and had approved 1,243 of these for a total sum of over $8½ million. I might mention that very recently a series of tornadoes caused an appalling loss of life and property in Kansas and Oklahoma. Within 12 hours they had been declared disaster areas and arrangements had been made for the establishment of local, temporary SBA loan offices. Similar assistance has been and certainly will be rendered other areas in the country.

While the financial-assistance program of SBA has received the most publicity and the most attention there are other programs provided for in Public Law 163 which are designed to answer the immediate needs of small firms and which have operated most effectively.

GOVERNMENT CONTRACTS

For many years it has been the contention of Members of this body, including myself, that small firms have been unable to secure a fair share of Government contracts. It has also been the experience of small firms that they have had difficulty in keeping in touch with procurement offices, securing specifications and other bid information and appealing advertised-bid procedure and administrative rulings. A large firm will have representatives in Washington and at the local procurement centers. It will have large legal and technical staffs with which to solve their procurement problems.

A small firm, however, is frequently uninformed, with too small a management group to permit specialized activities in Government procurement. In this connection I might mention that in years past small business had no independent and authoritative representation on a policy level. Presently, however, the Small Business Administration is in a position to cooperatively work out the problem of small business either collectively or individually with other agencies of our Federal Government.

We have all witnessed the effective assistance that the State and national extension service and county farm agents have rendered to farmers. This is the first time except during war years that America's small business owners have had a program, comparable in principle to the American farmer's program, and one that fits the individual needs of small business; a program made available to them through a one-stop center in the areas served by the Small Business Administration field offices.

I feel certain that with the continued progress of SBA in the procurement programs, small business will be receiving a much larger share of the Government procurement dollar than during any

peacetime period of the past. Let me mention very briefly what has been done.

Since the establishment of SBA some 107 certificates of competency for a total of $12½ million have been issued to small firms. These certificates certify to a procurement office that a firm is financially and technically competent to fulfill a specific contract on which it is low bidder. Without this SBA service, a low-bidding small firm whose competency is questioned by a contracting officer would have no recourse—it would lose the contract.

The Small Business Administration has assigned representatives to the principal purchasing centers of the Department of Defense to review proposed procurements and to determine, in cooperation with military contracting officials, which purchases should be reserved entirely or in part for small firms. Under this procedure some $615 million in defense orders have been set aside for exclusive award to small firms. This accomplishment is all the more impressive in that it has been achieved during a period of declining military purchasing.

The SBA has also established cooperative programs with other Government agencies, including GSA, AEC, and the Post Office Department, to increase the share of their purchases going to small business.

Each field office of the SBA provides small firms in its area with a ready source of information on Government contract opportunities, method of getting on bidders' lists, Government purchasing specifications and related subjects. Further, each regional office of the agency maintains an inventory of small plant facilities in its area and uses this inventory to call prime contract and subcontract opportunities to the attention of small firms which have the necessary facilities to bid on them. The inventory procedure is accomplished with the cooperation of the several States in accordance with standards laid down in the Small Business Act.

The agency's field offices have made more than 250,000 referrals of prime contract opportunities to small firms with suitable facilities. While there is no way in which to check the results of such referrals of prime contract opportunities, it is known that some 3,000 contracts totaling $250 million were definitely awarded to firms notified of procurement opportunities by SBA. I should also mention that over 20,000 referrals have been made to small firms with regard to subcontracting opportunities.

Mr. Chairman, I am thoroughly convinced that small firms are in great need of SBA representation in Washington and the field, information on bidders' lists, certificates of competency, referrals of prime and subcontract opportunities and set-asides of prime contracts for performance by small firms. Without this and other procurement assistance supplied by the Small Business Administration, small business concerns would receive less consideration of their ability to produce efficiently and at a fair price for our defense effort.

SBA ASSISTANCE PROGRAMS

Owners of small businesses have indicated to me and to our Small Business Committee the fine work accomplished by SBA in its management and products assistance programs. As we all know, one of the principal problems confronting any truly small business is its inability to specialize in management functions and to keep abreast of the rapid technological changes of today. A manager or owner of a successful small firm must necessarily be intelligent and possessed of great initiative. There are only so many hours in each day, however, in which he can perform all the tasks required of a successful manager.

The Small Business Administration has, therefore, established programs designed to assist the managers and owners of small enterprises in the performance of their manifold and exacting duties and responsibilities. In cooperation with leading educational institutions across the country, the agency is cosponsoring short evening courses in administrative management. During the 1954–55 school year, 55 courses in 40 educational institutions have been established which are attended by some 2,000 small-business owners and managers. The response to this particular program has been more than enthusiastic.

Through the publication of a series of booklets devoted to managerial and technical aids, a small firm may secure up-to-date information on a variety of subjects such as the reduction of operating costs, budgeting, pricing, marketing, advertising, and many others. More than 1¼ million copies have been requested for those aids which are distributed free of charge. Many other thousands have been reprinted and distributed by trade associations and other private organizations which have found them of great value to their members and customers. In addition, nearly 300,000 copies of booklets dealing with management subjects have been sold by the Superintendent of Documents at nominal prices.

Hundreds of small-business men have gone to the technical experts of the Small Business Administration for advice on specific problems. Such counseling may cover anything; for example, from finding a new source of materials to improving the packaging of a finished product.

Much is expected of the agency's new products-assistance program. Already, during the first few months of its operation, over 3,000 small firms have contacted the agency for advice on the development of new products or on the improvement of old products.

Small firms must have ready access to information which will help them keep up to date on products and processes, research material, inventive ideas, and similar data. While large business has the financial resources for laboratories and research staffs, large numbers of small business concerns are unable to conduct effective and continuous research on new processes and product development. There are, on the other hand, large numbers of research laboratories and trade association either engaged in research or interested in improved products and market development. Too, many individuals, owners of ideas and products, are constantly seeking small firms which may be interested in manufacturing and marketing these products.

Through its products-assistance program, the SBA, in cooperation with various organizations, associations, and institutions, help small firms gain access to technical and other information which will permit new products to be developed or which will develop better markets for established lines.

As the first peacetime, independent Government agency devoted exclusively to assistance to all small businesses, the Small Business Administration has been pioneering. All of us are well aware that the problems of small business are many and varied and are as old as business itself. I would not say that the Small Business Administration has approached the full scope of what can and should be done to help with these problems of small firms, but I do believe that it has made an excellent start with the resources at its command.

The Small Business Administration has demonstrated that there is much which the Government can properly do under our republican form of government to assist, encourage, and foster small businesses. It has shown that the Government can give effective assistance to small firms, while at the same time furthering the free-enterprise system.

There is no question but that this House will vote to continue the Small Business Administration. It has proven its worth to small business. As the years roll on the SBA will become a major factor in keeping the door of opportunity open and in strengthening the small-business institutions of our country.

Mr. McCULLOCH. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. McCULLOCH. Mr. Speaker, I wish to comment briefly on the record made by the Small Business Administration in serving the Nation's small firms.

The agency has been in existence for less than 2 years, but it has already demonstrated its ability to be of service to small business. In keeping with the provisions of Public Law 163, 83d Congress, it has developed programs to assist them with their financial problems, to help them obtain a greater share of Government contracts, and to assist them in overcoming management and technical production problems.

A recent report by the Small Business Administration showed that as of June 30, it has approved 1,645 business loans, totaling $83,714,000 to assist small firms. Of these, 1,099 loans for $60,154,000 had been made in participation with private lending institutions, and 546 loans, amounting to $23,560,000, had been direct agency loans.

About two-thirds of the business loans made by the Small Business Administration have been made in participation

with private lenders. It was the intent of Congress that direct loans should not be made until the ability and willingness of private financial institutions to participate with the agency had been explored. As we all know, many banks are willing to participate because they are prevented from making the entire loan by laws which limit the amount that can be loaned to any one company or because the term desired is too long for the entire loan to be made by the bank. In other instances where banks will accept only certain types of collateral or where they will not extend credit to particular industries, the agency itself makes the entire loan. Virtually every segment of the small business community has benefited from this program. Approximately 48 percent of SBA's loans have gone to nonmanufacturing industries—of this amount 23 percent has gone to wholesale and retail trade. This is as Congress intended.

During the past year, the Small Business Administration has been successful in streamlining its loan procedures so as to provide speedier aid to small firms in need of financing. When it began its lending program on September 29, 1953, SBA took 45 to 60 days to complete action on loan applications. Through constant review and simplification of procedures, and through delegation of loan authority to its field offices, the agency has now reached the point where a loan application is completely processed in 2 to 3 weeks. That early delays in loan processing have been corrected for the most part is demonstrated by the fact that four times as many loans were approved in the fiscal year just ended as were approved in the first year of operation.

Furthermore, approximately three-fourths of all the business loans approved by the Small Business Administration have been disbursed. It must be recognized that there will always be some delay between the time the loan is approved and the time disbursement takes place. This delay is due in a large part to the necessity of the borrower complying with the terms and conditions of the loan authorization. Sometimes disbursement is delayed at the request of the borrower either because interim financing has been obtained or because other financing arrangements have been made.

Here again I believe that earlier criticisms of the agency have been overcome by more efficient administration of the program and by the inauguration of more expeditious procedures.

Some time ago, the Small Business Administration delegated authority to its 14 regional directors to approve business loans of up to $50,000 in cases where a private lending institution would share in at least 25 percent of the total amount of the loan. Just recently, the agency's loan policy board has recommended still greater loan authority for the field offices, whereby the regional directors are authorized to approve direct business loans up to $10,000 without prior approval of the Washington office.

It is estimated that this latest loan action, coupled with the previous loan authority delegated to regional directors, will cover about one-third of the total volume of loan applications received by SBA. The result should be to speed up action on loan applications in the field, as well as those applications which must necessarily be handled by the Washington office.

In addition to providing small firms with needed funds SBA counsels with them on their financial needs and often is able to show them how, through rearrangement of their affairs they can eliminate the need for borrowing. In many instances the agency is able to help small firms obtain private financing, thus conserving its own loan funds to help firms for which private financing, on reasonable terms, is not available.

As a member of the Small Business Committee, I have followed closely the work of the Small Business Administration. I believe that the work of the past 2 years has resulted in a financial-assistance program which is of benefit and most essential to the small business concerns in our economy. From my own observations, and from the many favorable comments about SBA which I have received from small business organizations, I know that the agency is also rendering effective service through its other programs of procurement, technical, and managerial assistance.

Actually, I believe that much of the criticism which has been voiced concerning the agency's operations is due fundamentally to a difference in opinion as to what the legislative authority should be. With the limitations which have been placed on personnel and funds and within the authority given the agency by Congress, I am convinced that the Small Business Administration has done a good job its first 2 years and has rendered effective assistance to small business. More can and should be done within each program. I believe that it is a continuous fight to maintain sound and competitive small business in our economy and that continuation of the Small Business Administration will do much to achieve that goal.

Mr. RIEHLMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RIEHLMAN. Mr. Speaker, it is most important in these days when the Government is still spending billions of dollars for defense, when taxes continue at high rates, and when industrial expansion is the order of the day that some provision be made for the small-business man to keep pace with the times. As a member of the Small Business Committee for 9 years, I have had the opportunity to observe the problems of small business and the need for specific legislation to assist these firms. I sincerely believe that the Small Business Act of 1953 incorporates a charter of assistance to small firms which is vitally necessary to the continued welfare of our economy.

Of course, we all know that small business is important. More than 95 percent of all businesses are small businesses—there are more than 4 million small firms. Small businesses have traditionally been a laboratory for new ideas, for progress and growth. It is essential that this important segment of our business structure be strong and durable.

Let me review a little history at this point. Both World War II and the Korean war are weighty reminders, not only to Members of Congress but to every family in our beloved country. In both of these crises the economic dislocations resulting from the need for large-scale military production had its effect on every phase of our lives, and most certainly on our business life. In the field of business, small business was the hardest hit. In the awarding of military contracts, for example, the greatest volume of orders went to large producers. In February 1942 it was reported by the Military Establishment that 75 percent of the Army and Navy contract awards since the start of the war-production program had gone to 56 of the Nation's 184,230 manufacturing concerns.

The diversion of materials to defense production and the corresponding reduction in the supply available for civilian items worked a greater hardship on the small manufacturer than on the large firm, with its stronger financial position and its more diversified product line. Obtaining needed credit also was a problem for the small business. The small manufacturer who wished to convert to expand his facilities, or who needed working capital to fulfill a military contract, often found it difficult, if not impossible, to obtain the required financing.

The responsibility for assisting small firms to participate in the production of military and essential civilian items was assigned, at first, to existing or newly created small-business units in the larger Government agencies.

Congress finally decided there was need for an independent agency to help mobilize effectively the full productive capacity of the small firms of the Nation.

For these reasons the Congress created the Smaller War Plants Corporation, in World War II, and the Small Defense Plants Administration, during the Korean war.

After the truce in Korea, there was a growing demand from small business for the establishment by the Congress of an independent peacetime agency to advise, counsel, and assist small firms.

We must keep in mind that the wartime agencies were concerned primarily with covering those fields of assistance for small firms whose production would aid the defense effort. The Small Business Administration was created so that these forms of assistance could be retained and supplemented in order to aid all types of small business in a peacetime economy.

The principal programs of the Small Business Administration therefore cover the broad fields in which small firms need assistance; a fair share of Government contracts, assistance in developing a broader knowledge of the principles of good business management, and assistance in obtaining long-term credit.

Much comment has been made about and most of my colleagues are familiar with, the number and types of loans made by the Small Business Administra-

tion during the past 2 years. As a member of both the Small Business Committee and the Military Operations Subcommittee of the Government Operations Committee I have become particularly interested in the progress made under the Agency's procurement programs. I am also much concerned about the difficulties the Small Business Administration has had in putting these programs into full force and effect.

The small business procurement problem has been attacked by the SBA in many ways. For example, the Agency has assigned representatives to the principal purchasing centers of the Department of Defense to review proposed procurements and to determine, in cooperation with military contracting officials, which purchases should be awarded entirely or in part to small firms. This is the so-called "joint determination" program.

The gradual approach to success in the procurement field is attested by the fact that in a period of less than 2 years, the Small Business Administration has succeeded in having more than $615 million in defense orders set aside for exclusive award to small firms. It must be remembered also that this has been accomplished during a period of declining military purchases. The orders set aside for small firms have already resulted in 4,991 contracts with an approximate value of $296 million. The Agency is also authorized to certify as to the financial and technical competency of small firms to fulfill specific Government contracts on which they are the successful bidders. Without this SBA service, a low-bidding small firm whose competency is questioned by the contracting officer would have no recourse—it would lose the contract. SBA so far has issued certificates of competency covering contracts valued at more than $12½ million.

In addition to its program with the Defense Department, the Small Business Administration in its effort to increase the small business share of Government purchases has established cooperative programs with other Government agencies, including the General Services Administration, the Atomic Energy Commission, and with the Post Office Department.

Each field office of the Small Business Administration provides small firms in its area with a ready source of information on Government contract opportunities, method of getting on bidder's lists, Government purchasing specifications, and related subjects. Moreover, each regional office of the Agency in cooperation with the several States, maintains an inventory of small plant facilities within its area. This inventory is useful in calling the attention of qualified small concerns to prime contracts and subcontract opportunities.

The Agency's field offices have made more than 250,000 referrals of prime contract opportunities to small firms which could supply the needed items or services. As a result, approximately 3,000 contracts totaling more than $250 million are known to have been awarded to firms notified of the procurement opportunities by SBA.

Here, therefore, is a brief outline of the major procurement programs. In the first 2 years of its operation the SBA has achieved considerable success in assisting small firms to secure a greater share of the procurement dollar. There have been, however, certain difficulties confronting the Agency. There have also been certain criticisms and some misunderstanding concerning the SBA procurement program. It is to this that I should now like to call your attention.

PROCUREMENT PROGRAMS AND ASSISTANCE

The joint-determination program procedure provides that procurements which can be performed by small business are set aside for bidding exclusively by small concerns. Public Law 163 does not, however, give SBA the authority to designate in its own right that such procurements must and will go to small business—section 214 of the act merely states that it shall be done in cooperation with the contracting officer. If the contracting officer does not agree to a joint determination then nothing more can be done. Despite this there has been a steady improvement in the amount of joint determinations agreed to by the Department of Defense. During the last 11 months of fiscal year 1954, $228,504,359 worth of contracts were agreed to while for the same period in 1955, $370,709,739 were agreed to.

It has been remarked that contracts earmarked for joint determination amounted to only 1 percent of the total value of military contracts awarded during this period. The Agency informs me that actually this figure should be 2.6 percent of the net value of contracts awarded. Despite this, however, we should realize that any comparison between the joint-determination program and total military contracts awarded is invalid. For one thing, there is a time lag between the time a procurement is earmarked for joint determination and the time an award is actually made. This results in a comparison of unlike items.

It should also be noted that many procurements of the total number of contracts awarded are not subject to joint determination. For example, classified and emergency procurements are not screened by SBA personnel. The Agency does not attempt to cover the field of construction since 60–70 percent of such awards go to small business anyway. Joint determinations are not initiated on contracts under $10,000 except under exceptional circumstances since approximately two-thirds of the dollar value of such procurements go to small business. Moreover, joint determinations are not made on proprietary items or on sole source procurements.

All of these exceptions influence the percentage of total procurement which is covered by the joint-determination program. May I also point out that the Agency's efforts are concentrated to a large degree in covering, with only 18 procurement specialists, the 36 of the larger purchasing installations where small firms need the most assistance. There are on the other hand some 190 military-procurement centers having a purchasing authority of over $5,000. SBA is most desirous to have sufficient personnel to cover a much larger number of procurement centers than is presently possible and to broaden the scope of procurements screened.

The SBA has been severely limited in its personnel—it has done an acceptable job with the resources at hand, plugging those holes which create the greatest procurement difficulties for small business. Let me reiterate, even with its limited manpower, the Agency has managed to secure agreement to almost $371 million in joint determinations for small business during the last 11 months of the fiscal year which ended on June 30, 1955. SBA's predecessor had twice as many procurement specialists to do the same job.

Contrary to statements which have been made, the fact is that consultation and cooperation between the SBA and the Department of Defense have been taking place since the inception of SBA. As a matter of fact, it began with SDPA and has been carried on ever since, at all levels and most every matter important to small business.

Since SBA's powers with regard to procurement policy are limited and generally confined to consultation the blame for lack of an effective small business procurement policy must be placed squarely on the procuring agencies. No other conclusion is valid.

In this connection, while small business has not secured what may be considered a fair share of the procurement dollar, it did receive, from August 1953 to March 1955, 24 percent of net procurement actions, or 17.9 percent of new procurement actions, not the 15 percent as has been indicated.

It has also been suggested that manufacturing concerns with less than 500 employees, the definition of small business presently used by the Department of Defense, account for 42 percent of all manufacturing in the United States. On this basis the assumption is made that 42 percent of the value of contracts would be a fair proportion for small business. Based on figures gathered by the 1951 Annual Survey of Manufacturers it appears that small manufacturers with under 500 employees, on an enterprise basis, accounted for 35 percent of all value added by manufacturing. However, in either case we must remember that the bulk of manufactured or processed articles are strictly designed for civilian consumption and are not necessarily purchased by the Military Establishment. In 1944, small business received some 17.4 percent of total awards over $10,000. In 1945, the small business share rose to 23.3 percent and after V–E Day to a little over 30 percent. The higher percentage after V–E Day was due in part to cancellation of contracts with large firms and in part to a relatively greater proportion of the procurement dollar going for subsistence items.

The two programs assigned to the Small Business Administration by Congress in Public Law 163 which hold any semblance of direct authority are the issuance of Certificates of Competency and the establishment of a definition of

small business. The Agency has done very well in its certification of small firms. Without this authority many small firms would not be awarded contracts on which they are low bidder because of disqualification by the military on the grounds of either financial or technical competence.

Criticism has been leveled at SBA, however, for not having put into effect, as yet, a revised definition of small business for procurement purposes. May I suggest that it is easier for us to say—establish a new definition—than it is to develop such a definition and to make it workable. SBA testified before the House Small Business Committee that its own definition used in connection with the financial assistance program has now proved satisfactory, having been amended several times during the past 2 years. Since those hearings the Agency has been working hard on a somewhat similar definition for procurement. Obviously the administrative difficulties attendant on a change for the 500-employee rule are very great. I am sure that the Small Business Administration is as anxious as the Congress to see that the best definition is utilized in procurement. I also realize, however, that it cannot be done overnight or without the utmost cooperation from the procurement agencies themselves. Undoubtedly, the proposed amendment in the bill before us to eliminate the 500 rule will make the establishment of a workable definition much easier.

And speaking of cooperation between Small Business Administration and other agencies, certainly none of us should be so naive as to place the blame on SBA because the other agency refuses to cooperate.

Insufficient attention has been paid to the work which has been done to assist firms to get on bidders' lists and to secure specifications and drawings so that these firms may bid intelligently. Much has also been done to place in the hands of small firms that management and technical data which is so necessary today for the maintenance of one's competitive position.

A few of my colleagues believe that only financial assistance should be rendered small business. I, for one, believe, however, that all programs of SBA contribute to the continued welfare of small business. Services are being performed which enable small business to obtain information and assistance on an individual basis which would otherwise be unobtainable.

Let us always keep in mind, however, exactly what the Small Business Act authorizes SBA to do. Let us also not forget that since its inception, the SBA has been seriously hampered by a lack of funds and consequent lack of personnel. Certainly these programs are essential to the small business concerns of our economy and constitute the best possible investment of Government funds. We should not establish programs for providing service to small businesses and then refuse to provide sufficient funds to permit these programs to operate effectively.

There is no place, in my opinion, where the Congress can appropriate funds which will yield such a beneficial return to our economy.

Mr. ROOSEVELT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, this measure, continuing the life of the Small Business Administration, improves the basic law under which the Administration operates. It needs further improvements if the small businesses of our country is to really be well and properly serviced.

But this law is not going to be useful unless the Administration changes its attitude of rigid disapproval of all applications unless they are so giltedged that almost any bank would, and usually does, share in the loan. Up to now the record shows that there has been very little real effort to understand the needs of small business concerns who are not provided for by the usual banking facilities available. The next 2 years, in my opinion, is a sort of last trial for the Small Business Administration. There are too many cases of record where small business has been bitterly and cruelly disappointed by their inability to get seemingly well deserved and needed financial help. I hope the warning will be heeded and that the struggle of small business to survive in our economy of big business will be wholeheartedly supported in the next 2 years. I, for one, will watch with close and keen interest.

Mr. EVINS. Mr. Speaker, the pending bill is a measure of great magnitude to the small-business economy of our Nation and most certainly should be speedily enacted.

I strongly support the bipartisan effort being made, at this late hour in this session, to suspend the rules and pass this bill.

The bill authorizes a 2-year extension of the Small Business Administration. As has been indicated, the SBA is due to expire if this act is not passed giving renewed life to the agency. I do not feel that this agency has fully executed its mission as outlined by the Congress. But I do feel that the SBA, if properly run, can be of great service and assistance to small business enterprises of our Nation.

In addition to extending the life of the SBA Act, the measure would increase SBA's loan authorization to $275 million.

I shall vote with the committee on this bill, but would have preferred that the amount of the Agency's loan authority be further increased. I believe that a $500-million-a-year-credit program is a minimum amount which would do a needed and effective job in this respect for the small-business economy of our Nation.

I applaud the provisions of the bill which would call for increasing the ceiling for an industrial small business loan from $150,000 to $250,000. This action should greatly improve the program of long-term credit assistance to small business.

Mr. Speaker, I have been greatly disturbed by the subcommittee hearings concerning the interest rates which have been charged in some instances by SBA. Our hearings developed much evidence to show that some rates have been exorbitant—in some cases, going as high as 9 or 10 percent. Personally, I should have preferred that the new bill set a low and uniform rate to prevail throughout the Nation, but the committee accepted as a compromise provisions which should effect a vast improvement over the present SBA regulations and practice.

The bill sets forth the provision, insofar as the individual loan is concerned, for the prevailing interest rate in the community to apply where the loan is to be used—but stipulates that in no case shall the interest rate exceed 5 percent. The 5-percent ceiling is with respect to pooling loans, with the added provision that the minimum is to be 3 percent.

I am most gratified, in the light of recent experiences with the Department of Agriculture, that disaster loans shall have an interest rate not in excess of 3 percent. What the Department of Agriculture attempted to do to the farmers of our Nation when they increased the disaster loan rate was a dreadful thing and I would certainly hate to see any of this philosophy invade the Small Business Administration.

I have been forced into criticism of the Small Business Administration's and the Department of Defense's procurement activities and certainly hope that the new provisions in the pending bill may result in the desirable effect of making it possible for small business to participate and share in the defense procurement program in a manner that is proper and equitable.

I trust also that this provision will have the effect of lessening the bad effects of the Defense Department's favoritism of big business to the detriment of small business. The Small Business Committee's report set forth the committee's intent and views in this regard.

I trust this bill will be promptly approved.

The SPEAKER. The question is on the motion to suspend the rules and pass the bill.

The question was taken; and two-thirds having voted in favor thereof, the rules were suspended and the bill was passed.

Mr. SPENCE. Mr. Speaker, I move that the House insist on its amendments to S. 2127 and ask for a conference with the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER. The Chair appoints the following conferees: Messrs. SPENCE, BROWN of Georgia, PATMAN, RAINS, WOLCOTT, GAMBLE, and TALLE.

The Chair declares the House in recess until 5 o'clock.

RECESS

Accordingly (at 4 o'clock and 48 minutes) the House stood in recess subject to the call of the Chair.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 5 o'clock and and 10 minutes p. m.

POLIOMYELITIS VACCINATION ASSISTANCE ACT OF 1955

MR. PRIEST submitttted the following conference report and statement on the bill (S. 2501) to amend the Public Health Service Act to authorize grants to States for the purpose of assisting States to provide children and expectant mothers an opportunity for vaccination against poliomyelitis:

CONFERENCE REPORT (H. REPT. No. 1626)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2501) to amend the Public Health Service Act to authorize grants to States for the purpose of assisting States to provide children and expectant mothers an opportunity for vaccination against poliomyelitis, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: "That this Act may be cited as the 'Poliomyelitis Vaccination Assistance Act of 1955'."

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 2. There is hereby authorized to be appropriated, to remain available until February 15, 1956, such sums as may be necessary for making payments to States which have submitted, and had approved by the Surgeon General, applications for grants under this Act.

"ALLOTMENTS TO STATES

"SEC. 3. (a) From the sums appropriated pursuant to section 2, the Surgeon General shall allot to each State which has an application approved pursuant to section 4—

"(1) an amount equal to 33⅓ per centum of the number of unvaccinated eligible persons in such State multiplied by the product of (A) the cost of the poliomyelitis vaccine per eligible person, and (B) the State's allotment percentage; and

"(2) an additional amount equal to 20 per centum of allotments available to the State under paragraph (1) of this subsection, such additional amount to be available for expenditure only in accordance with the provisions of section 6 (b) of this Act.

"(b) A State's allotment percentage shall be equal to the per capita income of the United States divided by the per capita income of the State. Such percentage shall be determined by the Surgeon General on the basis of information furnished by the Department of Commerce; except that the allotment percentage for Hawaii shall be 100 per centum and for Alaska, Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Canal Zone shall be equal to the allotment percentage determined above for the one of the forty-eight States which has the lowest per capita income.

"STATE APPLICATIONS FOR FUNDS

"SEC. 4. The Surgeon General shall approve the application of any State for payments under this Act if such application—

"(a) provides that all poliomyelitis vaccine purchased with funds paid to the State under this Act shall be used for the vaccination of eligible persons pursuant to a plan which sets forth the method or methods by which vaccinations will be made available within the State (through public agencies, approved nonprofit organizations, private physicians, or otherwise): *Provided*, That the Surgeon General may, for the purpose of assuring the most effective and equitable distribution and use of available supplies of poliomyelitis vaccine, establish categories of eligible persons to be accorded priority in receiving an opportunity for vaccination against poliomyelitis; and, except to the extent that the Surgeon General authorizes deviations from such categories, during any period in which any categories have been so established, all vaccine acquired by any State through assistance provided pursuant to this Act shall be made available only to persons within any such category;

"(b) provides that in poliomyelitis vaccination programs conducted by public agencies in the State no means test or other discrimination based on financial ability of individuals will be imposed to limit the eligibility of persons to receive vaccination against poliomyelitis;

"(c) provides for administration or supervision of administration of the plan included in the application by a single State agency;

"(d) provides that the State agency will make such reports, in such form and containing such information, as the Surgeon General may from time to time reasonably require to carry out his functions under this Act, and comply with such provisions as he may from time to time find necessary to assure the correctness and verification of such reports; and

"(e) provides such accounting, budgeting, and other fiscal methods and procedures as are necessary for the proper and efficient administration of the plan.

"PAYMENTS TO STATES

"SEC. 5. The Surgeon General shall from time to time estimate the amount to be paid to each State under the provisions of this Act for any period, and shall pay such amount to such State, from the allotment available therefor, reduced or increased, as the case may be, by any sum (not previously adjusted under this section) by which he finds that his estimate of the amount to be paid to the State for any prior period under this Act was greater or less than the amount which should have been paid to the State for such prior period under this Act. Such payments shall be made in such installments as the Surgeon General may determine.

"USE OF FUNDS PAID TO STATES

"SEC. 6. (a) Funds paid to a State from that part of its allotment computed in accordance with section 3 (a) (1) of this Act may be used solely for the purchase, prior to February 15, 1956, of the poliomyelitis vaccine for use in carrying out the plan set forth in the application of such State approved pursuant to section 4.

"(b) Funds paid to a State from that part of its allotment computed in accordance with section 3 (a) (2) of this Act may be used prior to February 15, 1956, only for planning poliomyelitis vaccination programs within the State and for conducting such programs through public agencies in the State in accordance with the plan set forth in the application of such State approved pursuant to section 4; except that any part of such funds determined by the State to be in excess of the amount necessary for such purposes may be used for the purposes specified in subsection (a) of this section.

"(c) Nothing in this Act shall limit funds granted to a State under other provisions of Federal legislation from being available to purchase poliomyelitis vaccine or to plan and conduct poliomyelitis vaccination programs in accordance with approved State plans applicable to such grants.

"FURNISHING OF VACCINE BY SURGEON GENERAL

"SEC. 7. At the request of any State the Surgeon General may use all or any portion of the allotment of such State under this Act for the purchase, in accordance with State specifications, of the poliomyelitis vaccine, to be furnished to the State in lieu of such State's allotment (or such portion thereof). Vaccine so furnished shall be subject to the same requirements as to use as vaccine purchased from payments to States pursuant to this Act.

"DIVERSION OF FEDERAL FUNDS

"SEC. 8. Whenever the Surgeon General, after reasonable notice and opportunity for hearing to the State agency administering or supervising the administration of the plan included in the application of such State approved under section 4, finds that—

"(a) such State agency is not complying substantially with the provisions of this Act or the terms and conditions of its approved application; or

"(b) any funds paid to such State or supplies of vaccine furnished to it under this Act have been diverted from the purposes for which paid or furnished;

the Surgeon General shall notify such State agency that no further payments will be made (or no further supplies of vaccine will be furnished) to the State under this Act until he is satisfied that there is no longer any failure to comply or the diversion has been corrected or, if compliance or correction is impossible, until such State agency repays or arranges for the repayment of Federal funds which have been diverted or improperly expended (or for repayment of the cost of the vaccine which has been diverted).

"EXERCISE OF FUNCTIONS

"SEC. 9. The functions granted to the Surgeon General under this Act shall be exercised under the supervision and direction of the Secretary of Health, Education, and Welfare.

"DEFINITIONS

"SEC. 10. For purposes of this Act—

"(a) The term 'Surgeon General' means the Surgeon General of the Public Health Service.

"(b) (1) The term 'eligible person' means any individual who has not attained the age of twenty years and any expectant mother.

"(2) The number of eligible persons shall be determined by the Surgeon General, as of June 30, 1955, on the basis of estimates developed after consideration of the latest information furnished by the Department of Commerce or any other department or agency of the United States.

"(3) The number of unvaccinated eligible persons means the number of eligible persons, reduced by (A) the number who were vaccinated against poliomyelitis during 1954, and (B) two-thirds of the number who the Surgeon General estimates will receive vaccination under the current program of the National Foundation for Infantile Paralysis.

"(c) The term 'State' includes Alaska, Hawaii, Puerto Rico, the Virgin Islands, Guam, American Samoa, the Canal Zone, and the District of Columbia.

"(d) The cost of the poliomyelitis vaccine shall be determined by the Surgeon General on the basis of information available to him; and such cost may be determined from time to time or as of a specified date and may be determined to be a single figure for all States or varied in accordance with actual cost.

"(e) The term 'approved nonprofit organization' means, in the case of any State, a nonprofit organization approved by the State agency responsible for administration or supervision of administration of the State plan."

And the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House to the title of the bill, and the House agree to the same.

J. PERCY PRIEST,
F. ERTEL CARLYLE,
KENNETH A. ROBERTS,
CHAS. A. WOLVERTON,
JOHN W. HESELTON,
Managers on the Part of the House.

LISTER HILL,
HERBERT H. LEHMAN,
By L. H.,
PAT MCNAMARA,
By L. H.,
H. ALEXANDER SMITH,
IRVING M. IVES,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2501) to amend the Public Health Service Act to authorize grants to States for the purpose of assisting States to provide children and expectant mothers an opportunity for vaccination against poliomyelitis, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House amendment struck out all of the Senate bill after the enacting clause and inserted a substitute text. The Senate recedes from its disagreement to the amendment of the House, with an amendment which is a substitute for both the Senate bill and the House amendment.

The differences between the House amendment and the substitute agreed to in conference are explained below, except for clerical and technical changes and such incidental changes as are necessary by reason of the decisions made by the committee of conference.

The House amendment provided for allotments to States based on 25 percent of the number of unvaccinated eligible persons in such State multiplied by the product of (A) the cost of the poliomyelitis vaccine per eligible person, and (B) the State's allotment percentage. The substitute has increased from 25 percent to 33⅓ percent the figure which determines the allotments to States.

The House amendment specified that funds authorized to be appropriated shall remain available until December 31, 1957. The substitute provides that such funds shall remain available until February 15, 1956.

The House amendment provided that 20 percent of allotments available to the States under the allotment formula should be available for planning poliomyelitis programs within the State and for conducting such programs through public agencies in the State in accordance with the State plan. The substitute provides that any part of such funds determined by the State to be in excess of the amount necessary for such purposes may be used for the purpose of purchasing additional poliomyelitis vaccine.

The House amendment required that a State plan, in order to be approved, must provide that vaccinations given under the plan must be made available "throughout" the State. The substitute uses the word "within" rather than the word "throughout" in order to provide more flexibility in the administration of the State plans by State agencies.

The House amendment provided that all authority should be exercised by the Secretary of Health, Education, and Welfare. The substitute provides, in line with the provisions of the Public Health Service Act, that all such authority shall be exercised by the Surgeon General under the general supervision and direction of the Secretary of Health, Education, and Welfare.

The House amendment did not provide specific authority for the Surgeon General to establish priority categories of eligible persons. The substitute gives to the Surgeon General this authority and also provides that the Surgeon General may make appropriate exceptions with regard to the categories so established.

J. PERCY PRIEST,
F. ERTEL CARLYLE,
KENNETH A. ROBERTS,
CHARLES A. WOLVERTON,
By J. P. P.,
JOHN HESELTON,
By J. P. P.
Managers on the Part of the House.

Mr. PRIEST. Mr. Speaker, I call up the conference report on the bill (S. 2501) to amend the Public Health Service Act to authorize grants to States for the purpose of assisting States to provide children and expectant mothers an opportunity for vaccination against poliomyelitis, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection?

The Clerk read the statement.

The SPEAKER. The question is on the conference report.

The conference report was agreed to, and a motion to reconsider was laid on the table.

Mr. PRIEST. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and I also ask unanimous consent that all Members who desire to do so may have permission to extend their remarks on the conference report just adopted.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. PRIEST. Mr. Speaker, this conference report is basically the House bill. There are one or two important changes which I believe should be explained.

In the first place the termination date was moved back to February 15, 1956. That will give both House and Senate committees an opportunity very early next year to look into the situation and to recommend to the Congress any further legislation that might seem to be necessary in the future, and it will give time for any supplemental appropriation that might be necessary, to carry out the program to be approved.

I want to emphasize that this legislation envisions a three-shot program. I believe it is safe to assume that whatever vaccine is available this fall, after the National Association for Infantile Paralysis has completed its program in the first and second grades, will be used for the next priority group for two shots of vaccine. In some instances, 7 months may not have elapsed before February 15.

But under the provisions of this bill we will have an opportunity early in the next session to reevaluate the entire program.

Another change agreed to in conference raised the percentage of the eligible unvaccinated population as contained in the House bill from 25 to 33⅓ percent. That percentage multiplied by the cost of the vaccine and then multiplied by the State's allotment percentage will determine the amount of money that may be allocated to each State.

The conference maintains most of the flexibility that the House bill provided at the State level, but accepts the Senate provisions granting to the Surgeon General the right to establish priorities and categories, but provides that he may deviate from a rigid priority setup in any given area if he finds the need can best be met by such deviation.

I believe, Mr. Speaker, that the provisions of the conference report will provide ample legislation on the part of Congress from now until the Congress will be in session again.

The supplemental appropriation bill contains an appropriation of $30 million which may be expended between now and February 15, and that amount appears to be adequate.

Mr. HESELTON. Mr. Speaker, I am delighted that the conferees have been able to submit to the House what I believe to be an excellent agreement in conference upon this very important legislation.

I am convinced that it should and will provide the respective officials in the Federal Government, the several State governments and the local communities, working with the scientists and medical groups, a most practical means of developing a program worthy of the approval of the American people. In fact, having been associated with this effort as a member of the responsible subcommittee of the House Committee on Interstate and Foreign Commerce and as a House conferee, I feel entirely confident that by the time Congress reassembles, it will be recognized that this particular legislation is one of the outstanding accomplishments of this session of the 84th Congress.

So far as I am concerned, I also want to testify to the fact that, under the able leadership of the gentleman from Tennessee [Mr. PRIEST], acting as chairman of the subcommittee and chairman of the full committee, there was not the slightest trace of partisanship or politics. Rather, there was a clear recognition of the committee's grave responsibility and a determined effort to present to the House the best possible legislation. If this Federal contribution leads to a quicker and surer prevention and final elimination of poliomyelitis, all those who have had any part whatsoever in the effort will be amply rewarded.

I want particularly to emphasize that in all her association with the subcommittee while it was trying to work out a satisfactory solution, Mrs. Oveta Hobby, former Secretary of the Department of Health, Education, and Welfare, met fully the great traditions of fine public service. This was equally true of Dr. Leonard A. Scheele and all those associated with the United States Public Health Service and the National Institutes of Health.

I want to pay particular tribute to Dr. William H. Sebrell, Jr., Director of the National Institutes of Health, who is retiring after 30 years of outstanding public service.

I know that all those who have had occasion to observe Dr. Scheele's very great contribution in the field of public health will join me in an expression of sincere appreciation of his efforts and accomplishments. This country has been very fortunate in his willingness to devote himself for so long as an able, conscientious, and most intelligent public official.

I shall not undertake to go into the details of the conference report but, rather, I wish to emphasize what I believe to be the unanimous opinion of the conferees—that this is a report which every Member of Congress can support with confidence, knowing that the respective committees are determined to keep closely in touch with the situation as it develops during the adjournment period so that they will be in a position to make any further recommendations which may be necessary early next year.

In conclusion, once more I wish to pay tribute to the foresight and objectivity of the chairman of the House Committee on Interstate and Foreign Commerce, the gentleman from Tennessee [Mr. PRIEST]. The record is crystal clear as to his recognition of the importance of timely and intelligent action by Congress following the announcement in April of the release of the first poliomyelitis vaccine developed for general use by Dr. Salk. His preparation of the committee program and the public record of the hearings held under his guidance prove beyond any question that he is entitled to and should receive the full credit for instituting an outstandingly intelligent and creative inquiry by the House committee, culminating today in this recommendation of final House action in this particular phase of the matter before us. I most sincerely and earnestly recommend its adoption by the House.

FARM INCOME

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. STAGGERS. Mr. Speaker, in the wealthiest Nation of the world, more than one-fourth of the farmers have cash incomes of less than $1,000 per year. Much has been done to improve the living standards of our farm families in the past several years but there is much left to be done. Social security has been extended to more than 5 million farmers and workers and many effective methods have been developed for increasing the productivity and raising the income of farmers.

Farming is the backbone industry of more than 40 States and the gross annual product of the farm is greater than the separate output of steel, automobiles, chemical, oil refining, and other industries. America's farms provide a living in whole or in part for 5.5 million families—more than 21 million persons.

The interests of farmers and the people in the cities are one and inseparable. Our fortunes are tied together. Each depends on the prosperity of the other to maintain and improve the living standards of all of us. We must, therefore, see that agriculture is healthy and provides a good solid foundation for the whole economy.

Right now our farmers are in serious trouble. Farm debt is increasing and farmers' purchasing power is the lowest since 1940. Seventy-five thousand small farms are being closed out each year, absorbed by the big farms which have increased 37 percent in number since 1935. In 4 years the farm population declined 3¼ million. Farm exports have fallen 30 percent in 4 years. One million farm families have inadequate incomes of $1,000 per year. Yet the Secretary of Agriculture says that farm prices and income have now reached a stage of "comparative stability," and have achieved a readjustment from wartime demands and prices.

The records show that the farmers' share of the national income has dropped from 12 percent in 1946 to 7.2 percent in 1954. During the same period big business profits have gone from 8.3 billions of dollars to 17.8 billions last year.

It is the responsibility of the farmers to feed and clothe the people of our country and help the other nations of the world. No group of Americans has done its job so well, yet no group is less rewarded. Yet, it seems we want to punish them by reducing their standard of living. The farmers' income is steadily going down while their mortgage debt is going up.

For the good of our country and the well-being of our citizens we must expand the opportunities to the million and a half farm families with these extremely low incomes. These low income families are good citizens and want to increase their contribution to the Nation's welfare and improve their own level of living. But they cannot do this under this present antagonistic program being carried forward under this administration which seems to be doing all it can for the big business interests in the Nation.

Big business has flourished more under this administration than any other administration in the Nation. It seems to be only those who represent these powerful business interests can get a sympathetic hearing at the present time. I maintain that it is our job to represent all the people—small as well as large—and to see that everyone gets a square deal. I have maintained since coming to Congress that the backbone of American economy is the small farmer. Every time in the history of the Nation when he isn't faring so well we have a depression.

Ask any poultry raiser how he is doing. Ask any dairyman today how he is going. Ask any cattle raiser, or any small farmer, who raises produce for the market places. And yet everything that the farmer buys is going up—the cost of steel which goes into the farm machinery—the cost of cars and trucks which he must make use of—the cost of processing any of the raw materials which have to be sold in the market to the consumer. Something is wrong.

Secretary Benson says we have gotten the farmers down to where they belong. I don't agree with any such statement. I think it is wrong. It is almost treasonable to the interest of America.

I would like to refer for a moment to what this administration is costing the American farmer. The latest figures of the Department of Agriculture are to the effect that the farmer's land and buildings are worth $2 billion less than they were 3 years ago. The value of his cattle is $4 billion less than it was 3 years ago. That means $6 billion. His hogs are worth $2 billion less than they were 3 years ago. That makes $8 billion. His poultry and his grain and his cotton and his dairy products are worth another $2 billion less than they were 3 years ago.

But Mr. Benson predicts agriculture is leveling off; that the farmers should cheer up; farm prices will only sink another 5 percent next year.

This administration continues to subsidize big business in tax write-offs, etc., to the tune of millions of dollars—yet when a little bit of money is proposed to help the small farmer, a great howl goes up from the business interests.

The small business in every community is faring just as badly because they don't have a voice in the inner circle—failures are running high.

Having been raised on a farm I know some of the problems facing this group. The inequities and injustices that are happening to the small farmer are most perturbing.

As a Member of the United States Congress I have dedicated myself to represent all the citizens in the Second Congressional District of West Virginia. I especially feel that the farmers of my district, as well as those throughout the country, need our wholehearted cooperation. I welcome their views at all times on anything pertaining to their welfare and the interest of the Nation as a whole, for there is no more loyal and patriotic group of citizens to be found in these United States of America.

GOVERNMENT BOND PRICES

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes and to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, Government bond prices yesterday took a severe and drastic dip. The 3 percent bonds recently issued fell off 10 32s, which is considered 10 points. That is a drastic reduction in 1 day. All bonds fell in price.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. What particular time is the gentleman talking about?

Mr. PATMAN. Yesterday, Monday, August 1. Now, that means that the bonds, the 72 67s, September and December, are down below 94. They are 93. There is no reason on earth why these bonds should be below par. The Open Market Committee of the Federal Reserve System can, without cost—remember this, please, without cost; it will not cost the Government 1 penny on earth—keep these bonds at par. And, they should be kept at par. Here is where the Congress has a responsibility. The people who are managing the bond prices are servants and agents of the Congress. They are our agents; they are our servants. And one of these days when they take a drastic step that is devastating and destructive to the interests of the people, we are going to be blamed for it.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. HOFFMAN of Michigan. Now, we just turned over the transit system to the Commissioners. Is there any distinct group that we could turn this problem over to?

Mr. PATMAN. This is national, and, of course, it applies to the 48 States and the District of Columbia. It is not a local issue, of course.

Mr. HOFFMAN of Michigan. Is there a similar body that we could turn it over to?

Mr. PATMAN. Yes. We turned it over to a similar body. Now, that is the trouble.

Mr. HOFFMAN of Michigan. The gentleman means the Federal Reserve outfit?

Mr. PATMAN. The Open Market Committee of the Federal Reserve. There are five representatives of private banks on there, and they can look after their own interests on that board, which they are doing, and they are doing a good job looking after their interests, but while they are doing that they are hurting the public interest, and the Congress is letting them continue to do it.

Mr. MILLER of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Nebraska.

Mr. MILLER of Nebraska. The gentleman is an expert on finance.

Mr. PATMAN. I disclaim that part.

Mr. MILLER of Nebraska. Supposing bonds were kept above par, would that be inflationary?

Mr. PATMAN. Not necessarily so. There are several ways to keep down inflation. They could raise the rediscount rate if they wanted to, or they could change the reserve requirements of the banks. There are several ways to prevent inflation. You do not have to reduce the price of bonds to prevent inflation. This is a cruel remedy. Now, one thing that is happening now that was not known until recently, they are actually selling Government bonds short, selling them short in a market that is unregulated, an unregulated Government bond market, selling the bonds short. It is something that should receive the attention of the United States Congress.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield further?

Mr. PATMAN. I yield.

Mr. HOFFMAN of Michigan. Now, I do not have any bonds and I do not know anything about the market or selling, but what does the gentleman mean? Does the gentleman mean that the United States Government is selling its bonds for less than they are worth?

Mr. PATMAN. No.

Mr. HOFFMAN of Michigan. Explain that to me.

Mr. PATMAN. The private dealers are selling them short.

Mr. HOFFMAN of Michigan. Short bonds?

Mr. PATMAN. Government bonds. And they are being helped by our Government, the agents of the United States Congress, the agents of the gentleman from Michigan. They are aiding and abetting the short selling of these bonds. And, he is responsible. The gentleman from Michigan and the gentleman from Texas are responsible.

Mr. HOFFMAN of Michigan. Does the gentleman mean I am responsible?

Mr. PATMAN. Yes, the gentleman is responsible. They are your agents.

Mr. HOFFMAN of Michigan. But I do not own any bonds.

Mr. PATMAN. I know.

Mr. HOFFMAN of Michigan. And I am not selling any bonds.

Mr. PATMAN. The gentleman is a very valuable and able representative of the people from Michigan——

Mr. HOFFMAN of Michigan. Oh, that I admit.

Mr. PATMAN. And the Constitution charges the Congress with a duty, and in charging the Congress with a duty the gentleman assumes a part of that responsibility when he takes his oath of office.

Mr. HOFFMAN of Michigan. What I want to know is what this short business is.

Mr. PATMAN. Well, it is selling them short.

Mr. HOFFMAN of Michigan. I do not know what the gentleman means when he says "selling them short."

FLUCTUATIONS IN GOVERNMENT BOND PRICES, 1953, 1954, AND 1955

Mr. PATMAN. The following table shows how long-term United States Treasury bond prices have fluctuated during the last 2 years of flexible-monetary and debt-management policies. June 1, 1953, represents the low point reached in the Government bond market following the tight credit policies of early 1953. July 16, 1954, marks the peak in bond prices reached during the recession in business and the Federal Reserve's temporary shift to easy money. August 2, 1955, represents the low point reached in the period of so-called mild restraint.

Bond issue	June 1, 1953	July 16, 1954	Aug. 2, 1955
2½s 62–59	98 5/32	101 14/32	96 29/32
2½s 64–69	90 27/32	101 13/32	94 5/32
2½s 67–72	90 4/32	100 23/32	93 29/32
3½s 78–83	98 29/32	111 13/32	104

A change of one thirty-second in the price of long-term Government bonds is equivalent to $312.50 per million. The change in points in Government bond prices for the period June 1, 1953, to August 2, 1955, is shown in the following table:

Bond issue	Change in points	
	June 1, 1953, to July 16, 1954	July 16, 1954, to Aug. 2, 1955
2½s 62–59	+9 5/32	-3 29/32
2½s 64–69	+10 17/32	-7 5/32
2½s 67–72	+10 8/32	-6 7/32
3½s 83–78	+12 9/32	-7 3/32

The 40-year 3-percent bonds were not outstanding in 1953 and, therefore, could not be included for comparative purposes in the table above. However, these bonds first issued in February of 1955 were marked down considerably as a result of heavy selling in July. As a result, the 3-percent bonds broke below their par price for the first time since their issuance. Between June 14, 1955, and August 2, 1955, the 3-percent bonds fell from 101 9/32 to 98 20/32 a loss of 2 21/32.

SHORT SELLING OF GOVERNMENT BONDS BY DEALERS

Sales by Government bond dealers for future delivery—so-called short selling—played a role in the decline of the 3-percent bonds. The American Banker, July 29, 1955, noted:

> Last Friday the 3-percent bonds broke par and on Monday they were really weak and are reported to have sold as low as 99.19. This weakness was in spite of the Federal doing some buying for the Treasury trust funds; and a State fund also being a buyer.
>
> The dealers who were selling 3's for future delivery at slightly under par have already done very well.
>
> Smaller banks are getting a little worried by the fact that the market for their Governments is so much under the values on their books.

I have made inquiry of Chairman Martin of the Board of Governors of the Federal Reserve System as to the extent of short-selling of Government bonds by addressing a letter to him as follows:

JULY 15, 1955.

Mr. WILLIAM MCCHESNEY MARTIN, Jr.,
Chairman, Board of Governors of the Federal Reserve System,
Washington, D. C.

DEAR MR. MARTIN: It would be of great interest to me if you could let me know the extent to which the Government bond market may be characterized by short selling. I would be interested in knowing what the institutional procedures are for short selling of Government bonds, the volume of such sales, and the trend. I assume that the Open Market Committee in its dealing with recognized dealers probably receives regular reports on their financial position, and hence on their short- and long-inventory positions.

Very truly yours,

WRIGHT PATMAN.

An answer has been promised almost daily, but to date, no answer has been received.

The SPEAKER. The time of the gentleman from Texas has expired.

LEGISLATIVE APPROPRIATION BILL FOR THE FISCAL YEAR ENDING JUNE 30, 1956

Mr. TRIMBLE, from the Committee on Rules, reported the following privileged resolution (H. Res. 337) which was referred to the House calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to consider the conference report on the bill H. R. 7117, making appropriations for the legislative branch for the fiscal year ending June 30, 1956, and for other purposes, and all points of order against the conference report are hereby waived; that during the consideration of the amendments of the Senate to the bill H. R. 7117 reported from the conference committee in disagreement it shall be in order, notwithstanding any rule of the House to the contrary, to move that the House recede from its disagreement to any such amendment and concur therein with an amendment inserting in the proper place in the bill any or all of the parts of the provisions of the bill H. R. 7440 and any amendments thereto as agreed upon by the House conferees on the bill H. R. 7117.

Mr. TRIMBLE. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

At this time I yield myself such time as I may require.

This rule waives points of order on the conference report on the legislative appropriation bill. Briefly, it simply waives points of order for the substitution of certain features of H. R. 7440. Since the reading of the statement by the managers on the part of the House by the Clerk has indicated the purpose of the rule, I know of no need to take up further time of the House and I reserve the balance of my time.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 3 minutes to the gentleman from Iowa [Mr. LECOMPTE].

Mr. LECOMPTE. Mr. Speaker, I asked for this time in order to undertake to find out just what this resolution does. Yesterday we adopted in the House a continuing resolution. I have been told that the other body adopted the same resolution. That was with respect to salaries of employees of the House, the stationery account, and employment of help in offices of individual Members.

What does the resolution do that we have before us now?

Mr. TRIMBLE. The resolution before us simply inserts, not all of the provisions, but some of the provisions of H. R. 7440.

Mr. LECOMPTE. That is what I am getting at. How much of H. R. 7440 does it make in order?

Mr. TRIMBLE. It deletes from H. R. 7440 the stationery allowance.

Mr. LECOMPTE. What about all those salary increases? There were perhaps a hundred salary increases provided in H. R. 7440.

Mr. TRIMBLE. Those are all included, except for certain features. If the gentleman from Iowa will permit, I should like to yield to the gentleman from New York [Mr. ROONEY] who was one of the managers on the part of the House in the conference, to go into greater detail.

Mr. LECOMPTE. I should be glad to yield to the gentleman from New York.

Mr. ROONEY. With regard to salary increases contained in H. R. 7440, I can make the general statement that all of them concern the little people of the House, with just 1 or 2 exceptions. These are people such as our file clerks, bookkeepers, locksmiths, laborers, janitors, typewriter repairers, and messengers. They are all listed, as the gentleman from Iowa well knows, in H. R. 7440. It will be proposed, if we initiate this action by adoption of this rule, that these increases be approved, that clerk hire for Members, Delegates, and the Resident Commissioner shall be in the amount of $17,500 basic per annum, instead of $20,000 as was proposed by the gentleman's committee.

Mr. LECOMPTE. That will mean $35,000.

Mr. ROONEY. If the gentleman will permit me to fully answer his question first, then I shall be glad to yield.

The pending legislation contains a limitation of $14,800 per annun gross on House committee employees. That amount is discretionary, not mandatory. The pending legislation would strike out section 14 of H. R. 7440 with regard to an increase in the stationery allowance; and make the act effective as of the 1st of August 1955.

Mr. LECOMPTE. Under the terms of the bill, as I understand the gentleman, clerks of committees may have their salaries raised to a point where they will get a higher salary than is received by the Clerk of the House.

Mr. ROONEY. That is correct. This bill does not provide salary raises for the people in the higher echelons of employment in the House. For instance, the present salaries of the Clerk of the House, the Sergeant at Arms, and the Doorkeeper are not raised. The salaries of employees at the front desk are not raised in the pending appropriation bill. I regret all this very much, but that is what is before the House and now in the conference. Personally, I deplore having the other body pay the Secretary of the Senate $17,500 per annun while the much more important and arduous position of Clerk of the House of Representative carries only $14,300.

Mr. LECOMPTE. The clerks of the committees can be raised to $14,000 or nearly $15,000 under this provision.

Mr. ROONEY. That is correct. That is the same amount provided in this appropriation bill for the legislative branch for clerks of committees of the other body.

Mr. LECOMPTE. That is the very bill that six of us opposed and on which we filed a minority report, if I understand the gentleman correctly.

Mr. ROONEY. No. That bill has been amended in accordance with the statements I made a while ago. It is my understanding that these amendments were made by agreement among the leadership on both sides of the aisle.

Mr. LECOMPTE. This resolution will make in order the consideration of legislation on a conference report, because that is what it is, and you have made it possible to raise the salary of the highest paid person in your office from $6,000 to $7,000 basic.

Mr. ROONEY. That is correct, but it increases the allowance for clerk hire in one's office only $2,500, the difference between the present $15,000 and $17,500 provided in the pending legislation.

Mr. LECOMPTE. It raises it from $15,000 to $17,500, which is a raise to about $35,000, depending on how it would be distributed.

Mr. ROONEY. I do not believe the gentleman's figures are correct.

Mr. OLIVER P. BOLTON. If the gentleman will yield, that $35,000 figure is reachable, is it not, only if the maximum paid any employee in your office was $2,250 basic and you had 7 employees at that figure basic.

Mr. LECOMPTE. No; if you had one at the maximum and had several at a very low figure. The lower the basic figure the larger percentage the increase is. The gentleman from Missouri figured that out very quickly and carefully the other day and said it could easily go to $35,000. I am referring to the remarks of the gentleman from Missouri, [Mr. SMITH].

I am unalterably opposed at this time, after we have already voted a 7.5-percent increase, to adding an increase for practically all the help all around the Capitol. I think the taxpayers are satisfied that the Members of the House are getting enough money as well as the help. This bill will cost several million dollars, I believe, but far less than was originally planned by those who have urged adoption of this legislation. The opposition we have made has cut the total cost to less than half.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio [Mr. OLIVER P. BOLTON].

Mr. OLIVER P. BOLTON. Mr. Speaker, I have asked for this time to explain my position on this bill because I have worked closely in the past months with many of my colleagues on one of these provisions. Being on the Committee on House Administration, which considered and backed the raise in our office appropriation, I felt it incumbent upon me to explain my position.

When we originally came to consider the clerk hire of Members the desire of those who wished to see that clerk hire increased was based not on making it possible tc increase the allowance for those people who are now in our offices but rather on being able to hire one additional exceedingly competent person in our office who could serve as a research assistant.

In the House Administration Committee there were efforts made to delineate that so that this extra fund could not be taken and considered as a general fund for increasing those employees who are now in our offices. Instead of the $7,500, that was reduced to $5,000 basic, under the belief that it would be possible for that $5,000 basic to hire one good young lawyer to come down here and be a competent and able research assistant. So that each one of us in this House would be equally equipped or at least somewhere equally equipped with the Members of the other body to do our jobs. I can say that there is one man who is considerably respected in this House and who has been here many

years who put his arm around my shoulder in discussing this and said to me, "Yes, it would be good to know the details of all pieces of legislation when we come to the floor to consider it." That is the basis behind the request for $5,000 additional in our basic office allowance.

The committee in its wisdom saw fit to reduce that to $2,500. It is now up to you and to me in our judgment to determine whether with that additional $2,500 we think we can do that extra job and whether, in fact, we actually are merely adding additional office hire money for those whom we now have in our office.

Mr. TRIMBLE. Mr. Speaker, I yield 4 minutes to the gentleman from Ohio [Mr. HAYS].

Mr. HAYS of Ohio. Mr. Speaker, the subcommittee on accounts first handled this bill and it had extensive hearings and worked a good many weeks on the matter. I would like to pay particular attention to what my good friend from Iowa said about a general raise for all the employees of the House. I do not believe the bill does that. I think I am as familiar as anyone on the floor with it, and I am certain it was not the intent of the committee to do that. What the bill attempts to do as far as those people are concerned is to equalize and adjust the compensation so that the people doing similar jobs get the same pay. I do not want to take a lot of the time of the House to go into a detailed explanation, but I simply say in one instance we found a clerk or stenographer, I believe she was called, getting $2,500 base and in the next office a girl doing exactly the same work, a stenographer, was getting $3,000 base. That kind of situation existed over and over again. We had people doing the work of doorkeepers who were called something else and who were getting a different pay than the doorkeepers were getting.

This thing had become over the years a hodgepodge because some of these titles were created by special resolution without any reference to the salaries being paid for comparable jobs. We worked very hard trying to get the thing equitable. I am sure we could have spent a lot more time and not have gotten it perfect, but I think it is a lot better than it was. I want to say further we had this bill ready once before, and at the suggestion of the leadership we sent it to the great Committee on Appropriations who at that point refused to have anything to do with it. So it came back to our committee and we had more hearings and we tailored it to meet the objections of some of the leaders, especially on the minority side—and I am not complaining because I think, perhaps, they had a legitimate complaint about one or two items. Then we reported it out of committee and we got a rule on it. It was sent back again to the Committee on Appropriations and, as the gentleman from Ohio [Mr. OLIVER P. BOLTON] pointed out, in their wisdom they have deleted the part which was designed to do for the Members a job that the majority of the Members told my subcommittee they wanted to do. As far as I can see, this additional compensation is going to create a problem for many people with their present employees coming in and saying, "how are you going to divide it up?", without giving the Member a chance to hire another one person, the expert that they wanted to hire. But again it was taken from the House Committee on Administration and the decision was made by the Committee on Appropriations and the Membership is faced with it now.

Mr. LECOMPTE. Mr. Speaker, will the gentleman yield?

Mr. HAYS of Ohio. I yield.

Mr. LECOMPTE. The gentleman quoted me as saying I thought all the help around the House was increased in pay. I do not know—but glancing hurriedly at this bill, I will say that the resolution may not include all of the provisions of this bill. We do not have it before us and we do not know.

Mr. HAYS of Ohio. As I understand it, may I say to the gentleman, the resolution includes all the provisions of that bill except some amendments to the part which included additional pay hire for Members, and the gentleman will recall in the committee that in some of the titles which are included, there is no pay increase at all. We simply called a barber a barber instead of calling him a porter or something as they were called in some of the old resolutions.

A lot of those positions were reclassified to get the correct title so that a man who was a doorkeeper would be called a doorkeeper and not a barber, and others along the same line.

Mr. LECOMPTE. But, referring to the conversation in the committee, does the gentleman remember I asked about the duties of 1 or 2, and the gentleman said as a matter of fact they had no duties except to serve the Republican or Democratic National Committee; that is actually what they are doing. I said, "Let us abolish these offices." The gentleman said, "You will run into a lot of trouble with the leadership on both sides if you try that."

Mr. HAYS of Ohio. That was in executive session, but the gentleman is reporting probably very close to the true situation. I am not trying to conceal it, and I would not be for abolishing them. I think you would just get more trouble if you did.

Mr. TRIMBLE. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. ROONEY].

Mr. ROONEY. Mr. Speaker, I should really have but little to say as we are about to vote on this rule. This represents the judgment of a great many distinguished and capable folks on both sides of the aisle. As a taxpayer I am not at all satisfied with the action of the other body as to their part of this bill. But we have not permitted them either to deny us or to write into this bill for us what we should or should not have in the House. As to the provisions in the present bill for the House I thought many of them were too modest. I thought that the clerk hire should have been increased to $20,000. But when you get into a conference and have to dispose of the matter in the closing hours of a session of Congress you must compromise; and that is exactly the sort of thing we now have before us.

The question is, Do you want these provisions or nothing?

Mr. LECOMPTE. Mr. Speaker, will the gentleman yield?

Mr. ROONEY. I gladly yield to my friend and colleague from Iowa.

Mr. LECOMPTE. What does the continuing resolution that was adopted yesterday mean in the light of this resolution?

Mr. ROONEY. It is expected that the continuing resolution—and I understand it is still being held over in the other body—might be reconsidered by the other body after we pass this conference report and the Senate acts thereon. In any event it would be superseded by the terms of this conference report on the regular legislative appropriation bill.

The SPEAKER. The question is on the resolution.

Mr. LECOMPTE. On that question I ask for the yeas and nays.

The SPEAKER. On the resolution?

Mr. LECOMPTE. Yes. A parliamentary inquiry, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. LECOMPTE. Is not this the only opportunity to get a rollcall vote on the question of adopting the provisions of the resolution?

The SPEAKER. The vote would come on the question to recede and concur with an amendment. That is the real thing.

Mr. LECOMPTE. Mr. Speaker, I withdraw my request.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

LEGISLATIVE APPROPRIATION BILL, 1956

Mr. ROONEY submitted the following conference report and statement on the bill (H. R. 7117) making appropriations for the legislative branch for the fiscal year ending June 30, 1956, and for other purposes:

CONFERENCE REPORT (H REPT. No. 1627)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7117) "making appropriations for the legislative branch for the fiscal year ending June 30, 1956, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 65, 66, 69, and 77.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 53, 54, 55, 56, 57, 58, 59, 60, 62, 63, 64, 68, 70, 71, 72, 76, 78, 80, 81, 82, and 83, and agree to the same.

Amendment numbered 61: That the House recede from its disagreement to the amendment of the Senate numbered 61, and agree to the same with an amendment, as follows: In lieu of the matter stricken out and in-

serted by said amendment, insert the following: "and Second Assistant Architect of the Capitol, at salary rates of $17,500, $14,800, and $2,500 additional so long as the position is held by the present incumbent, and $14,300 per annum, respectively,"; and the Senate agree to the same.

Amendment numbered 67: That the House recede from its disagreement to the amendment of the Senate numbered 67, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,140,000"; and the Senate agree to the same.

Amendment numbered 73: That the House recede from its disagreement to the amendment of the Senate numbered 73, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$732,500"; and the Senate agree to the same.

Amendment numbered 74: That the House recede from its disagreement to the amendment of the Senate numbered 74, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$4,860,000"; and the Senate agree to the same.

Amendment numbered 75: That the House recede from its disagreement to the amendment of the Senate numbered 75, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,158,060"; and the Senate agree to the same.

Amendment numbered 79: That the House recede from its disagreement to the amendment of the Senate numbered 79, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment, amended to read as follows: "not to exceed $7,500"; and the Senate agree to the same.

The committee of conference report in disagreement amendment numbered 52.

W. F. NORRELL,
MICHAEL J. KIRWAN,
JOHN J. ROONEY,
CLARENCE CANNON,
WALT HORAN,
FRANK T. BOW,
JOHN TABER,
Managers on the Part of the House.

EARLE C. CLEMENTS,
DENNIS CHAVEZ,
CARL HAYDEN,
LEVERETT SALTONSTALL,
WM. F. KNOWLAND,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7117) making appropriations for the legislative branch for the fiscal year ending June 30, 1956, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

SENATE

Amendment Nos. 1 through 51: Provide appropriations for the operations of the Senate and joint activities as proposed by the Senate.

Amendment No. 52: Reported in disagreement.

Amendment No. 53: Inserts language relating to compensation of Senate employees as proposed by the Senate.

CAPITOL POLICE

Amendment No. 54: Appropriates $76,040 for the Capitol Police Board as proposed by the Senate instead of $75,690 as proposed by the House.

Amendment No. 55: Inserts language proposed by the Senate.

OFFICE OF THE LEGISLATIVE COUNSEL

Amendment Nos. 56 and 57: Appropriate $290,000 of which $153,000 shall be disbursed by the Secretary of the Senate as proposed by the Senate instead of $274,000 and $137,000 respectively as proposed by the House.

Amendment No. 58: Inserts language proposed by the Senate.

JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES

Amendment No. 59: Apropriates $22,500 for the Joint Committee on Reduction of Nonessential Federal Expenditures as proposed by the Senate.

STATEMENT OF APPROPRIATIONS

Amendment No. 60: Appropriates $8,000 as proposed by the Senate instead of $6,000 as proposed by the House.

ARCHITECT OF THE CAPITOL

Amendments Nos. 61 and 62: Insert language relating to positions and salaries in the Office of the Achitect of the Capitol.

Amendment No. 63: Appropriates $186,200 for "Salaries" as proposed by the Senate instead of $179,000 as proposed by the House.

Amendment No. 64: Appropriates $50,000 for "Contingent expenses" as proposed by the Senate instead of $25,000 as proposed by the House.

Amendment No. 65: Deletes language proposed by the Senate.

Amendment No. 66: Deletes language proposed by the Senate.

Amendment No. 67: Appropriates $1,140,000 for "Capitol Buildings" instead of $825,000 as proposed by the House and $1,160,100 as proposed by the Senate.

Amendment No. 68: Provides that $285,000 of the funds appropriated for "Capitol Buildings" shall be available for the installation of two additional elevators in the Senate wing of the Capitol as proposed by the Senate.

Amendment No. 69: Strike language proposed by the Senate and restore language proposed by the House and stricken by the Senate.

Amendment No. 70: Appropriates $3,500 for "Subway transportation, Capitol and Senate Office Buildings" as proposed by the Senate.

Amendment No. 71: Appropriate $960,690 for maintenance of the Senate Office Building as proposed by the Senate.

Amendment No. 72: Appropriates $8,500,000 for "Construction and equipment of additional Senate Office Building" as proposed by the Senate.

Amendment No. 73: Appropriates $732,500 for "Structural and mechanical care, Library buildings and grounds" instead of $600,000 as proposed by the House and $865,000 as proposed by the Senate.

LIBRARY OF CONGRESS

Amendment No. 74: Appropriates $4,860,000 for "Salaries and expenses" instead of $4,850,000 as proposed by the House and $4,880,895 as proposed by the Senate.

Amendment No. 75: Appropriates $1,158,060 for "Salaries and expenses, Copyright Office" instead of $1,140,000 as proposed by the House and $1,176,120 as proposed by the Senate.

Amendment No. 76: Appropriates $984,877 for "Salaries and expenses, Legislative Reference Service" as proposed by the Senate instead of $925,000 as proposed by the House.

Amendment No. 77: Appropriates $1,350,000 for "Salaries and expenses, Distribution of Catalog Cards" as proposed by the House instead of $1,375,000 as proposed by the Senate.

Amendment No. 78: Appropriates $300,000 for "General increase of the Library" as proposed by the Senate instead of $280,000 as proposed by the House.

GOVERNMENT PRINTING OFFICE

Amendment No. 79: Limits amount for printing and binding for the Architect of the Capitol to $7,500 instead of $5,000 as proposed by the House and stricken by the Senate.

Amendment No. 80: Inserts language concerning the Government Printing Office revolving fund as proposed by the Senate.

THEODORE ROOSEVELT CENTENNIAL COMMISSION

Amendment No. 81: Appropriates $10,000 for the Theodore Roosevelt Centennial Commission as proposed by the Senate.

COMMISSION ON GOVERNMENT SECURITY

Amendment No. 82: Appropriates $50,000 for the Commission on Government Security as proposed by the Senate.

WOODROW WILSON CENTENNIAL CELEBRATION COMMISSION

Amendment No. 83: Appropriates $41,500 for the Woodrow Wilson Centennial Celebration Commission as proposed by the Senate.

W. F. NORRELL,
MICHAEL J. KIRWAN,
JOHN J. ROONEY,
CLARENCE CANNON,
WALT HORAN,
FRANK T. BOW,
JOHN TABER,
Managers on the Part of the House.

Mr. ROONEY. Mr. Speaker, I call up the conference report on the bill (H. R. 7117) making appropriations for the legislative branch for the fiscal year ending June 30, 1956, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House may be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the statement.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 52. On page 17, line 9, insert the following:

"The basic compensation of any employee of any joint committee of the Senate and House of Representatives whose basic compensation is paid from the contingent fund of the Senate, of any select committee of the Senate (including the conference majority and conference minority of the Senate), or of any subcommittee of a standing or select committee of the Senate, shall not exceed $8,000 per annum. Notwithstanding the foregoing provisions of this paragraph and the provisions of section 202 (e) of the Legislative Reorganization Act of 1946, as amended (2 U. S. C. 72a (e)), the joint resolution entitled 'Joint resolution providing for a more effective staff organization for standing committees of the Senate,' approved February 19, 1947, as amended (2 U. S. C. 72a–1), and the paragraph under the heading 'Senate Policy Committee' in the First Supplemental Appropriation Act, 1947, the basic compensation of one employee of each standing or select committee of the Senate (including the majority and minority policy committees and the majority conference of the Senate and the minority conference of the Senate), and each joint committee of the two Houses, the expenses of which are paid from the contingent fund of the Senate, whose basic compensation may be fixed under such provisions at a rate of $8,000 per annum, may be fixed at any rate not in excess of $8,820 per annum and, the basic compensation of one employee of each such committee may be fixed at any rate not in excess of $8,460

per annum. For the purpose of this paragraph, an employee of a subcommittee shall be considered to be an employee of the full committee."

Mr. ROONEY. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. ROONEY moves that the House recede from its disagreement to the amendment of the Senate numbered 52, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

"The basic compensation of any employee of any joint committee of the Senate and House of Representatives whose basic compensation is paid from the contingent fund of the Senate, of any select committee of the Senate (including the conference majority and conference minority of the Senate), or of any subcommittee of a standing or select committee of the Senate, shall not exceed $8,000 per annum. Notwithstanding the foregoing provisions of this paragraph and the provisions of section 202 (e) of the Legislative Reorganization Act of 1946, as amended (2 U. S. C. 72a (e)), the joint resolution entitled 'Joint resolution providing for a more effective staff organization for standing committees of the Senate,' approved February 19, 1947, as amended (2 U. S. C. 72a–1), and the paragraph under the heading 'Senate Policy Committee' in the First Supplemental Appropriation Act, 1947, the basic compensation of one employee of each standing or select committee of the Senate (including the majority and minority policy committees and the majority conference of the Senate and the minority conference of the Senate), and each joint committee of the two Houses, the expenses of which are paid from the contingent fund of the Senate, whose basic compensation may be fixed under such provisions at a rate of $8,000 per annum, may be fixed at any rate not in excess of $8,820 per annum and, the basic compensation of one employee of each such committee may be fixed at any rate not in excess of $8,460 per annum. For the purpose of this paragraph, an employee of a subcommittee shall be considered to be an employee of the full committee.

"HOUSE OF REPRESENTATIVES

"The following changes are made with respect to positions under the Clerk of the House of Representatives:

"(1) The title of each position shown below in the first column shall be that shown in the second column and, notwithstanding any other provision of law, the basic per annum salary of such position shall be the amount shown in the third column.

"Former title	Title	Basic salary
Assistant reading clerk	Reading clerk No. 3	$6,000
Stenographer to the Clerk.	Secretary to the Clerk	3,000
Chief bill clerk	Bill clerk	5,000
1 Assistant to chief bill clerk.	Assistant to bill clerk	2,100
2 Assistant to chief bill clerk.	Assistant to enrolling clerk.	2,500
3 Assistant to chief bill clerk.	Assistant to bill clerk	2,100
Retirement expert House disbursing office.	Assistant in disbursing office (retirement).	5,000
1 Administrative assistant to Clerk.	Administrative assistant to Clerk (retirement).	5,000
1 Assistant to disbursing clerk.	Personnel clerk	3,600
Bookkeeper in disbursing office.	Assistant in disbursing office.	3,000
Bookkeeper and cashier.	Bookkeeper and billing clerk (stationery room).	3,000
Bookkeeper and voucher clerk.	Bookkeeper and voucher clerk (stationery room).	2,800
2 Assistant property custodian.	Assistant to property custodian (electrical and mechanical office equipment).	$3,360
3 Assistant property custodian.	Assistant to property custodian (manual typewriter equipment).	2,800
Locksmith and typewriter repairer.	Assistant to property custodian (manual typewriter equipment).	2,700
Messenger and clock repairer.	Assistant to property custodian (electrical and mechanical office equipment).	2,700
Assistant in stationery room.	Clerk-typist	2,160
Messenger in stationery room.	Clerk (stationery room)	2,160
4 Laborer	Clerk (stationery room)	2,160
7 Laborer	Clerk (stationery room)	2,160
Assistant property custodian.	Administrative assistant.	3,800

"(2) The position of 'reading clerk No. 3' set forth in the table in paragraph (1) of this section shall terminate whenever a vacancy occurs in a position of 'reading clerk.'

"(3) Notwithstanding any other provision of law, the basic salary for the position shown below in the first column shall be the amount shown in the second column.

"Title	Basic salary
1 clerk	$3,000
2 clerk	3,200
File clerk	4,000
Assistant file clerk	3,000
Librarian	3,000
2 assistant in disbursing office	3,000
3 assistant in disbursing office	3,000
Stationery clerk	4,000
Assistant stationery clerk	3,000
Secretary (Joint Recording Facility)	2,250
Messenger (payroll Nos. 1, 2, and 3)	1,740
Laborer (payroll Nos. 1, 2, 3, and 1 through 10)	1,650

"(4) The title of one position of 'assistant clerk, house administration' is changed to 'assistant in disbursing office' and the basic salary for such position shall be $3,000 per annum. Such position shall be under the Clerk of the House of Representatives on and after the effective date of this section.

"(5) The position of 'administrative assistant (Joint Recording Facility)' is created at the basic salary of $4,800 per annum.

"SEC. 2. The following changes are made with respect to positions under the Sergeant at Arms:

"(1) The title of each position shown below in the first column shall be that shown in the second column and, notwithstanding any other provision of law, the basic per annum salary of such position shall be the amount shown in the third column.

"Former title	Title	Basic salary
Pair clerk and messenger.	Stenographer	$2,820
1 Bookkeeper	Assistant bookkeeper	3,480
2 Bookkeeper	Assistant bookkeeper	3,480
Stenographer	Bookkeeper	4,000
Skilled laborer	Clerk-messenger	2,160

"(2) Notwithstanding any other provision of law, the basic salary for the position shown below in the first column shall be the amount shown in the second column.

"Title	Basic salary
Deputy Sergeant at Arms in charge of pairs	$5,000
Deputy Sergeant at Arms (charge of mace)	4,000
Special assistant Sergeant at Arms	3,500
1 assistant cashier	5,000
2 assistant cashier	5,000

"SEC. 3. The following changes are made with respect to positions under the Doorkeeper:

"(1) The title of each position shown below in the first column shall be that shown in the second column and, notwithstanding any other provision of law, the basic per annum salary of such position shall be the amount shown in the third column.

"Former title	Title	Basic salary
Stenographer	Secretary to Doorkeeper.	$3,000
Chief messenger	Chief doorman, House gallery.	2,500
Messenger (payroll numbers 1 through 5 and 7 through 16).	Doorman	1,900
Messenger (soldiers' roll) (payroll numbers 1 through 14).	Doorman	1,900
Chief clerk (folding room).	Assistant superintendent, folding room.	3,500
2 Laborer (folding room).	Baling machine operator, folding room.	1,650
20 Folder	Janitor-Messenger	1,650
6 Messenger	Chief doorman, House floor.	2,500
12 Folder	Checkroom attendant, House gallery;	1,650
15 Folder	Supervisor, speech section, folding room.	2,460
27 Folder	Speech clerk, folding room.	2,460
Shipping clerk	Supervisor of mail, folding room.	2,160
11 Folder	Secretary, folding room.	1,800
7 Folder	Maintenance mechanic (folding room).	2,160
22 Folder	Messenger, folding room.	1,740

"(2) The title of 4 positions of 'laborer (cloakroom)' (payroll numbers 1 through 4), at the basic per annum salary for each such position of $1,380, is changed to 'cloakroom attendant.' The title of the position of '1 laborer' is changed to 'chief barber, Capitol' and the basic salary of such position shall be $1,500 per annum. The title of the position of 'laborer (cloakroom)' is changed to 'chief barber, Old House Office Building' and the basic salary of such position shall be $1,500 per annum. The title of 6 positions of 'laborer (cloakroom)' (payroll numbers 1 through 6) is changed to 'barber' and the basic salary for each such position shall be $1,400 per annum. The title of 3 positions of 'clerk' (folding room) (payroll numbers 1 through 3) is changed to 'ledger clerk, folding room' and the basic salary for each such position shall be $2,460 per annum.

"(3) Notwithstanding any other provision of law, the basic salary for the position shown below in the first column shall be the amount shown in the second column.

"Title	Basic salary
1 floor manager of telephones, majority	$5,500
2 floor manager of telephones, minority	5,500
1 chief page (majority)	5,000
2 chief page (minority)	5,000
Assistant superintendent (document room)	3,700
Clerk (document room)	3,100
Assistant clerk (document room)	2,600
Assistant (document room) (payroll Nos. 1 through 7)	2,200
Janitor (document room)	1,650
Chief janitor	4,000
Foreman of laborers	2,000
Laborer (janitor's force) (payroll numbers 1 through 24)	1,650
Superintendent (folding room)	4,000
Foreman (folding room)	3,100
Assistant foreman (folding room)	2,600
Folder (24 positions)	1,740
Driver (folding room) (payroll Nos. 1 and 2)	1,650
1 Laborer (folding room)	1,650
Janitor (folding room)	1,650

"(4) The title of the position of '3 assistant' (document room) under the Doorkeeper of the House of Representatives, is changed to 'clerk, clerk's document room' and the basic salary of such position shall be $2,400 per annum. Such position shall be under the Clerk of the House of Representatives, on and after the effective date of this section.

"SEC. 4. The following changes are made with respect to positions under the Postmaster:

"(1) The title of the position of 'clerk in charge (b. p. o. C.)' is changed to 'registry and money order clerk (Capitol)' and the basic salary of such position shall be $2,300 per annum. The title of one position of 'messenger' is changed to 'registry and money order clerk (Library of Congress)' and the basic salary of such position shall be $2,300 per annum. The title of one position of 'messenger' is changed to 'superintendent of day mail' and the basic salary of such position shall be $2,200 per annum. The title of one position of 'messenger' is changed to 'superintendent of night mail' and the basic salary of such position shall be $2,200 per annum. The title of 41 positions of 'messenger' is changed to 'mail clerk' and the basic salary for each such position shall be $2,100 per annum.

"(2) Notwithstanding any other provision of law, the basic salary for the position shown below in the first column shall be the amount shown in the second column.

"Title	*Basic salary*
Assistant postmaster	$3,380
Laborer	1,650
Secretary to postmaster	2,300

"SEC. 5. Notwithstanding any other provision of law, the annual rate of compensation of the Postmaster of the House of Representatives shall be $12,150.

"SEC. 6. Notwithstanding any other provision of law, the basic salary for the position shown below in the first column shall be the amount shown in the second column.

"Title	*Basic salary*
Chaplain	$4,000
Technical assistant (attending physician)	4,200
Expert transcriber (official committee reporters) (payroll numbers 1 through 8)	2,500
Expert transcriber (official reporters of debates) (payroll numbers 1 through 7)	2,500
Clerk (official committee reporters)	4,500
Printing clerk (majority)	2,500
Printing clerk (minority)	2,500
5 minority employee (pair clerk)	5,000
6 minority employee	4,500

"SEC. 7. Notwithstanding any other provision of law, the monthly allowance for each enlisted man of the United States Navy assigned to the attending physician shall be $75.

"SEC. 8. The following changes are made with respect to positions in the House Press, Radio Press, and Periodical Press Galleries:

"(1) House Press Gallery:

"(A) Notwithstanding any other provision of law, the basic salary for the position shown below in the first column shall be the amount shown in the second column.

"Title	*Basic salary*
Superintendent	$5,300
First assistant superintendent	4,700
Second assistant superintendent	3,800
Third assistant superintendent	3,300
Fourth assistant superintendent	2,580

"(2) Radio Press Gallery:

(A) Notwithstanding any other provision of law, the basic salary for the position shown below in the first column shall be amount shown in the second column.

"Title	*Basic salary*
Superintendent	$5,200
First assistant superintendent	4,000
Second assistant superintendent	3,500

"(3) Periodical Press Gallery:

"(A) Notwithstanding any other provision of law, the basic salary of the position of 'Superintendent of the Periodical Press Gallery' shall be $4,300 per annum.

"SEC. 9. Notwithstanding any other provision of law, the annual rate of compensation of the Legislative Counsel of the House of Representatives and of the Chief of Staff of the Joint Committee on Internal Revenue Taxation shall be an amount which is equal to $15,000, increased by an amount which is the same percentage of $15,000 as the percentage set forth in section 4 (c) of the Federal Employees Salary Increase Act of 1955.

"SEC. 10. Whenever a section under this heading refers to a position by its existing title (or example, stenographer to the clerk), or by its existing title and a number (for example, one assistant to chief bill clerk), the reference is to the position having that title, or that title and that number, on the payroll in the various offices of the House of Representatives, as prepared by the Clerk of the House of Representatives for the month of June 1955.

"SEC. 11. (a) Notwithstanding any other provision of law, the clerk hire of each Member of the House of Representatives, Delegate from a Territory, and the Resident Commissioner from Puerto Rico shall be at the basic rate of $17,500 per annum. No person shall be paid from such clerk hire at a basic rate in excess of $7,000 per annum, and not more than one person shall be paid at a basic rate of $7,000 per annum from such clerk hire at any one time.

"(b) The joint resolution entitled 'Joint resolution providing for pay to clerks to Members of Congress and Delegates' approved January 25, 1923, as amended (2 U. S. C., sec. 92), is amended by striking out 'to 1, 2, or 3 persons' and inserting in lieu thereof 'to those persons, not to exceed 8 in number,'.

"SEC. 12. Subsection (e) of section 202 of the Legislative Reorganization Act of 1946, as amended (2 U. S. C., sec. 72a (e)), is amended (1) by striking out '$8,000' where it first appears in such subsection and inserting in lieu thereof '$8,820', and (2) by striking out '$8,000' at the second place where it appears in such subsection and inserting in lieu thereof '$8,820'."

"SEC. 13. (a) This section is enacted as an exercise of the rulemaking power of the House of Representatives with full recognition of the constitutional right of the House of Representatives to change the rule amended by this section at any time, in the same manner, and to the same extent as in the case of any other rule of the House of Representatives.

"(b) Clause 27 (c) of the Rules of the House of Representatives is amended (1) by striking out '$8,000' where it first appears in such clause and inserting in lieu thereof '$8,820,' and (2) by striking out '$8,000' at the second place where it appears in such clause and inserting in lieu thereof '$8,820.'

"SEC. 14. The foregoing provisions under 'House of Representatives' shall take effect August 1, 1955.

"GENERAL PROVISIONS

"The appropriations, authorizations, and authority with respect thereto in this act shall be available from July 1, 1955, unless otherwise provided, for the purposes provided in such appropriations, authorizations, and authority. All obligations incurred during the period between June 30, 1955, and the date of enactment of this Act in anticipation of such appropriations, authorizations, and authority are hereby ratified and confirmed if in accordance with the terms hereof."

Mr. ROONEY. Mr. Speaker, this is the amendment which was discussed just prior to the adoption of the rule. This is where the provisions of H. R. 7440 reported by the House Administration Committee and for which a rule was granted about a week ago, as amended by the House conferees, are inserted in this appropriation bill.

The only changes therein are as follows:

On page 10, line 7, strike out "$20,000" and insert "$17,500 per annum." This refers to Members' clerk hire.

In section 12, page 10, certain language is deleted, as well as on page 11, including subsection (b), and there are inserted the figures in two places "$8,820." This would place a limitation similar to one placed in the Senate part of this bill in the amount of $14,800 per annum gross for committee employees.

Before I conclude my statement I hope that everyone will be familiar with the provisions and amended provisions of H. R. 7440 as it is now before the House.

At page 12, section 14, the provision which would have given the Members of the House a stationery allowance of $1,800 instead of the present amount of $1,200 per annum, is stricken, so that the allowance will continue at the present rate of $1,200 per annum.

In the last section provision is made that the act is to take effect as of the 1st day of August 1955.

That summarizes all that has been done by the conferees as to the bill, H. R. 7440.

Mr. SHEPPARD. Mr. Speaker, will the gentleman yield?

Mr. ROONEY. I gladly yield to the distinguished gentleman from California.

Mr. SHEPPARD. This may be aside from the issue under consideration, but I would like to ask the gentleman from New York, as a matter of information, What are the salaries for clerk hire in the Senate as compared with those of the House as they presently prevail and being considered by the gentleman's committee?

Mr. ROONEY. Well, insofar as clerk hire in the other body is concerned, each Senator is entitled to an administrative assistant at $14,800 and another one at $14,300, and so on down the line.

Mr. SHEPPARD. In other words, the salaries are not comparable by and between the Senate and the House for parallel work, excluding the executive secretaries?

Mr. ROONEY. Not at all. The House figures are more modest and there are many inequitable comparisons to be made.

Mr. SHEPPARD. It is very unfortunate the Members of the House find themselves in the embarrassing position of not paying competent people at the same ratio that is being paid for like or comparable work at the other end of the Capitol. Insofar as I am personally concerned, I am going to support the conferees, because it is the best we can have. But, very frankly, I do it with extreme apologies to my own splendid staff and to the many gentlemen serving the Members of this House in clerical positions and other positions.

Mr. ROONEY. I wholeheartedly agree with the gentleman from California.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion.

The motion was agreed to.

A motion to reconsider was laid on the table.

Mr. JONES of Missouri. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. JONES of Missouri. Mr. Speaker, I am not a obstructionist, and at the outset I want to assure the House that I do not propose to avail myself of any parliamentary maneuver which would place me in that category. While I am of the opinion that, in confomity with past practices and an accepted custom, we are moving too rapidly during the closing days of this session and, personally, I would prefer to move in a more orderly and certainly a more thoughtful manner, I nevertheless realize that I am in a minority of those who would prefer to remain on for another week, or longer if necessary, in order that we might have the opportunity to read and to study for at least 24 hours some of the measures upon which we are being called to vote here today.

In the Committee on House Administration I have opposed some of the provisions which have been placed in the conference report. Before the Rules Committee I expressed my opposition to most of the provisions which were carried in H. R. 7440, but again I was in a minority. I would like to say, however, that I do not believe I would be in this minority if more Members had the time and would avail themselves of the opportunity to study some of the conditions which prevail with relation to, not only the compensation of, but the lack of justification for, maintaining on the payroll certain individuals who during the next 5 months will be enabled to lead a leisurely, carefree life at the expense of the taxpayers of this Nation. I agree that the amount of money is infinitesimal when compared to the billion-dollar budgets with which we are concerned, but which are unbelievably large when compared to the average salaries prevailing in most of our districts.

I am not going to point out any of these situations. Most of you are acquainted with some of them, and I have yet to talk to any Member, even those who are most vigorous in their support of any legislation which would further increase these amounts who does not agree that gross inequities exist and that as individuals they would be unwilling to assume the responsibility of approving such compensation. The only justification for some of these salaries, together with the lack of responsibility and the absence of supervision of such positions during a 5-month period, is because of what has happened in another body of this Congress.

Another reason why I am not going to point out any specific situations is that I do not care to have greater publicity given to certain practices which could be used by the more critical members of the press and radio who apparently delight in calling the attention of the public to the ridiculous and seem to get great satisfaction out of any situation where Congress is subjected to the ridicule of the public. I want to be practical and I want to do anything that will help to restore the confidence of the people in the integrity of a responsible Congress.

Mr. Speaker, I do not want to do anything which would make it more difficult for any Member of Congress to render an honest, efficient service to his constituency. I deplore the fact that evidently because of a misuse of these services that some years ago, the Committee on House Administration found it advisable to place a limitation upon the use of telephone and telegraph service. I do not want to and would decline to serve on any committee which might be designated to police the action of any Member in his use of these facilities.

Likewise, I do not want to limit any Member in the employment of a staff of sufficient size, composed of intelligent, trained personnel capable of rendering a high standard of service. I am not concerned with the fact that under such a program some Members would find it necessary to employ more help in their offices than do others of us. However, I do not want to be a party to approving a system which permits payments to persons who do not work and which permits compensation on a basis other than ability and service.

Since I have told of some of the things that I do not approve of, I would now like to make some suggestions of a constructive nature, and to invite your attention to these suggestions in the hope that during the next session of Congress we can cause to be made a study which will result in a reappraisal and a readjustment of salaries among all employees of the House, including the members of our individual office staffs, committee staffs, and employees in the various departments of Congress. I want to see adequate salary increases for those who both by past performance and by the nature of their duties have demonstrated that they could not be easily replaced in a free competitive market. There is great need for a reclassification of many of the employees of the House which was partially done through H. R. 7440 but which did not reach nearly as far as it should. Some have referred to that bill as a salary adjustment act, when in fact, insofar as salaries are concerned, it is only a salary-increase bill.

Mr. BOLAND. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. BOLAND. Mr. Speaker, I am opposed to certain items in this bill. When the full Appropriations Committee considered this proposal some time ago, H. R. 7440 equalizing and adjusting certain salaries in the House of Representatives had not been reported by the Committee on House Administration and thus, there was no authorization for resulting increased expenditures. The Appropriations Committee turned down the appeal for a research assistant for Members of the House and I voted against the provision. Since that time, I have not changed my position on the matter and I am opposed to it today. It should not be jammed through in the closing minutes of this Congress. The clerical problems of the Members are, in my opinion, adequately met under present provisions of the law. The argument that another body has been more than generous in the treatment accorded its staff is pretty weak. What has been done in other places in the building is no justification for doing likewise here. Travel allowances, increased compensation and added employees affected in another body should not be the measuring stick for what we do.

With respect to the working staffs of the standing committees, I am in agreement with the recommendations of the House Administration Committee. As a former member of the Post Office and Civil Service Committee and presently a member of the Appropriations Committee, I know how difficult is the job of staff members. These empolyees are the most valuable of all on the Hill. Their advice and counsel is constantly sought. In many instances committee staffs and particularly Appropriations Committee staff members have saved millions of dollars by proper research and development of reports. They deserve increases to insure their remaining in their positions.

Finally, Mr. Speaker, I agree with the minority views expressed in the report accompanying H. R. 7440. It would be more realistic to give every Member a flat gross with no step increases and a flat sum to meet the routine expenses of their offices. I have stated before and I state now that I am not in full accord with the present system of congressional pay and the fringe expenses that go with the office.

MRS. L. O'MALLEY AND OTHERS

Mr. LANE. Mr. Speaker, I call up the conference report on the bill (H. R. 1003) for the relief of Mrs. L. O'Malley and others, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1585)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1003) for the relief of Mrs. Lorenza O'Malley (de Amusategui), Jose Maria de Amusategui O'Malley, and the legal guardian of Ramon de Amusategui O'Malley, having met, after full and free conference, have agreed to rec-

ommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment, and that the House agree to the same.

THOMAS J. LANE,
E. L. FORRESTER,
WILLIAM E. MILLER,
Managers on the Part of the House.

HARLEY M. KILGORE,
JOHN L. MCCLELLAN,
PRICE DANIEL,
HERMAN WELKER,
JOHN M. BUTLER,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1003) for the relief of Mrs. Lorenza O'Malley (de Amusategui), Maria de Amusategui O'Malley, and the legal guardian of Ramon de Amusategui, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The bill as passed the House would permit the payment of attorney fees not in excess of 10 percent. The Senate amended the bill striking out this provision and stated that no part of the appropriation in this act shall be paid to any attorney or agent. At the conference the Senate receded from its amendment.

THOMAS J. LANE,
E. L. FORRESTER,
WILLIAM E. MILLER,
Managers on the Part of the House.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

THOMAS F. HARNEY, JR.

Mr. LANE submitted the following conference report and statement on the bill (H. R. 2907) for the relief of Thomas F. Harney, Jr., doing business as the Harney Engineering Co.

CONFERENCE REPORT (H. REPT. No. 1629)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 2907) for the relief of Thomas F. Harney, Jr., doing business as the Harney Engineering Co., having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: ": *Provided*, That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

And the Senate agree to the same.

THOMAS J. LANE,
E. L. FORRESTER,
WILLIAM E. MILLER,
Managers on the Part of the House.

JOHN L. MCCLELLAN,
PRICE DANIEL,
JOHN M. BUTLER,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 2907) for the relief of Thomas F. Harney, Jr., doing business as the Harney Engineering Co., submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The bill as passed by the House contained no limit on the amount of attorney fees. The Senate amended the bill so as to provide that no part of the appropriation in this act shall be paid to any attorney or agent. At the conference the House conferees agreed to recede from their disagreement to the Senate amendment with an amendment which will have the effect of limiting attorney fees to 10 percent of the amount appropriated by the bill.

THOMAS J. LANE,
E. L. FORRESTER,
WILLIAM E. MILLER,
Managers on the Part of the House.

Mr. LANE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill (H. R. 2907) for the relief of Thomas F. Harney, Jr.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, I ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read the statement.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

HENRY T. QUISENBERRY

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 4508) for the relief of Henry T. Quisenberry, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

At the end of the bill insert:

Provided, That no retrospective benefits except medical expenses shall accrue by reason of enactment of this act for any period prior to the enactment.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

DEFENSE PRODUCTION ACT

Mr. SPENCE. Mr. Speaker, I call up the conference report on the bill (S. 2391), the Defense Production Act, and I ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The conference report and statement follows:

CONFERENCE REPORT (H. REPT. No. 1630)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2391) to amend the Defense Production Act of 1950, as amended, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: "That this Act may be cited as the 'Defense Production Act Amendments of 1955'.

"SEC. 2. Section 2 of the Defense Production Act of 1950, as amended, is amended to read as follows:

"'DECLARATION OF POLICY

"'SEC. 2. In view of the present international situation and in order to provide for the national defense and national security, our mobilization effort continues to require some diversion of certain materials and facilities from civilian use to military and related purposes. It also requires the development of preparedness programs and the expansion of productive capacity and supply beyond the levels needed to meet the civilian demand, in order to reduce the time required for full mobilization in the event of an attack on the United States.'

"SEC. 3. Section 303 of the Defense Production Act of 1950, as amended, is amended by adding at the end thereof a new subsection as follows:

"'(g) When in his judgment it will aid the national defense, and upon a certification by the Secretary of Agriculture or the Secretary of the Interior that a particular strategic and critical material is likely to be in short supply in time of war or other national emergency, the President may make provision for the development of substitutes for such strategic and critical materials.'

"SEC. 4. Subsection (c) of section 701 of the Defense Production Act of 1950, as amended, is amended to read as follows:

"'(c) Whenever the President invokes the powers given him in this Act to allocate any material in the civilian market, he shall do so in such a manner as to make available, so far as practicable, for business and various segments thereof in the normal channel of distribution of such material, a fair share of the available civilian supply based, so far as practicable, on the share received by such business under normal conditions during a representative period preceding any future allocation of materials: *Provided*, That the President shall, in the allocation of materials in the civilian market, give due consideration to the needs of new concerns and newly acquired operations, undue hardships of individual businesses, and the needs of smaller concerns in an industry.'

"SEC. 5. Section 701 of the Defense Production Act of 1950, as amended, is amended by adding after subsection (c) a new subsection as follows:

"'(d) In order to further the objectives and purposes of this section, the Office of Defense Mobilization is directed to investigate the distribution of defense contracts with particular reference to the share of such contracts which has gone and is now going to small business, either directly or by subcontract; to review the policies, procedures, and administrative arrangements

now being followed in order to increase participation by small business in the mobilization program; to explore all practical ways, whether by amendments to laws, policies, regulations, or administrative arrangements, or otherwise, to increase the share of defense procurement going to small business; to get from the departments and agencies engaged in procurement, and from other appropriate agencies including the Small Business Administration, their views and recommendations on ways to increase the share of procurement going to small business; and to make a report to the President and the Congress, not later than six months after the enactment of the Defense Production Act Amendments of 1955, which report shall contain the following: (i) a full statement of the steps taken by the Office of Defense Mobilization, in making investigations required by this subsection; (ii) the findings of the Office of Defense Mobilization with respect to the share of procurement which has gone and is now going to small business; (iii) a full and complete statement of the actions taken by the Office of Defense Mobilization and other agencies to increase such small-business share; (iv) a full and complete statement of the recommendations made by the procurement agencies and other agencies consulted by the Office of Defense Mobilization; and (v) specific recommendations by the Office of Defense Mobilization for further action to increase the share of procurement going to small business.'

"SEC. 6. Section 708 of the Defense Production Act of 1950, as amended, is amended—

"(1) by inserting before the period at the end of the first sentence of subsection (b) a colon and the following: *'Provided, however,* That after the enactment of the Defense Production Act Amendments of 1955, the exemption from the prohibitions of the antitrust laws and the Federal Trade Commission Act of the United States shall apply only (1) to acts and omissions to act requested by the President or his duly authorized delegate pursuant to duly approved voluntary agreements or programs relating solely to the exchange between actual or prospective contractors of technical or other information, production techniques, and patents or patent rights, relating to equipment used primarily by or for the military which is being procured by the Department of Defense or any department thereof, and the exchange of materials, equipment, and personnel to be used in the production of such equipment; and (2) to acts and omissions to act requested by the President or his duly authorized delegate pursuant to voluntary agreements or programs which were duly approved under this section before the enactment of the Defense Production Act Amendments of 1955. The Attorney General shall review each of the voluntary agreements and programs covered by this section, and the activities being carried on thereunder, and, if he finds, after such review and after consultation with the Director of the Office of Defense Mobilization and other interested agencies, that the adverse effects of any such agreement or program on the competitive free enterprise system outweigh the benefits of the agreement or program to the national defense, he shall withdraw his approval in accordance with subsection (d) of this section. This review and determination shall be made within ninety days after the enactment of the Defense Production Act Amendments of 1955.';

"(2) by inserting in subsection (d) thereof after the word 'hereunder' the following: ', or upon withdrawal by the Attorney General of his approval of the voluntary agreement or program on which the request or finding is based,';

"(3) by inserting after the first sentence of subsection (e) thereof the following new sentence: 'Such surveys, and the reports hereafter required, shall include studies of the voluntary agreements and programs authorized by this section.';

"(4) by striking out from the last sentence of subsection (e) thereof the words 'at such times thereafter as he deems desirable' and inserting in lieu thereof the words 'at least once every three months'.

"SEC. 7. Section 710 (b) of the Defense Production Act of 1950, as amended, is amended to read as follows:

"'(b) (1) The President is further authorized, to the extent he deems it necessary and appropriate in order to carry out the provisions of this Act, and subject to such regulations as he may issue, to employ persons of outstanding experience and ability without compensation;

"'(2) The President shall be guided in the exercise of the authority provided in this subsection by the following policies:

"'(i) So far as possible, operations under the Act shall be carried on by full-time, salaried employees of the Government, and appointments under this authority shall be to advisory or consultative positions only.

"'(ii) Appointments to positions other than advisory or consultative may be made under this authority only when the requirements of the position are such that the incumbent must personally possess outstanding experience and ability not obtainable on a full-time, salaried basis.

"'(iii) In the appointment of personnel and in assignment of their duties, the head of the department or agency involved shall take steps to avoid, to as great an extent as possible, any conflict between the governmental duties and the private interests of such personnel.

"'(3) Appointees under this subsection (b) shall, when policy matters are involved, be limited to advising appropriate full-time salaried Government officials who are responsible for making policy decisions.

"'(4) Any person employed under this subsection (b) is hereby exempted, with respect to such employment, from the operation of sections 281, 283, 284, 434, and 1914 of title 18, United States Code, and section 190 of the Revised Statutes (5 U. S. C. 99), except that—

"'(i) exemption hereunder shall not extend to the negotiation or execution, by such appointee, of Government contracts with the private employer of such appointee or with any corporation, joint stock company, association, firm, partnership, or other entity in the pecuniary profits or contracts of which the appointee has any direct or indirect interest;

"'(ii) exemption hereunder shall not extend to making any recommendation or taking any action with respect to individual applications to the Government for relief or assistance, on appeal or otherwise, made by the private employer of the appointee or by any corporation, joint stock company, association, firm, partnership, or other entity in the pecuniary profits or contracts of which the appointee has any direct or indirect interest;

"'(iii) exemption hereunder shall not extend to the prosecution by the appointee, or participation by the appointee in any fashion in the prosecution, of any claims against the Government involving any matter concerning which the appointee had any responsibility during his employment under this subsection, during the period of such employment and the further period of two years after the termination of such employment; and

"'(iv) exemption hereunder shall not extend to the receipt or payment of salary in connection with the appointee's Government service hereunder from any source other than the private employer of the appointee at the time of his appointment hereunder.

"'(5) Appointments under this subsection (b) shall be supported by written certification by the head of the employing department or agency—

"'(i) that the appointment is necessary and appropriate in order to carry out the provisions of the Act;

"'(ii) that the duties of the position to which the appointment is being made require outstanding experience and ability;

"'(iii) that the appointee has the outstanding experience and ability required by the position; and

"'(iv) that the department or agency head has been unable to obtain a person with the qualifications necessary for the position on a full-time, salaried basis.

"'(6) The heads of the departments or agencies making appointments under this subsection (b) shall file with the Division of the Federal Register for publication in the Federal Register a statement including the name of the appointee, the employing department or agency, the title of his position, and the name of his private employer, and the appointee shall file with such Division for publication in the Federal Register a statement listing the names of any corporations of which he is an officer or director or within 60 days preceding his appointment has been an officer or director, or in which he owns, or within 60 days preceding his appointment has owned, any stocks, bonds, or other financial interests, and the names of any partnerships in which he is, or was within 60 days preceding his appointment, a partner, and the names of any other businesses in which he owns, or within such 60-day period has owned, any similar interest. At the end of each succeeding six-month period, the appointee shall file with such Division for publication in the Federal Register a statement showing any changes in such interests during such period.

"'(7) At least once every three months the Chairman of the United States Civil Service Commission shall survey appointments made under this subsection and shall report his findings to the President and the Joint Committee on Defense Production and make such recommendations as he may deem proper.

"'(8) Persons appointed under the authority of this subsection may be allowed transportation and not to exceed $15 per diem in lieu of subsistence while away from their homes or regular places of business pursuant to such appointment.'

"SEC. 8. Section 710 of the Defense Production Act of 1950, as amended, is further amended by redesignating subsections '(e)' and '(f)' as subsections '(f)' and '(g)', respectively, and by inserting after subsection '(d)' a new subsection as follows:

"'(e) The President is further authorized to provide for the establishment and training of a nucleus executive reserve for employment in executive positions in Government during periods of emergency. Members of this executive reserve who are not full-time Government employees may be allowed transportation and not to exceed $15 per diem in lieu of subsistence while away from their homes or regular places of business for the purpose of participating in the executive reserve training program. The President is authorized to provide by regulation for the exemption of such persons who are not full-time Government employees from the operation of sections 281, 283, 284, 434, and 1914 of title 18 of the United States Code and section 190 of the Revised Statutes (5 U. S. C. 99).'

"SEC. 9. Section 712 of the Defense Production Act of 1950, as amended, is amended—

"(1) by striking out '25' from the second sentence of subsection (c) thereof and inserting in lieu thereof '40'; and

"(2) by striking out '$50,000' in the first sentence of subsection (e) thereof and inserting in lieu thereof '$65,000'.

"SEC. 10. Section 717 of the Defense Production Act of 1950, as amended, is amended by striking out 'July 31, 1955' from the first sentence of subsection (a) thereof and inserting in lieu thereof 'June 30, 1956'.

"SEC. 11. The provisions of this Act shall take effect as of the close of July 31, 1955."

And the House agree to the same.

BRENT SPENCE,
PAUL BROWN,
WRIGHT PATMAN,
ALBERT RAINS,
JESSE P. WOLCOTT,
RALPH A. GAMBLE,
HENRY O. TALLE,
Managers on the Part of the House.

JOHN SPARKMAN,
PAUL H. DOUGLAS,
WAYNE MORSE,
HOMER E. CAPEHART,
IRVING M. IVES,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2391) to amend the Defense Production Act of 1950, as amended, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

POLICY OF THE ACT

The Senate bill contained a provision which would amend the declaration of policy of the act so as to include among its purposes specific reference to the development of preparedness programs in order to reduce the time required for full mobilization in the event of an attack on the United States. A similar provision was not included in the House amendment as such preparedness measures were considered to be implicit in the objectives of title III of the act. However, because our mobilization effort has reached a stage in which increasing emphasis is being placed on preparedness measures to eliminate the remaining bottlenecks to the achievement of productive capacity more nearly adequate for full mobilization the Committee of Conference is of the opinion it is proper to include reference to the development of preparedness programs in the statement of policy of the act. Accordingly the conference substitute includes this provision of the Senate bill.

SUBSTITUTE MATERIALS

Title III of the act authorizes the use of various incentives to expand productive capacity and supply needed for the mobilization base. While much has been accomplished toward reducing the threat of wartime shortages of strategic and critical materials for defense programs there still remain certain critical items the supplies of which would remain inadequate to meet our full national requirements under full mobilization. The Senate bill contained a provision, which was not included in the House amendment, authorizing the President, upon a certification by the Secretary of Agriculture or the Secretary of the Interior that a particular strategic and critical material is likely to be in short supply in time of war or other national emergency, to make provision for the development of substitutes for strategic and critical materials when in his judgment it will aid the national defense. The Committee of Conference believes that it is desirable to spell out this authority specifically and has included this provision of the Senate bill in the conference substitute.

SHARE OF SMALL BUSINESS IN PROCUREMENT

The Senate bill added a new subsection (d) to section 701 of the act. Under the provisions of this new subsection the Office of Defense Mobilization is directed to make a study of the share of defense contracts which has gone to small business, review existing procedure for increasing participation by small business and within six months make a full and complete report with recommendations for further action to increase the share of procurement going to small business. The House amendment did not contain a similar provision. The conference substitute includes this provision of the Senate bill.

VOLUNTARY AGREEMENTS

Section 708 of the Defense Production Act authorizes the President to exempt from the operation of the antitrust laws combined actions of private parties when in accordance with a voluntary agreement which he has found to be in the public interest as contributing to the national defense. Both the Senate bill and the House amendment established more restrictive criteria under which such authority could be used. The Senate bill permitted both new and existing voluntary agreements covering exclusively military items to continue in effect, and permitted existing nonmilitary agreements to continue in effect subject to review by the Attorney General within 90 days to determine whether or not they should be terminated. The House amendment permitted the continuance of new and existing voluntary agreements covering primarily military items but terminated the antitrust exemption for existing nonmilitary agreements. Under provisions of the House amendment the Attorney General would review existing military voluntary agreements within 90 days and determine if the antitrust exemption should be terminated with respect to such agreements.

The conference substitute follows the language of the House amendment but includes the provision of the Senate bill which allows existing nonmilitary voluntary agreements to continue subject to review by the Attorney General within a period of 90 days to determine whether or not such agreements should be terminated or continued.

EMPLOYEES SERVING WITHOUT COMPENSATION

Section 710 (b) of the act authorizes the President, to the extent he deems it necessary and appropriate in order to carry out the provisions of the act and subject to such regulations as he may issue, to employ persons of outstanding experience and ability without compensation and to exempt such persons from the conflict-of-interest statutes. Both the Senate bill and the House amendment contained provisions which would amend this subsection and spell out in more detail the conditions governing employment of such personnel. Essentially, the new provisions would incorporate into law provisions now contained in Executive Order 10182 with certain modifications and additions.

The House amendment contained a provision which was not included in the Senate bill under which an employee serving without compensation would be required to file under oath and with the head of his employing agency a full report of his outside connections within a period of 12 months preceding his appointment and file monthly thereafter any changes in such outside connections so long as his appointment is in effect. The conference substitute includes a modified w. o. c. reporting requirement under which "the appointee shall file with the Division of the Federal Register for publication in the Federal Register a statement listing the names of any corporation of which he is an officer or director or within 60 days preceding his appointment has been an officer or director, or in which he owns, or within 60 days preceding his appointment has owned, any stocks, bonds, or other financial interests, and the names of any partnerships in which he is, or was within 60 days preceding his appointment, a partner and the names of any other businesses in which he owns, or within such 60-day period has owned, any similar interest. At the end of each succeeding six-month period, the appointee shall file with such Division for publication in the Federal Register a statement showing any changes in such interests during such period."

The House amendment contained a provision under which the waiver of the conflict of interest statutes for a w. o. c. employee would not apply in connection with the making of any recommendation or the taking of any action for Government relief or assistance under the provisions of the act made by the private employer of the appointee or any company in which the appointee had any direct or indirect interest. The Senate bill contained a similar provision except that it did not limit the action to that taken "under the provisions of the Act." The conference substitute follows the Senate bill in this respect.

The Senate bill included in its amendment of this section of the act a provision of existing law allowing w. o. c. employees transportation expenses and not to exceed $15 per diem in lieu of subsistence while such employees were away from their homes pursuant to their appointments. No similar provision was contained in the House amendment. The conference substitute includes this provision.

EXECUTIVE RESERVE

The Senate bill contained a provision which was not included in the House amendment, which would add a new subsection to section 710 of the act under which the President would be authorized to provide for the establishment and training of a nucleus executive reserve for employment in executive positions in Government during periods of emergency. Provision was made for the customary payments in lieu of subsistence and the President would be authorized to provide by regulation for the exemption of such members from the conflict-of-interest statutes.

The conference substitute includes this provision of the Senate bill.

EFFECTIVE DATE OF EXTENSION

The conferees included a provision to the effect that the extension would be effective as of the close of July 31, 1955. This will keep in effect all orders, regulations and other issuances of the agencies and all the provisions of the act, as though the extension had been enacted without a gap. It is understood, of course, that the retroactive effect of the provision does not apply with respect to actions which would have been violations of regulations or statutes, if there had been no lapse. Such retroactive effect would conflict with the prohibition on ex post facto laws in article I, section 9, of the Constitution.

BRENT SPENCE,
PAUL BROWN,
WRIGHT PATMAN,
ALBERT RAINS,
JESSE P. WOLCOTT,
RALPH A. GAMBLE,
HENRY O. TALLE,
Managers on the Part of the House.

The Clerk read the statement.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

H. R. 3120, H. R. 6804, and House Joint Resolution 389 were laid on the table.

COMMITTEE TO WAIT UPON THE PRESIDENT OF THE UNITED STATES

Mr. McCORMACK. Mr. Speaker, I offer a privileged resolution (H. Res. 338) and ask for its immediate consideration.

The Clerk read the resolution as follows:

Resolved, That a committee of two Members be appointed by the House to join a similar committee appointed by the Senate, to wait upon the President of the United States and inform him that the two Houses have completed their business of the session and are ready to adjourn, unless the President has some other communication to make to them.

The resolution was agreed to.

The SPEAKER. The Chair appoints as members on the part of the House of the committee to notify the President, the gentleman from Massachusetts [Mr. McCORMACK] and the gentleman from Massachusetts [Mr. MARTIN].

A CALL FOR ACTION ON THE HOOVER REPORT

Mr. HIESTAND. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD, and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HIESTAND. Mr. Speaker, both Hoover Commissions were established by the Congress to study the executive.

They were composed of outstanding citizens of wide experience. The recommendations of the first Commission have saved literally billions of dollars of the taxpayers' money.

Now the second Commission has completed its work.

Its reports include 314 specific recommendations touching every major function of Government.

In the recommendations the Commission sought six objectives:

First. To preserve the full security of the Nation in a disturbed world.

Second. To maintain the functioning of all necessary agencies which make for the common welfare.

Third. To stimulate the fundamental research upon which national security and progress are based.

Fourth. To eliminate or reduce Government competition with private enterprise.

Sixth, and perhaps the most important of all. To strengthen the economic, social, and governmental structure which has brought us, now for 166 years, constant blessings and progress.

The first Commission concerned itself chiefly with reorganization of departments and agencies and their relations with each other.

The second Commission has dealt extensively with the functional organization of the executive branch and with questions of policy. This was in accordance with specific instructions from Congress.

The recommendations of the Commission would result in approximately the following savings when fully put into effect:

Budget and accounting	$4,000,000,000
Depot utilization	253,000,000
Federal medical services	290,000,000
Lending, guaranteeing, and insurance activities	200,000,000
Overseas economic operations	360,000,000
Paperwork management—part I	255,000,000
Paperwork management—part II	33,300,000
Personnel and civil service	48,500,000
Real property management	185,000,000
Special personnel problems—Department of Defense	388,000,000
Subsistence (food and clothing)	400,000,000
Transportation	151,500,000
Use and disposal of Federal surplus property	2,000,000,000

Although there are no dollar estimates, great potential savings could result from recommendations in regard to the following:

Business enterprises in competition with private enterprise.

Business organization of the Department of Defense.

Intelligence activities.

Military procurement.

Water resources and power.

All these savings could be accomplished without injury to the security or welfare of the country.

About 45 percent of the Commission's recommendations can be accomplished by administrative action, but the remainder of the recommendations require congressional action.

Clearly, it is important that the Congress act on the recommendations of the Commission it established.

The executive branch lost no time in acting, even though the Commission investigated the executive, and was not a part of it. One move alone, by the Department of Defense, and based on the Commission's Food and Clothing Report, will save an estimated $120 million yearly in raw-food costs by better inventory and purchasing estimates.

When the first Hoover Commission issued its report in 1949, some 20 percent of the Commission's recommendations had been carried into law by August of that year. Yet this year the Congress has not acted on a single proposal of its own Commission.

The Congress will not be fulfilling its responsibility if it avoids acting on recommendations, made by its own Commission, which would save the taxpayers actually billions of dollars. When such savings are possible without injury to the security or welfare of the country it seems the height of irresponsibility that the Congress is contemplating, in fact, rushing to adjournment. I hope we can take these reports home with us for study. They are gold mines of valuable information.

Opinion samples have shown that the citizens of this country overwhelmingly approve of the Hoover report. My own contact with the people in the district I represent and elsewhere shows me that the citizens approve of the Hoover report. The Hoover report is a clear way to save a great deal of money based on detailed study.

This Congress needs to awaken to this feeling of the citizens. They are, first, informing themselves and informing others of the values of the Hoover report; second, organizing for nationwide bipartisan cooperation, and third, will express strongly to the administration and Congress their interest in the Commission's program for strengthening the Federal structure, reducing waste, and taking the Government out of nonessential businesses.

We Congressmen might well ask this question of ourselves. What are you doing to implement the Hoover reports? It might save a great deal of embarrassment for us and a great deal of money for the taxpayers, our constituents. The way is shown for us to save billions of dollars. Let us ponder it. Let us study it and at next session let us get busy and do it.

[From the Wall Street Journal of July 28, 1955]

THE INDIFFERENT PEOPLE

It shouldn't surprise very many people that our Mr. Otten can report, as he does on this page today, that the outlook for adoption of most of the second Hoover Commission recommendations is pretty bleak.

Certainly it is not surprising to Mr. Hoover and the men who spent their time tracing the web of Government waste and inefficiency. Mr. Hoover and his helpers knew that the task ahead of them was formidable, for they knew the sources of the web's strength.

One of them is selfishness.

It is, perhaps, a sad commentary on political morality and ethics but it is true nonetheless that many men want good government for everyone but themselves. For their own interests they wish special treatment, and when enough of them feel the same way about Government help, whether it be in the form of special tax treatment or price supports or the creation of a bureau dedicated to their special interests, they are usually successful in getting what they want.

Congressmen have human failings also. And when great pressure is brought in support of some Government gift, and little opposition to the proposal is expressed, Congressmen can usually find reasons to vote as the pressure wishes. These desires for personal and special treatment are by no means confined to farmers or workers or veterans or the other powerful blocs. "Some of the Commission's major recommendations have run into a notable lack of enthusiasm, and even opposition, from businessmen threatened with the loss of Government financial aid," Mr. Otten reports.

Another of the sources of the web's strength is indifference.

Many people who are not themselves the beneficiaries of Government favors aren't particularly disturbed when they hear that another thread has been spun. Some think one more really will not matter much. Others think there is no use protesting because the web is already so strong no one can do anything about it anyway. And many do not trouble themselves to equate the costs of the bureaus and boards and agencies and departments with that for which they must reach into their pockets to give the Government to pay for all these things.

Mr. Hoover well knows that it is not enough to tell the people that if his reforms are adopted the budget can be balanced; for some billions of dollars in the red or in the black in faraway Washington is not of great interest to a great many people. It is hard to think of a billion dollars, anyway. So he tells of decades of hamburgers stored away

and shipments of defense tomatoes going two ways at once across the country.

It may be ironic, but clearly the great hope for reform lies in a different use of the two great sources of the web's strength. There is enough selfishness in the now-indifferent people to destroy the web once they know that they are paying heavily for the special treatment others and not they enjoy.

It is to the indifferent Mr. Hoover must look for pressure on the Congress and the administration. There is no question that if the indifferent people are aroused to the costs of the waste and inefficiency and the favors for others, that their outcries will stir some reforms. The need is for louder voices than the pressure groups.

And the indifferent people must be awakened to costs other than their dollars. The more the Government is asked to do, the less the people will be allowed to do for themselves. The very nature of bureaucracy, once created, is to expand. The expansion is not only in the services to the people. It is also in cost; but mostly it is in power.

Gulliver awake would have had little trouble with the Lilliputian threads. But in the end enough of them cost Gulliver asleep his freedom.

VETERANS OF THE PHILIPPINE INSURRECTION

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution (H. J. Res. 110) placing certain individuals who served in the Armed Forces of the United States in the Moro Province, including Mindanao, and in the islands of Leyte and Samar after July 4, 1902, and their survivors, in the same status as those who served in the Armed Forces during the Philippine Insurrection and their survivors.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the joint resolution, as follows:

Whereas the Philippine Insurrection was ended by the Presidential proclamation of July 4, 1902, in all parts of the Philippine Archipelago except in the country inhabited by the Moro tribes to which the proclamation did not apply; and

Whereas it was necessary for the Government of the United States to employ its Armed Forces, including insular forces, against numerous inhabitants of the country inhabited by the Moro tribes who were in armed insurrection against the authority of the United States and/or political subdivisions thereof until in the year of 1913; and

Whereas notwithstanding the aforementioned proclamation, armed hostilities did continue in the islands of Leyte and Samar after July 4, 1902, necessitating the employment of the Armed Forces of the United States, including insular forces, against numerous inhabitants of the said islands who were also in armed insurrection against the authority of the United States and/or political subdivisions thereof; and

Whereas it has ever been the policy of the Congress to enact uniform and all-inclusive pension legislation for the relief of former members of the Armed Forces who were employed in upholding and/or enforcing the authority of the United States and its political subdivisions in the States, Territories, and insular possessions thereof: Now, therefore, be it

Resolved, etc., That any person who served in the Armed Forces of the United States in the Moro Province, including Mindanao, or in the islands of Leyte and Samar, after July 4, 1902, and prior to the first day following the last armed engagement between the Armed Forces of the United States and inhabitants of the Philippine Islands in the province or island in which he served, and who was honorably discharged from the enlistment in which such service occurred, and the surviving unremarried widow, child, or children of such person shall be entitled to pension under the conditions and at the rates prescribed by the laws reenacted by Public Law 269, 74th Congress, August 13, 1935, as now or hereafter amended: *Provided*, That no such pension shall be paid for service after December 31, 1913.

SEC. 2. For the purpose of this act, the Armed Forces of the United States shall include the armed forces of the insular Government of the Philippine Islands.

SEC. 3. This act shall be effective on the first day of the calendar month in which it is approved.

With the following committee amendment:

Page 3, strike out section 2, and in line 8, renumber section 3 as section 2.

The committee amendment was agreed to.

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, House Joint Resolution 110 is what is known as the Moro bill. It is similar to bills introduced by the gentleman from Minnesota [Mr. WIER], the gentleman from Indiana [Mr. DENTON], the gentleman from Louisiana [Mr. LONG], the gentleman from Washington [Mr. MACK], and I think others, to all of whom Spanish War veterans are deeply appreciative.

The bill would render eligible to Spanish War pensions the veterans of the campaigns in Moro Province and the islands of Samar and Leyte after July 4, 1902, and prior to January 1, 1914.

Legally, the war with Spain and the resultant Philippine Insurrection ended on July 4, 1902, when the President issued his proclamation of peace. Actually, the fighting continued for several years in Moro Province and on Leyte and Samar. A total of 1,548 casualties and deaths from disease occurred. The troops engaged all were of the Regular Army, the volunteers having returned home, and in the understandable situation of the aftermath of a war when the volunteers had returned home they were forgotten. There is only a handful of these veterans left—all very old men, most of them in straightened circumstances.

They are in every sense combat veterans. The pension pattern applicable to them was set long ago in legislation giving pension recognition to our veterans of the Indian wars.

Mr. DENTON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. DENTON. Mr. Speaker, I am wholeheartedly in favor of House Joint Resolution No. 110, introduced by the gentleman from Illinois. I introduced a similar resolution, House Joint Resolution 249.

This resolution would extend pension benefits under the laws reenacted by Public Law 269, 74th Congress, August 13, 1935, as now or hereafter amended, to persons who served with the United States military or naval forces in Moro Province, or in the islands of Samar and Leyte, after July 4, 1902, and prior to January 1, 1914, and to their unremarried widows, child, or children. I have heard from a number of these veterans living in Indiana, and I am convinced that they have a good case.

This bill was reported favorably at the last session of Congress. A slightly different bill was passed by both Houses of Congress in the 78th Congress and vetoed by the President. In the 79th Congress an identical bill was passed by the House, but died in the Senate, and a like bill was reported favorably by the 80th Congress.

The bill covers a comparatively few individuals. The present estimate places the number at approximately 500 and approximately 300 widows. Assuming these figures to be correct, and considering the rates of pensions applicable to both veterans and widows, it appears the maximum first-year cost would be $798,000. Due to the advanced age of the veterans, the cost would drop sharply with each succeeding year. The average age of the veterans is estimated to be at least 79, and the death rate is rapid for this age group.

The hostilities in which these men were engaged were the very longest in which American troops were ever engaged. They lasted for nearly 12 years. During that time there were nearly 150 bloody engagements and the casualties are numbered in the thousands. The enemy was a formidable one. Our very best officers who were to become famous in World War I received much of their combat experience in these hostilities. The names of Pershing, Wood, Bliss, and March are indelibly inscribed upon the records of these hostilities. These troops under that leadership pacified more than 57,000 square miles of the Philippine Archipelago. They fought to uphold and/or enforce the authority of the United States on United States soil. Fifteen of them were awarded the very highest decoration within the gift of this Government—the Congressional Medal of Honor; and now, after a 41-year wait, they seek a reasonable measure of relief at the hands of the Government they served so long and so well.

My understanding is that this legislation has been opposed in previous years because the hostilities occurred after the official ending date of the Philippine Insurrection. The 150 engagements, therefore, are termed "peacetime police actions." However, since July 4, 1904—the official ending date of the Philippine Insurrection—we have cheerfully legislated war veteran benefits for the veterans of the "peacetime police action" in Korea, and we have pensioned the veterans of still another "peacetime police action" known as the Boxer Rebellion. Likewise, in 1927, the Congress, following

the long-established national policy of caring "for him who shall have borne the battle, and for his widow and orphan," pensioned the veterans of numerous undeclared Indian hostilities from the year of 1817 through 1898. These laws are still in force.

The enactment of this House joint resolution, therefore, would be in line with traditional policy, instead of establishing a precedent. It would correct an inequality of some 34 years' duration. Actually, there is reason to believe that the Congress fully intended to include this group in Public Law 256, 66th Congress. That act includes all veterans of the Philippine Insurrection, as well as the veterans of the cited "peacetime" Boxer Rebellion, but that act did not fix beginning and ending dates for either of these conflicts; and it was not until after the enactment of this law that those who served after July 4, 1902, were denied veteran status. The War Department ruled them out on a weak technicality, but before so doing had awarded all veterans who participated in the Philippine hostilities from the official date of the insurrection, that is, April 12, 1899, through 1913, identical Philippine Campaign Medals.

As this House joint resolution recites, the Congress has heretofore wisely pensioned those who were engaged in similar hostilities to uphold and/or enforce the authority of the United States in its Territories and insular possessions; and since the average age of the veterans under consideration is now more than 79 years, I urge the House to leave no stone unturned to pension these old veterans before it is forever too late. Since there are so few of them living, the cost would be slight when compared with other Government expenditures.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TOBACCO ALLOTMENTS

Mr. ABBITT. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2296) to amend section 313 of the Agricultural Adjustment Act of 1938, with respect to tobacco allotments.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

Mr. MILLER of Nebraska. Reserving the right to object, Mr. Speaker, has this bill been cleared on this side?

Mr. ABBITT. Yes, it has.

Mr. HOPE. If the gentleman will yield, this bill is one that had a unanimous report by the Committee on Agriculture and it has been cleared on this side. I am sure there is no objection to it.

Mr. ABBITT. Yes, that is right.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 313 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding at the end thereof the following new subsection:

"(j) The production of tobacco on a farm in 1955 or any subsequent year for which no farm acreage allotment was established shall not make the farm eligible for an allotment as an old farm under subsections (b) and (g) hereof: *Provided, however*, That by reason of such production the farm need not be considered as ineligible for a new farm allotment under subsections (c) and (g) hereof, but such production shall not be deemed past tobacco experience for any producer on the farm."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 6846) was laid on the table.

RECESS

The SPEAKER. The Chair declares a recess until 7:30 p. m. today.

Accordingly (at 5 o'clock and 57 minutes p. m.) the House stood in recess until 7 o'clock and 30 minutes p. m.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 7 o'clock and 30 minutes p. m.

STILL FURTHER MESSAGE FROM THE SENATE

A still further message from the Senate, by Mr. McBride, one of its clerks, announced that the Senate had passed concurrent resolutions of the following titles, in which the concurrence of the House is requested:

S. Con. Res. 57. Concurrent resolution providing for sine die adjournment of the 1st session, 84th Congress; and

S. Con. Res. 58. Concurrent resolution authorizing the signing of enrolled bills and joint resolutions after sine die adjournment.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 3027. An act for the relief of Leo E. Verhaeghe; and

H. R. 7746. An act to provide tax relief to a charitable foundation and the contributors thereto.

The message also announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 1037. An act for the relief of Ann Arbor Construction Co.

The message also announced that the Senate agrees to the amendment of the House to the amendment of the Senate to the bill (H. R. 2065) entitled "An act for the relief of Sada Zarikian."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to a bill of the House of the following title:

H. R. 7618. An act to amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended.

REPORT OF COMMITTEE TO INFORM THE PRESIDENT THAT THE CONGRESS IS READY TO ADJOURN

The SPEAKER. The Chair recognizes the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Speaker, your committee appointed to join a committee of the Senate to inform the President that the Congress is ready to adjourn, and to ask him if he has any further communications to make to the Congress, has performed that duty. The President has directed us to say that he has no further communication to make to the Congress.

OFFICE OF THE PARLIAMENTARIAN

Mr. McCORMACK. Mr. Speaker, I offer a resolution (H. Res. 339) and ask unanimous consent for its immediate consideration.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read the resolution, as follows:

Resolved, Effective July 1, 1955, the salary of the Parliamentarian of the House of Representatives shall be at the gross annual rate of $20,500, and the Assistant Parliamentarian No. 1 shall be at the gross annual rate of $16,500 and it is hereby authorized to be paid out of the contingent fund of the House until otherwise provided by law the necessary additional amounts to equalize the Parliamentarian and the Assistant Parliamentarian No. 1 gross salaries with that of the new gross salaries as provided herein.

The resolution was agreed to.

A motion to reconsider was laid on the table.

RESOLUTION PROVIDING FOR ADJOURNMENT OF CONGRESS

Mr. McCORMACK. Mr. Speaker, I offer a resolution (S. Con. Res. 57) and ask unanimous consent for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, by the Senate (the House of Representatives concurring), That the two Houses of Congress shall adjourn on Tuesday, August 2, 1955, and that when they adjourn on said day, they stand adjourned sine die.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

SIGNING OF ENROLLED BILLS AND JOINT RESOLUTIONS

Mr. McCORMACK. Mr. Speaker, I offer a resolution (S. Con. Res. 58) and ask unanimous consent for its immediate consideration.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read the resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That notwith-

standing the sine die adjournment of the two Houses, the President of the Senate and the Speaker of the House of Representatives be, and they are hereby, authorized to sign enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The SPEAKER. The question is on the resolution.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING SPEAKER TO ACCEPT RESIGNATIONS AND APPOINT COMMISSIONS, BOARDS, AND COMMITTEES

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that, notwithstanding the adjournment of the 1st session of the 84th Congress, the Speaker be authorized to accept resignations and to appoint commissions, boards, and committees authorized by law or by the House.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

AUTHORIZING THE CLERK OF THE HOUSE TO RECEIVE MESSAGES FROM THE SENATE

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that, notwithstanding the sine die adjournment of the House, the Clerk be authorized to receive messages from the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

REPORTS OF THE 84TH CONGRESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that reports filed with the Clerk following the sine die adjournment by committees authorized by the House to conduct investigations, may be printed by the Clerk as reports of the 84th Congress.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

REPORTS OF THE COMPTROLLER GENERAL OF THE UNITED STATES

Mr. McCORMACK. Mr. Speaker, I offer a resolution (H. Res. 340) and ask unanimous consent for its immediate consideration.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read the resolution, as follows:

Resolved, That the reports of the Comptroller General of the United States made to the Congress pursuant to the Government Corporation Control Act (59 Stat. 597), during the recesses of the 84th Congress shall be printed during such recesses as House documents of the second session of the 84th Congress.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING EXTENSIONS OF REMARKS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that all Members of the House shall have the privilege, until the last edition authorized by the Joint Committee on Printing is published, to extend and revise their own remarks in the CONGRESSIONAL RECORD on more than one subject, if they so desire, and may also include therein such short quotations as may be necessary to explain or complete such extensions of remarks; but this order shall not apply to any subject matter which may have occurred, or to any speech delivered, subsequent to the adjournment of Congress.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

CLERK OF THE HOUSE

Mr. McCORMACK. Mr. Speaker, I offer a resolution (H. Res. 341) and ask unanimous consent for its immediate consideration.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read the resolution, as follows:

Whereas by the privileges of this House no evidence of a documentary character under the control and in the possession of the House of Representatives can, by the mandate of process of the ordinary courts of justice, be taken from such control or possession except by its permission; Therefore be it

Resolved, That when it appears by the order of any court of the United States or a judge thereof, or of any legal officer charged with the administration of the orders of such court or judge, that documentary evidence in the possession and under the control of the House is needful for use in any court of justice or before any judge or such legal officer, for the promotion of justice, this House will take such action thereon as will promote the ends of justice consistently with the privileges and rights of this House; be it further

Resolved, That during any recess or adjournment of the 84th Congress, when a subpena or other order for the production or disclosure of information is by the due process of any court of the United States served upon the Clerk of the House of Representatives, or any officer or employee of the House, directing appearance as a witness before the said court at any time and the production of certain and sundry papers in the possession and under the control of the House of Representatives, that the Clerk of the House, or any such officer or employee of the House, be authorized to appear before said court at the place and time named in any such subpena or order, but no papers or documents in the possession of or under the control of the House of Representatives shall be produced in response thereto; and be it further

Resolved, That when any said court determines upon the materiality and the relevancy of the papers or documents called for in the subpena or other order, then said court, through any of its officers or agents shall have full permission to attend with all proper parties to the proceedings before said court and at a place under the orders and control of the House of Representatives and take copies of the said documents or papers and the Clerk of the House is authorized to supply certified copies of such documents that the court has found to be material and relevant, except that under no circumstances shall any minutes or transcripts of executive sessions, or any evidence of witnesses in respect thereto be disclosed or copied, nor shall the possession of said documents and papers by the said Clerk of the House be disturbed or removed from their place of file or custody under said Clerk; and be it further

Resolved, That a copy of these resolutions be transmitted by the Clerk of the House to any of said courts whenever such writs of subpena or other orders are issued and served as aforesaid.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AMENDING SECTION 8 OF THE CIVIL SERVICE RETIREMENT ACT

Mr. MURRAY of Tennessee submitted the following conference report and statement on the bill (H. R. 7618) to amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended:

CONFERENCE REPORT (H. REPT. No. 1631)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7618) to amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "That section 8 of the Civil Service Retirement Act of May 29, 1930, as amended, is amended by adding at the end thereof the following:

"'(d) (1) The annuity of any person who now or hereafter is receiving or entitled to receive an annuity from the civil-service retirement and disability fund shall be increased, effective on the first day of the second month following enactment of this amendment or on the commencing date of annuity, whichever is later, in accordance with the following schedule:

"'If annuity commences between—	Annuity not in excess of $1,500 shall be increased by—	Annuity in excess of $1,500 shall be increased by—
Aug. 20, 1920, and June 30, 1955	12 per centum	8 per centum.
July 1, 1955, and Dec. 31, 1955	10 per centum	7 per centum.
Jan. 1, 1956, and June 30, 1956	8 per centum	6 per centum.
July 1, 1956, and Dec. 31, 1956	6 per centum	4 per centum.
Jan. 1, 1957, and June 30, 1957	4 per centum	2 per centum.
July 1, 1957, and Dec. 31, 1957	2 per centum	1 per centum.

Such increase in annuity shall not exceed the sum necessary to increase such annuity, exclusive of annuity purchased by voluntary contributions under the second paragraph of section 10 of this Act, to $4,104. The monthly installment of each annuity so increased shall be fixed at the nearest dollar.

"'(2) The increases provided by this subsection, when added to the annuities of retired employees, shall not operate to increase the annuities of their survivors, except that the annuity of any such survivor who becomes entitled to annuity shall be increased by the per centum provided in subsection (d) (1) of this section appropriate to the commencing date of such survivor's annuity.'

"SEC. 2 (a) Paragraph (5) of section 3A of the Civil Service Retirement Act of May 29, 1930, as amended, is amended to read as follows:

"'(5) Subject to the provisions of section 9 and of subsections (b) and (c) of section 4, the annuity of a Member of Congress shall be an amount equal to—

"'(A) two and one-half per centum of the average annual basic salary, pay, or compensation received by him subsequent to the date of the enactment of the Legislative Reorganization Act of 1946, as amended, for civilian service used in the computation of an annuity under this paragraph, multiplied by the sum of his years of service as a Member of Congress and his years of active service performed as a member of the Armed Forces of the United States prior to his separation from service as a Member of Congress;

"'(B) two and one-half per centum of such average annual basic salary, pay, or compensation multiplied by the sum of the years, not exceeding fifteen, of his service performed as an employee described in section 4 (g) prior to his separation from service as a Member of Congress, other than any such service which he may elect to exclude; and

"'(C) one and one-half per centum of such average annual basic salary, pay, or compensation multiplied by the years of his allowable service, other than service used in computing annuity under clauses (A) and (B), performed prior to his separation from service as a Member of Congress, and other than any such service which he may elect to exclude.

In no case shall an annuity computed under this paragraph exceed an amount equal to three-fourths of the basic salary, pay, or compensation that he is receiving at the time of his separation from service as a Member of Congress.'

"(b) Paragraph (8) of such section is amended by striking out 'service as a Member of Congress shall not be credited', and inserting in lieu thereof 'service used in the computation of an annuity under this section shall not be credited'.

"(c) The amendments made by this section shall be effective only in the case of a person separated from service as a Member of Congress on or after July 1, 1955."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill and agree to the same with an amendment as follows: In lieu of the amended title proposed by the Senate amendment, amend the title so as to read: "An Act to amend section 8 of the Civil Service Retirement Act of May 29, 1930, to provide increases in annuities under such Act, and for other purposes."

And the Senate agree to the same.

TOM MURRAY,
J. H. MORRISON,
EDWARD H. REES,
Managers on the Part of the House.

OLIN D. JOHNSTON,
W. KERR SCOTT,
FRANK CARLSON,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7618) to amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate amendments struck out all of the House bill after the enacting clause and inserted a substitute text and provided a new title for the House bill.

With respect to the amendment of the Senate to the text of the House bill, the committee of conference recommends that the House recede from its disagreement to the amendment of the Senate with an amendment which is a substitute for both the text of the House bill and the text provided by the Senate amendment and that the Senate agree to the same.

Except for technical and clerical changes, the differences between the text of the House bill and the text of the substitute agreed to in conference are discussed below:

The House bill amends section 8 of the Civil Service Retirement Act of May 29, 1930, as amended, to provide an increase in the annuity of each individual who now or hereafter is receiving or entitled to receive an annuity from the civil-service retirement and disability fund. Such increase is to be effective on the first day of the second month following the date of enactment of the amendment made by the House bill or on the commencing date of annuity, whichever is later, in accordance with a schedule of increases set forth in section 8 of the Civil Service Retirement Act of May 29, 1930, as amended by the House bill. The House bill places a limitation or ceiling on the amount of each such increase by providing that such increase shall not exceed the sum necessary to increase such annuity (exclusive of annuity purchased by voluntary contributions under the second paragraph of section 10 of the Civil Service Retirement Act of May 29, 1930, as amended) to $4,000.

The conference substitute retains the limitation on the amount of each increase in annuity in the same manner as provided by the House bill but changes the $4,000 figure of the House bill to $4,104.

The Senate amendment included certain provisions relating to the computation of annuities of Members of Congress which were not contained in the House bill. Under these provisions a Member of Congress in computing his annuity could count, in addition to his service as a Member of Congress, prior civilian service performed as an employee either in the legislative or one of the other branches of the Government. Up to 15 years of such service as a legislative employee could be included in accordance with the 2½-percent formula applicable to legislative employees. Service as a legislative employee in excess of 15 years and service as an employee in another branch of the Government would be included at the 1½-percent rate applicable to employees generally. Thus the annuity of a Member of Congress under the amendment would be (1) 2½ percent of the average basic salary, pay, or compensation received by him subsequent to the date of enactment of the Legislative Reorganization Act of 1946 (August 2, 1946) for service included in the computation of his annuity, multiplied by his years of service as a Member of Congress and his years of prior military service; (2) 2½ percent of such average salary multiplied by his years of prior service, not to exceed 15, as a legislative employee within the classes described in section 4 (g) of the Civil Service Retirement Act of May 29, 1930; and (3) 1½ percent of such average salary multiplied by his years of other allowable prior service. As at present, the annuity would be limited to 75 percent of the salary he is receiving at the date of his separation from service as a Member of Congress.

In computing average annual basic salary, pay, or compensation, for annuity-computation purposes under the amendment, all compensation received subsequent to August 2, 1946, the date of enactment of the Legislative Reorganization Act of 1946, as a Member of Congress, and all compensation received subsequent to such date as a Government employee (other than for service which he elects to disregard for annuity purposes) shall be included.

The above provisions of the Senate amendment relating to the computation of annuities of Members of Congress are contained in the conference substitute.

With respect to the amendment of the Senate to the title of the House bill, the committee of conference recommends that the House recede from its disagreement to the amendment of the Senate to the title of the House bill and agree to the same with an amendment to such title set forth in the conference substitute which will reflect more accurately the provisions of the text of the conference substitute and that the Senate agree to the same.

TOM MURRAY,
J. H. MORRISON,
EDWARD H. REES,
Managers on the Part of the House.

Mr. MURRAY of Tennessee. Mr. Speaker, I call up the conference report on the bill (H. R. 7618) to amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the statement.

The SPEAKER. The question is on the conference report.

Mr. SHORT. Mr. Speaker, may I ask the distinguished gentleman from Tennessee, chairman of the Committee on Post Office and Civil Service, there is no provision in this for custodial employees of our Federal prisons; but, as the gentleman and the ranking minority member of the committee, the gentleman from Kansas [Mr. REES] have assured me a hearing will be given in January, I have no further objection.

Mr. MURRAY of Tennessee. The gentleman is correct. That will be handled by separate legislation. The gentleman from Missouri has a bill pending on that question and it will be considered by the House committee soon after we convene in January.

Mr. WIER. Mr. Speaker, I know I am going to get some inquiries because my mail indicates that, and I would like to have the gentleman say, What have you raised here for the average classified employee, what will be their increase in retirement from now on?

Mr. MURRAY of Tennessee. Persons who retire from now on will get an 8-percent increase for the first 6 months after retirement; after the first 6 months and for the next 6 months it will be 7 percent, and it will increase 1 percent every 6 months until the increase expires entirely on December 31, 1957.

Mr. GROSS. Was the $4,000 limitation held in the bill?

Mr. MURRAY of Tennessee. No; we had to raise that to $4,104. We had to make that concession to the Senate conferees. I may say to the gentleman that in the bill that passed the Senate there was a provision to include certain persons in the retirement system who were not Federal employees. We objected strenuously to that, and that has been eliminated.

Mr. GROSS. I thank the gentleman.

The SPEAKER. The question is on the conference report.

The conference report was agreed to; and a motion to reconsider was laid on the table.

MY VOTING RECORD

Mr. BOYLE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD, and to include my voting record.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Voting and attendance record, Representative CHARLES A. BOYLE, 12th District, Illinois, 84th Cong., 1st sess.

Roll-call No.	Date	Measure, question, and result	Vote
1	Jan. 5	Call of the House	Present.
2	do	Election of Speaker (Rayburn 228, Martin 198, "present" 2)	Rayburn.
3	Jan. 25	H. J. Res. 159, joint resolution authorizing the President to employ the Armed Forces of the United States for protecting the security of Formosa, the Pescadores and related positions and territories of that area. (Passed 410 to 3.)	Yea.
4	Jan. 27	H. R. 587 to provide that persons serving in the Armed Forces on Jan. 31, 1955, may continue to accrue educational benefits under the Veterans' Readjustment Assistance Act of 1952 and for other purposes. (Passed 366 to 0.)	Yea.
5	Feb. 8	H. R. 3005 to amend the Universal Military Training and Service Act by extending the authority to induct certain individuals and to extend the benefits under the Dependents Assistance Act to July 1, 1959. (Passed 394 to 4.)	Yea.
6	Feb. 16	H. R. 3828 to adjust the salaries of judges of United States courts, United States attorneys, Members of Congress, and for other purposes. (Passed 283 to 118.)	Yea.
7	Feb. 17	Call of the House	Present.
8	do	H. Res. 142 providing for the consideration of H. R. 1, a bill to extend the authority of the President to enter into trade agreements under sec. 350 of the Tariff Act of 1930, as amended, and for other purposes. On ordering the previous question. (Failed 178 to 207.)	Yea.
9	do	H. Res. 142 providing for the consideration of H. R. 1, a bill to extend the authority of the President to enter into trade agreements under sec. 350 of the Tariff Act of 1930, as amended, and for other purposes. On Brown of Ohio amendment. (Failed 191 to 193.)	Nay.
10	do	H. Res. 142 on agreeing to resolution. (Passed 193 to 192)	Yea.
11	Feb. 18	H. R. 1 to extend the authority of the President to enter into trade agreements under sec. 350 of the Tariff Act of 1930 on motion to recommit. (Failed 199 to 206.)	Nay.
12	do	H. R. 1 on passage. (Passed 295 to 110)	Yea.
13	Feb. 23	Call of the House	Absent.
14	Feb. 24	Call of the House	Present.
15	Feb. 25	H. R. 4259 to provide a 1-year extension of the existing corporate normal-tax rate and of certain existing excise-tax rates, and to provide a $20 credit against the individual income tax for each personal exemption. On motion to recommit. (Failed 205 to 210.)	Nay.
16	do	H. R. 4259 on passage. (Passed 242 to 175)	Yea.
17	Mar. 1	H. R. 3828 to adjust the salaries of judges of the United States courts, United States attorneys, Members of Congress, and for other purposes. (Passed 223 to 113.)	Yea.
18	Mar. 10	Call of the House	Present.
19	do	H. R. 4720 to provide incentives for members of the uniformed services by increasing certain pays and allowances. (Passed 399 to 1)	Yea.
20	Mar. 16	Call of the House	Present.
21	Mar. 18	H. R. 4903 for supplemental appropriations for the fiscal year ending June 30, 1955. (Passed 174 to 107)	Not voting (paired for).
22	Mar. 21	Call of the House	Present.
23	do	H. R. 4644 to increase the rates of basic salary of postmasters, officers, supervisors, and employees in the postal field service, to eliminate certain salary inequities, and for other purposes on motion to suspend rules and pass. ⅔ vote required. (Failed, yeas 120 to nays 302)	Nay.
24	do	Call of the House	Present.
25	do	H. R. 4951 for a redetermination of the national marketing quota for burley tobacco for the 1955–56 marketing year. ⅔ vote required. (Failed 260 to 151.)	Yea.
26	do	Call of the House	Present.
27	do	H. Res. 170 to declare that the House of Representatives does not favor sale of the facilities as recommended in the report of the Rubber Producing Facilities Disposal Commission. (Failed 132 to 293.)	Yea.
28	Mar. 23	Call of the House	Present.
29	do	H. Res. 171 to disapprove proposed sale to Shell Oil Co. of certain synthetic rubber facilities as recommended by the Rubber Producing Facilities Disposal Commission report. (Failed 137 to 276.)	Yea.
30	Mar. 24	Call of the House	Present.
31	Mar. 28	Call of the House	Present.
32	Mar. 29	Call of the House	Present.
33	Mar. 30	H. R. 4259 conference report on bill to provide a 1-year extension of the existing corporate normal-tax rate and of certain existing excise-tax rates, and to provide a $20 credit against the individual income tax for each personal exemption. (Passed 387 to 8.)	Yea.
34	do	H. R. 5240 appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices for the fiscal year ending June 30, 1956. On Phillips amendment for veterans—$1 per month—enrolled education institutions. (Failed 154 to 227.)	Nay.
35	Apr. 13	Call of the House	Absent.
36	Apr. 20	Call of the House	Present.
37	do	H. R. 4644 to increase the rates of basic salary of postmasters, officers, supervisors, and employees in the postal field service, to eliminate certain salary inequities, and for other purposes on Moss amendment No. 2 (8.2 percent increase). (Passed 224 to 189.)	Yea.
38	do	H. R. 4644 on motion to recommit. (Failed 125 to 287.)	Nay.
39	do	H. R. 4644 on passage. (Passed 324 to 85.)	Yea.
40	Apr. 21	Call of the House	Present.
41	do	H. R. 4393 to provide for the construction and conversion of certain modern naval vessels. (Passed 373 to 3.)	Yea.
42	Apr. 27	Call of the House	Present.
43	May 3	Call of the House	Present.
44	May 4	Call of the House	Present.
45	May 5	Call of the House	Present.
46	do	H. R. 12 to amend the Agricultural Act of 1949, as amended, with respect to price supports for basic commodities. On Green of Pennsylvania amendment (eliminate peanuts). (Failed 193 to 215.)	Nay.
47	do	H. R. 12 on motion to recommit. (Failed 199 to 212.)	Nay.
48	do	H. R. 12 on passage. (Passed 206 to 201.)	Yea.
49	May 9	Call of the House	Present.
50	do	S. 1 to increase the rates of basic compensation of officers and employees in the field service of the Post Office Department. Conference report, on motion to recommit with instructions. (Failed 118 to 275.)	Nay.
51	do	S. 1 on adoption. (Passed 328 to 66.)	Yea.
52	do	H. Res. 223 providing for the consideration of H. R. 2535, a bill to enable the people of Hawaii and Alaska each to form a constitution and State government and to be admitted into the Union on an equal footing with the Original States. (Passed 322 to 66.)	Yea.
53	do	Call in committee	Present.
54	May 10	Call of the House	Present.
55	do	Call in committee	Present.
56	do	Call in committee	Present.
57	do	H. R. 2535 to enable the people of Hawaii and Alaska each to form a constitution and State government and to be admitted into the Union on an equal footing with the Original States. On motion to recommit. (Passed 218 to 170.)	Nay.
58	May 11	Call of the House	Present.
59	do	Call in committee	Present.
60	May 12	Call of the House	Present.
61	do	Call in committee	Present.
62	do	H. R. 6042 appropriations for the Department of Defense for fiscal year ending June 30, 1956, on Vinson amendment relative to funds used for disposal or transfer by contract. (Failed 184 to 202.)	Nay.
63	do	H. R. 6042 on passage. (Passed 382 to 0)	Yea.
64	May 17	Call of the House	Present.
65	May 18	Call of the House	Present.
66	May 19	Call of the House	Present.
67	do	Call of the House	Present.
68	do	Call in committee	Present.
69	May 23	S. 727 District of Columbia judges' salaries. (Passed 282 to 32)	Yea.
70	May 25	Call of the House	Present.
71	do	H. R. 244 to provide for study of White County Bridge Commission. (Passed 205 to 166)	Yea.

Voting and attendance record, Representative CHARLES A. BOYLE, 12th District, Illinois, 84th Cong., 1st sess.—Continued

Roll-call No.	Date	Measure, question, and result	Vote
72	...do....	H. R. 2851 to authorize the Commodity Credit Corporation to process food commodities. (Passed 343 to 1)	Yea.
73	May 26	Call of the House	Present.
74	...do....	S. 727 on salaries of District of Columbia judges. (Passed 170 to 165.) This was to recommit conference report	Nay.
75	...do....	Call of the House	Present.
76	...do....	H. R. 5881 to supplement the Federal reclamation laws by providing for Federal cooperation in non-Federal projects and for participation by non-Federal agencies in Federal projects. A recommittal motion designed to limit the scope of the bill to the 17 western reclamation States was rejected. (Failed 62 to 229.)	Nay.
77	June 1	Call of the House	Present.
78	...do....	H. R. 3990 to authorize the Secretary of the Interior to investigate and report to the Congress on the conservation, development, and utilization of the water resources of Alaska. On motion to recommit. (Failed 79 to 278.)	Nay.
79	June 7	S. 2061 the postal pay raise bill. (Passed 409 to 1)	Yea.
80	June 8	H. R. 5923 to build Inter-American Highway within a 3-year instead of the original 6-year period. (Passed 353 to 13)	Yea.
81	June 13	Call of the House	Present.
82	June 14	Call of the House	Present.
83	...do....	H. R. 1 on conference report on Reciprocal Trade Act (passed 347 to 54)	Yea.
84	...do....	H. R. 6227 to provide for prevention of control of banks by outside agencies in the Bank Holding Company Act. (Passed 371 to 24)	Yea.
85	June 15	Call of the House	Present.
86	...do....	H. Res. 210 to authorize the Committee on Banking and Currency to investigate the Federal Open Market Committee of the Federal Reserve Board. Rejected.	Nay.
87	June 16	Call of the House	Present.
88	June 20	S. 67, pay raise for classified Federal employees. (Passed 370 to 3)	Yea.
89	...do....	H. Con. Res. 109 to authorize congressional delegation to attend NATO Conference. (Passed 338 to 31)	Yea.
90	...do....	H. R. 6295 to increase per diem allowance of Federal employees. (Passed 320 to 41)	Yea.
91	June 21	H. R. 4663 to authorize $225 million for Trinity Valley project in California. (Passed 231 to 153)	Yea.
92	June 22	Call of the House	Present.
93	...do....	H. R. 6040 to amend certain administrative provisions of Tariff Act of 1930 and to repeal obsolete custom laws. Motion to recommit. (Failed 143 to 232.)	Nay.
94	June 23	H. Con. Res. 149 to support people to achieve self-government; that United States oppose colonialism and Communist imperialism. (Passed 367 to 0.)	Yea.
95	June 27	H. R. 6992 to extend debt limit for 1 year. (Passed 267 to 56)	Yea.
96	...do....	Call of the House	Present.
97	...do....	H. R. 6829 to authorize certain construction at military posts. (Passed 316 to 2)	Yea.
98	June 28	Call of the House	Present.
99	...do....	H. R. 3005 on conference report on 4-year extension of the draft for soldiers and on 2-year extension on the draft for doctors. Motion to recommit. (Failed 171 to 221.)	Yea.
100	...do....	H. R. 3005 on passage of conference report. (Passed 388 to 5)	Yea.
101	...do....	Call of the House	Present.
102	June 29	Call of the House	Present.
103	...do....	S. 727 on increase of pay of District of Columbia judges. On motion to recommit. (Failed 157 to 227)	Nay.
104	June 30	Call of the House	Present.
105	...do....	S. 2090 Mutual Security Act of 1955 on passage. (Passed 273 to 128)	Yea.
106	July 1	Call of the House	Present.
107	...do....	Call of the House	Present.
108	July 5	Call of the House	Present.
109	July 6	H. R. 3210 on lake diversion bill—to permit diversion from Lake Michigan into the Illinois Waterway. On motion to recommit. (Failed 74 to 316.)	Nay.
110	July 7	S. 2090 on conference report of Mutual Security Act. (Passed 262 to 120)	Yea.
111	July 11	Call of the House	Present.
112	...do....	H. R. 7224 to provide appropriations for mutual security for fiscal year ending June 30, 1956. (Passed 251 to 123.)	Yea.
113	July 12	Call of the House	Present.
114	July 13	H. R. 6766 to provide appropriations for AEC, TVA, certain agencies of the Department of the Interior, and civil functions administered by Department of the Army. (Passed 315 to 92.)	Yea.
115	...do....	H. Res. 295 to provide for consideration of H. R. 7089, a bill to provide benefits for the survivors of servicemen and veterans, and for other purposes. (Passed 376 to 24.)	Yea.
116	...do....	Call of the House	Present.
117	July 14	Call of the House	Present.
118	July 18	Call of the House	Present.
119	...do....	H. R. 7225 to amend the Social Security Act to extend benefits to lawyers and dentists, to disabled persons, to women over 62. (Passed 372 to 31.)	Yea.
120	...do....	Call of the House	Present.
121	...do....	Call of the House	Present.
122	July 19	Call of the House	Present.
123	...do....	Call of the House	Present.
124	July 20	Call of the House	Present.
125	...do....	H. Res. 308 on H. R. 7214 Fair Labor Standards Act to make minimum wage of $1 an hour rather than 75 cents an hour. (Passed 362 to 54)	Yea.
126	July 25	Call of the House	Present.
127	...do....	Call of the House	Present.
128	...do....	Call of the House	Present.
129	...do....	H. R. 7000 vote on conference report on the military Reserve bill. (Passed 315 to 78)	Nay.
130	July 26	H. Res. 314 on H. R. 7474 to limit debate on highway bill to 3 hours and not to permit amendments to sec. 4 of bill (taxes for bill). (Passed 274 to 129.)	Yea.
131	July 27	Call of the House	Present.
132	...do....	H. R. 7474 on motion to recommit the highway bill. (Failed 193 to 221)	Nay.
133	...do....	H. R. 7474 on passage of highway bill. (Failed 123 to 292)	Yea.
134	July 28	Call of the House	Present.
135	...do....	H. Res. 317 on H. R. 6645 to limit debate to 3 hours on Harris bill to exempt producers of natural gas from regulation by Federal Power Commission. (Passed 272 to 135.)	Nay.
136	...do....	Call of the House	Present.
137	...do....	Motion to recommit H. R. 6645. (Failed 203 to 210.)	Yea.
138	...do....	H. R. 6645, natural gas bill vote on passage. (Passed 209 to 203.)	Nay.
139	July 29	Call of the House	Present.
140	...do....	H. Res. 326 on S. 2126, the public housing bill, on substituting the Wolcott amendment for S. 2126. (Passed 217 to 188.)	Nay.
141	...do....	S. 2126 Housing Act of 1955 as amended by the Wolcott amendment. (Passed 396 to 3.)	Yea.
142	Aug. 1	Call of House	Present.
143	...do....	Additional appropriation for small business	Yea.
144	...do....	Surrender of franchise of Capital Transit Co	Nay.
145	Aug. 2	Call of House	Present.
146	...do....	Conference report on Housing Act	Yea.

WHEN WILL THE EMERGENCY END?

Mr. VANIK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. VANIK. Mr. Speaker, on the occasion of the invasion of Korea in December 1950, a state of emergency was proclaimed by President Truman on December 16, 1950.

Since entering upon the Office of the Presidency, President Dwight D. Eisenhower has never terminated the emergency. At the same time, he has meticulously avoided referring to the current existence of an emergency condition.

In order to clarify the matter, I wrote to the President on the status of the emergency and received the following reply from Bryce N. Harlow, administrative assistant to the President:

THE WHITE HOUSE,
Washington, July 15, 1955.

The Honorable CHARLES A. VANIK,
House of Representatives,
Washington, D. C.

DEAR MR. VANIK: Respecting your letter of July 13 concerning the present status of the national emergency proclaimed by President Truman on December 16, 1950, the President has asked me to advise that the national emergency has not been terminated and the

proclamation of December 16, 1950, is currently in full force and effect.

With kind regard,

Sincerely,

BRYCE N. HARLOW,
Administrative Assistant to the President.

At the present time we are not at war and there is no evident threat of war. Do present world conditions warrant the continuation of this state of emergency, along with the exercise of emergency powers by the Executive? If the present emergency is to be a permanent condition, perhaps the time has come for Congress to enact permanent legislation for emergency preparedness in order that protracted exercise of emergency powers may be avoided.

PARLIAMENTARY INQUIRY

Mr. HOFFMAN of Michigan. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HOFFMAN of Michigan. Mr. Speaker, if the House is in recess, under the rules of the House may a Member speak from the well of the House while the recess is on?

The SPEAKER. Not when the House is in recess.

MISS RUTH THOMPSON

Mr. DEANE. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. DEANE. Mr. Speaker, I hesitate to take this time, but I do so in view of a news article that I saw in a Washington paper today which refers to a distinguished Member of this body, the gentlewoman from Michigan, Miss RUTH THOMPSON. It is headed "Recall Move," and it purports to say that certain political leaders in her district are going to seek her recall. She is charged with delaying the Air Force construction of a jet base in Michigan. I am not authorized to speak for the Air Force appropriation defense panel upon which I serve, but I know that the distinguished Member from Michigan appeared before our committee and made an urgent plea that an Air Force jet base be located in her district. From her testimony before our committee it appears that the Department of the Air Force had advised her that a base would be located in the gentlewoman's district. Then the department reversed its decision. After the appearance of the gentlewoman before our committee we directed that the Air Force make a complete survey of all logical sites in the State of Michigan. Let me point out that at no time did our committee direct the Air Force to locate this base at any particular site. Again the Department came up with another decision that the base be located at a site that the committee felt was unwise, both from the standpoint of cost and it was lacking in basic technical requirements.

The committee released funds for the construction of the base finally agreed upon by the Department of the Air Force because it met the criteria of our committee.

It is my feeling, Mr. Speaker, that the RECORD should be clear on the above facts. We of this House know that the gentlewoman from Michigan [Miss THOMPSON] has rendered outstanding and faithful service, not only to her district but on this floor and in all committee work.

I again say that her appearance before our committee was honest and sincere. If there is any criticism to be made it should be directed toward our committee. It was our directive that the Air Force take into consideration every base that had been mentioned in the State of Michigan and that the Department come up with a decision that would be in the best interest of the taxpayers of this country and in keeping with the technical and other basic factors that are required in the mission of this jet base.

RECESS

The SPEAKER. The Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 7 o'clock and 48 minutes p. m.) the House stood in recess subject to the call of the Chair.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 8 o'clock and 58 minutes p. m.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. McBride, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 929. An act for the relief of Mrs. Maria Del Mul;

H. R. 1235. An act for the relief of Vera Gregovich Kenter;

H. R. 1319. An act for the relief of Vasilios Liakopoulos;

H. R. 1641. An act for the relief of Mary Mancuso;

H. R. 1909. An act for the relief of Rodolfo Pugeda de la Cerna;

H. R. 2079. An act for the relief of Ingrid Liselotte Poch;

H. R. 2235. An act for the relief of Mrs. Margarete Gick Scordas;

H. R. 2339. An act for the relief of Monika Schefbanker;

H. R. 2704. An act for the relief of Kazuko Iwata Rausch;

H. R. 2897. An act for the relief of Chung Poik Cha and her child, Myra Poik Cha;

H. R. 2916. An act for the relief of Mrs. Elfrieda Schoeppe;

H. R. 3063. An act to confer jurisdiction upon the United States District Court for the Northern District of California to hear, determine, and render judgment upon the claims of the Bartlett Springs Co. and certain others;

H. R. 3195. An act for the relief of Rolf Hugo Neuman;

H. R. 4544. An act for the relief of Andrew Carrigan;

H. R. 4643. An act for the relief of Mrs. Lee Shee Yee (also known as Lee Lai Koon);

H. R. 4734. An act to amend the provisions of the River and Harbor Act of 1954 which authorize the Secretary of the Army to reimburse local interests for work done on a dredging project at Los Angeles and Long Beach Harbors, Calif., during a period ending on July 1, 1953, by extending that period to November 7, 1953;

H. R. 5074. An act for the relief of Miss Blanca Lina Rionegro;

H. R. 5469. An act to extend the authority of the Corregidor Bataan Memorial Commission, and for other purposes;

H. R. 5908. An act for the relief of Mrs. Johanna Eckles;

H. R. 5913. An act for the relief of Mock Jung Shee (Mock Jung Liu);

H. R. 6741. An act for the relief of Elfriede Rosa (Kup) Kraft; and

H. R. 7244. An act to provide for the striking of medals in commemoration of the 120th anniversary of the signing of the Texas Declaration of Independence and the Battles of the Alamo, Goliad, and San Jacinto in the year 1836.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 2127. An act to amend the Small Business Act of 1953; and

The message also announced that the Senate agrees to the reports of the committees of conference on the disagreeing votes of the two Houses on the amendments of the House to a bill of the Senate of the following title:

S. 2501. An act to amend the Public Health Service Act to authorize grants to States for the purpose of assisting States to provide children and expectant mothers an opportunity for vacination against poliomyelitis.

AMENDMENT OF FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 7855) to amend the Federal Property and Administrative Services Act of 1949, as amended, to extend until June 30, 1956, the period during which disposals of surplus property may be made by negotiation.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. MARTIN. Reserving the right to object, Mr. Speaker, and I am not going to object, will the majority leader tell the House something about this bill?

Mr. McCORMACK. I would be very happy to.

A short while ago Assistant Secretary of Defense Kennedy called to see me and called my attention to this bill. It had been overlooked. He thinks the Senate will act if the bill gets over there.

The purpose of this bill is to extend to June 30, 1956, the authority of the Administrator of General Services to dispose of surplus property by negotiation rather than by advertising when it is determined that advertising will not facilitate disposal and that disposal by negotiation will further the public ends.

Mr. MARTIN. I understand this has been renewed four different times?

Mr. McCORMACK. Several times; yes.

Mr. MARTIN. It is now recommended by the Department?

Mr. McCORMACK. Assistant Secretary of Defense Kennedy called on me, and he conferred with the gentleman from Massachusetts and the gentleman from Michigan [Mr. HOFFMAN].

Mr. MARTIN. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 203 (e) of the Federal Property and Administrative Services Act of 1949, as amended (40 U. S. C. 484 (e)), is amended by striking out "June 30, 1955" and inserting in lieu thereof "June 30, 1956."

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

ATOMIC ENERGY COMMISSION

Mr. ARENDS. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Concurrent Resolution 196.

The Clerk read the resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That the President of the United States is requested to return to the House of Representatives the enrolled bill (H. R. 7684) to authorize the Atomic Energy Commission to pay the salary of a Commissioner during the recess of the Senate, and for other purposes. If and when said bill is returned by the President, the action of the Presiding Officers of the two Houses in signing said bill shall be deemed rescinded; and the Clerk of the House is authorized and directed, in the reenrollment of said bill, to make the following correction: In section 3 of the bill strike out the words "first sentence" and insert in lieu thereof the words "fifth sentence."

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

Mr. McCORMACK. Mr. Speaker, reserving the right to object, will the gentleman explain what this resolution does so the Members of the House may know?

Mr. ARENDS. May I say to the majority leader, I tried very hard to find some member of Atomic Energy Commission on either side of the aisle so that they could call this up for consideration. Unfortunately, I could not locate anyone. This simply asks that a bill which the House and Senate passed today be returned because inadvertently the wrong sentence of the bill was amended.

Mr. McCORMACK. I would like to ask the gentleman from Illinois a few questions. We passed this bill the other day in relation to the fifth member appointed after the Congress adjourns with reference to paying a salary to such fifth member. There were also provisions that all of the members of the Atomic Energy Commission shall have full opportunity to have all the information and data that the Commission has; that is correct is it not?

Mr. ARENDS. That is right.

Mr. McCORMACK. Now this correcting resolution in no way affects that; does it?

Mr. ARENDS. That is my understanding.

Mr. McCORMACK. I would ask the gentleman to go even further than that. I would like to have it made clear for the record that that in no way changes the bill which we passed the other day giving to the Commissioners the power and authority to have all the information available to them which is available to the Chairman of the Atomic Energy Commission.

Mr. ARENDS. Let me say to the gentleman I cannot give him that 100 percent assurance. I am only taking the word of the people who intervened in this matter, and who told me that such was the case.

Mr. McCORMACK. I can understand that, but I think the gentleman can give us this assurance—that in the consideration of the resolution, if it is acted upon, there is no intention by the House or by the other body, and certainly there is no intention on the part of the gentleman from Illinois [Mr. ARENDS] to change the provisions that I have referred to.

Mr. ARENDS. I can give you that assurance so far as I am concerned that there is not any such intention and no one asked me to make any such proposal.

Mr. McCORMACK. Of course, the House is acting in the last moments before adjournment and we are acting rather hastily here, but I simply want the record to show that if there is any question so far as the members of the Atomic Energy Commission are concerned to the action that we took the other day, then the House is going to act drastically on this matter at the next session.

Mr. ARENDS. May I say to the gentleman from Massachusetts that is why I was so anxious to try to find a member of the proper committee so that they might be able to call up the resolution and give the House that assurance, but I was unable to find anyone.

Mr. McCORMACK. Mr. Speaker, with that understanding I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

STREET-RAILWAY CORPORATIONS OPERATING IN THE DISTRICT OF COLUMBIA

Mr. McMILLAN submitted the following conference report and statement on the bill (S. 2576) to amend the joint resolution entitled "Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes," approved January 14, 1933, and for other purposes.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. 1632)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2576) to amend the joint resolution entitled "Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes," approved January 14, 1933, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following: "That it is hereby declared that the business of mass transportation of persons for hire in the District of Columbia is clothed with a public interest and is essential to the proper functioning of the Government of the United States and the government of the District of Columbia. The continuous, uninterrupted, and proper functioning of such business in the District of Columbia is hereby declared to be essential to the welfare, health, and safety of the public, including the civilian and military personnel of the Government of the United States located in the District of Columbia and the metropolitan area of Washington. It is declared to be necessary in the public interest to repeal the franchise of the Capital Transit Company and grant the Commissioners of the District of Columbia the authority hereinafter set forth.

"SEC. 2. The joint resolution entitled 'Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes,' approved January 14, 1933 (47 Stat. 752), as amended, is amended by adding at the end thereof the following section:

"'SEC. 14. The charter and all rights of franchise of the Capital Transit Company created by this resolution are hereby repealed in accordance with the terms of section 13 hereof.'

"SEC. 3. (a) The Commissioners of the District of Columbia may authorize (including authorization under such contractual agreements as may be necessary) such public transportation, during the year following the date of enactment of this Act, within the District of Columbia as may be necessary for the convenience of the public. Such transportation shall be furnished to the public at such rates and under such terms and regulations as may be recommended by the Public Utilities Commission, and approved by the Commissioners of the District of Columbia, for the purpose of providing a satisfactory system of public transportation within the District of Columbia during the year following the date of the enactment of this Act.

"(b) Any contract entered into under the authority of subsection (a) of this section with the Capital Transit Company shall provide—

"(1) that salaries of officers of the Capital Transit Company in effect on July 1, 1955, will be continued in effect during the term of said contract;

"(2) that in the event increased wages and benefits are accorded employees under such contract, appropriate increases may also be granted salaried employees other than company officers, subject to the approval of the Commissioners of the District of Columbia; and

"(3) that if, at the end of the period of said contract, the operating revenues derived by such company from the operation

of its properties in utility service for the convenience of the public have not been sufficient to meet the cost of operation during the period of such contract, including but not limited to depreciation and all taxes, but not including any return on investment, the District of Columbia shall pay Capital Transit Company the amount of such deficiency: *Provided*, That such deficiency during said period shall be determined in accordance with the accounting practices now prescribed by the Public Utilities Commission, but the said deficiency shall not include any allowance for amortization of such company's property for obsolescence or loss to such company by reason of the termination of its franchise: *Provided further*, That such deficiency shall not exceed the increased labor costs approved by the Commissioners for the contract period and that this deficiency shall be further reduced by the increased income derived by such company from any fare increase which may be granted by the Public Utilities Commission as a direct offset to the increased labor costs.

"SEC. 4. The Commissioners of the District of Columbia may, with the approval of the Public Service Commission of the State of Maryland, exercise any of the powers granted in this Act within the portion of the State of Maryland which is provided with public transportation by the Capital Transit Company (including subsidiaries).

"SEC. 5. Nothing in this Act shall affect the right of Capital Transit Company or its successors in interest to continue railroad service to the Potomac Electric Power Company as currently performed by the East Washington Railway Company, nor shall it affect its present rights with relation thereto.

"SEC. 6. There are hereby authorized to be appropriated, out of any money in the Treasury to the credit of the District of Columbia not otherwise appropriated, such amounts as may be necessary, if any, over and above the revenues received from operations herein provided for, to carry out the provisions of this Act.

"SEC. 7. Effective as of the date of the termination of the charter and all rights of franchise of the Capital Transit Company as provided for in section 2 of this Act, such company shall, upon the order of the Commissioners of the District of Columbia, remove from the streets and highways at its own expense all of its properties and facilities and shall thereupon restore such streets and highways in accordance with the provisions of the Act of July 1, 1941 (55 Stat. 499).

"SEC. 8. If any provision contained in this Act be declared invalid, such invalidity shall not be deemed to affect or impair the validity of the remainder or of any other part of this Act."

And the House agree to the same.

OREN HARRIS,
HOWARD W. SMITH,
JOSEPH P. O'HARA,
JOEL T. BROYHILL,
DEWITT S. HYDE,
Managers on the Part of the House.

M. M. NEELY,
PAT MCNAMARA,
WAYNE MORSE,
J. GLENN BEALL,
CLIFFORD P. CASE,
Managers on the Part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2576) to amend the joint resolution entitled "Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes," approved January 14, 1933, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House amendment struck out all of the Senate bill after the enacting clause and inserted in lieu thereof the provisions of the House bill (H. R. 7718), entitled "A bill to authorize the Capital Transit Company, under certain circumstances, to surrender its franchise, and for other purposes".

Under the Senate bill the franchise of the Capital Transit Co. was repealed in the manner provided for in the so-called "Merger Act" of January 14, 1933, which would result in the expiration of all rights under such franchise at the end of 1 year following the date of enactment of the repeal. The House bill authorized the Commissioners of the District of Columbia to enter into a contract under the terms of which, among other things, the Commissioners would accept the relinquishment by the Capital Transit Co. of all of its rights under its franchise 1 year after the enactment of the act. The conference substitute adopts the provisions of the Senate bill.

The Senate bill authorized seizure of the Capital Transit Co. by the Commissioners of the District of Columbia, where necessary, for the duration of the 1-year period during which the company was authorized to continue to exercise its rights under the franchise.

The House amendment authorized the District Commissioners to enter into a contract with the Capital Transit Co. under which that company would continue to provide public transportation as provided for in its franchise.

The conference substitute strikes out all provisions of the Senate bill relating to seizure. Instead, the conference substitute contains a provision, similar to a provision in the Senate bill, authorizing the District Commissioners to authorize such public transportation within the District of Columbia as may be necessary for the convenience of the public. Under this provision the Commissioners may enter into a contractual agreement with the Capital Transit Co. or other companies for providing such public transportation. However, the conference substitute provides that in the event the Commissioners enter into such a contract with the Capital Transit Co. such contract shall contain certain provisions. These provisions are similar in several instances to provisions the House amendment required to be included in any contract authorized therein between the District Commissioners and Capital Transit. The first of these provides for continuation of the salaries of the officers of the company at the present rates. The second permits salaried employees, other than company officers, to receive appropriate wage increases if wage increases are given other employees under the contract. The third provides for payment by the District of Columbia of the difference between operating revenues and costs of operations during the period a contract is in effect with the company. The Senate bill and the House amendment each contained a provision designed to accomplish this result. This provision also specifies the accounting methods to be used and certain factors to be considered in determining the extent of any deficit.

The conference substitute also contains certain provisions contained in the Senate bill but not the House amendment. These relate to operations within the State of Maryland, to authorization of appropriations out of funds in the Treasury credited to the District of Columbia, to railway service by the East Washington Railway Co., and to separability in the event of invalidity. The conference substitute also contains an appropriate preamble.

OREN HARRIS,
HOWARD W. SMITH,
JOSEPH P. O'HARA,
JOEL T. BROYHILL,
DEWITT S. HYDE,
Managers on the Part of the House.

Mr. McMILLAN. Mr. Speaker, I call up the conference report on the bill (S. 2576) to amend the joint resolution entitled "Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes," approved January 14, 1933, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the statement.

The SPEAKER. The question is on agreeing to the conference report.

The question was taken; and on a division (demanded by Mr. KEARNS) there were—ayes 140, noes 60.

So the conference report was agreed to; and a motion to reconsider was laid on the table.

THE LATE CHIEF JUSTICE JOHN PATRICK HIGGINS OF THE SUPERIOR COURT OF MASSACHUSETTS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, it is with a heavy heart that I rise to speak of the passing of my dear friend and former colleague, Chief Justice John Patrick Higgins, of the Superior Court of Massachusetts.

Those of you who served in the 74th and 75th Congresses will remember that brilliant and warm-hearted gentleman from the 11th District of Massachusetts, who served on the Committee on Post Offices and Post Roads during his first term, and later on the Appropriations Committee.

None who knew John Higgins will ever forget him. His friendly spirit, his keen mind and, above all, his love of his fellowman marked his whole career from a schoolboy in the West End of Boston, where he was born February 19, 1893, to the heights which he achieved in the service of his community, State, and Nation, and later the judiciary of the Commonwealth of Massachusetts.

Graduated from Harvard University as a Bachelor of Science in 1917 he entered his country's service in World War I as an ensign in the Navy. He worked for a time as chemist and then studied law at Boston University and the Northeastern College of Law in Boston. He was admitted to practice in 1927, being both a lawyer and a chemical engineer.

For 5 years he served as a Democratic member of the State House of Representatives where his talents gained wide recognition, and in the 1934 election was elected to Congress from a district which included Cambridge, Chelsea, and part of Boston.

Reelected to the 75th Congress, he served until his resignation to accept the appointment by Gov. Charles F.

Hurley as Chief Justice of the Superior Court, where he served until his untimely death this morning.

Only another service to his country interrupted that long tenure. That was the call from Gen. Douglas MacArthur for Justice Higgins to sit as a United States judge on the International Military Tribunal for the Far East at Tokyo, Japan.

He was a member of the American Legion, had served on the Democratic State committee, and was a member of the Law Society of Massachusetts and many other organizations which gave opportunity for indulgence of his community and philanthropic interests.

I am sure the Members of this House will join me in expressing our deepest sympathy to his surviving daughter and other relatives.

Massachusetts has lost a great son and the United States has lost a faithful servant.

Mr. MARTIN. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Massachusetts.

Mr. MARTIN. Mr. Speaker, I join with the distinguished majority leader in his eulogy upon the death of Judge Higgins, a beloved friend and former colleague.

It was my privilege to know Justice Higgins for more than a quarter of a century. To know him was to like him. He was a very able man and possessed a lofty idealism. He rendered conspicuous service to his country here in the House as well as in his native State as chief justice of the State supreme court. He served brilliantly and ably. He was a man who prized friendship, and was loyal to those he liked. Our State of Massachusetts has suffered a great loss in his death. I extend to his family my most heartfelt sympathy in their hour of bereavement.

Mr. McCORMACK. I appreciate the remarks of my friend, and I know they will bring great consolation to his daughter.

I yield to the gentlewoman from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. Mr. Speaker, I am deeply grieved in the passing of our dear friend and former colleague, Mr. Chief Justice Higgins. The Commonwealth of Massachusetts has lost an illustrious son and we lost a great friend. He was so fine a man in the House, where I had the pleasure of serving with him, where the measure of men is taken. He was one of the finest Members that we have had—honorable, courteous, able, a great American, a great churchman, an inspiration to all who knew him. He had a remarkable record and progressed step by step. He filled every position with honor and integrity, and he increased in stature as a great jurist as time went on.

I join with the majority leader in mourning his passing and in sending deepest sympathy to his family and friends.

Mr. McCORMACK. I appreciate the remarks of the gentlewoman from Massachusetts.

Mr. Speaker, I yield to the gentleman from Massachusetts [Mr. NICHOLSON].

Mr. NICHOLSON. Mr. Speaker, it is very hard for me to get up and say one word, because my heart is so filled with mourning. I served with Chief Justice Higgins in the Massachusetts Legislature. While he was in the house I was in the senate. Then he was appointed judge of the Superior Court, chief justice, an honor that comes to but few men. At one time he said to me, "Bill, I never have had anything that appealed to me as much as this." So, I want to say that I am awfully sorry that our dear friend is removed from public life, because he certainly was a credit to the job he held.

Mr. McCORMACK. I appreciate the remarks of my friend.

Mr. Speaker, I yield to the gentleman from Massachusetts [Mr. CURTIS].

Mr. CURTIS of Massachusetts. Mr. Speaker, I join the distinguished majority leader in paying tribute to the late Chief Justice John P. Higgins. Massachusetts has indeed lost a distinguished son and a fine chief justice of the Superior Court. Those who knew him have lost a good friend.

It was my good fortune to serve in the Massachusetts General Court with John Higgins, when we were members of the house. He was an outstanding leader respected by all. As chief justice, he brought up to a high standard the standing of the Superior Court, which is the great trial court of Massachusetts. His service will indeed be missed, and his friends will miss him.

Mr. McCORMACK. I appreciate the remarks of my friend.

Mr. Speaker, I yield to the gentleman from Massachusetts [Mr. BOLAND].

Mr. BOLAND. Mr. Speaker, I join my colleagues from Massachusetts in expressing my very deep sorrow in the passing of a very great man. It was not my honor or privilege to know Chief Justice Higgins for any long period of time. It was only during the past 4 years that I met him and came to know him as a great statesman, a great judge, a distinguished son of Massachusetts, and a very patriotic American. I join with all of you in expressing my deep sympathy to his family in their hour of sorrow.

Mr. McCORMACK. I appreciate very much the remarks of my friend.

Mr. Speaker, I ask unanimous consent that all Members who desire to do so may insert their remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. DONOHUE. Mr. Speaker, it was with deep regret that I learned of the untimely death of a dear friend and able jurist, Chief Justice John P. Higgins, of the Superior Court of the Commonwealth of Massachusetts.

His exemplary life of devotion to the public service and his fellow man is an inspiration that any young man concerned with the future well being of America might well follow.

After graduating from Harvard College, he enlisted in the service of his country as an officer in the United States Navy during World War I. On discharge from the service he continued his studies at Boston University and Northeastern University, and became one of the outstanding members of the Massachusetts bar.

His desire to contribute to the civic betterment of his State prompted him to become a candidate for a seat in the Massachusetts Legislature and he was elected and reelected to several terms. His character and reputation as a legislator was recognized beyond his immediate State legislative district, and he was called to service in the House of Representatives of the United States Congress, where he served with distinction for two terms.

His knowledge of law and his vast experience in our courts caused the Governor of Massachusetts to select him to be one of the justices of our trial tribunal, the Superior Court. Later he was selected to be its chief justice.

Yes, Mr. Speaker, with the passing of Chief Justice Higgins, our State and the Nation has been deprived of a great lawmaker, a humane and learned judge, a truly outstanding American.

Mr. PHILBIN. Mr. Speaker, I was shocked and very deeply grieved to learn of the sudden and most untimely passing of my friend, Hon. John P. Higgins, Chief Justice of the Massachusetts Superior Court.

John Higgins was a noble soul, beloved and respected by all who knew him. Of humble but proud heritage, possessed of a brilliant mind, well trained and educated, admirably fitted by high character and ability for the public tasks to which he was called, Judge Higgins' career exemplified in a real sense the opportunities of our great Nation.

Outstanding member of the State Legislature, outstanding Member of Congress, outstanding chief justice, John Higgins gave his best to his State and his country.

Kindly, generous, considerate, and courtly, he was ever inspired by a true zeal to serve his fellow man. Devout in his religious belief, warmly attached to family and friends, loyal to every cause he embraced, diligent in every work he undertook, Judge Higgins will long be remembered for his magnificent contributions.

His brilliant career is at an end. He has been called to his heavenly reward—to "that land from whose bourne no traveler ever returns." His memory will ever be green. May a merciful providence bless and watch over him in his eternal reward and bestow upon his loved ones the faith and courage to bear their irreparable loss with true Christian fortitude.

To his family, with a grieving heart, I extend my most heartfelt sympathy.

Mr. BATES. Mr. Speaker, it was not my honor to know Justice Higgins but I have been well aware of his native ability and high and noble purposes. His path in life has left behind a glorious record of which every son of Massachusetts might well be proud. I wish to extend to his family my deepest sympathy in this difficult hour.

DISBURSING CLERK AND ASSISTANT DISBURSING CLERK

Mr. DEANE. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Resolution 342.

The Clerk read the resolution, as follows:

Resolved, That effective July 1, 1955, there shall be paid out of the contingent fund of the House, until otherwise provided by law, additional compensation per annum payable monthly to the Disbursing Clerk and the Assistant Disbursing Clerk (minority) the sum of $2,000 basic each.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The resolution was agreed to; and a motion to reconsider was laid on the table.

EMPLOYEES OF THE GOVERNMENT PRINTING OFFICE

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 30 seconds and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, I would not trespass on the time of the House were it not for the fact that we have forgotten, in approving resolutions for increased compensation, a small group of employees. I refer now to those who handled those illegible or indecipherable manuscripts that we send down to the Printing Office, and which come back the next day in the RECORD logical and clear.

TAX RELIEF TO A CHARITABLE FOUNDATION AND THE CONTRIBUTORS THERETO

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 7746) to provide tax relief to a charitable foundation and the contributors thereto, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 11, strike out "1949" and insert "December 31, 1949, and prior to January 1, 1956."

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

Mr. MARTIN. Reserving the right to object, Mr. Speaker, is this the bill introduced by the gentleman from Missouri [Mr. CANNON]?

Mr. FEIGHAN. Yes.

Mr. MARTIN. I understand it changes the date.

Mr. FEIGHAN. It changes the date, yes.

Mr. MARTIN. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. FEIGHAN. Mr. Speaker, the bill provides relief for a charitable foundation and affords the same exemption authorized such foundations under certain sections of the codes of 1939 and 1954.

The Senate amendment restricts the exemption to the period ending January 1, 1954.

The Senate amendment was concurred in; and a motion to reconsider was laid on the table.

RECESS

The SPEAKER. The Chair declares a recess subject to the call of the Chair.

Accordingly (at 9 o'clock and 25 minutes p. m.) the House stood in recess subject to the call of the Chair.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 11 o'clock and 30 minutes p. m.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Tribbe, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On August 1, 1955:

H. R. 65. An act to revise the boundary between the 2d and 4th judicial divisions of Alaska;

H. R. 896. An act to provide preference right to certain land in Alaska to Joseph Booth of Anchorage, Alaska, and for other purposes;

H. R. 897. An act to provide preference right to certain land in Alaska to Robert Henry Soyk of Kenai, Alaska, and for other purposes;

H. R. 902. An act to provide preference right to certain land in Alaska to Patrick Harold Johnson of Anchor Point, Alaska, and for other purposes;

H. R. 904. An act to provide preference right to certain land in Alaska to Bert Arthur Paraday of Anchor Point, Alaska, and for other purposes;

H. R. 905. An act to provide preference right to certain land in Alaska to Carl E. Robinson of Anchor Point, Alaska, and for other purposes;

H. R. 962. An act for the relief of Maria Louise Andreis;

H. R. 1044. An act for the relief of Teresa Alice Townsend;

H. R. 1155. An act for the relief of Solomon Wiesel;

H. R. 1245. An act for the relief of Marianne Anita Zelinka;

H. R. 1275. An act for the relief of Gennaro Savarese;

H. R. 1333. An act for the relief of Ebolya Wolf;

H. R. 1463. An act for the relief of Rudolfo M. Gomez (Capaz);

H. R. 1538. An act for the relief of Jean Isabel Hay Watts;

H. R. 1540. An act for the relief of Mrs. Joan Craig Newell;

H. R. 1541. An act for the relief of Mrs. Maria Dicran Simon;

H. R. 1549. An act for the relief of Salvacion Carbon;

H. R. 1551. An act for the relief of Gualberto Estralla Alabastro, Pura Zarco Alabastro, and Arlene Alabastro;

H. R. 1648. An act for the relief of Sister Luigia Pellegrino, Sister Angelina Nicastro, and Sister Luigina Di Martino;

H. R. 1661. An act for the relief of Kim Dong Su;

H. R. 1693. An act for the relief of Barbara Knape;

H. R. 1750. An act for the relief of Elena Gigliotti;

H. R. 1868. An act for the relief of Ernest Tomassich and Yoko Matsuo Tomassich.

H. R. 1883. An act for the relief of Margarete Gartner;

H. R. 1929. An act for the relief of Eufemia Bencich;

H. R. 1954. An act for the relief of Ingrid Samson;

H. R. 2073. An act for the relief of Bengt Wikstam;

H. R. 2274. An act for the relief of Alejandro Florentino Munoz;

H. R. 2353. An act for the relief of John Odabashian, doctor of medicine;

H. R. 2406. An act to amend subsection (e) of section 1 of title 5 of the District of Columbia Revenue Act of 1937, as amended;

H. R. 2495. An act for the relief of Antoni Rajkowski;

H. R. 2721. An act for the relief of Mihai Indig;

H. R. 2724. An act for the relief of Miss Elvira Bortolin;

H. R. 2756. An act for the relief of Frank Scriver;

H. R. 2911. An act for the relief of Max Steinsapir;

H. R. 2925. An act for the relief of Carmelo Rodriguez Perez, also known as Carmelo Rodriguez Fenald;

H. R. 2929. An act for the relief of Lazara Camargo Bernoudy;

H. R. 3071. An act for the relief of Eleanor Ramos;

H. R. 3123. An act to modify the acts of August 12, 1935 (49 Stat. 571, 584), May 15, 1936 (49 Stat. 1274), July 1, 1946 (60 Stat. 357), August 8, 1946 (60 Stat. 923), and June 30, 1947 (61 Stat. 211), with respect to the recoupment of certain public school construction costs, and to amend the act of August 17, 1950 (64 Stat. 459), relating to the expenditure of funds for cooperating with the public school board of Walker, Minn.;

H. R. 3193. An act for the relief of Evelyn Hardy Waters;

H. R. 3253. An act to amend section 6 of Public Law 874, 81st Congress, so as to provide for the continued operation of certain schools on military installations;

H. R. 3560. An act to provide for the relief of certain members of the Army, Navy, and Air Force, and for other purposes;

H. R. 3853. An act for the relief of Guadalupe Zuniga (also known as Benita Chaparrao-Venegas or Guadalupe Acosta);

H. R. 3972. An act for the relief of Anthonius Marinus Kronenburg;

H. R. 4225. An act authorizing the Administrator of Veterans' Affairs to convey certain property of the United States to the city of North Little Rock, Ark.;

H. R. 4245. An act for the relief of Mrs. Esther Rodriguez de Uribe;

H. R. 4367. An act to provide for the distribution of funds belonging to the members of the Creek Nation of Indians, and for other purposes;

H. R. 4894. An act to repeal certain laws relating to timber and stone on the public domain;

H. R. 5046. An act making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1956, and for other purposes;

H. R. 6059. An act relating to revisions of the executive agreement concerning trade and related matters entered into by the President of the United States and the President of the Philippines on July 4, 1946;

H. R. 6331. An act authorizing the Territory of Hawaii, through its duly designated officers and boards, to negotiate a compromise agreement, exchange with, sell, or lease to the owners of certain shorelands, certain tidelands, both in the Territory of Hawaii, and to make covenants with such owners, in settlement of certain damage claims and for a conveyance of littoral rights; and

H. R. 6796. An act to provide for the conveyance to the city of Clarksburg, W. Va., of certain property which was donated for use in connection with a veterans' hospital, and which is not being so used.

On August 2, 1955:

H. R. 7224. An act making appropriations for mutual security for the fiscal year ending June 30, 1956, and for other purposes.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. McBride, one of its clerks, announced that the Senate had passed without amendment bills and a concurrent resolution of the House of the following titles:

H. R. 5082. An act for the relief of Mrs. Koto Nakagawa;

H. R. 6102. An act to change the name of Garza-Little Elm Dam, located in Denton County, Tex., to Lewisville Dam;

H. R. 7195. An act to provide for adjustments in the lands or interests therein acquired for reservoir projects in Texas, by the reconveyance of certain lands or interests therein to the former owners thereof; and

H. Con. Res. 196. A concurrent resolution requesting the return by the President of the enrollment of H. R. 7684.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (H. R. 7117) entitled "An act making appropriations for the legislative branch for the fiscal year ending June 30, 1956, and for other purposes."

The message also announced that the Senate agrees to the amendment of the House to Senate amendment No. 52 to the above-entitled bill.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2576) entitled "An act to amend the joint resolution entitled 'Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes,' approved January 14, 1933, and for other purposes."

The message also announced that the Senate had passed the joint resolution of the following title, in which the concurrence of the House is requested:

S. J. Res. 104. A joint resolution providing for compensation of the superintendents of the Senate press, radio, and periodical galleries.

ATOMIC ENERGY COMMISSION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER. The Chair lays before the House the following message from the President of the United States.

The Clerk read as follows:

To the House of Representatives:

In compliance with the request contained in the resolution of the House of Representatives (the Senate concurring therein), I return herewith H. R. 7684, entitled "An act to authorize the Atomic Energy Commission to pay the salary of a Commissioner during the recess of the Senate, and for other purposes."

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *August 2, 1955.*

SERGEANT AT ARMS AND DOORKEEPER OF THE SENATE

Mr. ROONEY. Mr. Speaker, I ask unanimous consent for the immediate consideration of Senate Joint Resolution 104.

The Clerk read the joint resolution, as follows:

Resolved, etc., Notwithstanding any other provision of law (including the Legislative Appropriation Act, 1956) effective August 1, 1955, the basic annual compensation of the following positions under the Sergeant at Arms and Doorkeeper of the Senate shall be: superintendent, press gallery, $5,300; first assistant superintendent, press gallery, $4,700; second assistant superintendent, press gallery, $3,800; third assistant superintendent, press gallery, $3,300; fourth assistant superintendent, press gallery, $2,580; secretary, press gallery, $2,100; superintendent, radio press gallery, $5,200; first assistant superintendent, radio press gallery, $4,000; second assistant superintendent, radio press gallery, $3,500; third assistant superintendent, radio press gallery, $3,000; and superintendent periodical press gallery, $4,300.

The SPEAKER. Is there objection to the present consideration of the resolution?

Mr. HOFFMAN of Michigan. Mr. Speaker, reserving the right to object, I think the House has already made a record on appropriations and I object.

The SPEAKER. Objection is heard.

EXTENSION OF REMARKS

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks preceding the concurrence of the House to the Senate amendments to the bill, H. R. 7746.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

REPORT OF MAJORITY LEADER, HON. JOHN W. McCORMACK

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my remarks in the body of the RECORD at the end of the RECORD today.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, the 1st session of the 84th Congress under Democratic leadership during the administration of a Republican President has made an outstanding record, giving to the country and our people an enviable demonstration of party responsibility.

Our problems in this critical period have been great, but the burden of their solution was considerably lightened by the atmosphere of stability and relative harmony that prevailed.

As majority leader, I compliment the Members on both sides of the aisle for their industrious and devoted attention to duty, both in committee and in the House.

For Speaker RAYBURN and myself I express our thanks for the courtesies and the understanding cooperativeness shown us.

This session has written a record of constructive action. The record clearly shows that partisanship has been subordinated to the good of the Nation and the welfare of our people; a record that is in sharp contrast to that of a recent Republican Congress under reverse circumstances.

Mr. Speaker, the major achievements and the total record of the 1st session of the 84th Congress represents an era of enlightenment in the field of party politics that is unsurpassed in the history of America.

For if anything has been established in the exhausting and exacting months of this session, it is the noble dedication of this Congress, under Democratic leadership, to the interest and welfare of the people and to the defense of our country and the strengthening of our position internationally.

The record clearly shows our party's selfless indifference to partisan advantage in order to make these major achievements possible.

While some Republican Members cooperated, the major credit lies with the Democratic Members, for it was the Democratic leadership that cooperated with the White House, and not the White House with the Democratic leadership.

Why did this Democratic Congress, against what so often appeared its own political interest, deliberately give its sincere, its wholehearted, its unselfish support to so many of the measures of the Republican President when interest by failure, mostly, met his efforts to get support from his own party?

There are two answers to that question, Mr. Speaker, and both are very simple. The first is that the majority party in this House simply refuses, as a matter of principle, to abandon the position it has already maintained as the party of the people. Nor will we change our course just because the President, a formerly devoted subordinate of President Truman, has embraced Democratic policies lock, stock, and barrel unto himself. He may have smeared the Democratic name off the packing case and tried to substitute his own as the original and genuine author, but the deep and bitter opposition of sections of his own party shows where that packing case came from. Of course, there were a small percentage of Republicans who favored the leader of their party, President Eisen-

hower, and they are entitled to credit, but where would progress have been without the support of the Democratic Members of the House, in fact, of both branches, and in so many instances, precisely by those sturdy Democratic Members whom the President fought so hard to defeat in 1954.

So there will be no mistake, may I say we voted for those measures on the Democratic side of the House not because we favored and followed the President. We voted for these measures because we favored and fought for the public interest. We are not the party of extreme cynicism and extreme opposition "come hell and high water" as the Republicans have said their position was during Democratic administrations. We knock down the roadblocks and the roadblocks impedimenta to bills the President recommended because the party in which I hold the honored position of majority leader holds the country first—and put its strength on the side of sound Government and of progressive Democratic measures.

We did this despite the presence of a Republican President who looks for all the world like a man who is going to be a candidate again. We did it because we are right, and in giving the constructive leadership, the record clearly shows which was in the public interest. We recognize it will be appreciated by the people.

The Democratic Party believes that what is good for the country is good for the Democratic Party, and that what is good for General Motors had better be good for the country, or the country, which is bigger than General Motors, will see to it that the biggest name in industry is still a smaller name than the United States of America. And in 1957, when his country again has a Democratic President in the White House, we may all be sure that the name Democratic Party always will be bigger than any one, or any combination of mighty industrial and financial names.

Now, I have a second answer to explain why this Democratic Congress supported in many respects a Republican President over the heads of his own party's opposition, and the second answer is even more compelling than the first.

We whole-heartedly supported the President's foreign policy. We supported the President's foreign policy because we act on the belief that the United States shall always present as completely as may be, a solid front and absolute unity against outside enemies, and that partisanship stops at the water's edge, as the old but sound phrase goes. But more than that, we supported President Eisenhower's foreign policy because it has its roots in the foreign policy of the previous administration—that of Harry S. Truman. And nothing could represent so much the image of the Truman-Acheson policy, front and profile, as the foreign policy of President Eisenhower.

President Eisenhower, under former President Truman, had been one of the instruments of that policy and was former President Truman's agent in many of the parliaments and chancelleries of the nations overseas. As a military leader, the President on the whole had been a good student of his predecessor, and a loyal assistant, and knew—better than some other generals—how to take orders and carry them out. The Democratic Party, far from being hostile to his benevolent and flattering plagiarism, urges more of it upon the President, and instead of suing him for misappropriation, will be glad to grant him leave to take the 1952 Democratic platform in toto and adopt it, if he likes, for his own. For the best evidence of the soundness of the Democratic policy is when a Republican President embraces and follows it.

The leadership of the Democratic Party in this session in the field of foreign affairs, and in connection with our military defense and our military budget, is outstanding in the national interest of our country. Not only did we support President Eisenhower in following out our foreign policy, which goes back to the administration of President Truman, but we also corrected President Eisenhower. We not only supported him on the military budget, but we gave him an extra push to make sure that the Soviet Union would not beat us to the punch in the matter of fast bombers; and we did our best, under the leadership of the gentleman from Pennsylvania [Mr. FLOOD] and the Senator from Missouri [Mr. SYMINGTON], to see to it that the Marines were not cut down. We appropriated money to prevent reduction of the fighting strength of the Marine Corps, which Secretary Wilson has stated that the President will not use, which means that the reduction, which is a serious calculated risk, will take place. However, the Democratic Party in Congress did its job in this respect. The responsibility will rest upon President Eisenhower for failing to carry out the intent of Congress.

So it is no exaggeration to say we not only helped the President in connection with the foreign policy and the defense of the Nation, but we found ourselves quite literally in the position of having to push him up by the bootstraps.

What I am saying is all documented in the records of the House and the Senate and their respective committees. Who has forgotten that dismal period when American prestige abroad was at its lowest ebb? What happened to the New Look in defense and that other incoherent and monstrous military anachronism they call at the time massive retaliation?

Of course, cutting down on the military budget looked good on the balance sheets of Secretary Humphrey. It may have looked good to a shrewd banker who thinks in terms of money and terms of budget, but how, may I ask, did it look in terms of protection to the American people? And I might say that it would be dangerous if we get too exuberant over the good intentions of the Communists. We had better keep our guard high.

We know that there is now a tremendous acceleration of B–52 bombers scheduled as a result of the fight made by the Democrats under the leadership of Senator STUART SYMINGTON. It was the Democratic side of this Congress that got this action going, and the B–52 bomber program is now in full swing, in fact, we increased the program by 35 percent and under Democratic leadership $356 million was added to the military budget for this purpose. Even the administration had to finally admit that this was necessary, after first denying and opposing it.

What we did with bombers we also did with the question of manpower in the military services, which is material for more extended remarks.

We strengthened the Nation's defenses.

I am not going to discuss the Salk vaccine mess, except that through constructive Democratic action some of the damage done has been repaired. Neither am I going beyond the mention to make capital out of the fantastic bookkeeping mistakes of the Pentagon. Where is this efficient big-business dynamism that could not find $1,300,000,000 which had become lost until Senator MIKE MANSFIELD pointed that fact out?

I prefer to emphasize the positive and affirmative side. The achievement of this Congress expressed itself also in taking hold of some shortsighted limitations in otherwise desirable legislation and retailoring it to the proportions of the problem.

We were repelled here by what I call "token legislation." This is the legislation, particularly in the Department of Health, Education, and Welfare, that doles out the very minimum of usefulness. It treats the American people with disdain. It ignorantly and maliciously misuses the words "socialism" and "public welfare," to humiliate the common man when any legislation is proposed to reduce taxes, poverty and slums, and the distress in the wake of unemployment. However, when it helps big business—these same critics of progressive legislation for the many—will have his large and heavy hand wide open for the Federal subsidy.

It has been my aim not to chronicle the vast weight of legislation that chairmen of the various committees will insert in the RECORD in a summary of the work of their committees. Of the great mass of it that stands out in my mind, if I must be specific, is our vote on Formosa policy, presenting to the world a united and determined country in a moment of crisis. What stands out also, although the House had no role to play, was the consummation of the German treaties and kindred measures for the improvement of the position of the free world.

The work of this session of Congress in behalf of the workingmen and workingwomen of the country is an outstanding one made against great opposition. For example, I refer to the $1 minimum wage bill that is now before the President.

The postal pay raise and the pay raise for other Federal employees, well deserved, went through under Democratic leadership, with increases much larger than President Eisenhower recommended.

The passing of the Housing Act against the opposition of the Republicans is another illustration of humane and progressive leadership.

The extension of the reciprocal trade agreement law for 3 years is a remarkable tribute to Democratic leadership. This law is the outgrowth of the grand architecture for world peace through Congress for which the late Cordell Hull toiled so effectively, so brilliantly and with such enduring results.

The continuance of corporation and excise taxes—the efforts of the Democratic controlled House to reduce the income taxes for the smaller income tax groups—are examples of constructive leadership in the interest of our people.

The various bills passed by this session in the interest of the farm community of our country will strengthen the economic life of our Nation.

The major revision of the Social Security Act, extending its coverage and bringing benefits to vast numbers of our people, including more than 1 million women, has passed the House and will be acted upon in the Senate in the next session. Under this measure, old-age and survivors insurance benefits for women will begin at the age of 62 instead of age 65; workers who become disabled will receive payments beginning at age 50 instead of waiting 15 years; benefits for disabled dependent children will continue after the age of 18. The bill, in addition, extends coverage under old-age insurance system for the first time to lawyers, dentists, optometrists, and other professionals, except doctors.

A corollary measure intended to benefit possibly 10 million other self-employed persons outside of the Social Security System to enable them to provide for their old age, has been started through this Congress with the approval of the House Ways and Means Committee. This bill will allow farmers, businessmen, and doctors, and other professionals, to make deductions from their income taxes for payments made on retirements and insurance plans. The limits on amounts to railroad retirement annuities to spouses has been raised by the Congress to the maximum possible under social security.

The increased appropriations for medical research is another important contribution. The distribution of surplus Government personal property to educational and health institutions will be greatly facilitated by the action of Congress, improving the methods and expediting the procedures under the present surplus-disposal program.

The study authorized for the New England area to seek ways of preventing disastrous loss of life and property from hurricanes. The long-standing program of Federal aid to States in meeting the shortage of public-school buildings, will come up next session.

Mr. Speaker, my Republican friends have, on occasion, charged me with being a partisan, and I am frank in admitting that in some respects that charge is true and I am proud to proclaim that I am a partisan Democrat. Even with my partisanship, I shall not say that this is a program of success which belongs totally to the Democratic Party, but I will say that it is a program that could not have been successful without the constructive vision and action of the Democratic Party. I will not deny the President the glory that is his for his espousal in the main of a Democratic program. His leadership was, so far as it went, a constructive force which would have collapsed without our help. Above all, and with the profoundest conviction, you will never hear from the Democratic side of this House the malignant charge that the party of the administration has given the Nation so many months, or so many years, of treason, nor will you hear from us any paraphrase of that charge.

We will not oppose the President if he is right simply because we are Democrats and he is Republican. What so many expected to see during the first session of the 84th Congress, not only at home but, I am sure, in the Kremlin, was the exciting spectacle of a Republican President and a Democratic Congress clubbing each other to death.

With the power of the Executive in the hands of one party, and the power of the legislative in the hands of another, the enemies of this country hope for the ultimate humilitation of one branch of Government frustrating the other at the expense of America's prestige, America's self-respect, and America's national welfare. What they saw was civilized government, which at the very highest level of civic responsibility, subordinated strategic opportunities for political partisan aggrandizement for higher purposes. Our eye was single to the welfare and the protection of the people of the United States and the survival of the free world.

We Democrats did not legislate for partisanship. We did not fight legislation because it was Republican. When we fought it we did so because we thought it below our idea of the standard for the common good. And that is where you shall find us when we convene for the 2d session of the 84th Congress, fighting for those principles and those programs that made us victorious in the two greatest wars the world has ever known, and also in Korea. We shall always fight for those sound plans for the common welfare that brought us out of the worst depression that afflicted this Nation in all its history. We stood by our record in the past and our record put us in power. The record of the 84th Congress at the halfway mark will in my judgment win the applause and the approval of the people, because it was the people whom the 84th Congress served in the first half of its career and it is the people whom this Democratic-controlled Congress will serve when it returns for its 2d session in January of 1956.

FIRST SESSION OF THE 84TH CONGRESS

The SPEAKER. Members of the House of Representatives, we have reached the point where the 1st session of the 84th Congress is adjourning. Before I declare the House adjourned, I want to say this:

I appreciate the courtesy of every man and woman in this House. You have been more than kind and fine to me, and you have helped make a job that at best is both arduous and onerous more palatable than it would otherwise have been.

I think you have been as hard working a Congress as it has ever been my privilege to serve in. I think you deserve the thanks of your people when you go back home. I hope you will find them in good humor with you; I hope you will find them prosperous and happy.

And again, to each and every one of you I return to you my heartfelt thanks and wish you a happy holiday.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. DORN of South Carolina which is estimated by the Public Printer to cost $240.

Mr. HARVEY in two instances and to include extraneous matter.

Mr. BALDWIN and to include extraneous matter.

Mr. MILLER of Nebraska.

Mr. MCINTIRE.

Mr. FORD in two instances.

Mr. COOPER in three instances and to include extraneous matter.

Mr. DODD and to include extraneous matter.

Mr. ANFUSO (at the request of Mr. MACHROWICZ) and to include extraneous matter.

Mr. RODINO (at the request of Mr. MACHROWICZ) in two instances and to include extraneous matter.

Mr. WILLIAMS of New Jersey.

Mr. THOMPSON of New Jersey (at the request of Mr. HAYS of Arkansas) in five instances.

Mr. BASS of New Hampshire and to include extraneous matter.

Mr. JENKINS and to include extraneous matter.

Mr. TABER and to include a table which he prepared.

Mr. CURTIS of Massachusetts.

Mr. JUDD and to include extraneous matter.

Mr. MULTER in two instances and to include extraneous matter.

Mr. LANE.

Mr. KELLEY of Pennsylvania and to include extraneous matter.

Mr. GENTRY and to include extraneous matter.

Mr. RABAUT and to include extraneous matter.

Mr. MERROW and to include extraneous matter.

Mr. SHORT in three instances and to include extraneous matter.

Mr. YOUNG in three instances and to include extraneous matter.

Mr. MILLER of Nebraska in two instances and to include extraneous matter.

Mr. ALBERT, in the last edition of the RECORD.

Mr. BROOKS of Louisiana and to include extraneous matter.

Mr. BYRNES of Wisconsin and to include a tabulation of votes cast during the 1st session of the 84th Congress.

Mr. FORD.

Mr. QUIGLEY in five instances and to include extraneous matter.

Mr. DAVIDSON in four instances and to include extraneous matter.

Mr. DORN of South Carolina and to include extraneous matter.

Mr. BUCKLEY (at the request of Mr. FALLON).

Mr. LANKFORD and to include extraneous matter.

Mr. FASCELL and to include extraneous matter.

Mrs. FRANCES P. BOLTON and to include extraneous matter.

Mr. REES of Kansas and to include extraneous matter.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. VINSON, for today, on account of official business.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 100. An act to permit the mining, development, and utilization of the mineral resources of all public lands withdrawn or reserved for power development, and for other purposes;

H. R. 257. An act to amend section 112 (n) (8) of the Internal Revenue Code of 1939, relating to the suspension of certain periods of limitation while the taxpayer is on extended active duty with the Armed Forces, and to amend the Internal Revenue Code of 1954 with respect to tax treatment where the taxpayer recovers amounts held by another under claim of right;

H. R. 593. An act to convey by quitclaim deed certain land to the State of Texas;

H. R. 1393. An act for the relief of the E. J. Albrecht Co.;

H. R. 2065. An act for the relief of Sada Zarikian;

H. R. 3024. An act for the relief of Margaret Mary Hammond;

H. R. 3908. An act to provide for the regulation of fares for the transportation of schoolchildren in the District of Columbia;

H. R. 4581. An act to amend the Internal Revenue Code of 1954 with respect to the tax on cutting oils;

H. R. 4763. An act for the relief of Elzie C. Brown;

H. R. 5249. An act to amend the Internal Revenue Code of 1954 to provide for refund or credit of internal-revenue taxes and customs duties paid on distilled spirits and wines lost, rendered unmarketable, or condemned by health authorities as a result of the hurricanes of 1954;

H. R. 6263. An act to amend section 1233 and section 542 (a) (2) of the Internal Revenue Code of 1954;

H. R. 7018. An act to authorize subpenas in connection with the enforcement of the narcotic laws, and for other purposes;

H. R. 7034. An act to provide permanent authority for the relief of certain disbursing officers, and for other purposes;

H. R. 7035. An act to amend section 1 of the act entitled "An act to authorize relief of accountable officers of the Government, and for other purposes," approved August 1, 1947 (61 Stat. 720); and

H. J. Res. 330. Joint resolution to provide for the acceptance and maintenance of Presidential libraries, and for other purposes.

The SPEAKER announced his signature to enrolled bills and joint resolutions of the Senate of the following titles:

S. 72. An act to provide that certain lands acquired by the United States shall be administered by the Secretary of Agriculture as national forest lands;

S. 91. An act for the relief of Luzia Cox;

S. 135. An act for the relief of the Elkay Manufacturing Co., of Chicago, Ill.;

S. 463. An act to authorize the issuance of commemorative medals to certain societies of which Benjamin Franklin was a member, founder, or sponsor in observance of the 250th anniversary of his birth;

S. 878. An act to amend the act extending the exterior boundary of the Uintah and Ouray Indian Reservation in the State of Utah so as to authorize such State to exchange mineral lands for other lands mineral in character;

S. 987. An act to authorize the Secretary of Commerce, acting through the Coast and Geodetic Survey, to assist the States of Maryland and Delaware to reestablish their common boundary;

S. 1093. An act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia, and for other purposes;

S. 1159. An act for the relief of Wilma Ann Schilling and her daughter, Ingertraud Rosalita Schilling;

S. 1296. An act for the relief of Maria Anna Coone;

S. 1577. An act to amend the acts granting the consent of Congress to the State of Connecticut, acting by and through any agency or commission thereof, to construct, maintain, and operate toll bridges across the Connecticut River;

S. 1621. An act to authorize adjustment by the Secretary of Agriculture of certain obligations of settlers on projects developed or subject to the act of August 11, 1939, as amended, and for other purposes;

S. 1730. An act for the relief of Anna Marie Hitzelberger Scheidt, and her minor child, Rosanne Hitzelberger;

S. 1757. An act to amend the act known as the Agricultural Marketing Act of 1946, approved August 14, 1946;

S. 1758. An act to amend the Bankhead-Jones Farm Tenant Act, as amended, to modify, clarify, and provide additional authority for insurance of loans;

S. 1759. An act to consolidate the Hatch Act of 1887 and laws supplementary thereto relating to the appropriation of Federal funds for the support of agricultural experiment stations in the States, Alaska, Hawaii, and Puerto Rico;

S. 1849. An act to provide for the granting of career-conditional and career appointments to certain qualified employees;

S. 1894. An act to provide for the participation of the United States in the International Finance Corporation;

S. 1965. An act to repeal a particular contractual requirement with respect to the Arch Hurley Conservancy District in New Mexico;

S. 2087. An act to amend the act of May 19, 1947 (ch. 80, 61 Stat. 102), as amended, so as to permit per capita payments to the individual members of the Shoshone Tribe and the Arapahoe Tribe of the Wind River Reservation in Wyoming, to be made quarterly.

S. 2098. An act to amend Public Law 83, 83d Congress;

S. 2198. An act to extend the period of restrictions on lands belonging to Indians of the Five Civilized Tribes in Oklahoma, and for other purposes;

S. 2237. An act to amend the Act of May 26, 1949, to strengthen and improve the organization of the Department of State, and for other purposes;

S. 2403. An act to authorize the dual employment of custodial employees in post office buildings operated by the General Services Administration, and for other purposes;

S. 2511. An act to amend the Agricultural Adjustment Act of 1938, as amended.

S. 2604. An act to increase the borrowing power of the Commodity Credit Corporation;

S. 2630. An act to facilitate the establishment of local self-government at the communities of Oak Ridge, Tenn., and Richland, Wash., and to provide for the disposal of federally owned properties of such communities;

S. J. Res. 73. Joint resolution to establish a commission to formulate plans for a memorial to Franklin Delano Roosevelt; and

S. J. Res. 91. Joint resolution to authorize the Secretary of Commerce to sell the steamship *La Guardia*.

BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills and joint resolutions of the House of the following titles:

H. R. 46. An act to authorize the conveyance to the city of Anniston, Ala., of certain real property within Fort McClellan, Ala.;

H. R. 482. An act to provide for the conveyance of a portion of the former O'Reilly General Hospital, Springfield, Mo., to the State of Missouri, and for other purposes;

H. R. 1034. An act for the relief of Erwin S. de Mocskonyi;

H. R. 1060. An act for the relief of Grace Casquite Hwang;

H. R. 1301. An act for the relief of Karlis Abele;

H. R. 1423. An act for the relief of Raymonde Rouxel Williams;

H. R. 1539. An act for the relief of Mrs. Ruthe Graves Messer;

H. R. 1552. An act for the relief of Dalisay Lourdes Cruz;

H. R. 1599. An act to provide for adjustments in the lands or interests therein acquired for the Jim Woodruff Reservoir, Florida and Georgia, by the reconveyance of certain lands or interests therein to the former owners thereof;

H. R. 1751. An act for the relief of Priscilla Louise Davis;

H. R. 1958. An act for the relief of Ingeborg Luise Walling;

H. R. 2065. An act for the relief of Sada Zarikian;

H. R. 2112. An act to amend the act of February 21, 1946 (60 Stat. 26), to permit the retirement of temporary officers of the naval service after completion of more than 20 years of active service;

H. R. 2149. An act to increase the annual compensation of the academic dean of the United States Naval Postgraduate School;

H. R. 2553. An act to amend section 223 of the Revenue Act of 1950, relating to the use of corporation property by a shareholder;

H. R. 2559. An act to authorize male nurses and medical specialists to be appointed as Reserve officers;

H. R. 2619. An act to amend section 345 of the Revenue Act of 1951;

H. R. 2747. An act for the relief of Col. McFarland Cockrill;

H. R. 2753. An act for the relief of Geraldine Gean Hunt and Linda Marie Hunt;

H. R. 2791. An act for the relief of Ofelia Martin;

H. R. 3189. An act for the relief of Dorothy Claire Maurice;

H. R. 3235. An act to provide for adjustments in the lands or interests therein acquired for the Demopolis Lock and Dam, Ala., by the reconveyances of certain lands or interests therein to the former owners thereof;

H. R. 3275. An act for the relief of Richard Raffo Hanson;

H. R. 3507. An act for the relief of Luise Pempfer (now Mrs. William L. Adams);

H. R. 3628. An act for the relief of Luise Isabella Chu, also known as Luise Schneider;

H. R. 3635. An act for the relief of Birgit Camara, also known as Birgit Heinemann;

H. R. 4249. An act for the relief of Orrin J. Bishop;

H. R. 4394. An act to amend section 3401 of the Internal Revenue Code of 1954;

H. R. 4410. An act for the relief of William E. Ryan;

H. R. 4468. An act for the relief of Margarethe Bock and her son, Robert Harold Bock;

H. R. 4663. An act to authorize the Secretary of the Interior to construct, operate, and maintain the Trinity River division, Central Valley project, California, under Federal reclamation laws;

H. R. 4672. An act to increase the annuities of certain retired civilian members of the teaching staffs of the United States Naval Academy and the United States Naval Postgraduate School;

H. R. 4744. An act to amend the Railroad Retirement Act of 1937, as amended, and the Railroad Unemployment Insurance Act;

H. R. 4778. An act to provide for the purchase of bonds to cover civilian officers and employees and military personnel of the Federal Government;

H. R. 5078. An act for the relief of the estate of Victor Helfenbein;

H. R. 5546. An act for the relief of Francisca Alemany;

H. R. 5647. An act to repeal the manufacturers' excise tax on motorcycles;

H. R. 6066. An act authorizing modification of the project for flood protection on the San Joaquin River and tributaries, California;

H. R. 6232. An act to include as Spanish-American War service under laws administered by the Veterans' Administration certain service rendered by Stephen Swan Ogletree during the Spanish-American War;

H. R. 6417. An act to revive and reenact the act "authorizing the Arkansas-Mississippi Bridge Commission, its public successors or public assigns, to construct, maintain, and operate a bridge across the Mississippi River at or near Friar Point, Miss., and Helena, Ark.," approved May 17, 1939;

H. R. 6585. An act to amend the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, and for other purposes;

H. R. 6590. An act to prohibit the employment by the Government of the United States of persons who are disloyal or who participate in or assert the right to strike against the Government of the United States, and for other purposes;

H. R. 6600. An act to amend section 303 of the Career Compensation Act of 1949, to authorize travel and transportation allowances, and transportation of dependents and of baggage and household effects, to the homes of their selection for certain members of the uniformed services, and for other purposes;

H. R. 6727. An act to authorize the Administrator of Veterans' Affairs to convey certain land to the city of Milwaukee, Wis.;

H. R. 7024. An act to remove the manufacturers' excise tax from the sales of certain component parts for use in other manufactured articles, to confine to entertainment-type equipment the tax on radio and television apparatus, and for other purposes;

H. R. 7095. An act to provide that the tax on admissions shall not apply to certain athletic events held for the benefit of the United States Olympic Association;

H. R. 7278. An act making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes;

H. R. 7300. An act to amend the Internal Revenue Code of 1954 with respect to the tax treatment of income received from patent infringement suits;

H. R. 7628. An act to authorize the appointment in a civilian position in the White House office of Maj. Gen. John Stewart Bragdon, United States Army, retired, and for other purposes;

H. R. 7684. An act to authorize the Atomic Energy Commission to pay the salary of a Commissioner during the recess of the Senate, and for other purposes;

H. J. Res. 276. Joint resolution to authorize the Texas Hill Country Development Foundation to convey certain land to Kerr County, Tex.; and

H. J. Res. 278. Joint resolution to provide that a gold medal be coined and presented to Dr. Jonas E. Salk in honor of his achievements in the field of medicine.

ADJOURNMENT

Mr. BOYLE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 36 minutes p. m.), pursuant to Senate Concurrent Resolution 57, the 1st session of the 84th Congress adjourned sine die.

MESSAGE FROM THE SENATE AFTER SINE DIE ADJOURNMENT

Pursuant to a special order agreed to on August 2, 1955, the Clerk of the House, subsequent to the sine die adjournment of the Congress, received a message from the Secretary of the Senate announcing that the Senate had, on August 2, 1955, passed bills of the Senate of the following titles:

S. 530. An act for the relief of the Sacred Heart Hospital;

S. 872. An act for the relief of Sam Bergesen;

S. 938. An act to provide for the payment and collection of wages in the District of Columbia;

S. 1352. An act for the relief of A. J. Crozat, Jr.;

S. 1584. An act for the relief of Raymond D. Beckner and Lulu Stanley Beckner; and

S. J. Res. 93. Joint resolution authorizing the acceptance of a gift from the Ericsson Memorial Committee of the United States.

BILLS ENROLLED AFTER SINE DIE ADJOURNMENT

Mr. BURLESON, from the Committee on House Administration, reported that, on the following dates, that committee had examined and found truly enrolled bills of the House of the following titles:

On August 3, 1955:

H. R. 5168. An act to provide for retirement of the Government capital in certain institutions operating under the supervision of the Farm Credit Administration; to increase borrower participation in the management and control of the Federal Farm Credit System; and for other purposes;

H. R. 6122. An act to remit the duty on certain bells to be imported for addition to the carillons of The Citadel, Charleston, S. C.;

H. R. 6182. An act to amend the Federal Property and Administrative Services Act of 1949 to make temporary provision for making payments in lieu of taxes with respect to certain real property transferred by the Reconstruction Finance Corporation and its subsidiaries to other Government departments;

H. R. 6198. An act to provide for the sale of certain war-housing projects to the Housing Authority of Beaver County, Pa., for use in providing rental housing for persons of limited income;

H. R. 6199. An act to amend the act of October 14, 1940, to authorize the sale of personal property held in connection with housing under such act;

H. R. 6373. An act to amend the Domestic Minerals Program Extension Act of 1953 in order to extend the programs to encourage the discovery, development, and production of certain domestic minerals;

H. R. 6382. An act to amend the International Claims Settlement Act of 1949, as amended, and for other purposes;

H. R. 6887. An act to extend for 1 year the application of section 108 (b) and to amend section 2053 of the Internal Revenue Code of 1954;

H. R. 6994. An act to provide for entry and location, on discovery of a valuable source material, upon public lands of the United States, classified as or known to be valuable for coal, and for other purposes;

H. R. 7117. An act making appropriations for the legislative branch for the fiscal year ending June 30, 1956, and for other purposes; and

H. R. 7289. An act to authorize the States to organize and maintain State defense forces, and for other purposes.

On August 4, 1955:

H. R. 191. An act to regulate the election of delegates representing the District of Columbia to national political conventions, and for other purposes;

H. R. 929. An act for the relief of Mrs. Maria Del Mul;

H. R. 1003. An act for the relief of Mrs. Lorenza O'Malley (de Amusategui), Jose Maria de Amusategui O'Malley, and the legal guardian of Remon de Amusategui O'Malley;

H. R. 1235. An act for the relief of Vera Gregovich Kenter;

H. R. 1319. An act for the relief of Vasilios Linkopoulos;

H. R. 1641. An act for the relief of Mary Mancuso;

H. R. 1909. An act for the relief of Rodolfo Pugeda de la Cerna;

H. R. 2079. An act for the relief of Ingrid Liselotte Poch;

H. R. 2235. An act for the relief of Mrs. Margarete Gick Scordas.

H. R. 2339. An act for the relief of Monika Schefbanker;

H. R. 2704. An act for the relief of Kazuko Iwata Rausch;

H. R. 2897. An act for the relief of Chung Poik Cha and her minor child, Myra Poik Cha;

H. R 2907. An act for the relief of Thomas F. Harney, Jr., doing business as the Harney Engineering Co.;

H. R. 2916. An act for the relief of Mrs. Elfrieda Schoeppe;

H. R. 3063. An act to confer jurisdiction upon the United States District Court for the Northern District of California, to hear, determine, and render judgment upon the claims of the Bartlett Springs Co., and certain others;

H. R. 3195. An act for the relief of Rolf Hugo Neuman;

H. R. 4048. An act making recommendations to the States for the enactment of legislation to permit and assist Federal personnel, including members of the Armed Forces, and their families, to exercise their voting franchise, and for other purposes;

H. R. 4508. An act for the relief of Henry T. Quisenberry;

H. R. 4544. An act for the relief of Andrew Carrigan;

H. R. 4643. An act for the relief of Mrs. Lee Shee Yee (also known as Lee Lai Koon);

H. R. 4734. An act to amend the provisions of the River and Harbor Act of 1954 which authorize the Secretary of the Army to reimburse local interests for work done on a dredging project as Los Angeles and Long Beach Harbors, Calif., during a period ending on July 1, 1953, by extending that period to November 7, 1953;

H. R. 5074. An act for the relief of Miss Bianca Lina Rionegro;

H. R. 5082. An act for the relief of Mrs. Koto Makagawa;

H. R. 5469. An act to extend the authority of the Corregidor Bataan Memorial Commission, and for other purposes;

H. R. 5908. An act for the relief of Mrs. Johanna Eckles;

H. R. 5913. An act for the relief of Mock Jung Shee (Mock Jung Liu);

H. R. 6102. An act to change the name of Garza-Little Elm Dam, located in Denton County, Tex., to Lewisville Dam;

H. R. 6634. An act to provide for the conveyance of 18/10 acres of land, more or less, within the Grapevine Dam and Reservoir project to the city of Grapevine, Tex., for sewage disposal purposes;

H. R. 6741. An act for the relief of Elfriede Rosa (Kup) Kraft;

H. R. 7195. An act to provide for the adjustments in the lands or interests therein acquired for reservoir projects in Texas, by the reconveyance of certain lands or interests therein to the former owners thereof;

H. R. 7244. An act to provide for the striking of medals in commemoration of the 120th anniversary of the signing of the Texas Declaration of Independence and the Battles of the Alamo, Goliad, and San Jacinto in the year 1836;

H. R. 7245. An act to amend Public Laws 815 and 874, 81st Congress, which provide for assistance to local educational agencies in areas affected by Federal activities, and for other purposes;

H. R. 7618. An act to amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended;

H. R. 7684. An act to authorize the Atomic Energy Commission to pay the salary of a Commissioner during the recess of the Senate, and for other purposes; and

H. R. 7746. An act to provide tax relief to a charitable foundation and the contributors thereto.

ENROLLED BILLS SIGNED AFTER SINE DIE ADJOURNMENT

The SPEAKER announced that, pursuant to Senate Concurrent Resolution 58, he did, on the following dates, sign enrolled bills of the following titles:

On August 3, 1955:

H. R. 5168. An act to provide for retirement of the Government capital in certain institutions operating under the supervision of the Farm Credit Administration; to increase borrower participation in the management and control of the Federal Farm Credit System; and for other purposes;

H. R. 6122. An act to remit the duty on certain bells to be imported for addition to the carillons of The Citadel, Charleston, S. C.;

H. R. 6182. An act to amend the Federal Property and Administrative Services Act of 1949 to make temporary provision for making payments in lieu of taxes with respect to certain real property transferred by the Reconstruction Finance Corporation and its subsidiaries to other Government departments;

H. R. 6198. An act to provide for the sale of certain war housing projects to the Housing Authority of Beaver County, Pa., for use in providing rental housing for persons of limited income;

H. R. 6199. An act to amend the act of October 14, 1940, to authorize the sale of personal property held in connection with housing under such act;

H. R. 6373. An act to amend the Domestic Minerals Program Extension Act of 1953 in order to extend the programs to encourage the discovery, development, and productions of certain domestic minerals;

H. R. 6382. An act to amend the International Claims Settlement Act of 1949, as amended, and for other purposes;

H. R. 6887. An act to extend for 1 year the application of section 108 (b) and to amend section 2053 of the Internal Revenue Code of 1954;

H. R. 6994. An act to provide for entry and location, on discovery of a valuable source material, upon public lands of the United States, classified as or known to be valuable for coal, and for other purposes;

H. R. 7117. An act making appropriations for the legislative branch for the fiscal year ending June 30, 1956, and for other purposes; and

H. R. 7289. An act to authorize the States to organize and maintain State Defense Forces, and for other purposes.

On August 4, 1955:

H. R. 191. An act to regulate the election of delegates representing the District of Columbia to national political conventions, and for other purposes;

H. R. 929. An act for the relief of Mrs. Maria Del Mul;

H. R. 1003. An act for the relief of Mrs. Lorenza O'Malley (de Amusategui), Jose Maria de Amusategui O'Malley, and the legal guardian of Remon de Amusategui O'Malley;

H. R. 1235. An act for the relief of Vera Gregovich Kenter;

H. R. 1319. An act for the relief of Vasilios Linkopoulos;

H. R. 1641. An act for the relief of Mary Mancuso;

H. R. 1909. An act for the relief of Rodolfo Pugeda de la Cerna;

H. R. 2079. An act for the relief of Ingrid Liselotte Poch;

H. R. 2235. An act for the relief of Mrs. Margarete Gick Scordas;

H. R. 2339. An act for the relief of Monika Schefbanker;

H. R. 2704. An act for the relief of Kazuko Iwata Rausch;

H. R. 2897. An act for the relief of Chung Poik Cha and her minor child, Myra Poik Cha;

H. R. 2907. An act for the relief of Thomas F. Harney, Jr., doing business as the Harney Engineering Co.;

H. R. 2916. An act for the relief of Mrs. Elfrieda Schoeppe;

H. R. 3063. An act to confer jurisdiction upon the United States District Court for the Northern District of California, to hear, determine, and render judgment upon the claims of the Bartlett Springs Co., and certain others;

H. R. 3195. An act for the relief of Rolf Hugo Neuman;

H. R. 4048. An act making recommendations to the States for the enactment of legislation to permit and assist Federal personnel, including members of the Armed Forces, and their families, to exercise their voting franchise, and for other purposes;

H. R. 4508. An act for the relief of Henry T. Quisenberry;

H. R. 4544. An act for the relief of Andrew Carrigan;

H. R. 4643. An act for the relief of Mrs. Lee Shee Yee (also known as Lee Lai Koon);

H. R. 4734. An act to amend the provisions of the River and Harbor Act of 1954, which authorize the Secretary of the Army to reimburse local interests for work done on a dredging project at Los Angeles and Long Beach Harbors, Calif., during a period ending on July 1, 1953, by extending that period to November 7, 1953;

H. R. 5074. An act for the relief of Miss Bianca Lina Rionegro;

H. R. 5082. An act for the relief of Mrs. Koto Makagawa;

H. R. 5469. An act to extend the authority of the Corregidor Bataan Memorial Commission, and for other purposes;

H. R. 5908. An act for the relief of Mrs. Johanna Eckles;

H. R. 5913. An act for the relief of Mock Jung Shee (Mock Jung Liu);

H. R. 6102. An act to change the name of Garza-Little Elm Dam, located in Denton County, Tex., to Lewisville Dam;

H. R. 6634. An act to provide for the conveyance of 1.8 acres of land, more or less, within the Grapevine Dam and Reservoir project to the city of Grapevine, Tex., for sewage disposal purposes;

H. R. 6741. An act for the relief of Elfriede Rosa (Kup) Kraft;

H. R. 7195. An act to provide for the adjustments in the lands or interests therein acquired for reservoir projects in Texas, by the reconveyance of certain lands or interests therein to the former owners thereof;

H. R. 7244. An act to provide for the striking of medals in commemoration of the 120th anniversary of the signing of the Texas Declaration of Independence and the Battles of the Alamo, Goliad, and San Jacinto in the year 1836;

H. R. 7245. An act to amend Public Laws 815 and 874, 81st Congress, which provide for assistance to local educational agencies in areas affected by Federal activities, and for other purposes;

H. R. 7618. An act to amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended;

H. R. 7684. An act to authorize the Atomic Energy Commission to pay the salary of a Commissioner during the recess of the Senate, and for other purposes; and

H. R. 7746. An act to provide tax relief to a charitable foundation and the contributors thereof.

SENATE ENROLLED BILLS SIGNED AFTER SINE DIE ADJOURNMENT

The SPEAKER announced that, pursuant to Senate Concurrent Resolution 58, he did, on the following dates, sign enrolled bills of the Senate of the following titles:

On August 3, 1955:

S. 125. An act for the relief of the State of Illinois;

S. 197. An act for the relief of Vincenzo Santagata;

S. 198. An act for the relief of Filippo Mastrolanni;

S. 204. An act for the relief of Fred P. Hines;

S. 393. An act for the relief of Chicko Suzuki;

S. 550. An act for the relief of John Axel Arvidson;

S. 714. An act for the relief of Alfio Ferrara;

S. 730. An act granting the consent of Congress to the States of Kansas and Oklahoma to negotiate and enter into a compact relating to their interests in, and the apportionment of, the waters of the Arkansas River and its tributaries as they affect such States;

S. 732. An act to promote public cooperation in the rehabilitation and preservation of the Nation's important historic properties in the New York City area, and for other purposes;

S. 1014. An act for the relief of Henry Duncan;

S. 1033. An act for the relief of Ann Arbor Construction Co.

S. 1041. An act to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide for the inclusion in the computation of accredited service of certain periods of service rendered States or instrumentalities of States, and for other purposes;

S. 1077. An act to provide for settlement of claims resulting from the disaster which occurred at Texas City, Tex., on April 16 and 17, 1947;

S. 1189. An act to permit national banks to make 20-year real-estate loans, and 9-month residential construction loans;

S. 1415. An act for the relief of Anna Mertikas;

S. 1681. An act for the relief of Cecile Doriac and her minor child;

S. 1792. An act to amend the Federal Employees' Group Life Insurance Act of 1954;

S. 1899. An act to authorize the improvement of the Amite River and its tributaries;

S. 1906. An act to authorize the Pueblos of San Lorenzo and Pojoaque in New Mexico to sell certain lands to the Navaho Tribe, and for other purposes;

S. 1917. An act to authorize the construction within Grand Teton National Park of an alternate route to U. S. Highway 89, also numbered U. S. 187 and U. S. 26, and the conveyance thereof to the State of Wyoming, and for other purposes;

S. 2049. An act to provide recognition of the 50th anniversary of the Devils Tower National Monument, Wyo., the first national monument, established by the President of the United States pursuant to the Antiquities Act of 1906; to authorize the addition of certain land to the monument, to permit land exchanges, and for other purposes;

S. 2088. An act for the relief of Ladislav Mencl;

S. 2126. An act to extend and clarify laws relating to the provision and improvement of housing, the elimination and prevention of slums, the conservation and development of urban communities, the financing of vitally needed public works, and for other purposes;

S. 2295. An act to amend section 313 of the Agricultural Adjustment Act of 1938, with respect to tobacco allotments;

S. 2339. An act to authorize the Secretary of the Interior to include capacity to serve the town of Glendo, Wyo., in a sewerage system to be installed in connection with the construction of Glendo Dam and Reservoir, and for other purposes;

S. 2514. An act to declare the portion of the waterway of West Haven and New Haven, Conn., known as the West River, northerly of a line running north 85° 54' 43.5" east from a point whose coordinates in the Corps of Engineers Harbor Line System are north 4,616.76 and west 9,450.80, a nonnavigable stream; and

S. 2576. An act to amend the joint resolution entitled "Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes," approved January 14, 1933, and for other purposes.

On August 4, 1955:

S. 664. An act for the relief of Mecys Jauniskis;

S. 756. An act to authorize the appropriation of accumulated receipts in the Federal aid to wildlife-restoration fund established by the Pittman-Robertson Act and to authorize the expenditure of funds apportioned to a State under such act for the management of wildlife areas and resources;

S. 2039. An act to authorize the Secretary of the Interior to lease any unassigned lands on the Colorado River Indian Reservation, Ariz., and for other purposes.

S. 2127. An act to amend the Small Business Act of 1953;

S. 2296. An act to amend section 313 of the Agricultural Adjustment Act of 1938, with respect to tobacco allotments;

S. 2391. An act to amend the Defense Production Act of 1950, as amended, and for other purposes; and

S. 2501. An act to provide grants to assist States to meet the cost of poliomyelitis vaccination programs, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT AFTER SINE DIE ADJOURNMENT

Mr. BURLESON, from the Committee on House Administration, subsequent to the sine die adjournment of the Congress, reported that, on the following dates, that committee had presented to the President, for his approval, bills of the House of the following titles:

On August 4, 1955:

H. R. 100. An act to permit the mining, development, and utilization of the mineral resources of all public lands withdrawn or reserved for power development, and for other purposes;

H. R. 257. An act to amend section 112 (n) (8) of the Internal Revenue Code of 1939, relating to the suspension of certain periods of limitation while the taxpayer is on extended active duty with the Armed Forces, and to amend the Internal Revenue Code of 1954, with respect to tax treatment where the taxpayer recovers amounts held by another under claim of right;

H. R. 593. An act to convey by quitclaim deed certain land to the State of Texas;

H. R. 1393. An act for the relief of the E. J. Albrecht Co.;

H. R. 3024. An act for the relief of Margaret Mary Hammond;

H. R. 3908. An act to provide for the regulation of fares for the transportation of schoolchildren in the District of Columbia;

H. R. 4581. An act to amend the Internal Revenue Code of 1954 with respect to the tax on cutting oils;

H. R. 4763. An act for the relief of Elzie C. Brown;

H. R. 5249. An act to amend the Internal Revenue Code of 1954 to provide for refund or credit of internal revenue taxes and customs duties paid on distilled spirits and wines lost, rendered unmarketable, or condemned by health authorities as a result of the hurricanes of 1954;

H. R. 6263. An act to amend section 1233 and section 542 (a) (2) of the Internal Revenue Code of 1954;

H. R. 7018. An act to authorize subpenas in connection with the enforcement of the narcotic laws, and for other purposes;

H. R. 7034. An act to provide permanent authority for the relief of certain disbursing officers, and for other purposes;

H. R. 7035. An act to amend section 1 of the act entitled "An act to authorize relief of accountable officers of the Government, and for other purposes," approved August 1, 1947 (61 Stat. 720);

H. R. 7117. An act making appropriations for the legislative branch for the fiscal year ending June 30, 1956, and for other purposes; and

H. J. Res. 330. Joint resolution to provide for the acceptance and maintenance of Presidential libraries, and for other purposes.

On August 5, 1955:

H. R. 191. An act to regulate the election of delegates representing the District of Columbia to national political conventions, and for other purposes;

H. R. 929. An act for the relief of Mrs. Maria Del Mul;

H. R. 1003. An act for the relief of Mrs. Lorenza O'Malley (de Amusategui), Jose Maria de Amusategui O'Malley, and the legal guardian of Ramon de Amusategui O'Malley;

H. R. 1235. An act for the relief of Vera Gregovich Kenter;

H. R. 1319. An act for the relief of Vasilios Liakopoulos;

H. R. 1641. An act for the relief of Mary Mancuso;

H. R. 1909. An act for the relief of Rodolfo Pugeda de la Cerna;

H. R. 2079. An act for the relief of Ingrid Liselotte Poch;

H. R. 2235. An act for the relief of Mrs. Margarete Gick Scordas;

H. R. 2339. An act for the relief of Monika Schefbanker;

H. R. 2704. An act for the relief of Kazuko Iwata Rausch;

H. R. 2897. An act for the relief of Chung Poik Chu and her child, Myra Poik Chu;

H. R. 2907. An act for the relief of Thomas F. Harney, Jr., doing business as the Harney Engineering Co.;

H. R. 2916. An act for the relief of Mrs. Elfriede Schoeppe;

H. R. 3063. An act to confer jurisdiction upon the United States District Court for the Northern District of California, to hear, determine, and render judgment upon the claims of the Bartlett Springs Co. and certain others;

H. R. 3195. An act for the relief of Rolf Hugo Neuman;

H. R. 4048. An act making recommendations to the States for the enactment of legislation to permit and assist Federal personnel, including members of the Armed Forces, and their families, to exercise their voting franchise, and for other purposes;

H. R. 4508. An act for the relief of Henry T. Quisenberry;

H. R. 4544. An act for the relief of Andrew Carrigan;

H. R. 4643. An act for the relief of Mrs. Lee Shee Yee (also known as Lee Lai Koon);

H. R. 4734. An act to amend the provisions of the River and Harbor Act of 1954, which authorizes the Secretary of the Army to reimburse local interests for work done on a dredging project at Los Angeles and Long Beach Harbors, Calif., during a period ending on July 1, 1953, by extending that period to November 7, 1953;

H. R. 5074. An act for the relief of Miss Blanca Lina Rionegro;

H. R. 5082. An act for the relief of Mrs. Koto Nakagawa;

H. R. 5168. An act to provide for retirement of the Government capital in certain institutions operating under the supervision of the Farm Credit Administration; to increase borrower participation in the management and control of the Federal Farm Credit System; and for other purposes;

H. R. 5469. An act to extend the authority of the Corregidor Bataan Memorial Commission, and for other purposes;

H. R. 5908. An act for the relief of Mrs. Johanna Eckles;

H. R. 5913. An act for the relief of Mock Jung Shee (Mock Jung Liu);

H. R. 6102. An act to change the name of Garza-Little Elm Dam, located in Denton County, Tex., to Lewisville Dam;

H. R. 6122. An act to remit the duty on certain bells to be imported for addition to the carillons of The Citadel, Charleston, S. C.;

H. R. 6182. An act to amend the Federal Property and Administrative Services Act of 1949 to make temporary provision for making payments in lieu of taxes with respect to certain real property transferred by the Reconstruction Finance Corporation and its subsidiaries to other Government departments;

H. R. 6198. An act to provide for the sale of certain war-housing projects to the Housing Authority of Beaver County, Pa., for use in providing rental housing for persons of limited income;

H. R. 6199. An act to amend the act of October 14, 1940, to authorize the sale of personal property held in connection with housing under such act;

H. R. 6373. An act to amend the Domestic Minerals Program Extension Act of 1953 in order to extend the programs to encourage

the discovery, development, and production of certain domestic minerals;

H. R. 6382. An act to amend the International Claims Settlement Act of 1949, as amended, and for other purposes;

H. R. 6634. An act to provide for the conveyance of 1.8 acres of land, more or less, within the Grapevine Dam and Reservoir project to the city of Grapevine, Tex., for sewage disposal purposes;

H. R. 6741. An act for the relief of Elfriede Rosa (Kup) Kraft;

H. R. 6887. An act to extend for 1 year the application of section 108 (b) and to amend section 2053 of the Internal Revenue Code of 1954;

H. R. 6994. An act to provide for entry and location, on discovery of a valuable source material, upon public lands of the United States classified as or known to be valuable for coal, and for other purposes;

H. R. 7195. An act to provide for adjustments in the lands or interests therein acquired for reservoir projects in Texas, by the reconveyance of certain lands or interests therein to the former owners thereof;

H. R. 7244. An act to provide for the striking of medals in commemoration of the 120th anniversary of the signing of the Texas Declaration of Independence and the Battles of the Alamo, Goliad, and San Jacinto in the year 1836;

H. R. 7245. An act to amend Public Laws 815 and 874, 81st Congress, which provide for assistance to local educational agencies in areas affected by Federal activities, and for other purposes;

H. R. 7289. An act to authorize the States to organize and maintain State defense forces, and for other purposes;

H. R. 7618. An act to amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended;

H. R. 7684. An act to authorize the Atomic Energy Commission to pay the salary of a Commissioner during the recess of the Senate, and for other purposes; and

H. R. 7746. An act to provide tax relief to a charitable foundation and the contributors thereto.

ENROLLED BILLS AND JOINT RESOLUTIONS APPROVED AFTER SINE DIE ADJOURNMENT

The President of the United States, subsequent to the sine die adjournment of the Congress, notified the Clerk of the House, that on the following dates, he had approved and signed bills and joint resolutions of the House of the following titles:

On August 3, 1955:

H. R. 473. An act to authorize an investigation and report on the advisability of a national monument in Brooklyn, N. Y.;

H. R. 605. An act to provide for the abolition of the 80-rod reserved spaces between claims on shore waters in Alaska, and for other purposes;

H. R. 914. An act for the relief of Erika Marie Dietl and her two children, Caroline Dietl and Robert Dietl;

H. R. 932. An act for the relief of Ludwika Hedy Hancock (nee Nikolajewicz);

H. R. 1180. An act for the relief of Kimiko Sueta Thompson;

H. R. 1185. An act for the relief of Jose Domingo Quintanar;

H. R. 1302. An act for the relief of Adelheid Walla Spring;

H. R. 1304. An act for the relief of Mother Amata (Maria Cartiglia), Sister Ottavia (Concetta Zisa), Sister Giovina (Rosina Vitale), and Sister Olga (Calogera Zeffiro);

H. R. 1435. An act for the relief of Paul Compagnino;

H. R. 1436. An act for the relief of Ervin Benedikt;

H. R. 1439. An act for the relief of Menachem Hersz Kalisz;

H. R. 1458. An act for the relief of Rosa Edith Manns Monroe;

H. R. 1486. An act for the relief of Anna Anita Hildegard Sparwasser;

H. R. 1508. An act for the relief of Mrs. Mary Perouz Derderian Donaldson;

H. R. 1537. An act for the relief of Rogerio Santana de Franca;

H. R. 1668. An act for the relief of Frank Budman;

H. R. 1698. An act for the relief of Anne Cheng;

H. R. 1911. An act for the relief of Charlotte Schwalm;

H. R. 1927. An act for the relief of Ralph Michael Owens;

H. R. 1987. An act for the relief of Kimie Hayashi Crandall;

H. R. 1997. An act for the relief of Linda Beryl San Filippo;

H. R. 2059. An act for the relief of Edward Patrick Cloonan;

H. R. 2070. An act for the relief of Dr. Carlos Recio and his wife, Francisca Marco Palomero de Recio;

H. R. 2078. An act for the relief of Salvatore Cannizzo;

H. R. 2241. An act for the relief of Amalia Bertolino Querio;

H. R. 2242. An act for the relief of Kim Joong Yoon;

H. R. 2259. An act for the relief of Alessandra Barile Altobelli;

H. R. 2306. An act for the relief of Maria de Rehbinder;

H. R. 2307. An act for the relief of Julius, Ilona, and Henry Fiehner;

H. R. 2313. An act for the relief of Mrs. Agnethe Gundhil Sundby.

H. R. 2315. An act for the relief of Antonio (Orejel) Cardenas;

H. R. 2735. An act for the relief of Inako Yokoo and her minor child;

H. R. 2738. An act for the relief of Teresa Jurjevic;

H. R. 2749. An act for the relief of George Risto Divitkos;

H. R. 2755. An act for the relief of Benjamin Johnson;

H. R. 2947. An act for the relief of Emelda Ann Schallmo;

H. R. 3281. An act for the relief of Herbert Roscoe Martin;

H. R. 3359. An act for the relief of Raymond George Palmer;

H. R. 3630. An act for the relief of Mrs. Uto Ginoza;

H. R. 3726. An act for the relief of Mr. Gino Evangelista;

H. R. 4146. An act for the relief of Adelheid (Heidi) Giessner (nee Schega);

H. R. 2866. An act to declare a certain portion of the waterway (a section of the Acushnet River) in the city of New Bedford and the towns of Fairhaven and Acushnet, Mass., a nonnavigable stream;

H. R. 4001. An act to provide for the management and disposition of certain public domain lands in the State of Oklahoma;

H. R. 4362. An act to amend the act entitled "An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes," approved September 3, 1954;

H. R. 4727. An act to permit the issuance of a flag to a friend or associate of the deceased veteran where it is not claimed by the next of kin;

H. R. 4904. An act to extend the Renegotiation Act of 1951 for 2 years; and

H. R. 6980. An act providing for the conveyance of the Old Colony project to the Boston Housing Authority.

On August 4, 1955:

H. R. 898. An act to provide for the approval of deeds executed by the heirs of Anna Hollywood Fickz;

H. R. 910. An act to authorize and direct the sale of certain land in Alaska to John Ekonomos, of the Fairbanks precinct, Alaska;

H. R. 2150. An act to further amend section 106 of the Army-Navy Nurses Act of 1947 so as to provide for certain adjustments in the dates of rank of nurses and women medical specialists of the Regular Army and Regular Air Force in the permanent grade of captain, and for other purposes;

H. R. 3338. An act to amend section 1 of the act of March 12, 1914;

H. R. 3786. An act to incorporate the Army and Navy Legion of Valor of the United States of America;

H. R. 4106. An act to authorize the crediting, for certain purposes, of prior active Federal commissioned service performed by a person appointed as a commissioned officer under section 101 or 102 of the Army-Navy Nurses Act of 1947, as amended, and for other purposes;

H. R. 4218. An act to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment, and to provide certain services to the Girl Scouts of the United States of America for use at the Girl Scout Senior Roundup Encampment, and for other purposes;

H. R. 4280. An act to direct the Secretary of Agriculture to release on behalf of the United States conditions in two deeds conveying certain submarginal lands to Clemson Agricultural College of South Carolina so as to permit such college, subject to certain conditions, to sell, lease, or otherwise dispose of such lands;

H. R. 4717. An act to provide for the release of the express condition and limitation on certain land heretofore conveyed to the trustees of the village of Sag Harbor, N. Y.;

H. R. 4718. An act to authorize and direct the issuance of patent to Robert W. Retherford, of Anchorage, Alaska, to certain land in Alaska;

H. R. 4747. An act to provide that reversionary interests of the United States in certain lands formerly conveyed to the city of Chandler, Okla., shall be quitclaimed to such city;

H. R. 4803. An act to authorize the transmission through the mails of certain keys, identification devices, and small articles, and for other purposes;

H. R. 4886. An act to provide that active service in the Army and Air Force shall be included in determining the eligibility for retirement of certain commissioned officers of the Navy, Marine Corps, and Coast Guard;

H. R. 5512. An act to provide for the conveyance of certain property under the jurisdiction of the Housing and Home Finance Administrator to the State of Louisiana;

H. R. 5893. An act to amend paragraph I (a), part I of Veterans Regulation No. 1 (a), as amended, to make its provisions applicable to active service on and after June 27, 1950, and prior to February 1, 1955, and for other purposes;

H. R. 6259. An act to amend section 8 of the act entitled "An act to establish a District of Columbia Armory Board, and for other purposes," approved June 4, 1948;

H. R. 7278. An act making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes;

H. J. Res. 359. Joint resolution to authorize the designation of October 22, 1955, as National Olympic Day; and

H. J. Res. 385. Joint resolution authorizing the printing and binding of a revised edition of Cannon's Procedure in the House of Representatives and providing that the same shall be subject to copyright by the author.

On August 5, 1955:

H. R. 727. An act to authorize the conveyance of certain land to the Pecwan Union School District for use as the site of a school;

H. R. 939. An act for the relief of Laura Safir;

H. R. 999. An act for the relief of Nurith Spier;

H. R. 1159. An act for the relief of Anna Histed (nee Wiesneth);

H. R. 1160. An act for the relief of Vittorio Capano;

H. R. 1408. An act for the relief of Caterina Ruello;

H. R. 1976. An act for the relief of Luigi Tomasella;

H. R. 2783. An act for the relief of Andrew Wing-Huen Tsang;

H. R. 2944. An act for the relief of Franziska Lindauer Ball;

H. R. 2949. An act for the relief of Jose Armando Quaresma;

H. R. 2972. An act to require the recordation of scrip, lieu selection, and similar rights;

H. R. 3048. An act for the relief of Assuntino Del Gobbo;

H. R. 3270. An act for the relief of Giuseppa Arsena;

H. R. 3354. An act for the relief of Julius G. Watson;

H. R. 3504. An act for the relief of Eveline Wenk Neal;

H. R. 3624. An act for the relief of Olga I. Papadopoulou;

H. R. 3625. An act for the relief of George Vourderis;

H. R. 3626. An act for the relief of Ilse Werner;

H. R. 3629. An act for the relief of Mrs. Nika Kirihara;

H. R. 3864. An act for the relief of Mrs. Elizabeth A. Traufield;

H. R. 3871. An act for the relief of Orville Ennis;

H. R. 3956. An act for the relief of Elizabeth Rotics Whitney;

H. R. 4044. An act for the relief of Burgal Lyden and others;

H. R. 4147. An act for the relief of Angelo DeVito;

H. R. 4198. An act for the relief of Howard L. Gray;

H. R. 4284. An act for the relief of Mrs. Mariannina Monaco;

H. R. 4289. An act for the relief of Vladislav Bevc;

H. R. 4455. An act for the relief of Christa Harkrader;

H. R. 4707. An act for the relief of Duncan McQuagge;

H. R. 4970. An act for the relief of Edeltraudt Margot Gallagher, nee Hackelberg;

H. R. 5080. An act for the relief of Florence E. McConnell;

H. R. 5283. An act for the relief of Artur Swislocki or Arthur Svislotzki;

H. R. 5767. An act for the relief of Sally S. Shulman or Zeli Sholman;

H. R. 6036. An act for the relief of Mrs. Florentine Kintzel;

H. R. 6277. An act to amend subsection 303 (c) of the Career Compensation Act of 1949 relating to transportation and storage of household goods of military personnel on permanent change of station;

H. R. 6396. An act for the relief of Valerie Anne Peterson;

H. R. 6613. An act for the relief of Yuji Doi and Mrs. Matsuyo Yamaoka Doi;

H. R. 7029. An act to establish a Permanent Committee for the Oliver Wendell Holmes Devise, and for other purposes;

H. R. 7117. An act making appropriations for the legislative branch for the fiscal year ending June 30, 1956, and for other purposes; and

H. R. 7194. An act to authorize subsistence allowances to enlisted personnel.

On August 9, 1955:

H. R. 46. An act to authorize the conveyance to the city of Anniston, Ala., of certain real property within Fort McClellan, Ala.;

H. R. 291. An act to extend the retirement income-tax credit to members of the Armed Forces;

H. R. 482. An act to provide for the conveyance of a portion of the former O'Reilly General Hospital, Springfield, Mo., to the State of Missouri, and for other purposes;

H. R. 542. An act to amend the Internal Revenue Code;

H. R. 593. An act to convey by quitclaim deed certain land to the State of Texas;

H. R. 1034. An act for the relief of Erwin S. de Mocskonyi;

H. R. 1060. An act for the relief of Grace Casquite Hwang;

H. R. 1301. An act for the relief of Karlis Abele;

H. R. 1423. An act for the relief of Raymonde Rouxel Williams;

H. R. 1539. An act for the relief of Mrs. Ruthe Graves Messer;

H. R. 1552. An act for the relief of Dalisay Lourdes Cruz;

H. R. 1599. An act to provide for adjustments in the lands or interests therein acquired for the Jim Woodruff Reservoir, Fla. and Ga., by the reconveyance of certain lands or interests therein to the former owners thereof;

H. R. 1641. An act for the relief of Mary Mancuso;

H. R. 1751. An act for the relief of Priscilla Louise Davis;

H. R. 1958. An act for the relief of Ingeborg Luise Walling;

H. R. 2065. An act for the relief of Sada Zarikian;

H. R. 2107. An act to amend the National Defense Facilities Act of 1950 to provide for additional facilities necessary for the administration and training of units of the Reserve components of the Armed Forces of the United States, and for other purposes;

H. R. 2109. An act to authorize permanent appointments in the United States Navy and in the United States Marine Corps;

H. R. 2112. An act to amend the act of February 21, 1946 (60 Stat. 26) to permit the retirement of temporary officers of the naval service after completion of more than 20 years of active service;

H. R. 2149. An act to increase the annual compensation of the Academic Dean of the United States Naval Postgraduate School;

H. R. 2559. An act to authorize male nurses and medical specialists to be appointed as Reserve officers;

H. R. 2619. An act to amend section 345 of the Revenue Act of 1951;

H. R. 2747. An act for the relief of Col. McFarland Cockrill;

H. R. 2753. An act for the relief of Geraldine Gean Hunt and Linda Marie Hunt;

H. R. 2788. An act for the relief of Miguel Sandoval-Michel (also known as Arturo Rodriguez Gomez);

H. R. 2791. An act for the relief of Ofelia Martin;

H. R. 2851. An act to make cornmeal and wheat flour available to needy persons;

H. R. 3024. An act for the relief of Margaret Mary Hammond;

H. R. 3189. An act for the relief of Dorothy Claire Maurice;

H. R. 3235. An act to provide for adjustments in the lands or interests therein acquired for the Demopolis lock and dam, Alabama, by the reconveyance of certain lands or interests therein to the former owners thereof;

H. R. 3275. An act for the relief of Richard Raffo Hanson;

H. R. 3437. An act to amend the Internal Revenue Code of 1954 to provide for a maximum manufacturers' excise tax on the leases of certain automobile utility trailers;

H. R. 3587. An act granting the consent of the Congress to the negotiation of a compact relating to the waters of the Klamath River by the States of Oregon and California;

H. R. 3712. An act to extend the period during which claims for floor stocks refunds may be filed with respect to certain manufacturers' excise taxes which were reduced by the Excise Tax Reduction Act of 1954;

H. R. 3822. An act to amend title V of the Agricultural Act of 1949, as amended;

H. R. 3856. An act for the relief of Leopoldine Simonetti;

H. R. 3908. An act to provide for the regulation of fares for the transportation of schoolchildren in the District of Columbia;

H. R. 3990. An act to authorize the Secretary of the Interior to investigate and report to the Congress on projects for the conservation, development, and utilization of the water resources of Alaska;

H. R. 4048. An act making recommendations to the States for the enactment of legislation to permit and assist Federal personnel, including members of the Armed Forces, and their families, to exercise their voting franchise, and for other purposes;

H. R. 4249. An act for the relief of Orrin J. Bishop;

H. R. 4394. An act to amend section 3401 of the Internal Revenue Code of 1954;

H. R. 4410. An act for the relief of William E. Ryan;

H. R. 4468. An act for the relief of Margarethe Bock and her son, Robert Harald Bock;

H. R. 4643. An act for the relief of Mrs. Lee Shee Yee (also known as Lee Lai Koon);

H. R. 4734. An act to amend the provisions of the River and Harbor Act of 1954 which authorize the Secretary of the Army to reimburse local interests for work done on a dredging project at Los Angeles and Long Beach Harbors, Calif., during a period ending on July 1, 1953, by extending that period to November 7, 1953;

H. R. 4763. An act for the relief of Elzie C. Brown;

H. R. 4778. An act to provide for the purchase of bonds to cover civilian officers and employees and military personnel of the Federal Government;

H. R. 5078. An act for the relief of the estate of Victor Helfenbein;

H. R. 5469. An act to extend the authority of the Corregidor Bataan Memorial Commission, and for other purposes;

H. R. 5875. An act to amend title 14, United States Code, entitled "Coast Guard," for the purpose of providing involuntary retirement of certain officers, and for other purposes;

H. R. 5936. An act to provide wage credits under title II of the Social Security Act for military service before April 1956, and to permit application for lump-sum benefits under such title to be made within 2 years after interment or reinterment in the case of servicemen dying overseas before April 1956;

H. R. 6002. An act for the relief of Helene Rapp;

H. R. 6066. An act authorizing modification of the project for flood protection on the San Joaquin River and tributaries, California;

H. R. 6102. An act to change the name of Garza-Little Elm Dam, located in Denton County, Tex., to Lewisville Dam;

H. R. 6122. An act to remit the duty on certain bells to be imported for addition to the carillons of The Citadel, Charleston, S. C.;

H. R. 6198. An act to provide for the sale of certain war housing projects to the Housing Authority of Beaver County, Pa., for use in providing rental housing for persons of limited income;

H. R. 6382. An act to amend the International Claims Settlement Act of 1949, as amended, and for other purposes;

H. R. 6417. An act to revive and reenact the act "Authorizing the Arkansas-Mississippi Bridge Commission, its public successors or public assigns, to construct, maintain, and operate a bridge across the Mississippi River at or near Friar Point, Miss., and Helena, Ark.," approved May 17, 1939;

H. R. 6585. An act to amend the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, and for other purposes;

H. R. 6590. An act to prohibit the employment by the Government of the United States of persons who are disloyal or who participate in or assert the right to strike against the Government of the United States, and for other purposes;

H. R. 6634. An act to provide for the conveyance of $18\frac{1}{10}$ acres of land, more or less,

within the Grapevine Dam and Reservoir project to the city of Grapevine, Tex., for sewage disposal purposes;

H. R. 6727. An act to authorize the Administrator of Veterans' Affairs to convey certain land to the city of Milwaukee, Wis.

H. R. 6886. An act to amend the act of October 19, 1949, entitled "An act to assist States in collecting sales and use taxes on cigarettes";

H. R. 6896. An act for the relief of Luisa Guidi Miller;

H. R. 7000. An act to provide for strengthening of the Reserve Forces, and for other purposes;

H. R. 7035. An act to amend section 1 of the act entitled "An act to authorize relief of accountable officers of the Government, and for other purposes," approved August 1, 1947 (61 Stat. 720);

H. R. 7148. An act to amend the Internal Revenue Codes so as to provide a personal exemption with respect to certain dependents in the Republic of the Philippines;

H. R. 7244. An act to provide for the striking of medals in commemoration of the 120th anniversary of the signing of the Texas Declaration of Independence and the Battles of the Alamo, Goliad, and San Jacinto in the year 1836;

H. R. 7301. An act to amend the Rubber Producing Facilities Disposal Act of 1953, as heretofore amended, so as to permit the disposal thereunder of Plancor No. 980 at Institute, W. Va.;

H. R. 7684. An act to authorize the Atomic Energy Commission to pay the salary of a Commissioner during the recess of the Senate, and for other purposes;

H. J. Res. 157. Joint resolution to establish a Commission on Government Security;

H. J. Res. 251. Joint resolution to authorize the President to issue posthumously to the late Seymour Richard Belinky, a flight officer in the United States Army, a commission as second lieutenant, United States Army, and for other purposes;

H. J. Res. 276. Joint resolution to authorize the Texas Hill Country Development Foundation to convey certain land to Kerr County, Tex.; and

H. J. Res. 278. Joint resolution to provide that a gold medal be coined and presented to Dr. Jonas E. Salk in honor of his achievements in the field of medicine.

On August 11, 1955:

H. R. 100. An act to permit the mining, development, and utilization of the mineral resources of all public lands withdrawn or reserved for power development, and for other purposes;

H. R. 929. An act for the relief of Mrs. Maria Del Mul.

H. R. 1003. An act for the relief of Mrs. Lorenza O'Malley (de Amusategui), Jose Maria de Amusategui O'Malley, and the legal guardian of Ramon de Amusategui O'Malley;

H. R. 1235. An act for the relief of Vera Gregovich Kenter;

H. R. 1319. An act for the relief of Vasilios Liakopoulos;

H. R. 1909. An act for the relief of Rodolfo Fugeda de la Cerna;

H. R. 2079. An act for the relief of Ingrid Liselotte Poch;

H. R. 2235. An act for the relief of Mrs. Margarete Gick Scordas;

H. R. 2339. An act for the relief of Monika Schefbanker;

H. R. 2553. An act to amend section 223 of the Revenue Act of 1950, relating to the use of corporation property by a shareholder;

H. R. 2704. An act for the relief of Kazuko Iwata Rausch;

H. R. 2897. An act for the relief of Chung Poik Cha and her child, Myra Poik Cha;

H. R. 2907. An act for the relief of Thomas F. Harney, Jr., doing business as the Harney Engineering Co.;

H. R. 2916. An act for the relief of Mrs. Elfrieda Schoeppe;

H. R. 3063. An act to confer jurisdiction upon the United States District Court for the Northern District of California, to hear, determine, and render judgment upon the claims of the Bartlett Springs Co. and certain others;

H. R. 3195. An act for the relief of Rolf Hugo Neuman;

H. R. 3507. An act for the relief of Luise Pempfer (now Mrs. William L. Adams);

H. R. 3628. An act for the relief of Luise Isabella Chu, also known as Luise Schneider;

H. R. 3635. An act for the relief of Brigit Camara, also known as Brigit Heinemann;

H. R. 4508. An act for the relief of Henry T. Quisenberry;

H. R. 4544. An act for the relief of Andrew Carrigan;

H. R. 4581. An act to amend the Internal Revenue Code of 1954 with respect to the tax on cutting oils;

H. R. 4672. An act to increase the annuities of certain retired civilian members of the teaching staffs of the United States Naval Academy and the United States Naval Postgraduate School;

H. R. 5074. An act for the relief of Miss Blanca Lina Rionegro;

H. R. 5082. An act for the relief of Mrs. Koto Nakagawa;

H. R. 5168. An act to provide for retirement of the Government capital in certain institutions operating under the supervision of the Farm Credit Administration; to increase borrower participation in the management and control of the Federal Farm Credit System; and for other purposes;

H. R. 5249. An act to amend the Internal Revenue Code of 1954 to provide for refund or credit of internal revenue taxes and customs duties paid on distilled spirits and wines lost, rendered unmarketable, or condemned by health authorities as a result of the hurricanes of 1954;

H. R. 5546. An act for the relief of Francisca Alemany;

H. R. 5908. An act for the relief of Mrs. Johanna Eckles;

H. R. 5913. An act for the relief of Mock Jung Shee (Mock Jung Liu);

H. R. 6199. An act to amend the act of October 14, 1940, to authorize the sale of personal property held in connection with housing under such act;

H. R. 6600. An act to amend section 303 of the Career Compensation Act of 1949, to authorize travel and transportation allowances, and transportation of dependents and of baggage and household effects to the homes of their selection for certain members of the uniformed services, and for other purposes;

H. R. 6741. An act for the relief of Elfriede Rosa (Kup) Kraft;

H. R. 6994. An act to provide for entry and location, on discovery of a valuable source material, upon public lands of the United States classified as or known to be valuable for coal, and for other purposes;

H. R. 7018. An act to authorize subpenas in connection with the enforcement of the narcotic laws, and for other purposes;

H. R. 7024. An act to remove the manufacturers' excise tax from the sales of certain component parts for use in other manufactured articles, to confine to entertainment-type equipment the tax on radio and television apparatus, and for other purposes.

H. R. 7034. An act to provide permanent authority for the relief of certain disbursing officers, and for other purposes;

H. R. 7095. An act to provide that the tax on admissions shall not apply to certain athletic events held for the benefit of the United States Olympic Association;

H. R. 7289. An act to authorize the States to organize and maintain State Defense Forces, and for other purposes;

H. R. 7300. An act to amend the Internal Revenue Code of 1954 with respect to the tax treatment of income received from patent infringement suits; and

H. R. 7618. An act to amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended.

On August 12, 1955:

H. R. 191. An act to regulate the election of delegates representing the District of Columbia to national political conventions, and for other purposes;

H. R. 257. An act to amend section 112 (n) (8) of the Internal Revenue Code of 1939, relating to the suspension of certain periods of limitation while the taxpayer is on extended active duty with the Armed Forces, and to amend the Internal Revenue Code of 1954 with respect to tax treatment where the taxpayer recovers amounts held by another under claim of right;

H. R. 4663. An act to authorize the Secretary of the Interior to construct, operate, and maintain the Trinity River division, Central Valley project, California, under Federal reclamation laws;

H. R. 4744. An act to amend the Railroad Retirement Act of 1937, as amended, and the Railroad Unemployment Insurance Act;

H. R. 5647. An act to repeal the manufacturers' excise tax on motorcycles;

H. R. 6182. An act to amend the Federal Property and Administrative Services Act of 1949 to make temporary provision for making payments in lieu of taxes with respect to certain real property transferred by the Reconstruction Finance Corporation and its subsidiaries to other Government departments;

H. R. 6263. An act to amend section 1233 and section 542 (a) (2) of the Internal Revenue Code of 1954;

H. R. 7245. An act to amend Public Laws 815 and 874, 81st Congress, which provide for assistance to local educational agencies in areas affected by Federal activities, and for other purposes;

H. R. 7628. An act to authorize the appointment in a civilian position in the White House office of Maj. Gen. John Stewart Bragdon, United States Army, retired, and for other purposes;

H. R. 7746. An act to provide tax relief to a charitable foundation and the contributors thereto; and

H. J. Res. 330. Joint resolution to provide for the acceptance and maintenance of presidential libraries, and for other purposes.

HOUSE BILLS DISAPPROVED AFTER SINE DIE ADJOURNMENT

The President of the United States, subsequent to the sine die adjournment of the Congress, transmitted to the Clerk of the House a list of bills disapproved, together with his reasons for such actions, as follows:

On August 12, 1955:

E. J. ALBRECHT CO.

H. R. 1393. I have withheld my approval from the bill (H. R. 1393) "For the relief of the E. J. Albrecht Co."

The bill directs the Secretary of the Treasury to pay $142,007.75 to the E. J. Albrecht Co. as reimbursement for actual losses sustained by it in performing its contract with the United States for the construction of the outlet works for Sardis Dam on the Little Tallahatchie River, near Sardis, Miss.

After an exhaustive review, the Court of Claims dismissed this claim as being without merit. While this decision was based on legal grounds, the opinion issued by the court in connection with its decision shows, particularly when taken in conjunction with the rest of the record, that there is no basis for affording relief to the contractor on equitable grounds. From these sources it is clear that the overriding causes of the losses which the contractor sustained were its own acts or omissions and the weather

conditions it encountered in the performance of the work. I see nothing in these circumstances giving rise to equitable liability on the part of the Government.

The continued success of the policy of awarding public contracts by competitive bids depends, of course, on the knowledge that successful bidders will be held to their bids with the same strictness as if they were dealing with private contractors. Relieving bidders of losses occasioned by the submission of bids that were successfully low because of overoptimism or failure to account for risks would not only strike a serious blow at the integrity of the competitive bidding system but would be unfair to more provident bidders who might otherwise have received the awards. It would deprive the Government of benefits resulting from favorable circumstances occurring during the performance of a contract while requiring compensation for losses encountered as a result of unfavorable circumstances.

There are no circumstances in this case that would serve to distinguish it from others wherein contractors with the United States have suffered losses for which the Government was not responsible. In view of this fact and in the absence of any equitable considerations in favor of the contractor, I perceive no merit in the claim for special treatment in this case.

Accordingly, I am constrained to withhold my approval from the bill.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *August 12, 1955.*

STEPHEN SWAN OGLETREE

H. R. 6232. I have withheld my approval of enrolled enactment H. R. 6232, 84th Congress, "To include as Spanish-American War service under laws administered by the Veterans' Administration certain service rendered by Stephen Swan Ogletree during the Spanish-American War."

The effect of this legislation would be to determine by legislative decree, contrary to the facts, that, for the purpose of laws administered by the Veterans' Administration, Stephen Swan Ogletree rendered at least 70 days' active military service as a member of Company G, 2d Regiment, Alabama Volunteer Infantry, and was honorably discharged therefrom. No benefits would accrue by reason thereof prior to the date of receipt of an application to be filed subsequent to the date of its enactment.

There have been a number of affidavits submitted in support of Mr. Ogletree's contention that he served on active duty during the Spanish-American War. These affidavits are all dated some 29 or more years after the occurrence of the events to which they relate. In some, the affiant could "almost" swear that Mr. Ogletree served with Company G, 2d Regiment, Alabama Volunteer Infantry. In others, the affiant states that Mr. Ogletree did serve with that organization. However, most of these affidavits are entirely consistent with the official records of the organization which show that any service of Mr. Ogletree with that organization was prior to the time that it entered into active Federal service. In addition, the statement of one individual, who was of the opinion that Mr. Ogletree did serve in active Federal service, indicates that during such period the commanding officer of the company was J. H. Brazila. The records of the company show that Brazila did not command the company while it was in Federal service. Therefore, it is apparent that the passage of time has dimmed the recollection of the individuals who made these affidavits and that they have become confused as to the actual period of time during which the company was in Federal service or when Mr. Ogletree was a member thereof.

Military records pertaining to Mr. Ogletree show quite clearly that he was not a member of Company G, 2d Regiment, Alabama Volunteer Infantry, while that organization was in Federal service. The frequent muster rolls submitted on behalf of that organization, certified by the commanding officer and by the individual who acted as mustering officer, not only show the men who were present with the organization but also all men who were members of the organization during the period and who were absent for any reason whatsoever. The name of Stephen Swan Ogletree does not appear on any of these muster rolls.

Company G, 2d Regiment, Alabama Volunteer Infantry, was mustered into Federal service on May 31, 1898. During the Spanish-American War, regulations provided that before volunteer organizations were mustered into the service of the United States, the members thereof should be medically examined to determine whether or not they were physically qualified for active military service. Retained records of the 2d Regiment, Alabama Volunteer Infantry, clearly show that Mr. Ogletree was medically examined in accordance with such regulations, that he was rejected for service because of physical disqualification at least 12 days prior to the time that this organization was mustered into the service of the United States, and that he was returned to his home at Eufaula, Ala., through issuance of a "request for transportation," which provided as follows:

"M. No. 28570
Request for Transportation
Good for one days from date
Date. Mobile Ala May 19 1898
To The L & N RR Co
For John H. Nowlund and 26 men no pounds extra baggage, Co & Regt. Co "G" 2d Regt Ala Vols
From Mobile Ala
To Eufaula Ala
Via The L & N and Central of Ga
En route from Mobile Ala
To Eufaula Ala
Remarks; Recruit Co G. 2d Regt Ala Vol
Rejected by Medical Board
Issued on authority of telegram dated May 3 1898

H C CORBIN,
AG [Adjutant General]
[See otherside]
[other side]

• • • • •
Stephen S. Ogletree
• • • • •

Section 131 of the Legislative Reorganization Act, approved August 2, 1946 (60 Stat. 812), provides, pertinently, as follows:

No private bill or resolution (including pension bills), * * * authorizing or directing * * * the correction of a military or naval record, shall be received or considered in either the Senate or the House of Representatives.

H. R. 6232 would change the military records of Stephen Swan Ogletree.

Section 207 of the Legislative Reorganization Act, supra, established the Army Board for the Correction of Military Records. That Board was established for the purpose of reviewing military records and recommending to the Secretary of the Army the correction of any such records, where, in the judgment of the Board, such action might be necessary to correct an error or remove an injustice. Upon the recommendation of the Board, the act authorized the Secretary to take corrective action. No application for the correction of the military records of Stephen Swan Ogletree has been received by that Board.

The Congress, by general legislation, has determined that cases of this character should be considered by the Army Board for the Correction of Military Records rather than by the Legislature itself. The affidavits which have been presented in Mr. Ogletree's behalf are entirely consistent with the fact that any service which he may have rendered was prior to the time that the organization was mustered into Federal service. Official records pertaining to the matter show quite clearly that Mr. Ogletree was not at any time during the Spanish-American War in the service of the United States. Under such circumstances, to determine by legislative decree that he rendered any active military service during such war and was honorably discharged therefrom would be entirely discriminatory. There is nothing in law or equity which would justify approval of this bill. To do so would confer upon Mr. Ogletree benefits provided for Spanish-American War veterans to which he is no more entitled than are other individuals who may have been members of local volunteer units prior to the time the unit was mustered into the Federal service, but who were physically disqualified for Federal service and were rejected prior to the mustering-in of the unit. I cannot, in justice, approve this enrolled enactment.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *August 12, 1955.*

INTERNAL REVENUE CODE

H. R. 6887. I have withheld my approval from the bill H. R. 6887, "To extend for 1 year the application of section 108 (b) and to amend section 2053 of the Internal Revenue Code of 1954." This bill would extend for 1 year a section of the Revenue Code designed to facilitate certain railroad reorganizations. In addition, it would safeguard certain bequests to charity from the pyramiding effect of State and Federal inheritance and estate taxes.

Federal law properly exempts bequests to charity from estate taxation. In some situations, however, the intent of the Federal law is negated by the imposition of State taxes on charitable be-

quests. As a result of a provision of Federal law designed to prevent tax avoidance, such State taxes in turn give rise to increased Federal tax liabilities. H. R. 6887 is intended to relieve charitable bequests in these situations to the extent that Federal legislation can do so.

I am sympathetic with the objectives of both portions of the bill. However, I am informed that there are three defects in the part of the bill dealing with the estate tax, which are sufficiently serious to require my disapproval.

First, this legislation would often increase Federal tax liabilities on estates containing bequests to charity.

Second, the legislation would, in certain situations, accrue not to the benefit of charity but to other heirs.

Third, it would disturb existing well-established relationships between Federal and State inheritance and estate tax liabilities based on the credit against Federal tax liability allowed for taxes paid to States since 1926. Since the State tax on the charitable bequest is deductible under the bill, it would no longer be counted in determining the amount which may be claimed by the estate as a credit for State taxes paid against the Federal tax liability. However, the tax imposed under the so-called State pickup laws, which are designed to absorb the full credit allowable against the Federal estate tax, is based upon the total State tax otherwise levied (including the tax on the charitable bequest). Consequently, many State pickup laws would not pick up the full amount allowable as a credit. Enactment of this bill would probably stimulate State legislation to enlarge the credit for taxes paid to States.

In view of these defects in the legislation, I must reluctantly withhold my approval from the bill, H. R. 6887.

My reluctance would be greater, however, had I not been advised that the defects in section 2 of the bill can be remedied and that section 1 and section 2, appropriately remedied, can be enacted so as to apply retroactively without any serious difficulty.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *August 12, 1955.*

RESERVOIR PROPECTS IN TEXAS

H. R. 7195. I have withheld my approval from H. R. 7195, to provide for adjustments in the lands or interests therein acquired for reservoir projects in Texas, by the reconveyance of certain lands or interests therein to the former owners thereof.

The bill would authorize the Secretary of the Army to make adjustments in the land holdings of the United States acquired for five Texas reservoir projects (Belton, Benbrook, Garza-Little Elm, Grapevine, and Whitney Reservoirs) by reconveyance of certain lands to former owners, or the grantee, devisee, or successor in title of a former owner of contiguous property.

The Secretary has no authority to adjust land holdings where title has been acquired by purchase. The bill would provide the Secretary with authority to make such adjustments through reconveyance of lands or interests in lands to former owners at what the Secretary determines to be the original purchase price, adjusted to take into account improvements, damages, or interests retained by the United States.

However, H. R. 7195 goes further and requires the Secretary to determine whether the rights of a grantee, devisee, or successor in title of a former owner of contiguous property are equitably superior to the rights of the former owner himself. The law reports are replete with decisions which disclose the problems with which courts have been confronted in giving just recognition to asserted equitable interests in title to a tract of land. Moreover, in such cases the courts have enjoyed the historic cautionary benefits of the judicial process, such as notice and hearing, rights of intervention, the rules of evidence, and judicial precedents in a particular jurisdiction with respect to the application of equitable principles. The bill does not provide, and the Secretary of the Army does not have, comparable cautionary benefits for an administrative proceeding in which he would be required to engage in the subtle problems involved in weighing justly the equitable superiority or inferiority of the rights, on the one hand of a former owner of a tract, and, on the other hand, of those of the grantee or successor in title to a contiguous tract of property.

This provision would unjustly expose the Secretary to a series of burdensome and time-consuming administrative proceedings which are entirely alien to his statutory responsibilities. It would inevitably subject him to criticism from unsuccessful contestants. These unnecessary burdens and the attendant criticism can, and should, be avoided.

It is my firm opinion that, except for the return of lands or interests directly to the former owners or their heirs in cases of this kind, lands no longer required for project purposes should, if determined to be excess to the needs of the Department, be reported to the General Services Administration for disposal in accordance with general legislation providing for the disposition of excess and surplus Government-owned property. I see no reason for establishing a new and special category of priority holders based on a chain of title from a former owner of contiguous property.

I have approved legislation authorizing similar adjustments by reconveyance of lands to former owners (or their heirs) upon application by them at Demopolis lock and dam, Alabama, and at Jim Woodruff lock and dam, Florida and Georgia, because I am convinced of the soundness of the principle behind the revised reservoir land acquisition policy of the Departments of the Army and the Interior.

I recommend that the Congress reconsider H. R. 7195 and enact a bill along those lines for the five reservoir projects in Texas to which the bill is applicable.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *August 12, 1955.*

On August 14, 1955:

AMENDING DOMESTIC MINERALS PROGRAM EXTENSION ACT

H. R. 6373. I have withheld my approval of H. R. 6373, an act "To amend the Domestic Minerals Program Extension Act of 1953 in order to extend the programs to encourage the discovery, development, and production of certain domestic minerals."

This bill, by congressional action, would direct the continuation of the existing domestic minerals purchase programs under the Defense Production Act for certain minerals after defense needs have been met. Moreover, it would continue such purchases at prices considerably in excess of market price. It would direct the establishment of two new manganese buying depots and the reopening of a third. It would commit an additional $150 million for the purchase of double the original program quantities of these minerals.

Pursuant to the Defense Production Act of 1950, as amended, certain purchase programs were established for these minerals during the Korean hostilities. Public Law 206 of the 83d Congress extended for 2 years the termination dates of these programs. H. R. 6373, in effect, would direct the expansion of these programs so as to require the Government to buy far greater quantities of these minerals than are necessary for defense purposes. As a result, Government assistance to the producers of several minerals will be continued under the guise of defense needs when such needs do not exist.

Furthermore, the fiscal arrangements that are provided for in H. R. 6373 are unsound. The bill would bypass the usual budgetary processes and the customary review by congressional committees. It would direct the use of the defense borrowing authority conferred by the Defense Production Act.

Finally, the provisions of H. R. 6373 would apply to only a small segment of the domestic minerals industry and would not reach the fundamentals of the problem. Indeed this bill would make solution of the overall problems of the industry more difficult.

I am conscious of the desirability of developing a long-range minerals program for the United States to assure an adequate mobilization base and to preserve a sound minerals economy. The Advisory Committee on Minerals Policy so advised and the Office of Minerals Mobilization has been established in the Department of the Interior to determine and recommend such a program. The funds to make the necessary studies have just become available, and work toward the development of a long-range program has begun.

The interests of the domestic minerals industry will be better served by proceeding with the careful development of a long-range minerals program than by approving a stopgap measure extending substantial Government aid to only a segment of the industry. Meanwhile, with the exception of a single manganese depot, the existing domestic minerals procurement program remains uncompleted, and sales by domestic miners to the Government will continue under the provisions of the regulations now in effect.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *August 14, 1955.*

APPOINTMENTS BY THE SPEAKER AFTER SINE DIE ADJOURNMENT OF THE HOUSE — THEODORE ROOSEVELT CENTENIAL COMMISSION

The SPEAKER, pursuant to the provisions of Public Law 183, 84th Congress, and the order of the House of August 2, 1955, empowering him to appoint commissions, boards, and committees authorized by law or by the House, did, on August 25, 1955, appoint as members of the Theodore Roosevelt Centennial Commission the following Members on the part of the House to serve with himself: LEO W. O'BRIEN, Democrat, of New York; STEVEN B. DEROUNIAN, Republican, of New York.

FRANKLIN DELANO ROOSEVELT MEMORIAL COMMISSION

The SPEAKER, pursuant to the provisions of Public Law 372, 84th Congress, and the order of the House of August 2, 1955, empowering him to appoint commissions, boards, and committees authorized by law or by the House, did, on August 25, 1955, appoint as members of the Franklin Delano Roosevelt Memorial Commission the following Members on the part of the House: JOHN W. MCCORMACK, Democrat, of Massachusetts; EUGENE J. KEOGH, Democrat, of New York; KATHARINE ST. GEORGE, Republican, of New York; PAUL F. SCHENCK, Republican, of Ohio.

COMMITTEE EMPLOYEES

COMMITTEE ON AGRICULTURE

JULY 12, 1955.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1955, to June 30, 1955, inclusive, together with total funds authorized or appropriated and expended by it.

Name of employee	Profession	Total gross salary during 6-month period
John J. Heimburger	Counsel	$5,823.00
Francis M. LeMay	Staff consultant	5,823.00
Mabel C. Downey	Clerk	5,823.00
Geo. L. Reid, Jr.	Assistant clerk	5,823.00
Lydia Vacin	Staff assistant	3,575.40
Alice M. Klotz	do	2,700.70
Pauline E. Graves	do	2,700.70
Betty M. Prezioso	do	2,778.78
Gladys Ondarcho	do	1,970.50

Funds authorized or appropriated for committee expenditures	$50,000
Amount of expenditures previously reported	None
Amount expended from June 23 to 30, 1955	None
Total amount expended from Jan. 1, 1955, to June 30, 1955	None
Balance unexpended as of June 30, 1955	50,000

HAROLD D. COOLEY,
Chairman.

COMMITTEE ON APPROPRIATIONS

JULY 15, 1955.

TO THE CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1955, to June 30, 1955, inclusive, together with total funds authorized or appropriated and expended by it.

Name of employee	Profession	Total gross salary during 6-month period
George Y. Harvey	Clerk and staff director.	$6,114.15
Kenneth Sprankle	Assistant clerk and staff director.	6,114.15
Harris H. Huston	Staff assistant	2,782.10
Corha D. Orescan	do	6,114.15
Robert E. Lambert	do	3,882.00
Paul M. Wilson	do	6,114.15
Ross P. Pope	do	6,114.15
Jay B. Howe	do	6,114.15
Samuel W. Crosby	do	5,924.65
Robert P. Williams	Editor	5,515.69
Carson W. Culp	Staff assistant	5,561.77
Robert M. Moyer	do	5,561.77
Frank Sanders	do	5,053.67
Robert L. Michaels	do	4,138.97
G. Homer Skarin	do	4,138.97
Earl C. Silsby	do	3,361.60
Lawrence C. Miller	Assistant editor	3,388.16
Francis G. Merrill	Junior staff assistant	2,800.67
Samuel R. Preston	do	2,635.37
Donald R. Bridges	Clerical assistant	1,964.21
William P. Lally	do	1,849.89
Robert M. Lewis	Messenger	1,236.52
Willie Tarrant	Janitor-messenger	1,593.40
Randolph Thomas	do	1,419.08
E. L. Eckloff	Clerk to the majority.	5,198.82
George S. Green	Clerk to the minority.	4,984.23
John C. Pugh	Consultant	1,276.95
Delores Cropper	Clerk-stenographer to chairman.	2,282.05
Monica Smith	Clerk-stenographer to ranking minority member.	2,047.22
Mary H. Smallwood	Clerk-stenographer	2,262.32
Agnes L. Norton	do	2,298.81
Molly O'Day Saguto	do	2,298.81
Mary A. Vaughan	do	2,298.81
Barbara Koons	do	2,298.81
Virginia S. Hudgins	do	1,094.67
William J. Neary	do	2,298.81
Phyllis N. Troy	do	2,298.81
Margia H. Trew	do	2,298.81
Lois W. Woodworth	do	1,459.56
Beverly D. Arneson	do	729.78
James W. Dudley	do	2,298.81
John G. Clevenger	do	2,298.81
Charles C. Andersen	do	2,298.81
Keith H. Jaques	do	2,262.32
Frank Mentillo	do	2,262.32
Ann R. Davis	do	1,933.92
Shirley Roe Colley	do	1,933.92
Catherine D. Norrell	do	1,763.64
Cornelius S. Whittelsey.	do	364.89
Mildred Burnham	do	1,569.03
Charles L. Cole	do	1,569.03
Baert De Vos Brand	do	1,077.15
Glenna L. Taylor	do	1,206.13
Gladys Kofmehl	do	1,194.60
Barbara J. Groves	do	677.15
Eve Melchior	do	477.34
Lawrence A. DiCenzo	do	24.33
Helen A. Livengood	do	24.32
Julia M. Elliott	do	36.49
Insurance	do	493.48

Funds authorized or appropriated for committee expenditures	$330,000.00
Amount of expenditures previously reported	144,885.33
Amount expended from Jan. 1 to June 30, 1955	162,687.15
Total amount expended from July 1, 1954, to June 30, 1955	307,572.48
Balance unexpended as of June 30, 1955	22,427.52

CLARENCE CANNON,
Chairman.

COMMITTEE ON APPROPRIATIONS

JULY 15, 1955.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1955, to June 30, 1955, inclusive, together with total funds authorized or appropriated and expended by it.

Name of employee	Profession	Total gross salary during 6-month period
Harris H. Huston	Director of surveys and investigations.	$3,332.05
Charles G. Haynes	do	2,372.28
Richard F. Mellwain	Assistant director of surveys and investigations.	1,448.01
George S. Green	Investigator	940.42
Robert W. Zehring	do	3,600.40
Ralph W. Horton	do	5,676.63
Rose Marie Wahler	Stenographer	2,307.90
Ethel P. Powers	do	2,164.93
Insurance		72.79
John B. Ficklin	Consultant	664.00
Robert A. Herbruck	do	3,390.00
W. W. Hill, Jr	do	2,610.00
Herman P. Hevenor	do	2,640.00
Alvin C. Loewer, Jr	do	975.00
Victor J. Miller	do	1,600.00

REIMBURSEMENTS TO GOVERNMENT AGENCIES

Name of employee	Profession	Total gross salary during 6-month period
Post Office Department: Ernest E. Salisbury.	Editorial assistant	$987.35
Department of the Interior: John E. Dawson.	do	743.36
Atomic Energy Commission: Gene Michael.	do	1,492.53
Department of Agriculture: Sam H. Neel.	do	2,263.96
Library of Congress: Walter W. Wilcox.	Investigator	2,617.65
General Services Administration:		
J. W. Flatley	do	1,430.76
John H. Holmead, Jr.	do	880.77
Federal Bureau of Investigation:		
Carl L. Bennett	do	1,535.39
Howard A. Carlson	do	1,503.14
William W. Colby	do	78.74
Grant C. Earl	do	82.65
Arthur W. Engstrom.	do	78.74
Harold H. Hair	do	1,399.90
Albert O. MacDonald.	do	78.74
Richard F. Mellwain.	do	196.85
Richard A. Miller	do	1,456.65
Robert M. Murphy	do	1,503.14
James E. Nugent	do	95.58
Robert E. Reiser	do	77.08
Travel and miscellaneous expenses.		5,031.98

Funds authorized or appropriated for committee expenditures	$450,000.00
Amount of expenditures previously reported	78,930.19
Amount expended from Jan. 1 to June 30, 1955	57,722.77
Total amount expended from July 1, 1954, to June 30, 1955	136,652.96
Balance unexpended as of June 30, 1955	313,347.04

CLARENCE CANNON,
Chairman.

COMMITTEE ON ARMED SERVICES

JULY 12, 1955.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved

August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1955, to June 30, 1955, inclusive, together with total funds authorized or appropriated and expended by it.

Name of employee	Profession	Total gross salary during 6-month period
Robert W. Smart	Chief counsel	$5,823.00
John R. Blandford	Counsel	5,823.00
Charles F. Ducander	do	5,823.00
Philip W. Kelleher	do	5,823.00
Janice G. Angell	Clerical staff	2,835.12
L. Louise Ellis	do	546.52
Agnes H. Johnston	do	2,299.18
Berniece Kalinowski	do	2,835.12
Mary Ellen Williams	do	827.97
Patricia Burtner	do	2,228.02
Oneta Stockstill	do	1,877.55
James A. Deakins	do	1,802.45
John J. Courtney	Special counsel	5,725.95
Edward T. Fogo	Investigator	4,392.96
Lloyd R. Kuhn	do	3,672.51
Dorothy Britton	Secretary	2,544.49
Dorothea Clore	do	2,544.49
Adeline Tolerton	Clerk	2,387.85
Ethel L. Mott	do	2,387.85

(Office of the Special Counsel operating under H. Res. 112 and H. Res. 113, 84th Cong.).

Funds authorized or appropriated for committee expenditures	$150,000.00
Amount of expenditures previously reported	None
Amount expended from Jan. 3 to June 30	25,657.87
Balance unexpended as of June 30, 1955	124,342.13

CARL VINSON,
Chairman.

COMMITTEE ON BANKING AND CURRENCY

JULY 14, 1955.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1955, to June 30, 1955, inclusive, together with total funds authorized or appropriated and expended by it.

Name of employee	Profession	Total gross salary during 6-month period
Orman S. Fink	Professional staff	$5,823.00
John E. Barriere	do	5,823.00
William J. Hallahan	Clerk	5,823.00
Elsie G. Whitney	Deputy clerk	4,322.04
Helen E. Long	Assistant clerk	3,145.26
Mary W. Layton	Stenographer	3,145.26

Funds authorized or appropriated for committee expenditures	$75,000
Amount of expenditures previously reported	None
Amount expended for June 20 to 30, 1955	None
Total amount expended from June 20 to 30, 1955	None
Balance unexpended as of June 30, 1955	75,000

BRENT SPENCE,
Chairman.

COMMITTEE ON THE DISTRICT OF COLUMBIA

JULY 15, 1955.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1955, to June 30, 1955, inclusive, together with total funds authorized or appropriated and expended by it.

Name of employee	Profession	Total gross salary during 6-month period
W. N. McLeod, Jr.	Clerk	$5,822.28
Wendell E. Cable	Minority clerk	5,822.28
George R. Stewart	Attorney	5,611.17
Ruth Butterworth	Assistant clerk	3,750.66
Dixon D. Davis	Assistant clerk (appointed May 1, 1955).	480.42
Margaret S. Rogers	Assistant clerk	2,300.82

Funds authorized or appropriated for committee expenditures	$2,000.00
Amount of expenditures previously reported	None
Amount expended from Feb. 24 to June 30, 1955	11.60
Total amount expended from Feb. 24 to June 30, 1955	11.60
Balance unexpended as of June 30, 1955	1,988.40

JOHN L. MCMILLAN,
Chairman.

COMMITTEE ON EDUCATION AND LABOR

JULY 11, 1955.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1955, to June 30, 1955, inclusive, together with total funds authorized or appropriated and expended by it.

Name of employee	Profession	Total gross salary during 6-month period
Fred G. Hussey	Chief clerk	$5,823.00
John O. Graham	Minority clerk	5,823.00
Edward A. McCabe	General counsel	5,823.00
Russell C. Derrickson	Chief investigator	5,823.00
Kathryn Kivett	Assistant clerk	3,001.86
Gloria Ann Baysden	do	2,101.30
May Lynn Smith	do	500.31
Elizabeth R. Myers	do	500.31
Jeanne Thomson	Assistant to minority clerk.	3,001.86
Helen McCarthy	Stenographer-clerk	1,492.98
Marion O. Riddiford	Assistant clerk	2,501.55

Funds authorized or appropriated for committee expenditures	$125,000.00
Amount of expenditures previously reported	None
Amount expended from Jan. 1 to June 30	1,536.52
Total amount expended from Jan. 1 to June 30	1,536.52
Balance unexpended as of June 30, 1955	123,463.48

GRAHAM A. BARDEN,
Chairman.

COMMITTEE ON FOREIGN AFFAIRS

JULY 6, 1955.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1955, to June 30, 1955, inclusive, together with total funds authorized or appropriated and expended by it.

Name of employee	Profession	Total gross salary during 6-month period
Boyd Crawford	Staff administrator and committee clerk.	$5,823.00
Sheldon Z. Kaplan	Staff consultant	5,823.00
Roy J. Bullock	do	5,823.00
Albert C. F. Westphal	do	5,823.00
June Nigh	Staff assistant	3,145.26
Winifred G. Osborne	do	3,384.24
Helen C. Mattas	do	3,145.26
Myrtle M. Melvin	do	3,145.26
Helen L. Hashagen	do	3,145.26
Roosevelt Taylor	Messenger	1,534.94

Funds authorized or appropriated for committee expenditures	$75,000.00
Total amount expended from Jan. 1, 1955 to June 30, 1955	1,024.56
Balance unexpended as of June 30, 1955	73,975.44

JAMES P. RICHARDS,
Chairman.

COMMITTEE ON GOVERNMENT OPERATIONS

JULY 14, 1955.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 4, 1955, to June 30, 1955, inclusive, together with total funds authorized or appropriated and expended by it.

Name of employee	Profession	Total gross salary during 6-month period
Christine Ray Davis	Staff director	$5,603.60
Orville S. Poland	General counsel	5,248.05
William Pincus	Associate general counsel (Feb. 1–June 30, 1955).	4,431.95
Martha C. Roland	Clerical staff member.	5,208.64
J. Robert Brown	do	4,868.74
Dolores Fel'Dotto	Clerical staff member (Feb. 1–June 30, 1955).	2,886.60
Catherine Hartke	Clerical staff member.	2,708.98
Earl Wade	Clerical staff member (May 1–June 30, 1955).	1,084.26
Helen M. Boyer	Minority professional staff.	5,323.84
Annabell Zue	Minority clerical staff.	4,983.96

Appropriation pursuant to H. Res. 110, 84th Cong., approved Feb. 24, 1955	$495,000.00
Full committee	1,632.05
Executive and Legislative Reorganization Subcommittee, Congressman WILLIAM L. DAWSON, chairman	8,827.13
Military Operations Subcommittee, Congressman CHET HOLIFIELD, chairman	17,431.22
Intergovernmental Relations Subcommittee, Congressman L. H. FOUNTAIN, chairman	5,231.98
Public Works and Resources Subcommittee, Congressman EARL CHUDOFF, chairman	17,593.68
International Operations Subcommittee, Congressman PORTER HARDY, Jr., chairman	12,910.01
Legal and Monetary Affairs Subcommittee, Congressman ROBERT H. MOLLOHAN, chairman	21,244.30
Special Government Activities Subcommittee, Congressman JACK BROOKS, chairman	13,889.75

Appropriation pursuant to H. Res. 110, 84th Cong., approved Feb. 24, 1955—Con.		
Special Subcommittee on Donable Property, Congressman JOHN W. MCCORMACK, chairman		$8,312.32
Special Subcommittee on Government Information, Congressman JOHN E. Moss, chairman		836.73
Total		107,909.17
Balance unexpended June 30, 1955		387,090.83
Expenses of full committee:		
Government insurance deductions for subcommittee staff members		253.54
Telephone		120.83
Stationery supplies		550.29
Publications		265.50
Taxi fares, postage		50.40
Transportation		196.13
Travel expenses		195.36
Total		1,632.05
Executive and Legislative Reorganization Subcommittee, Congressman WILLIAM L. DAWSON, chairman:		
Elmer W. Henderson, associate counsel (Feb. 1-June 30, 1955)		3,551.00
Wallace Parks, professional staff member (Mar. 1-31, 1955)		836.73
William A. Young, professional staff member (Apr. 1-June 30, 1955)		2,648.46
Ann E. McLachlin, clerical staff member (Mar. 14-June 30, 1955)		1,784.44
Expenses: Taxi		6.50
Total		8,827.13
Military Operations Subcommittee, Congressman CHET HOLIFIELD, chairman:		
Michael P. Balwan, staff director		$5,704.83
Earl J. Morgan, investigator (Feb. 1-June 30, 1955)		2,853.39
James Eckhart, assistant counsel		3,358.04
Robert J. McElroy, investigator (Apr. 25-June 30, 1955)		1,197.06
Sylvia Swartzel, clerk-stenographer		2,955.72
Expenses:		
Travel expenses		431.23
Telephone		116.70
Stationery		120.19
Transportation		589.66
Taxi		104.40
Total		17,431.22
Intergovernmental Relations Subcommittee, Congressman L. H. FOUNTAIN, chairman:		
James R. Naughton, professional staff member (Feb. 1-June 30, 1955)		3,009.40
Eileen M. Anderson, clerk-stenographer (Feb. 15-June 30, 1955)		2,015.29
Expenses:		
Travel		84.94
Transportation		68.70
Telephone		35.65
Taxi		18.00
Total		5,231.98
Public Works and Resources Subcommittee, Congressman EARL CHUDOFF, chairman:		
Arthur Perlman, staff director		5,684.47
James A. Lanigan, counsel (Mar. 23-June 30, 1955)		2,996.77
H. Vance Austin, associate counsel (June 30, 1955)		917.38
John B. O'Brien, investigator (Feb. 16-June 30, 1955)		3,454.24
Mrs. Inge Kaiser, consultant (May 19-June 30, 1955)		817.53
R. F. Crossgrove, investigator (June 30, 1955)		669.65
Irene Manning, clerk-stenographer (Feb. 1-June 30, 1955)		2,089.95
Expenses:		
Travel		172.28
Transportation		733.59
Telephone		32.45
Taxi-postage		25.37
Total		17,593.68
International Operations Subcommittee, Congressman PORTER HARDY, Jr., chairman:		
Maurice J. Mountain, professional staff member		5,412.54
Walton Woods, investigator		4,460.93
Phyllis Seymour, clerk-stenographer Feb. 7-June 30, 1955)		2,133.84
Expenses:		
Travel		513.28
Transportation		328.84
Telephone		9.05
Stationery		19.03
Taxi		32.50
Total		12,910.01
Legal and Monetary Affairs Subcommittee, Congressman ROBERT H. MOLLOHAN, chairman:		
Curtis E. Johnson, staff director		$5,725.95
Jerome S. Plapinger, counsel (Mar. 9-June 30, 1955)		3,623.20
Hal Christensen, associate counsel (May 1-June 30, 1955)		1,203.76
Robb N. Keyser, professional staff member (Feb. 1-21, 1955)		679.35
Stanley Fisher, accountant-investigator (Feb. 1-June 30, 1955)		3,544.70
John L. Anderson, investigator (Feb. 1-June 30, 1955)		3,009.40
Elizabeth D. Heater, clerk-stenographer (Feb. 1-June 30, 1955)		2,076.02
Barbara Tork, stenographer (May 23-June 30, 1955)		411.74
Expenses:		
Travel		283.69
Transportation		160.35
Telephone		136.86
Stationery		214.22
Witness expenses		175.06
Total		21,244.30
Special Government Activities Subcommittee, Congressman JACK BROOKS, chairman:		
Vernon McDaniel, staff director		5,725.95
William D. Huskey, investigator (Feb. 1-June 30, 1955)		3,251.70
Martha S. Rubey, clerk-stenographer Jan. 4-Mar. 31, 1955)		4,258.40
Chesley Prioleau, clerk-stenographer (Apr. 1-June 30, 1955)		1,253.97
Irma Reel, clerk-stenographer (Apr. 1-June 30, 1955)		1,126.53
Expenses:		
Travel		543.19
Transportation		552.34
Telephone		130.97
Stationery		19.20
Taxi, postage		27.50
Total		13,889.75
Special Subcommittee on Donable Property, Congressman JOHN W. MCCORMACK, chairman:		
Ray Ward, staff member		5,725.95
Asselia Poore, clerk-stenographer (Feb. 16 to June 30, 1955)		2,015.24
Pauline Harris, typist (Feb. 18 to Mar. 12, 1955)		250.96
Josephine Parker, typist (Feb. 24 to June 30, 1955)		80.31
Expenses:		
Western Union		150.21
Telephone		1.60
Duplicating		88.05
Total		8,312.32
Special Subcommittee on Government Information, Congressman JOHN E. Moss, chairman: Ray Ward, counsel (June 1-30, 1955), total		836.73

WILLIAM L. DAWSON,
Chairman.

COMMITTEE ON HOUSE ADMINISTRATION

JULY 5, 1955.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1955, to June 30, 1955, inclusive, together with total funds authorized or appropriated and expended by it.

Name of employee	Profession	Total gross salary during 6-month period
Marjorie Savage	Clerk	$5,823.00
Jack W. Watson	Assistant clerk	4,951.26
Julian P. Langston	....do	4,175.25
Lura Cannon	....do	4,175.25
Loretta T. Livingston	....do	2,237.10
J. Crawford Shanks	Consultant	517.50

OMAR BURLESON,
Chairman.

COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

JULY 8, 1955.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1955, to June 30, 1955, inclusive, together with total funds authorized or appropriated and expended by it.

Name of employee	Profession	Total gross salary during 6-month period
Professional staff:		
R. S. Butler	Minerals consultant (Jan. 1-31, 1955).	$825.21
Sidney L. McFarland.	Engineering consultant.	5,412.11
George W. Abbott	Counsel	5,412.11
John L. Taylor	Territories consultant.	5,412.11
George H. Soule, Jr.	Minerals and land consultant (employed June 1, 1955).	917.38
Clerical staff:		
Orland T. Huyck	Chief clerk (Jan. 1-31, 1955).	767.61
Nancy J. Arnold	Acting chief clerk	4,530.37
Nelda Boding	Clerk (employed Feb. 1, 1955).	2,753.80
Gertrude S. Harris	....do	2,753.80
Laura Ann Moran	Clerk	2,985.96
Eve Fatzinick	....do	2,932.85
Patricia Ann Murray.	Clerk (Jan. 1-31, 1955).	497.66
Linda Glavey	Clerk (employed Feb. 1, 1955).	2,222.75

Funds authorized or appropriated for committee expenditures	$50,000.00
Amount of expenditures previously reported	None
Amount expended from Feb. 24 to June 30, 1955	5,859.23
Total amount expended from Feb. 24 to June 30, 1955	5,859.23
Balance unexpended as of June 30, 1955	44,140.77

CLAIR ENGLE,
Chairman.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

JULY 1, 1955.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1955, to June 30, 1955, inclusive, together with total funds authorized or appropriated and expended by it.

Name of employee	Profession	Total gross salary during 6-month period[1]
Clerical staff:		
Elton J. Layton	Clerk	$5,823.00
Kenneth J. Painter	1st assistant clerk	3,609.92
Herman C. Beasley	Assistant clerk	3,609.92
Georgia G. Glassmann.	Assistant clerk-stenographer.	2,826.60
Helen A. Grickis	....do	2,826.60
Roy P. Wilkinson	Assistant clerk	2,348.52
Helen M. McCarthy.	Clerk-stenographer (from Apr. 11 to May 2, 1955) (H. Res. 105, H. Res. 117).	292.90

[1] Does not include 7.5 percent pay raise, retroactive to Mar. 1, 1955.

Name of employee	Profession	Total gross salary during 6-month period
Clerical staff—Con. Margaret J. Beach	Clerk-typist (from Apr. 1, 1955) (H. Res. 105, H. Res. 117).	$1,134.42
Professional staff: Andrew Stevenson	Expert	5,823.00
Kurt Borchardt	Legal counsel	5,823.00
Sam G. Spal	Research specialist	5,823.00
Martin W. Cunningham	Aviation consultant (from Feb. 3, 1955).	4,787.80

Funds authorized or appropriated for committee expenditures	$60,000.00
Amount expended from Jan. 5 to June 30, 1955	852.85
Balance unexpended as of July 1, 1955 (approximate)	59,147.00

J. PERCY PRIEST,
Chairman.

COMMITTEE ON THE JUDICIARY

JULY 15, 1955.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1955, to June 30, 1955, inclusive, together with total funds authorized or appropriated and expended by it.

Name of employee	Profession	Total gross salary during 6-month period
Bess E. Dick	Staff director (from Feb. 1, 1955).	$4,852.50
Bessie M. Orcutt	Administrative assistant.	5,823.00
William R. Foley	General counsel	5,823.00
Walter M. Besterman	Legislative assistant.	5,823.00
Thomas F. Broden	Counsel (from Feb. 14, 1955).	3,505.42
Walter R. Lee	Legislative assistant.	5,823.00
Malcolm Mecartney	Counsel (to Jan. 31, 1955).	970.50
Velma Smedley	Clerical staff	4,508.85
Violet Benn	do	3,835.65
Anne J. Berger	do	3,742.73
Lola Bikul	do	3,228.93
Lucille Brooks	Clerical staff (to Jan. 31, 1955).	617.15
Frances Christy	Clerical staff	3,702.90
Mary DeMatteis	do	3,065.58
Helen Goldsmith	do	3,702.90

Salaries paid pursuant to H. Res. 98, 84th Cong.:	
Herbert N. Maletz, counsel, Antitrust Subcommittee	$2,911.50
Kenneth R. Harkins, cocounsel, Antitrust Subcommittee	2,288.35
William M. Milligan, assistant counsel, Antitrust Subcommittee	2,122.95
Thomas H. McGrail, assistant counsel, Antitrust Subcommittee	1,722.00
Eileen Browne, administrative clerk, Antitrust Subcommittee	1,690.84
Margaret M. Murphy, clerical staff	296.36
Lucille Brooks, clerical staff	1,851.45
Bart D. Wigby, messenger	744.90
Mike Kalemonick, clerical staff	1,134.48
Gertrude C. Burak, clerical staff	889.10
Elizabeth Meekins, clerical staff	563.10
Jerrold Walden, associate counsel, Antitrust Subcommittee	582.30
William Lucca, messenger	33.11
Dr. Theodore Kreps, economist, Antitrust Subcommittee (reimbursable, Library of Congress)	1,269.40
I. Funds for preparation of United States Code, District of Columbia Code, and revision of the laws:	
A. Preparation of new edition of United States Code (no year):	
Unexpended balance Dec. 31, 1954	$43,566.74
Expended, Jan. 1–June 30, 1955	18,214.74
Balance, June 30, 1955	25,352.00
B. Revision of the Laws, 1955:	
Balance, Dec. 31, 1954	7,743.33
Expended, Jan. 1–June 30, 1955	6,066.34
Balance, June 30, 1955	1,676.99
C. Preparation of new edition of District of Columbia Code (no year):	
Unexpended balance, Dec. 31, 1954	13,504.69
Expended, Jan. 1–June 30, 1955	4,344.98
Balance, June 30, 1955	9,159.71

EMANUEL CELLER,
Chairman.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

JULY 13, 1955.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1955, to June 30, 1955, inclusive, together with total funds authorized or appropriated and expended by it.

Name of employee	Profession	Total gross salary during 6-month period
Bernard J. Zincke	Counsel	$5,823.00
John M. Drewry	do	5,823.00
Frances Still	Clerk	4,871.72
William B. Winfield	Assistant clerk	2,951.83
Charles F. Warren	do	2,768.38
Ruth Brookshire	do	3,131.97
Vera Barker	Secretary	2,667.30
Shirley Schwartz	Minority clerk	3,782.52
Ernest J. Sanders	Investigator	1,941.00

Funds authorized or appropriated for committee expenditures	$50,000.00
Amount expended from Feb. 2, 1955, to July 1, 1955	12,143.84
Balance unexpended as of July 1, 1955	37,856.16

HERBERT C. BONNER,
Chairman.

COMMITTEE ON POST OFFICE AND CIVIL SERVICE

JULY 15, 1955.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1955, to June 30, 1955, inclusive, together with total funds authorized or appropriated and expended by it.

Name of employee	Profession	Total gross salary during 6-month period
Frederick C. Belen	Chief counsel	$5,823.00
Charles E. Johnson	Counsel	5,492.76
Henry C. Cassell	Clerk	4,813.02
John B. Price	Assistant clerk	3,463.92
Lucy K. Daley	do	3,224.94
Lillian Hopkins	do	3,158.55
Elsa Thornton	Stenographer	$2,283.14
Ann Gould	Stenographer (January 1955).	444.55
Blanche Simons	Stenographer (February to June 1955).	1,924.00

Funds authorized or appropriated for committee expenditures	None

TOM MURRAY,
Chairman.

COMMITTEE ON PUBLIC WORKS

JULY 19, 1955.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1955, to June 30, 1955, inclusive, together with total funds authorized or appropriated and expended by it.

Name of employee	Profession	Total gross salary during 6-month period
Charles G. Tierney	Chief clerk and counsel.	$5,823.00
Robert F. McConnell	Counsel	5,823.00
Joseph H. McGann, Sr.	Consultant	5,823.00
Margaret R. Belter	Assistant chief clerk	4,246.02
Helen M. Dooley	Staff assistant	3,539.35
S. Philip Cohen	Staff member	2,952.95
Helen A. Thompson	Staff assistant	2,501.55
Louise B. Cullen	do	2,501.55
Ester M. Saunders	Clerk-messenger	142.61

Funds authorized or appropriated for committee expenditures	$30,000.00
Amount of expenditures previously reported	25,327.37
Amount expended from Jan. 1 to June 30, 1955	2,056.22
Total amount expended	27,383.59
Balance unexpended as of	2,616.41

CHARLES A. BUCKLEY,
Chairman.

COMMITTEE ON RULES

JULY 8, 1955.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1955, to June 30, 1955, inclusive, together with total funds authorized or appropriated and expended by it.

Name of employee	Profession	Total gross salary during 6-month period
Carruthers, Thomas M.	Clerk	$3,797.83
Hanford, Agnes R	Assistant clerk	3,033.72
Snader, Jane W	Minority clerk	3,476.95

HOWARD W. SMITH,
Chairman.

COMMITTEE ON UN-AMERICAN ACTIVITIES

JULY 8, 1955.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, as amended, August 2, 1946, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 4, 1955, to June 30, 1955, inclusive, together with total funds authorized or appropriated and expended by it.

Name of employee	Profession	Total gross salary during 6-month period
STANDING COMMITTEE		
Donald T. Appell	Investigator	$5,328.60
Thomas W. Beale, Sr.	Chief clerk	5,823.00
Juliette P. Joray	Secretary to chief clerk.	4,322.05
Robert L. Kunzig	Counsel (resigned Feb. 28, 1955).	1,941.00
Raphael Nixon	Director of research (resigned Mar. 31, 1955).	2,911.50
Courtney E. Owens	Investigator	4,981.35
Rosella Purdy	Secretary to counsel	3,767.45
Carolyn Roberts	Assistant chief of reference section.	3,490.47
Thelma I. Searce	Secretary to investigators.	3,767.45
Frank S. Tavenner, Jr.	Counsel	5,823.00
Anne D. Turner	Chief of reference section.	4,444.18
William A. Wheeler	Investigator	5,170.20
INVESTIGATIVE COMMITTEE		
Margaret Bentz	Information specialist (appointed Feb. 1, 1955).	1,890.80
Frank Bonora	Investigator	3,563.47
John W. Carrington	Assistant to the clerk.	3,676.33
Florence B. Clark	Clerk-stenographer (resigned Feb. 28, 1955).	955.47
Raymond T. Collins	Investigator	3,463.92
George E. Cooper	Investigator (resigned Apr. 15, 1955).	2,283.72
Anniel Cunningham	Information analyst	2,826.60
Barbara H. Edelschein.	Editor	2,277.82
Elizabeth L. Edinger	Information analyst	2,707.12
Earl L. Fuoss	Investigator (resigned Mar. 14, 1955).	2,319.70
Kathleen Hagenbuch	Clerk-typist (appointed Mar. 1, 1955).	1,167.48
Jennie Hayes	Clerk-stenographer (resigned Jan. 31, 1955).	404.72
A. Merle Holton	Clerk-stenographer (resigned Jan. 11, 1955).	165.00
Lillian Howard	Research analyst	3,344.30
W. Jackson Jones	Investigator	4,467.42
Larry Kerley	Investigator (resigned (Feb. 14, 1955).	846.74
William Kimple	Investigator (temporary Mar. 1, 1955 to Apr. 30, 1955).	1,154.64
Olive King	Editor (appointed Feb. 12, 1955).	2,060.65
Stephen V. Kopunek	Clerk-typist (appointed Feb. 1, 1955).	1,426.15
Kathleen M. Lucious	Clerk-typist (appointed June 1, 1955).	263.18
Helen I. Mattson	Research analyst	3,503.74
C. E. McKillips	Investigator (resigned Feb. 14, 1955).	1,037.92
Isabel B. Nagel	Clerk-stenographer	2,826.60
Lorraine Nichols Veley.	do	2,906.28
Robert Newsom	Investigator (temporary June 1, 1955 to June 15, 1955).	288.66
Katharine Phillips	Switchboard operator (appointed Apr. 15, 1955).	806.66
Muriel Pickles	Clerk-typist (resigned Feb. 28, 1955).	534.80
Asselia S. Poore	Editor (resigned Feb. 14, 1955).	$846.74
Maureen Roselle	Clerk-stenographer (appointed Feb. 1, 1955).	1,758.05
Leslie C. Scott	Research analyst (resigned Feb. 14, 1955).	846.74
Dolores F. Scotti	Investigator (appointed Apr. 1, 1955).	1,731.96
Marjorie Sirlouis	Secretary to counsel (resigned Feb. 28, 1955).	995.32
Josephine Sheetz	Clerk-typist	2,268.96
Riley Smith	Stock clerk (resigned Apr. 15, 1955).	1,283.74
Lela M. Stiles	Clerk-stenographer (appointed Feb. 1, 1955).	1,758.05
Alvin Stokes	Investigator (resigned Feb. 28, 1955).	1,154.64
Cele Frey Sweeney	Clerk-typist (appointed Mar. 1, 1955).	1,167.48
Ruth K. Tansill	Information analyst.	2,906.28
Blair Taylor	Research analyst (appointed Jan. 20, 1955; deceased Apr. 18, 1955).	1,734.79
Rea Van Fosson	Investigator (resigned Feb. 14, 1955).	1,037.92
Alice E. Walker	Information analyst (part time).	1,604.40
Richard S. Weil	Research analyst (appointed June 1, 1955).	577.32
Billie Wheeler	Clerk-stenographer (appointed June 1, 1955).	471.10
George C. Williams	Investigator	4,198.21

Funds authorized or appropriated for committee expenditures	$225,000.00
Amount of expenditures previously reported	None
Amount expended from Jan. 4, 1955, to July 1, 1955	102,702.95
Total amount expended	
Balance unexpended as of July 1, 1955	122,297.05

FRANCIS E. WALTER,
Chairman.

COMMITTEE ON VETERANS' AFFAIRS

JULY 8, 1955.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1955, to June 30, 1955, inclusive, together with total funds authorized or appropriated and expended by it.

Name of employee	Profession	Total gross salary during 6-month period
Oliver E. Meadows	Staff director	$5,823.00
Edwin B. Patterson	Counsel	5,823.00
Casey M. Jones	Professional aide	5,823.00
Harold A. Lawrence	do	5,823.00
George W. Fisher	Chief clerk	5,823.00
Ida Rowan	Administrative aide	5,823.00
Paul K. Jones	Assistant clerk	4,951.26
George J. Turner	do	3,264.72
Helen A. Wright	do	3,218.50
Alice V. Matthews	Clerk-stenographer	3,129.30
Frances Montanye	do	521.55
J. Buford Jenkins	Staff consultant	3,728.60
Joanne Doyle	Clerk-stenographer	602.32
Funds authorized or appropriated for committee expenditures		$30,000.00
Amount expended from Jan. 1 to June 30, 1955		6,493.31
Balance unexpended as of June 30, 1955		43,506.69

OLIN TEAGUE,
Chairman.

COMMITTEE ON WAYS AND MEANS

JUNE 30, 1955.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1955, to June 30, 1955, inclusive, together with total funds authorized or appropriated and expended by it.

Name of employee	Profession	Total gross salary during 6-month period
Leo H. Irwin	Clerk (C)	$5,823.00
Thomas A. Martin	Professional assistant (P).	5,711.70
James W. Riddell	do [1]	1,450.33
Russell E. Train	Minority Adviser (P).	5,823.00
Susan Alice Taylor	Staff assistant	3,782.52
Frances C. Russell	do	3,782.52
June A. Kendall	do	3,153.24
Anne Gorden	do	3,105.42
Virginia M. Butler	do	3,105.42
Grace Good	do	3,105.42
Irene Wade	do	2,778.78
Hughlon Greene	Messenger	1,988.12
Walter B. Little	do	1,988.12

[1] Since May 9, 1955.

JERE COOPER,
Chairman.

SELECT COMMITTEE ON SMALL BUSINESS

JULY 8, 1955.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1955, to June 30, 1955, inclusive, together with total funds authorized or appropriated and expended by it.

Name of employee	Profession	Total gross salary during 6-month period
Everette MacIntyre	Staff director and general counsel.	$4,399.60
William Summers Johnson.	Chief economist and assistant staff director.	4,137.85
Marie M. Stewart	Clerk	3,249.48
Jane M. Deem	Administrative assistant—clerk.	3,249.48
George L. Arnold	Assistant counsel and investigator.	3,636.30
Irving Maness	do	3,663.24
Katherine C. Blackburn.	Research analyst	2,424.21
Clarence D. Everett	Investigator	3,249.48
Eunice V. Hutton	Secretary	3,249.48
Ila D. Coe	Stenographer	1,942.65
Clara G. Romero	do	1,620.94
Milton S. Fairfax	do	666.64
Alice Fay Ebert	do	1,738.22
Margaret Fallon Palmer.	Research analyst	3,094.49
Victor P. Palmas	Assistant to minority.	2,123.64
Samuel Moment	Consulting economist.	97.05
Marita K. Fanning	Stenographer	1,913.62

Funds authorized or appropriated for committee expenditures	$135,000.00
Amount expended from Jan. 4 to June 30, 1955	47,185.73
Balance unexpended as of June 30, 1955	87,814.27

WRIGHT PATMAN,
Chairman.

SELECT COMMITTEE ON SURVIVOR BENEFITS

JULY 26, 1955.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1955, to June 30, 1955, inclusive, together with total funds authorized or appropriated and expended by it.

Name of employee	Profession	Total gross salary during 6-month period
Audrey A. Lockett	Stenographer	$2,468.16
Christine E. Elder	Stenographer (temporary)	32.29
Carnes & Co.	Consultants	12,000.00
Bowles, Andrews & Towne.	do	5,000.00

NOTE.—The firm of Carnes & Co. is retained by the committee under contract to provide all staff personnel required for the committee's study. Those serving with the committee are on the payroll of Carnes & Co.

Funds authorized or appropriated for committee expenditures	$35,000.00
Amount of expenditures previously reported	None
Amount expended from Jan. 1 to June 30, 1955	22,350.08
Total amount expended	22,350.08
Balance unexpended as of July 1, 1955	12,649.92

PORTER HARDY, Jr.,
Chairman.

EXECUTIVE COMMUNICATIONS, ETC.

1059. Under clause 2 of rule XXIV, a letter from the Administrator of General Services-Acting Postmaster General transmitting a report covering Federal building projects eligible for construction throughout the United States, its Territories and possessions, pursuant to Public Law 105, 81st Congress (H. Doc. No. 224), was taken from the Speaker's table, referred to the Committee on Public Works, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SPENCE: Committee of conference. S. 2126. An act to extend and clarify laws relating to the provision and improvement of housing, the elimination and prevention of slums, the conservation and development of urban communities, the financing of vitally needed public works, and for other purposes (Rept. No. 1622). Ordered to be printed.

Mr. CELLER: Committee of conference. S. 1077. An act to provide for settlement of claims for damages resulting from the disaster which occurred at Texas City, Tex., on April 16 and 17, 1947 (Rept. No. 1623). Ordered to be printed.

Mr. MURRAY of Tennessee: Committee of conference. S. 1041. An act to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide for the inclusion in the computation of accredited service of certain periods of service rendered States or instrumentalities of States, and for other purposes (Rept. No. 1624). Ordered to be printed.

Mr. BURLESON: Committee of conference. H. R. 4048. A bill to permit and assist Federal personnel, including members of the Armed Forces, and their families, to exercise their voting franchise, and for other purposes (Rept. No. 1625). Ordered to be printed.

Mr. PRIEST: Committee of Conference. S. 2501. An act to amend the Public Health Service Act to authorize grants to States for the purpose of assisting States to provide children and expectant mothers an opportunity for vaccination against poliomyelitis (Rept. No. 1626). Ordered to be printed.

Mr. ROONEY: Committee of conference. H. R. 7117. A bill making appropriations for the legislative branch for the fiscal year ending June 30, 1956, and for other purposes (Rept. No. 1627). Ordered to be printed.

Mr. TRIMBLE: Committee on Rules. House Resolution 337. Resolution for consideration of H. R. 7117. A bill making appropriations for the legislative branch for the fiscal year ending June 30, 1956, and for other purposes; without amendment (Rept. No. 1628). Referred to the House Calendar.

Mr. LANE: Committee of conference. H. R. 2907. A bill for the relief of Thomas F. Harney, Jr., doing business as the Harney Engineering Co. (Rept. No. 1629). Ordered to be printed.

Mr. SPENCE: Committee of conference. S. 2391. A bill to amend the Defense Production Act of 1950, as amended (Rept. No. 1630). Ordered to be printed.

Mr. MURRAY of Tennessee: Committee of conference. H. R. 7618. A bill to amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended (Rept. No. 1631). Ordered to be printed.

Mr. McMILLAN: Committee of conference. S. 2576. An act to amend the joint resolution entitled "Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes," approved January 14, 1933, and for other purposes (Rept. No. 1632). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CURTIS of Missouri:

H. R. 7837. A bill to provide for averaging taxable income; to the Committee on Ways and Means.

By Mr. DAVIDSON:

H. R. 7838. A bill to amend the hospital survey and construction provisions of the Public Health Service Act to provide assistance to the States for surveying the need for psychiatric hospitals, psychiatric treatment and rehabilitation facilities, and facilities for the diagnosis, treatment, and care of narcotic addicts, and to provide assistance in the construction of such facilities through grants to public and nonprofit agencies, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H. R. 7839. A bill to establish a program of scholarships for students in higher education, and for other purposes; to the Committee on Education and Labor.

H. R. 7840. A bill to authorize the Commissioner of Education to make grants to finance the preparation, publication, and distribution of science teaching manuals for use in elementary and secondary schools; to the Committee on Education and Labor.

By Mrs. GREEN of Oregon:

H. R. 7841. A bill to provide for the distribution to hospitals and other institutions of certain unclaimed or undeliverable publications; to the Committee on Post Office and Civil Service.

By Mr. FORRESTER:

H. R. 7842. A bill to permit payments under Public Laws 815 and 874, 81st Congress, with respect to certain children of members of the Armed Forces stationed overseas; to the Committee on Education and Labor.

By Mr. KARSTEN:

H. R. 7843. A bill to create a Joint Committee on Extraterrestrial Exploration; to the Committee on Rules.

By Mr. KEOGH:

H. R. 7844. A bill to provide deductions for payments on certain preferred stock to the United States or to any instrumentality thereof exempt from Federal income taxes; to the Committee on Ways and Means.

By Mr. KLEIN (by request):

H. R. 7845. A bill to amend the Securities Exchange Act of 1934, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. MULTER:

H. R. 7846. A bill to provide for loans to enable needy and scholastically qualified students to continue post-high-school education; to the Committee on Education and Labor.

By Mr. O'HARA of Illinois:

H. R. 7847. A bill to require that all negotiable securities, paper money, and stamps be printed from engraved plates in the Bureau of Engraving and Printing; to the Committee on Banking and Currency.

By Mr. ROOSEVELT:

H. R. 7848. A bill to amend the public assistance provisions of the Social Security Act to provide increased payments, eliminate certain inequities and restrictions, and permit a more effective distribution of Federal funds; to the Committee on Ways and Means.

By Mr. BONNER:

H. R. 7849. A bill to provide for the conveyance of certain lands of the United States to the town of Edenton, Chowan County, N. C.; to the Committee on Government Operations.

By Mr. BUDGE:

H. R. 7850. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the Little Wood River reclamation project, Idaho; to the Committee on Interior and Insular Affairs.

By Mr. CELLER:

H. R. 7851. A bill to exempt fine arts programs from the admissions tax; to the Committee on Ways and Means.

By Mr. GATHINGS:

H. R. 7852. A bill to repeal the requirement that middling seven-eighths-inch cotton shall be the standard grade for purposes of parity and price support; to the Committee on Agriculture.

By Mr. MULTER:

H. R. 7853. A bill to amend the Revised Statutes of the United States to authorize the Comptroller of the Currency to regulate solicitation of proxies for voting shares of stock of national banks, and for other purposes; to the Committee on Banking and Currency.

By Mr. VANIK:

H. R. 7854. A bill to allow veterans of World War II and veterans of the Korean conflict to obtain post-service national service life insurance; to the Committee on Veterans' Affairs.

By Mr. McCORMACK:

H. R. 7855. A bill to amend the Federal Property and Administrative Services Act of 1949, as amended, to extend until June 30, 1956, the period during which disposals of

surplus property may be made by negotiation.

By Mr. BALDWIN:

H. R. 7856. A bill to designate the reservoir above the Monticello Dam in California as Lake Berryessa; to the Committee on Interior and Insular Affairs.

By Mr. FLOOD:

H. R. 7857. A bill to establish an effective program to alleviate conditions of excessive unemployment in certain economically depressed areas; to the Committee on Ways and Means.

By Mr. SCUDDER:

H. R. 7858. A bill to designate the reservoir above the Monticello Dam in California as Lake Berryessa; to the Committee on Interior and Insular Affairs.

By Mr. DIGGS:

H. J. Res. 435. Joint resolution to provide for the observance and commemoration of the 50th anniversary of the founding and launching of the conservation movement for the preservation of the natural resources of the United States; to the Committee on the Judiciary.

By Mr. REUSS:

H. J. Res. 436. Joint resolution to provide for the observance and commemoration of the 50th anniversary of the founding and launching of the conservation movement for the preservation of the natural resources of the United States; to the Committee on the Judiciary.

By Mr. POWELL:

H. Res. 334. Resolution to authorize the Committee on Education and Labor to conduct an investigation of the labor problems in the Commonwealth of Puerto Rico and in the Virgin Islands in connection with unemployment in the sugar industry; to the Committee on Rules.

By Mr. DEANE:

H. Res. 342. Resolution to equalize the salaries of certain employees of the House of Representatives; to the Committee on House Administration.

By Mr. METCALF:

H. Res. 343. Resolution authorizing the Committee on Interior and Insular Affairs to conduct an investigation of the Indian Claims Commission; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. GUBSER:

H. R. 7859. A bill for the relief of Consuelo Vargas Crosby; to the Committee on the Judiciary.

By Mr. GWINN:

H. R. 7860. A bill for the relief of Peter Lukac; to the Committee on the Judiciary.

By Mr. HAGEN (by request):

H. R. 7861. A bill for the relief of Cornelio Pecbot; to the Committee on the Judiciary.

By Mr. HOLT (by request):

H. R. 7862. A bill for the relief of Renato Zappaterra; to the Committee on the Judiciary.

H. R. 7863. A bill for the relief of Jesus Martinez-Silva; to the Committee on the Judiciary.

By Mr. LANHAM:

H. R. 7864. A bill for the relief of Earnest A. Erwin; to the Committee on the Judiciary.

By Mr. ROGERS of Colorado:

H. R. 7865. A bill for the relief of Rabbi Baruch Goldstein; to the Committee on the Judiciary.

By Mr. SCUDDER (by request):

H. R. 7866. A bill for the relief of Justo Monillas; to the Committee on the Judiciary.

By Mr. SIMPSON of Pennsylvania:

H. R. 7867. A bill for the relief of Kam Kwam Kwok, Chin Lin Kwok, Rosa Yushang Liang Kwok, and Jeanette Chin-Ming Kwok; to the Committee on the Judiciary.

By Mr. UDALL:

H. R. 7868. A bill for the relief of Robert Michael Henry; to the Committee on the Judiciary.

By Mr. UTT:

H. R. 7869. A bill for the relief of Bruin Vreugdenhil; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

361. The SPEAKER presented a petition of Magdalena O. Vda De Cabales, La Castellana, Negros, Occidental, Philippines, relative to an appeal for reconsideration and reopening of her claim with the War Department regarding the death of veteran, Pedro T. Cabales, which was referred to the Committee on Veterans' Affairs.

REGULATION OF LOBBYING ACT

In compliance with Public Law 601, 79th Congress, title III, Regulation of Lobbying Act, section 308 (b), which provides as follows:

(b) All information required to be filed under the provisions of this section with the Clerk of the House of Representatives and the Secretary of the Senate shall be compiled by said Clerk and Secretary, acting jointly, as soon as practicable after the close of the calendar quarter with respect to which such information is filed and shall be printed in the CONGRESSIONAL RECORD.

The Clerk of the House of Representatives and the Secretary of the Senate jointly submit their report of the compilation required by said law and have included all registrations and quarterly reports received.

QUARTERLY REPORTS

The following reports for the first calendar quarter of 1955 were received after April 20, 1955, too late to be included in the published reports for that quarter:

A. Active-Retired Lighthouse Service Employees Association, Post Office Box 2169, South Portland, Maine.
D. (6) $921. E. (9) $530.74.

A. William B. Allen, 917 15th Street NW., Washington, D. C.
B. United Rubber, Cork, Linoleum and Plastic Workers of America, CIO, High at Mill Street, Akron, Ohio.
D. (6) $1,560. E. (9) $458.40.

A. American Dental Association, 222 East Superior Street, Chicago, Ill.
D. (6) $7,701.53. E. (9) $7,701.53.

A. American Hospital Association, 18 East Division Street, Chicago, Ill.
D. (6) $14,077.41. E. (9) $12,777.41.

A. American Library Association, 50 East Huron Street, Chicago, Ill.
D. (6) $237.70. E. (9) $4,561.85.

A. American Social Hygiene Association, Inc., 1790 Broadway, New York, N. Y.
E. (9) $2,800.

A. American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
B. American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
D. (6) $10,290.06. E. (9) $2,288.21.

A. AMVETS (American Veterans World War II), 1710 Rhode Island Avenue NW., Washington, D. C.
E. (9) $1,405.

A. Arnold, Fortas & Porter, 1229 19th Street NW., Washington, D. C.
B. Federal Republic of West Germany.
D. (6) $10,000.

A. Gibbs L. Baker, 917 15th Street NW., Washington, D. C.
B. Mastercraft Linen Fabrics Corp., 1071 Sixth Avenue, New York, N. Y.; Frederick J. Fawcett, Inc., 129 South Street, Boston, Mass.; and Hughes Fawcett, Inc., 115 Franklin Street, New York, N. Y.
D. (6) $1,270. E. (9) $40.55.

A. Wm. J. Barnhard, 351 Washington Building, Washington, D. C.
B. Gold Star Wives of America, Inc., 352 Washington Building, Washington, D. C.

A. Roy Battles, 744 Jackson Place NW., Washington, D. C.
B. The National Grange, Patrons of Husbandry, 744 Jackson Place NW., Washington, D. C.
D. (6) $3,000.

A. F. W. H. Beauchamp, 26 O'Farrell Street, San Francisco, Calif.
B. Transportation Association of America, 130 North Wells Street, Chicago, Ill.

A. Paul H. Bolton, 1001 Connecticut Avenue NW., Washington, D. C.
B. National Association of Wholesalers, Inc., 1001 Connecticut Avenue NW., Washington, D. C.

A. Boykin & DeFrancis, Shoreham Building, Washington, D. C.
D. (6) $8,000. E. (9) $1,266.80.

A. Homer L. Brinkley, 744 Jackson Place NW., Washington, D. C.
B. National Council of Farmer Cooperatives, 744 Jackson Place, Washington, D. C.
D. (6) $5,499.96. E. (9) $315.00.

A. Milton E. Brooding, 215 Fremont Street, San Francisco, Calif.
B. California Packing Corp., 215 Fremont Street, San Francisco, Calif.
D. (6) $1,000. E. (9) $575.

A. Eugene J. Butler, 1312 Massachusetts Avenue NW., Washington, D. C.
B. National Catholic Welfare Conference, 1312 Massachusetts Avenue NW., Washington, D. C.
D. (6) $2,875.02.

A. Cal-Sag Waterways Development Committee, Inc., 134 South La Salle Street, Chicago, Ill.
D. (6) $15,125. E. (9) $15,028.12.

A. Wallace J. Campbell, 1025 Vermont Avenue NW., Washington, D. C.
B. Cooperative League of the U. S. A., 343 South Dearborn Street, Chicago, Ill.

A. Julian W. Caplan, 1023 Connecticut Avenue NW., Wahington, D. C.
B. National Retail Furniture Association, 666 Lake Shore Drive, Chicago, Ill.

A. Paul M. Castiglioni, 412 Fifth Street NW., Washington, D. C.
B. National Federation of Post Office Motor Vehicle Employees, 412 Fifth Street NW., Washington, D. C.
D. (6) $499.98. E. (9) $393.04.

A. Theodore S. Chapman, 1734 N Street NW., Washington, D. C.
B. General Federation of Women's Clubs, 1734 N Street NW., Washington, D. C.

A. Classroom Periodical Publishers' Association, 38 West Fifth Street, Dayton, Ohio.
D. (6) $1,550.75. E. (9) $1,550.75.

A. The Clothespin Manufacturers of America, 839 17th Street NW., Washington, D. C.
D. (6) $1,992.22. E. (9) $1,992.22.

A. Herman Ciott, 930 F Street NW., Washington, D. C.
B. International Union of Mine, Mill & Smelter Workers, 412 Tabor Building, Denver, Colo.
D. (6) $1,287.

A. Clarence F. Cockrell, 501 Patrick Street, Portsmouth, Va.
B. Active-Retired Lighthouse Service Employees Association, South Portland, Maine.
D. (6) $90. E. (9) $113.47.

A. John G. Coffey, 742 Hospital Trust Building, Providence, R. I.
B. New York, New Haven & Hartford Railroad Co., Grand Central Terminal Building, New York, N. Y.
D. (6) $1,875. E. (9) $325.53.

A. Committee for Collective Security, 90 John Street, New York, N. Y.
D. (6) $875. E. (9) $545.85.

A. Committee for Return of Confiscated German and Japanese Property, 926 National Press Building, Washington, D. C.
D. (6) $200.

A. Bernard J. Conway, 222 East Superior Street, Chicago, Ill.
B. American Dental Association, 222 East Superior Street, Chicago, Ill.
D. (6) $2,625. E. (9) $421.17.

A. Cooperative Health Federation of America, 343 South Dearborn, Chicago, Ill.
D. (6) $300. E. (9) $217.

A. Council of State Chambers of Commerce, 1025 Connecticut Avenue NW., Washington, D. C.
D. (6) $30,922.50. E. (9) $17,967.63.

A. Paul L. Courtney, 3210 Wisconsin Avenue NW., Washington, D. C.
B. National Tax Equality Association, 231 South La Salle Street, Chicago, Ill.
D. (6) $300. E. (9) $11.42.

A. R. Ammi Cutter, 53 State Street, Boston, Mass.
B. Creole Petroleum Corp., Empire State Building, 350 Fifth Avenue, New York, N. Y.
E. (9) $24.25.

A. William L. Daley, 912 Investment Building, Washington, D. C.
B. National Editorial Association, 222 North Michigan Avenue, Chicago, Ill.
D. (6) $825. E. (9) $146.51.

A. S. P. Deas, 520 National Bank of Commerce Building, New Orleans, La.
B. Southern Pine Industry Committee, 520 National Bank of Commerce Building, New Orleans, La.
E. (9) $324.41.

A. Ralph B. Dewey, 1625 K Street NW., Washington, D. C.
B. Pacific American Steamship Association, 16 California Street, San Francisco, Calif.
D. (6) $2,500. E. (9) $2,264.15.

A. Casimir de Rham, Jr., 53 State Street, Boston, Mass.
B. Creole Petroleum Corp., Empire State Building, 350 Fifth Avenue, New York, N. Y.

A. John W. Edelman, 811 Warner Building, Washington, D. C.
B. Textile Workers Union of America, 99 University Place, New York, N. Y.
D. (6) $1,997.03. E. (9) $372.03.

A. James Finucane, 926 National Press Building, Washington, D. C.
B. Committee for Return of Confiscated German and Japanese Property, 926 National Press Building, Washington, D. C.
D. (6) $100.

A. John R. Foley, 753 Washington Building, Washington, D. C.
B. Classroom Periodical Publishers' Association, 38 West Fifth Street, Dayton, Ohio.
D. (6) $1,500. E. (9) $1,550.75.

A. E. F. Forbes, 604 Mission Street, San Francisco, Calif.
B. Western States Meat Packers Association, Inc., 604 Mission Street, San Francisco, Calif.
D. (6) $7,500.

A. James F. Fort, 1424 16th Street NW., Washington, D. C.
B. American Trucking Association Inc., 1424 16th Street NW., Washington, D. C.
D. (6) $68.75. E. (9) $32.35.

A. Nolen J. Fuqua, Duncan, Okla.
B. National Association of Soil Conservation Districts, League City, Tex.
D. (6) $300. E. (9) $300.

A. General Federation of Women's Clubs, 1734 N Street NW., Washington, D. C.

A. Stanley Gewirtz, 1107 16th Street NW., Washington, D. C.
B. Air Transport Association of America, 1107 16th Street NW., Washington, D. C.
E. (9) $80.75.

A. Cassius B. Gravitt, Jr., 1110 F Street NW., Washington, D. C.
B. National League of Postmasters, 1110 F Street NW., Washington, D. C.
D. (6) $1,700. E. (9) $1,900.

A. John J. Gunther, 1341 Connecticut Avenue NW., Washington, D. C.
B. Americans for Democratic Action, 1341 Connecticut Avenue NW., Washington, D. C.
D. (6) $1,519.96. E. (9) $359.92.

A. Violet M. Gunther, 1341 Connecticut Avenue NW., Washington, D. C.
B. Americans for Democratic Action, 1341 Connecticut Avenue NW., Washington, D. C.
D. (6) $1,669.98. E. (9) $149.35.

A. Gypsum Association, 20 North Wacker Drive, Chicago, Ill.

A. Dr. Eleanor M. Hadley, 1825 Jefferson Place NW., Washington, D. C.
B. American Association of Social Workers, 1 Park Avenue, New York, N. Y.
D. (6) $2,100.

A. Jess Halsted, 134 South La Salle Street, Chicago, Ill.
B. Gypsum Association, 20 North Wacker Drive, Chicago, Ill.

A. Lloyd C. Halvorson, 744 Jackson Place NW., Washington, D. C.
B. The National Grange, 744 Jackson Place NW., Washington, D. C.
D. (6) $2,000. E. (9) $101.35.

A. William A. Hanscom, 701 Central Building, 805 G Street NW., Washington, D. C.
B. Oil, Chemical & Atomic Workers International Union—CIO, 1840 California Street, Denver, Colo.
D. (6) $2,055. E. (9) $180.

A. L. James Harmanson, Jr., 744 Jackson Place NW., Washington, D. C.
B. National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C.
D. (6) $2,899.98. E. (9) $132.21.

A. Robert E. Harper, 1001 15th Street NW., Washington, D. C.
B. National Business Publications, Inc., 1001 15th Street NW., Washington, D. C.

A. Edward S. Hartman, rural route 2, Delavan, Wis.
B. National Tax Equality Association, 231 South La Salle Street, Chicago, Ill.
D. (6) $1,800. E. (9) $417.93.

A. Mrs. A. Paul Hartz, Waverly, Va.
B. General Federation of Women's Clubs, 1734 H Street NW., Washington, D. C.

A. Kit H. Haynes, 744 Jackson Place NW., Washington, D. C.
B. National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C.
D. (6) $2,550. E. (9) $67.85.

A. Joseph D. Henderson, 431 Balter Building, New Orleans, La.
B. American Association of Small Business, 431 Balter Building, New Orleans, La.
D. (6) $1,500.

A. Laurance G. Henderson, 1190 National Press Building, Washington, D. C.
B. North American Airlines, Burbank, Calif.
D. (6) $1,950. E. (9) $487.

A. M. F. Hicklin, 507 Bankers Trust Building, Des Moines, Iowa.
B. Iowa Railway Committee, 507 Bankers Trust Building, Des Moines, Iowa.

A. L. S. Hitchner, 1145 19th Street NW., Washington, D. C.
B. National Agricultural Chemical Association, 1145 19th Street NW., Washington, D. C.

A. John R. Holden, 1710 Rhode Island NW., Washington, D. C.
B. AMVETS (American Veterans World War II), 1710 Rhode Island Avenue NW., Washington, D. C.
D. (6) $875. E. (9) $75.

A. R. F. Hollister, 825 Failing Building, Portland, Oreg.
B. Independent Bankers Association, 12th Federal Reserve District, 825 Failing Building, Portland, Ohio.
D. (6) $1,800.

A. Housewives United, 2915 Foxhall Road NW., Washington, D. C.
D. (6) $29.71. E. (9) $28.60.

A. Kenneth N. Hurley, 2700 South 16th Street, Arlington, Va.

A. Independent Bankers Association, 12th Federal Reserve District, Portiond 4, Oreg.
E. (9) $7,038.50.

A. Institute of Scrap Iron & Steel, Inc., 1729 H Street NW., Washington, D. C.

A. International Association of Machinists, Machinists Building, Washington, D. C.
D. (6) $2,150. E. (9) $2,150.

A. Delos L. James, 744 Jackson Place NW., Washington, D. C.
B. The National Grange, 744 Jackson Place NW., Washington, D. C.
D. (6) $300.

A. Jewelry Industry Tax Committee, Inc., 820 Highland Avenue, Newark, N. J.
D. (6) $3,165. E. (9) $343.81.

A. Peter Dierks Joers, Mountain Pine, Ark.
B. Dierks Forests, Inc., 1006 Grand Avenue, Kansas City, Mo.

A. John T. Koehler, 1039 Investment Building, Washington, D. C.
B. Embassy of Demark, 2374 Massachusetts Avenue NW., Washington, D. C.

A. D. B. Lasseter, Post Office Box 381, Washington, D. C.
B. Organization of Professional Employees of the United States Department of Agriculture, Post Office Box 381, Washington, D. C.
D. (6) $600.

A. Legislative Committee of Office Equipment Manufacturers Institute (OEMI), 777 14th Street NW., Washington, D. C.

A. Stephen Levitsky, 1001 Connecticut Avenue NW., Washington, D. C.
B. United Steelworkers of America, 1500 Commonwealth Building, Pittsburgh, Pa.
D. (6) $2,625. E. (9) $1,200.

A. Walter J. Little, 510 West Sixth Street, Los Angeles, Calif.
B. California Railroad Association, 215 Market Street, San Francisco, Calif.

A. John J. Lyons, 3133 Connecticut Avenue NW., Washington, D. C.
B. Patent Equity Association, Inc., 540 West 58th Street, New York City, N. Y.
D. (6) $1,500. E. (9) $423.58.

A. Clarence Mitchell, 100 Massachusetts Avenue NW., Washington, D. C.
B. National Association for the Advancement of Colored People, 20 West 40th Street, New York 18, N. Y.
D. (6) $2,000. E. (9) $145.

A. National Associated Businessmen, Inc., 910 17th Street NW., Washington, D. C.
D. (6) $29,250. E. (9) $30,922.31.

A. National Association of Real Estate Boards, Its Public Relations Department and Its Realtors, Washington Committee, 22 West Monroe Street, Chicago, Ill., and 1737 K Street NW., Washington, D. C.
D. (6) $63,674.64. E. (9) $31,169.64.

A. National Business Publications, Inc., 1001 15th Street NW., Washington, D. C.

A. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill.

A. National Cotton Compress and Cotton Warehouse Association, 1085 Shrine Building, Memphis, Tenn.
D. (6) $55.50. E. (9) $55.50.

A. National Council Against Conscription, 104 C Street NE., Washington, D. C.
D. (6) $8,295.13. E. (9) $7,031.18.

A. National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington D. C.
D. (6) $11,660. E. (9) $12,567.23.

A. National Council, Junior Order United American Mechanics, 3027 North Broad Street, Philadelphia, Pa.

A. National Council of Salesmen's Organizations, Inc., 80 West 40th Street, New York, N. Y.
D. (6) $3,186. E. (9) $375.

A. National Federation of Independent Business, Inc., 740 Washington Building, Washington, D. C.
D. (6) $6,314.45. E. (9) $6,341.45.

A. National Federation of Post Office Motor Vehicle Employees, 412 Fifth Street NW., Washington, D. C.
D. (6) $14,027.03. E. (9) $1,525.77.

A. National Grange, 744 Jackson Place NW., Washington, D. C.
D. (6) $8,350. E. (9) $101.35.

A. National Retail Furniture Association, 666 Lake Shore Drive, Chicago, Ill.

A. National Tax Equality Association, 231 South La Salle Street, Chicago, Ill.
D. (6) $11,727.58. E. (9) $10,137.77.

A. George R. Nelson, Machinists Building, Washington, D. C.
B. International Association of Machinists, Machinists Building, Washington, D. C.
D. (6) $900.

A. Herschel D. Newsom, 744 Jackson Place NW., Washington, D. C.
B. The National Grange, 744 Jackson Place NW., Washington, D. C.
D. (6) $3,125.

A. Herbert R. O'Conor, Jr., 10 Light Street, Baltimore, Md.
B. National Automobile Dealers Association, 1800 H Street NW., Washington, D. C.
D. (6) $625. E. (9) $55.55.

A. Sam O'Neal, 211 National Press Building, Washington, D. C.
B. Power Distributors Information Committee of Tennessee Valley Public Power Association, Sixth and Cherry Streets, Chattanooga, Tenn.
D. (6) $1,875. E. (9) $201.84.

A. Organization of Professional Employees of the United States Department of Agriculture, P. O. Box 381, Washington, D. C.
D. (6) $801.60. E. (9) $1,135.91.

A. Charles A. Parker, Room 714, 1346 Connecticut Avenue NW., Washington, D. C.
B. National Aviation Trades Association, 1346 Connecticut Avenue NW., Washington, D. C.
D. (6) $1,183.34. E. (9) $1,102.41.

A. George F. Parrish, Charleston, W. Va.
B. West Virginia Railroad Association, P. O. Box 7, Charleston, W. Va.
D. (6) $3,249.99.

A. Peoples Lobby—Emory Speer Avant, 1337 21st Street NW., Washington, D. C.

A. Andrew A. Pettis, 1404 New York Avenue NW., Washington, D. C.
B. Industrial Union of Marine and Shipbuilding Workers of America, 534 Cooper Street, Camden, N. J.
D. (6) $2,192.28. E. (9) $1,805.18.

A. Philco Corp., Tioga and C Streets, Philadelphia, Pa.

A. J. E. Phillips, 225 Bush Street, San Francisco, Calif.
B. Standard Oil Co. of California, 225 Bush Street, San Francisco, Calif.

A. Albert T. Pierson, 54 Meadow Street, New Haven, Conn.
B. The New York, New Haven & Hartford Railroad Co., 54 Meadow Street, New Haven, Conn.
D. (6) $2,300.

A. James F. Pinkney, 1424 16th Street NW., Washington, D. C.
B. American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
D. (6) $240. E. (9) $117.27.

A. J. Francis Pohlhaus, 100 Massachusetts Avenue NW., Washington, D. C.
B. National Association for the Advancement of Colored People, 20 West 40th Street, New York, N. Y.
D. (6) $2,300.

A. Homer V. Prater, 900 F Street NW., Washington, D. C.
B. American Federation of Government Employees, 900 F Street NW., Washington, D. C.
D. (6) $1,750.

A. Charles M. Price, 134 South LaSalle Street, Chicago, Ill.
B. Gypsum Association, 20 North Wacker Drive, Chicago, Ill.

A. Donald J. Ramsey, 1612 I Street NW., Washington, D. C.
B. Silver Users Association, 1612 I Street NW., Washington, D. C.
D. (6) $4,249.98. E. (9) $498.36.

A. Stanley Rector, Washington Hotel, Washington, D. C.
B. Unemployment Benefit Advisors, Inc.
D. (6) $1,000.

A. John J. Riggle, 744 Jackson Place NW., Washington, D. C.
B. National Council of Farmers Cooperatives, 744 Jackson Place NW., Washington, D. C.
D. (6) $2,899.98. E. (9) $42.45.

A. Edward O. Rodgers, 1107 16th Street NW., Washington, D. C.
B. Air Transport Association of America, 1107 16th Street NW., Washington, D. C.
D. (6) $1,250. E. (9) $430.53.

A. Stuart T. Saunders, 106 North Jefferson Street, Roanoke, Va.
B. Norfolk & Western Railway Co., 106 North Jefferson Street, Roanoke, Va.
E. (9) $62.50.

A. Selvage & Lee, 1625 I Street NW., Washington, D. C.
B. Carpet Institute, Empire State Building, New York, N. Y.
D. (6) $3,000. E. (9) $174.35.

A. Selvage & Lee, 1625 I Street NW., Washington, D. C.
B. Mobile Homes Manufacturers Association, 20 North Wacker Drive, Chicago, Ill.
D. (6) $1,249.98. E. (9) $27.38.

A. Selvage & Lee, 1625 I Street NW., Washington, D. C.
B. New York Coffee & Sugar Exchange, 113 Pearl Street, New York, N. Y.
D. (6) $3,000. E. (9) $143.41.

A. Selvage & Lee, 1625 I Street NW., Washington, D. C.
B. New York Cotton Exchange, 60 Beaver Street, New York, N. Y.
D. (6) $500. E. (9) $24.45.

A. Paul Sifton, 734 15th Street NW., Washington, D. C.
B. United Automobile, Aircraft, Agricultural Implement Workers of America, 8000 East Jefferson Avenue, Detroit, Mich.
D. (6) $1,620. E. (9) $138.75.

A. Silver Users Association, 1612 I Street NW., Washington, D. C.
D. (6) $27,136. E. (9) $9,721.82.

A. Leland Glen Snarr, 2576 Redondo Avenue, Salt Lake City, Utah.
B. David W. Evans & Associates Advertising Agency, Phillips Petroleum Building, Salt Lake City, Utah.

A. Southern Pine Industry Committee, 520 National Bank of Commerce Building, New Orleans, La.
D. (6) $5,249.39. E. (9) $4,951.91.

A. Spence & Hotchkiss, 40 Wall Street, New York, N. Y.
B. Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C.

A. Mrs. Alexander Stewart, 214 Second Street NE., Washington, D. C.
B. Women's International League for Peace and Freedom, 214 Second Street NE., Washington, D. C.
D. (6) $9,708.20. E. (9) $10,112.67.

A. Sullivan, Bernard, Shea & Kenney, 804 Ring Building, Washington, D. C.
B. Southern Pacific Co., 65 Market Street, San Francisco, Calif.

A. Leo V. Sullivan, 106 Chestnut Street, West Haven, Conn.
B. New York, New Haven & Hartford Railroad Co., 54 Meadow Street, New Haven, Conn.
D. (6) $1,100. E. (9) $562.58.

A. Synthetic Organic Chemical Manufacturers Association of the United States, 41 East 42d Street, New York, N. Y.
D. (6) $1,332.31. E. (9) $1,332.31.

A. John R. Talmage, 2734 Morgan Drive, Salt Lake City, Utah.
B. David W. Evans & Associates Advertising Agency, Phillips Petroleum Building, Salt Lake City, Utah.
D. (6) $650.

A. Edward D. Taylor, 777 14th Street NW., Washington, D. C.
B. Office Equipment Manufacturers Institute, 777 14th Street NW., Washington, D. C.

A. Randolph S. Taylor, 1507 M Street NW., Washington, D. C.
B. Burley & Dark Leaf Tobacco Export Association, Inc., 620 South Broadway, Lexington, Ky.
D. (6) $3,000. E. (9) $453.49.

A. John U. Terrell, 407 Tower Building, Washington, D. C.
B. Colorado River Association, 306 West Third Street, Los Angeles, Calif.
D. (6) $3,000.

A. The Townsend Plan, Inc., and Townsend National Weekly, Inc., 6875 Broadway, Cleveland, Ohio.

A. John H. Todd, 1085 Shrine Building, Memphis 3, Tenn.
B. National Cotton Compress & Cotton Warehouse Association, 1085 Shrine Building, Memphis, Tenn.
D. (6) $55.50.

A. Transportation Association of America, 130 North Wells Street, Chicago, Ill.

A. Upper Colorado River Grass Roots, Inc., Grand Junction, Colo.
D. (6) $38,660.69. E. (9) $22,230.99.

A. Thomas Watters, Jr., 161 William Street, New York, N. Y., and Shoreham Building, Washington, D. C.
B. Bigham, Englar, Jones & Houston, 99 John Street, New York, N. Y., and Shoreham Building, Washington, D. C.
E. (9) $71.27.

A. Weaver & Glassie, 1210 Tower Building, Washington, D. C.
B. National Electrical Contractors Association and the liaison committee.
D. (6) $7,500. E. (9) $231.44.

A. Weaver & Glassie, 1210 Tower Building, Washington, D. C.
B. Philco Corp., Tioga and C Streets, Philadelphia, Pa.

A. Wayne M. Weishaar, 1115 17th Street NW., Washington, D. C.
B. Aeronautical Training Society, 1115 17th Street NW., Washington, D. C.
D. (6) $3,300. (E. (9) $4.50.

A. Western States Meat Packers Association, Inc., 604 Mission Street, San Francisco, Calif.
D. (6) $73,160.56. E. (9) $52.98.

A. Richard P. White, 635 Southern Building, Washington, D. C.
B. American Association of Nurserymen, Inc., 635 Southern Building, Washington, D. C.
D. (6) $3,375. E. (9) $91.04.

A. John J. Wicker, Jr., 501 Mutual Building, Richmond, Va.
B. Mutual Insurance Committee on Federal Taxation, 20 North Wacker Drive, Chicago, Ill.
D. (6) $2,001.80. E. (9) $2,001.80.

A. Herbert P. Wilkins, 53 State Street, Boston, Mass.
B. Creole Petroleum Corp., 350 Fifth Avenue, New York, N. Y.

A. Kenneth Williamson, 17th Street and Pennsylvania Avenue NW., Washington, D. C.
B. American Hospital Association, 18 East Division Street, Chicago, Ill.
D. (6) $2,568.87. E. (9) $398.49.

A. James L. Wilmeth, 3027 North Broad Street, Philadelphia, Pa.
B. The National Council of the Junior Order of United American Mechanics of the United States of North America, Inc.
D. (6) $52.50. E. (9) $52.50.

A. William Zimmerman, Jr., 810 18th Street NW., Washington, D. C.
B. Association on American Indian Affairs, Inc., 48 East 86th Street, New York, N. Y.

QUARTERLY REPORTS

The following quarterly reports were submitted for the first calendar quarter 1955:

(NOTE.—The form used for reports is produced below. In the interest of economy questions are not repeated, only the answers are printed and are indicated by their respective letter and number. Also for economy in the RECORD, lengthy answers are abridged.)

File two copies with the Secretary of the Senate and file three copies with the Clerk of the House of Representatives.
This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.
Place an "X" below the appropriate letter or figure in the box at the right of the "Report" heading below:
"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.
"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19------	REPORT PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT	P	QUARTER 1st	2d	3d	4th
		(Mark one square only)				

NOTE ON ITEM "A".—(a) In General: This "Report" form may be used by either an organization or an individual, as follows:
(i) "Employee".—To file as an "employee," state in Item "B" the name, address, and nature of business of the "employer." (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee.")
(ii) "Employer".—To file as an "employer," write "None" as answer to Item "B."
(b) Separate Reports.—An agent or employee should not attempt to combine his Report with the employer's Report.
(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.
(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING.—(1) State name, address, and nature of business; (2) if this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers; except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—Section 302 (e).
(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).
(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, place ☐ an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed, in connection with legislative interests, set forth: (a) description; (b) quantity distributed, (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

4. *If* this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. *If this is a "Quarterly" Report, disregard this Item "C 4" and fill out Items "D" and "E" on the back of this page.* Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.

AFFIDAVIT

[Omitted in printing]

PAGE 1

NOTE ON ITEM "D."—(a) *In General.* The term "contribution" includes *anything of value.* When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—Section 302 (a) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In General.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in accordance with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multipurpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(c) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In General.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS):

Fill in every blank. If the answer to any numbered item is "None," write "None" in the space following the number.

Receipts (other than loans)

1. $_____Dues and assessments
2. $_____Gifts of money or anything of value
3. $_____Printed or duplicated matter received as a gift
4. $_____Receipts from sale of printed or duplicated matter

5. $_____Received for services (e. g., salary, fee, etc.)
6. $_____TOTAL for this Quarter (Add items "1" through "5")

7. $_____Received during previous Quarters of calendar year
8. $_____TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received

"The term 'contribution' includes a . . . *loan* . . ."—Sec. 302 (a).

9. $_____TOTAL now owed to others on account of loans
10. $_____Borrowed from others during this Quarter
11. $_____Repaid to others during this Quarter

12. $_____"Expense money" and Reimbursements received this Quarter

Contributors of $500 or more (from Jan. 1 through this Quarter)

13. Have there been such contributors?
Please answer "yes" or "no": _____

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last days of this Quarter total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and Address of Contributor* ("*Period*" from Jan. 1 through _____, 19____)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N. Y.
$1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE ON ITEM "E".—(a) *In General.* "The term 'expenditure' includes payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—Section 302 (b) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "None" in the spaces following the number.

Expenditures (other than loans)

1. $_____Public relations and advertising services
2. $_____Wages, salaries, fees, commissions (other than item "1")
3. $_____Gifts or contributions made during Quarter
4. $_____Printed or duplicated matter, including distribution cost
5. $_____Office overhead (rent, supplies, utilities, etc.)
6. $_____Telephone and telegraph
7. $_____Travel, food, lodging, and entertainment
8. $_____All other expenditures

9. $_____TOTAL for this Quarter (Add "1" through "8")
10. $_____Expended during previous Quarters of calendar year

11. $_____TOTAL from January 1 through this Quarter (Add "9" and "10")

Loans Made to Others

"The term 'expenditure' includes a . . . *loan* . . ."—Sec. 302 (b).

12. $_____TOTAL now owed to person filing
13. $_____Lent to others during this Quarter
14. $_____Repayment received during this Quarter

15. Recipients of Expenditures of $10 or More
In the case of expenditures made during this Quarter by, or on behalf of the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following heading: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7–11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7–15, 8–15, 9–15: Britten & Blatten, 3127 Gremlin Bldg., Washington, D. C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL

A. Claris Adams, 1701 K Street NW., Washington, D. C.
B. American Life Convention, 230 North Michigan Avenue, Chicago, Ill.
D. (6) $1,687.50.

A. J. Carson Adkerson, 976 National Press Building, Washington, D. C.
E. (9) $110.06.

A. Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C.
D. (6) $5,504.66. E. (9) $5,504.66.

A. Air Transport Association of America, 1107 16th Street NW., Washington, D. C.

A. W. L. Allen, 5913 Georgia Avenue NW., Washington, D. C., international president.
B. The Commercial Telegraphers' Union, International (AFL), 5913 Georgia Avenue NW., Washington, D. C.

A. William B. Allen, 917 15th Street NW., Washington, D. C.
B. United Rubber, Cork, Linoleum, and Plastic Workers of America (CIO), High at Mill Street, Akron, Ohio.
D. (6) $1,690. E. (9) $338.98.

A. W. R. Allstetter, 616 Investment Building, Washington, D. C.
B. The National Fertilizer Association, Inc., 616 Investment Building, Washington, D. C.
D. (6) $125.

A. Joseph Amann, Munsey Building, Washington, D. C.
B. Engineers and Scientists of America, Munsey Building, Washington, D. C.

A. American Association of University Women, 1634 I Street NW., Washington, D. C.
E. (9) $837.25.

A. American Cancer Society, 521 West 57th Street, New York City.
E. (9) $6,717.67.

A. American Cotton Manufacturers Institute, Inc., 203–A Liberty Life Building, Charlotte, N. C.
D. (6) $5,749.20. (E. (9) $5,749.20.

A. American Dental Association, 222 East Superior Street, Chicago, Ill.
D. (6) $7,647.84. E. (9) $7,647.84.

A. American Farm Bureau Federation, Merchandise Mart Plaza, Chicago, Ill., and 425 13th Street NW., Washington D. C.
D. (6) $32793. E. (9) $29,643.

A. American Federation of Labor, 901 Massachusetts Avenue NW., Washington, D. C.
E. (9) $31,623.45.

A. American Federation of the Physically Handicapped, Inc., 1370 National Press Building, Washington, D. C.
E. (9) $992.32.

A. American Hotel Association, 221 West 57th Street, New York, N. Y.
D. (6) $124,396.79.

A. The American Legion, National Headquarters, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $6,290.92. E. (9) $25,343.72.

A. American Life Convention, 230 Michigan Avenue, Chicago, Ill.
D. (6) $1,803.69. E. (9) $1,803.69.

A. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $14,750. E. (9) $9,930.51.

A. American Merchant Marine Institute, Inc., Broadway, New York, N. Y.
E. (9) $9,317.82.

A. American National Cattlemen's Association, 801 East 17th Avenue, Denver, Colo.
D. (6) $53,275.97. E. (9) $1,012.34.

A. American Nurses' Association, Inc., 2 Park Avenue, New York, N. Y.
D. (6) $342,290.15. E. (9) $2,685.35.

A. American Optometric Association, Inc., Development Fund (legislative) c/o Dr. Hoyt S. Purvis, 212 East Washington Avenue, Jonesboro, Ark.
D. (6) $5,537.

A. American Osteopathic Association, 212 East Ohio Street, Chicago, Ill.
D. (6) $977.61. E. (9) $977.61.

A. American Paper & Pulp Association, 122 East 42d Street, New York, N. Y.

A. American Petroleum Institute, 50 West 50th Street, New York, N. Y.
D. (6) $1,087. E. (9) $15,769.

A. American Pulpwood Association, 220 East 42d Street, New York, N. Y.
D. (6) $160. E. (9) $160.

A. American Retail Federation, 1145 19th Street NW., Washington, D. C.
D. (6) $897,341.98. E. (7) $13,489.52.

A. American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D. C.
D. (6) $2,062.63. E. (9) $2,062.63.

A. American Sugar Beet Industry Policy Committee, 500 Sugar Building, Denver, Colo.
D. (6) $7,016.90. (E. (9) $1,768.25.

A. The American Tariff League, Inc., 19 West 44th Street, New York, N. Y.

A. American Textile Machinery Association, 60 Batterymarch Street, Boston, Mass.
D. (6) $43.50.

A. American Tramp Shipowners Association, Inc., 11 Broadway, New York, N. Y.
D. (6) $19,800. E. (9) $3,392.02.

A. American Veterans' Committee, Inc., 1830 Jefferson Place NW., Washington, D. C.
D. (6) $3,444.40. E. (9) $1,874.34.

A. American Veterinary Medical Association, 600 South Michigan Avenue, Chicago, Ill.
E. (9) $1,059.30.

A. American Vocational Association, Inc., 1010 Vermont Avenue NW., Washington, D. C.

A. America's Wage Earners' Protective Conference, 400 Bowen Building, Washington, D. C.
D. (6) $2,560. E. (9) $2,542.11.

A. American Warehousemen's Association, Merchandise Division, 222 West Adams Street, Chicago, Ill.

A. American Zionist Committee for Public Affairs, 1737 H Street NW., Washington, D. C.
D. (6) $7,141.70. E. (9) $6,777.05.

A. John R. Arant, 1102 king Building, Washington, D. C.
B. American Mining Congress, Ring Building, Washington, D. C.
D. (6) $900. E. (9) $37.50.

A. Hector M. Aring, 826 Woodward Building, Washington, D. C.
B. Johns-Manville Corp., 22 East 40th Street, New York, N. Y.
D. (6) $1,250. E. (9) $712.57.

A. Arkansas Railroad Committee, 1115 Boyle Building, Little Rock, Ark.
B. Class I railroads operating in the State of Arkansas.
D. (6) $500. E. (9) $774.03.

A. Arnold, Fortas & Porter, 1229 19th Street NW., Washington, D. C.
B. Nicolas Reisini, 11 West 42d Street, New York, N. Y.
E. (9) $3.

A. W. C. Arnold, 200 Colman Building, Seattle, Wash.
B. Alaska Salmon Industry, Inc., 200 Colman Building, Seattle, Wash.

A. Arthritis and Rheumatism Foundation, 23 West 45th Street, New York, N. Y.
E. (9) $1,619.29.

A. The Associated General Contractors of America, Inc., Munsey Building, Washington, D. C.

A. Associated Third-Class Mail Users, 1406 G Street NW., Washington, D. C.
D. (6) $1,025. E. (9) $5,749.96.

A. Association of American Physicians and Surgeons, Inc., 185 North Wabash Avenue, Chicago, Ill.
D. (6) $1,500. E. (9) $1,500.

A. Association of American Railroads, 929 Transportation Building, Washington, D. C.
D. (6) $38,035.73. E. (9) $38,035.73.

A. Association of American Ship Owners, 76 Beaver Street, New York, N. Y.

A. Association of Casualty and Surety Companies, 60 John Street, New York, N. Y.
D. (6) $1,865.31. E. (9) $1,865.31.

A. The Association of Western Railways, 474 Union Station Building, Chicago, Ill.
D. (6) $1,833.67. E. (9) $1,833.67.

A. Edward Atkins, 51 East 42d Street, New York, N. Y.
B. National Association of Shoe Chain Stores, Inc., 51 East 42 Street, New York, N. Y.
D. (6) $250. E. (9) $250.

A. Charles E. Babcock, Route 4, Box 126, Vienna, Va.
B. National Council, Junior Order United American Mechanics of the United States of North America, 3027 East Broad Street, Philadelphia, Pa.
D. (6) $147. E. (9) $17.85.

A. George P. Baker, 808 Memorial Drive, Cambridge, Mass.
B. Transportation Association of America, 808 Memorial Drive, Cambridge, Mass.

A. John A. Baker.
B. Farmers Educational and Cooperative Union of America (National Farmers Union), 1404 New York Avenue NW., Washington, D. C.
D. (6) $2,563.36. E. (9) $402.73.

A. J. H. Ballew, Nashville, Tenn.
B. Southern States Industrial Council, Nashville, Tenn.
D. (6) $2,250.

A. Hartman Barber, 10 Independence Avenue SW., Washington, D. C.
B. Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees, 1015 Vine Street, Cincinnati, Ohio.
D. (6) $1,922.43. E. (9) $961.38.

A. Joel Barlow, 701 Union Trust Building, Washington, D. C.
B. Hudson Bay Mining and Smelting Co., Ltd., 500 Royal Bank Building, Winnipeg, Manitoba, Canada, et al.

A. Joel Barlow, 710 Union Trust Building, Washington, D. C.
B. National Machine Tool Builders' Association, 2071 East 102d Street, Cleveland, Ohio.

A. James M. Barnes, 1025 Connecticut Avenue NW., Washington, D. C.
B. Reciprocal Inter-Insurers Federal Tax Committee, United Artists Building, Detroit, Mich.
D. (6) $3,000. E. (9) $126.47.

A. Arthur R. Barnett, 1200 18th Street NW., Washington, D. C.
B. National Association of Electric Cos., 1200 18th Street NW., Washington, D. C.
D. (6) $1,268.75. E. (9) $168.40.

A. Irvin L. Barney, 10 Independence Avenue SW., Washington, D. C.
B. Brotherhood Railway Carmen of America, 4929 Main Street, Kansas City, Mo.
D. (6) $2,625.

A. William J. Barnhard, 1010 Vermont Avenue NW., Washington, D. C.
B. Elof Hansson, Inc., 225 East 42d Street, New York, N. Y.; Johaneson, Wales & Sparre, Inc., 250 Park Avenue, New York, N. Y.; Treetex Corp., 347 Madison Avenue, New York, N. Y.; Grace & Co. (west coast), 2 Pine Street, San Francisco, Calif.

A. A. K. Barta, 810 18th Street NW., Washington, D. C.
B. The Proprietary Association, 810 18th Street NW., Washington, D. C.
E. (9) $50.

A. F. W. H. Beauchamp, 26 O'Farrell Street, San Francisco, Calif.
B. Transportation Association of America, 26 O'Farrell Street, San Francisco, Calif.

A. J. A. Beirne, 1808 Adams Mill Road NW., Washington, D. C.
B. Communications Workers of America, CIO, 1808 Adams Mill Road NW., Washington, D. C.

A. George L. Bell, 1025 Connecticut Avenue NW., Washington, D. C.
B. Legislative Committee of the Committee for a National Trade Policy, 1025 Connecticut Avenue NW., Washington, D. C.
D. (6) $833.38.

A. Julia D. Bennett, Hotel Congressional, Washington, D. C.
B. American Library Association, 50 East Huron Street, Chicago, Ill.
E. (9) $1,828.39.

A. Ernest H. Benson, 10 Independence Avenue SW., Washington, D. C.
B. Brotherhood of Maintenance of Way Employees, 12050 Woodward Avenue, Detroit, Mich.
D. (6) $4,500.

A. Mrs. Louella Miller Berg, 1634 I Street NW., Washington, D. C.
B. American Association of University Women, 1634 I Street NW., Washington, D. C.
D. (6) $750.

A. Berge, Fox & Arent, 1002 Ring Building, Washington, D. C.
B. The G. B. Macke Corp., 212 H Street NW., Washington, D. C.; Automatic Canteen Company of America, Merchandising Mart, Plaza, Chicago, Ill.; National Automatic Merchandising Association, 7 South Dearborn Street, Chicago, Ill.
E. (9) $51.90.

A. Tell Berna, 2071 East 102d Street, Cleveland, Ohio.
B. National Machine Tool Builders' Association, 2071 East 102d Street, Cleveland, Ohio.

A. J. Raymond Berry, 85 John Street, New York, N. Y.
B. National Board of Fire Underwriters, 85 John Street, New York, N. Y.
D. (6) $100. E. (9) $142.

A. Helen Berthelot, 1808 Adams Mill Road NW., Washington, D. C.
B. Communications Workers of America, CIO, 1808 Adams Mill Road NW., Washington, D. C.
D. (6) $2,200.34. E. (9) $2,200.34.

A. Andrew J. Biemiller, 901 Massachusetts Avenue NW., Washington, D. C.
B. American Federation of Labor, 901 Massachusetts Avenue NW., Washington, D. C.
D. (6) $2,867. E. (9) $954.

A. Bigham, Engler, Jones & Houston, 99 John Street, New York, N. Y.; and 932 Shoreham Building, Washington, D. C.
B. American Institute of Marine Underwriters, Association of Marine Underwriters of the United States, American Cargo War Risk Reinsurance Exchange, American Marine Hull Insurance Syndicate.
E. (9) $215.14.

A. Henry Bison, Jr., 917 15th Street NW., Washington, D. C.
B. National Association of Retail Grocers, 360 North Michigan Avenue, Chicago, Ill.
D. (6) $1,000. E. (9) $164.07.

A. John H. Bivins, 50 West 50th Street, New York, N. Y.
B. American Petroleum Institute, 50 West 50th Street, New York, N. Y.
D. (6) $925.

A. James C. Black, 1625 K Street NW., Washington, D. C.
B. Republic Steel Corp., Republic Building, Cleveland, Ohio.
D. (6) $600. E. (9) $500.

A. Thomas D. Blake, 3026 N Street NW., Washington, D. C.
B. United States Cuban Sugar Council, 910 17th Street NW., Washington, D. C.
D. (6) $2,550. E. (9) $44.55.

A. William Rhea Blake, 162 Madison Avenue, Memphis, Tenn.
B. National Cotton Council of America, Post Office Box 18, Memphis, Tenn.

A. Henry W. Blalock, Sr., 1303 New Hampshire Avenue NW., Washington, D. C.
B. Central Electric Power Cooperative, Jefferson City, Mo.; N. W. Electric Power Cooperative, Cameron, Mo.; Western Farmers Electric Cooperative, Anadarko, Okla.
D. (6) $250.

A. Charles B. Blankenship, 1808 Adams Mill Road NW., Washington, D. C.
B. Communications Workers of America, 1808 Adams Mill Road NW., Washington, D. C.
D. (6) $2,234.89. E. (9) $2,234.89.

A. William Blum, Jr., 1741 K Street NW., Washington, D. C.
B. Committee for Study of Revenue Bond Financing, 30 Broad Street, New York, N. Y.

A. John J. Boland, 70 Pine Street, New York, N. Y.
B. Merrill Lynch, Pierce, Fenner & Beane, 70 Pine Street, New York, N. Y.
D. (6) $750. E. (9) $100.

A. Paul H. Bolton, 1001 Connecticut Avenue NW., Washington, D. C.
B. National Association of Wholesalers, 1001 Connecticut Avenue NW., Washington, D. C.

A. Borax Cartel Story, Inc., 132 Third Street SE., Washington, D. C.
D. (6) $100. E. (9) $100.

A. Joseph L. Borda, 918 16th Street NW., Washington, D. C.
B. National Association of Manufacturers, 918 16th Street NW., Washington, D. C.

A. Lyle H. Boren, Seminole, Okla.
B. The Association of Western Railways, 474 Union Station Building, Chicago, Ill.
D. (6) $1,250.

A. Robert T. Borth, 777 14th Street NW., Washington, D. C.
B. General Electric Co., 570 Lexington Ave., New York, N. Y.
D. (6) $375. E. (9) $241.

A. R. B. Bowden, 600 Folger Building, Washington, D. C., and 100 Merchants' Exchange Building, St. Louis, Mo.
B. Grain and Feed Dealers National Association, 100 Merchants' Exchange Building, St. Louis, Mo.
D. (6) $60.

A. Charles M. Boyer, 2517 Connecticut Avenue NW., Washington, D. C.
B. Reserve Officers Association of the United States, 2517 Connecticut Avenue NW., Washington, D. C.

A. Harold P. Braman, 907 Ring Building, 18th and M Streets NW., Washington, D. C.
B. National Savings and Loan League, 907 Ring Building, 18th and M Streets NW., Washington, D. C.
D. (6) $500.

A. Harry R. Brashear, 610 Shoreham Building, Washington, D. C.
B. Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C.

A. James M. Brewbaker, 918 16th Street NW., Washington, D. C.
B. National Association of Manufacturers, 918 16th Street NW., Washington, D. C.

A. David F. Brinegar, 510 Goodrich Building, Phoenix, Ariz.
B. Central Arizona Project Association, 510 Goodrich Building, Phoenix, Ariz.
D. (6) $2,250. E. (9) $137.98.

A. Homer L. Brinkley, 744 Jackson Place NW., Washington, D. C.
B. National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C.
D. (6) $5,499.96. E. (9) $229.50.

A. Clark L. Brody, 4000 North Grand River Avenue, Lansing, Mich.
B. Michigan Farm Bureau, 4000 North Grand River Avenue, Lansing, Mich.
D. (6) $415.38. E. (9) $28.05.

A. W. S. Bromley, 220 East 42d Street, New York, N. Y.
B. American Pulpwood Association, 220 East 42d Street, New York, N. Y.

A. Milton E. Brooding, 215 Fremont Street, San Francisco, Calif.
B. California Packing Corp., 215 Fremont Street, San Francisco, Calif.
D. (6) $1,000. E. (9) $600.

A. Derek Brooks, 1737 H Street NW., Washington, D. C.
B. New York Board of Trade, 291 Broadway, New York, N. Y.
D. (6) $1,220. E. (9) $310.88.

A. Brown, Lund & Fitzgerald, Washington Loan & Trust Building, Washington, D. C.
B. National Association of Electric Companies, Ring Building, Washington, D. C.
D. (6) $5,949.99. E. (9) $5,790.66.

A. Paul W. Brown, 925 South Homan Avenue, Chicago, Ill.
B. Sears, Roebuck & Co., 925 South Homan Avenue, Chicago, Ill.

A. Russell B. Brown, 1110 Ring Building, Washington, D. C.
B. Independent Petroleum Association of America, 1110 Ring Building, Washington, D. C.
E. (9) $22.88.

A. Thad H. Brown, Jr., 1771 N Street NW., Washington, D. C.
B. National Association of Radio & Television Broadcasters, 1771 N. Street NW., Washington, D. C.

A. John M. Brumm, 2212 M Street NW., Washington, D. C.
B. Committee for the Nation's Health, 2212 M Street NW., Washington, D. C.
D. (6) $2,374.98. E. (9) $113.60.

A. Henry H. Buckman, 54 Buckman Building, Jacksonville, Fla.
B. Florida Inland Navigation District, Citizens Bank Building, Bunnell, Fla.
D. (6) $1,350. E. (9) $38.37

A. Henry H. Buckman, 54 Buckman Building, Jacksonville, Fla.
B. The Ship Canal Authority of the State of Florida, 720 Florida Title Building, Jacksonville, Fla.
D. (6) $1,350. E. (9) $1.26.

A. Henry H. Buckman, 54 Buckman Building, Jacksonville, Fla.
B. The Vulcan Detinning Co., Sewaren, N. J.

A. Bureau of Accident and Health Underwriters, 60 John Street, New York, N. Y.
E. (9) $84.68.

A. George J. Burger, 250 West 57th Street, New York, N. Y.
B. Burger Tire Consultant Service, 250 West 57th Street, New York, N. Y.

A. Donald T. Burke, 1200 18th Street NW., Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
D. (6) $420. E. (9) $74.12.

A. Thomas H. Burke, 718 Jackson Place NW., Washington, D. C.
B. United Automobile, Aircraft and Agricultural Implement Workers of America, 8000 East Jefferson Avenue, Detroit, Mich.
D. (6) $1,495. E. (9) $962.

A. Burley and Dark Leaf Tobacco Export Association, Post Office Box 860, Lexington, Ky.
D. (6) $10,800.60. E (9) $5,647.55.

A. F. Hugh Burns, 821 Cafritz Building, Washington, D. C.
B. Great Lakes-St. Lawrence Association, 821 Cafritz Building, Washington, D. C.
D. (6) $2,250. E. (9) $185.85.

A. Robert M. Burr, Hill Building, Washington, D. C.
B. National Bureau for Economic Realism, Inc., Hill Building, Washington, D. C.
D. (6) $299.97. E. (9) $35.

A. Orrin A. Burrows, 1200 15th Street NW., Washington, D. C.
B. International Brotherhood of Electrical Workers, 1200 15th Street NW., Washington, D. C.
D. (6) $2,874.99.

A. Charles C. Butler, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $208.33. E. (9) $5.22.

A. Lawrence V. Byrnes, 10 Independence Avenue SW., Washington, D. C.
B. Brotherhood of Locomotive Engineers, B. of L. E. Building, Cleveland, Ohio.
D. (6) $3,313.50.

A. C. G. Caffrey, 1625 I Street NW., Washington, D. C.
B. American Cotton Manufacturers Institute, Inc., 203–A Liberty Life Building, Charlotte, N. C.
D. (6) $760.20. E. (9) $33.

A. James A. Campbell, 900 F Street NW., Washington, D. C.
B. American Federation of Government Employees, 900 F Street NW., Washington, D. C.
D. (6) $2,307.66. E. (9) $269.22.

A. Julian W. Caplan, 1023 Connecticut Avenue NW., Washington, D. C.
B. National Retail Furniture Association, 666 Lake Shore Drive, Chicago, Ill.

A. John L. Carey, 270 Madison Avenue, New York, N. Y.
B. American Institute of Accountants, 270 Madison Avenue, New York, N. Y.
D. (6) $2,500. E. (9) $200.

A. James K. Carr, 2101 K Street, Sacramento, Calif.
B. Sacramento Municipal Utility District, 2101 K Street, Sacramento, Calif.
D. (6) $653.21. E. (9) $281.67.

A. T. C. Carroll, 12050 Woodward Avenue, Detroit, Mich.

A. Henderson H. Carson, George Washington Inn., Washington, D. C., and 600 First National Bank Building, Canton, Ohio.
B. East Ohio Gas Co., 1405 East 6th Street, Cleveland, Ohio.
D. (6) $3,000. E. (9) $587.

A. Albert E. Carter, 1026 16th Street NW., Washington, D. C.
B. Pacific Gas & Electric Co., 245 Market Street, San Francisco, Calif.
D. (6) $3,000. E. (9) $1,443.05.

A. Clarence B. Carter, Post Office Box 798, New Haven, Conn.
B. Railroad Pension Conference, Post Office box 798, New Haven, Conn.

A. Cassidy & Rennelsen, 1519 Heyburn Building, Louisville, Ky.
B. Stephen Fitzgerald & Co., 575 Madison Avenue, New York, N. Y.
D. (6) $750. E. (9) $56.30.

A. Benjamin F. Castle, 1625 I Street NW., Washington, D. C.
B. Milk Industry Foundation, 1625 I Street NW., Washington, D. C.

A. Larry Cates, 861 National Press Building, Washington, D. C.
B. Air Line Pilots Association, 55th Street and Cicero Avenue, Chicago, Ill.
D. (6) $2,661.30.

A. Francis R. Cawley, Room 1005, 1101 Vermont Avenue NW., Washington, D. C.
B. Magazine Publishers Association, Inc., 232 Madison Avenue, New York, N. Y.
D. (6) $270. E. (9) $101.55.

A. Central Arizona Project Association, 510 Goodrich Building, Phoenix, Ariz.
D. (6) $14,282.10. E. (9) $9,919.37.

A. Central Labor Union-Metal Trades Council, AFL, of the Panama Canal Zone, Post Office Box 471, Balboa Heights, C. Z.
D. (6) $2,382.50. E. (9) $4,350.

A. Chamber of Commerce of the United States of America, 1615 H Street NW., Washington, D. C.

A. Justice M. Chambers, 2517 Connecticut Avenue NW., Washington, D. C.
B. M. Golodetz & Co., 120 Wall Street, New York, N. Y.
D. (6) $2,250.

A. Walter Chamblin, Jr., 918 16th Street NW., Washington, D. C.
B. National Association of Manufacturers, 918 16th Street NW., Washington, D. C.

A. Nicholas J. Chase, 400 Wyatt Building, Washington, D. C.
B. Frederick Stafford, 745 Fifth Avenue, New York, N. Y.

A. The Christian Amendment Movement, 804 Penn Avenue, Pittsburgh, Pa.
D. (6) $7,119.21. E. (9) $4,270.79.

A. CIO Maritime Committee, 132 Third Street SE., Washington, D. C.
D. (6) $6,312.34. E. (9) $6,500.14.

A. Earl Clark, 132 Third Street SE., Washington, D. C.
B. Labor-Management Maritime Committee, 132 Third Street SE., Washington, D. C.
D. (6) $825. E. (9) $69.45.

A. Omer W. Clark, 1701 18th Street NW., Washington, D. C.
B. Disabled American Veterans, 5555 Ridge Avenue, Cincinnati, Oho.
D. (6) $2,769.24.

A. Robert M. Clark, 525 Shoreham Building, Washington, D. C.
B. The Atchison, Topeka & Santa Fe Railway Co., 80 East Jackson Boulevard, Chicago, Ill.
D. (6) $5,025.

A. Clear Channel Broadcasting Service, 532 Shoreham Building, Washington, D. C.
E. (9) $26.

A. Clarence E. Cleveland, Montpelier, Vt.
B. Vermont State Railroads Association, Montepelier, Vt.
D. (6) $60.52. E. (9) $78.34.

A. Warren A. Clohisy, 1500 Massachusetts Avenue NW., Washington, D. C.
B. Mail Order Association of America, 1500 Massachusetts Avenue NW., Washington, D. C.

A. The Clothespin Manufacturers of America, 839 17th Street NW., Washington, D. C.
D. (6) $2,074.10. E. (9) $2,074.10.

A. Herman Clott, 930 F Street NW., Washington, D. C.
B. International Union of Mine, Mill and Smelter Workers, 412 Tabor Building, Denver, Colo.
D. (6) $1,287.

A. Clay L. Cochran, 1303 New Hampshire Avenue NW., Washington, D. C.
B. National Rural Electric Cooperative Association, 1303 New Hampshire Avenue NW., Washington, D. C.
D. (6) $137.80.

A. Russell Coleman, 616 Investment Building, Washington, D. C.
B. The National Fertilizer Association, 616 Investment Building, Washington, D. C.
D. (6) $125.

A. Joseph H. Colman, 1300 First National-Soo Line Building, Minneapolis, Minn.
B. First Bank Stock Corp., 400 First National-Soo Line Building, Minneapolis, Minn.
E. (9) $165.13.

A. The Colorado Railroad Legislative Committee, 615 C. A. Johnson Building, Denver, Colo.
E. (9) $480.62.

A. Colorado River Association, 306 West Third Street, Los Angeles, Calif.
E. (9) $12,519.72.

A. Committee for Broadening Commercial Bank Participation in Public Financing.
D. (6) $4,400. E. (9) $10,202.74.

A. Committee for Defense of the Constitution by Preserving the Treaty Power, 36 West 44th Street, New York, N. Y.
D. (6) $5. E. (9) $267.89.

A. Committee on Japanese American Evacuation Claims, 12427 Milton Street, Los Angeles, Calif.

A. Committee on Laws, National Board of Fire Underwriters, 85 John Street, New York, N. Y.
D. (6) $5,188. E. (9) $542.

A. Committee for the Nation's Health, 2212 M Street NW., Washington, D. C.
D. (6) $11,622.10. E. (9) $7,432.40.

A. Committee for Pipe Line Companies, 418 Munsey Building, Washington, D. C.
E. (9) $18,928.01.

A. Committee for Study of Revenue Bond Financing, 30 Broad Street, New York, N. Y.
D. (6) $6,710. E. (9) $11,632.12.

A. Arthur D. Condon, 1000 Vermont Avenue NW., Washington, D. C.
B. Amana Refrigeration, Inc., Amana, Iowa.

A. Arthur D. Condon, 1000 Vermont Avenue NW., Washington, D. C.
B. Independent Advisory Committee to the Trucking Industry, Inc.

A. Arthur D. Condon, 1000 Vermont Avenue NW., Washington, D. C.
B. Salt Producers' Association, 726 La Salle-Wacker Building, Chicago, Ill.

A. Lawrence R. Condon, 165 Broadway, New York, N. Y.
B. Estate of Mary Clark DeBrabant and Katherine C. Williams, 120 Broadway, New York, N. Y.

A. John C. Cone, 815 15th Street NW., Washington, D. C.
B. Pan American World Airways System, 815 15th Street NW., Washington, D. C.

A. Conference for Inland Waterways Dry-Bulk Regulation, Transportation Building, Washington, D. C.
D. (6) $4,305. E. (9) $13,464.76.

A. Conference of Local Airlines, 800 World Center Building, Washington, D. C.

A. Congress of Industrial Organizations, 718 Jackson Place NW., Washington, D. C.
D. (6) $29,635.43. E. (9) $29,635.43.

A. Julian D. Conover, Ring Building, Washington, D. C.
B. American Mining Congress, Ring Building, Washington, D. C.
D. (6) $2,500. E. (9) $46.01.

A. Bernard J. Conway, 222 East Superior Street, Chicago, Ill.
B. American Dental Association, 222 East Superior Street, Chicago, Ill.
D. (6) $2,625. E. (9) $654.40.

A. J. Milton Cooper, 1100 Bowen Building, Washington, D. C.
B. National Coal Association, Southern Building, Washington, D. C.

A. J. Milton Cooper, 1100 Bowen Building, Washington, D. C.
B. Nationwide Trailer Rental System, 512 South Market Street, Wichita, Kans.

A. J. Milton Cooper, 1100 Bowen Building, Washington, D. C.
B. New York Stock Exchange, 11 Wall Street, New York, N. Y.

A. J. Milton Cooper, 1100 Bowen Building, Washington, D. C.
B. R. J. Reynolds Tobacco Co., Winston-Salem, N. C.

A. Wilmer A. Cooper, 104 C Street NE., Washington, D. C.
B. Friends Committee on National Legislation, 104 C Street NE., Washington, D. C.
D. (6) $958.33. E. (9) $160.97.

A. Cordage Legislative Committee, 350 Madison Avenue, New York, N. Y.
D. (6) $150. E. (9) $786.86.

A. John M. Costello, 3434 Porter Street NW., Washington, D. C.
B. American League for an Undivided Ireland, 122 East 42d Street, New York City, N. Y.
D. (6) $750. E. (9) $130.56.

A. Cotton, Brenner & Wrigley, 225 Broadway, New York, N. Y.
B. Martin Aloysius Madden, 27 West 96th Street, New York, N. Y.
E. (9) $513.68.

A. Edward J. Coughlin, 900 F Street NW., Washington, D. C.
B. American Federation of Technical Engineers, 900 F Street NW., Washington, D. C.
D. (6) $195. E. (9) $20.

A. Council of State Chambers of Commerce, 1025 Connecticut Avenue NW., Washington, D. C.
D. (6) $8,656.29. E. (9) $18,671.16.

A. A. M. Crawford, 718 Title & Trust Building, Phoenix, Ariz.
B. Southern Pacific Co., 65 Market Street, San Francisco, Calif., and Atchison, Topeka and Santa Fe Railway, 12 East 6th Street, Los Angeles, Calif.
D. (6) $250. E. (9) $250.

A. Robert A. Crichton, 1701 K Street NW., Washington, D. C.
B. American Life Convention, 230 North Michigan Avenue, Chicago, Ill.
D. (6) $116.19.

A. Edward B. Crosland, 195 Broadway, New York, N. Y., and 1001 Connecticut Avenue NW., Washington, D. C.
B. American Telephone and Telegraph Co., 195 Broadway, New York, N. Y.
D. (6) $4,375.

A. Leo J. Crowley, 540 Equitable Building, Denver, Colo.
B. Colorado Railroad Legislative Committee, 615 C. A. Johnson Building, Denver, Colo.
D. (6) $480.62. E. (9) $480.62.

A. John C. Cuneo, P. O. Box 1054, Modesto, Calif.
B. The Townsend Plan, Inc., 6875 Broadway Avenue, Cleveland, Ohio
D. (6) $2,394.71. E. (9) $1,230.74.

A. Ralph E. Curtiss, 917 15th Street NW., Washington, D. C.
B. National Licensed Beverage Association, 420 Seventh Street, Racine, Wis.
D. (6) $525

A. R. Ammi Cutter, 53 State Street, Boston, Mass.
B. Creole Petroleum Corp., 350 Fifth Avenue, New York, N. Y.
D. (6) $2,500. E. (9) $430.28.

A. R. Harvey Dastrup, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $1,407. E. (9) $11.12.

A. Joan David, 1145 19th Street NW., Washington, D. C.
B. National Council on Business Mail, 105 West Monroe Street, Chicago, Ill.
E. (9) $1,420.71.

A. Joan David, 1145 19th Street NW., Washington, D. C.
B. National Committee on Parcel Post Size and Weight Limitations, 1145 19th Street NW., Washington, D. C.
E. (9) $1,036.05.

A. Bertram G. Davis, 1608 K Street NW., Washington, D. C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $1,515.

A. Charles W. Davis, 1 North La Salle Street, Chicago, Ill.
B. Chicago Bridge & Iron Co., 1305 West 105th Street, Chicago, Ill.

A. Charles W. Davis, 1 North La Salle Street, Chicago, Ill.
B. Clearing Industrial District, Inc., 38 South Dearborn Street, Chicago, Ill.

A. Charles W. Davis, 1 North La Salle Street, Chicago, Ill.
B. The Copley Press, Inc., 428 Downer Place, Aurora, Ill.

A. Charles W. Davis, 1 North La Salle Street, Chicago, Ill.
B. Ontario Land Co., 807 Lonsdale Building, Duluth, Minn.
E. (9) $400.57.

A. Charles W. Davis, 1 North La Salle Street, Street, Chicago, Ill.
B. The Singer Manufacturing Co., 149 Broadway, New York, N. Y.
E. (9) $948.56.

A. Sherlock Davis, 910 17th Street NW., Washington, D. C.
B. United States Cuban Sugar Council, 910 17th Street NW., Washington, D. C.

A. Waters S. Davis, Jr., League City, Tex.
B. National Association of Soil Conservation Districts, League City, Tex.

A. Donald S. Dawson, 731 Washington Building, Washington, D. C.
B. Schenley Distillers, Inc., Empire State Building, New York, N. Y.

A. Tony T. Dechant, 1575 Sherman Street, Denver, Colo.
B. Farmers Educational and Cooperative Union of America, 1404 New York Avenue NW., Washington, D. C., and 1575 Sherman Street, Denver, Colo.
D. (6) $750.

A. Richard A. Dell, 1303 New Hampshire Avenue NW,. Washington, D. C.
B. National Rural Electric Cooperative Association, 1303 New Hampshire Avenue NW., Washington, D. C.
D. (6) $787.50.

A. Florence de Haas Dembitz, 1025 Vermont Avenue NW., Washington, D. C.
B. Benjamin Graham, 122 East 42d Street, New York, N. Y.
D. (6) $600.

A. Casimir deRham, Jr., care of Palmer Dodge Gardner & Bradford, 53 State Street, Boston, Mass.
B. Creole Petroleum Corp., 350 Fifth Avenue, New York, N. Y.

A. R. T. DeVany, 918 16th Street NW., Washington, D. C.
B. National Association of Manufacturers, 918 16th Street NW., Washington, D. C.

A. Cecil B. Dickson, 1600 I Street NW., Washington, D. C.
B. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D. C.
D. (6) $3,900. E. (9) $1,300.

A. Disabled American Veterans, National Headquarters, 5555 Ridge Avenue, Cincinnati, Ohio.
E. (9) $9,692.40.

A. Disabled Officers Association, 1604 K Street NW., Washington, D. C.
E. (9) $2,750.

A. Walter L. Disbrow, 900 F Street NW., Washington, D. C.
B. Retirement Federation of Civil Service Employees of the United States Government, 900 F Street NW., Washington, D. C.
D. (6) $1,550.39. E. (9) $189.10.

A. Wesley E. Disney, 501 World Center Building, Washington, D. C.
B. Thomas J. Green and Edward Simone, 70 Pine Street, New York, N. Y.

A. Wesley E. Disney, 501 World Center Building, Washington, D. C.
B. Independent Natural Gas Association of America, World Center Building, Washington, D. C.

A. Wesley E. Disney, 501 World Center Building, Washington, D. C.
B. National Building Granite Quarries Association, 1028 Connecticut Avenue NW., Washington, D. C.

A. Wesley E. Disney, World Center Building, Washington, D. C.
B. Ozark-Mahoning Co., Tulsa, Okla.

A. District Lodge, No. 44, International Association of Machinists, 1029 Vermont Avenue NW., Washington, D. C.
D. (6) $13,588.28. E. (9) $13,541.81.

A. Division of Legislation and Federal Relations of the National Education Association of the United States, 1201 16th Street NW., Washington, D. C.
E. (9) $5,917.81.

A. William C. Doherty, 100 Indiana Avenue NW., Washington, D. C.
B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D. C.
D. (6) $1,500.

A. James L. Donnelly, 39 South La Salle Street, Chicago, Ill.
B. Illinois Manufacturers' Association, 39 South LaSalle Street, Chicago, Ill.
E. (9) $367.69.

A. Robert F. Donoghue, 236 Wyatt Building, Washington, D. C.
B. Pacific American Tankship Association, 25 California Street, San Francisco, Calif.
D. (6) $1,624.99.

A. Thomas J. Donovan, Tax Council of the Alcoholic Beverage Industries, 155 East 44th Street, New York, N. Y.

A. J. Dewey Dorsett, 60 John Street, New York, N. Y.
B. Association of Casualty and Sureties Co's., 60 John Street, New York, N. Y.
D. (6) $112.50.

A. C. L. Dorson, 900 F Street NW., Washington, D. C.
B. Retirement Federation of Civil Service Employees of the United States Government, 900 F Street NW., Washington, D. C.
D. (6) $1,483.95. E. (9) $75.

A. John E. Dougherty, 1223 Pennsylvania Building, Washington, D. C.
B. The Pennsylvania Railroad Co., 1740 Suburban Station Building, Philadelphia, Pa.

A. Robert E. Dougherty, 1319 18th Street NW., Washington, D. C.
B. National Lumber Manufacturers Association, 1319 18th Street NW., Washington, D. C.
E. (9) $15.70.

A. James W. Douthat, 918 16th Street NW., Washington, D. C.
B. National Association of Manufacturers, 918 16th Street NW., Washington, D. C.

A. M. J. Dowd, El Centro, Calif.
B. Imperial Irrigation District, El Centro, Calif.
D. (6) $3,343. E. (9) $828.57.

A. Adin M. Downer, 610 Wire Building, 1000 Vermont Avenue NW., Washington, D. C.
B. Veterans of Foreign Wars of the United States.
D. (6) $1,750. E. (9) $106.90.

A. W. A. Dozier, Jr., 17 Molton Street, Montgomery, Ala.
B. Medical Association of the State of Alabama, State Office Building, Montgomery, Ala.
D. (6) $1,800. E. (9) $225.

A. Robert A. Drum, Chairman of the Board, Metz Brewing Co., Omaha, Nebr.
D. (6) $250. E. (9) $3,161.38.

A. Ben DuBoise, Sauk Centre, Minn.
B. Independent Bankers Association, Sauk Centre, Minn.
D. (6) $2,869.50.

A. Stephen M. DuBrul, 5-141 General Motors Building, Detroit, Mich.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich.

A. J. R. Dunkerley, 12 East 36th Street, New York, N. Y.
B. American Bankers Association, 12 East 36th Street, New York, N. Y.
D. (6) $437.50. E. (9) $215.

A. Read Dunn, Jr., 1832 M Street NW., Washington, D. C.
B. National Cotton Council of America, Post Office Box 18, Memphis, Tenn.

A. William M. Dunn, 1808 Adams Mill Road NW., Washington, D. C.
B. Communications Workers of America, 1808 Adams Mill Road NW., Washington, D. C.

A. Dwight, Royall, Harris, Koegel & Caskey, Wire Building, Washington, D. C.
B. Twentieth Century-Fox Film Corp., 444 West 56th Street, New York, N. Y.; Warner Bros. Pictures, Inc., 321 West 44th Street, New York City, N. Y.; Paramount Pictures Corp., Paramount Building, New York City, N. Y.; RKO Radio Pictures, Inc., 1270 Sixth Avenue, New York City, N. Y.; United Artists Corp., 729 Seventh Avenue, New York City, N. Y.; Columbia Pictures Corp., 729 Seventh Avenue, New York City, N. Y.; Loew's Incorporated, 1540 Broadway, New York City, N. Y.; Universal Pictures Co., Inc., 445 Park Avenue, New York City, N. Y.
E. (9) $810.56.

A. Henry I. Dworshak, 1102 Ring Building, Washington, D. C.
B. American Mining Congress, Ring Building, Washington, D. C.
D. (6) $900.

A. Joseph L. Dwyer, 1625 K Street NW., Washington, D. C.
B. American Petroleum Institute, 50 West 50th Street, New York, N. Y.
D. (6) $3,276. E. (9) $499.60.

A. John W. Edelman, 811 Warner Building, Washington, D. C.
B. Textile Workers Union of America, 99 University Place, New York, N. Y.
D. (6) $1,978.35. E. (9) $353.35.

A. Herman Edelsberg, 1003 K Street NW., Washington, D. C.
B. Anti-Defamation League of B'nai B'rith, 212 Fifth Avenue, New York, N. Y.
D. (6) $140. E. (9) $15.

A. Joseph H. Ehlers, 1026 17th Street NW., Washington, D. C.
B. American Society of Civil Engineers, 33 West 39th Street, New York, N. Y.
E. (9) $225.

A. Bernard H. Ehrlich, 1367 Connecticut Avenue NW., Washington, D. C.
B. National Association and Council of Business Schools, 418 Homer Building, 13th at F Streets NW., Washington, D. C.
D. (6) $1,200. E. (9) $96.85.

A. Oscar Elder, 1771 N Street NW., Washington, D. C.
B. National Association of Radio and Television Broadcasters, 1771 N Street NW., Washington, D. C.

A. John Doyle Eliott, 1420 New York Avenue NW., Washington, D. C.
B. The Townsend Plan, Inc., 6875 Broadway Avenue, Cleveland, Ohio.
D. (6) $910. E. (9) $95.83.

A. Clyde T. Ellis, 1303 New Hampshire Avenue NW., Washington, D. C.
B. National Rural Electric Cooperative Association, 1303 New Hampshire Avenue NW., Washington, D. C.
D. (6) $1,237.85.

A. Otis H. Ellis, 1001 Connecticut Avenue, Washington, D. C.
B. National Oil Jobbers Council, 1001 Connecticut Avenue, Washington, D. C.
D. (6) $6,000.

A. John H. Else, 302 Ring Building, Washington, D. C.
B. National Retail Lumber Dealers Association, 302 Ring Building, Washington, D. C.
D. (6) $3,050. E. (9) $241.50.

A. Ely, McCarty & Duncan, 1200 Tower Building, Washington, D. C.
B. American Public Power Association, 1757 K Street NW., Washington, D. C.
D. (6) $2,000.

A. Ely, McCarty & Duncan, 1200 Tower Building, Washington, D. C.
B. Department of Water and Power of the City of Los Angeles, 207 South Broadway, Los Angeles, Calif.
D. (6) $2,000.

A. Ely, McCarty & Duncan, 1200 Tower Building, Washington, D. C.
B. East Bay Municipal Utility District, 512 16th Street, Oakland, Calif.
D. (6) $2,100.

A. Ely, McCarty & Duncan, 1200 Tower Building, Washington, D. C.
B. Imperial Irrigation District, El Centro, Calif.
D. (6) $2,100.

A. Ely, McCarty & Duncan, 1200 Tower Building, Washington, D. C.
B. Six Agency Committee and Colorado River Board of California, 909 South Broadway, Los Angeles, Calif.
D. (6) $14,400. E. (9) $264.24.

A. Ely, McCarty & Duncan, 1200 Tower Building, Washington, D. C.
B. Water Project Authority of the State of California, Sacramento, Calif.
D. (6) $2,250.

A. Ely, McCarty & Duncan, 1200 Tower Building, Washington, D. C.
B. Water Resources Board of the State of California, Sacramento, Calif.

A. Robert B. Ely 3d, 1600 Arch Street, Philadelphia, Pa.
B. Insurance Company of North America, 1600 Arch Street, Philadelphia, Pa.

A. Emergency Conservation Committee, 767 Lexington Avenue, New York, N. Y.
D. (6) $2,740.40. E. (9) $2,041.98.

A. K. Blyth Emmons, 925 15th Street NW., Washington, D. C.
B. National Small Business Men's Association, Inc., 2834 Central Street, Evanston, Ill.
D. (6) $2,475. E. (9) $273.70.

A. Engineers and Scientists of America, Munsey Building, Washington, D. C.

A. Myles W. English, 966 National Press Building, Washington, D. C.
B. National Highway Users Conference, Inc., 966 National Press Building, Washington, D. C.

A. Ethanol Institute, 624 Associates Building, South Bend, Ind.
D. (6) $100. E. (9) $813.92.

A. David W. Evans & Associates, Phillips Petroleum Building, Salt Lake City, Utah.
B. Upper Colorado River Grass Roots, Inc., Grand Junction, Colo.
D. (6) $19,081.96. E. (9) $17,122.61.

A. Charles J. Fain, 1303 New Hampshire Avenue NW., Washington, D. C.
B. National Rural Electric Cooperative Association, 1303 New Hampshire Avenue NW., Washington, D. C.
D. (6) $697.26.

A. Edward Falck & Co., 1625 Eye Street NW., Washington, D. C.
B. Bridgeport Gas Light Co., 815 Main Street, Bridgeport, Conn.; Central Hudson Gas & Electric Corp., South Road, Poughkeepsie, N. Y.; Commonwealth Natural Gas Corp., 116 South Third Street, Richmond, Va.; The Connecticut Light & Power Co., P. O. Box 2010, Hartford, Conn.; Consolidated Edison Company of New York, Inc., 4 Irving Place, New York, N. Y.; Delaware Power & Light Co., 600 Market Street, Wilmington, Del.; The Hartford Gas Co., 233 Pearl Street, Hartford, Conn.; Lynchburg Gas Co., 600 Main Street, Lynchburg, Va.; Long Island Lighting Co., 250 Old Country Road, Mineola, N. Y.; New Haven Gas Co., 80 Crown Street, New Haven, Conn.; New York State Electric & Gas Corp., 507 Cayuga Heights Road, Ithaca, N. Y.; Niagara Mohawk Power Corp., 300 Erie Boulevard West, Syracuse, N. Y.; Rochester Gas & Electric Corp., 89 East Avenue, Rochester, N. Y.; Rockland Light & Power Co., 10 North Broadway, Nyack, N. Y.; Washington Gas Light Co., 1100 H Street NW., Washington, D. C.
D. (6) $5,843.75. E. (9) $3,150.67.

A. Farmers Educational and Cooperative Union of America, 1575 Sherman Street, Denver, Colo. and 1404 New York Avenue NW., Washington, D. C.
D. (6) $45,757.06. E. (9) $27,248.97.

A. Harold E. Fellows, 1771 N Street NW., Washington, D. C.
B. National Association of Radio and Television Broadcasters, 1771 N Street NW., Washington, D. C.

A. John A. Ferguson, 918 16th Street NW., Washington, D. C.
B. Independent Natural Gas Association of America, 918 16th Street NW., Washington, D. C.
D. (6) $3,750.

A. Josiah Ferris, 510 Union Trust Building, Washington, D. C.
B. American Sugar Cane League, New Orleans, La.; United States Sugar Corp., Clewiston, Fla.; Fellsmere Sugar Producers Association, Fellsmere, Fla.
D. (6) $4,150. E. (9) $2,613.13.

A. Jerry K. Fields, Box 1732, Washington, D. C.
B. National Institute of Social Welfare, 1031 South Grand Avenue, Los Angeles, Calif.
D. (6) $1,050

A. Bernard M. Fitzgerald, Washington Loan & Trust Building, Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
D. (6) $472.50.

A. Stephen Fitzgerald & Co., 575 Madison Avenue, New York, N. Y.
B. Creole Petroleum Corp., 350 Fifth Avenue, New York, N. Y.
D. (6) $35,083.97. E. (9) $8,951.59.

A. Stephen Fitzgerald & Co., 575 Madison Avenue, New York, N. Y.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
D. (6) $4,500. E. (9) $830.33.

A. Berchmans T. Fitzpatrick, 1101 Vermont Avenue NW., Washington, D. C.
B. Wood, King & Dawson, 48 Wall Street, New York, N. Y.
D. (6) $9,000. E. (9) $1,650.

A. F. Stuart Fitzpatrick, 1615 H Street NW., Washington, D. C.
B. Chamber of Commerce of the United States of America, 1615 H Street NW., Washington, D. C.

A. Roger Fleming, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $1,500. E. (9) $31.74.

A. Donald G. Fletcher, 745 McKnight Building, Minneapolis, Minn.
B. Rust Prevention Association, 745 McKnight Building, Minneapolis, Minn.
D. (6) $2,250. E. (9) $756.73.

A. John F. Floberg, Esq., 800 World Center Building, Washington, D. C.
B. Conference of Local Airlines, 800 World Center Building, Washington, D. C.

A. Florida Citrus Mutual, Lakeland, Fla.
E. (9) $2,774.16.

A. Florida Inland Navigation District, Citizens Bank Building, Bunnell, Fla.
E. (9) $1,388.37.

A. Florida Railroad Association, 404 Midyette-Moor Building, Tallahassee, Fla.
D. (6) $10,000. E. (9) $1,979.44.

A. John J. Flynn, 737 15th Street NW., Washington, D. C.
B. International Union of Electrical, Radio, and Machine Works, 734 15th Street NW., Washington, D. C.
D. (6) $1,425. E. (9) $190.

A. Forest Farmers Association, P. O. Box 7284, Station C., Atlanta, Ga.
E. (9) $866.24.

A. J. Carter Fort, 929 Transportation Building, Washington, D. C.
B. Association of American Railroads, Transportation Building, Washington, D. C.
D. (6) $5,224.99. E. (9) $6.

A. Charles E. Foster, 1701 18th Street NW., Washington, D. C.
B. Disabled American Veterans, 5555 Ridge Avenue, Cincinnati, Ohio.
D. (6) $2,076.96.

A. Ronald J. Foulis, 195 Broadway, New York, N. Y., and 1001 Connecticut Avenue NW., Washington, D. C.
B. American Telephone & Telegraph Co., 195 Broadway, New York, N. Y.
D. (6) $2,250.

A. Fowler, Leva, Hawes & Symington, 1701 K Street NW., Washington, D. C.
B. Waterways Council Opposed to Regulation Extension, 21 West Street, New York, N. Y.
E. (9) $47.54.

A. L. S. Franklin, 2304 Pine Croft Road, Greensboro, N. C.
B. National Tax Relief Coalition, 2304 Pine Craft Road, Greensboro, N. C.
D. (6) $675. E. (9) $870.

A. Robert W. Prase, 812 17th Street NW., Washington, D. C.
B. American Book Publishers Council, Inc., 2 West 46th Street, New York, N. Y.
D. (6) $1,775. E. (9) $1,653.25.

A. George H. Frates, 1163 National Press Building, Washington, D. C.
B. National Association Retail Druggists.
D. (6) $3,900. E. (9) $1,114.

A. Walter Freedman, 829 Washington Building, Washington, D. C.
B. Patchogue-Plymouth Mills Corp., 295 Fifth Avenue, New York, N. Y.
E. (9) $84.13.

A. Friends Committee on National Legislation, 104 C Street NE., Washington, D. C.
D. (6) $11,523.62. E. (9) $22,653.23.

A. Wallace H. Fulton, 1625 K Street NW., Washington, D. C.
B. National Association of Securities Dealers, Inc.
D. (6) $625.

A. Nolen J. Fuqua, Duncan, Okla.
B. National Association of Soil Conservation Districts, League City, Tex.
D. (6) $541.73. E. (9) $541.73.

A. Lawrence H. Gall, 918 16th Street NW., Washington, D. C.
B. Independent Natural Gas Association of America, 918 16th Street NW., Washington, D. C.
D. (6) $1,450.

A. M. J. Galvin, 207 Union Depot Building, St. Paul, Minn.
B. Minnesota railroads.
D. (6) $500. E. (9) $1,042.55.

A. Earl H. Gammons, 1735 DeSales Street NW., Washington, D. C.
B. Columbia Broadcasting System, Inc., 485 Madison Avenue, New York, N. Y.

A. Marion R. Garstang, 1731 I Street NW., Washington, D. C.
B. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.
D. (6) $118.70. E. (9) $18.70.

A. Gwynn Garnett, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $218.75. E. (9) $47.30.

A. Gas Appliance Manufacturers Association, Inc., 60 East 42d Street, New York, N. Y.
D. (6) $50. E. (9) $1,765.68.

A. Gus F. Geissler.
B. Farmers Educational and Cooperative Union of America, 1404 New York Avenue NW., Washington, D. C., and 1575 Sherman Street, Denver, Colo.
D. (6) $750. E. (9) $255.

A. General Gas Committee, 1612 Continental Life Building, Fort Worth, Tex.
D. (6) $6,980. E. (9) $40,586.27.

A. J. M. George, 165 Center Street, Winona, Minn.
B. The Inter-State Manufacturers Association, 163–165 Center Street, Winona, Minn.
D. (6) $1,500.

A. J. M. George, H. K. Brehmer & C. S. McMahon, 165 Center Street, Winona, Minn.
B. National Association of Direct Selling Companies, 163–165 Center Street, Winona, Minn.
D. (6) $3,000.

A. Leo E. George, 711 14th Street NW., Washington, D. C.
B. National Federation of Post Office Clerks, 711 14th Streets NW., Washington, D. C.
D. (6) $3,000.

A. Ernest Giddings, 1201 16th Street NW., Washington, D. C.
B. Division of Legislation and Federal Relations, National Education Association of the United States, 1201 16th Street NW., Washington, D. C.
D. (6) $1,440.75. E. (9) $110.05.

A. Leif Gilstad, 1001 Connecticut Avenue NW., Washington, D. C.
B. Transportation Association of America, 1001 Connecticut Avenue NW., Washington, D. C.

A. Hugh V. Gittinger, Jr., 312 Wire Building, Washington, D. C.
B. Washington Real Estate Board, Inc., 312 Wire Building, Washington, D. C.

A. George Goldstein, 930 F Street NW., Washington, D. C.
B. United Electrical, Radio and Machine Workers of America, 11 East 51st Street, New York, N. Y.
D. (6) $1,170. E. (9) $260.

A. Henry W. Goodall, 28 East Jackson Boulevard, Chicago, Ill.
B. Mississippi Valley Association, 1978 Railway Exchange Building, St. Louis, Mo.
D. (6) $1,875. E. (9) $159.97.

A. Nathaniel H. Goodrich, 1625 I Street NW., Washington, D. C.
B. American Jewish Committee, 386 Fourth Avenue, New York, N. Y.
D. (6) $162.49. E. (9) $3.

A. Dr. H. T. Gordon, Post Office Box 2212, Washington, D. C.
B. The Townsend Plan, Inc., 6875 Broadway Avenue, Cleveland, Ohio.

A. Philip P. Gott, 221 North La Salle Street, Chicago, Ill.
B. National Confectioners' Association of the United States, Inc., 221 North La Salle Street, Chicago, Ill.
D. (6) $2,000.

A. Lawrence L. Gourley, 1757 K Street NW., Washington, D. C.
B. American Osteopathic Association, 212 East Ohio Street, Chicago, Ill.
D. (6) $375.

A. Government Employees' Council, 100 Indiana Avenue NW., Washington, D. C.
D. (6) $6,783.12. E. (9) $5,807.17.

A. Grain & Feed Dealers' National Association, 100 Merchants Exchange Building, St. Louis, Mo.
E. (9) $65.10.

A. Grand Lodge of the Brotherhood of Locomotive Firemen and Enginemen, 318–418 Keith Building, Cleveland, Ohio.
D. (6) $234.50. E. (9) $7,550.83.

A. Charles A. Grant, 1450 Broadway, New York, N. Y.
B. Silk and Rayon Printers and Dyers Association of America, Inc., 1450 Broadway, New York, N. Y.

A. Robert A. Grant, 624 Associates Building, South Bend, Ind.
B. The Ethanol Institute, 624 Associates Building, South Bend, Ind.
D. (6) $200. E. (9) $613.92.

A. S. H. Grauten, 1722 Harrison Street, Evanston, Ill., and 3743 Upton Street NW., Washington, D. C.
E. (9) $32.38.

A. Mrs. Edward R. Gray, 3501 Williamsburg Lane NW., Washington, D. C.
B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill.

A. Virginia M. Gray, 3501 Williamsburg Lane NW., Washington, D. C.
B. Citizens' Committee for UNICEF, 132 Third Street SE, Washington, D. C.
D. (6) $760. E. (9) $49.95.

A. Ernest W. Greene, 723 Investment Building, Washington, D. C.
B. Hawaiian Sugar Planters' Association, P. O. Box 2450, Honolulu, T. H.

A. Francis T. Greene, 1701 K Street NW., Washington, D. C., and 11 Broadway, New York, N. Y.
B. American Merchant Marine Institute, Inc., 1701 K Street NW., Washington, D. C., and 11 Broadway, New York, N. Y.
D. (6) $3,500. E. (9) $331.63.

A. Jerry N. Griffin, 731 Washington Building, Washington, D. C.
B. National Coal Association, Southern Building, Washington, D. C.
D. (6) $1,875.

A. Jerry N. Griffin, 731 Washington Building, Washington, D. C.
B. Schenley Distillers, Inc., Empire State Building, New York, N. Y.

A. Warren Griffiths, 104 C Street NE., Washington, D. C.
B. Friends Committee on National Legislation, 104 C Street NE., Washington, D. C.
D. (6) $1,050. E. (9) $5.49.

A. Weston B. Grimes, 436 Bowen Building, Washington, D. C.
B. Cargill, Inc., 200 Grain Exchange, Minneapolis, Minn.
D. (6) $6,000. E. (9) $2.

A. John J. Gunther, 1341 Connecticut Avenue NW., Washington, D. C.
B. Americans for Democratic Action, 1341 Connecticut Avenue NW., Washington, D. C.
D. (6) $1,519.96. E. (9) $197.55.

A. Violet M. Gunther, 1341 Connecticut Avenue NW., Washington, D. C.
B. Americans for Democratic Action, 1341 Connecticut Avenue NW., Washington, D. C.
D. (6) $1,669.98. E. (9) $150.70.

A. Gypsum Association, 20 North Wacker Drive, Chicago, Ill.
E. (9) $30,850.

A. Frank E. Haas, 280 Union Station Building, Chicago, Ill.
B. The Association of Western Railways, 474 Union Station Building, Chicago, Ill.
D. (6) $141.72. E. (9) $121.35.

A. Hoyt S. Haddock, 132 Third Street SE., Washington, D. C.
B. CIO Maritime Committee, 132 Third Street SE., Washington, D. C.
D. (6) $312. E. (9) $42.87.

A. Hoyt S. Haddock, 132 Third Street SE., Washington, D. C.
B. Labor-Management Maritime Committee, 132 Third Street SE., Washington, D. C.
D. (6) $825. E. (9) $336.58.

A. Dr. Eleanor M. Hadley, 1825 Jefferson Place NW., Washington, D. C.
B. American Association of Social Workers, 1 Park Avenue, New York, N. Y.
D. (6) $2,100.

A. Hugh F. Hall, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $1,000. E. (9) $16.13.

A. Radford Hall, 801 East 17th Avenue, Denver, Colo.
B. American National Cattlemen's Association, 801 East 17th Avenue, Denver, Colo.
D. (6) $2,047.50. E. (9) $394.53.

A. W. F. Hall, Sparta, Ga.
B. National Association of Soil Conservation Districts, League City, Tex.

A. E. C. Hallbeck, 711 14th Street NW., Washington, D. C.
B. National Federation of Post Office Clerks, 711 14th Street NW., Washington, D. C.
D. (6) $2,875.12. E. (9) $562.89.

A. Jess Halsted, 134 South La Salle Street, Chicago, Ill.
B. Gypsum Association, 20 North Wacker Drive, Chicago, Ill.
D. (6) $15,425.

A. Joseph J. Hammer, 26 Broadway, New York, N. Y.
B. Socony Mobil Oil Co., Inc., 26 Broadway, New York, N. Y.
D. (6) $1,982.78. E. (9) $857.78.

A. Harold F. Hammond, 1001 Connecticut Avenue NW., Washington, D. C.
B. Transportation Association of America, 1001 Connecticut Avenue NW., Washington, D. C.

A. William A. Hanscom, 805 G Street NW., room 701, Washington, D. C.
B. Oil, Chemical and Atomic Workers International Union (CIO), 1840 California Street, Denver, Colo.
D. (6) $2,055. E. (9) $180.

A. Murray Hanson, 425 13th Street NW., Washington, D. C.
B. Investment Bankers Association of America, 425 13th Street NW., Washington, D. C.
D. (6) $600. E. (9) $435.49.

A. Hardboard Association, 30 North LaSalle Street, Chicago, Ill.
E. (9) $5,668.65.

A. Eugene J. Hardy, 918 16th Street NW., Washington, D. C.
B. National Association of Manufacturers, 918 16th Street NW., Washington, D. C.

A. Ralph W. Hardy, 1771 N Street NW., Washington, D. C.
B. National Association of Radio and Television Broadcasters, 1771 N Street NW., Washington, D. C.

A. L. James Harmanson, Jr., 744 Jackson Place NW., Washington, D. C.
B. National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C.
D. (6) $2,899.98. E. $85.37.

A. Winder R. Harris, 441 Washington Building, Washington, D. C.
B. Shipbuilders Council of America, 21 West Street, New York, N. Y.

A. T. Wade Harrison, 812 Pennsylvania Building, Washington, D. C.
B. United States Savings and Loan League, 221 North LaSalle Street, Chicago, Ill.
D. (6) $1,650. E. (9) $41.15.

A. Merwin K. Hart, 7501 Empire State Building, New York, N. Y.
B. National Economic Council, Inc., 7501 Empire State Building, New York, N. Y.
D. (6) $500. E. (9) $24.08.

A. Stephen H. Hart, 520 Equitable Building, Denver, Colo.
B. National Live Stock Tax Committee, 801 East 17th Avenue, Denver, Colo.
D. (6) $4,839.50.

A. Bernard C. Harter, 5402 Albemarle Street, Washington, D. C.
B. The National Committee for Research in Neurological Disorders, University Hospital, University of Minnesota, Minneapolis, Minn.
D. (6) $1,250.

A. Robert N. Hawes, 601 Associations Building, Washington, D. C.
B. American Wood Fabric Institute, 1145 19th Street NW., Washington, D. C.
D. (6) $300. E. (9) $100.

A. Robert N. Hawes, 601 Associations Building, Washington, D. C.
B. Hardwood Plywood Institute, 600 South Michigan Avenue, Chicago, Ill.
D. (6) $600. E. (9) $125.

A. Robert N. Hawes and John A. Gosnell, 1145 19th Street NW., Washington, D. C.
B. United States Plywood Corp., 55 West 44th Street, New York, N. Y.
D. (6) $300. E. (9) $20.

A. Paul M. Hawkins, 1145 19th Street NW., Washington, D. C.
B. American Retail Federation, 1145 19th Street NW., Washington, D. C.
D. (6) $3,750. E. (9) $39.15.

A. Kit H. Haynes, 744 Jackson Place NW., Washington, D. C.
B. National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C.
D. (6) $2,550.

A. Joseph H. Hays, 280 Union Station Building, Chicago, Ill.
B. The Association of Western Railway, 474 Union Station Building, Chicago, Ill.
D. (6) $275.60. E. (9) $45.

A. John C. Hazen, 808 Sheraton Building, Washington, D. C.
B. National Retail Dry Goods Association, 100 West 31st Street, New York, N. Y.
E. (9) $12.55.

A. Health and Accident Underwriters Conference, 208 South LaSalle Street, Chicago, Ill.
E. (9) $84.68.

A. Patrick B. Healy, 1731 I Street NW., Washington, D. C.
B. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.
D. (6) $163. E. (9) $13.

A. F. Cleveland Hedrick, Jr., 1001 Connecticut Avenue NW., Washington, D. C.
B. Bridgeport Brass Co., Bridgeport, Conn.

A. Robert B. Heiney, 1133 20th Street NW., Washington, D. C.
B. National Canners Association, 1133 20th Street NW., Washington, D. C.
D. (6) $875. E. (9) $203.90.

A. Kenneth G. Heisler, 907 Ring Building, 18th and M Streets NW., Washington, D. C.
B. National Savings and Loan League, 907 Ring Building, 18th and M Streets NW., Washington, D. C.
D. (6) $400.

A. Maurice G. Herndon, 1002 Washington Loan and Trust Building, Washington, D. C.
B. National Association of Insurance Agents, 96 Fulton Street, New York, N. Y., and 1002 Washington Loan and Trust Building, Washington, D. C.
D. (6) $33.75. E. (9) $33.75.

A. Clinton M. Hester, 425 Shoreham Building, Washington, D. C.
B. Boston Wool Trade Association, 263 Summer Street, Boston, Mass.
D. (6) $600. E. (9) $38.48.

A. Clinton M. Hester, 426 Shoreham Building, Washington, D. C.
B. National Association of Hot House Vegetable Growers, P. O. Box 659, Terre Haute, Ind.

A. Clinton M. Hester, 426 Shoreham Building, Washington, D. C.
B. United States Brewers Foundation, 535 Fifth Avenue, New York, N. W.
D. (6) $5,000. E. (9) $141.45.

A. Robert C. Hibben, 1105 Barr Building, Washington, D. C.
B. International Association of Ice Cream Manufacturers, 1105 Barr Building, Washington, D. C.
E. (9) $269.11.

A. W. J. Hickey, 2000 Massachusetts Avenue NW., Washington, D. C.
B. American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D. C.
D. (6) $107.50.

A. Ray C. Hinman, 26 Broadway, New York, N. Y.
B. Socony Mobile Oil Co., Inc., 26 Broadway, New York, N. Y.
D. (6) $1,548.61. E. (9) $298.61.

A. Claude E. Hobbs, 1625 I Street NW., Washington, D. C.
B. Manufacturing Chemists' Association, Inc., 1625 I Street NW., Washington, D. C.
D. (6) $1,250.

A. Charles M. Holloway, 1201 16th Street NW., Washington, D. C.
B. Division of Legislation and Federal Relations, National Education Association of the United States, 1201 16th Street NW., Washington, D. C.
D. (6) $220.65.

A. J. M. Hood, 2000 Massachusetts Avenue NW., Washington, D. C.
B. American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D. C.
D. (6) $300.

A. Victor Hood, 4200 Clagett Road, Hyattsville, Md.
B. Journeymen Barbers, Hairdressers, Cosmetologists, and Proprietors International Union, 1141 North Delaware Street, Indianapolis, Ind.
D. (6) $2,530.92. E. (9) $575.92.

A. Samuel H. Horne, Munsey Building, Washington, D. C.
B. Thomas C. Dennehy, Jr., et al., trustees under the last will and testament of Thomas C. Dennehy, deceased, 50 South LaSalle Street, Chicago, Ill.

A. Samuel H. Horne, Munsey Building, Washington, D. C.
B. Chicago Bridge & Iron Co., 1305 West 105th Street, Chicago, Ill.

A. Samuel H. Horne, Munsey Building, Washington, D. C.
B. The Singer Manufacturing Co., 149 Broadway, New York, N. Y.
E. (9) $948.56.

A. Donald E. Horton, 222 West Adams Street, Chicago, Ill.
B. American Warehousemen's Association, 222 West Adams Street, Chicago, Ill.

A. Jesse V. Horton, Box 2013, Washington, D. C.
B. National Association of Postal Supervisors, Box 2013, Washington, D. C.
D. (6) $2,562.50. E. (9) $147.39.

A. Mrs. Jency Price Houser, 1420 New York Avenue NW., Washington, D. C.
D. (6) $1,384.36. E. (9) $1,384.36.

A. S. H. Howard, 1414 Evergreen Avenue, Millvale, Pittsburgh, Pa.
B. Brotherhood of Railroad Signalmen of America, 503 Wellington Avenue, Chicago, Ill.

A. Robert E. Howe, Jr., 1435 K Street NW., Washington, D. C.
B. United Mine Workers of America, 900 15th Street NW., Washington, D. C.
D. (6) $4,546.

A. William T. Huff, 806 Connecticut Avenue NW., Washington, D. C.
B. Trans World Airlines, 10 Richards Road, Kansas City, Mo.
D. (6) $2,572.

A. C. E. Huntley, 2000 Massachusetts Avenue NW., Washington, D. C.
B. American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D. C.
D. (6) $250.

A. John M. Hurley, 515 Hoge Building, Seattle, Wash.
B. Washington Railroad Association, 515 Hoge Building, Seattle, Wash.
D. (6) $536.59. E. (9) $900.01.

A. W. C. Hushing, 901 Massachusetts Avenue NW., Washington, D. C.
B. American Federation of Labor, 901 Massachusetts Avenue NW., Washington, D. C.
D. (6) $3,266. E. (9) $408.

A. Illinois Railroad Association, 33 South Clark Street, Chicago, Ill.
E. (9) $825.

A. Independent Advisory Committee to the Trucking Industry, Inc., 1000 Vermont Avenue NW., Washington, D. C.

A. Independent Bankers Association, Sauk Centre, Minn.
D. (6) $13,130. E. (9) $15,501.69.

A. Independent Natural Gas Association of America, 918 16th Street NW., Washington, D. C.
D. (6) $41,893.50. E. (9) $7,685.29.

A. Ingoldsby & Coles, 813 Washington Building, Washington, D. C.
B. The American Tramp Shipowners Association, Inc., 11 Broadway, New York, N. Y.
E. (9) $364.77.

A. Kenneth W. Ingwalsen, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $245. E. (9) $3.58.

A. Institute of Scrap Iron and Steel, Inc., 1729 H Street NW., Washington, D. C.
D. (6) $300.

A. Insurance Company of North America, 1600 Arch Street, Philadelphia, Pa.
E. (9) $25.02.

A. International Association of Machinists, Machinists Building, Washington, D. C.
D. (6) $2,150. E. (9) $2,150.

A. International Trade Section, New York Board of Trade, Inc., 291 Broadway, New York, N. Y.
D. (6) $934. E. (9) $1,981.48.

A. International Union of Electrical, Radio & Machine Workers, 734 15th Street NW., Washington, D. C.
E. (9) $1,615.

A. Inter-State Manufacturers Association, 163–165 Center Street, Winona, Minn.
D. (6) $3,000. E. (9) $20.31.

A. Ivins, Phillips & Barker, 306 Southern Building, Washington, D. C.
B. Remington Rand, Inc., 315 Fourth Avenue, New York, N. Y.
D. (6) $500. E. (9) $5.78.

A. Robert C. Jackson, 1625 I Street NW., Washington, D. C.
B. American Cotton Manufacturers Institute, Inc., 203–A Liberty Life Building, Charlotte, N. C.
D. (6) $1,575. E. (9) $181.65.

A. Theodore Jaffe, 400 Wyatt Building, Washington, D. C.
B. Frederick Stafford, 745 Fifth Avenue, New York, N. Y.

A. Japanese American Citizens League, 1759 Sutter Street, San Francisco, Calif.
B. Japanese American Citizens League.
D. (6) $375. E. (9) $300.

A. Ray L. Jenkins, 541 Washington Building, Washington, D. C.
B. Societe Internationale Pour Participatione Industrielles Et Commerciales, S. A., Peter Merianstr 19, Basle, Switzerland.
E. (9) $285.20.

A. William T. Jobe, 810 18th Street NW., Washington, D. C.
B. National Association of Ice Industries, 810 19th Street NW., Washington, D. C.

A. Peter Dierks Joers, Mountain Pine, Ark.
B. Dierks Forests, Inc., 1006 Grand Avenue, Kansas City, Mo.

A. Johns-Manville Corp., 22 East 40th Street, New York, N. Y.
E. (9) $1,962.57.

A. Gilbert R. Johnson, 1208 Terminal Tower, Cleveland, Ohio.
B. Lake Carriers' Association, 305 Rockefeller Building, Cleveland, Ohio.

A. Reuben L. Johnson, Jr.
B. Farmers Educational and Cooperative Union of America, 1404 New York Avenue NW., Washington, D. C.
D. (6) $1,534.96. E. (9) $68.90.

A. W. D. Johnson, 10 Independence Avenue SW., Washington, D. C.
B. Order of Railway Conductors and Brakemen, O. R. C. & B. Building, Cedar Rapids, Iowa.

A. Charlie W. Jones, 1832 M Street NW., Washington, D. C.
B. National Cotton Council of America, P. O. Box 18, Memphis, Tenn.

A. J. M. Jones, 414 Crandall Building, Salt Lake City, Utah.
B. National Wool Growers Association, 414 Crandall Building, Salt Lake City, Utah.
D. (6) $3,125. E. (9) $1,413.93.

A. L. Dan Jones, 1110 Ring Building, Washington, D. C.
B. Independent Petroleum Association of America, 1110 Ring Building, Washington, D. C.
E. (9) $9.80.

A. Lyle W. Jones, 501 13th Street NW., Washington, D. C.
B. The United States Potters Association, East Liverpool, Ohio.
D. (6) $2,500. E. (9) $450.11.

A. Phillip E. Jones, 920 Tower Building, Washington, D. C.
B. United States Beet Sugar Association, 920 Tower Building, Washington, D. C.
D. (6) $900.

A. Rowland Jones, Jr., 1145 19th Street NW., Washington, D. C.
B. American Retail Federation, 1145 19th Street NW., Washington, D. C.
D. (6) $3,000. E. (9) $266.85.

A. Journeymen Barbers, Hairdressers, Cosmetologists, and Proprietors International Union of America, 1141 North Delaware, Indianapolis, Ind.
E. (9) $2,330.92.

A. Jerome J. Keating, 100 Indiana Avenue NW., Washington, D. C.
B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D. C.
D. (6) $1,374.

A. Robert C. Keck, 134 South La Salle Street, Chicago, Ill.
B. Hardboard Association, 30 North LaSalle Street, Chicago, Ill.
E. (9) $153.12.

A. Arthur C. Keefer, 900 F Street NW., Washington, D. C.
B. War Department Beneficial Association, United States Department of Labor Beneficial Association, and United States Departments of Commerce and Justice Beneficial Associations, Washington, D. C.

A. James C. Kelley, 1900 Arch Street, Philadelphia, Pa.
B. American Machine Tool Distributors' Association, 1900 Arch Street, Philadelphia, Pa.

A. Joseph Duff Kelly, 30 Broad Street, New York, N. Y.
B. Committee for Study of Revenue Bond Financing, 30 Broad Street, New York, N. Y.
D. (6) $3,000.

A. James P. Kem, 1625 K Street NW., Washington, D. C.
B. The Tariff Committee of the Woven Felt Industry, care of Albany Felt Co., Albany, N. Y.
D. (6) $5,000. E. (9) $37.86.

A. Elizabeth A. Kendall, 2310 Connecticut Avenue, Washington, D. C.
E. (9) $10.

A. I. L. Kenen, 302 Beechwood Road, Alexandria, Va.
B. American Zionist Committee for Public Affairs, 1737 H Street NW., Washington, D. C.
D. (6) $1,377.77. E. (9) $408.12.

A. Harold L. Kennedy, 203 Commonwealth Building, Washington, D. C.
B. The Ohio Oil Co., Findlay, Ohio.
D. (6) $500. E. (9) $280.

A. Miles D. Kennedy, 1608 K Street NW., Washington, D. C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $3,100. E. (9) $151.10.

A. Omar B. Ketchum, 610 Wire Building, Washington, D. C.
B. Veterans of Foreign Wars of the United States.
D. (6) $3,000. E. (9) $243.85.

A. Jeff Kibre, 930 F Street NW., Washington, D. C.
B. International Longshoremen's and Warehousemen's Union, 150 Golden Gate Avenue, San Francisco, Calif.
D. (6) $805.90. E. (9) $675.82.

A. H. Cecil Kilpatrick, 912 American Security Building, Washington, D. C.
B. Minot, DeBlois & Maddison, 294 Washington Street, Boston, Mass.
E. (9) $79.66.

A. Joseph William Kinghorne, 1365 Iris Street NW., Washington, D. C.
B. Lynnes Publishing Co., 155 West First Street, Elmhurst, Ill.
D. (6) $300. E. (9) $100.

A. Bill Kirchner, Sauk Centre, Minn.
B. Independent Bankers Association, Sauk Centre, Minn.
D. (6) $2,124.96.

A. Clifton Kirkpatrick, 162 Madison Avenue, Memphis, Tenn.
B. National Cotton Council of America, Post Office Box 18, Memphis, Tenn.
D. (6) $360. E. (9) $37.87.

A. Rowland F. Kirks, 1800 H Street NW., Washington, D. C.
B. National Automobile Dealers Association, 1800 H Street NW., Washington, D. C.
D. (6) $4,038. E. (9) $884.66.

A. Clarence C. Klocksin, 2623 North Van Dorn Street, Alexandria, Va.
B. The National Board of Fire Underwriters, 85 John Street, New York, N. Y.
E. (9) $300.

A. Burt L. Knowles, Munsey Building, Washington, D. C.
B. The Associated General Contractors of America, Inc., Munsey Building, Washington, D. C.

A. Robert M. Koch, 619 F Street NW., Washington, D. C.
B. National Agricultural Limestone Institute, Inc., 619 F Street NW., Washington, D. C.
E. (9) $30.

A. Kreeger, Ragland & Shapiro, Investment Building, Washington, D. C.
B. Alden Lown, receiver of the joint venture of Barrett & Hilp, McDonald and Rutherford, 600 Montgomery Street, San Francisco, Calif.

A. Kreeger, Ragland & Shapiro, Investment Building, Washington, D. C.
B. American Eastern Corp., 10 Rockefeller Plaza, New York, N. Y.

A. Kreeger, Ragland & Shapiro, Investment Building, Washington, D. C.
B. Silk & Rayon Printers & Dyers Association of America, Inc., 1450 Broadway, New York, N. Y.
D. (6) $2,500.

A. Herman C. Kruse, 245 Market Street, San Francisco, Calif.
B. Pacific Gas & Electric Co., 245 Market Street, San Francisco, Calif.
D. (6) $2,888.13. E. (9) $4,163.62.

A. Labor-Management Maritime Committee, 132 Third Street SE., Washington, D. C.
D. (6) $6,359.29. E. (9) $4,796.03.

A. Lake Carriers' Association, 905 Rockefeller Building, Cleveland, Ohio.

A. A. M. Lampley, 10 Independence Avenue SW., Washington, D. C.
B. Brotherhood of Locomotive Firemen and Enginemen, 318 Keith Building, Cleveland, Ohio.
D. (6) $2,750.

A. Fritz G. Lanham, 2737 Devonshire Place NW., Washington, D. C.
B. American Fair Trade Council, Inc., 1434 West 11th Avenue, Gary, Ind.
D. (6) $333.30.

A. Fritz G. Lanham, 2737 Devonshire Place NW., Washington, D. C.
B. National Patent Council, Inc., 1434 West 11th Avenue, Gary, Ind.
D. (6) $1,333.30.

A. Fritz G. Lanham, 2737 Devonshire Place NW., Washington, D. C.
B. State Tax Association, Post Office Box 2559, Houston, Tex.

A. Fritz G. Lanham, 2737 Devonshire Place NW., Washington, D. C.
B. Trinity Improvement Association, Inc., 1308 Commercial Standard Building, Fort Worth, Tex.
D. (6) $1,275.

A. William C. Lantaff, 916 DuPont Building, Miami, Fla.
B. United States Cuban Sugar Council, 910 17th Street NW., Washington, D. C.
D. (6) $2,500. E. (9) $656.06.

A. La Roe, Winn & Moerman, 743 Investment Building, Washington, D. C.
B. Eastern Meat Packers Association, Inc., Statler Hotel, New York, N. Y.
D. (6) $1,500. E. (9) $3,093.50.

A. La Roe, Winn & Moerman, 743 Investment Building, Washington, D. C.
B. The National Independent Meat Packers Association, 740 11th Street NW., Washington, D. C.
D. (6) $4,000. E. (9) $3,888.32.

A. John V. Lawrence, 1424 16th Street NW., Washington, D. C.
B. American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
D. (6) $7,500. E. (9) $4.80.

A. John G. Laylin and Edward G. Howard, 701 Union Trust Building, Washington, D. C.
B. Embassy of Denmark, 2374 Massachusetts Avenue NW., Washington, D. C.
D. (6) $50,000. E. (9) $2,756.06.

A. Randall J. Le Boeuf, Jr., 15 Broad Street, New York, N. Y.
B. Consolidated Edison Co. of New York, Inc., 4 Irving Place, New York, N. Y.
D. (6) $20,000. E. (9) $3,664.83.

A. Ivy Lee and T. J. Ross, 405 Lexington Avenue, New York, N. Y.
B. Committee of American Steamship Lines, 1701 K Street NW., Washington, D. C.
D. (6) $4,500. E. (9) $3,005.69.

A. Ivy Lee and T. J. Ross, 405 Lexington Avenue, New York, N. Y.
B. United States Cuban Sugar Council, 910 17th Street NW., Washington, D. C.
D. (6) $1,780.55. E. (9) $280.55.

A. James R. Lee, 604 Albee Building, Washington, D. C.
B. Water Division, Gas Appliance Manufacturers Association, 60 East 42d Street, New York, N. Y.
D. (6) $1,500. E. (9) $400.68.

A. Legislative Committee of the Committee for a National Trade Policy, Inc., 1025 Connecticut Avenue NW., Washington, D. C.
D. (6) $741. E. (9) $1,914.48.

A. Legislative Committee of Office Equipment Manufacturers Institute, 777 14th Street NW., Washington, D. C.

A. G. E. Leighty, 10 Independence Avenue SW., Washington, D. C.

A. Mrs. Newton P. Leonard, 341 Sharon Street, Providence, R. I.

A. The Liaison Committee of the Mechanical Specialty Contracting Industries, 610 Ring Building, Washington, D. C.

A. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y. and 1701 K Street NW., Washington, D. C.
D. (6) $7,756.83. E. (9) $7,756.83.

A. Life Insurance Policyholders Protective Association, 116 Nassau Street, New York, N. Y.
D. (6) $4,729. E. (9) $2,770.80.

A. Leo F. Lightner, 717 National Press Building, Washington, D. C.
B. Engineers and Scientists of America, Munsey Building, Washington, D. C.

A. L. Blaine Liljenquist, 917 15th Street NW., Washington, D. C.
B. Western States Meat Packers Association, Inc., San Francisco, Calif.
D. (6) $2,875.02. E. (9) $50.61.

A. John W. Lindsey, 1741 K Street NW., Washington, D. C.
B. Committee for Study of Revenue Bond Financing, 30 Broad Street, New York, N. Y.

A. John W. Lindsey, 1741 K Street NW., Washington, D. C.
B. Committee for Study of Revenue Bond Financing, 30 Broad Street, New York, N. Y.

A. John W. Lindsey, 1625 K Street NW., Washington, D. C.
B. National Association of Securities Dealers, Inc.
D. (6) $275.

A. Donald Linville, 30 North La Salle Street, Chicago, Ill.
B. Hardboard Association, 30 North La Salle Street, Chicago, Ill.
D. (6) $1,250. E. (9) $4,265.53.

A. Robert G. Litschert, 1200 18th Street NW., Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
D. (6) $1,125. E. (9) $220.11.

A. John M. Littlepage, 840 Investment Building, Washington, D. C.
B. The American Tobacco Co., Inc., 111 Fifth Avenue, New York, N. Y.

A. Gordon C. Locke, 418 Munsey Building, Washington, D. C.
B. Committee for Pipe Line Companies, 35 East Wacker Drive, Chicago, Ill.
D. (6) $5,000.

A. Charles E. Lofgren, 522 Rhode Island Avenue NE., Washington, D. C.
B. Fleet Reserve Association, 522 Rhode Island Avenue NE., Washington, D. C.
D. (6) $2,000.

A. Benjamin H. Long, 2746 Penobscot Building, Detroit, Mich.
B. Blue Cross Commission, 425 North Michigan Avenue, Chicago, Ill.
D. (6) $2,850. E. (9) $103.36.

A. Leonard Lopez, 1029 Vermont Avenue NW., Washington, D. C.
B. District No. 44, I. A. of M., 1029 Vermont Avenue NW., Washington, D. C.
D. (6) $1,749.99. E. (9) $15.

A. Lord, Day & Lord, 25 Broadway, New York, N. Y., and 500 Wyatt Building, Washington, D. C.
B. Agency of Canadian Car and Foundry Co., Ltd., 30 Broadway, New York, N. Y.
D. (6) $1,210.37.

A. Lord, Day & Lord, 25 Broadway, New York, N. Y., and 500 Wyatt Building, Washington, D. C.
B. Valeriu C. Georgescu, 30 Rockefeller Plaza, New York, N. Y., and Max Ausnit, 525 Park Avenue, New York, N. Y.
E. (9) $280.08.

A. Lord, Day & Lord, 25 Broadway, New York, N. Y., and 500 Wyatt Building, Washington, D. C.
B. S. A. Healy Co., 61 Westchester Avenue, White Plains, N. Y.

A. Joe T. Lovett, 1145 19th Street NW., Washington, D. C.
B. American Retail Federation, 1145 19th Street NW., Washington, D. C.
D. (6) $500. E. (9) $115.93.

A. Otto Lowe, Cape Charles, Va.
B. National Canners Association, 1133 20th Street, Washington, D. C.
D. (6) $375. E. (9) $375.

A. Lucas and Thomas, 1025 Connecticut Avenue NW., Washington, D. C.
B. Acacia Mutual Life Insurance Co., Washington, D. C.
D. (6) $750.

A. Lucas and Thomas, 1025 Connecticut Avenue NW., Washington, D. C.
B. American Finance Conference, 176 West Adams Street, Chicago, Ill.
D. (6) $1,250.

A. Lucas and Thomas, 1025 Connecticut Avenue, Washington, D. C.
B. Cook Electric Co., 2700 Southport Avenue, Chicago, Ill.
D. (6) $2,000.

A. Lucas and Thomas, 1025 Connecticut Avenue NW., Washington, D. C.
B. Mobile Homes Manufacturers Association, 20 North Wacker Drive, Chicago, Ill.
D. (6) $1,000.

A. Lucas & Thomas, 1025 Connecticut Avenue NW., Washington, D. C.
B. Revere Copper & Brass, Inc., 230 Park Avenue, New York, N. Y.
D. (6) $3,000. E. (9) $61.34.

A. Lucas & Thomas, 1025 Connecticut Avenue NW., Washington, D. C.
B. Adolph von Zedlitz, 60 Sutton Place South, New York, N. Y.

A. Gerald J. Lynch, 3000 Schaefer Road, Dearborn, Mich.
B. Ford Motor Co., Dearborn, Mich.

A. John C. Lynn, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $2,532. E. (9) $72.19.

A. A. E. Lyon, 10 Independence Avenue SW., Washington, D. C.
B. Railway Labor Executives' Association, 10 Independence Avenue SW., Washington, D. C.
D. (6) $750.

A. Avery McBee, 610 Shoreham Building, Washington, D. C.
B. Hill & Knowlton, Inc.

A. Robert J. McBride, 1424 16th Street NW., Washington, D. C.
B. Regular Common Carrier Conference of American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
D. (6) $1,000.

A. John A. McCart, 900 F Street NW., Washington, D. C.
B. American Federation of Government Employees, 900 F Street NW., Washington, D. C.
E. (9) $43.20.

A. Frank J. McCarthy, 1223 Pennsylvania Building, Washington, D. C.
B. The Pennsylvania Railroad Co., 1740 Suburban Station Building, Philadelphia, Pa.

A. J. L. McCaskill, 1201 16th Street NW., Washington, D. C.
B. Division of Legislation and Federal Relations, National Education Association of the United States, 1201 16th Street NW., Washington, D. C.
D. (6) $558.33. E. (9) $73.32.

A. McClure & Updike, 626 Washington Building, Washington, D. C.
B. Iron Ore Lessors Association, Inc., W-1481 First National Bank Building, St. Paul, Minn.
E. (9) $82.26.

A. Angus McDonald.
B. Farmers Educational & Cooperative Union of America, 1404 New York Avenue NW., Washington, D. C.
D. (6) $1,680. E. (9) $277.90.

A. McDonnell & Slattery, 425 13th Street NW., Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.

A. Edwin McElwain, 701 Union Trust Building, Washington, D. C.
B. National Machine Tool Builders' Association, 2071 East 102d Street, Cleveland, Ohio.

A. Joseph A. McElwain, 500 Main Street, Deer Lodge, Mont.
B. The Montana Power Co.
D. (6) $781.25. E. (9) $771.43.

A. A. J. McFarland.
B. Christian Amendment Movement, 804 Pennsylvania Avenue, Pittsburgh, Pa.
D. (6) $810. E. (9) $300.

A. Charles T. McGavin, 711 14th Street NW., Washington, D. C.
B. National Parking Association, Inc., 711 14th Street NW., Washington, D. C.

A. Thomas Edward McGrath, 4012 14th Street NW., Washington, D. C.
B. Taxpayers, United States of America, 4012 14th Street NW., Washington, D. C.

A. M. C. McKercher, 3860 Lindell Boulevard, St. Louis, Mo.
B. The Order of Railroad Telegraphers, O. R. T. Building, St. Louis, Mo.
D. (6) $500. E. (9) $301.65.

A. J. V. McLaughlin, 543 Transportation Building, Washington, D. C.
B. Association of American Railroads, Transportation Building, Washington, D. C.
D. (6) $5,625. E. (9) $602.44.

A. W. H. McMains, 1132 Pennsylvania Building, Washington, D. C.
B. Distilled Spirits Institute, 1132 Pennsylvania Building, Washington, D. C.

A. William P. MacCracken, Jr., 1152 National Press Building, Washington, D. C.
B. American Optometric Association, care of Dr. Hoyt S. Purvis, 212 East Washington Avenue, Jonesboro, Ark.
E. (9) $52.67.

A. William P. MacCracken, Jr., 1152 National Press Building, Washington, D. C.
B. John J. Braund, 900 Alabama Avenue SE., Washington, D. C.

A. William P. MacCracken, Jr., 1152 National Press Building, Washington, D. C.
B. Frankel Bros., 521 Fifth Avenue, New York, N. Y.

A. James E. Mack, 1028 Connecticut Avenue NW., Washington, D. C.
B. National Confectioners' Association, 221 North La Salle Street, Chicago, Ill.

A. W. Bruce Macnamee, 1701 K Street NW., Washington, D. C., and 11 Broadway, New York, N. Y.
B. American Merchant Marine Institute, Inc., 1701 K Street NW., Washington, D. C., and 11 Broadway, New York, N. Y.
D. (6) $1,000. E. (9) $654.92.

A. Carter Manasco, 4201 Chesterbrook Road, Falls Church, Va.
B. National Business Publications, Inc., 1001 15th Street NW., Washington, D. C.
D. (6) $600.

A. Carter Manasco, 4201 Chesterbrook Road, Falls Church, Va.
B. National Coal Association, Southern Building, Washington, D. C.
D. (6) $2,600. E. (9) $189.95.

A. Carter Manasco, 4201 Chesterbrook Road, Falls Church, Va.
B. Southern Pine Industry Committee, P. O. Box 1170, New Orleans, La.
D. (6) $375.

A. Manufacturing Chemists' Association, Inc., 1625 I Street NW., Washington, D. C.
D. (6) $2,375. E. (9) $2,375.

A. Olya Margolin, 1637 Massachusetts Avenue NW., Washington, D. C.
B. National Council of Jewish Women, 1 West 47th Street, New York, N. Y.
D. (6) $1,625.78. E. (9) $50.40.

A. James Mark, Jr., 1435 K Street NW., Washington, D. C.
B. United Mine Workers of America, 900 15th Street NW., Washington, D. C.
D. (6) $3,296.

A. Rodney W. Markley, Jr., 1200 Wyatt Building, Washington, D. C.
B. Ford Motor Co., Dearborn, Mich.
D. (6) $3,600. E. (9) $1,172.

A. Winston W. Marsh, 1012 14th Street NW., Washington, D. C.
B. The National Association of Independent Tire Dealers, Inc., 1012 14th Street NW., Washington, D. C.
D. (6) $145.12. E. (9) $5.12.

A. Fred T. Marshall, 1112–18 19th Street NW., Washington, D. C.
B. The B. F. Goodrich Co., 500 South Main Street, Akron, Ohio.

A. John M. Martin, Jr., 1712 G Street NW., Washington, D. C.
B. American Automobile Association, 1712 G Street NW., Washington, D. C.

A. Mike M. Masaoka, 1737 H Street NW., Washington, D. C.
B. Committee on Japanese-American Evacuation Claims, 12427 Milton Street, Los Angeles, Calif.

A. Mike M. Masaoka, 1737 H Street NW., Washington, D. C.
B. Japanese-American Citizens' League, 1759 Sutter Street, San Francisco, Calif.
D. (6) $300. E. (9) $18.

A. Walter J. Mason, 901 Massachusetts Avenue NW., Washington, D. C.
B. American Federation of Labor, 901 Massachusetts Avenue NW., Washington, D. C.
D. (6) $2,867. E. (9) $432.

A. P. H. Mathews, 929 Transportation Building, Washington, D. C.
B. Association of American Railroads, Transportation Building, Washington, D. C.
D. (6) $3,409. E. (9) $2,014.34.

A. C. V. and R. V. Maudlin, 1111 E Street NW., Washington, D. C.
B. National Association of Waste Material Dealers, Inc., 271 Madison Avenue, New York, N. Y.
D. (6) $300. E. (9) $27.17.

A. Cyrus H. Maxwell, M. D., 1523 L Street NW., Washington, D. C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $650. E. (9) $48.66.

A. Medical Association of the State of Alabama, State Office Building, Montgomery, Ala.
D. (6) $19,710. E. (9) $2,025.

A. James Messer, Jr., 404 Midyette-Moor Building, Tallahassee, Fla.
B. Florida Railroad Association, 404 Midyette-Moor Building, Tallahassee, Fla.
D. (6) $1,875.

A. J. T. Metcalf, 1002 L. and N. Building, Louisville, Ky.
E. (9) $480.04.

A. James G. Michaux, 1145 19th Street NE., Washington, D. C.
B. American Retail Federation, 1145 19th Street NW., Washington, D. C.
D. (6) $1,250. E. (9) $133.30.

A. Clarence R. Miles, 1615 H Street NW., Washington, D. C.
B. Chamber of Commerce of the U. S. A., 1615 H Street NW., Washington, D. C.

A. Milk Industry Foundation, 1625 I Street NW., Washington, D. C.

A. Miller & Chevalier, 1001 Connecticut Avenue, Washington, D. C.
B. The Blue Cross Commission, 425 North Michigan Avenue, Chicago, Ill.

A. Dale Miller, Mayflower Hotel, Washington, D. C.
B. Dallas (Tex.) Chamber of Commerce.
D. (6) $1,500. E. (9) $986.73.

A. Dale Miller, Mayflower Hotel, Washington, D. C.
B. Intracoastal Canal Association of Louisiana and Texas, 1028 Electric Building, Houston, Tex.
D. (6) $2,250. E. (9) $225.30.

A. Dale Miller, Mayflower Hotel, Washington, D. C.
B. Texas Gulf Sulphur Co., Newgulf, Tex., and New York, N. Y.
D. (6) $2,250. E. (9) $1,387.97.

A. Seymour S. Mintz, William T. Plumb, Jr., Robert K. Eifler, attorneys (Hogan & Hartson), 810 Colorado Building, Washington, D. C.
B. Harriett O. Davis, Harry Handley Cloutier, Elinor S. Cloutier, estate of John H. Davis, Henri H. Cloutier, deceased, Harry M. Cloutier, executor, Margaret S. Cloutier; Seattle, Wash.
E. (9) $57.57.

A. Seymour S. Mintz, William T. Plumb, Jr., Robert K. Eifler and Richard A. Mullens (Hogan & Hartson), 810 Colorado Building, Washington, D. C.
B. Hughes Tool Co., Houston, Tex.

A. Clarence Mitchell, 100 Massachusetts Avenue NW., Washington, D. C.
B. National Association for the Advancement of Colored People, 20 West 40th Street, New York, N. Y.
D. (6) $2,000. E. (9) $30.30.

A. Allen P. Mitchem, 406 Majestic Building, Denver, Colo.
B. Board of Water Commissioners, city and county of Denver, State of Colorado.
D. (6) $1,150. E. (9) $375.50.

A. M. D. Mobley.
B. American Vocational Association, Inc.

A. Harry L. Moffett, 1102 Ring Building, Washington, D. C.
B. American Mining Congress, Ring Building, Washington, D. C.
D. (6) $1,250. E. (9) $69.67.

A. F. E. Mollin, 801 East 17th Avenue, Denver, Colo.
B. American National Cattlemen's Association, 801 East 17th Avenue, Denver, Colo.
D. (6) $3,300. E. (9) $617.81.

A. Donald Montgomery, 777 14th Street NW., Washington, D. C.
B. American Hotel Association, 221 West 57th Street, New York, N. Y.
D. (6) $2,000. E. (9) $226.40.

A. Morison, Murphy, Clapp & Abrams, Pennsylvania Building, Washington, D. C.
B. Robert A. Drum, chairman of the board, Metz Brewing Co., Omaha, Nebr.
D. (6) $3,000. E. (9) $111.88.

A. Morison, Murphy, Clapp & Abrams, Pennsylvania Building, Washington, D. C.
B. Pickett Development Committee, Blackstone, Va.
E. (9) $1.25.

A. Morison, Murphy, Clapp & Abrams, Pennsylvania Building, Washington, D. C.
B. The Sperry & Hutchinson Co., 114 Fifth Avenue, New York, N. Y.
D. (6) $1,050. E. (9) $1,138.48.

A. Morris Plan Corporation of America, 103 Park Avenue, New York, N. Y.
E. (9) $2,756.46.

A. Giles Morrow, 1111 E Street NW., Washington, D. C.
B. Freight Forwarders Institute.
D. (6) $4,734.99. E. (9) $70.05.

A. Harold G. Mosier, 610 Shoreham Building, Washington, D. C.
B. Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C.
D. (6) $3,750. E. (9) $706.05.

A. William J. Mougey, 802 Cafritz Building, Washington, D. C.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich.

A. T. H. Mullen, 711 14th Street NW., Washington, D. C.
B. American Paper and Pulp Association, 122 East 42d Street, New York, N. Y.

A. T. H. Mullen, 711 14th Street NW., Washington, D. C.
B. American Pulpwood Association, 220 East 42d Street, New York, N. Y.

A. Howard E. Munro, 901 Massachusetts Avenue NW., Washington, D. C.
B. Central Labor Union and Metal Trades Council of the Panama Canal Zone, Post Office Box 471, Balboa Heights, C. Z.
D. (6) $2,100. E. (9) $1,412.31.

A. Walter J. Munro, Hotel Washington, Washington, D. C.
B. Brotherhood of Railroad Trainmen.

A. Dr. Emmett J. Murphy, 5737 13th Street NW., Washington, D. C.
B. National Chiropractic Insurance Co., National Building, Webster City, Iowa.
D. (6) $300. E. (9) $300.

A. Ray Murphy, 60 John Street, New York, N. Y.
B. Association of Casualty & Surety Companies, 60 John Street, New York, N. Y.
D. (6) $112.50.

A. J. Walter Myers, Jr., Post Office Box 7284, Station C, Atlanta, Ga.
B. Forest Farmers Association Cooperative, Post Office Box 7284, Station C, Atlanta, Ga.
E. (9) $866.24.

A. National Agricultural Limestone Institute, Inc., 619 F Street NW., Washington, D. C.
D. (6) $2,070.01. E. (9) $2,070.01.

A. National Associated Businessmen, Inc., 910 17th Street NW., Washington, D. C.
D. (6) $36,265. E. (9) $28,524.95.

A. National Association and Council of Business Schools, 601 13th Street NW., Washington, D. C.
D. (6) $1,062.04. E. (9) $1,296.85.

A. National Association of Direct Selling Cos., 163–165 Center Street, Winona, Minn.
D. (6) $14,287.50. E. (9) $239.53.

A. National Association of Electric Cos., 1200 18th Street NW., Washington, D. C.
D. (6) $12,620.88. E. (9) $41,076.95.

A. National Association of Frozen Food Packers, 1415 K Street NW., Washington, D. C.

A. National Association of Independent Tire Dealers, Inc., 1012 14th Street NW., Washington, D. C.
D. (6) $837.29. E. (9) $837.29.

A. National Association of Insurance Agents, 96 Fulton Street, New York, N. Y.
D. (6) $3,070.25. E. (9) $5,306.46.

A. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D. C.
D. (6) $44,381.51. E. (9) $31,713.25.

A. National Association of Margarine Manufacturers, Munsey Building, Washington, D. C.

A. National Association of Mutual Savings Banks, 60 East 42d Street, New York, N. Y.
E. (9) $496.97.

A. National Association of Postal Supervisors, Box 2013, Washington, D. C.
D. (6) $9,250. E. (9) $7,075.21.

A. National Association of Postmasters of the United States, 1111 17th Street NW., Washington, D. C.
D. (6) $14,314.50. E. (9) $1,210.59.

A. National Association of Soil Conservation Districts, League City, Tex.
D. (6) $748.02. E. (9) $1,008.41.

A. National Association of Storekeeper-Gaugers, 1218 Locust Avenue, Baltimore, Md.
D. (6) $653.70. E. (9) $521.66.

A. National Association of Travel Organizations, 1424 K Street NW., Washington, D. C.
D. (6) $10,893.02. E. (9) $682.50.

A. National Canners Association, 1133 20th Street NW., Washington, D. C.
D. (6) $431,887.76. E. (9) $2,448.57.

A. National Coal Association, 802 Southern Building, Washington, D. C.

A. National Committee on Parcel Post Size and Weight Limitations, 1625 I Street NW., Washington, D. C.
D. (6) $1,200. E. (9) $1,317.20.

A. National Committee on Shippers and Receivers, 100 West 31st Street, New York, N. Y.
D. (6) $250.

A. National Conference for Repeal of Taxes on Transportation, care of D. G. Ward, Mathieson Building, Baltimore, Md.
E. (9) $423.72.

A. National Cotton Compress and Cotton Warehouse Association, 1085 Shrine Building, Memphis, Tenn.
D. (6) $326.09. E. (9) $326.09.

A. National Cotton Council of America, P. O. Box 18, Memphis, Tenn.
D. (6) $2,741.16. E. (9) $2,741.16.

A. National Council on Business Mail, Inc., 105 West Monroe Street, Chicago, Ill.
D. (6) $1,994.35. E. (9) $1,994.35.

A. National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C.
D. (6) $4,306.49. E. (9) $2,724.56.

A. National Economic Council, Inc., Empire State Building, New York, N. Y.
D. (7) $2,319.72. E. (9) $2,194.92.

A. National Electrical Contractors Association, Inc., 1200 18th Street NW., Washington, D. C.

A. National Electrical Manufacturers Association, 155 East 44th Street, New York, N. Y.

A. National Federation of Post Office Clerks, 711 14th Street NW., Washington, D. C.
D. (6) $183,118.55. E. (9) $32,392.14.

A. National Food Brokers Association, 827 Munsey Building, Washington, D. C.
D. (6) $1,232.24. E. (9) $1,232.24.

A. National Housing Conference, 1129 Vermont Avenue NW., Washington, D. C.
D. (6) $23,699.18. E. (9) $16,203.29.

A. National Institute of Diaper Services, Inc., 67 West 44th Street, New York, N. Y.

A. National Live Stock Tax Committee, 801 East 17th Avenue, Denver, Colo.
D. (6) $4,839.50.

A. National Lumber Manufacturers Association, 1319 18th Street NW., Washington, D. C.
D. (6) $1,444.65. E. (9) $1,491.95.

A. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.
D. (6) $3,250.92. E. (9) $3,250.92.

A. National Multiple Sclerosis Society, 270 Park Avenue, New York City, N. Y.
E. (9) $806.11.

A. National Parking Association, Inc., 711 14th Street NW., Washington, D. C.

A. National Postal Transport Association, 1028 Connecticut Avenue, NW., Washington, D. C.
D. (6) $46,543.35. E. (9) $4,665.50.

A. National Reclamation Association, 897 National Press Building, Washington, D. C.
D. (6) $15,611.50. E. (9) $14,842.95.

A. National Rehabilitation Association, 1025 Vermont Avenue NW., Washington, D. C.
D. (6) $715.57. E. (9) $570.

A. National Retail Dry Goods Association, 100 West 32st Street, New York, N. Y.
D. (6) $4,125. E. (9) $4,989.67.

A. National Retail Furniture Association, 666 Lake Shore Drive, Chicago, Ill.

A. National Rivers and Harbors Congress, 1720 N Street NW., Washington, D. C.
D. (6) $8,655.06. E. (9) $8,643.80.

A. National Rural Electric Cooperative Association, 1303 New Hampshire Avenue NW., Washington, D. C.
D. (6) $15,683.83. E. (9) $15,683.03.

A. National Savings & Loan League, 18th and M Streets NW., Washington, D. C.
D. (6) $8,392.20. E. (9) $1,479.16.

A. National Small Business Men's Association, 2834 Central Street, Evanston, Ill.
D. (6) $5,000. E. (9) $5,220.29.

A. National Society of Professional Engineers, 1121 15th Street NW., Washington, D. C.
D. (6) $99,508.50. E. (9) $1,555.72.

A. National Tax Equality Association, 231 South LaSalle Street, Chicago, Ill.
D. (6) $8,390.98. E. (9) $7,134.34.

A. The National Woman's Christian Temperance Union, 1730 Chicago Avenue, Evanston, Ill.
D. (6) $3,659.09. E. (9) $1,767.72.

A. National Wool Growers Association, 414 Crandall Building, Salt Lake City, Utah.
D. (6) $7,000. E. (9) $5,107.12.

A. Nation-Wide Committee of Industry, 815 15th Street NW., Washington, D. C.
D. (6) $5,562.50. E. (9) $14,376.24.

A. Robert R. Neal, 1701 K Street NW., Washington, D. C.
B. Bureau of Accident & Health Underwriters, 60 John Street, New York, N. Y.
D. (6) $137.13.

A. William S. Neal, 918 16th Street NW., Washington, D. C.
B. National Association of Manufacturers, 918 16th Street NW., Washington, D. C.

A. Alan M. Nedry, 1001 Connecticut Avenue NW., Washington, D. C.
B. Otis H. Ellis, General Counsel, National Oil Jobbers Council, 1001 Connecticut Avenue NW., Washington, D. C.
D. (6) $225. E. (9) $70.

A. Samuel E. Neel, 1001 15th Street NW., Washington, D. C.
B. Mortgage Bankers Association of America, 111 West Washington Street, Chicago, Ill.
D. (6) $3,750. E. (9) $1,624.72.

A. A. Z. Nelson, 1319 18th Street NW., Washington, D. C.
B. National Lumber Manufacturers Association, 1319, 18th Street NW., Washington, D. C.
E. (9) $22.

A. George R. Nelson, Machinists Building, Washington, D. C.
B. International Association of Machinists, Machinists Building, Washington, D. C.
D. (6) $900.

A. Ross D. Netherton, 1712 G Street NW., Washington, D. C.
B. American Automobile Association, 1712 G Street NW, Washington, D. C.
D. (6) $2,775.

A. Blake T. Newton, Jr., 195 Broadway, New York, N. Y., and 1001 Connecticut Avenue NW., Washington, D. C.
B. American Telephone & Telegraph Co., 195 Broadway, New York, N. Y.
D. (6) $2,937.

A. New York & New Jersey Dry Dock Association, 161, William Street, New York City.
D. (6) $3,000. E. (9) $163.78.

A. New York Stock Exchange, 11 Wall Street, New York, N. Y.
E. (9) $3,204.44.

A. Russ Nixon, 930 F Street NW., Washington, D. C.
B. United Electrical, Radio & Machine Workers of America, 11 East 51 Street, New York, N. Y.
D. (6) $1,170. E. (9) $260.

A. Nordlinger, Riegelman, Benetar & Charney, 420 Lexington Avenue, New York, N. Y.
B. Silk & Rayon Printers & Dyers Association of America, Inc., 1450 Broadway, New York, N. Y.
D. (6) $2,000. E. (9) $13.55.

A. O. L. Norman, 1200 18th Street NW., Washington, D. C.
B. National Association of Electric Co.'s, 1200 18th Street NW., Washington, D. C.
D. (6) $1,212.50. E. (9) $22.99.

A. Harry E. Northam, 185 North Wabash Avenue, Chicago, Ill.
B. Association of American Physicians and Surgeons, Inc., 185 North Wabash Avenue, Chicago, Ill.

A. Northern Hemlock & Manufacturers Association, Washington Building, Oshkosh, Wis.
D. (6) $100.

A. E. M. Norton, 1731 I Street NW., Washington, D. C.
B. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.
D. (6) $358.50. E. (9) $158.50.

A. Charles E. Noyes, 270 Madison Avenue, New York, N. Y.
B. American Institute of Accountants, 270 Madison Avenue, New York, N. Y.
D. (6) $1,000. E. (9) $70.25.

A. Edward H. O'Connor, 176 West Adams Street, Chicago, Ill.
D. (6) $6,827.25.

A. Herbert R. O'Conor, 1701 K Street NW., Washington, D. C.
B. American Merchant Marine Institute, Inc., 1701 K Street NW., Washington, D. C., and 11 Broadway, New York, N. Y.
D. (6) $3,125. E. (9) $492.82.

A. Eugene O'Dunne, Jr., Southern Building, Washington, D. C.
B. Comite de Productores de Azucar, Antonio Miro Quesada 376, Of. 504, Lima, Peru.
E. (9) $570.44.

A. Eugene O'Dunne, Jr., Southern Building, Washington, D. C.
B. National Association of Wool Manufacturers, 386 Fourth Avenue, New York, N. Y.
E. (9) $115.92.

A. The Ohio Railroad Association, 16 East Broad Street, Columbus, Ohio.
E. (9) $120.53.

A. A. E. Oliver, 600 Folgar Building, Washington, D. C.
B. Grain & Feed Dealers National Association, 100 Merchants' Exchange Building, St. Louis, Mo.
D. (6) $45.69. E. (9) $2.

A. Fred N. Oliver, 110 East 42d Street, New York, N. Y., and Investment Building, Washington, D. C.
B. National Association of Mutual Savings Banks, 60 East 42d Street, New York, N. Y.

A. Robert Oliver, 718 Jackson Place NW., Washington, D. C.
B. Congress of Industrial Organizations, 718 Jackson Place NW., Washington, D. C.
E. (9) $1,363.65.

A. Clarence H. Olson, c/o The American Legion, 1608 K Street NW., Washington, D. C.
B. The American Legion, 700 North Pennsylvannia Street, Indianapolis, Ind.
D. (6) $2,370. E. (9) $307.70.

A. Samuel Omasta, 619 F Street NW., Washington, D. C.
B. National Agricultural Limestone Institute, Inc., 619 F Street NW., Washington, D. C.
E. (9) $19.

A. Order of Railway Conductors and Brakemen, O. R. C. & B. Building, Cedar Rapids, Iowa.
E. (9) $3,613.64.

A. Morris E. Osburn, Central Trust Building, Jefferson City, Mo.
B. Missouri Railroad Committee.
E. (9) $415.77.

A. Thomas R. Owens, 917 15th Street NW., Washington, D. C.
B. United Rubber, Cork, Linoleum and Plastic Workers of America, High at Mill Street, Akron, Ohio.
D. (6) $1,690. E. (9) $507.

A. Mrs. Theodor Oxholm, 19 East 92d Street, New York, N. Y.
D. (6) $75.11. E. (9) $75.11.

A. Pacific American Tankship Association, 25 California Street, San Francisco, Calif.
D. (6) $200. E. (9) $1,624.99.

A. Lovell H. Parker, 611 Colorado Building, Washington, D. C.
D. (6) $4,000.

A. Parker, Milliken & Kohlmeier, 650 South Spring Street, Los Angeles, Calif.
B. The Farmers and Merchants National Bank of Los Angeles, as trustee of the Mary Paula Ball Trust, Fourth and Main Streets, Los Angeles, Calif.

A. George P. Parrish, Charleston, W. Va.,
B. West Virginia Railroad Association, Post Office Box 7, Charleston, W. Va.
D. (6) $3,499.99. E. (9) $181.26.

A. A. Lee Parsons, 1625 I Street NW., Washington, D. C.
B. American Cotton Manufacturers Institute, Inc., 203–A Liberty Life Building, Charlotte, N. C.
D. (6) $300. E. (9) $43.90.

A. James G. Patton.
B. Farmers Educational & Cooperative Union of America, 1575 Sherman Street, Denver, Colo., and 1404 New York Avenue NW., Washington, D. C.
D. (6) $1,250. E. (9) $603.67.

A. Paul, Weiss, Rifkind, Wharton & Garrison, 1614 I Street NW., Washington, D. C.
B. S. Gambel Realty & Security Co., Inc., New Orleans, La.
E. (9) $742.11.

A. Paul, Weiss, Rifkind, Wharton & Garrison, 1614 I Street NW., Washington, D. C.
B. National Committee for Insurance Taxation, 221 North La Salle Street, Chicago, Ill.
D. (6) $6,993.75. E. (9) $71.27.

A. Edmund W. Pavenstedt, care of White & Case, 14 Wall Street, New York, N. Y.
B. Estate of Edward F. Pipe.

A. Albert A. Payne, 1737 K Street NW., Washington, D. C.
B. Realtors' Washington Committee of the National Association of Real Estate Boards, 1737 K Street NW., Washington, D. C.
D. (6) $2,650. E. (9) $258.29.

A. Hugh Peterson, Alley, Ga.
B. Georgia Power Co., 75 Marietta Street, Atlanta, Ga.
D. (6) $3,750. E. (9) $730.44.

A. Hugh Peterson, 1001 Connecticut Avenue NW., Washington, D. C.
B. United States Sugar Refiners Association, 1001 Connecticut Avenue NW., Washington, D. C.
D. (6) $2,000.

A. J. Hardin Peterson, Cochrane Building, Lakeland, Fla.
B. Florida Citrus Mutual.
D. (6) $2,499.99. E. (9) $274.77.

A. J. Hardin Peterson, Cochrane Building, Lakeland, Fla.
B. West Coast Navigation District, Courthouse, Bradenton, Fla.
D. (6) $600. E. (9) $64.83.

A. Philco Corp., Tioga and C Streets, Philadelphia, Pa.

A. J. E. Phillips, 225 Bush Street, San Francisco, Calif.
B. Standard Oil Co. of California, 225 Bush Street, San Francisco, Calif.
D. (6) $500. E. (9) $400.

A. Albert T. Pierson, 54 Meadow Street, New Haven, Conn.
B. The New York, New Haven & Hartford Railroad Co., 54 Meadow Street, New Haven, Conn.
D. (6) $2,516.67.

A. Albert Pike, Jr., 488 Madison Avenue, New York, N. Y.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.
D. (6) $60.

A. Walter C. Ploeser, 50 South Bemiston Avenue, Clayton, St. Louis, Mo.
E. (9) $465.74.

A. Milton H. Plumb, 718 Jackson Place NW., Washington, D. C.
B. Congress of Industrial Organizations, 718 Jackson Place NW., Washington, D. C.
D. (6) $1,899.96. E. (9) $539.43.

A. J. Francis Pohlhaus, 100 Massachusetts Avenue NW., Washington, D. C.
B. National Association for the Advancement of Colored People, 20 West 40th Street, New York, N. Y.
D. (6) $1,300.

A. Poole, Shroyer & Denbo, 1625 K Street NW., Washington, D. C.
B. American Retail Federation, 1145 19th Street NW., Washington, D. C.

A. Pope Ballard & Loos, 707 Munsey Building, Washington, D. C.
B. Sunkist Growers, Inc., and California Walnut Growers Association, Los Angeles, Calif.; Northwest Nut Growers, Portland, Oreg.; and California Almond Growers Exchange, Sacramento, Calif.
D. (6) $600. E. (9) $100.19.

A. Pope Ballard & Loos, 707 Munsey Building, Washington, D. C.
B. Committee Representing American Fluorspar Producers, care of J. Blecheisen, Rosiclare, Ill.
D. (6) $7,500. E. (9) $705.43.

A. Pope Ballard & Loos, 707 Munsey Building, Washington, D. C.
B. Pin, Clip & Fastener Association, 74 Trinity Place, New York, N. Y.
E. (9) $21.87.

A. Frank M. Porter, 50 West 50th Street, New York, N. Y.
B. American Petroleum Institute, 50 West 50th Street, New York, N. Y.

A. William I. Powell, Ring Building, Washington, D. C.
B. American Mining Congress, Ring Building, Washington, D. C.
D. (6) $1,125. E. (9) $20.75.

A. Homer V. Prater, 900 F Street NW., Washington, D. C.
B. American Federation of Government Employees, 900 F Street NW., Washington, D. C.
D. (6) $1,514.61.

A. William H. Press, 1616 K Street NW., Washington, D. C.
B. Washington Board of Trade, 1616 K Street NW., Washington, D. C.
D. (6) $4,500.

A. Allen Pretzman, 50 West Broad Street, Columbus, Ohio.
B. Scioto-Sandusky Conservancy District, 50 West Broad Street, Columbus, Ohio.

A. Charles M. Price, 134 South LaSalle Street, Chicago, Ill.
B. Gypsum Association, 20 North Wacker Drive, Chicago, Ill.
D. (6) $15,425.

A. Harry E. Proctor, 1110 Investment Building, Washington, D. C.
B. National Association of Mutual Savings Banks, 60 East 42d Street, New York City.
D. (6) $360. E. (9) $7.

A. The Proprietary Association, 810 18th Street NW., Washington, D. C.
E. (9) $50.

A. Public Information Committee of the Cotton Industries, National City Building, Dallas, Tex.

A. Ganson Purcell, 910 17th Street NW., Washington, D. C.
B. Insular Lumber Co., 1406 Locust Street, Philadelphia, Pa.

A. Alexander Purdon, 1701 K Street NW., Washington, D. C.
B. Committee of American Steamship Lines, 1701 K Street NW., Washington, D. C.
D. (6) $843.75. E. (9) $154.37.

A. Edmund R. Purves, 1735 New York Avenue NW., Washington, D. C.
B. American Institute of Architects, 1735 New York Avenue NW., Washington, D. C.
D. (6) $200. E. (9) $255.

A. C. J. Putt, 920 Jackson Street, Topeka, Kans.
B. The Achison, Topeka and Santa Fe Railway Co., 920 Jackson Street, Topeka, Kans.
E. (9) $549.44.

A. Luke C. Quinn, Jr., 1001 Connecticut Avenue NW., Washington, D. C.
B. American Cancer Society, 521 West 57th Street, New York City; United Cerebral Palsy Associations, 369 Lexington Avenue, New York City; Arthritis and Rheumatism Foundation, 23 West 45th Street, New York City, and National Multiple Sclerosis Society, 270 Park Avenue, New York City.
D. (6) $7,799.97. E. (9) $5,415.13.

A. F. Miles Radigan, 1200 18th Street NW., Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
D. (6) $102.50. E. (9) $45.85.

A. Alex Radin, 1757 K Street NW., Washington, D. C.
B. American Public Power Association, 1757 K Street NW., Washington, D. C.
D. (6) $2,625.

A. Mrs. Richard G. Radue, 3406 Quebec Street NW., Washington, D. C.
B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill.

A. Railroad Pension Conference, P. O. Box 798, New Haven, Conn.
D. (6) $51.25. E. (9) $84.98.

A. Railway Labor Executives' Association, 10 Independence Avenue SW., Washington, D. C.

A. D. C. Ramsey, 610 Shoreham Building, Washington, D. C.
B. Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C.

A. Donald J. Ramsey, 1612 I Street NW., Washington, D. C.
B. Silver Users' Association, 1612 I Street NW., Washington, D. C.
D. (6) $4,250. E. (9) $627.44.

A. Record Industry Association of America, Inc., 1 East 57th Street, New York, N. Y.

A. Otie M. Reed, 1107 19th Street NW., Washington, D. C.
B. The Joint Committee of the National Creameries Association and the American Butter Institute, 1107 19th Street NW., Washington, D. C.
D. (6) $1,875. E. (9) $2,763.88.

A. Regular Common Carrier Conference of American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
D. (6) $4,041.22. E. (9) $4,041.22.

A. James Francis Reilly, 1625 K Street NW., Washington, D. C.
B. Potomac Electric Power Co., 929 E Street NW., Washington, D. C.
E. (9) $168.36.

A. Nicolas Reisini, 11 West 42 Street, New York, N. Y.

A. Reserve Officers' Association of the United States, 2517 Connecticut Avenue NW., Washington, D. C.

A. Retired Officers Association, 1616 I Street NW., Washington, D. C.
D. (6) $30,356.11.

A. Retirement of Civil Service Employees of the United States Government, 900 F Street NW., Washington, D. C.
D. (16) $7,646.43. E. (9) $7,994.42.

A. Andrew E. Rice, 1830 Jefferson Place NW., Washington, D. C.
B. American Veterans Committee, Inc., 1830 Jefferson Place NW., Washington, D. C.
D. (6) $1,038.45. E. (9) $49.70.

A. Roland Rice, 618 Perpetual Building, Washington, D. C.
B. Regular Common Carrier Conference of the American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
D. (6) 870.

A. Siert F. Riepma, Munsey Building, Washington, D. C.
B. National Association of Margarine Manufacturers, Munsey Building, Washington, D. C.

A. John J. Riggle, 744 Jackson Place NW., Washington, D. C.
B. National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C.
D. (6) $2,899.98.

A. George D. Riley, 910 Massachusetts Avenue NW., Washington, D. C.
B. American Federation of Labor, 901 Massachusetts Avenue NW., Washington, D. C.
D. (6) $2,867. E. (9) $420.

A. E. W. Rising, 1215 16th Street NW., Washington, D. C.
B. National Water Conservation Conference.
E. (9) $242.12.

A. E. W. Rising, 1215 16th Street NW., Washington, D. C.
B. Western Beet Growers Association, P. O. Box 742, Great Falls, Mont.
D. (6) $500. E. (9) $221.17.

A. Paul H. Robbins, 1121 15th Street NW., Washington, D. C.
B. National Society of Professional Engineers, 1121 15th Street NW., Washington, D. C.
D. (6) $250.

A. Edward O. Rodgers, 1107 16th Street NW., Washington, D. C.
B. Air Transport Association of America, 1107 16th Street NW., Washington, D. C.
D. (6) $1,250. E. (9) $611.81.

A. Frank W. Rogers, 1701 K Street NW., Washington, D. C.
B. Western Oil & Gas Association, 510 West Sixth Street, Los Angeles, Calif.
D. (6) $3,300. E. (9) $716.74.

A. Watson Rogers, 827 Munsey Building, Washington, D. C.
B. National Food Brokers Association, 827 Munsey Building, Washington, D. C.
D. (6) $1,000.

A. George B. Roscoe, 1200 18th Street NW., Washington, D. C.
B. National Electrical Contractors Association, Inc., 1200 18th Street NW., Washington, D. C.

A. Roland H. Rowe, 400 Investment Building, Washington, D. C.
B. United States Wholesale Grocers' Association, 400 Investment Building, Washington, D. C.

A. Delbert L. Rucker, 616 Investment Building, Washington, D. C.
B. The National Fertilizer Association, Inc., 616 Investment Building, Washington, D. C.
D. (6) $25.

A. Albert R. Russell, 162 Madison Avenue, Memphis, Tenn.
B. National Cotton Council of America, Post Office Box 18, Memphis, Tenn.
D. (6) $240. E. (9) $136.92.

A. Francis M. Russell, 1625 K Street NW., Washington, D. C.
B. National Broadcasting Co., Inc., 1625 K Street NW., Washington, D. C.
E. (9) $167.

A. Horace Russell, 221 North La Salle Street, Chicago, Ill.
B. United States Savings and Loan League, 221 North La Salle Street, Chicago, Ill.
D. (6) $4,125. E. (9) $95.34.

A. M. O. Ryan, 777 14th Street NW., Washington, D. C.
B. American Hotel Association, 221 West 57th Street, New York, N. Y.
D. (6) $3,750. E. (9) $419.32.

A. William H. Ryan, Medical Science Building, Washington, D. C.
B. District Lodge No. 44, International Association of Machinists, Medical Science Building, Washington, D. C.
D. (6) $2,250. E. (9) $60.

A. Robert A. Salzstein, 515 Wyatt Building, Washington, D. C.
B. Smaller Magazines Postal Committee, 654 Madison Avenue, New York, N. Y.
D. (6) $1,250.01. E. (9) $26.63.

A. Kimball Sanborn, 705 Transportation Building, Washington, D. C.
B. Association of American Railroads, Transportation Building, Washington, D. C.
D. (6) $85. E. (9) $346.50.

A. L. R. Sanford, Shipbuilders Council of America, 21 West Street, New York, N. Y.
B. Shipbuilders Council of America, 21 West Street, New York, N. Y.
E. (9) $176.50.

A. John T. Sapienza and Walter A. Slowinski, 701 Union Trust Building, Washington, D. C.
B. Chicago & North Western Railway System, 400 West Madison Street, Chicago, Ill.
E. (9) $1.

A. John T. Sapienza, 701 Union Trust Building, Washington, D. C.
B. Hudson Bay Mining & Smelting Co., Ltd. et al.
E. (9) $9.90.

A. Harrison Sasscer, 1201 16th Street NW., Washington, D. C.
B. Division of Legislation and Federal Relations, National Education Association of the United States, 1201 16th Street NW., Washington, D. C.
D. (6) $185.25.

A. Satterlee, Warfield & Stephens, 49 Wall Street, New York, N. Y.
B. American Nurses' Association, 2 Park Avenue, New York, N. Y.
D. (6) $3,600. E. (9) $118.21.

A. O. H. Saunders, 1616 I Street NW., Washington, D. C.
B. Retired Officers Association, 1616 I Street NW., Washington, D. C.
D. (6) $1,200.

A. Schoene & Kramer, 1625 K Street NW., Washington, D. C.
B. Railway Labor Executives' Association, 10 Independence Avenue SW., Washington, D. C.
E. (9) $55.67.

A. Rosario Scibilia, 378 Avenue T, Brooklyn, N. Y.
B. Catholic War Veterans of the United States of America, 1012 14th Street NW., Washington, D. C.
E. (9) $329.75.

A. Jack Garrett Scott, 839 17th Street NW., Washington, D. C.
B. National Association of Motor Bus Operators.

A. Mildred Scott, 1370 National Press Building, Washington, D. C.
B. American Federation of the Physically Handicapped, Inc., 1370 National Press Building, Washington, D. C.

A. Hollis M. Seavey, 532 Shoreham Building, Washington, D. C.
B. Clear Channel Broadcasting Service, 532 Shoreham Building, Washington, D. C.
E. (9) $26.

A. Harry See, 10 Independence Avenue SW., Washington, D. C.
B. Brotherhood of Railroad Trainmen.
E. (9) $25.

A. Alvin Shapiro, 1701 K Street NW., Washington, D. C.
B. American Merchant Marine Institute, Inc., 1701 K Street NW., Washington D. C., and 11 Broadway, New York, N. Y.
D. (6) $200. E. (9) $105.

A. Sharp & Bogan, 1010 Vermont Avenue NW., Washington, D. C.
B. Elof Hansson, Inc., 225 East 42d Street, New York, N. Y.; Johaneson, Wales & Sparre, Inc., 250 Park Avenue, New York, N. Y.; Grace & Co. (West Coast), 2 Pine Street, San Francisco, Calif.
E. (9) $134.54.

A. James R. Sharp, 1010 Vermont Avenue NW., Washington, D. C.
B. Elof Hansson, Inc., 225 East 42d Street, New York, N. Y.; Johaneson, Wales & Sparre, Inc., 250 Park Avenue, New York, N. Y.; Treetex Corp., 347 Madison Avenue, New York, N. Y.; Grace & Co. (West Coast), 2 Pine Street, San Francisco, Calif.

A. A. Manning Shaw, Washington Loan & Trust Building, Washington, D. C.
B. Brown, Lund & Fitzgerald, Washington Loan & Trust Building, Washington, D. C., for National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
D. (6) $3,793.99.

A. Leander I. Shelley, 30 Broad Street, New York, N. Y.
B. American Association of Port Authorities, Washington, D. C., and Airport Operators Council, Washington, D. C.
D. (6) $375. E. (9) $570.81.

A. Bruce E. Shepherd, 488 Madison Avenue, New York, N. Y.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.
D. (6) $125.

A. Robert H. Shields, 920 Tower Building, Washington, D. C.
B. United States Beet Sugar Association, 920 Tower Building, Washington, D. C.
D. (6) $2,000.

A. Ship Canal Authority of the State of Florida, 720 Florida Title Building, Jacksonville, Fla.
E. (9) $1,350.

A. Earl C. Shively, 16 East Broad Street, Columbus, Ohio.
B. The Ohio Railroad Association, 16 East Broad Street, Columbus, Ohio.
E. (9) $120.53.

A. Robert L. Shortle, 801 International Building, New Orleans, La.
B. Mississippi Valley Association, 1978 Railway Exchange Building, St. Louis, Mo.
D. (6) $2,000. E. (9) $307.86.

A. Charles B. Shuman, 2300 Merchandise Mart, Chicago, Ill.
B. American Farm Bureau Federation.
D. (6) $1,250.

A. Silk and Rayon Printer and Dyers Association of America, Inc., 1450 Broadway, New York, N. Y.
E. (9) $4,513.55.

A. Silver Users Association, 1612 I Street NW., Washington, D. C.
D. (6) $4,305. E. (9) $9,996.26.

A. Six Agency Committee, 909 South Broadway, Los Angeles, Calif.
D. (6) $10,000. E. (9) $14,664.24.

A. Stephen Slipher, Pennsylvania Building, Washington, D. C.
B. United States Savings and Loan League, 221 North LaSalle Street, Chicago, Ill.
D. (6) $1,750. E. (9) $43.

A. Elizabeth A. Smart, 144 Constitution Avenue NE., Washington, D. C.
B. National Woman's Christian Union, 1730 Chicago Avenue, Evanston, Ill.
D. (6) $606.12. E. (9) $281.71.

A. Dudley Smith, 732 Shoreham Building, Washington, D. C.
B. Association of Sugar Producers of Puerto Rico, 732 Shoreham Building, Washington, D. C.
D. (6) $4,250.

A. James R. Smith, 719 Omaha National Bank Building, Omaha, Nebr.
B. Mississippi Valley Association, 1978 Railway Exchange Building, St. Louis, Mo.
D. (6) $2,500. E. (9) $303.51.

A. Lloyd W. Smith, 416 Shoreham Building, Washington, D. C.
B. Chicago, Burlington & Quincy Railroad Co., 547 West Jackson Boulevard, Chicago, Ill., and Great Northern Railway Co., 175 East Fourth Street, St. Paul, Minn.
D. (6) $3,675.

A. Purcell L. Smith, 1200 18th Street NW., Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
D. (6) $5,000. E. (9) $953.78.

A. Robert E. Smith, 116 Nassau Street, New York, N. Y.
B. Life Insurance Policyholders Protective Association, 116 Nassau Street, New York, N. Y.
E. (9) $206.90.

A. Madlyn Smyth, 690 Market Street, San Francisco, Calif.
B. Alden Lown, receiver appointed by the superior court of the city and county of San Francisco to represent him in the matter of *Barrett and Hilp* v. *McDonald and Rutherford*.
D. (6) $1,000. E. (9) $691.41.

A. Leland Glen Snarr, 2576 Redondo Avenue, Salt Lake City, Utah.
B. David W. Evans & Associates Advertising Agency, Phillips Petroleum Building, Salt Lake City, Utah.
D. (6) $1,500.

A. Edward F. Snyder, 104 C Street NE., Washington, D. C.
B. Friends Committee on National Legislation, 104 C Street NE., Washington, D. C.
D. (6) $1,375. E. (9) $340.87.

A. J. D. Snyder, 1040 LaSalle Hotel, Chicago, Ill.
B. Illinois Railroad Association, 33 South Clark Street, Chicago, Ill.
D. (6) $825.

A. Southern States Industrial Council, 1103 Stahlman Building, Nashville, Tenn.
D. (6) $18,081.75. E. (9) $25,585.52.

A. Spence & Hotchkiss, 40 Wall Street, New York, N. Y.
B. Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C.

A. Lyndon Spencer, 305 Rockefeller Building, Cleveland, Ohio.
B. Lake Carriers' Association, 305 Rockefeller Building, Cleveland, Ohio.

A. Spokesmen for Children, Inc., 19 East 92d Street, New York, N. Y.
D. (6) $165. E. (9) $652.63.

A. Thomas G. Stack, 1104 West 104th Place, Chicago, Ill.
B. National Railroad Pension Forum, Inc., 1104 West 104th Place, Chicago, Ill.
D. (6) $1,600. E. (9) $2,362.12.

A. Howard M. Starling, 837 Washington Building, Washington, D. C.
B. Association of Casualty & Surety Cos., 60 John Street, New York, N. Y.
D. (6) $150. E. (9) $24.50.

A. Samuel Elliot Stavisky, 9307 Singleton Drive, Bethesda, Md.
B. Asociacion de Colonos de Cuba, Agramonte 465, Habana, Cuba, and Asociacion Nacional de Hacendados de Cuba, Agramonte 465, Habana, Cuba.
D. (6) $3,750. E. (9) $4,923.29.

A. Mrs. Nell P. Stephens, Post Office Box 6234, Northwest Station, Washington, D. C.

A. Russell M. Stephens, 900 F Street NW., Washington, D. C.
B. American Federation of Technical Engineers, 900 F Street NW., Washington, D. C.
D. (6) $240. E. (9) $20.

A. Mrs. Alexander Stewart, 214 Second Street NE., Washington, D. C.
B. Women's International League for Peace and Freedom, 214 Second Street NE., Washington, D. C.
D. (6) $11,370.19. E. (9) $12,254.16.

A. Charles T. Stewart, 1737 K Street NW., Washington, D. C.
B. National Association of Real Estate Boards, 22 West Monroe Street, Chicago, Ill.
D. (6) $4,259.90. E. (9) $509.90.

A. Erskine Stewart, 808 Sheraton Building, 711 14th Street NW., Washington, D. C.
B. National Retail Dry Goods Association, 100 West 31st Street, New York, N. Y.
E. (9) $1.25.

A. Edwin L. Stoll, 1737 K Street NW., Washington, D. C.
B. National Association of Real Estate Boards, 22 West Monroe Street, Chicago, Ill.
D. (6) $2,949.78. E. (9) $299.78.

A. Sterling F. Stoudenmire, Jr., 61 St. Joseph Street, Mobile, Ala.
B. Waterman Steamship Corp., 61 St. Joseph Street, Mobile, Ala.
D. (6) $1,000.

A. Paul A. Strachan, 1370 National Press Building, Washington, D. C.
B. American Federation of the Physically Handicapped, Inc., 1370 National Press Building, Washington, D. C.

A. O. R. Strackbein, executive secretary of America's Wage Earners' Protective Conference, 400 Bowen Building, Washington, D. C.
D. (6) $2,538.46.

A. O. R. Strackbein, 400 Bowen Building, Washington, D. C.
B. International Allied Printing Trades Association, Box 728, Indianapolis, Ind.
D. (6) $625.

A. D. R. Strackbein, as chairman for the Nation-Wide Committee of Industry, Agriculture & Labor on Import-Export Policy, 815 15th Street NW., Washington, D. C.
D. (6) $3,875.01.

A. Arthur Sturgis, Jr., 1145 19th Street NW., Washington, D. C.
B. American Retail Federation, 1145 19th Street NW., Washington, D. C.
D. (6) $625. E. (9) $8.

A. J. E. Sturrock, Post Office Box 2084 Capitol Station, Austin, Tex.
B. Texas Water Conservation Association, Box 2084, Capitol Station, Austin, Tex.
D. (6) $1,800. E. (9) $722.56.

A. Sullivan, Bernard, Shea & Kenney, 804 Ring Building, Washington, D. C.
B. Southern Pacific Co., 65 Market Street, San Francisco, Calif.
E. (9) $24.42.

A. Leo V. Sullivan, 106 Chestnut Street, West Haven, Conn.
B. New York, New Haven & Hartford Railroad Co., 54 Meadow Street, New Haven, Conn.
D. (6) $1,650. E. (9) $953.57.

A. Frank L. Sundstrom, 350 Fifth Avenue, New York, N. Y.
B. Schenley Industries, Inc., 350 Fifth Avenue, New York, N. Y.

A. Noble J. Swearingen, 1790 Broadway, New York, N. Y.
B. National Tuberculosis Association, 1790 Broadway, New York, N. Y.
D. (6) $1,125. E. (9) $472.02.

A. Synthetic Organic Chemical Manufacturers Association of the United States, 41 East 42d Street, New York, N. Y.
D. (6) $178.53. E. (9) $178.53.

A. Glenn J. Talbott, 1575 Sherman Street, Denver, Colo.
B. Farmers Educational and Cooperative Union of America (National Farmers Union), 1404 New York Avenue NW., Washington, D. C., and 1575 Sherman Street, Denver, Colo.
D. (6) $1,250. E. (9) $269.06.

A. John R. Talmage, 2734 Morgan Drive, Salt Lake City, Utah.
B. David W. Evans & Associates Advertising Agency, Phillips Petroleum Building, Salt Lake City, Utah.
D. (6) $1,750.

A. Barrett Godwin Tawresey, 1600 Arch Street, Philadelphia, Pa.
B. Insurance Company of North America, 1600 Arch Street, Philadelphia, Pa.

A. Tax Equality Committee of Kentucky, 310 Commerce Building, Louisville, Ky.
D. (6) $365.50. E. (9) $391.69.

A. Dwight D. Taylor, Jr., 918 16th Street NW., Washington, D. C.
B. American Airlines, Inc., 918 16th Street NW., Washington, D. C.
D. (6) $2,350. E. (9) $590.

A. Edward D. Taylor, 777 14th Street NW., Washington, D. C.
B. Office Equipment Manufacturers Institute, 777 14th Street NW., Washington, D. C.

A. Jay Taylor, 712 First National Bank Building, Amarillo, Tex.
B. American National Cattlemen's Association, 801 East 17th Avenue, Denver, Colo.

A. Tyre Taylor, 917 15th Street NW., Washington, D. C.
B. Southern States Industrial Council, Stahlman Building, Nashville, Tenn.
D. (6) $3,000. E. (9) $308.09.

A. Ruth H. Tegtmeyer, 1001 Connecticut Avenue NW., Washington, D. C.
B. Transportation Association of America, 1001 Connecticut Avenue NW., Washington, D. C., and 130 N. Wells Street, Chicago, Ill.

A. John U. Terrell, 407 Tower Building, Washington, D. C.
B. Colorado River Association, 306 West Third Street, Los Angeles, Calif.
D. (6) $3,000.

A. Texas Water Conservation Association, 207 West 15th Street, Austin, Tex.
D. (6) $4,480. E. (9) $4,904.51.

A. Oliver A. Thomas, 43 Sierra Street, Reno, Nev.
B. Nevada Railroad Association, 43 Sierra Street, Reno, Nev.
D. (6) $675. E. (9) $1,077.38.

A. W. M. Thomas, 1028 Connecticut Avenue NW., Washington, D. C.
B. National Postal Transport Association, 1028 Connecticut Avenue NW., Washington, D. C.
D. (6) $3,000.

A. Chester C. Thompson, 1319 F Street NW., Washington, D. C.
B. The American Waterways Operators, Inc., 1319 F Street NW., Washington, D. C.
D. (6) $6,500. E. (9) $201.

A. Julia C. Thompson, 711 14th Street, Washington, D. C.
B. American Nurses' Association, 2 Park Avenue, New York, N. Y.
D. (6) $1,531.88.

A. Richard A. Tilden, 441 Lexington Avenue, New York, N. Y.
B. The Clothespin Manufacturers of America, 839 17th Street NW., Washington, D. C.
D. (6) $1,734.30. E. (9) $339.80.

A. G. D. Tilghman, 1604 K Street NW., Washington, D. C.
B. Disabled Officers Association, 1604 K Street NW., Washington, D. C.
D. (6) $2,750. E. (9) $77.55.

A. E. W. Tinker, 122 East 42d Street, New York, N. Y.
B. American Paper & Pulp Association, 122 East 42d Street, New York, N. Y.

A. William H. Tinney, 1223 Pennsylvania Building, Washington, D. C.
B. The Pennsylvania Railroad Co., 1740 Suburban Station Building, Philadelphia, Pa.

A. M. S. Tisdale, 4200 Cathedral Avenue, Washington, D. C.
B. Armed Services Committee, Chamber of Commerce, Vallejo, Solano County, Calif.
D. (6) $295. E. (9) $392.56.

A. H. Willis Tobler, 1731 I Street NW., Washington, D. C.
B. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.
D. (6) $2,228.35. E. (9) $128.35.

A. John H. Todd, 1085 Shrine Building, Memphis, Tenn.
B. National Cotton Compress & Cotton Warehouse Association, 1085 Shrine Building, Memphis, Tenn.
D. (6) $239.58.

A. Wallace Townsend, 306 Commercial National Bank Building, Little Rock, Ark.
B. Southwestern Gas & Electric Co., Shreveport, La.
D. (6) $600.

A. Matt Triggs, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $1,969. E. (9) $78.07.

A. Harold J. Turner, Henry Building, Portland, Oreg.
B. Spokane, Portland and Seattle Railway Co., South Pacific Co., and Union Pacific Railroad Co., Henry Building, Portland, Oreg.

A. William S. Tyson, 736 Bowen Building, Washington, D. C.
B. Local No. 30, Canal Zone Pilots, Post Office Box 493, Balboa, Canal Zone.
D. (6) $102.31. E. (9) $35.30.

A. Unemployed Service Association, 622 5th Street, Washington, D. C.

A. Union Producing Co., 1525 Fairfield Avenue, Shreveport, La.
E. (9) $2,101.76.

A. United Cerebral Palsy Association, Inc., 369 Lexington Avenue, New York, N. Y.
E. (9) $1,343.52.

A. United States Beet Sugar Association, 920 Tower Building, Washington, D. C.

A. United States Cuban Sugar Council, 910 17th Street NW., Washington, D. C.
D. (6) $97,262.61. E. (9) $39,855.48.

A. Upper Colorado River Grass Roots, Inc., Grand Junction, Colo.
D. (6) $31,401.48. E. (9) $22,622.83.

A. Richard G. Van Buskirk, 535 North Dearborn Street, Chicago, Ill.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $1,062.51.

A. Vegetable Growers Association of America, Inc., 528 Mills Building, 17th and Pennsylvania Avenue NW., Washington, D. C.
E. (9) $61.35.

A. Weston Vernon, Jr., 15 Broad Street, New York, N. Y.
B. New York Stock Exchange, 11 Wall Street, New York, N. Y.
D. (6) $150.

A. R. K. Vinson, 1346 Connecticut Avenue NW., Washington, D. C.
B. Machinery Dealers National Association, 1346 Connecticut Avenue NW., Washington, D. C.

A. Stanley Vogt.
B. Farmers Educational & Cooperative Union of America, 1404 New York Avenue, NW., Washington, D. C., and 1575 Sherman Street, Denver, Colo.
D. (6) $1,534.96. E. (9) $143.27.

A. The Vulcan Detinning Co., Sewaren, N. J.

A. Claude R. Wallace, 1453 Harvard Street NW., Washington, D. C.

A. Woollen H. Walshe, 3423 Joseph Street, New Orleans, La.
B. California Commercial Co., Inc., 635 Shoreham Building, Washington, D. C.
D. (6) $409.99. E. (9) $414.11.

A. Stephen M. Walter, 1200 18th Street NW., Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
D. (6) $1,493.75. E. (9) $54.82.

A. Thomas G. Walters, 100 Indiana Avenue NW., Washington, D. C.
B. Government Employees' Council, A. F. of L., 100 Indiana Avenue NW., Washington, D. C.

A. Qualfe M. Ward, 1145 19th Street NW., Washington, D. C.
B. American Retail Federation, 1145 19th Street NW., Washington, D. C.
D. (6) $1,000. E. (9) $12.25.

A. Washington Board of Trade, 1616 K Street NW., Washington, D. C.

A. Washington Committee, Association of Sugar Producers of Puerto Rico, 732 Shoreham Building, Washington, D. C.
D. (6) $6,750. E. (9) $6,750.

A. Washington Home Rule Committee, Inc., 1728 L Street NW., Washington, D. C.
D. (6) $1,681.45. E. (9) $1,878.47.

A. Washington Real Estate Board, Inc., 312 Wire Building, Washington, D. C.
E. (9) $500.

A. Vincent T. Wasilewski, 1771 N Street NW., Washington, D. C.
B. National Association of Radio & Television Broadcasters, 1771 N Street NW., Washington, D. C.

A. Waterways Council Opposed to Regulation Extension, 21 West Street, New York, N. Y.
D. (6) $575. E. (9) $4,492.75.

A. J. R. Watson, I. C. R. R. Passenger Station, Jackson, Miss.
B. Mississippi Railroad Association, I. C. R. R. Passenger Station, Jackson, Miss.
E. (9) $361.39.

A. Watters & Donovan, 161 William Street, New York City.
B. New York & New Jersey Dry Dock Association, 161 William Street, New York City.

A. Thomas Watters, Jr., 161 William Street, New York, N. Y., and Shoreham Building, Washington, D. C.
B. Bigham, Englar, Jones & Houston, 99 John Street, New York, N. Y., and Shoreham Building, Washington, D. C.
E. (9) $257.23.

A. Weaver & Glassie, 1225 19th Street NW., Washington, D. C.
B. National Electrical Contractors Association and the Liaison Committee.
D. (6) $5,000. E. (9) $1,000.91.

A. Weaver & Glassie, 1225 19th Street NW., Washington, D. C.

A. William H. Webb, 1720 M Street NW., Washington, D. C.
B. National Rivers and Harbors Congress, 1720 M Street NW., Washington, D. C.
D. (6) $1,649.60. E. (9) $1,137.71.

A. Wayne M. Weishaar, 1115 17th Street NW., Washington, D. C.
B. Aeronautical Training Society, 1115 17th Street NW., Washington, D. C.
D. (6) $3,300. E. (9) $2.69.

A. Edward M. Welliver, 1424 16th Street NW., Washington, D. C.
B. American Trucking Association, Inc., 1424 16th Street NW., Washington, D. C.
D. (6) $1,550.90. E. (9) $145.

A. Bernard Weitzer, 1712 New Hampshire Avenue NW., Washington, D. C.
B. Jewish War Veterans' of the United States of America, 1712 New Hampshire Avenue NW., Washington, D. C.
D. (6) $2,499.96. E. (9) $352.42.

A. Moss & Wels, 551 Fifth Avenue, New York, N. Y.
B. Bowling Proprietors Association of America, Inc., 185 North Wabash Avenue, Chicago, Ill.

A. William E. Welsh, 897 National Press Building, Washington, D. C.
B. National Reclamation Association, 897 National Press Building, Washington, D. C.
D. (6) $3,249.99. E. (9) $198.05.

A. West Coast Inland Navigation District, Courthouse, Bradenton, Fla.
E. (9) $764.68.

A. Robert V. Westfall, 10 Independence Avenue SW., Washington, D. C.
B. Brotherhood of Railroad Trainmen.

A. Frank J. Whalen, Jr., 2000 Massachusetts Avenue NW., Washington, D. C.
B. W. F. Beunderman, Jr., No. 8 Mahaaiweg, Willemstad, Curacao, South America.
E. (9) $4.45.

A. George Y. Wheeler II, 1625 K Street NW., Washington, D. C.
B. Radio Corporation of America, 1625 K Street NW., Washington, D. C.

A. Kenneth W. White, 619 F Street NW., Washington, D. C.
B. National Agricultural Limestone Institute, Inc., 619 F Street NW., Washington, D. C.
E. (9) $17.

A. Richard P. White, 635 Southern Building, Washington, D. C.
B. American Association of Nurserymen, Inc., 635 Southern Building, Washington, D. C.
D. (6) $3,375. E. (9) $72.28.

A. H. Leigh Whitelaw, 60 East 42d Street, New York, N. Y.
B. Gas Appliance Manufacturers Association, Inc., 60 East 42d Street, New York, N. Y.

A. Louis E. Whyte, 918 16th Street NW., Washington, D. C.
B. Independent Natural Gas Association of America, 918 16th Street NW., Washington, D. C.
D. (6) $750.

A. Joseph F. Wildebush, 7 Church Street, Paterson, N. J.
B. Silk & Rayon Printers & Dyers Association of America, Inc., 1450 Broadway, New York, N. Y.

A. Herbert P. Wilkins, care of Palmer Dodge Gardner & Bradford, 53 State Street, Boston, Mass.
B. Creole Petroleum Corp., Empire State Building, New York, N. Y.

A. A. E. Wilkinson, 417 Investment Building, Washington, D. C.
B. The Anaconda Co., 616 Hennessy Building, Butte, Mont.
D. (6) $1,500. E. (9) $253.51.

A. Franz O. Willenbucher, 1616 I Street NW., Washington, D. C.
B. Retired Officers Association, 1616 I Street NW., Washington, D. C.
D. (6) $2,100.

A. Leon W. Williams, 2 Gouverneur Place, Bronx, N. Y.
D. (6) $2.46. E. (9) $10.22.

A. Hugh S. Williamson, 1621 K Street NW., Washington, D. C.
B. Association of American Ship Owners, 76 Beaver Street, New York, N. Y.

A. John C. Williamson, 1737 K Street NW., Washington, D. C.
B. Realtors' Washington Committee, National Association of Real Estate Boards, 1737 K Street NW., Washington, D. C.
D. (6) $4,800. E. (9) $986.01.

A. E. Raymond Wilson, 104 C Street NW., Washington, D. C.
B. Friends Committee on National Legislation, 104 C Street NW., Washington, D. C.
D. (6) $1,675. E. (9) $416.21.

A. Everett B. Wilson, Jr., 732 Shoreham Building, Washington, D. C.
B. Association of Sugar Producers of Puerto Rico, 732 Shoreham Building, Washington, D. C.
D. (6) $2,500.

A. Frank E. Wilson, M. D., 1523 L Street NW., Washington, D. C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $950. E. (9) $229.83.

A. J. B. Wilson, McKinley, Wyo.
B. Wyoming Wool Growers Association, McKinley, Wyo.
E. (9) $805.97.

A. W. E. Wilson, 1525 Fairfield Avenue, Shreveport, La.
B. Union Producing Co., 1525 Fairfield Avenue, Shreveport, La., and United Gas Pipe Line Co., 1525 Fairfield Avenue, Shreveport, La.
D. (6) $450. E. (9) $1,651.76.

A. Everett T. Winter, 1978 Railway Exchange Building, St. Louis, Mo.
B. Mississippi Valley Association, 1978 Railway Exchange Building, St. Louis, Mo.
D. (6) $3,750. E. (9) $563.28.

A. Wood, King & Dawson, 48 Wall Street, New York, N. Y.
B. Committee for Broadening Commercial Bank Participation in Public Financing, 50 South La Salle Street, Chicago, Ill.
D. (6) $9,000. E. (9) $9,038.05.

A. Walter F. Woodul, 818 Chronicle Building, Houston, Tex.
B. Angelina & Neches River Railroad Co., Keltys, Tex., et al.
D. (6) $6,353.49. E. (9) $1,530.29.

A. Walter F. Woodul, 818 Chronicle Building, Houston, Tex.
B. Humble Oil & Refining Co., Houston, Tex.
D. (6) $1,555.46. E. (9) $1,634.29.

A. Frank K. Woolley, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $2,344. E. (9) $163.49.

A. Edward W. Wootton, 1100 National Press Building, Washington, D. C.
B. Wine Institute, 717 Market Street, San Francisco, Calif.

A. Donald A. Young, 1615 H Street NW., Washington, D. C.
B. Chamber of Commerce of the United States of America, 1615 H Street NW., Washington, D. C.

A. J. Banks Young, 1832 M Street NW., Washington, D. C.
B. National Cotton Council of America, P. O. Box 18, Memphis, Tenn.
D. (6) $900. E. (9) $37.49.

REGISTRATIONS

The following registrations were submitted for the first calendar quarter 1955:

(NOTE.—The form used for registration is reproduced below. In the interest of economy, questions are not repeated, only the answers are printed, and are indicated by their respective letter and number. Also for economy in the RECORD, lengthy answers are abridged.)

FILE TWO COPIES WITH THE SECRETARY OF THE SENATE AND FILE THREE COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19------

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:
(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)
(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".
(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:
(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.
(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:
1. State name, address, and nature of business.

2. If this Report is for an Employer, list names or agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302 (e).
(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).
(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (a) Description, (b) quantity distributed; (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.

AFFIDAVIT

[Omitted in printing]

PAGE 1

A. Arthur F. Aebersold, 900 F Street NW., Washington, D. C.
B. Retirement Federation of Civil Service Employees of the United States Government, 900 F Street NW., Washington, D. C.

A. Airport Operators Council, 1625 K Street NW., Washington, D. C.

A. Wilbur H. Baldinger, 1751 N Street NW., Washington, D. C.
B. Citizens Committee on the Fair Labor Standards Act, 1751 N Street NW., Washington, D. C.

A. R. M. Beach, National Press Building, Washington, D. C.
B. Outdoor Advertising Association, Chicago, Ill.

A. H. M. Baldrige.
B. U. S. Cane Sugar Refiners Association, 1001 Connecticut Avenue NW., Washington, D. C.

A. Hudson Biery, 1012 Federal Reserve Bank Building, Cincinnati, Ohio.
B. Ohio Valley Improvement Association, Inc., 1012 Federal Reserve Bank Building, Cincinnati, Ohio.

A. Robert J. Bird, 731 Washington Building, Washington, D. C.
B. The Massachusetts Protective Association, Worcester, Mass.

A. Robert J. Bird, 731 Washington Building., Washington, D. C.
B. The Paul Revere Life Insurance Co., Worcester, Mass.

A. Kenneth M. Birkhead, 1830 Jefferson Place, NW., Washington, D. C.
B. American Veterans Committee, 1830 Jefferson Place NW., Washington, D. C.

A. William Blum, Jr., 1741 K Street NW., Washington, D. C.
B. Committee for Study of Revenue Bond Financing, 30 Broad Street, New York, N. Y.

A. Granville S. Borden, 225 Bush Street, San Francisco, Calif.
B. Mohave Mining & Milling Co., Box 1106, Wickenburg, Ariz.

A. Charles Bragman, 838 National Press Building, Washington, D. C.
B. M. F. Comer Bridge and Foundation Co., 990 Northwest North River Drive, Miami, Fla.

A. William A. Bresnahan, 1424 16th Street NW., Washington, D. C.
B. American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.

A. Carl S. Buchanan, 404 Hollister Building, Lansing, Mich.
B. Michigan Motor Bus Association.

A. Henry H. Buckman, 54 Buckman Building, Jacksonville, Fla.
B. The Ship Canal Authority of the State of Florida, 720 Florida Title Building, Jacksonville, Fla.

A. Bulgarian Claims Committee, 24 Beekman Street, New York, N. Y.

A. Harold Burke.
B. U. S. Cane Sugar Refiners Association, 115 Pearl Street, New York, N. Y.

A. E. Thos. Burnard, 1625 K Street NW., Washington, D. C.
B. Airport Operators Council, 1625 K Street NW., Washington, D. C.

A. Bernard N. Burnstine, 900 F Street NW., Washington, D. C.
B. Jewelry Industry Tax Committee, Inc., 50 Broadway, New York, N. Y.

A. Monroe Butler, 417 South Hill Street, Los Angeles, Calif.
B. The Superior Oil Co., 930 Edison Building, Los Angeles, Calif.

A. Sally Butler, 1300 17th Street NW., Washington, D. C.
B. American Society of Composers, Authors and Publishers, 575 Madison Avenue, New York, N. Y.

A. Mary B. Cameron, 3220 Luwana Lane, Knoxville, Tenn.
B. International Ladies Garment Workers' Union, 1710 Broadway, New York, N. Y.

A. Cassidy & Renneisen, 1519 Heyburn Building, Louisville, Ky.
B. Stephen Fitzgerald & C., 575 Madison Avenue, New York, N. Y.

A. Nicholas J. Chase, 400 Wyatt Building, Washington, D. C.
B. Frederick Stafford, 745 Fifth Avenue, New York, N. Y.

A. Clarence E. Cleveland, Montpelier, Vt.
B. Vermont State Railroads Association, Montpelier, Vt.

A. Warren A. Clohisy, 1500 Massachusetts Avenue, NW., Washington, D. C.
B. Mail Order Association of America, 1500 Massachusetts Avenue NW., Washington, D. C.

A. Joseph H. Colman, 1300 First National Soo Line Building, Minneapolis, Minn.
B. First Bank Stock Corp., 400 First National Soo Line Building, Minneapolis, Minn.

A. M. F. Comer Bridge and Foundation Co., 990 NW., North River Drive, Miami, Fla.

A. Committee on Imports for the American Pulpwood Industry, 220 East 42d Street, New York, N. Y.

A. Howard L. Cousins, Jr., 84 Harlow Street, Bangor, Maine.
B. Bangor and Aroostock Railroad Co., 84 Harlow Street, Bangor, Maine.

A. Charles W. Davis, 1 North LaSalle Street, Chicago, Ill.
B. Ontario Land Co., 807 Lonsdale Building, Duluth, Minn.

A. Donald S. Dawson, 731 Washington Building, Washington, D. C.
B. Schenley Distillers, Inc., Empire State Building, New York, N. Y.

A. Dwight, Royall, Harris, Koegel & Caskey, and Kenneth C. Royall and Ralph D. Pittman, Wire Building, Washington, D. C.
B. Twentieth Century-Fox Film Corp., 444 West 56th Street, New York City; Warner Bros. Pictures, Inc., 321 West 44th Street, New York City; Paramount Pictures Corp., Paramount Building, New York City; RKO Radio Pictures, Inc., 1270 6th Avenue, New York City; United Artists Corp., 729 7th Avenue, New York City; Columbia Pictures Corp., 729 7th Avenue, New York City; Loew's Inc., 1540 Broadway, New York City; Universal Pictures Co., Inc., 445 Park Avenue, New York City.

A. The Ethanol Institute, 624 Associates Building, South Bend, Ind.

A. Edward Falck, 1625 I Street NW., Washington, D. C.
B. Consolidated Edison Company of New York, Inc., et al., 4 Irving Place, New York, N. Y.

A. Joseph G. Feeney, 5508 Montgomery Street, Chevy Chase, Md.
B. American Association of Railroads, Transportation Building, Washington, D. C.

A. Maurice W. Fillius, 703 National Press Building, Washington, D. C.
B. Kasser Distillers Products Corp., Philadelphia, Pa.

A. Edward J. Flynn, 1422 North Highland Avenue, Los Angeles, Calif.
B. Creole Petroleum Corp., Empire State Building, 350 Fifth Avenue, New York, N. Y.

A. Martin L. Friedman, 425 13th Street NW., Washington, D. C.
B. Chapman & Wolfsohn, 425 13th Street NW., Washington, D. C.

A. Ginsburg, Leventhal & Brown, 1632 K Street NW., Washington, D. C.
B. Society To Study Private Property Interests in Foreign Countries, Contrescarpe 46, Bremen, Germany.

A. Arthur J. Goldberg, 1001 Connecticut Avenue NW., Washington, D. C.
B. Joint Minimum Wage Committee, Congressional Hotel, Washington, D. C.

A. Henry W. Goodall, 28 East Jackson Boulevard, Chicago, Ill.
B. Mississippi Valley Association, 1978 Railway Exchange Building, St. Louis, Mo.

A. Robert A. Grant, 624 Associates Building, South Bend, Ind.
B. The Ethanol Institute, 624 Associates Building, South Bend, Ind.

A. Jerry N. Griffin, 731 Washington Building, Washington, D. C.
B. Schenley Distillers, Inc., Empire State Building, New York, N. Y.

A. Hal H. Hale, 425 Transportation Building, Washington, D. C.
B. Association of American Railroads, Transportation Building, Washington, D. C.

A. W. F. Hall, Sparta, Ga.
B. National Association of Soil Conservation Districts, League City, Tex.

A. Everett A. Hayes, 1422 North Highland Avenue, Los Angeles, Calif.
B. Creole Petroleum Corp., Empire State Building, New York, N. Y.

A. F. Cleveland Hedrick, Jr., 1001 Connecticut Avenue NW., Washington, D. C.
B. Motorola, Inc., 4545 Augusta Boulevard, Chicago, Ill.

A. Theodore Jaffe, 400 Wyatt Building, Washington, D. C.
B. Frederick Stafford, 745 Fifth Avenue, New York, N. Y.

A. Thomas W. James, 134 South LaSalle Street, Chicago, Ill.
B. Cleary, Gottlieb, Friendly & Bell, 224 Southern Building, Washington, D. C.

A. Joint Minimum Wage Committee, Congressional Hotel, Washington, D. C.

A. Robert I. Kabat, 1303 New Hampshire Avenue NW., Washington, D. C.
B. National Rural Electric Cooperative Association, 1303 New Hampshire Avenue NW., Washington, D. C.

A. Robert C. Keck, 134 South LaSalle Street, Chicago, Ill.
B. Hardboard Association, 30 North LaSalle Street, Chicago, Ill.

A. Arthur C. Keefer, 900 F Street NW., Washington, D. C.
B. War Department Beneficial Association, U. S. Department of Labor Beneficial Association, and U. S. Departments of Commerce and Justice Beneficial Association, Washington, D. C.

A. James C. Kelley, 1900 Arch Street, Philadelphia, Pa.
B. American Machine Tool Distributors' Association, 1900 Arch Street, Philadelphia, Pa.

A. James P. Kem, 1625 K Street NW., Washington, D. C.
B. The Tariff Committee of the Woven Felt Industry, care of Albany Felt Co., Albany, N. Y.

A. Joyce L. Kornbluh, 4612 High Street, Chevy Chase, Md.
B. Minimum Wage Committee, 1001 Connecticut Avenue, Washington, D. C.

A. Kreeger, Ragland & Shapiro, Investment Building, Washington, D. C.
B. Alden Lown, 600 Montgomery Street, San Francisco, Calif.

A. William C. Lantaff, 916 Dupont Building, Miami, Fla., and 805 Cafritz Building, Washington, D. C.
B. United States Cuban Sugar Council, 910 17th Street NW., Washington, D. C.

A. Phillip Lemelman, 209 Washington Street, Boston, Mass.
B. Aluminum Extruders Council, 209 Washington Street, Boston, Mass.

A. Artemas C. Leslie, 416 Mills Building, 17th Street and Pennsylvania Avenue, Washington, D. C.
B. Blue Cross Commission of the American Hospital Association, 425 North Michigan, Chicago, Ill.

A. John W. Lindsey, 1741 K Street NW., Washington, D. C.
B. Committee for Study of Revenue Bond Financing, 30 Broad Street, New York, N. Y.

A. Joe T. Lovett, 1625 I Street NW., Washington, D. C.
B. American Retail Federation, 1625 I Street NW., Washington, D. C.

A. LeRoy E. Lyon, Jr., 530 West Sixth Street, Los Angeles, Calif.

A. George McLain, 1031 South Grand Avenue, Los Angeles, Calif.
B. National Institute of Social Welfare, 1031 South Grand Avenue, Los Angeles, Calif.

A. George W. Malcomson, 740 11th Street NW., Washington, D. C.
B. Chrysler Sales Corp., 12200 East Jefferson Avenue, Detroit, Mich.

A. Joseph F. Marias, 461 Market Street, San Francisco, Calif.
B. Compania Maritima, 109 Juan Luna, Manila, Philippines.

A. Edwin G. Martin, 717 National Press Building, Washington, D. C.
B. Kasser Distillers Products Corp., Philadelphia, Pa.

A. Jay R. Martin, 55 New Montgomery Street, San Francisco, Calif.
B. Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.

A. James G. Michaux, 1625 I Street NW., Washington, D. C.
B. American Retail Federation, 1625 I Street NW., Washington, D. C.

A. Roger C. Minahan, 735 North Water Street, Milwaukee, Wis.
B. Pfister & Vogel Tanning Co., 1531 North Water Street, Milwaukee, Wis.

A. Seymour S. Mintz, 810 Colorado Building, Washington, D. C.
B. Republic Steel Corp., Cleveland, Ohio.

A. Allen P. Mitchem, 406 Majestic Building, Denver, Colo.
B. Board of Water Commissioners, City and County of Denver, State of Colorado.

A. Walter H. Moorman, 4650 East-West Highway, Bethesda, Md.
B. The Maryland Railroad Association, care of E. H. Burgess, 2 North Charles Street, Baltimore, Md.

A. Joseph A. Moran and Associates, 726 Jackson Place NW., Washington, D. C.
B. Uranium Ore Producers Association, Grand Junction, Colo.

A. Motorola, Inc., 4545 Augusta Boulevard, Chicago, Ill.

A. Morison, Murphy, Clapp & Abrams, Pennsylvania Building, Washington, D. C.
B. Group Health Dental Insurance, Inc., 120 Wall Street, New York, N. Y.

A. Peter R. Nehemkis, Jr., 1735 De Sales Street NW., Washington, D. C.
B. Cushman Motor Works, Inc., Lincoln, Nebr.; Simplex Manufacturing Corp., New Orleans, La.; Harley-Davidson Motor Co., Milwaukee, Wis.

A. A. Z. Nelson, 1319 18th Street NW., Washington, D. C.
B. National Lumber Manufacturers Association, 1319 18th Street NW., Washington, D. C.

A. Francis A. O'Connell, 1341 G Street NW., Washington, D. C.
B. Air Transport Division, Transport Workers Union, CIO., 80–07 Broadway, Elmhurst, N. Y.

A. John A. O'Donnell, 1025 Connecticut Avenue NW., Washington, D. C.
B. Philippine nonprofit educational, health, and welfare institutions, Manila, Philippine Islands.

A. John A. O'Donnell, 1025 Connecticut Avenue NW., Washington, D. C.
B. Philippine Steam Navigation Co.

A. George W. Overton, 134 South La Salle Street, Chicago, Ill.
B. Cleary, Gottlieb, Friendly & Bell, 224 Southern Building, Washington, D. C.

A. Irving R. M. Panzer, 1735 De Sales Street NW., Washington, D. C.
B. Steckler, Frank & Gutman, 60 East 42d Street, New York, N. Y.

A. A. Lee Parsons, 1625 I Street NW., Washington, D. C.
B. American Cotton Manufacturers Institute, Inc., 203–A Liberty Life Building, Charlotte, N. C.

A. Maurice G. Paul, Jr., 1001 Connecticut Avenue NW., Washington, D. C.
B. Motorola, Inc., 4545 Augusta Boulevard, Chicago 51, Ill.

A. Hugh Peterson, 1001 Connecticut Avenue NW., Washington, D. C.
B. U. S. Cane Sugar Refiners Association, 1001 Connecticut Avenue NW., Washington, D. C.

A. J. Hardin Peterson, Cochrane Building, Lakeland, Fla.
B. Howard L. Shannon, Acting Trustee for Color Legislative Fund, Lakeland, Fla.

A. Milton Plumb, 10 Independence Avenue SW., Washington, D. C.
B. United States Section, Joint United States-Mexican Trade Union Committee (A. F. of L., CIO, United Mineworkers & Railway Labor Executives Association Brotherhoods).

A. Postal Transportation Contractors of America, 422 Washington Building, Washington, D. C.

A. W. E. Reynolds, 1012 14th Street NW., Washington, D. C.
B. Webb & Knapp, Inc.

A. Thomas E. Rhodes, Southern Building, Washington, D. C.
B. P. F. Claveau, P. O. Box 1958, Anchorage, Alaska.

A. John J. Riley, 1128 16th Street NW., Washington, D. C.
B. American Bottlers of Carbonated Beverages, 1128 16th Street NW., Washington, D. C.

A. Robert Emmet Rodes, 34 West 65th Street, New York, N. Y.

A. Gerald E. Rowley, 466 Lexington Avenue, New York, N. Y.
B. Associated Railroads of New York State, 466 Lexington Avenue, New York, N. Y.

A. Maurice Rosenblatt, 1138 Pennsylvania Building, Washington, D. C.
B. North American Airlines, Burbank, Calif.

A. Walter S. Rothschild, 52 Wall Street, New York, N. Y.
B. Cleary, Gottlieb, Friendly & Hamilton, 52 Wall Street, New York, N. Y., and Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.

A. John T. Sapienza and Walter A. Slowinski, 701 Union Trust Building, Washington, D. C.
B. Chicago and North Western Railway System, 400 West Madison Street, Chicago, Ill.

A. Benjamin H. Saunders and Fuller Holloway, 1000 Shoreham Building, Washington, D. C.
B. Sunray Mid-Continent Oil Co., Tulsa, Okla.

A. Howard L. Shannon, acting trustee for Color Legislative Fund, Lakeland, Fla.

A. William F. Sharon, 55 New Montgomery Street, San Francisco, Calif.
B. Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.

A. Sharp & Bogan, 1010 Vermont Avenue NW., Washington, D. C.
B. Elof Hansson, Inc., 225 East 42d Street, New York, N. Y.; Johaneson, Wales & Sparre, Inc., 250 Park Avenue, New York, N. Y.; Treetex Corp., 347 Madison Avenue, New York, N. Y.; W. R. Grace & Co. (Pacific coast), 3 Pine, San Francisco, Calif.

A. M. Q. Sharpe, Kennebec, S. Dak.
B. Tribal Council, Lower Brule Tribe, Sioux Indians, Lower Brule, S. Dak.; Tribal Council, Crow Creek Tribe, Sioux Indians, Ft. Thompson, S. Dak.; Tribal Council, Standing Rock Tribe, Sioux Indians, Ft. Yates, N. Dak.

A. Sher, Oppenheimer & Harris, 1026 Woodward Building, Washington, D. C.
B. A. S. Aloe Co., St. Louis, Mo.

A. Ship Canal Authority of the State of Florida, 720 Florida Title Building, Jacksonville, Fla.

A. Richard L. Shook, 1026 16th Street NW., Washington, D. C.

A. Robert L. Shortle, 801 International Building, New Orleans, La.
B. Mississippi Valley Association, 1978 Railway Exchange Building, St. Louis, Mo.

A. T. W. Smiley, 135 East 11th Place, Chicago, Ill.

A. Madlyn Smyth, 690 Market Street, San Francisco, Calif.
B. Alden Lown, San Francisco, Calif.

A. Frank C. Staples, 168 Aspen Street, Floral Park, N. Y.
B. American Molasses Co., 120 Wall Street, New York, N. Y.

A. Ernest F. Staub, 208 South LaSalle Street, Chicago, Ill.
B. Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.

A. Herman Sternstein, 1001 Connecticut Avenue NW., Washington, D. C.
B. O. David Zimring, 1001 Connecticut Avenue NW., Washington, D. C., and 11 South LaSalle Street, Chicago, Ill.

A. Dale I. Stoops, 55 New Montgomery Street, San Francisco, Calif.
B. Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.

A. Dale I. Stoops, 55 New Montgomery Street, San Francisco, Calif.
B. U. S. Cuban Sugar Council, 910 17th Street NW., Washington, D. C.

A. Frank L. Sundstrom, 350 Fifth Avenue, New York, N. Y.
B. Schenley Industries, Inc., 350 Fifth Avenue, New York City, N. Y.

A. Hajime William Tanaka, 1757 K Street NW., Washington, D. C.

A. Tariff Committee of the Felt Industry, care of Lewis R. Parker, Chairman, Albany Felt Co., Albany, N. Y.

A. John Thomas Taylor, 14th Street and New York Avenue NW., Washington, D. C.
B. The Advertising Distributors of America, 400 Madison Avenue, New York, N. Y.

A. United States Beet Sugar Association, 920 Tower Building, Washington, D. C.

A. U. S. Cane Sugar Refiners Association, 1001 Connecticut Avenue NW., Washington, D. C.

A. United States Citizens Association, Canal Zone, Post Office Box 354, Balboa, C. Z.

A. Frank J. Whalen, Jr., 2000 Massachusetts Avenue NW., Washington, D. C.
B. W. F. Beunderman, Jr., No. 8 Mahaaiweg, Willemstad, Curacao, South America.

A. Anna Helton Wiley, 2345 Ashmead Place, Washington, D. C.
B. The Women's City Club, 1733 I Street NW.; National League of American Pen Women, 1300 17th Street NW.; North Star Union of the WCTU; District of Columbia Federation of Citizens Associations, and District of Columbia Federation of Women's Clubs, Washington, D. C.

A. Edgar A. Zingman, 300 Marion E. Taylor Building, Louisville, Ky.
B. Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.

EXTENSIONS OF REMARKS

A Report to the People

EXTENSION OF REMARKS
OF

HON. GEORGE M. RHODES

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1955

Mr. RHODES of Pennsylvania. Mr. Speaker, I take this opportunity to report to my constituents, the people of Berks County, the 14th District of Pennsylvania.

PURPOSE OF THE REPORT

This report deals with the work and the record of the 84th Congress and summarizes my activities, the position which I have taken on important national issues. I realize that my legislative record will not please every one of my constituents in every respect. That is to be expected in a democracy, where each of us has the right to his own opinion—a right that we must always respect and safeguard.

I sincerely believe that the voters have the right to know how their Representatives stand on issues of importance to all Americans. For that reason, I have made a weekly radio report on the activities of Congress and submit this summary report. I have conscientiously tried to keep the people of Berks County informed and to represent them honestly and well. In all of my actions I have tried to do what I thought was in the public interest and what would promote the greatest good for the greatest number of our people.

COMMITTEE ASSIGNMENTS

During the 84th Congress I have served on two committees. One is the Post Office and Civil Service Committee on which I have served ever since coming to Congress. My other committee assignment has been the House Administration Committee, which has jurisdiction over legislation affecting the management of the House of Representatives and the House side of the Capitol. This committee also has jurisdiction over the expenditures of funds for House investigating committees.

ATTENDANCE

During this session my 98-percent-attendance record was again one of the highest in the Congress. A perfect attendance was marred by my absence one afternoon due to conflicting duties.

CASEWORK

Many individual cases and problems are handled by my office in behalf of my constituents. They include veterans' problems, hardship cases among servicemen, immigration cases, social-security and postal-service complaints, railroad retirement problems, and many other miscellaneous types of problems which arise between a citizen and his Government. It is a service which my office renders as promptly as possible with fairness and courtesy to all. I have endeavored to give every possible assistance to those seeking my aid and counsel. It is a distinct privilege to be of service to all of my constituents whom I have the honor of representing in Congress.

WASHINGTON VISITS

It has been my pleasure to welcome many individual citizens and groups from Berks County on their visits to Washington. With the assistance of Mrs. Rhodes, I have tried to make their visits interesting, educational, and enjoyable. A visit to Washington to see our Government in action is one of the best ways for people to understand truly the priceless heritages of freedom and democracy which we enjoy. Numerous student groups, boy and girl scouts, women's and religious groups came to Washington from Berks County this past year.

COMMITTEE TESTIMONY

As part of my congressional duties during the session, I have appeared before various House Committees to offer testimony on various legislation. They have included such subjects as problems in the procurement of defense contracts for small businesses in Berks County, problems of retail gasoline dealers, investigation of economic difficulties of the textile industry, and minimum wage legislation.

CONGRESSIONAL DEBATE

I have taken part in important debates on the floor of the House and discussed such questions as foreign trade policy, postal-pay legislation, foreign policy, student exchange program, Salk vaccine, farm-price-support legislation, statehood for Hawaii and Alaska, social-security amendments, public housing, and minimum-wage legislation.

SURPLUS FOOD PROGRAM

Along with other members of the Pennsylvania congressional delegation, I sought a reversal of the Agriculture Department's order to curtail the scope of the surplus food disposal program among the needy people of Berks County and

the State of Pennsylvania. We were successful in convincing Agriculture Department officials that the humanitarian operation of the program should be continued.

DEMOCRATIC COOPERATION WITH ADMINISTRATION

Democrats in Congress have maintained a responsible, constructive opposition to the Eisenhower administration, supporting and strengthening administration proposals which we believed in the public interest and opposing those measures which benefit the privileged few at the expense of the welfare of all. I did not approve of resorting to blind and irresponsible opposition simply for political reasons. I voted with or against the administration solely on the merit of the question under consideration.

A summary of the administration's legislative record through June 1955 shows that Democrats supplied the margin of victory for the President on all 18 House rollcalls where his program was successful. Democrats in both House and Senate supported the President's foreign policy to a greater extent than did members of his own party. House Democrats supported his foreign policy on 69 percent of the votes cast while Republicans compiled only a 49 percent record of support.

My own voting record through June 1955 shows that I supported the President on 52 percent of all rollcall votes and opposed his position on 48 percent. On foreign policy votes I supported his position 70 percent of the time.

LEGISLATIVE RECORD OF THE 84TH CONGRESS

The 84th Congress took some important strides forward but the progress was not what should have been made to meet successfully the challenge of automation, abundance and surpluses.

The average citizen did not properly share in the prosperity created by increased production, scientific and technical advances.

Those of us who wanted to channel some of this prosperity to aged, retired, disabled and handicapped citizens were in a minority. We wanted to aid these people through the enactment of legislation to expand and improve social security and retirement programs. We urged improved service in Federal regulatory and inspection activities to protect the consumers and the public. In part we were successful. But in numerous cases monopoly restrictions were weakened or removed and had the effect of aiding monopoly interests at the expense of the average citizen. Small business also suffered because of the advantages won by monopoly interests. I joined with other liberal members in an effort to aid wage earners, small farmers and white collar folks but we were in a minority because a number of southern Democrats joined with administration leaders to defeat our proposals.

A conservative coalition controlled the 84th Congress and watered down or blocked numerous progressive measures which liberal Members considered essential for the well-being and prosperity of the average citizen and his family. Listed below are some of the important proposals acted upon by the 84th Congress:

Taxes: I favored the proposal for an increase in income-tax exemption. As a compromise the House voted a $20 per person tax reduction. While passed by the House, administration opposition in the Senate killed the effort for tax relief for low-income groups.

Social security: I voted for improvements in the social-security law to reduce the retirement age for women from 65 to 62 years of age and to permit disabled workers to draw benefits at age 50 instead of age 65. Coverage was also extended to most professions. I introduced legislation calling for other liberal social-security improvements. The bill which passed the House is stalled until next session due to administration opposition in the Senate.

Housing: I supported legislation to provide a program of slum clearance and urban redevelopment and decent public housing and housing assistance for aged persons. The House rejected the public and aged housing provisions and an inadequate program was finally approved in the final version of the bill. It authorized 45,000 public housing units in the next year, eliminating housing-for-the-aged provisions.

Trade program: The President proposed an extension of the trade program to help expand our foreign trade, create new markets for our manufactured goods, and stimulate employment opportunities. The bill was enacted by the Congress and had overwhelming Democratic support.

Farm price supports: The House passed a bill to restore high, rigid price supports for basic farm commodities. I voted against the bill because I was convinced that a majority of Berks County farmers were in favor of the flexible support system. The Senate did not act on the measure during this session. In my opinion the real solution to declining farm income lies in an expanding, full-employment economy which will benefit all Americans.

Railroad retirement: A bill to liberalize the benefits to railmen's wives and widows was enacted. It will also place staff positions on the Railroad Retirement Board under civil service. I voted for the bill. I made a number of proposals to improve the law, some of which were adopted.

Antitrust law penalties: A bill was passed increasing penalties under the Sherman antitrust law from $5,000 to $50,000. I gave it my support in the hope that this will help small business and discourage the monopoly trend in this country.

Debt limit: The administration's request to increase the limit of the national debt was approved. In protest against deceptive promises to balance the budget and decrease the national debt, I joined the minority in voting against lifting the debt ceiling. Furthermore, I objected to some of the fiscal policies which put an added burden on the average citizen and which increased the national debt.

Highways: The administration's bond financing proposal was defeated because it would have cost over $11 billion in interest rates alone. No agreement could be reached on a highway bill this session. Everyone seems to want better roads but no one wants to pay for them. The pay-as-you-go bill seemed to be a practical approach, but many Members thought the financial end of the program should be handled by experts on the House Ways and Means Committee. A highway program is most essential and Congress will most likely pass some legislation to meet the problem in the next session.

School construction: Action on much-needed Federal aid for school construction was delayed until next year. A good bill was reported by the committee after the administration's bond-financing bill was rejected. Action will be taken on this important issue next session.

Natural gas: The bill to exempt producers of natural gas from Federal regulation, despite a decision of the Supreme Court to the contrary, was passed by the House by a narrow margin. If enacted into law, this bill will cost the American consuming public an estimated $800 million a year in higher gas rates, about $41 million of which would come out of the pockets of Pennsylvanians. I thought this was another example of how this Congress was neglecting the interest of the average citizen and I opposed the bill.

GIVEAWAY PROGRAMS

Administration opponents opposed what they called a wholesale giveaway program which started in the 83d Congress. The watchful eyes of Congress have now been turned to flagrant abuses of the public trust in various departments and agencies of our Government.

House and Senate investigating committees have focused public attention on a number of examples of activities in behalf of the special interests at the expense of the public welfare. Administration opponents in this Congress have succeeded in blocking the so-called "giveaway" trend started in the 83d Congress with tidelands oil, atomic energy, public power, and priceless natural resources rightfully belonging to the people.

DIXON-YATES

The infamous Dixon-Yates deal, still under investigation by a congressional committee, was canceled after nationwide public protests and congressional revelations. Cancellation was made only after disclosures in the case implicated the President's own White House assistant.

Had the Dixon-Yates deal succeeded, it would have struck a death blow at the Tennessee Valley Authority which played such an important role in providing the power necessary to forge the tools of victory in World War II. Senator ESTES KEFAUVER led the successful fight against the administration's Dixon-Yates deal. He charged that power monopolies make no secret of their desire to eliminate TVA, thus abolishing the yardstick of power rates which have kept rates reasonable.

HOOVER COMMISSION

Under the guise of promoting efficiency in Government the Commission headed by former President Herbert Hoover has recommended sweeping cutbacks in programs and services provided in New and Fair Deal reform legislation. The

Commission has urged crippling reductions in the Veterans' Administration program for needy and disabled veterans, and has recommended proposals to weaken the civil-service merit system. It has proposed cutbacks in Government lending activities for small business, in home loans and farm loans and has urged elimination of public power projects.

I have opposed waste and inefficiency in Government but I have also opposed efforts of Mr. Hoover to destroy essential legislation under the guise of economy.

REGULATORY COMMISSIONS

Presidential appointments to the various regulatory Commissions have shown a shocking disregard of the public interest. These Commissions have the duty to protect the American people against exorbitant utility rates, fraudulent stocks, false advertising, monopolistic practices, and render other similar important services.

A disturbing pattern of appointments has developed. Individuals who have come out of the ranks of the businesses regulated under the law have been named to regulatory commissions. One lawyer who spent his life arguing cases before a commission in behalf of large companies was named as chairman of the very same commission. Officials with long records of devoted service in safeguarding the public interest have been quietly shown the door.

CONFLICTS OF INTEREST

Many of us in Congress have expressed great concern over the appointment of so many men to key positions in executive departments where they could exercise policymaking authority affecting companies and businesses with which they had formerly been associated. Use of official position for private gain cannot be condoned, whatever the particular circumstances.

Examples of a conflict of interest have revealed the cases of so-called dollar-a-year men from private industry on loan to the Government actually negotiating defense contracts with their own companies.

Still another case has revealed that a Pentagon official making important oil policy decisions has been receiving two salaries—one from the Government and one from an oil company where he is a vice president.

SALK VACCINE

I have been deeply concerned about the manner and attitude of department heads in the handling of the Salk polio vaccine program. Millions of Americans hailed the discovery of the Salk vaccine as the long-awaited preventative to the crippling polio disease. The confusion, delay, and lack of proper vaccine-testing procedures was most unfortunate. Secretary Hobby had to face the responsibility because her opposition to Government-sponsored wholesale vaccination of all children. Those of us who favored a strong Department of Health, Education, and Welfare were concerned because of Secretary Hobby's general attitude toward health, education, and welfare programs. Her last act before resigning her Cabinet post was to ask a Senate committee to delay action in improving the social security law. She was highly praised by the President, and was most influential in preventing favorable action this year on the social security bill.

MILITARY MEN IN CIVILIAN POSTS

I have become increasingly alarmed at the great number of retired generals and admirals who have been appointed to key positions in the Eisenhower administration, positions which have historically been occupied by civilians. Many other top military men have recently been named to top executive posts in companies having extensive defense contract business with the Government. This is a dangerous trend. Ours is a Government of civilian authority; the military must always remain in a strictly subordinate position if our historic concepts of government are to be maintained.

SMALL BUSINESS

The administration has been conspicuous in ignoring the needs and problems of small businesses, while removing restrictions on big monopolies. Consistently underbid in defense contracts, small businesses have felt the pinch of monopolistic competition, aggravated by high taxes and reduced purchasing power among great segments of our population.

NEWS CENSORSHIP

Members of Congress as well as newspaper editors and writers have become alarmed over the recent trend in the administration to suppress legitimate news stories concerning vital subjects of interest to the American people. While conceding that security reasons are not involved, administration leaders have repeatedly withheld information which they felt might prove embarrassing if made known to the public. A congressional investigating subcommittee will soon begin hearings on this police-state method of news censorship which is so alien to our system of Government.

THE CHALLENGE AHEAD

Much yet remains to be done in the 2d session of the 84th Congress. Such issues as social security and retirement legislation, aid and opportunity for handicapped persons, public housing, school construction, highway legislation and other important legislation requires further action.

The real challenge of the future is the challenge of abundance. A way must be found to channel our productive genius in the fields of manufactured goods and farm commodities into the hands of the millions of Americans now existing on meager pensions, substandard diets, in dilapidated slum housing, the children attending inadequate schools, growing up amid poverty and disease on a standard of living which is shameful in this great land of abundance.

We must initiate policies to establish a full employment, expanding economy to provide more jobs at decent wages. We must have increased purchasing power in the hands of our neglected, low-income families and our old folks so that they can afford to buy the manufactured goods and farm surpluses which bulge from our warehouses and storage bins.

Despite the fact that production and profits are at an all time high, many millions of our citizens are in want for the basic necessities of life. Unemployment in many areas continues at unnecessarily high levels. The cost of living remains high and continues to be a hardship on unemployed workers, their families, and the millions of our retired senior citizens who struggle to exist on inadequate pensions or social-security benefits.

We must break the grip of monopoly which feeds on scarcity. We must drive the fear of abundance from our land. Abundance for all citizens need not mean lower profits for our industries. On the contrary it could mean even greater expansion and greater prosperity in which all would share.

There were other important issues before the Congress. Statehood for Hawaii and Alaska, which I supported, was rejected. I opposed the sale of Government-owned rubber plants for a small fraction of their real worth.

In a brief report it is not possible to completely tell the full story of this session of Congress. I will therefore make myself available, without expense, to any group in Berks County which desires me to speak, answer questions or debate on issues of national importance.

Contact my Reading or Washington office with any such requests or on any matter in which you may be interested.

Reduction in Budget Estimates

EXTENSION OF REMARKS

OF

HON. JOHN TABER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1955

Mr. TABER. Mr. Speaker, the appropriations bills are now through, with the exception of the legislative bill. As that is a comparatively small total of the whole, I have included what might be the result if the bill is passed. If it is not passed, and we have a continuing resolution, the total figure of budget estimates will undoubtedly be reduced by the continuing resolution by at least $10 million—just how much it is impossible to say.

I have prepared a table indicating the processes of the bills from the budget through the House and the Senate, which I submit herewith.

The table shows a reduction in the budget estimates of $2,003,361,014. In a great many ways, there have been things that have happened in connection with the appropriation bills that tend to wipe out the figures that appear on the surface. For instance, in the public-works bill, projects were initiated, many of them without any budget estimate, with an ultimate aggregate cost of upward of $3 billion.

In addition to that, in the agricultural bill, there were items above the budget aggregating $120 million that do not show. In the mutual security bill, there were items of reappropriation that were

not known about beforehand that were reappropriated and took the place of direct appropriations out of the Treasury, involving approximately $300 million.

The concealed appropriations for the Agriculture Department and mutual-security items of reappropriation should really be deducted from the overall reduction in the saving that has been made, thus reducing the saving to about $1,500,000,000.

It looks to me as though, if we were careful, that the budget could be balanced in the fiscal year 1956, beginning July 1 next. The current picture for the month of July indicates that the income taxes, excise taxes, and customs duties have all begun to go up, and the overall receipts of July were up nearly $150 million. On the other hand, the expenditures have gone up. The big increase in items is in the foreign-relief expenditures and the Veterans' Administration expenditures, but those figures should not carry through in that way all through the year, and the deficit should be much less than it has been.

Title	Budget estimates considered by Congress	Reported to House	Passed House	Reported to Senate	Passed Senate	Public law
Regular annual:						
Treasury-Post Office	$3,360,385,000	$3,282,553,000	$3,282,553,000	$3,358,622,000	$3,358,622,000	$3,322,488,500
Treasury Department	604,398,000	595,818,000	595,818,000	603,348,000	603,348,000	599,598,000
Post Office Department	2,754,817,000	2,685,700,000	2,685,700,000	2,754,104,000	2,754,104,000	2,721,720,500
Tax Court of the United States	1,170,000	1,035,000	1,035,000	1,170,000	1,170,000	1,170,000
Labor-Health, Education, and Welfare	2,432,148,861	2,337,522,261	2,337,522,261	2,404,055,600	2,404,905,600	2,373,516,500
Labor Department	470,116,000	417,792,900	417,792,900	418,838,900	418,838,900	418,303,650
Health, Education, and Welfare	1,949,465,861	1,907,403,361	1,907,403,361	1,972,890,700	1,973,740,700	1,942,886,850
Related agencies	12,567,000	12,326,000	12,326,000	12,326,000	12,326,000	12,326,000
Interior and related agencies	314,523,056	298,271,246	297,825,546	327,987,088	327,987,088	317,573,627
Agriculture and farm credit	898,384,574	880,260,050	880,260,050	884,393,923	884,433,923	883,051,623
Independent offices	5,640,155,000	5,845,595,375	5,845,595,375	5,882,379,500	5,848,394,500	5,842,458,500
State, Justice, and Judiciary	483,531,912	450,398,227	450,398,227	481,985,418	481,985,418	466,302,415
State Department	147,267,197	126,769,977	126,769,977	147,549,608	147,549,608	137,450,905
Justice Department	201,485,000	197,525,000	197,525,000	200,445,000	200,445,000	198,735,000
Judiciary	30,279,715	29,603,250	29,603,250	30,640,810	30,640,810	30,116,510
USIA	88,500,000	80,500,000	80,500,000	88,350,000	88,350,000	85,000,000
Refugee relief	16,000,000	16,000,000	16,000,000	15,000,000	15,000,000	15,000,000
Defense	32,232,815,000	31,488,206,000	31,488,206,000	31,836,521,336	31,882,915,726	31,882,815,726
Office of the Secretary	12,750,000	12,400,000	12,400,000	12,670,000	12,670,000	12,670,000
Interservice activities	682,250,000	672,250,000	672,250,000	682,250,000	682,250,000	682,250,000
Army	7,573,980,000	7,329,818,000	7,329,818,000	7,330,053,000	7,330,053,000	7,329,953,000
Navy	9,180,157,000	9,071,834,000	9,071,834,000	9,071,785,166	9,118,179,556	9,118,179,556
Air Force	14,783,678,000	14,401,904,000	14,401,904,000	14,739,763,170	14,739,763,170	14,739,763,170
District of Columbia	21,892,700	17,892,700	17,892,700	21,892,700	21,892,700	19,892,700
	(175,462,020)	(166,547,509)	(166,901,780)	(169,456,749)	(169,456,749)	(168,843,440)
General Government matters	28,777,700	21,890,700	21,890,700	27,166,300	27,166,300	27,166,300
Public works	1,801,465,000	1,285,746,242	1,372,122,800	1,377,491,000	1,377,571,000	1,365,613,500
Commerce and related agencies	1,366,393,000	1,121,435,000	1,123,685,000	1,314,617,300	1,317,192,300	1,245,360,000
Legislative	92,641,411	66,298,175	66,298,175	92,924,027	93,025,527	92,808,972
Mutual Security	3,350,541,750	2,701,275,000	2,701,275,000	3,205,341,750	3,205,841,750	2,703,341,750
The supplemental, 1956	2,123,351,072	1,648,876,128	224,276,628	1,826,111,614	1,830,078,614	1,656,625,802
Military construction	(1,480,000,000)	(1,402,329,000)	(0)	(1,280,377,300)	(1,283,044,300)	(1,193,869,300)
Subtotals	54,147,006,036	51,383,686,854	50,047,368,212	53,041,489,556	53,062,012,446	52,199,015,915
Deficiency and supplemental acts:						
Urgent deficiency, 1955	160,000	25,000	25,000	993,950	1,013,950	1,013,950
Second supplemental, 1955	952,002,718	855,212,429	857,187,429	938,402,835	945,412,835	898,805,875
Department of Justice	750,000	710,000	710,000	710,000	710,000	710,000
Second urgent deficiency, 1955	28,263,475	25,263,475	25,263,475	25,263,475	25,263,475	25,263,475
House of Representatives		12,000	12,000	12,000	12,000	12,000
Permanent and corporation appropriations	7,711,162,199	7,711,162,199	7,711,162,199	7,711,162,199	7,711,162,199	7,711,162,199
Subtotals, deficiency and supplemental acts	8,692,338,392	8,592,385,103	8,594,360,103	8,676,544,459	8,683,574,459	8,636,967,499
Grand totals, session	62,839,344,428	59,976,071,687	58,641,728,315	61,718,034,015	61,745,586,905	60,835,983,414

Small Town Employees and Employers—Local Collective Bargaining

EXTENSION OF REMARKS

OF

HON. CLARE E. HOFFMAN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1955

Mr. HOFFMAN of Michigan. Mr. Speaker, a letter received recently from a small-town employer emphasizes a long-existing trend which may ultimately bar industrial plants from all except a very few large communities. This employer writes:

Our company, although not in any way a part of the automotive industry, is being hard pressed to meet the union demands granted in the recent Ford and General Motors contracts.

Recently our employees' union dues were raised from $2.50 per month to $7.50 per month (UAW–CIO). The purpose of this dues increase, of course, was to establish a $25 million strike fund, completely controlled by the officials of the UAW. This is big money, much bigger than a company the size of ours (whose total sales are less than $5 million per year) can combat.

Organized labor has, obviously, taken complete control of interstate commerce. This fact is well established in the Kohler situation.

Even more disturbing is the further fact that our union locals have lost their power to arrive at contractual agreements with their employers, due to the fact that the international holds veto power over any arrangements which we may make with our own men.

General Motors, Ford, Steel, and a few other employers, joining with the UAW–CIO and other nationally powerful labor unions, have created and now maintain a monopoly of the labor supply. They have destroyed the independence of the employee. His right to bargain for his own services. They have placed him in the same category with raw material. They have made him just a cog in an industrial machine, to be bought or sold when a labor dispute is on.

No longer can the individual worker seek, hold a job which he considers desirable. Using special privileges and benefits given by labor legislation and employing violence, intimidation, a disregard of all law and authority, unions now successfully insist that an individual shall not hold a job unless he joins the union, pays dues and the arbitrary assessments levied by union officials.

The right of a local union to bargain collectively no longer exists, because the international, with the approval of General Motors, Ford, Steel, and others, insists local workers shall not make an agreement with the employer unless the contract is approved by the international.

This arbitrary, tyrannical practice exists because of monopolistic agreements between big employers and labor unions. It is implemented through strikes, where violence and illegal interference with interstate and foreign trade

are usual. Coupled with the present-day advancement in automatic production, this practice will undoubtedly drive the small employer out of business. It will deprive millions of independent, homeowning workers, living in smaller communities, of their jobs.

Because of the millions—in 1 or 2 instances, the billions—of dollars at the command of industrial employers, they are now able to purchase labor-saving machinery of latest design, to produce with fewer employees, and using less production hours, and at less cost, many times the former output.

The result has been higher profits, higher wages—both desirable; little, if any, lessening in the cost to consumer, and a form of competition which smaller employers cannot meet if compelled to submit to the demands of international union officers. Smaller employers might be able to continue their operations if they were permitted to bargain collectively with local employees, but this the international unions will not permit.

Employees outside the big cities have certain advantages. They are not required to live in small, uncomfortable apartments, penned in like some animal, restricted in their comings and their goings, crowded, elbowed, and pushed around by their neighbors, many of whom they do not know; dependent upon the supermarket or the corner store for opportunity to purchase their daily sustenance.

The worker in the smaller community, though earning a less wage, usually owns his own home; has his own plot of grass or garden, his own automobile; sends his children to a neighborhood school; attends his own church; is within easy reach of a pleasant countryside, river, or lake. He is an independent, self-supporting, thrifty citizen—interested in and participating in local affairs—social, municipal, educational, and religious.

Unless not only employees, but citizens generally in smaller communities, and I refer now to cities of less than 250,000 inhabitants, awaken to and realize the meaning of the present situation and trend, industrial employment in their cities will certainly diminish if it does not cease.

Local workers should not only be given, but they should exercise, the right to bargain collectively through their own union with local employers.

Absentee domination is just as unsound and harmful in labor unions as it is in corporations.

A greedy, self-seeking, politically ambitious labor boss is just as bad as is his prototype in the industrial world.

Government Clinics

EXTENSION OF REMARKS
OF
HON. A. L. MILLER
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. MILLER of Nebraska. Mr. Speaker, it has been my custom every other year, during adjournment to hold Government clinics in each of the 38 county seat towns in my district. These meetings are not political, but merely question and answer periods to give folks an opportunity to visit with their Representative, ask questions, and to render a report of my stewardship in Congress.

The first hour is devoted to school students, entitled "Youth Wants to Know." The last hour is for adults who may attend. Following is the schedule of clinics for the period from October 10 through October 20:

Monday, October 10: North Platte, 2 to 4 p. m., gas company building; Tryon, 7 to 9 p. m.

Tuesday, October 11: Stapleton, 2 to 4 p. m.; Thedford, 7 to 9 p. m.

Wednesday, October 12: Mullen, 2 to 4 p. m.; Arthur, 7 to 9 p. m.

Thursday, October 13: Chappel, 2 to 4 p. m.; Oshkosh, 7 to 9 p. m.

Friday, October 14: Grant, 10 to 12 a. m.; Ogallala, 2 to 4 p. m.

Monday, October 17: Brewster, 2 to 4 p. m.; Broken Bow, 7 to 9 p. m.

Tuesday, October 18: Lexington, 2 to 4 p. m.; Kearney, 7 to 9 p. m.

Wednesday, October 19: Burwell, 2 to 4 p. m.; Ord, 7 to 9 p. m.

Thursday, October 20: Loup City, 2 to 4 p. m.; Grand Island, 7 to 9 p. m.

Note: All meetings will be held in the county courthouse unless otherwise indicated. The public is invited.

Thou Shalt Show Us Wonderful Things in Thy Righteousness, O God of Our Salvation; Thou That Art the Hope of All the Ends of the Earth and of Them That Remain in the Broad Sea

EXTENSION OF REMARKS
OF
HON. EDWARD H. REES
OF KANSAS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. REES of Kansas. Mr. Speaker, under permission approved by the House, I am including a very fine address delivered at the regular Thursday morning prayer breakfast meeting 2 weeks ago by our colleague, the Honorable CLIFF YOUNG, of Nevada. In order that other Members of Congress, who did not have a chance to hear Mr. YOUNG, may read the statement, I am including his remarks herewith. I am sure the Members will find his statement interesting.

REMARKS OF HON. CLIFF YOUNG, OF NEVADA, AT THE PRAYER BREAKFAST, JULY 14, 1955

When BILLY MATTHEWS, our president, asked me to speak here today, I felt somewhat like the young housemaid who, while seeking employment, was interviewed by a prospective employer. "Do you have any religious views?" was the question. The maid hesitated briefly and with an understanding look replied, "No, but I have some good pictures of Niagara Falls and the Great Lakes."

And, as this morning of accounting or day of judgment approached, I reflected on the truly superb religious messages and fine inspirational talks it has been my privilege to hear at these breakfast meetings; it made me feel even more inadequate. There came to mind the story of two members of a small country church who were discussing the virtues of their new minister with obvious approval. Said the first, "Say, can't he pray?"

"Yes," rejoined the second, "why he asks the Lord for things that that other preacher didn't even know He had." I might say that in the fullness of supplication, his prayers bear some resemblance to letters received from several of my constituents in the past few months.

I should like to take as my text today the 65th chapter of Psalms, fifth verse: "Thou shall show us wonderful things in Thy righteousness, O God of our salvation; Thou that are the hope of all the ends of the earth and of them that remain in the broad sea."

It has not been many years since George Bernard Shaw said he was sure that our world is the one to which other planets in the universe send their insane. And I might add, parenthetically, there are doubtless many of our constituents who would add that when these deluded individuals arrive on earth, they usually end up in Washington, D. C.

If there were an observer on another planet watching that which has transpired and is occurring today here on earth, he would have ample reason to wonder at our strange conduct. In a generation there have been two world wars and millions have perished as a result of man's inhumanity to man. Still these struggles have not shocked man into a realization of the gravity of our international problems and the urgent need for a peaceful solution before it is too late. The armament business is the biggest business in the world except perhaps for the current manufacture and sale of Davy Crockett toys. Everywhere throughout the universe men are looking into radar screens watching, watching, watching. The commonwealth of fear is universal.

Recently there appeared in the Washington Post and Times Herald Outlook a challenging, although I hope not too prophetic, article entitled "Death of Earth, Seen from A. D. 45000." It purported to be a review written of a singularly important set of volumes which was the report of a select exploratory mission from another planet. The volumes were entitled "The Rise and Annihilation of Earth Life."

For years there had apparently been some doubt on this other planet as to what had occurred on earth. This mission determined once and for all how death came but admitted that it was at an utter loss to discover why the destructive event was allowed to happen. What was this event? According to the mission, it was 240 simultaneous or near-simultaneous giant nuclear reactions.

Fortunately, the mission discovered a time capsule which gave much information about mankind. With regard to man's physical structure and appearance, they thought it rather bizarre. It was their conclusion, however, that he was equipped with a superb brain. Psychically, according to the mission, man stood apart. He was possessed of a nobility of aspiration, a cosmic as well as inner awareness, a respect for life, a feeling for beauty, and in his honoring of God and good, he was utterly unmatched, let alone surpassed elsewhere in the planetary system.

All the people of the earth save for some few harmless anachronisms in out-of-the-way places were roughly similar. Values cherished differed more in formal trappings than in their essence. They hoped the same hopes, were animated by the same basic forces and drives. Although many spoke different languages, interpretation was universal, and their knowledge of each other far exceeded the areas in which there was substantial lack of information.

According to the mission, the planet shrank and apparently man's mastery of nuclear energy meant that economic scarcity,

which had been a cause of countless conflicts, was no longer a major factor. The mission said that the reason for self-destruction defied speculation and that its imagination was not equal to the difficulty of postulating an issue over which people so far advanced would exterminate themselves.

The war when it came must have been quickly finished. Carnage at the blast site was immense, but man survived long enough to let fly a total of 240 nuclear weapons which the mission totaled in its inspection of the planet. Said the report, "On the site of one large city the ruins included a huge fallen obelisk and indicated it had been an important seat of government." And it continued, "The ruins of a capitol were found far inland on earth's largest continent." Thus apparently did the report allude to the once great capital cities of Washington, D. C., and Moscow, U. S. S. R.

Though hundreds of millions were killed outright, the majority, approximately 2 billion, died in the next few weeks or days as the heavily poisoned atmosphere was carried by wind and currents around the globe.

The volumes told how man had apparently made slow but steady progress against the elements and then concluded by saying, "But in one incredible moment he renounced his goal, mocked the flowering promise ahead of him, considered the ooze he had worked a billion or 2 years to escape, and embraced it."

When Winston Churchill was awarded the Nobel prize for literature, he wrote, "Since Alfred Nobel died in 1896, we have entered an age of storm and tragedy. The power of man has grown in every sphere except over himself. Never in the field of action have events seemed so harshly to dwarf personalities.

"The fearful question confronts us: Have our problems got beyond our control? Undoubtedly, we are passing through a phase where this may be so. Well may we humble ourselves and seek for guidance and mercy."

It is to avoid such a cataclysm as was described in the report of the select exploratory mission—to preserve mankind from extinction—that in my opinion represents the greatest challenge Christian civilization has ever faced. It seems appropriate this morning to take a few minutes to discuss this problem for several reasons. First, it was 10 years ago this week that man terrified himself by winning a monumental scientific victory. In our race with the Nazi scientists, fortunately the United States came in first. For 5 years we had exclusive possession. But atoms bear no imprint "Made in America," and no one expected this mastery of atomic power to remain solely ours. Thus it was not unexpected when Russia eventually announced it too had atom bombs but there was an element of surprise in the speed Soviet scientists exhibited in narrowing our lead.

Secondly, this last week Bertrand Russell, the British philosopher and mathematician, released a statement signed by Albert Einstein and several other prominent scientists in which they asked that mankind abolish war or face the risk of extinction by slow torture from radioactive dust and rain.

We are now in the year 10 of the atomic age, and great progress has been made in devising ingenious engines of destruction. For several years after the first atomic device was exploded, there was some doubt about the development of any great variety of these weapons. But time has wrought vast changes in our thinking on this subject. Nuclear fission explosions ranging from a few kilotons to perhaps as many as a hundred kilotons have been detonated at the proving ground in my own State, according to newspaper reports. At Eniwetok proving grounds in the Pacific presumably even larger detonations have occurred. These, of course, are the mere conventional fission explosions—little things measured against the H-bomb, which has been said by one grim jokester, to come in three sizes—big, bigger, and where is everybody.

Preliminary tests of the 1952 thermonuclear weapon using a device much smaller than the 1954 weapon, resulted in the virtual obliteration of an island of the Bikini atoll leaving a crater a mile wide and 175 feet deep in the ocean. But it was the 1954 test with its potential for raining down lethal radioactive fallout on 7,000 square miles which cause the greatest concern and has helped bring this problem into focus.

Leo Szilard of the University of Chicago and one of the principal architects of the atomic bomb, has estimated, according to one newspaper reporter, that 400 one-ton deuterium-cobalt bombs would release enough radioactivity to extinguish all life on earth. Bertrand Russell said there is credible authority to the effect that we can produce bombs 2,500 times as powerful as that which created the baleful light over Hiroshima.

In talking about the cobalt bomb, nuclear scientists sometimes quote an entry in the Journal of the Goncourt Brothers of April 7, 1869, exactly 86 years ago. The entry describes a conversation between leading scientists of the day in which they predicted that in a hundred years "Men would know of what the atom is constituted and would be able to create life (synthetically) in competition with God."

"We have a feeling," the Goncourt Journal states, "that when that time comes to science, God with His white beard will come down to earth swinging a bunch of keys and will say to humanity what they say at 5 o'clock in the saloon: 'Closing time, gentlemen'."

It used to be a favorite device of clergymen to conjure up a vivid picture of the tortures and horrors of hell awaiting the sinner and the fallen for unworthy conduct here on earth. With the development of nuclear power, it no longer requires the eloquence and fervor of a Dante to portray a tale of woe and horror. A brief statement of scientifically accepted facts will suffice as well—and we need not wait till the hereafter for proof of what is said.

The question that comes to our mind is this: Is there anything that can be done to prevent this holocaust or is it the inexorable will of God?

In my opinion, there is much that can be done and herein lies the greatest challenge that we, as Christians, have ever faced.

I do not think that God has placed us here on earth to have us wiped out in one hideous moment. The Bible tells us that He so loved the world that He gave His only begotten son to the end that all that believe in him should not perish but have everlasting life.

Nor do I think that our future is determined only by chance. As one famous scientist said, "Our God is not a dice-playing God." I do not subscribe to the thoughts of the poet who said, "All nature is but art unknown to thee. All chance, direction, which thou canst not see."

I believe "There is a divinity that shapes our ends roughhew them how we will." Christianity with its exalting of the individual, with its emphasis on his dignity and development and promise of immortality contains more to it, in my opinion, than that we must play some part here on earth in a predetermined script.

Life is a challenge; we should accept it willingly and gladly, treating the obstacles not as barriers but as steppingstones to ever-greater achievement. Not long ago I read in the paper where a Mrs. Fugal, a grandmother from Utah, was selected as mother of the year. Her life had not been easy. Hardship and work were her constant companions. She said, however, that she didn't want to live without troubles and problems because they make us strong. The problems and conflicts of life can have a similar effect on us as nations and peoples.

In this weary, atom-blessed world, what is the nature of the problem that presents this supreme challenge? With typical American tendency for oversimplification, may I suggest that the problem is twofold, consisting first of technology and, secondly, totalitarianism with a new face called communism. Either, taken alone, would present an enormous problem; but taken together they offer a challenge of the highest magnitude and one which we dare not ignore if we hope to survive.

Next comes the question: What can we, as a Christian nation, do? One possibility would be to engage in a preventive war to destroy the latter threat with the hope we could then control the former. This, however, is repugnant to Christian concepts. I am confidient we will never debase ourselves as a nation to achieve this end—an end which would certainly prove to be highly elusive.

Secondly, there is the possibility of following a policy of pacifism. This is consistent with many of our Christian concepts and principles but, in my opinion, Christian doctrine does not inflexibly require its adoption. To do so would inevitably result in our domination by an ideology and godless outlawry that has neither sympathy nor respect for Christian principles and peoples. Christianity would doubtless survive this ordeal but, understandably, there is little likelihood of popular support for such a policy even with the grim prospects of the atomic age.

Thirdly, we can maintain a posture of strength while we work with diligence and energy to promote Christianity both at home and abroad. The Bible reminds us, "When a strong man armed keepeth his court, those things are in peace which he possesseth." My 6-year-old son occasionally sings a verse from the ballad about Davy Crockett's gun Betsy which goes:

> "The only time I draw my gun,
> Believe me it is not in fun,
> I shoot it for defending me,
> I shoot for life and liberty."

It seems to me that we, as a nation, can do likewise without violating essential precepts of Christian living. This, to me, is the most realistic approach because it offers real hope and is capable of receiving widespread public support which is so necessary in our form of government.

In my opinion, the easiest problem to overcome will be that of communism. In the ideological conflict which now rages between Christianity and the doctrines of Marx, Christianity is bound to prevail. To build a country on Communist doctrine is to be like the foolish man in the Bible who built his house upon the sand, and the rains descended, and the floods came, and the winds blew and beat upon the house, and it fell and great was the fall of it. As the old hymn tells us, "Crowns and thrones may perish, kingdoms rise and wane, but the Church of Jesus constant will remain."

A far more difficult problem, to my way of thinking, than emerging triumphant in our contest with communism will be that of bringing about an understanding and trust among the nations of the world that will permit eventual disarmament with effective controls. Those who recall the Kellogg peace renunciation will perhaps feel little reason for optimism. So often it seems that those who least intend to keep such a pact are the first to favor its adoption. Perhaps the grim specter of what can happen to us in a nuclear war will soften the prejudices, the antipathies, and the antagonisms. War can be declared; peace cannot. It must emerge from causes which give rise to its development. Peace is not found in conferences or

laboratories but in the hearts of men. Perhaps out of the good will of the future will come enlightenment and intelligence which will create the restraints which are necessary to our existence in an atomic age.

As a nation, we, of course, are not fully responsible for what other countries and peoples do but we cannot avoid our obligations as a nation of convincing people of the world of our sincere good will and desire for peace. I believe it was Van Dyke who once said with regard to a man, "Four things a man must do if he would keep his record true: Learn to think without confusion clearly. Act from honest motive purely. Love his fellowmen sincerely. Trust in heaven and God securely." If we could do the same thing as a nation and convince others of it, we would have made great progress toward our end of convincing other people of our sincere desire for peace.

Our past record as a nation is not without blemish although we have in recent years demonstrated a generosity without parallel in the history of the world and during a time when our military strength was supreme.

We must show the world we are genuinely concerned about the welfare of others; we must back this up with deeds, as well as words. And in a world where mass communications are so highly developed and our enemies resort to every device to deceive and distort, it is essential that we make our position clearly understood. As the Bible tells us, "Let your light so shine before men, that they may see your good works and glorify your Father which is in heaven."

We have been derelict in our responsibility to missionary services abroad. It has been reported that when General MacArthur was in Japan, he asked for several thousand missionaries. We sent him instead a few hundred. Our United States Information Agency has done an excellent job in many respects but its staff is limited and appropriations inadequate. Its work should be broadened and accelerated to the end that the lies and distortions of our enemies may be unmasked and that our good work and intentions are clearly presented to peoples throughout the world who are looking for leadership, friendship, and good will.

Emerson once said that peace can only come if there is a triumph of principles. It is also true that no one can live in peace longer than his neighbors permit. It is essential, therefore, in our dealing with other countries that we endeavor to understand their problems, their aspirations and goals. We should not be like Mr. Smith and Mr. Jones, who lived next to each other. One day Mr. Jones sent a note to Mr. Smith which went somewhat as follows: "Mr. Jones sends his compliments and requests that Mr. Smith poison his dog because it barks at night and keeps the Jones family awake." Next day there came a note from Mr. Smith to Mr. Jones which went somewhat as follows: "Mr. Smith is delighted to return Mr. Jones' compliments and beg to inform him that he will be glad to poison his dog if Mr. Jones will shoot his daughter and destroy her piano."

There is a Mexican legend which illustrates the importance of a good neighbor. It concerns one San Ysito who was plowing in his field when an angel of the Lord appeared and requested that San Ysito accompany him back to the Lord. San Ysito refused. The second time the angel spoke, "If you do not come, the Lord will send you a sandstorm and a drought." San Ysito persisted in his refusal and said that he had withstood sandstorms before and when a drought came, he had obtained water from the river. Again the angel came and said, "If you do not return with me this time, the Lord will send you a bad neighbor." San Ysito put down his plow and said, "I will go with you. I can stand anything except a bad neighbor."

Our individual conduct is also extremely important in showing that we are a Christian nation and dedicated to the realization of the goals of the man who gave us the Sermon on the Mount. According to one observer, as Christians, our attitude toward our country should be like that of a good wife to her husband. She will do anything for him except stop criticizing and trying to improve him.

We must bear in mind that God works His will to some extent through us as His instruments. As a poet expressed it, "Christ has no hands but our hands to do His work today. He has no feet but our feet to lead men in His Way. He has no tongue but our tongues to tell men how He died. He has no help but our help to bring men to His side."

Small deeds and individual action have had profound effects on the history of our country. One of the great Baptist leaders of England during the last century was Charles Spurgeon. He was motivated to take up the life of a religious leader by the remarks of an itinerant minister. The transient preacher almost decided not to speak that night because of the smallness of the crowd. He never again saw Charles Spurgeon and never knew that his evening's work had kindled an outstanding religious career.

Several weeks ago when I was in Nevada delivering a commencement address in my hometown, I was talking to my aunt, who is a devoted Christian. She showed me a page from the Christian Advocate which, as I recall, was either written by or was about our colleague CHARLES BENNETT. She was quite impressed with its contents and the story of Charlie's life. I told her that we, too, were impressed with his life and good work, and I proceeded to amplify the story from my recollections of remarks he made as a discussion leader here a year or so ago.

Thus we never know just how far will be the effect of something we may do. As a poet expressed it, "Do a deed of simple kindness, though its end you may not see; it may reach like widening ripples down a long eternity."

And, of course, in this field, as in many others, actions always speak louder than words. I recall a verse written by Edgar Guest: "I'd rather see a sermon than hear one any day; I'd rather one should walk with me than merely tell the way; the eye's a better pupil and more willing than the ear; fine counsel is confusing but examples always clear; and the best of all the preachers are the men who live their creeds; for to see good put in action is what everybody needs."

And in this period of peril and uncertainty it is important that we, as Christians, pray wholeheartedly for guidance and strength, not only for ourselves but also for our leaders and the leaders of other countries in the world. In some respects we are like the little boy who was of the habit of going to sleep each night with the lights on. At last his father thought the time had come for him to turn off the lights when he went to bed, and he made this suggestion to the little boy. The little fellow replied that, if such were the case, he wanted to get up and say his prayers again because he had left out several words. Perhaps we are in somewhat the same position as this little boy. Unfortunately, too many people do not realize the gravity of the situation we face. For if they did, they, too, might say their prayers again. In the words of Churchill, "Well may we humble ourselves and seek for guidance and mercy."

In the year 451 the most fearful of all barbarians threatened to swallow up the dying Roman empire. The Huns were marching on Rome, ravishing and destroying everything in their path. They were led by Attila, king of the Huns, a short, squat, swarthy man known as the Scourge of God, who inspired his savage followers with such enthusiasm that it enflamed their natural lust for destroying, burnishing, and ravishing.

In the terrible battle he was repulsed but did not give up his plans for conquering the world. The very next spring he set out again, ravishing and destroying. Everywhere people fled.

While the Romans trained a second army for defense, Leo the aged Bishop of Rome, trusting only in God, put on his stateliest robes and went forth to meet the wolf who threatened the precious flock. Harmless in his simplicity, venerable in his gray hair, he stood before the grim Hun and pleaded so bravely for mercy that Attila, deeply impressed, withdrew his hoard from Italy without attacking Rome. This was his last attempt at conquering the world.

Attila the Hun is dead but there are other Attilas the Hun, two of which I have referred to this morning. The one is in the form of military technological progress which, if not controlled, endangers our very existence. The other appears as totalitarianism in the form of communism, which also threatens to engulf civilization.

Our best and perhaps our last hope for salvation and triumph over these threats lies in following the principles of the wisest of men who died that we might live and spreading them throughout the globe. And then in the words of our text today, "Thou shall show us wonderful things in Thy righteousness O God of our salvation, Thou that art the hope of all the ends of the earth and them that remain in the broad sea."

In the discussion group which followed, BROOKS HAYS contributed the following quotations from Lincoln which I feel are quite appropriate to the situation we now face, and I am taking the liberty of including them:

"Lincoln felt that the dangers of disunity had to be presented factually to his people. He put it in eloquent language: 'The occasion is piled high with difficulty, and we must rise with the occasion. As our task is new, we must think anew, and we must act anew. The dogmas of the quiet past are not adequate for the stormy present. The fiery trial through which we pass will weigh us down with honor or dishonor to the latest generation. We may meanly lose or nobly save the last best hope of earth.'

"In another mood, Lincoln spoke of this process of using faith and good will and love. It is beautifully stated in the address at his second inauguration: 'With malice toward none, with charity for all, and with firmness in the right as God gives us to see the right, let us finish the work we have begun, to bind up the Nation's wounds, to care for him who has borne the battle, his widow and his orphan, and to do all things that will achieve and cherish a just and lasting peace among ourselves and with all the nations of the earth.'"

Anniversary of Swiss Independence

EXTENSION OF REMARKS
OF
HON. HARRISON A. WILLIAMS, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. WILLIAMS of New Jersey. Mr. Speaker, on the night of August 1, fires glow in the Alps in celebration of the anniversary of Swiss independence. They shine through the night like the spirit of Swiss democracy which has stood through the centuries as a beacon

to guide mankind toward freedom and democracy. Today, Swiss independence serves as a flaming symbol of man's struggle toward freedom and democracy. It illuminates the political night which has fallen upon the many nations that have lost their independence.

Nearly 7 centuries ago, on August 1, 1291, Switzerland threw off the oppressive yoke of monarchist tyranny, gladdening the hearts of all who yearned for liberty much as our own people did on our first July 4.

Throughout the centuries that followed, the Swiss nation broadened the base of its liberties, developed education, science, the arts, and crafts. And its people, of German, French, and Italian ancestry learned, as did the American people, to live in peace and harmony together, solving their problems in the open forum that only democracy provides.

It is no wonder, then, that so many of the far-seeing projects of our time have been originated or make their homes in Switzerland such as the Red Cross, the League of Nations, and the World Health Organization. Perhaps the greatest tribute to Switzerland is the fact that through the decades, other nations so often call upon the Swiss to provide the site for great international conferences. It is tribute to the impartiality and justice which characterize the country.

The Swiss have addressed themselves equally successfully to more material matters. Like America, they have a prosperous, clean, and healthy land with a standard of living with few equals in the world. In a mutuality of trade, both of our economies have prospered, each supplying the other with those goods insuring comfort and well-being for our peoples. America and Switzerland have proved throughout their history that industrious men have nothing to fear from competition, but are only stimulated by it toward new and greater accomplishments.

But last summer, a blemish developed to mar this fine record. For it was then, on July 27, that the administration approved a 50-percent increase in the Swiss watch tariff. This shortsighted development was brought about by a small group of fearful men, trying to protect us from free competition. Let us hope that our President will soon be reminded of his fine statement "the free world alliance will be most firmly cemented when its association is based on flourishing mutual trade," and that the United States once more assumes the role of champion of increasing international trade.

The Farm Program in Missouri

EXTENSION OF REMARKS

OF

HON. BARRY M. GOLDWATER

OF ARIZONA

IN THE SENATE OF THE UNITED STATES

Tuesday, August 2, 1955

Mr. GOLDWATER. Mr. President, there appeared in the RECORD of July 29, several remarks of the Senators from Missouri that I can construe only as political ones. Not being completely aware of the situation that exists in that State, but being cognizant that what they complain of now was accepted as proper during the New Deal days, I appealed to a Congressman from that State for an appraisal of the complaints. His remarks were very concisely put, in my opinion, in a letter to the Secretary of Agriculture, Mr. Benson, and I ask unanimous consent that it be printed in the RECORD for the edification of those who might be intrigued with the arguments offered by the Democrats of Missouri.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

AUGUST 2, 1955.

Hon. EZRA TAFT BENSON,
Secretary of Agriculture,
Washington, D. C.

DEAR MR. SECRETARY: In the CONGRESSIONAL RECORD of July 29, 1955, from pages 12049 to 12059 there appears with the heading "Political Manipulation in the Farm Program in Missouri" a series of statements by Senators SYMINGTON and HENNINGS, both from Missouri, along with insert of letters and other material. Mr. HUMPHREY, a Senator from Minnesota, enters the discussion and among other things he states: "I wish to assure the Senator from Missouri that it is my intention, as chairman of the subcommittee, to come into his area. I shall notify the respective Senators and the other Members of the congressional delegation, and I shall hold whatever hearings may be necessary."

Now, I know it has been your intention, Mr. Secretary, to so run the Department of Agriculture that partisan politics would be kept out of the administration. It is your belief, as it is my belief, that the best politics is to run a good and efficient organization. It is also your belief, as I understand it, and again it is mine, that there are basic policy decisions to be made in carrying out the laws enacted by the Congress and in running any department. These policy decisions in many instances properly give rise to honest political differences which may and should be openly discussed, not by those who are employees of your Department, but by those who are the people's representatives and, indeed, by the people themselves.

Now, almost from the time that the Eisenhower administration took office the two Senators from Missouri, Senator SYMINGTON and Senator HENNINGS, have been making general charges of political manipulation of the farm program in Missouri. Congressman PAUL JONES also has been making general charges, in the beginning on the floor of the House, but I am happy to state not on the floor of the House since I challenged him to either back up his charges with details or desist. Most of the charges made have been ex parte in political speeches and in releases to the newspapers. Seldom have the charges been made on the floor of the House or the Senate where they were subject to rebuttal. The statements appearing in the CONGRESSIONAL RECORD of July 29, 1955, were essentially insertions in the RECORD and not matters openly expressed upon the floor of the Senate. It is a well recognized device and all too frequently used by Senators and Congressmen to insert material in the RECORD as if it had been presented orally on the floor. The only proper technique to use when attacking a program, or a policy, or a man, or a group of men is to notify ahead of time those you know take a contrary position to yours, that you intend to take the floor at such and such a time, and discuss the matter. I have many times used this technique in launching an attack on something I thought was wrong or improper. The failure of any Senator or Congressman to employ this technique leaves open to question by fair minded people the sincerity and accuracy of their charges.

There are no Republican Senators from Missouri who could have taken the floor to challenge Messrs. SYMINGTON'S and HENNINGS' charges; however, there are many Senators who would have undertaken to defend the Missouri situation had the two Missouri Senators notified anyone that they planned to make such an attack. It is obvious, from the reading of the CONGRESSIONAL RECORD, that Mr. HUMPHREY, the Senator from Minnesota, a fellow partisan of Senators SYMINGTON and HENNINGS, was notified and well prepared to participate in this discussion.

Under the rules of the Congress, I, as a Member of the House, am not permitted to challenge the statements of Members of the Senate on the floor of the House. Accordingly, I have to resort to other means to challenge their statements, as I do. One means I intend to use is to publicize this letter I am writing to you. Another means I intend to use is to publicly challenge either Senator SYMINGTON or Senator HENNINGS, or both together, to appear in public debate on these issues at any time or place in Missouri of their choosing.

Just last year and the year before, Missouri, along with other parts of the Nation, was in the grip of a devastating drought. The two Senators from Missouri—SYMINGTON and HENNINGS—went up and down the State making untrue and unsubstantiated charges about the administration of the drought-relief program. Time and again I publicly challenged the statements of both these men and offered to appear in public debate to refute what I felt were their unfounded charges. By good luck, twice I was able to appear on the same program with Senator SYMINGTON. The first time in St. Louis County, in October 1953, at the Creve Coeur Farm Bureau meeting. I spoke first and challenged him to answer a series of specific questions about the Federal drought-relief program which he had been castigating around the State. Mr. SYMINGTON'S reply in essence was he had not expected to have to debate the matter and had left his notes at home. He answered none of the questions. The second time was in 1954 in Jefferson City, before the Missouri Farm Bureau State meeting. Mr. SYMINGTON requested to speak first, and did speak first. Before he spoke he asked me whether I intended to take issue with him on the Federal drought-relief program. I stated I certainly did intend to, and stated that he still had not answered the questions I posed to him at the Creve Coeur meeting. I further stated, and still state, that he and Senator HENNINGS deliberately misrepresented the Federal drought-relief program, repeated unsubstantiated charges which reflected on the integrity of certain individuals, and thereby were guilty of trying to use the terrible drought disaster for partisan purposes.

Now, to get at the issue at hand, the alleged political manipulation in the farm program in Missouri. The charges to date and the RECORD of July 29, 1955, reflect the type and nature of these charges, follows exactly the same pattern as the general charges directed by Senators SYMINGTON and HENNINGS against the administration of the Federal drought-relief program in Missouri.

If you will refer to the July 29, 1955, CONGRESSIONAL RECORD you will notice that with very few exceptions each charge made "begs the question"; in other words, it merely states the charge sought to be proved, that there has been political manipulation in the farm program in Missouri. I shall take up a little later the few instances of specific details alleged and discuss them. Of course, it is specific detail alone that can substantiate a general charge and the absence of specific detail in itself demonstrates the falseness of the general charges.

However, I want to point out one very obvious general fact. If Senators SYMINGTON and HENNINGS were truly anxious to keep the Missouri farm program in Missouri out of politics why have they resorted to the press and political speeches to try to correct errors they thought existed before they referred the alleged instances of improper administration to the Department of Agriculture for correction? For 2½ years now the tactics have been the same, make public charges first, then, if at all, refer the matter to the Department. Furthermore, even when the specific charges have been proven false, Senators SYMINGTON and HENNINGS have never cleared the record by admitting their information was false. Quite the contrary, by back reference they try to capitalize on the publicity given the original charge knowing that newspapers tend to prominently print charges (and people remember charges) and rather inconspicuously print the retraction.

Furthermore, I think it is important to point out the strangeness of the claim for lack of bias in all the letters and statements of Missourians placed in the RECORD by Senators SYMINGTON and HENNINGS, which alleged political manipulation in the farm program. Why were these letters and statements written or made to Senators SYMINGTON and HENNINGS instead of the Department of Agriculture if the purpose and intent of the authors was to get and keep the farm program out of partisan politics?

Indeed, why weren't letters of allegations of improprieties written to me or DEWEY SHORT or the other two Republican Congressmen from Missouri (in the 83d Cong.), complaining about the situation—if the purpose was really to try to correct it? To date I have received no letter of complaint from any Democrat or Republican.

I believe, at least I certainly hope, I have a reputation for fairness and a desire to see partisan politics kept out of any Federal programs. Why was not my assistance sought if there were really a concern about the allegations that the Eisenhower administration had put the farm program in Missouri into politics?

The answer is quite clear to me. Senators SYMINGTON and HENNINGS aren't interested in getting the farm program out of politics, they want to put it into politics. For twenty-odd years it was difficult, if not impossible, for a person who happened to be a Republican to either be federally employed in Missouri in the first instance or be promoted because of merit. My Democrat friends have become so accustomed to this situation that they call it politics when the present administration states that it is no longer policy that a Republican is a pariah.

Let's take one of the specific cases referred to by Senators SYMINGTON and HENNINGS, that of Callaway County. What was one of the basic issues in the removal of the county committee? A statement by the committee that the only county manager they would employ would be a Democrat. At least they were frank about it and to support their position they pointed out, rightly, that Callaway County was 10 to 1 Democrat politically. The issue was, however, if the best qualified applicant for county manager happened to be a Republican, then he should be appointed. In a 10-to-1 Democrat county it would seem that the odds would also be 10 to 1 that the best qualified man would be a Democrat, but that was no justification under proper administration to rule out the 1-in-10 chance for a Republican or an Independent.

Senator SYMINGTON starts his accusations against Republican administration by referring to a letter (which he inserts in toto) by the Republican State chairman Perry Compton to all Republican county chairmen in which he urges the Republican county chairmen to look for and encourage qualified Republicans to apply for these agricultural jobs. Frankly, I think that was a fine letter and one that should improve the agricultural program. Why? Because it would increase the number of applicants for particular jobs and so give a wider choice to the administration.

The first test of good and proper employment practices is whether or not the best qualified person is selected. I only hope both Democrat and Republican Parties will compete on the basis of trying to beat the other out on a job by putting up a better qualified candidate.

The proof of the pudding is in the eating. Since the Republicans have taken over in Missouri 70 percent of the county managers have bachelor of science degrees in agriculture. This is probably a higher percentage of quality along that particular line than any other State in the Union and certainly it is a tremendous change from what existed under the Democrat rule in Missouri.

The next test of good and proper employment practices is whether the person selected tends to his knitting and applies his qualifications to getting a good job done without regard to partisanship. On this score the Missouri administration obviously rates high because not one of the complaints registered by the Missouri Senators even imply that the men appointed as county managers are not doing a good job or have carried out their jobs in a partisan fashion.

No, the charges seem to be centered around (1) removal of committee and county managers; (2) insistence upon getting the best qualified man as county manager; (3) upon the Republican Party making a real campaign to get the people of Republican faith who are highly qualified to apply for the jobs.

Let's examine the first charge—removal of county committees and county managers. Murray Colbert, the chairman of the Missouri State committee, stated to me, when I asked him at a meeting on July 15, 1955, of many heads of the Department of Agriculture and some lower official specifically charged with the Missouri program, that there was no instance of any removal or suspension of a committee or county manager for political reasons; that in all instances they were suspended or removed for cause. He asked if anyone in the room cared to challenge that statement and no one did. The person or persons whom Senator HUMPHREY refers to when he says (p. 12056): "I have discussed the situation with representatives from the Department of Agriculture, and believe the testimony to date will reveal that they recognize the fact that there is a very unfortunate, or I might use a more blunt word and say incredible situation in the ASA program in the State of Missouri," must have been at the July 15 meeting. Evidently Senator HUMPHREY has misunderstood their position.

The occasion for this July 15 meeting was to discuss certain complaints which had been made in regard to the suspension of the Mississippi county committee. I had been asked by the Republican State chairman to check into the allegations of politics in this suspension which he, the State chairman, stated were false. The evidence indicated that the suspensions were entirely based upon cause and had nothing whatsoever to do with politics. The Mississippi committee had been forced by the State ASC committee to remove a totally incompetent county manager a few months before. I trust that if this is the pressure the State committee exerts on the county committee that this kind of pressure along with that to get highly qualified county managers continues. The county committee then connived with their former employee to falsify his sick-leave payments after his removal. Among pending detailed charges against the Mississippi county committee which seem substantiated by records one involves possible criminal culpability.

Now, Mr. Secretary, let me refer to the 10 pages of allegations of political manipulation in the farm program in Missouri set forth by Senators SYMINGTON, HENNINGS, and HUMPHREY, to see what specific allegations there may be to support these serious general charges. First, I properly eliminate all restatement of the general charges as begging the question.

It is alleged (1) "in many counties, where the farmers did not elect ASC committees willing to take dictatorship from the State committee, the State committee moved in with suspension and dismissals."

Alleged proof: (a) "Texas County ASC chairman and then the entire committee were summarily dismissed." Answer, the word "summarily" begs the question. The records clearly show the removal was for cause. Do Senators SYMINGTON and HENNINGS want to debate the details of this removal?

(b) "In Greene County, the county ASC chairman was dismissed." Answer: Well so what? Is it charged that the dismissal was not for proper cause? Do Senator SYMINGTON and HENNINGS want to debate the details of this removal?

(c) "In Callaway County, the entire ASC committee was dismissed." An editorial in the Springfield News Leader is then set out as proof, I suppose, of improper dismissal. (Springfield is in Greene County 100 miles away from Callaway County.) One aspect of the Callaway County committee's dismissal has already been pointed out. The committee insisted on the right to appoint a Democrat county manager. This, of course, was not their right. Indeed, it was highly improper and really goes to show how brazen the Democrats in certain sections of Missouri had become.

The Springfield News Leader editorial deals mostly in generalities. It is in error in implying that State ASC Chairman Colbert fired these men "for noncooperating. Just that and nothing more." Even though Colbert may have been correctly quoted as saying that, the records clearly show that there was a great deal more to it.

(d) The "unhung picture" case. This is trivia on its face and yet it too reveals the arrogance of certain Democrat politicians in Missouri who refused to recognize that the Eisenhower administration meant what it said about "cleaning up the mess" and getting partisan politics out of the farm program. Imagine, a fight over hanging the picture of the President of the United States in an office of a Federal agency. This same county committee had had the picture of President Truman in its office when he was President and this point is conveniently forgotten by the partisan Senators from Missouri. Instead of trying to blow this case up an an example of Republican politics in Missouri, I would think they would have written the county committee and said, "For heaven's sake, how far do you want to let partisan politics go." I might add that if I had been the State committee I would have made no issue of the matter, knowing full well that men with such narrow and small minds as they had exhibited by not putting the picture of the President of the United States in the office, would be guilty of similar small mindedness particularly in carrying out their duties as committee members. However, I notice in spite of the picture episode the committee was not fired.

It is alleged (2) for 2½ years the Department of Agriculture and its Secretary have been repeatedly requested to take the necessary steps to correct the abuses in the ASC program in Missouri.

Answer and query: What abuses? This begs the question. The issue is, Were there abuses? Then just what documentation have Senators SYMINGTON and HENNINGS to substantiate their charges that repeated requests were made? It would be interesting to see what letters were written by them

to the Department of Agriculture, and what details, if any, were set out in the letters. The repeated requests referred to probably were no more than newspaper statements setting forth unsubstantiated generalities such as appear in the July 29, 1955, CONGRESSIONAL RECORD.

A letter of January 4, 1954, by Mr. R. D. Cummins, chairman of Newton County, Mo., PMA, to Senator SYMINGTON is set forth as an example of the Department of Agriculture not taking action on complaints. First, I would comment that the letter of Mr. Cummins does not contain specific charges of anything. Second, it was written to Senator SYMINGTON, not the Department of Agriculture. On the face of it, it appears that the State ASC committee were within their rights in discharging Mr. Cummins for making unsubstantiated charges against the ASC administration, when the gentleman, upon request, refused and failed to back up his charges by supplying details. Furthermore, Mr. Cummins himself was obviously guilty of interjecting partisan politics into the matter by referring his complaint to a United States Senator rather than the Department of Agriculture. Mr. Cummins' affidavit itself makes it clear that he was neither willing nor ready to carry out policy properly decided by the Department of Agriculture in Washington. His charges of "politics being played" remain solely in the realm of unproven generalities, and the tone of his letters and statements indicate that he is intent upon "playing politics."

Senator SYMINGTON states that the case of Mr. Cummins is not an isolated case. I wonder if all his other cases are likewise matters of unproven generalities. The real questions are, Does Newton County have a qualified county manager? Was the most qualified applicant selected? Is the program being administered properly? Furthermore, Mr. Cummins himself is alleged to have admitted that some of the charges in his letter to Senator SYMINGTON were false, and he even refused to retract the statements that he admitted to be false.

The case of Benton County is referred to as follows: "In Benton County several qualified applicants for office manager were turned down because the State ASC committee insisted on a local mechanic." The whole issue is one of qualifications and it helps nothing for Senator SYMINGTON to simply state the applicants were qualified without setting forth some detail. Furthermore, being a local mechanic does not of itself either qualify or disqualify a man.

I have previously commented upon the Callaway County situation. Senator SYMINGTON'S statement of general conclusions does not jibe with the detailed facts in the case. He supplies no details so it is difficult to reach any conclusions.

The charges in regard to Franklin County are mere generalities with no indication whatever of who made the charges or how the charges could be substantiated. The charges are false. The Franklin County committee has not been removed. The position of office manager is vacant. The allegations in regard to Greene County have already been discussed. The chairman was removed for making political speeches.

The statement in regard to Howard County is false. The county committee fired the county manager for cause. The position of county manager is open. The allegation in regard to Lewis County is false. The audit was a bad audit, not a good audit as Senator SYMINGTON alleges. The audit is available for anyone to see. It contained false statements and the office manager resigned voluntarily rather than appear before the State committee to explain the basis for his false reports.

The Madison County case is rather apparent on the face of it. Getting into further details will demonstrate that the employee fired had not limited her campaigning to driving a car to work with a Democrat campaign sticker on it.

The charges in regard to Saline County are false. The employee was discharged for loafing on the job over a period of time and bragging about the fact that because of his influence with the vice chairman he didn't have to work if he didn't want to. The vice chairman tried to hold him in his job. These facts can be readily ascertained.

The Barton County case referred to in Senator HENNINGS' remarks becomes quite apparent just reading the case that Senator HENNINGS presents. The committee just didn't want an office manager that would carry out the policy set by the Department of Agriculture in Washington and I understand there are still difficulties in Barton County.

I am happy to note that the Senators no longer are complaining about the situation in Iron County where the chairman of the county committee who was removed has now been sentenced to the penitentiary by the Federal district court.

I personally have checked the detailed charges involved in the removal of the committee in the Mississippi County case, and if their removal is an example of what Senators SYMINGTON and HENNINGS regard as politics, I can unequivocally state they are in error. I would be happy to debate this or any of the cases publicly with the Senators.

The character assassination referred to by Senator SYMINGTON is most interesting in view of the fact that the Senator is the one who is dragging all this matter out in the press. Men could be removed from office without embarrassment to themselves if each time there was a removal Senators SYMINGTON and HENNINGS, without any knowledge of the facts, did not run to the press with charges of politics.

Indeed, the proper way to proceed—and the two Senators know it—is to ask the Department of Agriculture for information concerning the removal of any person. Then, if the files reveal there was not proper grounds for removal, some public oratory would not be out of line. I do not believe in any instance, the two Senators have followed this course. They were perfectly willing to further embarrass an incompetent committee member or manager by crying politics and calling the public's attention to the matter, only later to learn that there were ample and good grounds for the removal.

Nothing can possibly be served by having a subcommittee of the Senate headed by the Senator from Minnesota [Mr. HUMPHREY] come to Missouri unless he changes his approach. Senator HUMPHREY has already disqualified himself as an impartial observer by stating his conclusions ahead of time, based upon half-baked generalities advanced ex parte.

Mr. HUMPHREY'S remarks, including page 12058, "I do not trust the Secretary of Agriculture," obviously mark him as prejudiced and partisan. It is difficult to perceive how any hearing or investigation he conducted would be objecetive.

Senator HENNINGS' charges consist of several letters written to him by Missouri people. Senator HENNINGS is presently engaged in doing a subcommittee study of the dangers existing in the country to our civil liberties. He is an attorney, and he has many times expressed his interest in proper procedures to protect our citizens from false and unsupported accusations. Yet he is perfectly willing to set forth in the CONGRESSIONAL RECORD letters which make serious but unsubstantiated charges against those in charge of the Missouri ASC program. Is this his idea of correct and fair procedure? Wasn't he interested in obtaining the statements from the other parties involved? Senator HENNINGS states, "My files are replete with irate letters from Missouri farmers." I wonder if the few he plucked out to insert in the CONGRESSIONAL RECORD are typical? I wonder what he has done to try to test the accuracy of the charges of the irate farmers?

Furthermore, I wonder if Senator HENNINGS approves the procedure of writing up these general charges and merely inserting the material into the CONGRESSIONAL RECORD without subjecting himself to cross-examination or rebuttal. I wonder if he will not agree with me that the correct procedure on matters of this nature, which is observed by many Senators and Congressmen, to notify those who might disagree with him that he plans to take the floor to set forth certain charges. Furthermore, what has Senator HENNINGS done in the Department of Agriculture or with representatives of the Eisenhower administration to stop the practice he alleges exists other than to publicize charges he apparently has never investigated or verified?

Now, I am contacting my Republican colleagues in the Senate to do what I can to assure that any investigation or hearing conducted in Missouri on this subject be conducted in a fair and nonpartisan manner. A fair, impartial investigation is welcome and is needed to separate slander from facts.

If there is any basis to the general charges made by Senators SYMINGTON and HENNINGS, we want to get to the bottom of them and correct the situation. To date there have been little details set forth upon which to investigate the accuracy of the general charges. In the few instances where details are given it becomes quite apparent that they are incomplete and untrue.

To conclude and restate the case, Senators SYMINGTON and HENNINGS' charges that there is political manipulation in the farm program in Missouri, are general, unchecked, unsubstantiated by detail and made without reference to specific denials by those against whom the charges are directed. There has been no real attempt to present these charges to the Department of Agriculture for substantiation and correction. The primary efforts seem to be devoted to conducting a political publicity campaign, and having, as it does, a subject involving other men's integrity, a "smear campaign."

The fact remains that no charges have been made that the county managers are not administering a good program without partisanship. No charges, except the one of Benton County, which is unsubstantiated, have been made that the best applicant for county manager was not chosen. In contrast we have an encouraging picture of 70 percent of the county managers being appointed holding bachelor of science degrees in agriculture.

The extent of the charges center around removals of county committees and office managers. The State ASC chairman has made the challenge that there has been no removal in Missouri for other than cause. The files are available to be checked. In consideration of the people removed the checking should be done quietly and without publicity. I would be happy to go over any case in detail with Senators SYMINGTON and HENNINGS to check whether, indeed, in their opinions, the removal was not in the best interests of good administration. If the matter is one in which there is real disagreement, then the matter should be publicized (regrettable for the individual), but necessarily in order for the public to exercise their judgment of whether the procedures followed have been fair and just.

And now, Mr. Secretary, I wish to state that I am making this letter public. I want everyone in Missouri who has heard the general charges of political manipulation in the farm program being made to understand the matter, and understand that these charges are denied, that they are unproven, and in

the opinion of the State ASC committee cannot be proved because they are untrue. If any person can throw light on any specific case I would be happy to have their name and statement. I want no partisanship interfering with our Missouri farm program, whether it be in administration of the program or in making false accusations against its administration.

Let Senators SYMINGTON and HENNINGS agree to resolve this issue. Let's have the charges and countercharges investigated by a group of impartial Missouri citizens or a congressional committee that comes in to review the situation without bias and prejudice.

My interest, I might add, comes from several sources: As a Missouri citizen, as one of the two Republican Congressmen from Missouri (and I might add my colleague, Congressman SHORT, has asked me to undertake the chore for both of us) and by specific request of the Republican State chairman and, finally, as one who believes in honesty and fairness in political matters.

I have great faith in your integrity and abilities, sir. I think the Department of Agriculture under your administration has been excellent. I feel certain that the administration of your Department in Missouri merits your complete confidence. I want the matter fully and impartially investigated. I want partisan politics out of the administration of the agriculture programs. There is plenty of room to draw up political sides on the policy questions without resorting to mudslinging.

Sincerely,

THOMAS B. CURTIS.

REMARKS OF THOMAS B. CURTIS, OF MISSOURI, IN THE HOUSE OF REPRESENTATIVES, AUGUST 2, 1955

Mr. CURTIS of Missouri. Mr. Speaker, in the July 29, 1955, CONGRESSIONAL RECORD, pages 12049–12059, there appear certain charges that there has been political manipulation in the farm program in Missouri. Under the rules of the House which do not permit criticism to be directed against Members of the other body, it is awkward to refute the charges in detail on the floor of the House. However, it is proper to state that any charges that there has been political manipulation by the Eisenhower administration in the farm program in Missouri are incapable of proof because they are untrue. I have written a letter to the Secretary of Agriculture, Mr. Benson, which I have made public, setting forth in detail a refutation of the charges made with comment as to what the situation actually is.

Certain charges were also made about the large increase in expenses in the ASC program, exclusive of CCC grain storage structures. The following statement shows conclusively that expenses in the ASC county officers have decreased with respect to programs where the workload is the same or has declined and has increased only in those cases where there has been additional workload. It demonstrates that the total increases in county expenses is attributable in its entirety to workload rather than the method of operation.

The statement which follows shows the program breakdown of ASC county committee expenses for the State of Missouri and in total for all States for the fiscal years 1953 and 1954:

ASC county committee expenses

Program	Fiscal year		Increase (+), decrease (−), 1954 over 1953
	1953	1954	
I. STATE OF MISSOURI			
Agricultural conservation and farmland restoration	$829,760	$718,435	−$111,325
Agricultural adjustment programs	190,202	950,214	+760,012
Loans and purchase agreements	131,622	134,054	+2,432
Crop insurance	44,208	14,913	−29,295
CCC (other than grain storage structures)	105,566	824,000	+718,434
Reimbursements	16,516	15,338	−1,178
Total	1,317,874	2,656,954	+1,339,080
II. TOTAL ASC COUNTY COMMITTEES FOR ALL STATES			
Agricultural conservation and farmland restoration	20,977,502	18,156,348	−2,821,154
Agricultural adjustment programs	8,627,680	33,869,387	+25,241,707
Sugar	285,000	318,108	+33,108
Loans and purchase agreements	4,298,236	5,505,107	+1,206,871
Crop insurance	1,992,075	545,988	−1,446,087
CCC (other than grain storage structures)	7,606,404	10,019,297	+2,412,893
Reimbursements	493,660	549,129	+55,469
Total	44,280,557	68,963,364	+24,682,807

Analysis of these figures indicates that for the only program where the workload was relatively stable, agricultural conservation, the expenditures decreased in 1954.

The increase in expenses for the agricultural-adjustment programs was due to the imposition of acreage allotments and marketing quotas on wheat, cotton, and corn in 1954, which were not in effect for 1953.

The increase in expenses for the sugar program was caused by the imposition in 1954 of proportionate shares on sugarcane.

An increase in the number and amount of CCC loans in 1954 accounts for increased expenses in that year.

The decrease in crop insurance expenses in 1954 reflects primarily the decrease in workload.

The emergency feed program, which was particularly heavy in Missouri, accounts for the increase in CCC programs other than grain storage structures.

The wide fluctuations of workloads makes it extremely difficult to segregate savings due to changes of methods of operations, but the agricultural-conservation program, the only program with a relatively stable workload, does show a significant decrease.

Analysis of expenditures for county committeemen, office manager, and chief clerks' salaries in the fiscal years 1953 and 1954 indicated (1) that about $1,200,000 was saved in 1954 over 1953 in the 10 States which had no office managers in 1953, and (2) that about $1,300,000 was saved in county committee salaries in 1954 over 1953, although the agricultural adjustment programs required nearly 400 man-years of additional work.

A comparison of 1954 expenses with those for 1953 in a State where there was no change in the method of operations proves conclusively that increased expenses in 1954 were due primarily to increases in workload chiefly the agricultural-production programs and the drought emergency programs. This is evident in the statement for Oregon, shown below. It should be noted that expenses for the agricultural-conservation program increased in 1954 and that there was no drought emergency program in Oregon in that year:

Oregon ASC county committee expenses

Program	Fiscal year		Increase (+) decrease (−) 1954 over 1953
	1953	1954	
Agricultural conservation	$213,619	$230,390	+$16,771
Agricultural adjustment programs	52,991	157,380	+104,389
Sugar	5,513	4,936	−577
Loans and purchase agreements	87,641	76,343	−11,298
Crop insurance	19,098	8,610	−10,488
CCC (other than grain storage structures)	93,688	68,717	−24,971
Reimbursements	4,911	6,324	+1,413
Total	477,461	552,700	+75,239

There was further criticism on the change in the farmer committee system and the establishment of country office managers. The following, I believe, is a statement that accurately presents the Department of Agriculture's position on this matter and the reasons for the changes.

Early in this administration, it became apparent from the department's studies that several changes were needed to strengthen the farmer committee system. The Department was aware of the splendid contribution these committees had made in the past, and determined to make the best possible use of their services in administering farm programs. This committee structure, composed of community and county committees elected by farmers, and the State committees appointed by the Secretary, is responsible for the local administration of the agricultural conservation, acreage allotment and marketing quota, price support, and sugar programs. Formerly known as production and marketing administration committees, these committees are now known as agricultural stabilization and conservation committees to conform with internal reorganizations made in the Department.

The first changes were made in March 1953. These were for the purpose of increasing efficiency, promoting economy, and attracting more competent farmers to serve in committee positions. The principal change made at that time was to separate the policymaking and policy-executing functions of State and county offices. The policy-forming functions were assigned to farmer committees. The committees now operate in much the same manner as a board of directors. They make the policies of the office and hire trained employees appointed by and responsible to them to carry out the committee's decisions and to be responsible for the day-to-day operation of the office. This method of operation has enabled both the farmer committeemen and their hired employees to perform the functions which each is best qualified to undertake. A second change was to employ committeemen on a part-time and when-actually-needed basis, rather than full time. This change not only reduced costs, but enabled the Department of Agriculture to attract many capable and interested farmers to serve in these positions who otherwise would have been unwilling or unable to serve.

These first two changes affected primarily the Midwest States. Most of the other States were already operating on this basis. The good experience gained from the operation in most of the States, convinced the Department that this system should be used nationwide.

Third, a rotation system was established for State committees under which a member is replaced each year. This has brought fresh and wider viewpoints to bear on farm problems in the State, and at the same time

insured stability and continuity of policy by retaining experienced members of the committees from one year to the next.

Early in the Eisenhower administration it was determined that county committees should continue to choose their own personnel. It was felt that the local farmers had generally done a good job in selecting employees, and that an important part of the new grassroots approach should be to keep these committees functioning with a maximum of local responsibility. However, in order to attract capable people, the Department published minimum standards which employees were required to meet. The enforcement of these national standards, or such higher standards for the State as the State ASC committee elected to use, was delegated to the State committee. It was emphasized that these standards were to be used to get qualified employees and not to substitute the judgment of the State committee for that of the county committee where the employee selected by the county committee met the qualification standards. The Department also established for the first time a national scale of salaries for these employees which provides flexibility to meet varied situations in different States and counties.

Last year the Department made additional changes in the committee system, all designed to strengthen and improve it, and necessary to supplement the several improvement actions taken previously. These changes place the election machinery in the hands of an independent group of farmers to insure fairness in the conduct of committee elections, tighten eligibility requirements for committeemen to exclude persons with conflicting interests, and simplify the election procedure. One of the most frequent criticisms of the farmer committee system in the past has been that some committees were using the election machinery to perpetuate themselves in office. This is not a valid criticism under today's operations because the Department has moved to make committeemen as representative as possible of the farmers they are selected to serve.

It has been, and continues to be, the Department's policy to free the farmer committee system of partisan politics. The Department has stated on many occasions that these committees can serve their cause and their country best in an atmosphere which is as devoid as humanly possible from partisan considerations.

The Nation's Medical and Scientific Needs

EXTENSION OF REMARKS
OF
HON. IRWIN D. DAVIDSON
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. DAVIDSON. Mr. Speaker, I have today introduced 3 bills dealing with the medical and scientific needs of the country. These measures are the result of prolonged study and many conferences.

In essence, the 3 bills would:

One. Provide $250,000 to cover the cost of preparation, publication, and distribution of science teaching manual supplements for public, elementary, and secondary schoolteachers which would be prepared by qualified private science teaching groups.

Two. Institute a national program of 10 college scholarships per State each year for students who qualify in a nationwide mental examination.

Three. (a) Provide $20 million of Federal funds for use on a matching basis to aid the States in the construction of psychiatric hospitals and psychiatric rehabilitation centers; and (b) provide $5 million of United States funds for aid to the States on a matching basis for use in building narcotic addict hospitals and narcotic addict treatment and rehabilitation clinics.

It is my firm conviction that our national medical and scientific research activities are in need of great augmentation. However, it is recognized that before any large-scale expansion can be undertaken, many more thousands of trained scientific personnel are needed. Yet, while this need is clear, American schools graduate fewer and fewer trained personnel each year. The gravity of the situation is well demonstrated in an excellent article which appeared in the magazine section of the New York Times this past Sunday. The author of that article is Dr. Alan T. Waterman, director of the National Science Foundation. He has stated the case with great directness and clarity. Dr. Waterman cited these startling statistics in his presentation:

Engineering graduates

	1950	1954
Soviet Russia	28,000	54,000
United States	52,000	22,000

He said, "The fact is that there are not going to be enough teachers and experienced research investigators to train the coming generation of scientists and engineers when the youngsters resulting from the high birthrates of the forties enter college in a few years."

This shortage is apparent today on the elementary and secondary school level.

Dr. Waterman set forth four basic steps to help reverse this shocking trend by "increasing the broad base of our educated population from which scientists and leaders in other fields must come; locating and attracting into the sciences youngsters with special aptitudes in that direction; improving the quality of instruction in the secondary schools; developing an appreciation of pure research as the foundation of our strength in science. Above all, we must strive for a climate of opinion that will be favorable to our intellectual as well as creative activities," he said.

I believe that two of the bills which I have introduced will help to meet the needs outlined by Dr. Waterman.

The first would provide funds to enable private groups to prepare, publish, and distribute, without charge, supplementary science teaching manuals to public elementary and secondary schoolteachers throughout the country.

Such manuals would fill the long gap which exists between publication of regular editions of such grade- and high-school works. It has been found that revisions of such standard works are not economically feasible more frequently than every 7 to 10 years. As a result, classroom work can be seriously retarded, particularly when science courses in our crowded schools have to be taught by substitute teachers, not especially trained in the sciences.

These manuals would include text material to the extent that new topics come up that are deemed of interest to students and have not been treated in the materials that are available. Similarly, they would include laboratory exercises that involve subject matter and skills so recently developed that they are not included in the current laboratory exercises. The material would be distributed through national science-teaching societies and organizations. The established publishing houses could produce such manuals on a straight contract or other reimbursement basis. As is the case with the traditional preparation of manuscripts, science teachers and professors in teacher-training universities would produce the materials. Coordination of topics could be accomplished through a national science-teachers organization such as the Future Scientists of America Foundation of the National Science Teachers Association. Such an organization, a division of the National Education Association, would be eminently qualified to conduct the entire program and could be authorized to do so under my bill.

The cost of such a program is modest indeed when compared with the benefits to be derived. A typical booklet could be produced and a copy sent to each of the Nation's 28,000 high schools for approximately $5,000. There are in the United States approximately 70,000 teachers who have assignments involving one or more sciences. A worthwhile manual could be prepared for them at a cost of only about $1 per teacher, including the cost of development, production, and distribution.

The second bill which I introduced would carry on the training process at the college and graduate-school levels. In 1950, according to Dr. Waterman, we had 59,000 graduates in the natural sciences. Four years later, in 1954, we had only 29,000. He pointed out that the record total of graduates in 1950 was largely due to the GI bill of rights. He said:

> It shows what we can do. The substantially lower figures for the years that follow represent a serious handicap to the full development of our national strength.

My bill would increase college enrollments, principally at the land-grant colleges, by about 500 students each year. They would be eligible for both undergraduate and graduate work.

In February of this year, the Health Resources Advisory Committee under the able chairmanship of Dr. Howard A. Rusk, reported on the serious and increasing national shortage of trained health personnel. This report dealt essentially with physicians, dentists, and nurses but is a clear indication of the situation regarding all our scientific personnel. Dr. Rusk reported:

> We have a tight supply situation in the three major health professions—medicine, dentistry, and nursing. The supply both of physicians and dentists has not increased as fast as the population, in the period since the beginning of World War II. * * * There is little prospect for improvement in the total situation in this decade.

This report went on to point out the serious shortage of faculty members

on the staffs of medical schools and that at least 30 million Americans live in areas without organized health departments. The report concluded that a civilian disaster of the magnitude possible today could put an incredible load on civilian health personnel.

Last year the Committee on Interstate and Foreign Commerce of this House reported that—

> An adequate number of well-trained scientists is the most important single factor in determining whether or not progress is made over the years to come in the fight against disease. Money and facilities are needed urgently, but they will not of themselves produce the knowledge we need so urgently. The crucial factor is the intelligence of adequately trained dedicated men and women who will, if given the opportunity, explore new avenues of science and thus bring us to our desired goal.

The bill I propose would give that opportunity to hundreds of Americans. It would give that opportunity to individuals capable of contributing to and strengthening our Nation. It would utilize the talents and intelligence of those who, through lack of encouragement or lack of funds, have been unable to contribute to our general well-being in the fashion they would like or to the full extent of their capabilities.

The third measure which I have introduced would expand the Hospital Survey and Construction Act to include psychiatric hospital and rehabilitation facilities and narcotic-addict hospitals and treatment and rehabilitation clinics. The most critical health problem confronting the Nation today is in the field of mental health. Dr. Jonas E. Salk pointed this out immediately after the announcement of his success in culminating the conquest of poliomyelitis.

Today there is an estimated shortage of 5.3 hospital beds per thousand population in all categories of hospitals. This is a shortage of about 500,000 beds. Among the categories of hospitals, need—as measured by additional beds required to meet minimum standards—is most acute in the mental-care field. The rate of additional beds needed per 1,000 population for mental care is 2.2; for general hospital care, 1.2; for chronic illness, 1.7; and for tuberculosis, 0.13.

At the present rate of illness, 1 out of every 12 children born will spend some time in a mental hospital. The number of patients in institutions for the care of the mentally ill is increasing steadily at the rate of approximately 10,000 per year. In addition, the number of noninstitutionalized cases have been estimated at 9 million people. That is almost 6 percent of the total United States population. Only 10 percent of these are thought to need hospital care. Thus, the urgent need for psychiatric hospitals and psychiatric rehabilitation facilities for ambulatory patients is clear. Advances in treatment have made it possible to provide increased care for the mentally ill outside of hospitals. It has become increasingly apparent that psychiatric clinics—usually defined as having a psychiatrist in attendance at regularly scheduled hours—can be of great assistance in relieving overcrowded mental hospitals. They serve as the center for the often neglected but urgently necessary followup care or rehabilitation of patients who have been hospitalized and have recovered sufficiently to return to their homes. Several States have already instituted outpatient clinics and rehabilitation facilities for the care of mental patients. I have been told that the average cost of treating a patient in one of the clinics now in operation in Michigan costs about $39 per adult as compared with $1,124 for a patient in a traditional State institution.

Despite the excellent advances which have been made under the Mental Health Act of 1946, it has been estimated that there is at present a need for more than 800 additional psychiatric clinics.

The need for similar facilities for narcotic addicts is even greater today. There are virtually no narcotic addict rehabilitation facilities in the country. In essence all of our efforts have been concentrated upon the two Federal hospitals for addicts located at Lexington, Ky., and Fort Worth, Tex. There have been a very few State projects such as the Riverside Hospital in New York City. Dr. Isidor Chein of the Research Center for Human Relations at New York University, Dr. Solomon Kobrin of the Chicago Area Project, the Provident Hospital and Training School in Chicago, and Dr. Ralph W. Fisher of the Los Angeles Youth Committee have been virtually alone in their activities with narcotic addict rehabilitation and treatment clinics.

In view of the apparent inability of the Federal narcotic agents to stem the tide of habit-forming drugs which is flooding the country, the only solution to this virtually insoluble problem of dope addiction must lie in the cure of addicts and their rehabilitation and restoration to a useful place in society. A fully integrated program of hospital treatment and postcustodial care at rehabilitation clinics must be established at once. One example of the growing curse of addiction, and many, many more could be given, is the fact that in New York City in 1954, more boys and girls under the age of 21 were arrested for narcotic violations than the total of all narcotic arrests of adults and teenagers combined in 1946.

There is at present a waiting list of over 500 persons seeking voluntary admission to the Lexington and Fort Worth hospitals. Based upon the operating record established at these two institutions, it will take approximately 40 more years to treat the present estimate of 60,000 addicts in the United States. In addition, adequate and extensive rehabilitation facilities would serve to greatly reduce the large number of repeat admissions which prevail today as a result of back-sliding addicts.

Increased hospital custodial treatment and a sound nationwide program of rehabilitation and postcustodial care is essential.

Mr. Speaker, I offer these three bills now in the hope that during the recess the appropriate administrative agencies and professional groups may be able to study my proposals and that when the Congress reconvenes we may be able to hold public hearings promptly and enact some helpful remedial legislation. I do not claim these measures as the final word, but offer them as my own thought on the subject, in the hope that discussion and study may produce additional proposals and professional suggestions which may be adopted to help alleviate the critical conditions which exist in these scientific fields.

With your permission, I would like to include here with my remarks analyses of the three bills which I have introduced:

ANALYSIS OF THE DAVIDSON BILL TO PROVIDE ASSISTANCE IN FINANCING PUBLICATION OF SCIENCE TEACHING MANUALS FOR USE IN ELEMENTARY AND SECONDARY SCHOOLS

SCIENCE TEACHING MANUALS

1. Purpose: To promote science education by providing Federal assistance to the Nation's elementary and secondary school science teachers through grants to finance the development, publication, and free distribution of science teaching manuals to supplement standard works.

2. Appropriation: Not more than $250,000 in any fiscal year.

3. The United States Commissioner of Education is authorized to make grants to finance the preparation, publication, and distribution of such manuals for use in elementary and secondary schools.

4. Grants shall be made only to nonprofit private agencies selected by the Commissioner on the basis of experience in science teaching in the elementary and secondary schools.

5. Grants shall be made under agreements between the Commissioner and such agency providing that the agency will distribute the manuals free (except for distribution costs) to United States elementary and secondary schools which request them.

(a) Manuals in excess of those used to fill such requests may be sold, with proceeds of such sale being divided between the United States and the agency on basis of their respective contribution to cost of manuals.

(b) All such funds paid into the Treasury shall be kept in a separate account available for making additional grants.

(c) The agency shall account to the Commissioner regarding all expenditures.

6. The Government is specifically prohibited from exercising any direction, supervision, or control over the selection of authors or materials or over the personnel, curriculum, or program of any school or school system.

7. Elementary or secondary schools are defined in the bill as those providing such education at public expense and under public supervision and direction.

ANALYSIS OF COLLEGE SCHOLARSHIP PROGRAM PROPOSED BY CONGRESSMAN IRWIN D. DAVIDSON

The purpose of this act is to promote interest in higher education and give an opportunity to qualified highschool graduates to attend college and graduate schools.

1. Provision is made for the awarding of the following annual scholarships:

(a) Ten to residents of each State.

(b) Five to residents of Hawaii, 5 to residents of Alaska, and 5 to residents of Puerto Rico.

(c) Two to residents of the Canal Zone and 2 to residents of the Virgin Islands.

2. Holders of scholarships shall either attend a land-grant college within their State or such other accredited college or university as the United States Commissioner of Education may designate.

3. The initial award of such a scholarship shall be based upon the results of annual competitive examination to be held throughout the United States.

4. Examinations shall be conducted by the educational testing service of Princeton, N. J. (college boards), pursuant to arrangements with the Commissioner of Education. Any individual who has completed his or her secondary education, or who will do so within 1 year, and who has not commenced education at the college level is eligible to take the examination.

5. Initially, scholarships under this program may only be awarded for first year study at institutions of higher education. However, such scholarships may thereafter be renewed from year to year if the student's progress is satisfactory to the institution he is attending and to the Commissioner, and the student remains at least in the upper quarter of his class.

6. The Commissioner may continue to provide scholarship assistance to students who complete 4 years of undergraduate work under the program, and who he determines are outstandingly qualified to continue their education at the graduate level in the students' major field of study. The Commissioner may authorize all students to attend institutions of higher education other than those initially designated when such institution does not provide an adequate course of study in the field the individual desires to follow or when continued attendance at such institution is impracticable for other reason.

7. No scholarships may be awarded under this act or renewed under it, if the individual is receiving benefits under the educational provisions of the so-called GI bills or certain other scholarship aid.

8. Payment of scholarship assistance shall be made directly to each individual to meet in part the expenses of such individual's subsistence, tuition, fees, supplies, books, and equipment while holding a scholarship and actually enrolled at school.

9. The allowances provided are as follows:

(a) Each scholarship student, no dependents, $110 per month;

(b) Each scholarship student, one dependent, $135 per month;

(c) Each scholarship student, more than one dependent, $160 per month.

10. Holders of such scholarships who are otherwise subject to military service requirements shall be deferred during satisfactory attendance under the program. However, upon completion of studies under the program all former recipients of assistance shall automatically become subject to general military requirements unless, while attending college they pursue a full 4-year Army ROTC, Naval ROTC, or Air Force ROTC program and accepted a commission in one of the services.

11. The United States Commissioner of Education shall administer the program and shall make regular studies, investigations, and reports concerning the scholarship program and shall report annually to the Congress through the Secretary of Health, Education, and Welfare. He may employ specialists, experts, and consultants when deemed necessary.

12. The Secretary of Health, Education, and Welfare shall consult with the heads of other executive departments and Federal agencies with the aim of coordinating all scholarship programs administered by the Federal Government.

13. No Federal department, agency, officer, or employee may exercise any direction, supervision, or control over the curriculum or program of any educational institution or over its administration or personnel.

14. Scholarships shall be awarded without regard to sex, creed, race, color, religion or national origin.

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ANALYSIS OF CONGRESSMAN IRWIN D. DAVIDSON'S BILL TO ASSIST THE STATES ON A PARTNERSHIP BASIS IN BUILDING MUCH-NEEDED NONPROFIT PSYCHIATRIC HOSPITAL AND REHABILITATION FACILITIES AND NARCOTIC-ADDICT HOSPITALS AND TREATMENT CLINICS

PSYCHIATRIC AND NARCOTIC-ADDICT HOSPITALS AND REHABILITATION FACILITIES

Title VI of the Public Health Service Act (42 U. S. C. 291) is amended by adding new parts H, I, and J which would assist the States in surveying their needs and in constructing:

A. Psychiatric facilities

1. Five hundred thousand dollars is authorized to assist the States to inventory their existing psychiatric facilities, survey the need for additional facilities, and develop programs for the construction of such facilities. The Surgeon General is authorized to use this fund to make payments of not more than 50 percent of the cost of such survey to States applying for assistance; no such allotment to any State may be less than $25,000.

2. Twenty million dollars is appropriated to aid the States in the construction of nonprofit psychiatric hospitals, rehabilitation, and treatment facilities. No allotment made to any State under this section may be less than $100,000.

3. The following types of nonprofit facilities are defined as proper for assistance under this portion of the bill:

(a) Psychiatric hospitals: These are hospitals for the intensive treatment and care of the mentally ill and those afflicted with psychiatric ailments, but not hospitals devoted essentially to providing long-term custodial care;

(b) Psychiatric treatment clinics and rehabilitation facilities: Such facilities are defined as those providing for the care, treatment, and rehabilitation of ambulatory patients afflicted with psychiatric ailments, through an integrated program of medical, psychological, social, and vocational evaluation and service which is either operated in connection with a hospital or in which patient care is under the professional supervision of persons licensed to practice psychiatry in the State.

B. Narcotic-addict facilities

4. $250,000 is authorized for use in assisting the States to inventory their drug-addict facilities, survey the need for such facilities, and develop programs for the construction of such medical facilities.

5. $5 million is appropriated to aid the States in the construction of the following types of nonprofit facilities:

(a) Narcotic hospitals to provide suitable custodial care and treatment of narcotic addicts.

(b) Treatment clinics and rehabilitation facilities for the care and treatment of ambulatory patients overcoming narcotic addiction and not in need of custodial care.

Appropriate integrated treatment by competent professional personnel in medical, psychological, social, and vocational fields would be provided at such facilities which are either connected with a hospital or in which the patient care is under the professional supervision of persons licensed to practice medicine in the State.

6. The States may submit applications for survey and construction funds for both psychiatric hospitals, rehabilitation facilities and narcotic-addict hospitals, treatment centers and rehabilitation clinics as provided in the original Hill-Burton Act.

The act provides for:

(a) A single responsible State agency to administer the States' programs;

(b) A State medical facilities advisory council which includes representatives of nongovernmental groups or provides for consultation with such groups.

(c) State reports to the Surgeon General supplying such information as he shall require, including relative need for such facilities determined in accordance with the Surgeon General's regulations.

(d) State plans for construction of facilities eligible for assistance.

(e) Review of State plans and modification of them from time to time as is necessary.

7. Allotments under both the psychiatric and narcotic-addict portions of the bill are to be made to the States on the same basis as was provided in the 1954 amendments to the Hill-Burton Act, except that the Surgeon General may consider special facts relating to the incidence of narcotic addiction within the States in allotting funds for drug-addict medical facilities construction and surveys.

8. The Federal share of the cost of all projects is to be determined in the same fashion as is provided under existing law in the case of projects covered by the 1954 amendments to title VI. There are three alternatives:

(a) Special standards may be established under the State plan which is approved by the Surgeon General;

(b) In the absence of such standards, an amount to be determined, but not less than one-third nor more than two-thirds of the State's allotment percentage; or

(c) Fifty percent of the cost of construction, if the State so elects.

9. A State may, subject to the approval of the Surgeon General, request that a specified portion of an allotment to it be transferred and added to the corresponding allotment of another State in order to meet a portion of the Federal share of the construction in such other State of psychiatric or narcotic-addict facilities.

10. No application for diagnostic or treatment centers or psychiatric treatment and rehabilitation facilities may be approved unless the applicant is either:

(a) A State, political subdivision, or public agency;

(b) Corporation or association which owns and operates a nonprofit hospital; or

(c) A corporation, association, fund, trust, or foundation organized and operated exclusively for either charitable or educational purposes as described in section 170 (c) (2) of the Internal Revenue Code of 1954.

11. The recapture provisions of existing law are extended to the new act and definitions of "psychiatric hospitals" and "psychiatric treatment and rehabilitation facilities" are added.

Harvey Plans Courthouse Visits With Indiana Citizens

EXTENSION OF REMARKS
OF
HON. RALPH HARVEY
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1955

Mr. HARVEY. Mr. Speaker, in an effort to be of service to the citizens of the 10th District of Indiana, I plan to tour the 10-county area during the period of October 3 to October 14, inclusive. With the cooperation of local officials at county-seat cities, I have been assured courthouse space in which to confer with individuals and groups who feel they have matters to discuss with their Representative in Congress.

It is sincerely hoped constituents will feel free to call on me during the time allotted their community. Whether they

wish to discuss personal problems or national affairs, I shall welcome the opportunity to face them.

No appointments will be necessary for those wishing to spend a few minutes with their Congressman. It will be my intent, aided by staff members, to give attention to all callers.

My itinerary, with the daily conference periods to run from 10 a. m. to 4 p. m., local time, is as follows:

October 3, Monday: Greensburg, Decatur County.

October 4, Tuesday: Winchester, Randolph County.

October 5, Wednesday: Shelbyville, Shelby County.

October 6, Thursday: New Castle, Henry County.

October 7, Friday: Muncie, Delaware County.

October 10, Monday: Greenfield, Hancock County.

October 11, Tuesday: Connersville, Fayette County.

October 12, Wednesday: Liberty, Union County.

October 13, Thursday: Rushville, Rush County.

October 14, Friday: Richmond, Wayne County.

Address by Hon. Edward Martin, of Pennsylvania, Before Annual Convention Banquet of the AMVETS, Department of Pennsylvania

EXTENSION OF REMARKS

OF

HON. EDWARD MARTIN

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Tuesday, August 2, 1955

Mr. MARTIN of Pennsylvania. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD the text of an address I delivered at the annual banquet of the AMVETS, Department of Pennsylvania, at Uniontown, Pa., on Saturday, July 30, 1955.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

We are assembled in a community enriched in history.

Here in Uniontown we are close to many historic shrines which are constant reminders of the courage and valor of the pioneers of American freedom.

In colonial days this region was the scene of many campaigns against the French and Indians which finally established British supremacy on the North American Continent. Battles fought here shaped the course of our history and the destiny of two great European empires.

Fort Necessity, where George Washington first commanded troops under fire, is only 10 miles east of here. Washington knew this entire country. As a young soldier, on his first important military mission, he recognized the strategic value of the point, in the present city of Pittsburgh, where the Allegheny and the Monongahela Rivers meet to form the Ohio.

Route 40, over which some of you traveled to this convention, has a place of great importance in our history. It recalls the romantic days of our Nation's westward expansion.

First designated as the Cumberland Road, it became known as the National Pike. It was the first road built by the Federal Government. A little more than a century ago it was the principal highway between the East and the West.

Soldiers, statesmen, merchants, educators, preachers, farmers, explorers, and adventurers passed along the National Pike. They traveled on foot, on horseback, and in vehicles of every description. The road was used daily by fast stage coaches and long streams of Conestoga wagon trains. Cattle, sheep, and hogs by the thousands were driven over it to eastern markets.

The road was dotted with inns and taverns to care for the drivers, teams and stock. It was traveled by General Andrew Jackson, James K. Polk, Henry Clay, Sam Houston, Davy Crockett and many other celebrities of those days. In 1824 General Lafayette passed over it on his triumphal tour of the United States.

Part of the National Pike was cut through the mountain wilderness by General Braddock on his ill-fated advance on Fort Duquesne. The moving of Braddock's forces over the the mountains from Cumberland, Md., was a tremendous military operation.

About 15 miles from here, at New Geneva, is Friendship Hill, the home built by Albert Gallatin, a great Secretary of the Treasury, in 1789.

I mention these memorials of our historic past because they are part of our tradition and our way of life. Every Pennsylvania county has its shrines of great interest. They should be revered and studied because the record of the past reveals the real meaning of Americanism.

You are members of a great patriotic organization. You are sincere Americans who have served our country in time of national peril. You are loyal to the one great ideal which is the strong foundation of our system of government.

Let us briefly consider that ideal and what it has accomplished.

In less than 200 years an uncharted wilderness has been transformed into the greatest Nation of all history—a country possessing the most extensive diversity of industry, the most outstanding agricultural production, the finest cultural standards and the highest spiritual level ever attained by any nation.

Many countries of the world possess more abundant natural resources than the United States. Many have soil just as rich as ours. They have people who are willing to work just as hard. They have places of historic pride. They have highly developed culture. They have deep religious beliefs.

Why is it then that we have made such great progress? Why is it that in such a short period of time we have surpassed other nations until we now have the duty of leading the free nations of the world?

The answer can be found in the ideal of freedom upon which the Founding Fathers established the American system of government.

They planned a constitutional republic—not a democracy. For the first time in world history they proclaimed the doctrine of self-government by the people through their elected representatives. Their concept of freedom made the people the master of the government and not the servant.

The whole ideal of our individual freedom is embraced in the sacred words of the Declaration of Independence. The courageous signers of that noble document loved liberty above life itself. They were the first group brave enough to proclaim that "life, liberty, and the pursuit of happiness" are divine endowments, destowed upon all mankind by the Creator of the Universe.

We must never forget those brave patriots who met in Independence Hall in the summer of 1776.

They proclaimed the great truth that in the sight of God all men are created equal, with equal opportunity to develop the gifts or talents they may possess. These include the will to work, to be tolerant, to be considerate of the rights of others, to be humble, and to be upright.

The Declaration of Independence meant that every individual is important and that the purpose of government is to give every man an equal opportunity to succeed. Also that every man in America has a right to be rewarded for his industry, thrift, hard work, tolerance, and decency.

After the American colonies gained their independence our forefathers adopted the world's greatest charter of freedom, the Constitution of the United States.

They framed a Bill of Rights to protect individual freedom from our own folly and to safeguard the citizen against oppression by an all-powerful central government.

They established the principle that government has no power over the individual beyond that specifically granted by the people themselves.

The Constitution guarantees human rights and dignity but it also protects the right of every American to acquire and own property.

The right to enjoy the rewards of one's labor and industry is one of the greatest of all human rights. It is the basis of the American system of free competitive private enterprise. It made possible the miracle of American progress and prosperity.

Yes, on this firm foundation of freedom and opportunity our Republic has grown in strength and vigor unparalleled in the history of mankind.

But we must remember the warning sounded by students of history that great republics and democracies of the past have been undermined and destroyed by certain evil conditions.

Among these are moral decay among the people, failure to understand the nature of their government, and emotionalism, generated by false leaders.

Government is weakened when demagogs play upon the emotions of the people, stirring up demands for great variety of functions, services, and payments at public expense. The demagogs cause the people to forget that government has nothing to give except that which it first takes from the people.

In order for a republic or a democracy to survive there must be constant teaching of what it means. The people must understand that they are the government. They must understand that while we have great rights we also have equal obligations to defend those rights.

They must understand that everything the Government gives in the way of grants, aids, or projects must be paid for by the people in direct or hidden taxes.

Hidden taxes are very dangerous. Debt is also dangerous. More nations have fallen as a result of confiscatory taxes and burdensome debt than from invading armies. Public and private debt in America is more than $600 billion. Even with inflation, it is more than our total wealth.

The greatest responsibility of patriotic American citizenship is to protect our free Government. You men as soldiers fought to defend the ideals of our Republic.

Every soldier, in taking the oath to support the Constitution, assumes an obligation to do everything he can to become a better member of his organization.

After we have served in the uniform we have an equal obligation for faithful and earnest service to see that our Nation may progress and become stronger.

We should all take part in Government because it is our Government. Our forefathers, when they signed the Declaration of Independence, pledged their lives, their fortunes

and their sacred honor. We must do the same thing.

There are enemies abroad and there are enemies within who would destroy our sacred ideals of freedom and independence. To preserve those freedoms, we must be vigilant. Our duty is to be as vigilant as civilians as we were on guard during the war.

At a critical time in the Revolution, General Washington ordered: "Place none but Americans on guard tonight." Real Americans, like yourselves, must be constantly on guard.

America became great as a land of opportunity. To keep it that way, we must have deep patriotism. Let freedom always ring. Let us always associate ourselves with true patriots. Let us fight to preserve this as a land of individual freedom and opportunity.

How can it be done? Everyone must stand up for American ideals.

It has been suggested that true observance of the Golden Rule, that time honored and accepted way of life, would save the ideals of this Republic.

"Do unto others as you would have them do unto you."

This would mean less arrogance; it would mean obedience to the law; it would mean leaving out of good society men who do questionable things within the bounds of law; it would mean humility and repentance; and it would mean that everyone of us would strive to make this a better country.

There must be no question about the loyalty of an American. You were loyal to your service unit. Let us give equal loyalty to the township, borough, and city in which we live. Let us take great pride in our counties and in our States.

This will build a stronger America. It will preserve for future generations the great blessing of freedom—freedom of the individual and freedom of opportunity.

Congressman Jerry Ford's Schedule for His Mobile Office

EXTENSION OF REMARKS
OF
HON. GERALD R. FORD, JR.
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. FORD. Mr. Speaker, I have a very strong contention that each Member of this great deliberative body, the Congress of the United States, should make every effort within his power and ability to bring Government closer to the people he represents in our Nation's Capital. In an effort to do just that, Mr. Speaker, I plan to tour my district this fall with a mobile office. I am doing this because I hope that my meeting face-to-face more of the people I represent, I will be not only better qualified to represent their interests but will also help to extend the knowledge that our great Government has a personal concern in the welfare of each citizen.

I am planning to locate this "mobile office" in the nature of a house trailer in 26 communities of Ottawa and Kent Counties, Mich. Members of my staff and I will be in the office from 2: 30 until 8 on the afternoon and evening of the day indicated.

Congressman JERRY FORD's schedule for his "mobile office," 2:30–8 p. m., on day indicated: Friday, September 16, Hudsonville; Monday, September 19, Zeeland; Tuesday, September 20, West Olive; Wednesday, September 21, Allendale; Thursday, September 22, Robinson Township; Friday, September 23, Ferrysburg; Monday, September 26, Nunica; Tuesday, September 27, Coopersville; Wednesday, September 28, Conklin; Monday, October 3, Marne; Tuesday, October 4, Sparta; Wednesday, October 5, Kent City; Thursday, October 6, Sand Lake; Monday, October 10, Cedar Springs; Tuesday, October 11, Rockford; Wednesday, October 12, Belmont; Thursday, October 13, Harvard; Friday, October 14, Grattan; Monday, October 17, Cannonsburg; Wednesday, October 19, Alton; Thursday, October 20, Lowell; Monday, October 24, Cascade; Thursday, October 27, Bowne Center and Alto; Friday, October 28, Caledonia; Monday, October 31, Byron Center; Tuesday, November 1, Jamestown.

Services by DAV to Disabled Veterans

EXTENSION OF REMARKS
OF
HON. LAURENCE CURTIS
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. CURTIS of Massachusetts. Mr. Speaker, seeing the full-page advertisement in the April 18, 1955, issue of Life magazine, featuring the Skrambelgram puzzle contest—including objects to be identified by words formed out of sets of scrambled letters and inserting admissible words, of high letter-point value, into the interconnecting horizontal and vertical letter paths of the puzzle pattern—I am impelled to state that, during the past 10 years or so, I have served as one of the 13 trustees of the sponsor of this intriguing puzzle contest, the Disabled American Veterans Service Foundation, which, incidentally, has its offices at 631 Pennsylvania Avenue NW., Washington, D. C.

Judging by my own observations during the past 7 years, I am sure that these annual puzzle contests are conducted by the DAV Service Foundation with complete fairness. Several hundreds of contestants have, during that time, been awarded prizes by the DAV Service Foundation totaling $568,333.38. The top winner in the current Skrambelgram contest may win as much as $28,600.

The primary purpose of conducting these annual puzzle contests is to acquire substantial net income therefrom, to be held in trust, for subsequent appropriation to the beneficiary of its trust, the 36-year-old service-giving congressionally chartered Disabled American Veterans, to which the DAV Service Foundation has so appropriated the aggregate sum of $2,490,000 during the last 6 years. Such sum has been used by the DAV toward the maintenance of its nationwide service activities—of great benefit each year to scores of thousands of disabled veterans and their dependents.

Because I have so firmly believed that America owes a primary obligation to its disabled defenders, and their dependents—to enable them to live in the American way, for which they sacrificed so much of their bodies or their health—I have long been associated as a life member of the DAV. Moreover, I am a member of all of the other veteran organizations to which I am eligible, and am also associated with many other fraternal, patriotic, and civic organizations.

Only through their support of various private organizations can American citizens help to mobilize their mutual desires, abilities, and objectives for various constructive purposes. Every American ought to be a member of at least one or more of our Nation's many social, fraternal, patriotic, political, and civic organizations. Moreover, every veteran who has served our country in its Armed Forces, in peacetime or in wartime, ought to be actively affiliated with at least one of the national veteran organizations which contribute so much to this country, locally and nationally.

Every war-wounded and disabled veteran ought first to be a member of the only congressionally chartered veteran organization composed exclusively of those Americans who were either wounded, gassed, injured, or disabled by reason of active service in the Armed Forces of the United States, or of some country allied with it, during time of war—namely, the Disabled American Veterans. In addition to his membership in the DAV, he ought also to be an active member of at least one other congressionally chartered veteran organization, to give his support to its broader activities and objectives.

The DAV is a patriotic, noncompetitive, service-giving veteran organization, dedicated to the important objective of extending much-needed service to, for, and by America's disabled defenders. To that end, it has, during most of the 36 years of its existence, maintained a larger staff of full-time national service officers in the district, central, and regional offices of the Veterans' Administration than any other veteran organization.

The DAV specializes in service to distressed disabled veterans, and their dependents. The DAV is a one-purpose organization—to protect and to promote the welfare of America's disabled war veterans, and their dependents.

The DAV is presently headed up by a badly wounded veteran of World War II, Judge Alfred L. English, of Shelbyville, Tenn. Its national adjutant—who has served the outfit for more than 27 years—is a wounded marine of World War I, Mr. Vivian D. Corbly, who maintains his offices at the DAV national headquarters at 5555 Ridge Avenue, Cincinnati 13, Ohio.

The DAV's chief fund-raising project—sending out miniature automobile license tags to automobile owners—comes under the overall supervision of its national adjutant. By reason of this nationwide key insurance, some 115,000 sets of lost keys are each year returned to their owners, without regard to whether the owners may previously have

made any contribution for their Idento Tags.

Only about 20 percent, unfortunately, of the recipients of such key insurance Idento Tags send back donations to the DAV. Those who have done so have enabled the DAV to maintain some 300 to 600 employees, mostly disabled veterans and their dependents, and to have a very substantial net income each year, which is used by the DAV in the maintenance of its nationwide setup of full-time national service officers. The DAV itself owns and operates this Idento-Tag project.

If every recipient of a DAV Idento Tag were to respond with a $1 donation, its net income from its serviceable Idento-Tag project would then enable the DAV to employ additional very much needed full-time national service officers in all of the some 166 hospitals maintained by the Veterans' Administration throughout the country, to advise, counsel, and assist their patients, first, to establish, technically, their entitlement to those governmental benefits to which they may be lawfully and equitably entitled; second, to guide them toward physical restoration and vocational rehabilitation; and third, to assist them toward self-sustainment as self-respecting American citizens, through useful, suitable employment which utilizes their remaining abilities.

Some Americans, if not most of them, have the erroneous idea that governmental benefits to disabled veterans are automatically awarded. Such an assumption is entirely wrong.

More claims are denied by the Veterans' Administration than are allowed. It is more difficult, ordinarily, for a disabled veteran to prove factual and technical entitlement to the benefits to which he may be equitably entitled, than is the case as to an able-bodied veteran who may be entitled to some benefits under the so-called GI bill of rights, by reason of having actively served in the Armed Forces of the United States during the period of World War II or in the Korean war.

Official records too frequently fail to substantiate the disabled veteran's claim that his disability originated in military service, whereupon he must positively prove that contention, by detailed specific fact-giving affidavit evidence. Too frequently, that becomes exceedingly difficult if not impossible to do, because of loss of memories with the passage of time, inability to get in touch with former buddies, inexperience in preparing specific factual affidavits which actually do set forth all of the pertinent facts, and so forth. Too many equitable claims are ruined because of inadequate careless preparation of the substantiating evidence.

The average disabled veteran claimant needs the expert advice of an experienced service officer, one who knows what is required by the Veterans' Administration, to justify favorable adjudication of the claim, if the facts which would substantiate it, can be brought to light, by digging into the memories of those who originally observed the pertinent facts, and then persuading them to set forth such facts convincingly and in sufficient detail.

This is the task which cannot be properly performed by an employee of the United States Veterans' Administration, which, in the final analysis, must act as the judge and jury and, as defendant, must pay the damages to the claimant, in the form of disability compensation, vocational training, medical treatment, and so forth, if the claim is awarded.

More than a thousand laws are being administered by the Veterans' Administration pertaining to disabled veterans and their dependents, many of them complicated and technical, making it even more advisable for a disabled veteran to have the helping-hand advice of an expert national service officer than for a businessman to employ an expert in the preparation of his Federal income tax report.

Because the average disabled veteran does not bother to try to avail himself of the laws which have been passed for his protection until driven by economic necessity to do so, claims of disabled veterans will continue to come up for consideration for many years in the future, probably following the pattern as to World War I veterans, for whom service-connections of disability were still being legally established by the DAV, more than 35 years following their active military service.

It will therefore undoubtedly be necessary for the DAV to continue to maintain a large staff of full-time national service officers for many years into the future. Adequate provisions for the disabled of America's wars is a must, not only from a humanitarian standpoint, but to equalize the burdens that would otherwise have to be assumed by relatives and friends, and by local communities.

Even more important it is that America's possible future veterans will have been impressed by the fact that our country does not permit the disabled veterans to become mere forgotten heroes—to be relegated to the economic scrap pile. The future welfare of our country is inevitably linked with the welfare of its disabled war veterans.

Americans who help to extend the opportunity for security to America's disabled defenders thereby help to fortify the future of our beloved country.

The nationwide service officer setup of the DAV is supervised by the DAV's national director of claims, Capt. Cicero F. Hogan, who maintains his offices in the DAV's national service headquarters at 1701 18th Street NW., Washington 9, D. C. Some 200 full-time national service officers serve under him.

Also located at national headquarters is DAV's national director of legislation, Maj. Omer W. Clark, former Deputy Administrator of Veterans' Affairs, and his able assistant, Col. Charles Foster.

A very important aspect of the services rendered by the DAV comes under the jurisdiction of its national director of employment, John W. Burris, who is also the organization's national civil service officer.

A complete account of all of the DAV's activities, including a detailed audited statement of its receipts and disbursements, appears in the proceedings of the DAV's annual conventions, which are reported to the United States Congress and then printed as a separate House document by the United States Government Printing Office. Also included in such document is the annual report of the DAV's incorporated trustee, the Disabled American Veterans Service Foundation.

The foundation's activities are under the supervision of its 13 trustees, 10 of whom each serve for 5-year periods, with 2 expiring each succeeding year, whereas the remaining 3 consist of the incumbent national commander and chairman of the national finance committee of the DAV and one other elected for a 1-year term.

The foundation's president is Miles H. Draper, Esq., a prominent attorney and friend of mine, from Tampa, Fla., with John L. Golob, of Hibbing, Minn., a past national commander of the DAV, as vice chairman, and with Mr. Lewis L. Clarke, former president of the American Exchange National Bank of New York City, trustee of the Bowery Savings Bank, as chairman of the foundation's finance and budget committee. Serving with him on such committee are Arthur W. Procter, Esq., a New York attorney, and Maple T. Harl, Director of the Federal Deposit Insurance Corporation in Washington, D. C.

The president of the American Security & Trust Co. in Washington, D. C., Mr. Daniel W. Bell, is the chairman of the foundation's trust fund investment committee. Serving with him on such committee are Maple T. Harl and Boniface R. Maile, a past national commander of the DAV and a prominent attorney in Detroit, Mich., and Mr. Lewis L. Clarke.

Other trustees include Gen. Charles Hines, who succeeded his older brother, Gen. Frank T. Hines, former Administrator of Veterans' Affairs; Gen. George C. Kenny, United States Army, retired; James L. Monnahan, DAV past national commander and presently the national service officer and department adjutant of the DAV at Fort Snelling, Minn.; Mr. Thomas Savage, of Rome, N. Y., as chairman of the DAV national finance committee; and Judge Alfred L. English, as DAV national commander; I, myself, constitute the 13th member. It has been my pleasure to so serve during the last 10 years.

What is the purpose, one might ask, of the Disabled American Veterans Service Foundation, as a separately incorporated trustee for the congressionally chartered DAV? The foundation was incorporated under the laws of the State of Ohio on May 16, 1931, with the specific prior authorization and subsequent approval of national conventions of the DAV, primarily thus, through the overlapping terms of the trustees, to be able to extend assurance to potential donors of a continuity of policy as to the conservation and investment of donated funds and as to their judicious subsequent appropriation to the DAV toward the end of helping it to maintain its invaluable nationwide service setup.

The DAV Service Foundation has also raised money for the DAV. Under the terms of the foundation's charter and

its trust agreement with the DAV, these funds can be appropriated by the trustees for the rehabilitation program of the DAV and for its work on behalf of disabled veterans, their widows and orphans.

One of the most successful fund-raising efforts of the foundation was a series of puzzle contests. These were conducted with the utmost scrupulousness, and a board of nationally well-known scholars and experts was secured to pass on questions as to the propriety of the words used in the contest. Following the success of the first contest, other organizations tried the same methods of fund raising, and the foundation ran into the law of diminishing returns.

There have also been other fund-raising projects, which taken all together, have brought in several million dollars for the charitable purposes of the foundation. This has enabled the foundation to appropriate to the DAV during the last 6 years the sum of $2,490,000 in addition to smaller amounts appropriated to State departments and DAV chapters which had made their contributions to some of the fund-raising efforts. The foundation still has over a million dollars in cash and Government securities on hand.

But for these appropriations from the foundation, it would have been impossible for the DAV to maintain its most valuable work in which its members take the greatest pride, namely, its national service officers program.

These service officers are maintained in many of the Veterans' Administration offices and hospitals where the Government furnishes them with desk space. They have been specially trained for this work. Many are graduates of a special course arranged for by the DAV at American University, where their schooling was largely paid for from educational benefits available under the GI bill of rights, or similar benefits for disabled veterans. The cost of maintaining this skilled group of approximately 200 service officers throughout the United States is in the vicinity of a million dollars a year.

Designations in insurance policies, assignments of stock and bonds and other property to the DAV Service Foundation, by disabled veterans, and by social-minded Americans, are greatly needed and highly justifiable, and will be reflected in continuance of valuable service each year to scores of thousands of distressed disabled veterans.

Special trust funds, designed to contribute toward the solution of some phase of the problems of disabled veterans, are particularly desirable, but would be feasible only on the part of other foundations or wealthy individuals. The foundation has one special trust fund, for example, the Irving J. Phillipson Rehabilitation Fund, which has been earmarked toward the support of activities sponsored by the Disabled Veterans Committee of the President's Committee on Employment of the Physically Handicapped.

During the past several years, such special trust fund has paid for the expense of printing some 350,000 attractive calendar cards, which each year have been distributed among the Nation of the Veterans' Employment Service, its State veterans' employment representatives, and the cooperating local officers of the respective State employment services throughout the country. Employers, and others, interested in the employment of the physically handicapped, might well wish to make contributions toward this special trust fund, toward the perpetuation of such special activities in future years.

Many other types of special trust funds might well be established by large donors or bequests: First, maintenance of full-time DAV national service officers in certain States or in certain hospitals; second, maintenance of all or a part of the national service staff of the DAV in Washington, D. C.; third, special travel allowances for DAV national service officers to enable them to visit disabled veterans in local communities; fourth, maintenance of secretarial staff of DAV national service officers; fifth, establishment and maintenance of part-time and/or full-time DAV national service officers in all or some of the 166 hospitals of the Veterans' Administration; sixth, expenses for special surveys pertaining to various phases of problems of disabled veterans in this country, and/or in other countries, and so forth.

Mr. Speaker, Americans who are grateful for the sacrifices made by America's disabled defenders, of parts of their bodies or of their health, by reason of their special services to our country in time of war, will generously support the vitally important service activities maintained by the DAV and sponsored by the DAV Service Foundation.

Atheist Attempt To Deceive the Public

EXTENSION OF REMARKS
OF
HON. EDGAR W. HIESTAND
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. HIESTAND. Mr. Speaker, I would like to call the attention of the Congress to a disgraceful attempt of two members of the National Liberal League to falsely use the name of George Washington to forward their base plan of denouncing a new series of "In God We Trust" stamps.

The two individuals, John L. Manners, 44, and Walter B. Stevens, 25, both of New York City, are members of the American Association for the Advancement of Atheism. I am informed they are attempting to send envelopes through the mail with a red-lettered inscription which quotes George Washington as saying that "The Government of the United States of America is not, in any sense, founded on the Christian religion."

This is a most flagrant misquotation for evil purposes. Research I have conducted shows that the quotation did not come from George Washington at all. It first appeared in an English translation of a treaty between the United States and Tripoli, executed in 1797, and signed by John Adams. It has been accepted as authentic to this treaty for years, but in fact the statement came from nowhere but the imagination of the translator, a latter day bureaucrat named Joel Barlow, who had the position of Consul General at Algiers.

The history of the statement is rather interesting. This 1797 treaty, like the treaty with the Dey of Algiers of 1795, had been bought, and the procedure of its execution was quite unusual. The treaty was written in the Arabic language, and any original English text on which it may have been based no longer exists. The price paid for the treaty is recorded as 40,000 royal duros, 13 watches, 5 seal rings, 140 ells of cloth, and 4 garments. Another section listed the Americans as still obliged to pay such things as 25 barrels of pitch and 4 anchors. Final adjustment on this matter was not completed until April 10, 1799, when the United States paid the equivalent of $18,000.

Four documents are in the Department of State file of this treaty. The first is the original treaty in Arabic. The other three are translations, each different. One of these, the Barlow translation, is extremely erroneous, but it has stupidly been trustfully and universally accepted as the just equivalent of the Arabic, and it is printed in the Statutes at Large and in treaty collections generally. This has been done even though evidence of the erroneous character of the Barlow translation has been in the archives of the Department of State since around 1800.

The article of dispute is Barlow's No. 11, which reads:

> As the Government of the United States of America is not in any sense founded on the Christian religion—as it has in itself no character of enmity against the laws, religion or tranquillity of Musselmen—and as the said States never have entered into any war or act of hostility against any Mehomitan nation, it is declared by the parties that no pretext arising from religious opinions shall ever produce an interruption of the harmony existing between the two countries.

Now what is most extraordinary and wholly unexplained is the fact that this statement does not exist at all in the Arabic text, and therefore in the treaty. The eleventh article of the Barlow translation has no equivalent whatever in the Arabic, but apparently no one knew better at the time. In fact the Arabic text opposite that article is a letter, crude, flamboyant, and unimportant, from Hassan Pasha of Algiers to Yussuf Pasha of Tripoli.

As hostilities were begun by Tripoli in May, 1801, after threats for a year, the actual terms of the treaty became of little importance. But the fictional Barlow translation has remained to blur the record and provide atheists with a quotation to use for their ignoble purposes. The attempt of these atheists of the National Liberal League to tie this absurd quotation to the great George Washington simply demonstrates how desperate their movement has become.

At the present time Manners and Stevens are suing Postmaster General

Arthur Summerfield and District of Columbia Postmaster Roy M. North because the Post Office Department has barred such foul material from the mails. I predict that their suit will get nowhere now that the mendacious nature of their quotation has been revealed. We must guard against attempts to abuse the great men of American history.

Federal Home Loan Bank

EXTENSION OF REMARKS
OF
HON. JAMES B. UTT
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. UTT. Mr. Speaker, the titles to the homes of many thousands of California families, including many of my own constituents, have been clouded and reclouded, and bounced in and out of courts for the last several years, as a result of two major factors:

First. A Federal agency, the then Home Loan Bank Commissioner, acted in a vindictive and capricious manner. Such conduct resulted in very grave and irreparable injury to citizens of California.

Second. The courts failed in their function to grant protection to citizens who had been the victims of the bank commissioner's diabolical scheme.

The bank commissioner's capricious scheme was made possible through the abuse and misapplication of powers granted Federal agencies under the Federal Home Loan Bank Act and the Home Owners' Loan Act.

Under the claimed authority of these acts, the then bank commissioner seized, without trial, notice, or hearing, two solvent and prosperous financial institutions. The lack of merit and capriciousness of such seizures were conclusively brought to light in two subsequent congressional hearings, by the sworn testimony of a host of witnesses and documentary evidence.

The United States district court has however, thus far been precluded from trying the charges of fraud against the seizing Government officials, by a series of United States circuit appellate court decisions. These appellate court decisions are based upon purely technical grounds, denying the United States courts jurisdiction to hear the complaints and claims of injury of our victimized citizens.

Congress enacted these laws as a protection for its citizens and to aid in stabilizing our national economy at a time when it was sorely needed. Under these enactments, over $28 billion savings deposits have been built up by over 16 million people.

When the congressional enactments were abused by the home loan bank officials, the circuit court blamed Congress by holding the United States district court without jurisdiction, and said:

> The simplest kind of an amendment [by Congress] would have achieved such a result.

It should have been obvious Congress never intended these abuses, and certainly did not intend to deprive its citizens of the protection of the courts. To make its intention crystal clear, Congress did correct the law by enacting the 1954 Housing Act.

By such act, Congress wiped out the excuses of the United States circuit appellate court for its failure to properly function. Such court had previously held the following:

First. Home Loan Bank Board was not sueable.

Second. That exhaustion of administrative remedies was a prerequisite for citizens to judicially regain their property seized from them by force and duress.

Third. Lack of jurisdiction in the United States courts of the "subject matter," of the claims of the citizens.

Fourth. Absence of Government defendants from the jurisdiction of the United States district court precluded the courts from functioning.

None of these appellate court excuses went to the merits of the injustices perpetrated upon our citizens.

Congress in its 1954 Housing Act was plain and forceful in its language and intent when it repudiated the United States Circuit Appellate Court's contention by adopting a law which: (a) Made the Home Loan Bank Board a sueable entity; (b) authorized direct jurisdiction by the local United States district court to hear and grant relief to its citizens, without the prior necessity of administrative process; (c) committed to the local United States district court jurisdiction to review all acts of the Home Loan Bank Board embracing the whole gamut of the subject matter of such board's functions; (d) provided a definite and specific manner of serving process on the Home Loan Bank Board and Federal Savings and Loan Insurance Corporation; (e) after consideration of the specific litigation pending—for example, Long Beach Federal Savings cases—Congress refused to limit its enactments to future matters. All of its citizens are entitled to equal protection against fraud and corruption of Government officials.

Notwithstanding the plain intent of Congress, evidenced by the legislative history as well as the clear and concise wording of the act, the United States Circuit Appellate Court, by its ruling in July 1955, still precludes the United States district court from exercising the jurisdiction specifically granted by Congress.

There has been no prior trial on the merits of the issues. There can be no res judicata of something never tried. The Congressional enactments are procedural and remedial. Such a conflict of the United States Circuit Appellate Court rulings and congressional enactments, are unwarranted and unjustified. With the heavy and burdensome workload of Congress, it should not be subjected to criticism which follows as a result of the failure of our courts to protect its citizens against capricious acts and abuse of power of Government officials.

These United States circuit appellate courts are experimental creatures of Congress, intended to serve a useful purpose. However, if the experiment proves a burden rather than an asset, Congress has the responsibility of correcting the evil in the courts, as well as in the agencies.

In such United States circuit court's latest decision, it nullifies a California State law granting our citizens a right "to quiet titles" to their homes against allegedly false and fraudulent claims of people and agencies with whom they have had no dealings. Such nullification and encroachment into State law was necessary, to sustain the appellate court's erroneous rulings which are in conflict with the congressional act.

What ultimate damage to Government and citizens alike will result as a consequence of the United States appellate courts flaunting of congressional enactment, is impossible to estimate. The damages thus far reaches into many millions, in addition to the unwarranted heartaches and hardships already thrust upon thousands of our citizens.

Congress has the responsibility to correct abuse of its enactments, or face a growing host of injured citizens, who have been deprived of their homes and property, without trial, hearing, or right of redress, because of the failure of the courts to properly function.

Operation Brave

EXTENSION OF REMARKS
OF
HON. GERALD R. FORD, JR.
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. FORD. Mr. Speaker, I am glad to be associated with my distinguished colleagues in this statement commending Mr. George W. Brazier, Jr., on the proposal he has so appropriately called Operation Brave.

At a time when a real hope for a just peace is being cautiously nurtured by thinking men around the free world, it is good to know that individual citizens like Mr. Brazier are giving of their personal efforts to so noble and unselfish a cause.

It is significant, I think, that the President reserved his greatest optimism in his report to the people on the meeting at Geneva for the hope that a better understanding between nations can be achieved by closer contacts between people.

He said:

> But the subject that took most of our attention in this regard was the possibility of increased visits by the citizens of one country into the territory of another, doing this in such a way as to give the fullest possible opportunity to learn about the people of the other nation. In this particular subject there was the greatest possible degree of agreement. As a matter of fact, it was agreement often repeated enthusiastically and supported by the words of the Members of each side.

I can think of no better group of American citizens to explain the desire of the President and the Nation to achieve this understanding than the men who fought in Korea. They best exemplify our deepest aspirations for a just peace and our firm determination that it shall be an honorable peace in which justice and freedom are the essential ingredients.

The men who held the line of freedom in Korea know that the ideal of human freedom is not cheaply held. In the truest sense, they represent the spirit that has made our country great and I think Mr. Brazier has made a happy choice in calling his proposal Operation Brave.

Courage is universally admired among freemen and the bond of comradeship steeled on the shell-torn hills of Korea can yet be a real force for peace. There is no firmer respect than that born out of common suffering for a just cause and this is surely a good foundation for cooperation between freemen. We are the strongest of the free nations and the task of leadership has fallen to us. It is fitting, therefore, that in an effort like this we should again take the first step in keeping alive the great potential for mutual understanding that began in Korea.

Sending 22 American veterans to visit their comrades in 22 nations is surely no grandiose stunt or pompous propaganda maneuver; it is a simple and modest effort to renew an area of understanding between men who already share an unforgettable experience in the never-ending struggle to preserve freedom.

It is especially noteworthy that this is the idea of a private citizen who is determined that every step shall be taken to avoid the necessity of other citizens again fighting that kind of war. He is asking the veterans of that struggle to make the same sacrifice for peace in their own countries, to take up different weapons to preserve the same ideals.

The American veterans would again assure their comrades that the effort is not unnecessary or meaningless but that our military strength is a symbol of our firm purpose to preserve the freedom which is at once our real strength and our hope for other men.

I also want to join in personally commending Mr. Brazier for his unselfish contribution of time and talents to a cause in which he believes so firmly.

Farm Income

EXTENSION OF REMARKS
OF
HON. RALPH HARVEY
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. HARVEY. Mr. Speaker, in the issue of August 5 of the U. S. News & World Report appears a statement which is untrue and which if not corrected will certainly be misleading. The magazine in question occupies a very high position as to its quality and veracity among readers throughout the Nation and in fact all over the world; it is for this reason that the statement should not be permitted to go unchallenged. On page 9 near the center of the page appears the following statement which I quote:

> Farmers aren't doing so well, it's true. Farm owners, however, have only 11 billions out of a national income of 320 billions. That's under 4 percent, so that if farm income goes down 25 percent for owners, barely 1 percent of national income is involved. Planners in Government are not so concerned about troubles on the farm as they were in the past.

The farm income—gross—in 1954 was near 34 billion and the figure of 11 billion must have been the estimated net farm income which is quite different. Historically there has been a direct relationship between farm and total national income of about 1 to 7. At present the farm income is about 1 to 10 or 11. This does not represent a healthy condition for if the economic history continues as it has, then the total national income will come down or the farm income will go up or both will happen.

While this magazine does not state directly that their philosophy is the same as the quotation it would leave the inference that they do believe the figures quoted substantiate the conclusion that farm income is of little importance to our national economy.

This is not a sound conclusion, for farmers are consumers of all the products of our factories only when their net income will permit them to be. But the total economy of our Nation can only result from the processing, distribution, and selling of the raw products of our Nation. Since the percentage of raw products from within our own boundaries is the highest of any major nation, it follows that our total income can only be a multiple of the value of our raw products. From 1929 to 1953 the proportion of raw material income to total national income was 1 to 5. Agricultural products constitute almost two-thirds of the value of all raw products fed into our economic stream. If agriculture or farm values are permitted to continue to slide, it will eventually be reflected in our total national income.

While deploring the inaccuracy of the statement, this in itself would not be so dangerous were it not for the fact that this will be accepted as a fact by the readers and the conclusion which is derived, namely, "that the farm income is of no real importance to national welfare" could have serious repercussions. Farmers are having a tougher time each year to show a profit in the price squeeze in which they find themselves; their lowering net income is reflected directly in the stores and factories of the Nation.

Unfortunately there is a tendency on the part of those who are not interested in the welfare of agriculture to minimize its importance and to conclude that we could very well do without a prosperous farm economy. Such a viewpoint was freely expressed in the late twenties. Only when the effects of a failing agriculture were felt in the whole economy was the effort made to correct the trend; but it was too late. My concern is that we may make the same mistake until we again find trouble too far reaching to correct.

Pornographic Materials and Juvenile Delinquency

EXTENSION OF REMARKS
OF
HON. ESTES KEFAUVER
OF TENNESSEE
IN THE SENATE OF THE UNITED STATES
Tuesday, August 2, 1955

Mr. KEFAUVER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a brief summary of the hearings and the results of the investigation by the Subcommittee on Juvenile Delinquency of the Committee on the Judiciary, on the relationship of pornographic materials to juvenile delinquency.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

Recently the Subcommittee To Investigate Juvenile Delinquency held hearings on the relationship of pornographic materials to juvenile delinquency.

One of the most shocking discoveries we made was the fact that the pornography business in the United States grosses nearly half a billion dollars each year. We found that much of this business flourishes because of inadequate Federal legislation.

The ease with which pornography is reaching children was brought home to us time and again. Business lists taken from convicted pornographers demonstrated that their nasty trade flourishes in every section of the country. These men, who operate virtually as traveling salesmen in filth, take advantage of certain loopholes in Federal law, as well as weak enforcement of existing laws by some local communities, to run small sums of money into large profits.

In Los Angeles, one candid witness told us she made $1 million from a $600 investment. All of this money was amassed by sending lewd pictures through the mails.

Even if convicted, most of these pornographers have little to fear. Penalties are so light that they can be written off as overhead.

The Post Office Department prepared a display for our Washington hearing which illustrated the wide extent and the character of the mail-order operation in pornography. The subcommittee learned that a good deal of this material is sent through the mails to children. Letters from worried and indignant parents pour into our office daily, complaining about material and advertisements sent to their homes through the mails. The Post Office Department also receives thousands of complaints about this situation.

Post-office authorities are vigilant in their efforts to stop the pornographer's operations. When they detect an individual sending obscene material through the mails, his mail can be stopped. However, the operators of this business told us themselves, that they merely go out of business at one address and start up again at another address under a different name. Then the entire process must start over again. After the pornographer's operations from a new address are detected and halted, he merely moves to a new location.

At our New York and Washington hearings, post-office officials indicated to us that

tighter Federal laws are needed by them to curtail the sending of lewd matter through the mail. Therefore, after study of the problem, the subcommittee recommends that the first of the two bills I am introducing today be adopted.

Under this measure, the Postmaster General could detain, for 10 days, the mail of persons suspected of violating existing Federal laws against sending lewd and obscene matter through the mails. This bill spells out in detail the safeguards necessary to protect the civil liberties of those concerned. No mail may be detained for more than 10 days without action being taken under existing law. Only if a petition is filed by the Post Office Department can the restraining order be continued.

The second bill provides graduated penalties for convicted pornographers, which are considerably more severe than under existing statutes. For example, under the new bill, a convicted second offender faces a prison term of not less than 3 years. Under existing law, a prison term is not mandatory.

This measure also tightens the law on pornography for the District of Columbia, and penalties are made more stringent. It also affords the judge in the District of Columbia the choice of applying either a more severe fine or a longer prison sentence than heretofore. This was recommended to us by those who administer the law in the District of Columbia.

A good illustration of the necessity for these more severe penalties is provided by the case of a pornographer who was apprehended in Washington with 80,000 feet of negative and positive film in his possession. He was freed on $300 bail. Naturally, he did not return to face trial. His film can be used over and over again and to produce other prints. His total operation can run into hundreds of thousands of dollars. Had he been convicted, his fine would not have been in keeping with the size and nature of his operations. The small fine of the present law is no deterrent to a man with so large a business.

The public demand for congressional action is great. I hope we can act on these bills this session.

The Story of TVA: More Abundant Life at the Expense of the Taxpayers

EXTENSION OF REMARKS

OF

HON. CHARLES A. HALLECK

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1955

Mr. HALLECK. Mr. Speaker, I would like to call to the attention of the House a recent publication, the 1955 Tennessee Valley Yearbook, which contains features of special interest to the Members, and to the public in general, in light of current discussions of public versus private power development in this area.

The yearbook is obviously designed to extoll life in the Tennessee Valley and to lure new industries to the region.

With that purpose I certainly have no quarrel.

Nor do I have any objections whatsoever to a desire on the part of the citizens of the Tennessee Valley to enjoy a more abundant life. That is the common goal of every American.

But I am getting a little fed up with the methods that are being used to expand the advantages of the Tennessee Valley at the expense of the rest of the country, including the taxpayers of the Second Congressional District of Indiana, in whose welfare I have a special interest.

We have heard a lot of irresponsible talk about the Dixon-Yates contract including shameful attempts to cast reflections on the integrity of the President of the United States in connection with this program to build a $100 million powerplant with private instead of public funds.

The President has now ordered the contract canceled for the good and simple reason that the city of Memphis has agreed to build the needed plant itself. Had such assurances been given earlier, there would have been no necessity for the Dixon-Yates arrangement, and contract termination expenses, whatever they may be, would have been spared the Federal Government.

Meanwhile, however, a desperate attempt is being made by public-power advocates, an attempt generated, if I may use that term, by extreme TVA partisans, to create the impression that there was something dishonorable about the Government's dealings with the Dixon-Yates group.

The purpose of these efforts is to create, if possible, a political issue by discrediting President Eisenhower and the Republican administration.

The attempt is doomed to failure. The Dixon-Yates contract was a good one, honestly arrived at, which would have benefited the Government, the people of the Tennessee Valley, and the taxpayers of the whole country.

If there is an issue at all, it is that the trend toward the socialization of electric power in this country has been halted under a Republican administration and that the demands for further subsidization of one small segment of our population at the expense of the rest of our people have been successfully resisted.

The Congress has refused, and rightly so, to spend another $100 million of public funds to build a new steam generating plant at Fulton, Tenn., which would further subsidize the production of low-cost electric power, about which the 1955 Tennessee Valley yearbook speaks in such glowing terms.

So far, the Congress has invested $1.5 billion for the development of this vast power empire. This money is either collected from taxpayers all over the country, or it is borrowed.

Three percent interest on $1.5 billion is $45 million a year, a further subsidy of the TVA being borne by all our taxpayers.

Interest on the proposed $100 million steam plant at Fulton would be another $3 million a year.

That means a cost of $48 million annually to the Nation's taxpayers, in addition to the money invested.

No wonder the Tennessee Valley can offer power benefits to business, industry, agriculture, and homeowners far beyond benefits available to the rest of the country.

The first advertisement in the yearbook, a full-page affair, should be of particular interest to sections of the Nation which have lost industries in recent years.

Sponsored by the industrial committee of 100, Chattanooga Chamber of Commerce, the ad indicates that 7 new industries have invested $127 million in that community since 1948 and have invested $57 million in industrial expansions during the same period.

The advertisement is an invitation to other industries to avail themselves of the benefits of low-cost power—subsidized by the Nation's taxpayers.

A second full-page advertisement further extols the virtues and benefits of life in Chattanooga, although the sponsorship of the advertisement is not listed.

The city is described as "the Electrical Center of the South," with "the highest average annual kilowatt-hour residential consumption—9,050 kilowatt-hours—of any city of equal size or larger in the world."

The advertisement goes on to point out that—

> Power, low-cost power and plenty of it is what the people of Chattanooga demanded in 1939 when they established the publicly owned electric power board of Chattanooga.

The following statement will be interesting to the rest of the taxpayers of the country who have helped to foot the bill for this low-cost power:

> Through 1954 our customers have saved $96,191,795 (based on private power rates in 1939) in electricity costs with rates that are less than half the national average. They have used this power to enjoy better living on farms, in homes, to increase production in business and industry.

Who do you suppose made it possible for the customers of the electric power board of Chattanooga to save more than $96 million on their electric bills?

It was the taxpayers of the entire country, who supplied the $1.5 billion invested by the Congress to develop first hydroelectric power and then steam-generated power as the demand grew for cheap, subsidized electricity.

I must say the copywriters were a bit loose with the facts in another part of the advertisement when they state that "all appropriations for electric-power development are repaid to the National Government with a 6-percent-interest payment."

TVA pays no interest to the Federal Government and it does not pay normal taxes.

In fact, the editor of the Yearbook, in a presentation on page 35 of the publication, states that TVA has paid to the Federal Treasury $123 million on the original investment.

Compare that with the $1.5 billion of public money which the Federal Government has invested in TVA to date.

According to another full page advertisement sponsored by the electric power board of the city of Nashville:

> More than 22,000 homes are heated solely by electricity in the Nashville-Davidson County area—largest unit of electrically heated homes in America.
>
> Nashville folks live better with cheap, abundant electric power—

Says the advertisement.

> Life in Nashville is lighter and brighter because of cheap, convenient electric power.

We earnestly advise any industry considering the establishment of a new southern factory branch, plant, or distribution warehouse to come to Nashville, where you will receive the finest electric service in the entire Nation.

The advertisement concludes with this slogan:

In Nashville we say "Electricity: Biggest bargain in your budget."

It should be, with the rest of the Nation helping to pay for it.

I want to give credit where credit is due.

Not all of the people of the Tennessee Valley area are happy about relying on Federal handouts.

Following a recent appearance which I made on television to explain the background of the TVA development and the administration's policy with regard to further expansion of power facilities in that area, I received a number of letters and telegrams from all over the country from people who agreed with that policy.

Some of these communications were from the Tennessee Valley region. One, postmarked from Knoxville, comments in part:

I heartily agree with your views on TVA on Today program this morning. All honest people agree with you. * * * I buy my own shoes with no help from 41 States.

Even the editor of the 1955 Tennessee Valley Yearbook recognizes that a situation exists which should not continue, pointing out on page 37 of the publication that—

Sooner or later we must live within our income; we should repay to the United States Treasury the full cost of TVA for the good of our souls.

Cutting through the smokescreen of misrepresentations, innuendoes, false charges, and sly insinuations, the issue can be defined as whether the taxpayers of the country are going to be required to underwrite the continued expansion of public power for a favored section of the country, whether that expansion shall continue until we have completely socialized the power industry in America, or whether we are going to realize that "cheap" public power is a myth, an illusion created by the fact that many are paying for the benefits of a few.

It is time we heeded the logic of President Eisenhower who wrote, in a letter to the Honorable STERLING COLE, of New York, at that time chairman of the Joint Committee on Atomic Energy:

My general thinking on the subject is this: it seems to me that all arguments for the construction by the Federal Government for the additional steam plant ignore this one and very important truth. If the Federal Government assumes responsibility in perpetuity for providing the TVA area with all the power it can accept, generated by any other means whatsoever, it has a similar responsibility with respect to every other area and region and corner of the United States of America.

No one quarrels with the original purpose of the TVA: to promote flood control, navigation and recreation in the area and to dispose of the surplus power generated incidentally.

But we have now arrived at the point where more than twice as much power is being generated by auxiliary steam plants as is being generated by the hydroelectric installations.

President Eisenhower also wisely pointed out in his budget message earlier this year that—

To the greatest extent possible, the responsibility for resource development, and its cost, should be borne by those who receive the benefits.

The President has also suggested that studies be made looking to legislation which will provide "that an adequate rate of interest be paid to the Treasury on appropriated funds invested in power facilities in the Tennessee Valley Authority."

I think that proposal is sound.

It is time that TVA stands on its own feet.

It is time that the people of this region show an appreciation of the advantages already given them, meeting their obligations to the rest of the Nation's taxpayers by reimbursing the United States Treasury at an equitable rate.

I am glad the people of Memphis have decided to proceed with the construction of a powerplant to supply their own needs.

As long as they are willing to invest their own money, pay interest on the funds they borrow, pay back the principal and work out the manifold problems of such an enterprise without coming to the Federal Government for subsidies, I say more power to them.

A Tribute to Free Enterprise in Behalf of Its Obligation to the Community

EXTENSION OF REMARKS
OF
HON. FRANK J. BECKER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. BECKER. Mr. Speaker, most of my colleagues will agree with me that we, and Congress, are called upon from time to time to lend our high offices to the furtherance of various projects which are at best highly commercial in nature.

However, when a large commercial organization shows a consistent policy of engaging in civic activities designed for the general public's good, I think we would be derelict, to say the least, were we to ignore such an organization purely because it is of a commercial nature. I refer specifically at this time to another of the fine examples of public service carried out by the P. Ballantine & Sons Breweries, of Newark, N. J.

My colleagues may remember that 5 years ago, when each of us was concerned with the vast and disturbing problem of civilian defense in our various constituencies, P. Ballantine & Sons were quick to evolve a program of mobile emergency disaster relief in the area surrounding the company's home office in Newark, N. J. They may recall that this became a model for other large organizations to follow, and that we took cognizance here in Congress of that public mindedness. At the time, this organization outfitted fleets of trucks as emergency disaster units, manned by drivers trained for civilian defense work, and placed them at the call of the New Jersey Civil Defense Director. It was, perhaps, as I suggest, a venture in the commercial interest; but it was also a gesture of invaluable aid to the community, and one which we here in Congress should have and did laud.

Several years later, in 1953 to be exact, when the National Symphony Orchestra, here in Washington, was in danger of having to be disbanded because of the lack of public support, P. Ballantine again rushed into the breach and rendered incalculable assistance in the preservation of this admittedly fine musical organization. By presenting a successful summer musical festival here in Washington, this company contributed to saving the National Symphony Orchestra and continuing its excellent concert programs. I submit that this was a public service of a type which, although admittedly containing its commercial overtones, was not duplicated by any of the many private interests also concerned with the welfare of the National Symphony.

Now, once again, my attention has been called to another public-spirited gesture on the part of Ballantine. I refer to the Membership Drive now being conducted on behalf of the American Legion.

I am sure I do not have to remind my colleagues of the necessity for maintaining a strong and virile veterans' organization such as the Legion. For many ex-servicemen it is their one link with their Government in matters concerning our national defense and the creation of a vigorous and always prepared America.

And now, in furtherance of that aim, the American Legion has instituted a vast membership drive. American Legion members have been engaged in signing up new members for their organization, including renewals of memberships which may have become inactive, through the stimulus of a contest supported by the Ballantine Co.

As I am an active member of the American Legion, I think it is not outside our province to give due recognition to the advantages to be gained from such gestures, and to extend our thanks to P. Ballantine & Sons, as well as to any other organization similarly motivated.

Our Water Resources

EXTENSION OF REMARKS
OF
HON. OVERTON BROOKS
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. BROOKS of Louisiana. Mr. Speaker, on May 31, 1955, the 42d annual convention of the National Rivers and Harbors Congress was held at the

Mayflower Hotel in Washington, D. C. The highlight of the convention was a banquet with representatives from 46 of the 48 States of the Union present and representatives from Hawaii, Puerto Rico, and Alaska. At this session was read a most interesting and important message from the President of the United States, dealing with the utilization of our water resources. Under unanimous consent, I reproduce this message herein for the information of the Members of this Congress:

THE WHITE HOUSE,
Washington, May 27, 1955.

The Honorable OVERTON BROOKS,
President, National Rivers and Harbors Congress, Washington, D. C.

DEAR OVERTON: I should prefer to convey personally to the National Rivers and Harbors Congress my congratulations and best wishes on the occasion of its 42d annual convention. Since, however, I cannot be there, I have asked my Secretary, Mr. Shanley, to bring my cordial greetings to everyone in attendance.

The problem of assuring our people of adequate water has become of utmost importance to every one of us. In my remarks to your group a year ago, I mentioned that the administration was embarking upon an effort to coordinate and increase the efficiency of the many Federal activities which impinge upon this problem. Since then a special advisory committee on water-resources policy has been hard at work, and I have received regular reports on its progress. I am satisfied that its recommendations—soon to become publicly available—will constitute a valuable basis for the improvement of our national water resources policy. While many improvements can be made by administrative action, major changes will, of course, require congressional action. There will thus be ample opportunity for public review of basic revisions in national policy.

The tremendous proportions of this task are well known to your congress. No organization at any level of government or outside the Government can perform the task alone. The best efforts of all groups, at the local, State, and Federal levels, working in harmony toward the common goal, will be required. I know that in this undertaking the National Rivers and Harbors Congress will continue to play a significant and valuable role.

Sincerely,

DWIGHT D. EISENHOWER.

Averaging Taxable Income

EXTENSION OF REMARKS
OF
HON. THOMAS B. CURTIS
OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1955

Mr. CURTIS of Missouri. Mr. Speaker, I have today introduced a bill, H. R. 7837, to provide greater equity in our tax structure by permitting the averaging of taxable income by individuals over a 6-year period.

It has long been recognized that the bunching of income creates one of the most serious inequities under our present tax system. Individuals who experience a concentration, or bunching, of income in 1 year are taxed much more heavily than those who receive the same income over a period of years.

Our tax rates are generally based on the principle of ability to pay. But this basic principle is violated when an individual is subjected to rates, ranging as high as 91 percent, which bear no relation to his ability to pay if that ability were determined realistically over a period longer than 1 year.

This injustice is prevalent throughout the American economy. The farmer who struggles along on a small income for many years and then has one big crop is taxed in the good year as if he had been earning that level of income consistently. The same is true of the small-business man whose enterprise suddenly becomes successful. It also applies to the professional man, the performing artists, the writer, or the employee whose efforts over many years are rewarded with increased compensation.

In planning our tax laws, we should recognize that our economic system is highly dynamic. Our tax structure should take account of this fundamental fact and allow an appropriate adjustment to those whose income fluctuates sharply from year to year. The present rate structure more or less assumes a static level of income and penalizes those who, by their extra efforts, increase their income at a sharply accelerated pace. In many areas of business enterprise, the effect of the present system may be to act as a deterrent to increased output within a single year because of the extra heavy taxes which will be incurred.

The problem of averaging income has been approached tentatively at several points in the Internal Revenue Code but there is no overall provision which is generally applicable. For example, sections 1301–1304 allow an individual who performs services over a period of 36 months or more to spread the income received therefrom over the 36-month period. These provisions, however, apply only if 80 percent or more of the income is attributable to the services received in 1 taxable year.

Another averaging provision, section 72 (e) (3), applies to the proceeds of endowment policies or face amount certificates which are paid off in 1 year. The recipient of the income may spread it over a 3-year period.

The 1954 code added section 481 (b), relating to inventory adjustments, which permits the amount of the adjustment to be included in the taxable income of the year of receipt and the 2 preceding taxable years.

The new estates and trusts subchapter of the 1954 code contains a so-called 5-year throwback rule in section 666, which has some of the characteristics of averaging with respect to the recipient of a distribution of accumulated income.

This brief summary by no means covers all of the provisions of existing law which attempt in some fashion to ameliorate the rigidity of the annual accounting concept. There are many other provisions, such as the installment-sales provisions and the capital-gains sections, which are concerned in part with the same problem.

However, all of the present provisions are geared to one or more specific situations. There is a fundamental need, as I have indicated, for a provision which is applicable to all taxpayers regardless of their occupation and the source of their income.

Many leading tax writers and practitioners have recognized the inequity and gone on record in favor of the principle of tax averaging. The main obstacle has been the lack of any sound, workable proposal which would permit averaging of income without causing excessive administrative complexities.

The bill which I have submitted, and which is intended primarily as a basis for study and analysis, provides a very simple form of averaging. An individual who has a substantial increase in income in any one year would be allowed to spread the increase over the taxable year and the 5 preceding years. His tax on the increase would be computed on the lower rates applicable to the preceding years.

The bill limits the adjustment to cases in which there is an increase of more than 50 percent over the income of the past 5 years. Minor fluctuations in income do not need or warrant the adjustment.

As an illustration, assume that a small-business man averages $5,000 for 5 years and in the 6th year has a $20,000 income. He would qualify for the adjustment with respect to the excess of $20,000 over $7,500—150 percent of the average income for the past 5 years. The $12,500 would be spread over a 6-year period for the purpose of computing the maximum tax in the year of receipt.

A tax averaging proposal of the type which I have described is both simple and flexible. The 5-year period moves forward constantly. Any individual who has a marked increase in taxable income would be able to qualify for the adjustment by reference to the 5 prior years of income experience.

I should like to emphasize that the proposal does not exempt any portion of taxable income or allow a preferential rate to any individual or group. It simply provides for a more realistic application of the progressive rate structure to irregular fluctuating incomes.

The proposal for tax averaging would be of benefit to millions of farmers and small-business men. It would remove some of the penalties of our present rate structure for entertainers, athletes, and others whose income characteristically fluctuates widely from year to year. The adjustment would tend to equalize the tax burden of those with irregular and those with stable incomes and provide greater incentive for maximum contribution to the economy. It would also reduce the constant pressure for many special tax relief provisions.

Voting and Attendance Record of Hon. Gerald R. Ford, Jr., of Michigan

EXTENSION OF REMARKS
OF
HON. GERALD R. FORD, JR.
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. FORD. Mr. Speaker, under leave to extend my remarks, I include a report of my voting and attendance record during the 1st session of the 84th Congress.

The record includes all rollcall votes and all quorum calls. The description of bills is for the purpose of identification only; no attempt has been made to describe the bills completely or to elaborate upon the issues involved.

The purpose of this report is to collect in one place information which is scattered through thousands of pages of the RECORD. I want to be able to provide any interested constituent with a simple compilation of my voting and attendance record.

It will be noted that out of a total of 147 rollcalls I missed on only two occasions for an attendance record of 99.3 percent. The footnotes at the end of the compilation will indicate the reason for the absences and how I would have voted if present.

Voting and attendance record, Representative GERALD R. FORD, JR., 5th District of Michigan, 84th Cong., 1st sess.

Roll-call No.	Date	Measure, question, and result	Vote
	1955		
1	Jan. 5	Quorum call	Present.
2	do	Election of the Speaker (Rayburn; 226; Martin, 198)	Martin.
3	Jan. 25	H. J. Res. 159: Authorizing the President to employ the Armed Forces of the United States for protecting Formosa, etc. (Passed 409 to 3.)	Yes.
4	Jan. 27	H. R. 587: To provide that persons serving in the Armed Forces on Jan. 31, 1955, may continue to accrue educational benefits under the Veteran Readjustment Assistance Act of 1952. (Passed 366 to 0).	Yes.
5	Feb. 8	H. R. 3005: To Extend Universal Military Training and Service Act and the Dependents' Assistance Act for 4 years. (Passed 394 to 4.)	Yes.
6	Feb. 16	H. R. 3828: To adjust legislative and judicial salaries; Congressmen to receive $22,500 plus $2,500 for expenses. (Passed 283 to 118.)	Yes.
7	Feb. 17	Quorum call	Present.
8	do	H. Res. 142: Motion to stop further debate on the question of a closed rule on H. R. 1. (Defeated 207 to 178.)	Yes.
9	Feb. 17	H. Res. 142: To permit 5 hours of debate and amendments from the floor on H. R. 1. (Defeated 193 to 191.)	No.
10	do	H. Res. 142: Closed rule on H. R. 1 to prohibit amendments from the floor. (Passed 193 to 192.)	Yes.
11	Feb. 18	H. R. 1: To recommit to Committee on Ways and Means with instructions to amend to require the President to comply with recommendations of the Tariff Commission except when national security is involved. (Defeated 206 to 199.)	No.
12	do	H. R. 1: Final passage to extend the authority of the President for 3 years to enter into trade agreements for reduction of tariffs. (Passed 295 to 110.)	Yes.
13	Feb. 23	Quorum call	Present.
14	Feb. 24	Quorum call	Present.
15	Feb. 25	H. R. 4295: To recommit to Committee on Ways and Means in order to delete prevision calling for a $20 credit against individual income tax for each personal exemption in tax year 1955. (Defeated 210 to 205.)	Yes.
16	do	H. R. 4592: Extending existing corporate normal-tax rate and certain excise-tax rates and providing $20 credit against individual income taxes for each personal exemption. (Passed 242 to 175.)	No.
17	Mar. 1	H. R. 3828: An adoption of conference report setting judicial and legislative salaries: Congressmen to receive $22,500. (Passed 223 to 113.)	Yes.
18	Mar. 10	Quorum call	Present.
19	do	H. R. 4720: To increase the compensation of members of the Armed Forces. (Passed 399 to 1.)	Yes.
20	Mar. 16	Quorum call	Present.
21	Mar. 18	H. R. 4903: Amendment to restore $4 million for the United Nations technical-assistance program which had been deleted by a point of order. (Passed 174 to 107.)	Yes.
22	Mar. 21	Quorum call	Present.
23	do	H. R. 4646: To suspend the rules and pass the bill increasing postal employees' salaries on an average of 7.5 percent. (Defeated 302 to 120.)	Yes.
24	do	Quorum call	Present.
25	do	H. R. 4957: To suspend the rules and pass the bill directing a redetermination of the national marketing quota for burley tobacco for 1955–56. (Defeated 260 yeas to 151 nays, a ⅔ majority being necessary.)	Not voting.[1]
26	Mar. 22	Quorum call	Present.
27	do	H. Res. 170: To disapprove of the disposal of some of the Government-owned synthetic rubber plants. (Defeated 283 to 132.) (Effect of my vote: Permits sale of plants to private companies.)	No.
28	Mar. 23	Quorum call	Present.
29	do	H. Res. 171: To disapprove of the disposal of some of the Government-owned synthetic rubber plants. (Defeated 276 to 137.) (Effect of my vote: Permits sale of plants to private companies.)	No.
30	Mar. 24	Quorum call	Present.
31	Mar. 28	Quorum call	Present.
32	Mar. 29	Quorum call	Present.
33	Mar. 30	H. R. 4295: To accept conference report extending corporate and excise taxes for 1 year and deleting the $20 income tax credit for each taxpayer and his dependents. (Passed 386 to 8.)	Yes.
34	do	H. R. 5240: Amendment to restore a provision limiting to $1 per month the fee to educational institutions for reports on veterans. (Defeated 226 to 156.)	Yes.
35	Apr. 13	Quorum call	Present.
36	Apr. 20	Quorum call	Present.
37	do	H. R. 4644: Amendment to the postal pay raise which would increase the annual rate for certain classes of employees; raised the overall increase from 7.5 to 8.2 percent. (Passed 224 to 189.)	No.
38	do	H. R. 4644: Motion to recommit to Committee on Post Office and Civil Service. (Defeated 287 to 125.)	Yes.
39	do	H. R. 4644: On final passage of the bill as amended to grant a postal pay raise of about 8.2 percent. (Passed 324 to 85.)	No.
40	Apr. 21	Quorum call	Present.
41	do	H. R. 4393: To provide for construction and conversion of certain modern naval vessels; calls for a $1.3 billion, 4-year navy shipbuilding program. (Passed 373 to 3.)	Yes.
42	Apr. 27	Quorum call	Present.
43	May 3	Quorum call	Present.
44	May 4	Quorum call	Present.
45	May 5	Quorum call	Present.
46	do	H. R. 12: Amendment to remove peanuts as one of the basic commodities in the farm price-support program. (Defeated 215 to 193.)	Yes.
47	do	H. R. 12: To recommit to Committee on Agriculture. (Defeated 212 to 199.)	Yes.
48	do	H. R. 12: To restore the 90 percent of parity supports on 5 basic crops and fix the minimum level for support of dairy products at 80 percent of parity. Final passage. (Passed 206 to 201.)	No.
49	May 9	Quorum call	Present.
50	do	S. 1 and H. R. 4644: To recommit the conference report on the postal pay raise bills (8.8 percent increase) to the conference committee. (Defeated 275 to 118.)	Yes.
51	do	S. 1 and H. R. 4644: On final passage of conference report on postal pay raise bills (8.8 percent). (Passed 328 to 66.)	No.
52	do	H. Res. 223: To authorize consideration of the bill to permit statehood for Hawaii and Alaska. (Passed 322 to 66.)	Yes.
53	do	Quorum call	Present.
54	May 10	Quorum call	Present.
55	do	Quorum call	Present.
56	do	Quorum call	Present.
57	do	H. R. 2535: To recommit to committee the bill authorizing statehood for Hawaii and Alaska. (Passed 218 to 170.)	No.
58	May 11	Quorum call	Present.
59	do	Quorum call	Present.
60	May 12	Quorum call	Present.
61	do	Quorum call	Present.
62	do	H. R. 6042 (Department of Defense appropriations): To strike out provisions requiring approval by congressional committee before the armed services may move any permanent facility. (Defeated 202 to 184.)	No.
63	do	H. R. 6042: Final passage of defense appropriations bill. (Passed 382 to 0.)	Yes.
64	May 17	Quorum call	Present.
65	May 18	Quorum call	Present.

[1] En route to Michigan to keep an appointment. If present, would have voted "no."

Voting and attendance record, Representative GERALD R. FORD, JR., 5th District of Michigan, 84th Cong., 1st sess.—Continued

Roll-call No.	Date	Measure, question, and result	Vote
	1955		
66	May 19	Quorum call	Present.
67	...do	Quorum call	Present.
68	...do	Quorum call	Present.
69	May 23	S. 727: To increase the salaries of judges for the District of Columbia. (Passed 282 to 32.)	Yes.
70	May 25	Quorum call	Present.
71	...do	H. Res. 224: To create a select committee to investigate the White County (Ind.) Bridge Commission. (Passed 205 to 166.)	No.
72	...do	H. R. 2851: To make agricultural commodities owned by the CCC available to needy persons in areas of acute distress. (Passed 343 to 1.)	Yes.
73	May 26	Quorum call	Present.
74	...do	S. 727: To recommit to conference committee a bill which would raise salaries of District of Columbia judges to an amount greater than previously voted by the House. (Passed 170 to 165).	Yes.
75	...do	Quorum call	Present.
76	...do	H. R. 5881: To recommit to committee the bill which provided for Federal compensation in non-Federal reclamation projects and for participation by non-Federal agencies in Federal reclamation projects in order to limit the scope of the bill to 17 Western States instead of all 48 States. (Defeated 229 to 62).	No.
77	June 1	Quorum call	Present.
78	...do	H. R 3990: To authorize the Secretary of the Interior to investigate projects for conservation, development, utilization of the water resources of Alaska. Motion to recommit bill to Committee on Interior and Insular Affairs. (Defeated 278 to 79.)	Yes.
79	June 7	S. 2061: To increase salaries in the postal service by an average of 8 percent and to provide for reclassification. (Passed 409 to 1.)	Yes.
80	June 8	H. R. 5923: To authorize an appropriation of $57,730,000 to complete the Inter-American Highway. (Passed 353 to 13.)	Yes.
81	June 13	Quorum call	Present.
82	June 14	Quorum call	Present.
83	...do	H. R. 1: On acceptance of conference report on the Trade Agreements Extension Act of 1955. (Passed 347 to 54.)	Yes.
84	...do	H. R. 6227: To provide for the control and regulation of bank holding companies. (Passed 371 to 24.)	Not voting.[1]
85	June 15	Quorum call	Present.
86	...do	H. Res. 210: To authorize an investigation of the Federal Open Market Committee of the Federal Reserve Board. (Defeated 214 to 178.)	No.
87	June 16	Quorum call	Present.
88	June 20	S. 67: To increase salaries of civil-service employees by about 7.5 percent. (Passed 370 to 3.)	Yes.
89	...do	H. Con. Res. 109: Authorizing the appointment of a congressional delegation to attend the NATO Parliamentary Conference. (Passed 338 to 31.)	Yes.
90	...do	H. R. 6295: To raise the per diem allowance for subsistence and travel expenses for Federal employees from $9 to $13. (Passed 320 to 41.)	Yes.
91	June 21	H. R. 4663: To authorize the Secretary of the Interior to construct, operate, and maintain the Trinity River division, Central Valley project, California, and to authorize an appropriation of $225 million therefor. (Passed 230 to 153.)	Yes.
92	June 22	Quorum call	Present.
93	...do	H. R. 6040: To recommit to committee the customs simplification bill with instructions to strike out sec. 2, which would make export value the primary basis for assessing ad valorem duties. (Defeated 232 to 143.)	Yes.
94	June 23	H. Con. Res. 149: Expressing the sense of Congress that the United States in its international relations should maintain its traditional policy in opposition to colonialism and Communist imperialism. (Passed 367 to 0.)	Yes.
95	June 27	H. R. 6992: To extend for 1 year the existing temporary ceiling on the public debt of $281 billion. (Passed 267 to 56.)	Yes.
96	...do	Quorum call	Present.
97	...do	H. R. 6829: To authorize certain construction at military, naval, and Air Force installations. (Passed 316 to 2.)	Yes.
98	June 28	Quorum call	Present.
99	...do	H. R. 3005: To recommit the conference report to committee. (Defeated 171 to 221.)	No.
100	...do	H. R. 3005: To extend the Universal Military Training and Service Act and the Dependents Assistance Act for 4 years and to extend for 2 years the Doctors-Dentists Draft Act. (Passed 388 to 5.)	Yes.
101	...do	Quorum call	Present.
102	June 29	Quorum call	Present.
103	...do	S. 727: To recommit the conference report on the bill which adjusts the salaries of the judges of the courts of the District of Columbia. (Defeated 157 to 227.)	No.
104	June 30	Quorum call	Present.
105	...do	S. 2090: To authorize appropriations totaling $3,285,800,000 for carrying forward the mutual security program. (Passed 273 to 128.)	Yes.
106	July 1	Quorum call	Present.
107	...do	Quorum call	Present.
108	July 5	Quorum call	Present.
109	July 6	H. R. 3210: To recommit the bill which would authorize the State of Illinois and the Sanitary District of Chicago to test, on a 3-year basis, the effect of increasing the diversion of water from Lake Michigan into the Illinois Waterway. (Defeated 74 to 316.)	Yes.
110	July 7	S. 2090: To adopt conference report authorizing $3,285,800,000 for the mutual security program. (Passed 262 to 120.)	Yes.
111	July 11	Quorum call	Present.
112	...do	H. R. 7224: Appropriating $2,638,741,750 for mutual security during the fiscal year 1956. (Passed 251 to 123.)	Yes.
113	July 12	Quorum call	Present.
114	July 13	H. R. 6766: Conference report making appropriations for the AEC, TVA, and certain agencies of the Departments of Interior and the Army. (Passed 315 to 92.)	No.
115	...do	H. Res. 295: To provide for the consideration of H. R. 7089, a bill to provide benefits for the survivors of servicemen and veterans. (Passed 376 to 24.)	Yes.
116	...do	Quorum call	Present.
117	July 14	Quorum call	Present.
118	July 18	Quorum call	Present.
119	...do	H. R. 7225: To amend the Social Security Act to extend coverage to certain disabled persons who are at least 50 years old, to women at 62 years of age, and to certain disabled children over 18 years old, and to certain occupational groups. (Passed 372 to 31.)	Yes.
120	...do	Quorum call	Present.
121	...do	Quorum call	Present.
122	July 19	Quorum call	Present.
123	...do	Quorum call	Present.
124	July 20	Quorum call	Present.
125	...do	H. R. 7214: To amend the Fair Labor Standards Act to make the minimum wage $1 an hour effective Mar. 1, 1956.	Yes.
126	July 25	Quorum call	Present.
127	...do	Quorum call	Present.
128	...do	Quorum call	Present.
129	...do	H. R. 7000: To agree to the conference report on the Reserve Forces Act of 1955. (Passed 315 to 78.)	Yes.
130	July 26	H. Res. 314: To provide for 3 hours debate on H. R. 7474, the Federal-State highway construction bill. (Passed 274 to 128.)	Yes.
131	July 27	Quorum call	Present.
132	...do	H. R. 7474: To recommit this highway bill to committee and to substitute therefor the administration bond financing proposal for highway construction. (Defeated 193 to 221.)	Yes.
133	...do	H. R. 7474: Final passage on the highway construction bill increasing certain taxes. (Defeated 123 to 292.)	No.
134	July 28	Quorum call	Present.
135	...do	H. Res. 317: To provide for 3 hours of general debate on H. R. 6645, to amend the Natural Gas Act. (Passed 272 to 135.)	Yes.
136	...do	Quorum call	Present.
137	...do	H. R. 6645: To recommit to committee the amendment to the Natural Gas Act. (Defeated 203 to 210.)	Yes.
138	...do	H. R. 6645: The Harris bill to amend the Natural Gas Act to remove from control of the Federal Power Commission natural gas producers and gatherers. (Passed 209 to 203.)	No.
139	July 29	Quorum call	Present.
140	...do	S. 2126: To adopt the Wolcott substitute for the Senate housing bill. (Passed 217 to 188.)	Yes.
141	...do	S. 2126: Final passage with the Wolcott substitute inserted in the housing bill. (Passed 396 to 3.)	Yes.
142	Aug. 1	Quorum call	Present.
143	...do	H. Res. 299: To grant to the Small Business Committee an additional $35,000 for operating expenses. (Passed 231 to 134.)	No.
144	...do	S. 2576: To strengthen the power of the District Commissioners in relation to the Capital Transit Co. and to authorize repeal of the franchise of the company. (Defeated 215 to 150, a ⅔ majority being required to suspend the rules.)	No.
145	...do	Quorum call	Present.
146	Aug. 2	Quorum call	Present.
147	...do	S. 2126: To adopt conference report on Housing Act of 1955. (Passed 187 to 168.)	No.

[1] En route to Michigan to keep a speaking engagement. If present would have voted "yes."

Results of Questionnaire Mailed by Hon. John F. Baldwin, of California, to Residents of the California Sixth District

EXTENSION OF REMARKS
OF
HON. JOHN F. BALDWIN, JR.
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. BALDWIN. Mr. Speaker, this spring I issued a questionnaire to each family of registered voters in my district. The response to this questionnaire was tremendous, and the replies have been most helpful to me. The tabulation of the questionnaire is summarized below:

1. Are you in favor of the United States defending: (1) Formosa and the Pescadores Islands? Yes, 79 percent; no, 15.2 percent; no opinion, 5.8 percent. (2) The islands of Quemoy and Matsu off the coast of China? Yes, 45.5 percent; no, 41 percent; no opinion, 13.5 percent.

2. Should we grant more foreign aid, 10.5 percent; less foreign aid, 49 percent; or the same amount as during the past year, 30.4 percent? No opinion, 10.1 percent.

3. Should there be an expanded program of Federal aid for school construction? Yes, 76.9 percent; no, 19.5 percent; no opinion, 3.6 percent.

4. Do you favor the military reserve program recommended by the President to supplement the present selective-service program? Yes, 73.7 percent; no, 16.5 percent; no opinion, 9.8 percent.

5. In view of the Post Office Department deficit:

(a) Do you favor raising the first-class postal rate to 4 cents? Yes, 50 percent; no, 42.4 percent; no opinion, 7.6 percent.

(b) Do you favor raising the air-mail postal rate to 7 cents? Yes, 58 percent; no, 34.5 percent; no opinion, 7.5 percent.

(c) Do you favor raising second- and third-class postal rates? Yes, 68.4 percent; no, 25.7 percent; no opinion, 5.9 percent.

6. Should Communist China be admitted to the United Nations? Yes, 15.3 percent; no, 78.5 percent; no opinion, 6.2 percent.

7. (a) Should Alaska be granted statehood? Yes, 81.6 percent; no, 13.7 percent; no opinion, 4.7 percent.

(b) Should Hawaii be granted statehood? Yes, 82.1 percent; no, 13.3 percent; no opinion, 4.6 percent.

8. Do you favor the President's recommendation that the Federal Government reinsure private and nonprofit health insurance plans? Yes, 57 percent; no, 30.9 percent; no opinion, 12.1 percent.

9. Should the minimum wage be increased to 90 cents, 21.8 percent; $1, 34.6 percent; $1.25, 21.1 percent; or left at 75 cents, 17.9 percent? No opinion, 4.6 percent.

10. Should the Taft-Hartley Act be amended, 38.3 percent; repealed, 14.2 percent; or left as is, 39.4 percent? No opinion, 8.1 percent.

11. Should the Federal Government put the Dixon-Yates contract into effect, 25.8 percent; or cancel it, 26.9 percent; or do you have no preference on it, 47.3 percent?

12. Although the budget is not balanced, do you believe there should be a cut in income taxes this year? Yes, 28.9 percent; no, 68.1 percent; no opinion, 3 percent.

13. Should the voting age be lowered from 21 to 18 years? Yes, 36.8 percent; no, 60.6 percent; no opinion, 2.6 percent.

14. What type of farm-price supports do you favor? Flexible (75 percent to 90 percent), 59.2 percent; rigid (90 percent), 7.3 percent; none, 25 percent? No opinion, 8.5 percent.

15. If you are a Federal Government civilian employee, do you favor extension of social-security coverage to all Federal Government employees? Yes, 24.3 percent; no, 10.7 percent; no opinion, 65 percent.[1]

16. Should tariffs be lowered, 32.5 percent; raised, 10.4 percent; or left as they are, 42.6 percent? No opinion, 14.5 percent.

Increased Rates of Compensation for Veterans and Reinstatement of National Service or Government Life Insurance

EXTENSION OF REMARKS
OF
HON. DANIEL J. FLOOD
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. FLOOD. Mr. Speaker, I rise in support of increased rates of compensation for dependents of veterans with service-connected disability and reinstatement of national service or Government life insurance. You will note that eligibility requirements have already been decreased from 60 percent to 50 percent disability by Public Law 339, 81st Congress, Sixty-third Statutes, chapter 900, section 4.

H. R. 5574 would enable some to obtain national service life insurance. It should be pointed out that under its provisions they would have to pass a health test. It is doubtful if veterans with 50 percent or more disability could pass such test. I, therefore, endorse H. R. 3664 under which such veterans would not be subject to a health test.

THE DISABLED VETERANS AND THEIR DEPENDENTS—ARE THEY ON EQUAL FOOTING WITH THEIR FELLOW CITIZENS?

Mr. Speaker, I want to call the attention of the House to a situation concerning our disabled veterans which is deplorable. Every man wants to see that his wife and children do not lack the necessities of life and that they have all of the good things which he can secure for them. Yet our totally disabled veterans lie in hospitals faced with the knowledge that they can do little or nothing to provide their families with even the bare necessities of life. Still other veterans with 50 percent or more disability find that they can only work part time at only the lowest paid jobs and are hardly able to provide even the necessities let alone the one or two small luxuries which we all expect as a matter of course.

In 1948 with the enactment of Public Law 877, 80th Congress, Congress recognized that the veteran with 60 percent or more disability needed help in supporting his family and provided additional compensation for his dependents as follows for totally disabled veterans with a proportion of the amounts for the partially disabled with 60 percent or more disability:

Wife, no child	$21.00
Wife, 1 child	35.00
Wife, 2 children	45.50
Wife, 3 or more children	56.00
No wife, 1 child	14.00
No wife, 2 children	24.50
No wife, 3 or more children	35.00
Each dependent parent	17.50

On October 10, 1949, in Public Law 339, 81st Congress, the Congress included veterans with 50 percent or more disability.

Having recognized the principle that the seriously disabled veteran needs and deserves help in supporting his family, we have promptly forgotten it. In spite of the fact that the cost of living has increased year by year, these rates have not been increased. It is true that for the veteran himself we have passed increased pensions, now amounting to $181 as compared to $115 at the end of World War II. But Mr. Speaker, it is now time to step back and take a look at the whole situation which includes the veteran and his family. While we have been preoccupied with increasing his pension, he has been forced to devote an increasing amount to the support of his loved ones. By failing to increase the rates for his dependents since 1948 we have actually failed of accomplishment of our objective, that is, to place our disabled veteran in the same competitive position with respect to his fellow citizens, as if he too had not been called upon to make the sacrifice he did make in the service of his country.

At this point I am going to quote from a letter I received from a disabled veteran in my district. I am sure each of you gentlemen have received from time to time many letters of a similar nature. I quote:

> I have been more than "considerably under the weather" for some time which necessitated another stomach operation during the latter part of March, performed in the veterans' hospital in Erie. That was the third such operation, all service-connected, of course, from World War II.
>
> * * * * *
>
> Fourteen dollars a month is hardly sufficient to buy the milk for one child. In my case, my wife and I are separated, my children are with my father and I get the amount of $24.50 for 2 children. The rent (excluding clothing, allowances, medical or dental bills and miscellaneous) is $70 per month—and I receive but $24.50. Both are in school, so you can see what it does to my check. This is a general problem and certainly not confined to the undersigned.

Our disabled veterans are proud men. They do not want a handout. They only want to compete on an equal footing with their fellow citizens. We must see to it that inadequate aid for his dependents does not rob the veteran of the benefits more generously provided by the Congress for the veteran himself.

DISABLED VETERANS—REINSTATEMENT OF NATIONAL SERVICE AND GOVERNMENT LIFE INSURANCE LOST THROUGH NO FAULT OF THEIR OWN

Mr. Speaker, I have already made a statement respecting the need to increase the rates for dependents of our disabled veterans with 50 percent or more disability. There is one more aspect of the

[1] Question not applicable because of non-Federal employment.

disabled veterans' problem to which I wish to call your attention.

Veterans with 50 percent or more disability have a very hard struggle, because of their disability, to find and keep steady employment. Every one of them at times finds himself faced with unemployment, either because he is unable by reason of his disability to obtain other than a temporary or part-time job or because of the necessity of further hospitalization. Mr. Speaker, during those periods of unemployment, our seriously disabled veterans and particularly those with families and dependents find that it takes every penny that they can scrape together and more to keep going and to keep their families going. As a result many of our disabled veterans have been forced to give up their national service life insurance for the simple reason that they just did not have the money to continue the premiums and still continue to furnish their families with the necessities of life.

I have, as I am sure you have also, received letters from disabled veterans in my district who would like the chance to obtain this insurance again. They, however, are prevented from applying by the provisions of section 619 of the National Service Life Insurance Act, see United States Code, section 38, page 820, which prohibits the issuance of such insurance after April 25, 1951. I feel that this section should be amended to give our disabled veterans, who have lost their insurance through sheer necessity and through no fault of their own, another opportunity to obtain such insurance. In addition, I feel that our veterans who have suffered disabilities in our country's cause should not be discriminated against in obtaining such insurance by being required to pass a health test.

Undoubtedly, some of our veterans whose disabilities are slight could pass such a test. Those, however, who have suffered most, whose disabilities are the greatest, could not possibly pass such test. They would be precluded by the very sacrifice which they have made for their country from obtaining the insurance. I therefore feel that section 619 should be amended in such a way that the disabled veteran would not be penalized by his disability. I therefore endorse H. R. 3664.

Refugee Relief Act Amendments

EXTENSION OF REMARKS
OF
HON. HUGH SCOTT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. SCOTT. Mr. Speaker, it is regretable that the Democrat leadership of both Houses of Congress—in control of all committees—completely ignored the President's request for vitally important amendments to the Refugee Act of 1953, notwithstanding pledges of the Democrat Party to make needed revisions in the laws concerning admission of qualified persons. Both the Senate and House majority leaders failed to act, notwithstanding the efforts of Senator WATKINS to get action in the Senate and of Mr. CRETELLA, of Connecticut, and of myself in the House.

The President asked for these essential revisions on May 27 last. I introduced a revision bill on January 5, 1955, and I later introduced H. R. 6733, which specifically provided for carrying out the President's request by amendment of the act in order to permit the entry of bona fide immigrants. I requested a hearing on H. R. 6733 from subcommittee No. 1 of the House Judiciary Committee and was advised on June 10 that my bill was before this subcommittee. On July 5 the subcommittee chairman notified me:

> We have not scheduled any hearings on legislation designed to amend the Refugee Relief Act of 1953.

The reason given was that Senator WATKINS' bill would be brought before the full Senate Judiciary Committee. However, Senator WATKINS' efforts to carry out the President's wishes were whipsawed in the Senate, as were mine in the House, by the Democrat leadership in both bodies.

The difficulties which will face bona fide qualified applicants in the future will continue, thanks to the broken promises of a Democrat Congress, which also failed to keep its promises on education, health, and labor legislation. All of these measures to help people had been urged by the President, and all are very much in accord with the President's middle-of-the-road policy.

One-thousandth Anniversary of the Christianization of the Ukraine: A Tribute

EXTENSION OF REMARKS
OF
HON. PETER W. RODINO, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. RODINO. Mr. Speaker, on many occasions Canadians and Americans join in mutual celebrations of events important to both nations. It is fitting that they should do so particularly on this celebration commemorating the Christianization of the Ukraine 1,000 years ago, because both nations have substantial numbers of their citizens whose ancestry is traced back to the Ukraine.

In the history of the world the acceptance of Christianity by what is now called the Ukrainian people has had the greatest significance. Christianization of the Ukraine had a two-fold effect upon the Ukrainians: It brought them into the Christian family; and secondly, it created a bridgehead for the dissemination of Byzantine culture into the heartlands and distant borders of Eastern Europe. With its Cathedral of St. Sofia, Kiev, the capital of ancient Ukrainia, became a religious and cultural center, rich in art, architecture, and literature. Within a relatively short time Kiev became one of the most prominent outposts of Byzantine civilization. From this medieval Kievan state Christianity spread throughout the vast areas east of what is called today the borderlands of Western Europe, and as the eastern branch of Christianity enveloped this area, it diffused with it the Byzantine civilization in all its brilliance and grandeur. In this manner the entire area, formerly inhabited by pagan barbarians, was brought into the Christian family and into the Byzantine civilization.

The 1,000th anniversary commemorating the Christianization of the Ukraine takes on a special meaning today when one calls to mind the unfortunate fact that the Ukrainian people have been overwhelmed and suppressed by one of the greatest pagan forces of the age, Russian communism. However dismal the future prospects of Ukrainians may seem, it ought to be the hope of every freedom-loving person that in this 20th Century as in the 10th a new movement will take root in the depths of the Ukrainian soul which with equal force and influence will spread eventually throughout the Soviet empire, a movement which will bring to the Ukrainian people a new era of religious, cultural, economic, and political freedom. A people who have done so much for the betterment of humanity deserve nothing less than that.

The Small-Farm Family

EXTENSION OF REMARKS
OF
HON. CLIFFORD G. McINTIRE
OF MAINE
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. McINTIRE. Mr. Speaker, the low income farm family is again largely forgotten by Congress. They are being denied even the small fund requested by the Secretary of Agriculture to help get the new rural-development program under way.

April 27 President Eisenhower sent to Congress the study and recommendations showing how low income farm families can be helped. He said:

> We must open wider the doors of opportunity to our million and a half farm families with extremely low incomes—for their own well-being and for the good of our country and all our people.

To implement the program Congress was asked to appropriate $3 million and to provide $30 million for additional loans to small farmers.

Congress would have gone home denying any of this help for the small family farm had not Senator AIKEN and Senator THYE spoken out in protest. As a result, there will be $15 million additional to loan to small farmers. All the rest was denied.

Senator AIKEN said:

> I believe it will be too bad if the Congress does not go along with the President's proposal and undertake by legislative action to afford needed relief to the million and one-

half families—comprising probably 6 million or 7 million persons—who today are living on farms, but do not have the means of a decent livelihood, and in many cases do not have educational opportunities, particularly vocational-education opportunities. If they leave the farms and find work elsewhere, they cannot command high wages, because they are not trained. They are trying to make a living on farms which are so small that even if they received 300 or 400 percent of parity for the crops they produce, they still would be unable to make a decent living.

So, Mr. President, I should like to see the Senate today vote to restore the cuts in the appropriation which were made originally by the House, and subsequently agreed to by the Senate committee.

June 7 and 8, leaders from 27 States met in Memphis, Tenn., to plan how best to push forward with the new rural-development program for low-income farmers. They are moving ahead with plans, hoping Congress would provide the funds to get at least 60 pilot operations going in the 1,000 counties where low income farm families are concentrated. Now they must be told Congress would not make this possible. The low income farm families have again been largely forgotten.

The Meaning of One Word, "And"

EXTENSION OF REMARKS
OF
HON. MICHAEL A. FEIGHAN
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. FEIGHAN. Mr. Speaker, for some years I have opposed giving any American assistance to Marshal Tito's Communist regime in Yugoslavia. I have opposed such aid when both the authorization and appropriations bills were being considered by the House. The reason I took this action was because of my firm conviction that Tito is and remains nothing more than a Russian stooge, and that he will never be an asset to the free world because of his complete dedication to the cause of international communism. My efforts in the past have met with little success because Congress did authorize and did appropriate large sums of money and assistance to the Communist dictator Tito.

This year when the authorization legislation was in the Committee of the Whole, there was a great deal of talk about Marshal Tito refusing to allow American inspection over the manner in which he was utilizing American assistance in Yugoslavia. The opinion was generally held that Tito refused to allow us complete inspection opportunities, but most everyone hesitated to speak out on this matter because the Republican administration had put itself so strongly on record favoring aid to the Communist dictator, Tito.

I became particularly disturbed when I heard from reliable sources that Tito was allowing the Russians to ship military equipment and supplies across Yugoslavia and into Albania. There were also stories going about relating to the prospect of the Russians canceling all of Tito's debts to them previously incurred, and that Tito was negotiating with the Kremlin for the manufacture of MIG jet fighters in the industrial establishments of Yugoslavia, many of which were put on their feet by American assistance. These circumstances caused me to offer an amendment to the Mutual Security Act of 1954, chapter 4, section 142 (70). That subsection provided that no assistance could be furnished to any nation unless such nation agreed to allow "continuous observation and review by United States representatives of programs of assistance authorized under this title, including the utilization of any such assistance, or provide the United States with full and complete information with respect to these matters, as the President may require."

Now, it will be noted that under the 1954 act this subsection did not make mandatory continuous observation and review by United States representatives because the alternative was allowed for some nations to simply provide reports on how our assistance was being utilized. It was this escape clause which permitted the United States representatives to give Tito assistance even though he refused to permit continuous observation and review by them of the manner in which our assistance was utilized. I later learned that our military representatives in Yugoslavia had not been permitted complete freedom to inspect the military installations, airfields, defense highways, and other public roads, and railroad lines. Consequently, rather than offering an amendment to prevent any assistance to Yugoslavia which appeared certain of defeat in light of the Republican administration's support for aid to Tito, I offered an amendment simply to delete the word "or" and substitute the word "and." By the change of this one word Tito now must permit continuous observation and review of all programs of any such United States assistance, including the utilization of any such assistance, by representatives of our Government.

Shortly after the adoption of this amendment by Congress and the passage of the Mutual Security Act of 1955, a disagreement between the Dictator Tito and representatives of the United States was revealed in the press. While State Department sources denied the disagreement was over the new requirement that Tito permit observation and review by United States representatives or no assistance could be given him, it is clear that this is an issue which has not been resolved. Shortly thereafter stories appeared in the Yugoslav press about Tito negotiating with the Kremlin for the manufacture of Russian MIG fighter planes. This means that the factories of Yugoslavia would be tooled up to support the Russian Communist war machine in the event of a shooting war with the free world. In the last few days stories have been appearing to the effect that Tito finds himself in an excellent bargaining position between United States interests and the Kremlin. In effect, he is telling us that unless we give him what he wants, and under such conditions as he alone determines, he will simply turn to his Russian brothers for assistance and military support. This form of blackmail is even cruder than that employed by Hitler.

This latest maneuver by Tito should cause us to take the position that if he accepts one single bit of military assistance, whether in the form of contracts with the Kremlin or as outright gifts from Moscow, United States aid should be terminated completely and abruptly. It also demonstrates the absolute necessity for the United States to secure the right to, and to enforce continuous observation and review of all those programs in Yugoslavia having to do with military defense because if we support any phase of their defense program, it is necessary for us to know every phase of such program.

There should be no doubt as to the congressional intent with respect to the amendment to section 142 (10) of the Mutual Security Act of 1954, which was adopted. That amendment was directed at correcting the scandalous situation with respect to our dealings with the big faker Tito, but it should likewise be applied to all nations who receive any form of assistance from the United States.

When this matter comes before Congress next year, we will expect a full report on all United States assistance to Yugoslavia, including what sort of business he is doing with the Kremlin and what he has done with any United States assistance granted to him under the conditions imposed by section 142, subsection (10) of chapter 4, title 1.

Any assistance given to Tito without first securing the right to continuous observation and review or failure on the part of any United States representatives to fully carry out these requirements will constitute a flagrant violation of the law. Congress will want to know whether or not this law has been violated. In order to avoid misunderstanding when this matter arises again next year, the full impact of this law, as amended, should be impressed upon each and every American representative assigned to Yugoslavia.

Hon. John Patrick Higgins, Chief Justice of the Massachusetts Superior Court

EXTENSION OF REMARKS
OF
HON. RICHARD B. WIGGLESWORTH
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. WIGGLESWORTH. Mr. Speaker, I deeply regret to learn of the passing of Chief Justice John Patrick Higgins.

Born in Boston in 1893, educated at Harvard, Boston University, and Northeastern College of Law, he was destined to serve his State and the Nation, in the Navy during World War I; in the Massachusetts House of Representatives from 1929 to 1934; in the Congress of the United States from 1935 to 1937, and as

chief justice of the Superior Court of Massachusetts to which high office he was appointed in 1937.

He had a distinguished career.

He also had great human qualities.

He will be greatly missed by his wide circle of friends.

I have personally valued his unfailing friendship over the years since we served together in the Congress.

I join in the heartfelt sympathy to all those close to him.

A Better Record

EXTENSION OF REMARKS
OF
HON. FRANK THOMPSON, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. THOMPSON of New Jersey. Mr. Speaker, this session of the Congress is about over and we have made the record as complete as we can for this year. The end of the session always is of great interest to the public and comment in the press is always considerable. Having read many of the editorials appearing in various papers in the past few days, I think I can safely say that the Nation's editors regard this session as being unusually productive, both as far as useful legislation is concerned and in respect to the degree of cooperation between the White House and the Congress.

It was predicted by many of these same editors before the session got under way that the Democratic Congress would not be willing to go along with the President's ideas simply because they would be Republican ideas. As the record clearly shows this has not been the case. Indeed, in many instances, the Democrats have saved measures sponsored by the President when his own party refused to go along. This, it seems to me, is indicative of the best type of responsible party leadership and I feel proud of the record of the Democratic Party in the Congress.

This record has met with grateful response in the Nation's press. I should like to include an editorial from one of the papers in my district as a fine example of this type of comment. The editorial from the July 30, 1955, edition of the Trentonian follows:

A BETTER RECORD

It may have escaped general attention, but it should be noted that the record of this Congress is pretty good.

Several major measures have been taken care of with reasonable dispatch, particularly the foreign-aid bill, the military Reserves legislation, and the highway construction and housing bills. Also there is the minimum-wage law, a customs simplification act and a military-survivor benefits statute on which progress has been made. Unfortunately, the school construction program ran into a snag but not because there was any difference of opinion on the need for it. In addition, New Jersey is particularly proud of the fact that Congressman FRANK THOMPSON got the ball rolling on a national cultural center in Washington.

So it can safely be said that the accomplishments of this Congress have been many and noteworthy. Some will wonder why so much has been done in contrast to last year. Well, we think one answer is that Members of Congress spent less time investigating and more time legislating.

Legislation of Interest to Veterans

EXTENSION OF REMARKS
OF
HON. WILLIAM G. BRAY
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. BRAY. Mr. Speaker, in the closing days of the 1st session of the 84th Congress, I want to summarize the legislation that is of special interest to the veterans of the United States. The veterans' interests in this 1st session of the 84th Congress have come through in good shape. In the past, as you know, there have at times been difficulties. While we who are especially interested in the welfare of the veteran may never get all of the legislation that we believe should be passed, yet the vigilance of the veterans' organizations such as the VFW, the American Legion, and the Disabled American Veterans, coupled with a capable House Veteran Affairs Committee headed by "Tiger" TEAGUE, of Texas, has gone a long way toward fair and commonsense legislation for the veteran which the country as a whole believes is just.

The veterans' housing program is still making great progress but there are all too many localities where the lending institutions will not participate and the veterans in that locality are denied the opportunity of this most worthwhile legislation. While each year we appropriate money for direct loans to the veterans, this money is far short of the needs. The veterans' home-loan program has been of great benefit not only to the veteran, but it has helped him to attain and maintain a stability in the community that makes for good citizenship. In addition this program has not cost the American taxpayer.

There has been racketeering in this field of veterans' loans and there are many cases in which the veteran has not received the proper home for the money that was spent. I am happy to say that the Government has been making progress in the elimination and prosecution of the illegal chiselers who have been defrauding veterans.

Perhaps no phase of veterans' legislation has been of as great a benefit as the GI training. There are untold thousands of our veterans who have taken their place in the business, professional, and agricultural industries because of the GI training. This training would have ceased even for those in service if Congress had not succeeded in extending the GI training for all veterans in service prior to January 31, 1955. However, veterans entering the service after that date will not have the benefit of GI training unless new legislation is passed. In the early days there was fraud, and in many instances the veteran and the Government did not receive proper benefit for the money spent, but thanks to the constant effort of congressional investigations, the Veterans' Administration, and the Justice Department, most of these wrongs have been stopped.

One of the most critical problems facing the veteran today is the scarcity of veterans' hospital facilities. The Veterans' Administration is operating 176 hospitals. There are many of these hospitals that are of temporary construction and must be replaced in the near future. Applications for hospitalization come in at the rate of more than 2,000 per day. Outpatient care for service-connected cases run approximately 190,000 per month. The Veterans' Administration is presenting to the Bureau of the Budget a plan for the replacement of the temporary hospitals. However, even if all of these temporary hospitals were replaced, it would not take care of veterans' hospitalization needs.

If all the veterans' hospitals were properly located, the situation would not be so critical. Unfortunately many veterans' hospitals have been built at locations where there are not sufficient veterans' hospital needs to justify their location. Other hospitals have been built where there is not sufficient medical personnel to staff them. Today unless the hospital is located in a very large city or is close to a large medical center, the hospital cannot be properly staffed and utilized. I sincerely believe and hope that in the future veterans' hospitals will be located where needed and in the communities that can properly staff these hospitals. In the future we must take heed of the mistakes we have made in the past on veterans' hospitalization.

Indiana is especially short on hospital beds, yet it is one of the fairly few locations in the country where there is adequate medical facilities to staff such a hospital. These facts have been and are continuing to be brought to the attention of the proper authorities.

Last year Congress insisted that a Veterans' Administration hospital make the most effective use of all available beds and apparently progress is being made in this direction.

The Appropriations Committee this year was apparently fair and reasonable in the veterans' appropriations.

I believe Members of Congress and the public generally are becoming more familiar with the needs of the veteran. The veterans' preference in civil service has remained unchanged in this session of Congress. Legislation was introduced and passed by the Armed Services Committee, giving the veteran the right to an additional copy of a certificate in lieu of discharge if needed by the veteran without extra cost to him. This legislation was blocked before final passage, but I am certain that it will be passed when Congress meets again in January.

Minor changes were made in various regulations of the Veterans' Administration, but there were few individuals involved in these changes. There has been considerable legislation introduced that

will be acted upon when Congress meets for the 2d session of the 84th Congress in January.

We as veterans realize that nothing could injure the veterans' cause more than for demands to be made for the veteran that are unfair. We also realize that the greatest gift our country can give to the veteran, and to all Americans, is peace in a strong America—and an America that preserves the freedom and dignity of man.

Russians Kidding the United States, Lying in Their Teeth

EXTENSION OF REMARKS
OF
HON. W. J. BRYAN DORN
OF SOUTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. DORN of South Carolina. Mr. Speaker, I have pointed out for many years that the fate of Western Europe is being determined in the Far East, the Middle East, and northern Africa. If the Far East, the Middle East, and northern Africa fall to the Communists, Western Europe will go without firing a shot. The Communist plan is to develop the resources and exploit the abundant manpower of Asia. When the Communists fully develop Asia, Western Europe cannot be held by the free world. The odds would simply be too great.

Communist pressure on Greece and Turkey and on Czechoslovakia, the Berlin Air Lift and Western Germany were all part of a carefully laid plan to divert world attention there while they were winning China which was the key to the world situation. The meeting at the summit in Geneva suited Communist plans because it again centered attention on Western Europe while at the same time they are pushing their plans in the Far East. I predict even increased activity in this area. At the very moment of the Geneva Conference, Russia is making rapid strides to achieve supremacy in the air. With air domination over Western Europe, backed by the resources of Asia, there would be no alternative for Western Europe but to remain neutral or capitulate to the Communists.

I hope this administration will give the Far East priority in their programing and thinking. The situation is urgent. We must strengthen our real allies in the Far East such as South Korea, the National Government on Formosa and the Philippines. Japan should be offered every encouragement to fully rearm, build an Air Force, and assume leadership in the Far East. Nothing should be done to weaken the position of our tried and true allies, Chiang Kai-shek and Syngman Rhee. Only by these friends in the Far East possessing offensive power can we hope to forestall Communist pressure on Western Europe. If we ever recognize Red China and start uncontrolled free trade with this Communist ally, then the road will be open for Communist economic domination of Asia and the way open for further infiltration.

I commend to the House the following article by Victor Riesel which appeared in a number of newspapers but which was taken from the Greenville (S. C.) News:

RUSSIANS KIDDING THE UNITED STATES—LYING IN THEIR TEETH

(By Victor Riesel)

TOKYO, August 2.—Nicolai Lenin, the evil little genius who led the Russian Revolution, once said that communism's road to Paris was through Peiping and Calcutta—capture the Orient and the rest of the world falls.

I've hit that road. What I find proves that the Russians have been kidding us at the summit. Bluntly, they're lying in their teeth. They haven't made one friendly gesture in the Far East. This is still their road to world power—and they are on it.

DON'T NEED WAR

They're pouring saboteurs, espionage agents, millions of dollars, and tons of propaganda into every eastern nation to undermine us and tear our oriental allies from us.

Certainly they don't want war. They don't need it. At this rate they'll win without firing a shot.

And they're winning in Japan. Slowly, but most definitely. They dominate the most powerful labor federation, the Sohyo. I've just been to its national convention and I thought I was at an anti-American Communist rally.

Typical is the schoolteachers' union which won't cooperate with the antinarcotics division of the government by directing its members to warn their pupils of the evils of opium. Of course, the opium trade brings the Sovietized Chinese Government in Peiping $600 million a year.

I've listened to the Japanese counterpart of J. Edgar Hoover. He is Giochiro Fujii, director of Japan's Public Security Investigation Bureau.

He reports that the Japanese Communist Party has 300,000 members and sympathizers and runs a secret army under a central command called the military committee. This is part of a Russian-controlled underground which has 4,500 full-time agents. The Japanese FBI chief just told Cabinet members here that the existence of this underground Communist army gives the living lie to the new Communist tactics of peace and good behavior.

REDS ON MARCH

Mr. Fujii warned the government that these new tactics are the most dangerous. Already the Communist underground has succeeded in infiltrating central government offices here, and fully 60 percent of the Communist-dominated Sohyo labor federation are government workers in the most strategic bureaus.

There are 28 Communist Party members in the vital Justice Ministry alone, Mr. Fujii disclosed. He added, "That's few compared to some other offices."

This means that the Communist Party is in a position to know what's happening inside the Japanese police and other governmental divisions—to which we, the United States, confide some of our most important defense secrets. Mr. Fujii sadly warned of the danger of the new Communist respectability—but few are taking all this seriously.

The public sees what I saw at a recent Communist rally here. Some 27,000 Communists poured into the International Stadium in the Ryogoku section. My translator told me that some of the Commie leaders, appearing publicly for the first time in years, said, in effect, that the Communists must take their time. Revolutions aren't made overnight. It all must be carefully planned. And once more the lead at the rally was taken by the Japanese Communist labor commissar, Ichizo Suzuki.

UNITED STATES ARMY BLAMED

Here is as good a place as any to point out that Comrade Suzuki and his people had a wild time of it right after the war. At that time certain of our Army officers permitted the conquered Japanese Government to subsidize the growth of Communist labor unions by paying their organizers and supplying them with office stationery and other operating equipment, which were used to agitate against us.

From that labor base in 1945 sprang the powerful Communist labor machine of today, which is the center of Communist underground strength right now. We have no one but ourselves to blame.

That underground machine is kept oiled by the Russians. Whatever they told us at the summit didn't have any effect on their anti-United States operations here. The Japanese intelligence officers and our State Department know that at least $650,000 was sent by Moscow into the Japanese undercover Communist movement in the past 4 years. That's what we've traced. Obviously millions of dollars more have slipped in surreptitiously.

Soon all this undercover work will turn the Japanese people against us. Then we'll have to fight to keep our military bases here or we'll have to get out. If we get out, most of the Asian nations will fall to the party. The road to Paris will be open.

So, what happened at the summit?

Accomplishments of 1st Session of 84th Congress

EXTENSION OF REMARKS
OF
HON. SAM RAYBURN
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. RAYBURN. Mr. Speaker, I have served in 22 Congresses. In my opinion, this is one of the most fruitful sessions of Congress that I have ever served in.

The work of the 1st session of the 84th Congress has been such that all Democrats in the Congress and outside the Congress should be, and I feel sure are, proud of it.

I also think that the American people are going to endorse and applaud this great record that we have made.

It is a record of constructive legislation, legislation necessary to advance the Nation's welfare. It affects every American and is forward looking to the future of the United States.

The list of accomplishments is long. It represents long and hard work by Members on problems dealing with all the world, this Nation's leadership in global affairs, down to measures lifting burdens on individual citizens.

I am content to rest on this record. If, however, the President's own party had cooperated with him in a better way, then we might have had a greater record.

We Democrats have not hated Eisenhower, as many Republicans and so-called Democrats hated Roosevelt and Truman. The Democrats in this Congress have voted as if a Democrat had been in the White House.

We Democrats did our work as Americans and not as partisans.

We acted as Americans in giving the President power and the legislation he asked to strengthen our foreign policy.

On domestic issues, this session of Congress enacted legislation beneficial to the economy of the country.

President Eisenhower embraced so much of the Roosevelt and Truman programs previously enacted by Democratic Congresses that it was not difficult to expand and renew laws to extend them.

As to certain domestic proposals, this session did not have time to consider a few items. We have another session of the 84th Congress in which to act. We hope by January the President will have his party in line to make our job easier.

We Democrats probably will do many more things the President has overlooked—things that we Democrats believe should be enacted for the betterment of the Nation.

We Democrats gave the Congress an opportunity to vote on the President's highway program. It was rejected. The Republicans in the House did not even vote to get a highway bill to conference with the Senate. If the President will do a little road work with his own party on the highway program during the recess of Congress, his chances of getting a highway bill will be enhanced.

We Democrats had difficulty in getting housing legislation the President requested. Republican opposition made it difficult, and I think the people of the country know it.

On the broad aspects, I feel that the Nation's defense, internal and external, its economy and security were both protected and advanced by this session of Congress. I am proud of the patriotism displayed by the Democratic Party in its consideration of the Republican administration's proposals. Without being boastful, I can say with frankness that it is the opinion of a majority of the thinking people of this country that the Democratic leadership in Congress, even with a Republican administration, conducted itself and the business of the Nation in a masterful manner. I refer not only to the House leadership but also that of Senator LYNDON B. JOHNSON and Senator EARLE CLEMENTS in the Senate.

Certainly, the 1954 political campaign claim of the President that a cold war between the Republican administration and a Democratic Congress would begin if the Democrats won Congress, has been belied. If there has been any cold war between Congress and the Republican administration, it has been conducted by Republicans in Congress. A look at the record of Republican votes would convince the most skeptical.

At the outset of this Congress, I said that the Democrats would perform in a patriotic manner; that the Nation's security is paramount with us; that the Democrats always acted first in the interest of the Nation. This we have done. Where we did not agree fully with the administration's proposals, we revised them and sought to enact policies which we believe are the best for most of the people, and not the best for a few of the people.

Frankly, if the Democratic leadership in Congress had experienced less Republican hindrance, I think we could have done a better job with the President's program. Most of the President's program was adopted from the previous Democratic administrations, and that, perhaps, explains the Republican rank and file opposition.

Time and again, we Democrats pulled Mr. Eisenhower's proposals out of the Republican fire. I cite extension of the keystone to the administration's and the Nation's foreign policy—the reciprocal trade program—as one example.

Republicans, in control of the 83d Congress, limited extension of this important program year by year, whereas this Democratic Congress extended the law 3 years and granted additional authority for a 15 percent tariff cut over the period, as the President requested. On a motion in the House to kill the entire program, 119 Republicans voted against the President and but 66 supported him. The Democrats put it over.

For campaign purposes in 1952 and again in 1954, the Republicans alleged the Democrats were soft on Communists. In this Congress, the Democratic Party supported every major proposal the President submitted to protect this Nation from Communist aggression. We authorized the President to use our Armed Forces to protect Formosa against Chinese Communists; the Mutual Security Act was extended; the Southeast Asia Defense Pact was ratified; we approved the freedom of Germany, and enacted other security measures applying externally as well as internally. Congress approved the International Finance Corporation to stimulate foreign trade and bring more friends to this Nation. A comparison of the Democratic votes against the Republican votes on these issues will show who stands where.

Our people want peace and protection. In a period such as this, it is not easy to arouse them to prepare for any eventuality. Thus, this Congress was confronted with new problems of national defense for a period of coming years and a lack of enthusiasm for the steps necessary to secure defense.

Despite Republican isolationist opposition, the Democratic Congress extended the draft of civilians for military service for 4 years; established a long-range, new Reserve system for a ready standby armed force; renewed the Defense Production Act for a reserve of military production capacity; voted more funds for expansion of atomic power, and provided for new atomic warships and new defense construction at home and at our military and naval bases over the world.

On the internal security side, the Democrats pressed to enactment bills aimed at preventing sabotage through the use of atomic power; providing for severe penalties for disloyal and subversive persons and those convicted of seditious conspiracy and advocacy of the overthrow of our Government. We also set up a commission on Government security for the purpose of strengthening our defenses against enemies among us—at the same time preserving our traditional American freedoms embodied in the Bill of Rights.

Since the Republican administration either deliberately ignored or failed to take notice of the condition of many of our people, we Democrats sought to improve the lot of the low-wage earner, the small-business man and the farmer. The Republican administration opposed the Democratic proposal for a $20 tax cut for each income taxpayer. Of 194 Republicans voting in the House on this issue, 173 voted against it.

In the face of strong administration opposition, the Democratic effort to supplant the Eisenhower-Benson flexible price-support program for the farmers with a 90-percent-of-parity formula was passed by the House. It is pending in the Senate. However, a bill increasing by $2 billion the authority of the Commodity Credit Corporation to purchase farm surpluses was passed, along with bills increasing planting allotments for cotton, durum wheat, and rice, and other bills reducing penalties for overplanting support crops where used for feed and seed. This Democratic Congress also extended emergency loans for drought-stricken cattlemen and secured passage of a bill for processing of surplus grains for use as food in unemployment relief in Kentucky, Pennsylvania, West Virginia, and other States.

The Democratic proposal for a minimum wage of $1 an hour prevailed over President Eisenhower's 90-cent-an-hour recommendation. Congress also raised wages of Government employees, including the judiciary and Congress, and increased pay and allowances of members of the armed services. It also raised and broadened veterans' benefits.

Over Republican opposition, the Democratic House passed a bill broadening the social-security laws to provide increased payments, cover more individuals, and to permit women to retire with social security at 62 years of age. It is pending in the Senate.

Disturbed by the growth of big business through mergers, this Congress increased penalties for violations of the Sherman Antitrust Act. It extended the 52-percent corporate income tax, and started studies to help small-business men to stay in business.

The Democrats cut $1.6 billion from the President's budget request, limiting the appropriations to $52 billion. Because the Republican administration has failed to carry out its 1952 campaign pledge to balance the budget, Congress was forced to extend the temporary increase in the national debt limit of $281 billion.

Congress defeated the Eisenhower highway program calling for a bond issue that would have cost the taxpayers $11 billion in interest. Democrats opposed this program on the ground that it would amount to an increase in the public debt to $48 billion. Led by Republicans, Congress also defeated the Democratic pay-as-you-go highway program which would have taxed the users of the highways. This proposal would have prevented an increase in the public debt and would have given the Nation a highway program to meet modern demands.

The President has received approval of around threescore of his proposals to the 84th Congress in this single session. I think that he has experienced cooperation from the Democrats in control far beyond expectations. At least, compared with the modicum of success he experienced with the Republican 83d Congress, I should think he would feel gratified. We Democrats know we have done a good job under the circumstances. If Mr. Eisenhower, as party leader, could exercise any control over the Republicans, we could do a better job in the next session.

Report of Activities of the Committee on House Administration, 1st Session, 84th Congress

EXTENSION OF REMARKS
OF
HON. OMAR BURLESON
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. BURLESON. Mr. Speaker, during the 1st session of the 84th Congress 161 bills and resolutions were referred to the Committee on House Administration. Hearings were held by the subcommittees on accounts, elections, printing, and library on many of the proposed items of legislation, after which recommendations and reports were submitted to the full committee for consideration and final action.

Funds in the amount of $1,967,067.46 were approved for the following standing and select committees to conduct studies and investigations authorized by the House:

Standing committees:	*Amount approved*
Agriculture	$50,000
Armed Services	150,000
Banking and Currency	75,000
District of Columbia	2,000
Education and Labor	125,000
Foreign Affairs	75,000
Government Operations	495,000
House Administration	65,000
Interior and Insular Affairs	50,000
Interstate and Foreign Commerce	60,000
Judiciary	125,000
Merchant Marine and Fisheries	50,000
Post Office and Civil Service	75,000
Public Works	50,000
Un-American Activities	225,000
Veterans' Affairs	50,000
Ways and Means	30,000
Special and select committees:	
Small Business	170,000
Survivors' Benefits	35,000
White County Bridge Commission	10,000

Many resolutions requesting funds for special and select committees necessarily remain on the pending calendar until the House approves legislation authorizing the creation of such committees for the purpose of conducting proposed studies and investigations.

The Committee on House Administration held extensive hearings in connection with proposed legislation to equalize and adjust certain salaries in the House of Representatives. The final bill, H. R. 7440, was reported by the committee on July 10. A rule was granted on July 29, but the bill was not called up by the leadership.

The leadership agreed that the Committee on Appropriations should take over the bill H. R. 7440 and adopt its provisions in conference in the general legislative appropriation bill, H. R. 7117. Subsequent changes were made in the bill in conference outside of any consultation with the Committee on House Administration.

One of the important pieces of legislation reported by the Committee on House Administration was the recommendation for expanding the facilities of the House restaurant. The committee's report to the House resulted in action of both the House and Senate in recommending completion of the east front of the Capitol in accordance with the architectural plans which had been approved many years before. When completed the addition to the Capitol will include ample restaurant facilities for Members and employees of both Senate and House.

Hearings were conducted by the Committee on House administration on proposed legislation to amend the Hatch Act, as a result of which H. R. 3084 was reported to the House.

Hearings were also held on proposed legislation to amend the Corrupt Practices Act, but final action was postponed until the second session.

The committee secured enactment of H. R. 4048, which recommends to the States that certain framework be provided which will permit members of the armed services, their families, and other personnel to exercise their voting franchise while absent from their legal residences.

The committee reported House Concurrent Resolution 94, which recommends to the States possible changes in State election laws which govern voting for President and Vice President.

Twenty-five bills and resolutions were referred to the Committee on House Administration during the last session providing for printing of certain documents. The Subcommittee on Printing has carefully examined each request and recommended passage of only such resolutions as it deemed necessary and in the public interest. The committee has approved the printing of a manuscript entitled "The House of Representatives," the first document of its kind dealing exclusively with the House of Representatives. Copies will be made available to each Member in the near future.

The Committee on House Administration, through its Subcommittee on Printing, is making a study and investigation of the operations of federally operated printing services, the sale and distribution of Government publications, and Government paperwork in general. It is the desire of the committee to reduce to a minimum the expenditures for printing, and to discover where there is overlapping and waste. Upon completion of the study the committee will recommend legislation to correct what is considered waste in Government printing.

Forty-one resolutions and bills which would provide for memorials to outstanding individuals have been referred to the Committee on House Administration during the first session. The long-established policy of the committee has been to make few recommendations for the spending of Federal funds for such purposes. However, the committee has recommended the acceptance of a gift from the Republic of Venezuela of a statue of the great South American liberator, Simón Bolívar, as reported by the committee in House Joint Resolution 232.

The committee reported legislation which designated the former Arlington House as the Custis-Lee Mansion and dedicated it as a permanent memorial to Robert E. Lee—Senate Joint Resolution 62.

Substantially all of the work of the committee for the first session is completed. The committee looks forward to the second session when it plans to recommend the reorganization and creation of a permanent police force for the United States Capitol.

Operation Brave

EXTENSION OF REMARKS
OF
HON. ERRETT P. SCRIVNER
OF KANSAS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. SCRIVNER. Mr. Speaker, Operation Brave, a program to bring together those men of the 22 nations who fought and suffered for freedom for the Republic of Korea, is an idea developed and fostered by George W. Brazier, Jr., of my home town of Kansas City, Kans.

Mr. Brazier's proposal is a simple one—one based on friendship and understanding growing out of mutual sacrifice and common cause—stopping Communist aggression.

Operation Brave calls for 22 carefully selected American veterans of the Korean fighting, formed into small teams, visiting their former comrades-in-arms in their home countries, with other teams from other lands visiting comrades here in the United States.

These reunions, or visits of first acquaintances, would provide a grassroots demonstration of the continued desire of this Republic for continued peace and liberty.

While all details are not yet complete, it would appear that the idea and ideal behind this proposal could spread far beyond its present limits.

Mr. Brazier has put time, thought, and his own money into bringing this idea into realization, feeling quite confidently that better understanding and cooperation in peace among those whose joint efforts brought victory in war can lay the foundation for continued friendly, peaceful relations between men and countries.

Such a program deserves a boost, and knowing the enthusiasm and zeal Mr. Brazier has I, for one, am sure he will accomplish his program.

My best goes with this highly idealistic veteran as he turns his efforts from war to peace.

Age Reduction in Social-Security Benefits

EXTENSION OF REMARKS
OF
HON. J. HARRY McGREGOR
OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1955

Mr. McGREGOR. Mr. Speaker, now that the 1st session of the 84th Congress is adjourning and I cannot be accused of playing politics, I want to take this opportunity to thank the Democratic majority leadership, as well as the Republican minority leadership, and the majority Members, as well as the minority Members, for their assistance in making it possible to give the aged people the relief I asked for when I introduced H. R. 5064 on March 18, 1955.

Especially do I appreciate the thoughtful consideration given to the subject by the members of the Ways and Means Committee. I am also grateful for the many telegrams and letters I have received from people all over the country complimenting me on the introduction of this legislation. I am certain their recommendations and suggestions to me, as well as to their Congressmen, played an important part in the granting of the age reduction from 65 to 60 years to women who desire to receive social-security benefits.

Report to the People of the Eighth Congressional District of Wisconsin—IX

EXTENSION OF REMARKS
OF
HON. JOHN W. BYRNES
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1955

Mr. BYRNES of Wisconsin. Mr. Speaker, under leave to extend my remarks, I include a report to the people of the Eighth Congressional District of Wisconsin on my voting and attendance record for the 1st session of the 84th Congress.

No attempt has been made to include votes on all of the numerous bills, motions, and amendments, but the report does include all rollcall votes, all quorum calls, and my votes on some other measures on which there was no record taken, but which I believe are of importance and concern to the people of my district. The purpose of this report is to collect in one place and in concise form information which is scattered through some 11,000 pages of the CONGRESSIONAL RECORD. It also contains information which is not available from any public record but which I feel should be made available to the people.

The descriptions of the bills and the amendments or motions as contained in the report are for the purposes of identification only; no attempt is made to describe the legislation completely or to elaborate upon the issues involved. I believe this word of caution is advisable in view of the fact that the descriptions used are, for the most part, taken from the official titles of the bills which unfortunately do not always reflect the nature or true purpose of the legislation. Upon request, I will be pleased to furnish more complete information concerning any particular bill, as well as a summary of the issues involved and the reasons for my vote.

The furnishing of this report continues a service I began in the 1st session of the 80th Congress. This is the ninth report of my voting and attendance record. These 9 reports show how I voted on 1,357 questions in the House of Representatives. Based on quorum calls and the record votes, they also show an attendance record of 95 percent.

Voting and attendance record, Representative JOHN W. BYRNES, 8th District, Wisconsin (84th Cong., 1st sess.)

Roll-call No.	Date 1955	Measure, question, and result	Vote
1	Jan. 5	Call of the House	Present.
2	Jan. 5	Election of Speaker	Martin.
		H. J. Res. 159, authorizing the President to employ the Armed Forces of the United States for protecting the security of Formosa, the Pescadores, and related positions and territories of that area:	
3	Jan. 25	On passage. (Passed 409 to 3.)	Yea.
		H. R. 587, providing that servicemen on duty on Jan. 31, 1955, may continue to accrue educational benefits under the Veterans Readjustment Assistance Act of 1952:	
4	Jan. 27	On passage. (Passed 366 to 0.)	Yea.
		H. R. 3005, extending the Universal Military Training and Service Act and the Dependents Assistance Act for 4 years:	
5	Feb. 8	On passage. (Passed 394 to 4.)	Yea.
		H. R. 3828, adjusting the salaries of judges of United States courts, United States attorneys, and Members of Congress:	
6	Feb. 16	On passage. (Passed 283 to 118.)	Yea.
7	Feb. 17	Quorum call	Present.
		H. Res. 142, providing for 2 days of debate and prohibiting amendments on H. R. 1, extending authority of the President to enter into trade agreements:	
8	Feb. 17	On motion to end debate and vote on resolution. (Rejected 178 to 207.)	Yea.
9	Feb. 17	On amendment making amendments to H. R. 1 in order and limiting debate to 5 hours. (Rejected 191 to 193.)	Nay.
10	Feb. 17	On passage. (Passed 193 to 192.)	Yea.
		H. R. 1, extending the authority of the President to enter into trade agreements:	
11	Feb. 18	On motion to recommit with instructions to report back with amendment requiring President to comply with recommendations of the Tariff Commission except when national security is involved. (Rejected 199 to 206.)	Yea.
12	Feb. 18	On passage. (Passed 295 to 110.)	Yea.
13	Feb. 23	Quorum call	Present.
14	Feb. 24	Quorum call	Present.
		H. R. 4259, providing a 1-year extension of the existing normal corporate tax rate and of certain existing excise tax rates, and providing a $20 credit against the individual income tax for each personal exemption:	
15	Feb. 25	On motion to recommit, delet. g the provision for a $20 tax credit. (Rejected 205 to 210.)	Yea.
16	Feb. 25	On passage. (Passed 242 to 175.)	Nay.
		H. R. 3828, adjusting the salaries of justices and judges of United States courts, United States attorneys, and Members of Congress:	
17	Mar. 1	On adoption of conference report. (Adopted 223 to 113.)	Yea.
18	Mar. 10	Quorum call	Present.
		H. R. 4720, providing incentives for members of the uniformed services by increasing certain pay and allowances:	
19	Mar. 10	On passage. (Passed 399 to 1.)	Yea.
20	Mar. 16	Quorum call	Present.
		H. R. 4903, making supplemental appropriations for the fiscal year ending June 30, 1955 (second supplemental appropriation):	
21	Mar. 18	On passage of amendment restoring a provision authorizing transfer of $4 million of unexpended funds to the United Nations technical assistance program. (Passed 174 to 107.	Nay.
22	Mar. 21	Quorum call	Present.
		H. R. 4644, increasing the rates of basic salary of postmasters, officers, supervisors, and employees in the postal field service by an average 7.5 percent and eliminating certain salary inequities:	
23	Mar. 21	On motion to suspend the rules and pass H. R. 4644. (Rejected 120 to 302.)	Yea.
24	Mar. 21	Quorum call	Present.
		H. R. 4951, directing a redetermination of the national marketing quota for burley tobacco for the 1955–56 marketing year:	
25	Mar. 21	On motion to suspend the rules and pass with committee amendments. (Rejected 260 to 151; a ⅔ majority is necessary for passage under suspension of the rules.)	Yea.
26	Mar. 22	Quorum call	Present.
		H. Res. 170, declaring that the House of Representatives does not favor sale of the facilities as recommended in the report of the Rubber Producing Facilities Disposal Commission submitted to Congress on Jan. 24, 1955:	
27	Mar. 22	On passage. (Rejected 132 to 283, thereby approving sale.)	Nay.
28	Mar. 23	Quorum call	Present.
		H. Res. 171, disapproving proposed sale to Shell Oil Co. of certain synthetic-rubber-producing facilities as recommended by Rubber Producing Facilities Disposal Commission:	
29	Mar. 23	On passage. (Rejected 137 to 276, thereby approving sale.)	Nay.
		H. Res. 151, establishing a code of fair practices for conduct of hearings by committees of the House of Representatives:	
	Mar. 23	On passage. (Passed, voice vote.)	Yea.
30	Mar. 24	Quorum call	Present.
31	Mar. 28	Quorum call	Present.

Voting and attendance record, Representative JOHN W. BYRNES, 8th District, Wisconsin (84th Cong., 1st sess.)—Continued

Roll-call No.	Date 1955	Measure, question, and result	Vote
32	Mar. 29	Quorum call	Present.
		H. R. 3659, increasing criminal penalties under Sherman Anti-Trust Act:	
	Mar. 29	On passage. (Passed, voice vote.)	Yea.
		H. R. 4259, providing a 1-year extension of the existing corporate normal tax rate and of certain existing excise tax rates:	
33	Mar. 30	On adoption of conference report. (Adopted 386 to 8.)	Yea.
		H. R. 5240, the independent offices appropriation bill for 1956:	
34	Mar. 30	On amendment limiting to $1 per month the fee to be paid to educational institutions for reports on veterans enrolled therein. (Rejected 156 to 226.)	Yea.
35	Apr. 13	Quorum call	Present.
		H. R. 5106, authorizing loans to veterans for farm homes under same terms as for residential housing:	
	Apr. 18	On passage. (Passed, voice vote.)	Yea.
		H. R. 2225, requiring issuance of permanent certificates to local airlines operating under temporary permits:	
	Apr. 19	On passage. (Passed, voice vote.)	Yea.
36	Apr. 20	Quorum call	Present.
		H. R. 4644, the postal employees' pay increase and classification adjustment bill:	
37	Apr. 20	On amendment increasing postal salaries by an average of 8.2 percent in lieu of 7.5 percent as provided by the bill. (Passed 224 to 189.)	Nay.
38	Apr. 20	On motion to recommit. (Rejected 125 to 287.)	Yea.
39	Apr. 20	On passage (8.2 percent increase). (Passed 324 to 85.)	Nay.
40	Apr. 21	Quorum call	Present.
		H. R. 4393, providing for the construction and conversion of certain modern naval vessels:	
41	Apr. 21	On passage. (Passed 373 to 3.)	Yea.
		H. J. Res. 256, authorizing 3-year $1.25 million program of Federal aid for nationwide research and reevaluation of problems of mental health:	
	Apr. 21	On passage. (Passed, voice vote.)	Yea.
		H. R. 4954, granting Federal Government the right of action to recover damages under the antitrust laws, and establishing uniform statute of limitations:	
	Apr. 26	On passage. (Passed, voice vote.)	Yea.
42	Apr. 27	Quorum call	Present.
		H. R. 2107, authorizing 3-year program of construction of armories for training of Reserves:	
	Apr. 27	On passage. (Passed, voice vote.)	Yea.
		H. R. 4904, extending Renegotiation Act for 2 years to Dec. 31, 1956, to provide for recovery of excessive profits from defense contracts:	
	Apr. 28	On passage. (Passed, voice vote.)	Yea.
43	May 3	Quorum call	Present.
44	May 4	Quorum call	Present.
45	May 5	Quorum call	Present.
		H. R. 12, amending the Agricultural Act of 1949, as amended, by restoring 90 percent mandatory price supports for wheat, cotton, corn, tobacco, rice, and peanuts:	
46	May 5	On amendment eliminating peanuts from the list of basic commodities. (Rejected 193 to 215.)	Yea.
47	May 5	On motion to recommit. (Rejected 199 to 212.)	Yea.
48	May 5	On passage. (Passed 206 to 201.)	Nay.
49	May 9	Quorum call	Present.
		S. 1, the postal employees' pay and classification adjustment bill, providing an average 8.8 percent increase:	
50	May 9	On motion to recommit. (Rejected 118 to 275.)	Yea.
51	May 9	On adoption of conference report. (Adopted 328 to 66.)	Nay.
		H. Res. 223, rule providing 7 hours of debate on, and the limiting of amendments to, H. R. 2535, admitting Alaska and Hawaii into the Union on an equal footing with the original States:	
52	May 9	On passage. (Passed 322 to 66.)	Yea.
53	May 9	Quorum call	Present.
54	May 10	Quorum call	Present.
55	May 10	Quorum call	Present.
56	May 10	Quorum call	Present.
		H. R. 2535, the Alaska-Hawaiian statehood bill:	
57	May 10	On motion to recommit. (Passed 218 to 170.)	Nay.
58	May 11	Quorum call	Present.
59	May 11	Quorum call	Present.
60	May 12	Quorum call	Present.
61	May 12	Quorum call	Present.
		H. R. 6042, making appropriations for the Department of Defense for fiscal year 1956:	
62	May 12	On amendment deleting language requiring approval of a congressional committee prior to disposal or transfer of work traditionally performed by civilian employees of Department of Defense. (Rejected 184 to 202.)	Yea.
63	May 12	On passage. (Passed 382 to 0.)	Yea.
64	May 17	Quorum call	Present.
64	May 18	Quorum call	Present.
66	May 19	Quorum call	Present.
67	May 19	Quorum call	Absent.
68	May 19	Quorum call	Absent.
		S. 727, adjusting the salaries of judges in the District of Columbia:	
69	May 23	On passage. (Passed 282 to 32.)	Yea.
70	May 25	Quorum call	Absent.
		H. Res. 244, creating a select committee to investigate the financial position of the White County Bridge Commission in connection with operation of bridge and approaches near New Harmony, Ind.:	
71	May 25	On passage. (Passed 205 to 166.)	Nay.
		H. R. 2851, making agricultural commodities owned by the Commodity Credit Corporation available to persons in need in areas of acute distress:	
72	May 25	On passage. (Passed 343 to 1.)	Yea.
73	May 26	Quorum call	Present.
		S. 727, adjusting the salaries of judges in the District of Columbia:	
74	May 26	On motion to recommit to conference committee with instructions to insist on House amendments providing for lower salary increases. (Passed 170 to 165.)	Yea.
75	May 26	Quorum call	Present.
		H. R. 5881, supplementing the Federal reclamation laws by providing for Federal cooperation in non-Federal projects and for participation by non-Federal agencies in Federal projects:	
76	May 26	On motion to recommit designed to limit the scope of the bill to the 17 western reclamation States. (Rejected 62 to 229.)	Nay.
77	June 1	Quorum call	Present.
		H. R. 3990, authorizing the Secretary of the Interior to investigate and report to the Congress on projects for the conservation, development, and utilization of the water resources of Alaska:	
78	June 1	On motion to recommit. (Rejected 79 to 278.)	Yea.
		S. 654, extending to June 30, 1956, Veterans' Administration program for direct loans for purchase or building of homes and authorizing appropriation of $150 million:	
	June 2	On passage. (Passed, voice vote.)	Yea.
		S. 2061, increasing the rates of basic compensation of officers and employees in the field service of the Post Office Department:	
79	June 7	On suspension of rules and passage. (Passed 409 to 1.)	Yea.
		H. R. 3882, requiring registration of persons trained in espionage for foreign governments or political parties:	
	June 7	On passage. (Passed, voice vote.)	Yea.
		H. R. 5923, authorizing the completion within the next 3 years of the construction of the Inter-American Highway:	
80	June 8	On passage. (Passed 353 to 13.)	Yea.
81	June 13	Quorum call	Present.
82	June 14	Quorum call	Present.
		H. R. 1, extending the authority of the President to enter into trade agreements:	
83	June 14	On adoption of conference report. (Adopted 347 to 54.)	Yea.
		H. R. 6227, providing for the control and regulation of bank holding companies:	
84	June 14	On passage. (Passed 371 to 24.)	Yea.
		H. Con. Res. 157, reaffirming desire of people of the United States for an honorable and lasting peace and inviting people of the world to join in effort to attain it:	
	June 14	On passage. (Passed, voice vote.)	Yea.

Voting and attendance record, Representative JOHN W. BYRNES, 8th District, Wisconsin (84th Cong., 1st sess.)—Continued

Roll-call No.	Date 1955	Measure, question, and result	Vote
85	June 15	Quorum call	Present.
		H. Res. 210, authorizing Committee on Banking and Currency to conduct studies and investigations, and make inquiries relating to the Federal Open Market Committee of the Federal Reserve Board:	
86	June 15	On passage. (Rejected 178 to 214.)	Nay.
87	June 16	Quorum call	Present.
		H. R. 6766, the public works appropriation bill, providing funds for rivers and harbors projects:	
	June 16	On motion to recommit. (Rejected, voice vote.)	Yea.
	June 16	On passage. (Passed, voice vote.)	Nay.
		S. 67, adjusting the rates of basic compensation of Federal employees:	
88	June 20	On passage. (Passed 370 to 3.)	Yea.
		H. Con. Res. 109, authorizing the appointment of a congressional delegation to attend the North Atlantic Treaty Organization Parliamentary Conference:	
89	June 20	On passage. (Passed 337 to 31.)	Yea.
		H. R. 6295, amending the Travel Expense Act of 1949 to provide an increased maximum per diem allowance for subsistence and travel expenses:	
90	June 20	On passage. (Passed 320 to 41.)	Yea.
		H. R. 4663, authorizing the Secretary of the Interior to construct, operate, and maintain the Trinity River division, Central Valley project, California, under Federal reclamation laws:	
91	June 21	On passage. (Passed 231 to 153.)	Yea.
92	June 22	Quorum call	Present.
		H. R. 6040, amending certain administrative provisions of the Tariff Act of 1930 and repealing obsolete provisions of the customs laws:	
93	June 22	On motion to recommit with instructions to delete section making export value the primary basis for assessing duty. (Rejected 143 to 232.)	Nay.
		H. Con. Res. 149, expressing sense of Congress that the United States in its international relations should maintain its traditional policy in opposition to colonialism and Communist imperialism:	
94	June 23	On passage. (Passed 367 to 0.)	Yea.
		H. R. 6992, extending for 1 year the existing temporary increase in the public debt limit:	
95	June 27	On passage. (Passed 267 to 56.)	Yea.
96	June 27	Quorum call	Present.
		H. R. 6829, authorizing certain construction at military, naval, and Air Force installations:	
97	June 27	On passage. (Passed 316 to 2.)	Yea.
98	June 28	Quorum call	Present.
		H. R. 3005, extending the Universal Military Training and Service Act and the Dependents Assistance Act for 4 years and extending for 2 years the Doctors-Dentists Draft Act:	
99	June 28	On motion to recommit conference report. (Rejected 171 to 221.)	Nay.
100	June 28	On adoption of conference report. (Adopted 388 to 5.)	Yea.
101	June 28	Quorum call	Present.
102	June 29	Quorum call	Present.
		S. 727, adjusting the salaries of the judges of the courts of the District of Columbia:	
103	June 29	On motion to recommit conference report and insist upon original House amendments. (Rejected 157 to 227.)	Nay.
104	June 30	Quorum call	Present.
		S. 2090, authorizing the mutual security program:	
105	June 30	On passage. (Passed 273 to 128.)	Yea.
106	July 1	Quorum call	Present.
107	July 1	Quorum call	Present.
108	July 5	Quorum call	Present.
		H. R. 2854, strengthening penalties for seditious conspiracy and for advocacy of overthrow o government:	
	July 5	On passage. (Passed, voice vote.)	Yea.
		H. R. 4744, raising limitation on amount of Railroad Retirement annuity to spouses to maximum payable under social security:	
	July 5	On passage. (Passed, voice vote.)	Yea.
		H. R. 3210, authorizing the State of Illinois and the Sanitary District of Chicago to increase the diversion of water from Lake Michigan into the Illinois Waterway:	
109	July 6	On motion to recommit. (Rejected 74 to 316.)	Yea.
		S. 609, providing rewards for information on illegal importation, manufacture, or acquisition o. nuclear material or atomic weapons	
	July 6	On passage. (Passed, voice vote.)	Yea.
		S. 2090, authorizing the mutual security program:	
110	July 7	On adoption of conference report. (Adopted 262 to 120.)	Yea.
111	July 11	Quorum call	Present.
		H. R. 7224, making appropriations for mutual security for the fiscal year 1956:	
112	July 11	On passage. (Passed 251 to 123.)	Yea.
113	July 12	Quorum call	Present.
		H. R. 6766, the public works appropriation bill, providing funds for rivers and harbors pro ects:	
114	July 13	On adoption of conference report. (Adopted 315 to 92.)	Nay.
		H. Res. 295, providing for consideration of H. R. 7089, providing benefits for the survivors of servicemen and veterans:	
115	July 13	On passage. (Passed 376 to 24.)	Yea.
116	July 13	Quorum call	Present.
		H. R. 7089, revising and simplifying laws providing for benefit payments to survivors of servicemen and veterans:	
	July 13	On passage. (Passed, voice vote.)	Yea.
117	July 14	Quorum call	Present.
		H. Con. Res. 127, expressing sense of the Congress that efforts be made to invite Spain into NATO:	
	July 14	On passage. (Passed, voice vote.)	Yea.
118	July 18	Quorum call	Present.
		H. R. 7225, amending the Social Security Act providing disability insurance benefits for certain disabled individuals who have attained age 50, reducing to age 62 the age on the basis of which benefits are paid to certain women, providing for continuation of child's insurance benefits for children who are disabled before attaining age 18, extending coverage, and increasing social-security tax:	
119	July 18	On motion to suspend the rules and pass. (Passed 372 to 31.)	Nay.
120	July 18	Quorum call	Present.
121	July 18	Quorum call	Present.
		H. R. 6590, prohibiting Government employment of disloyal persons or those who believe in right to strike against the Government:	
	July 18	On passage. (Passed, voice vote.)	Yea.
		H. R. 6243, authorizing construction of an atomic-powered merchant ship to promote peaceful uses of atomic energy:	
	July 18	On passage. (Passed, voice vote.)	Yea.
122	July 19	Quorum call	Present.
123	July 19	Quorum call	Present.
124	July 20	Quorum call	Present.
		H. R. 7214, amending the Fair Labor Standards Act to make the minimum wage $1 an hour effective Mar. 1, 1956:	
	July 20	On amendment to increase minimum wage to 90 cents per hour. (Rejected 145 to 188.)	Yea.
125	July 20	On passage. (Passed 362 to 54.)	Nay.
126	July 25	Quorum call	Present.
127	July 25	Quorum call	Present.
128	July 25	Quorum call	Present.
		H. R. 7000, providing for strengthening of the Reserve Forces:	
129	July 25	On adoption of conference report. (Adopted 315 to 78.)	Yea.
		H. R. 314, providing for 3 hours of debate on H. R. 7474, the Federal-State highway construction bill:	
130	July 26	On passage. (Passed 274 to 129.)	Yea.
131	July 27	Quorum call	Present.
		H. R. 7474, the Federal-State highway construction bill:	
132	July 27	On motion to recommit to incorporate bonding provisions of Dondero substitute (administration program) into bill. (Rejected 193 to 221.)	Nay.
133	July 27	On passage. (Rejected 123 to 292.)	Nay.
		H. R. 5647, repealing excise tax on motorcycles:	
	July 27	On passage. (Passed, voice vote.)	Yea.
134	July 28	Quorum call	Present.
		H. Res. 317, providing for the consideration of H. R. 6645, removing natural gas producers from Federal regulation:	
135	July 28	On passage. (Passed 272 to 135.)	Yea.
136	July 28	Quorum call	Present.
		H. R. 6645, removing natural-gas producers from Federal regulation:	
137	July 28	On motion to recommit. (Rejected 203 to 210.)	Yea.
138	July 28	On passage. (Passed 209 to 203.)	Nay.

Voting and attendance record, Representative JOHN W. BYRNES, 8th District, Wisconsin (84th Cong., 1st sess.)—Continued

Roll-call No.	Date 1955	Measure, question, and result	Vote
139	July 29	Quorum call	Present.
		S. 2126, the Housing Act of 1955:	
140	July 29	On amendment removing public housing provisions and extending FHA mortgage insurance authority. (Passed 217 to 188.)	Yea.
141	July 29	On passage. (Passed 396 to 3.)	Yea.
		H. R. 7618, adjusting civil-service retirement annuities:	
	July 29	On passage. (Passed, voice vote.)	Yea.
		H. R. 7215, extending for 1 year to June 30, 1956, free postal privileges for members of Armed Forces abroad:	
	July 30	On passage. (Passed, voice vote.)	Yea.
		H. R. 7030, amending and extending Sugar Act of 1948, fixing domestic and foreign quotas:	
	July 30	On passage. (Passed, division vote, 194 to 44.)	Yea.
		S. 2253, increasing from $700 million to $1.5 billion private sales of surplus agricultural commodities to friendly nations abroad under the Agricultural Trade Development and Assistance Act of 1954:	
	July 30	On passage. (Passed, voice vote.)	Yea.
		H. R. 7470, extending Defense Production Act to June 30, 1956:	
	July 30	On passage. (Passed, voice vote.)	Yea.
142	Aug. 1	Quorum call	Present.
		H. Res. 299, providing $35,000 for further expenses of the Select Committee on Small Business:	
143	Aug. 1	On passage. (Passed 231 to 134.)	Nay.
		S. 2576, repealing the franchise of Capital Transit Co., operating in the District of Columbia:	
144	Aug. 1	On suspension of rules and passage. (Rejected 215 to 150; a ⅔ majority is necessary for passage under suspension of rules.)	Nay.
145	Aug. 1	Quorum call	Present.
		H. R. 2552, authorizing the modification of the existing project for the Great Lakes connecting channels above Lake Erie (extending St. Lawrence seaway depths to Wisconsin ports):	
	Aug. 1	On passage. (Passed, voice vote.)	Yea.
146	Aug. 2	Quorum call	Present.
		S. 2126, the Housing Act of 1955:	
147	Aug. 2	On adoption of conference report providing for construction of 45,000 public housing units in 1 year. (Adopted 187 to 168.)	Nay.
		S. 2127, authorizing continuance of Small Business Administration to June 30, 1957, and increasing its revolving fund for loans to total $175 million:	
	Aug. 2	On passage. (Passed, voice vote.)	Yea.
		S. 756, authorizing Federal aid to States for wildlife restoration projects:	
	Aug. 2	On passage. (Passed, voice vote.)	Yea.

AN EXPLANATION OF TERMS

Of necessity the report contains parliamentary and legislative terms with which the reader may not be familiar. An explanation of some of these terms may, therefore, be helpful:

A. A quorum call consists of a calling of the roll of Members to determine whether or not a quorum—a majority of Members—is present. No business may be conducted when it is found that a quorum is not present.

B. Recommittal: Generally, on all important bills, a motion to recommit the bill to a committee, with or without instructions, is voted upon by the House before it votes upon passage of the bill. If such a motion is adopted, it means that the bill will be changed, delayed, or even killed. However, when a motion to recommit is accompanied by instructions, the vote generally indicates whether the Member is in favor of or opposed to the change in the legislation proposed by the instructions and does not necessarily indicate his position on the bill as a whole. A motion to recommit with instructions, if adopted, does not kill the bill.

C. The type of bill can be determined by the letters which precede its number. All bills that originate in the House are designated by an H; those that originate in the Senate by an S. There are four main types:

First. H. R. (S.) designates a bill which, when passed by both Houses in identical form and signed by the President, becomes law.

Second. H. J. Res. (S. J. Res.) designates a joint resolution which must pass both Houses and be signed by the President before becoming law. It is generally used for continuing the life of an existing law, or in submitting to the States a constitutional amendment, in which case it does not require the signature of the President but must be passed by a two-thirds majority of both Houses.

Third. H. Con. Res. (S. Con. Res.) designates a concurrent resolution. To become effective it must be passed by both the House and Senate but does not require the President's signature. It is used to take joint action which is purely within the jurisdiction of Congress. Many emergency laws carry the provision that they may be terminated by concurrent resolution, thus eliminating the possibility of a Presidential veto.

Fourth. H. Res. (S. Res.) designates a simple resolution of either body. It does not require approval by the other body nor the signature of the President. It is used to deal with matters that concern one House only, such as changing rules, creating special committees, and so forth.

D. Rule: Important bills, after approval of the committee concerned, go to the House Committee on Rules where a rule, in the form of a House resolution (H. Res.), is granted covering the time allowed for debate, consideration of amendments, and other parliamentary questions.

E. Conference: Representatives from both Houses of Congress meet in conference to work out differences existing in the legislation as passed by the two bodies. Upon conclusion of their conference, a report is submitted to each House setting forth the agreements reached. Each House then must act by way of adopting or rejecting the report in whole or in part.

F. Ordering the previous question: A motion to order the previous question, if adopted, shuts off further debate on the question before the House and prevents further amendments to such proposition.

G. A bill may pass, or be defeated, by one of the following kind of votes:

First. Voice vote: The Speaker first asks all in favor to say "aye" then those opposed to say "nay." If there is no question as to the result, this is sufficient.

Second. Division: If the result of the voice vote is in doubt, the Speaker asks those in favor to stand, then those opposed to stand. He counts in each instance and announces the result. If he is in doubt, or if demand is made by one-fifth of a quorum, then—

Third. Tellers are ordered. A Member on each side of the question is appointed as teller, and they take their places at each side of the center aisle. Those in favor walk through and are counted. Those opposed do likewise. The result settles most questions, but any Member, supported by one-fifth of a quorum, can ask for a rollcall. This privilege is guaranteed by the Constitution.

Fourth. Rollcalls place each Member on record on the particular measure involved. Each Member's name is called and his vote recorded. Rollcalls constitute the official voting record of the House.

The outcome of various votes are indicated in parentheses in the record above. In the case of rollcall votes, the actual vote is shown—the yeas first and the nays last.

Work of the Committee on Foreign Affairs

EXTENSION OF REMARKS

OF

HON. JAMES P. RICHARDS

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1955

Mr. RICHARDS. Mr. Speaker, during the 1st session of the 84th Congress, significant contributions have been made by the legislative branch of the Government to the international relations of the United States, and the Committee on Foreign Affairs has played a major role in effecting these contributions.

As chairman of the Committee on Foreign Affairs, I want to acknowledge the hard work and wholehearted cooperation of each and every member of the

committee, both on the majority and on the minority side, without which all the accomplishments during the 1st session of the 84th Congress would not have been possible. Operating on a bipartisan basis, the committee has added to the strength and unity which the United States presents to the world. It has considered and reported legislation which has made more effective the conduct of foreign affairs by those charged with its conduct—the executive branch of the Government.

There follows a brief summary of the legislation which the committee has reported favorably after careful consideration:

MEASURES REPORTED AND PASSED BY THE HOUSE AND THE SENATE

FORMOSA

Unanimously reported from the committee January 24, 1955; passed House January 25, 1955, by vote of 409 to 3; passed Senate January 28, 1955, by vote of 85 to 3; approved January 29, 1955; Public Law 4: This resolution authorizes the President to employ the Armed Forces of the United States for protecting the security of Formosa, the Pescadores, and related positions and territories of that area.

EXTENSION OF MUTUAL SECURITY ACT

Passed Senate June 2, 1955, by vote of 59 to 18; passed House, amended, June 30, 1955, by vote of 273 to 128; conference report adopted in House July 7, 1955, by vote of 262 to 120; in Senate on July 7, 1955, by voice vote; approved July 8, 1955; Public Law 138: This act extended the mutual security program for another year, authorizing $2,472,500,000 for military aid, of which $1,133,000,000 was for military assistance, $317,200,000 for direct forces support, and $1,022,300,000 for defense support. It also authorized $182 million for development assistance; $172 million for technical cooperation and $459,300,000 for other programs, including an Asian development fund of $200 million and a special Presidential fund of $100 million.

INTERNATIONAL CLAIMS SETTLEMENT ACT

Passed House, amended, June 23, 1955, by voice vote; passed Senate, amended, July 25, 1955, by voice vote; conference report adopted by House July 29, 1955, by voice vote; by Senate August 1, 1955, by voice vote; approved August 9, 1955; Public Law 285: Provides for distribution to American claimants of $41 million available in the United States for payment of claims against Bulgaria, Hungary, Rumania, the Soviet Union, and Italy. Utilizes existing claims adjudication organization at no cost to American taxpayer. Administrative expenses are to be met from funds available for distribution.

STRENGTHENING THE STATE DEPARTMENT

Passed Senate June 17, 1955; passed House, amended, by vote of 142 to 27, under suspension of rules, August 1, 1955; Senate agreed to House amendment August 1, 1955; approved August 5, 1955; Public Law 250: This bill increases the number of top-level statutory positions in the Department of State by three officers at the level of Deputy Under Secretary of State; provides for the rank of career ambassador as the highest class of Foreign Service officer; and permits computations for retirement purposes upon the actual salary received by an officer.

CORREGIDOR-BATAAN MEMORIAL COMMISSION

Passed House, Consent Calendar proceedings, July 30, 1955; passed Senate August 2, 1955; approved August 9, 1955; Public Law 298: This bill amends an act of August 5, 1953, to give more flexibility to the Commission in its plans for a suitable memorial in the Philippines to the Filipinos and Americans who fought there during World War II. It permits the Commission to accept public and private gifts and carries an authorization of not more than $100,000 for the expenses of the Commission. Also, it permits the Commission to contract for work, supplies, materials, and equipment inside and outside the United States and to engage the services of architects and other personnel.

INTEGRATION OF FOREIGN SERVICE AND DEPARTMENT OF STATE PERSONNEL

Passed House by voice vote March 23, 1955; passed Senate by voice vote March 30, 1955; approved April 5, 1955; Public Law 22:

Enables the Department of State to continue the integration of its personnel into the Foreign Service Officer Corps, as has been recommended by several independent committees appointed to study the State Department personnel and organization.

Establishes a home transfer allowance; permits the Department to defray part of the cost of education of children of Foreign Service officers when living abroad; provides for medical examinations, inoculations and vaccinations for dependents of Foreign Service officers; makes Foreign Service and Reserve officers eligible to receive hardship post differentials like those paid staff officers and employees and civilian personnel of other Government agencies stationed abroad.

CONSTRUCTION OF BRIDGES ACROSS CANADIAN AND MEXICAN BOUNDARIES

Bridge across the Rainy River, at or near Baudette, Minn.—passed Senate May 31, 1955; passed House, Consent Calendar proceedings, June 7, 1955; approved June 16, 1955; Public Law 79.

Bridge across the Rio Grande, at or near Los Ebanos, Tex.—passed House May 17, 1955, Consent Calendar proceedings; passed Senate June 17, 1955; approved June 28, 1955; Public Law 98.

Bridge across the Rio Grande at Rio Grande City, Tex.—passed House, Consent Calendar proceedings, May 17, 1955; passed Senate June 17, 1955; approved June 28, 1955; Public Law 100.

Bridge across the St. Croix River between Calais, Maine, and St. Stephen, New Brunswick, Canada—passed Senate June 17, 1955; passed House, Consent Calendar proceedings, July 18, 1955; approved July 28, 1955; Public Law 184.

OLYMPIC GAMES AT SQUAW VALLEY, CALIF., 1960

Passed Senate May 13, 1955; passed House, Consent Calendar proceedings, June 7, 1955; approved June 13, 1955; Public Law 69: Gives official United States sanction to the extension of an invitation by the United States Olympic Committee to hold the 1960 winter Olympic games at Squaw Valley, Calif. No expense to the United States Government is involved. The last games were held in the United States in 1932.

REPEAL OF CONSULAR FEE STAMP REQUIREMENT

Passed House, Consent Calendar proceedings, May 17, 1955; passed Senate June 17, 1955; approved June 28, 1955; Public Law 101: Repeals the requirement for adhesive official stamps to be affixed by consular officers abroad when any consular or notarial act is performed. Elimination of this stamp dispenses with an obsolete and costly procedure and permits the Department of State to conduct certain of its functions in a more efficient and businesslike manner.

SERVICE CHARGE

Passed House, Consent Calendar proceedings, May 17, 1955; passed Senate June 17, 1955; approved June 28, 1955; Public Law 102: Repeals service charge for making out and authenticating copies of records in Department of State. Permits the Department to charge for such services at a rate commensurate with cost.

PROTECTION OF UNITED STATES OFFICIALS AND DISTINGUISHED FOREIGN VISITORS

Passed House, Consent Calendar proceedings, May 17, 1955; passed Senate June 17, 1955; approved June 28, 1955; Public Law 104: Authorizes certain security officers of the Department of State and the Foreign Service to carry firearms for the protection of United States officials at international conferences and distinguished foreign visitors to the United States.

NORTH ATLANTIC TREATY ORGANIZATION PARLIAMENTARY CONFERENCE, HOUSE CONCURRENT RESOLUTION 109

Passed House under suspension of rules June 20, 1955, by vote of 338 to 31; passed Senate July 1, 1955: Authorized appointment of seven delegates by the Speaker of the House of Representatives and by the President of the Senate to meet jointly with representative parliamentary groups from other NATO members at a conference in Paris in July 1955.

OPPOSITION TO COLONIALISM AND COMMUNIST IMPERIALISM, HOUSE CONCURRENT RESOLUTION 149

Passed House, unanimous-consent proceedings, June 23, 1955, by vote of 367 to 0; passed Senate, amended, by vote of 88 to 0, July 14, 1955; House agreed to Senate amendments July 18, 1955: Expresses the sense of Congress that the United States in its international relations should maintain its traditional policy in opposition to colonialism and Communist imperialism.

PEACE, HOUSE CONCURRENT RESOLUTION 157

Passed House, unanimous-consent proceedings, June 14, 1955; passed Senate June 17, 1955: Congress hereby expresses the fundamental desire and hopes of the American people for peace and calls upon other nations to renew efforts to strengthen the peace.

MEASURES REPORTED AND PASSED BY HOUSE BUT NOT FINALLY ACTED UPON IN SENATE

PASSPORT FEES, H. R. 5844

Passed House, Consent Calendar proceedings, July 30, 1955: Authorizes in-

crease from $1 to $3 in the passport fee collected by clerks of State courts when executing passport applications.

FREEDOM OF RELIGION, HOUSE JOINT RESOLUTION 386

Passed House, unanimous-consent proceedings, July 18, 1955: Calls upon the people of the world to join in protecting their continued right to worship and to practice their own spiritual beliefs.

MEMBERSHIP OF SPAIN IN NATO, HOUSE CONCURRENT RESOLUTION 127

Passed House, unanimous-consent proceedings, July 14, 1955: Expresses the sense of the Congress that the President should take all proper and necessary steps to bring about an invitation to Spain to become a party to the North Atlantic Treaty and a member of the North Atlantic Treaty Organization.

FOREIGN SERVICE ANNUITIES, S. 1287

Passed Senate June 24, 1955; passed House, amended, under suspension of rules, August 1, 1955; Senate action deferred: This bill provides for a $324 increase for about 250 retired Foreign Service officers and widows. It also makes an adjustment in some annuities similar to the cost-of-living increase already provided for a comparable group of retired civil-service employees. The bill also provides relief through grants, not exceeding $100 a month, to widows living in impoverished circumstances who are not eligible for annuities.

MEASURES REPORTED BUT NOT FINALLY ACTED UPON IN THE HOUSE

UNITED STATES NATIONAL COMMISSION FOR UNESCO, H. R. 5894

Reported July 14, 1955: Amends Public Law 565, 79th Congress, to permit acceptance by the United States National Commission of gifts or bequests of money, such gifts or bequests to be exempt from District of Columbia as well as Federal income, estate, and gift taxes.

UNITED NATIONS MEMBERSHIP, HOUSE CONCURRENT RESOLUTION 186

Reported July 12, 1955: Membership in the United Nations for Austria, Cambodia, Ceylon, Finland, Ireland, Italy, Japan, Jordan, the Republic of Korea, Laos, Libya, Nepal, Portugal, and Viet-Nam has been blocked by Soviet veto in the Security Council. It is the sense of this resolution that the United States should "exercise all possible influence in the United Nations to support these free and independent countries for membership in the United Nations."

SELECT COMMITTEE ON COMMUNIST AGGRESSION, HOUSE RESOLUTION 183

Reported June 9, 1955: Requests the Secretary of State to take action to carry out certain recommendations of the Select Committee on Communist Aggression, contained in its report made at the close of the 83d Congress.

PASSAMAQUODDY INTERNATIONAL TIDAL POWER PROJECT, SENATE JOINT RESOLUTION 12

Passed Senate June 14, 1955; reported by committee to House July 14, 1955: Not to exceed $3 million is authorized by this resolution for the purpose of making a final survey to determine the feasibility of construction of a tidal power project in Passamaquoddy Bay for the generation of hydroelectric power, its cost, and whether in the interest of national economy and national defense. A similar measure was reported favorably by the committee during the 83d Congress.

LEGISLATIVE ACTION NOT COMPLETED BY COMMITTEE

STATUS OF FORCES AGREEMENTS, HOUSE JOINT RESOLUTION 309, AND IDENTICAL AND SIMILAR RESOLUTIONS

Provides for revision of Status of Forces Agreements and certain other treaties and agreements so that "foreign countries will not have criminal jurisdiction over American Armed Forces personnel stationed within their boundaries."

The committee received testimony from 7 Members of Congress, 7 Government officials, and 5 private witnesses during hearings held on July 13, 14, 19, 20, 21, and 26, 1955. These hearings are being printed to date and will soon become available. The committee will resume hearings on House Joint Resolution 309 when the Congress reconvenes in January 1956.

Statistical record, Committee on Foreign Affairs, 84th Cong., 1st sess.

Number of consultative subcommittees	8
Number of special legislative subcommittees	3
Number of conference committees	2
Number of meetings of conference committees	2
Number of bills and joint resolutions referred to the committee	104
Number of simple and concurrent resolutions referred to committee	106
Number of bills and joint resolutions considered by the committee	28
Number of bills and joint resolutions reported favorably	19
Number of bills and joint resolutions favorably reported by committee and passed by House	17
Number of bills and joint resolutions enacted into law	14
Number of simple and concurrent resolutions considered by committee	12
Number of simple and concurrent resolutions reported and acted upon by the House	4
Number of hearings (open and executive)	112
Number of pages of printed hearings	1,968
Number of pages of reports	276
Number of witnesses	179
Number of witness appearances before committee	243
Number of meetings with Rules Committee	8
Number of committee reports:	
Reports on legislation 24	
Minority reports on legislation 2	
Conference reports 2	
Special reports 3	
Total	31
Number of messages from the President and executive communications referred to the committee	25
Number of House documents referred to the committee	15
Number of memorials and petitions referred to the committee	54
Number of reports requested from Government departments and agencies on legislation referred to the committee	46
Approximate number of pages in CONGRESSIONAL RECORD of House consideration on bills and resolutions reported by committee	250
Number of Members sponsoring measures referred to the committee	130

Time spent in sessions:

By committee: Executive, 91 hours, 9 minutes; open, 49 hours, 8 minutes.

By subcommittees: Executive, 31 hours, 18 minutes; open, 5 hours, 22 minutes.

Total: 176 hours, 57 minutes.

Approximate total authorization in measures considered by committee and passed by House and enacted into law: $3,285,930,000.

(By way of comparison, the money involved in public bills before the committee during the 73d Cong. was $102,000.)

Keenotes

EXTENSION OF REMARKS OF HON. ELIZABETH KEE

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1955

Mrs. KEE. Mr. Speaker, under leave to extend my remarks in the RECORD, I should like to include my newspaper column, Keenotes, on the subject of another meeting at Geneva. The column follows:

KEENOTES

(By Representative ELIZABETH KEE)

Another meeting at Geneva.

Not the one at the summit at which President Eisenhower made his bold proposal for aerial inspection—the proposal which now gives Bulganin and the Supreme Soviet such a chuckle. Nor the one in which American and Communist Chinese envoys negotiate over the exchange of nationals.

A different meeting at Geneva—and one which may transcend all of the others in terms of eventual international and human significance.

It is the atoms-for-peace conference, attended by atomic scientists from both sides of the Iron Curtain, and intended to find ways of putting this horrible and awesome force of destruction to use instead to make life better.

The use of atomic power for energy purposes is no longer a day-after-tomorrow matter. It is taking place right now, chiefly in the generation of electric power and in the propulsion of the submarine *Nautilus*. Its use will expand.

Atomic energy byproducts, meanwhile, are providing some of medicine's greatest weapons against dread diseases. They are, too, serving as the tracking agents—the bloodhounds—of scientific and medical research, by making possible the tracing of body functions.

This meeting now taking place at Geneva, at which the nations are to exchange knowledge and know-how in developing peaceful uses for the atom, will probably not provide the same sort of international drama and suspense of the Big Four of Eisenhower, Eden, Faure, and Bulganin (or should we say Khrushchev?).

But if the scientists can teach each other methods of saving lives, of broadening resources, of improving living standards, of helping people through the use of the forces of the atom, then indeed it will be one of the most fruitful conferences in human history.

It comes at a most propitious time.

It comes exactly 2 years since an announcement from Moscow spread dread and alarm throughout the civilized world—an announcement by the then Premier Malenkov that the Soviet Union had developed the hydrogen bomb. Subsequent events showed the Soviets had really done so. And after that, the cold war became infinitely more harrowing, for we had the knowledge that

an aggressive force which hated freedom had the power to destroy whole cities of the world.

Just 10 years ago, on August 6, 1945, the world first learned of what the now old-fashioned Model T atomic bomb could do to destroy a city. Hiroshima in ruins was mankind's warning to find the way to peace, and to the use of this great force of nature for the improvement of civilization rather than for its destruction.

May I suggest that we all make room in our prayers this week for the devout wish that the scientists now meeting in Geneva can succeed where statesmen have failed—in bringing the wonders of science into a new focus for peace—and for people—rather than bringing in their wake death, destruction, and despair.

What Next in the Automobile Industry?

EXTENSION OF REMARKS

OF

HON. LOUIS C. RABAUT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1955

Mr. RABAUT. Mr. Speaker, today I had the pleasure of viewing an extraordinary invention in the automotive field which ultimately will save thousands of lives and millions of dollars that would ordinarily be lost in property damage. Mr. Rashid, a resident of the State I am privileged to represent, brought his radar-equipped automobile to Washington for a demonstration.

We rode around the Capitol for some time while Mr. Rashid showed us the almost unbelievable features of this vehicle. This car has a radar screen directly below the grillwork, several inches high and extending the width of the auto, which projects an impulse that is guaranteed to halt the car should anyone or anything appear in its path. Incidentally, there is a similar apparatus on the rear of the car to prevent injuring pedestrians or property while operating the car in reverse. The natural tendency of a person viewing this invention for the first time is to expect to be hurled through the windshield; however, this is not the case. The faster the car is moving the farther the radar beam is projected. If you are approaching an object at a high speed, the radar is reducing car speed before you, the driver, are actually aware of impending danger. The car will then, if not manually halted, stop before striking the object. Tests were conducted in Michigan wherein two radar-equipped cars tried unsuccessfully at 50 miles per hour to crash head-on; both stopped with ease many yards apart. Also, a car changing lanes and cutting you off in traffic will bring your radar into immediate action, thereby eliminating the possibility of a collision.

This radar does not work at less than 10 miles per hour, therefore it does not hinder parking or entering a garage, and so forth. Mr. Rashid informs me that his invention will cost no more than power-steering and will pay for itself in about 3 years if the insurance companies reduce their rates, as is anticipated, on cars containing radar.

It is indeed gratifying to know that Mr. Carl Rashid and his colleagues, who have worked so long and hard on the problems of highway accidents, have at last come up with a device that may prove the solution.

Record of Committee on Public Works in the 84th Congress, 1st Session

EXTENSION OF REMARKS

OF

HON. CHARLES A. BUCKLEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1955

Mr. BUCKLEY. Mr. Speaker, under leave granted to extend my remarks, I should like to submit a statement concerning the activities of the House Committee on Public Works during the 1st session of the 84th Congress.

Our committee has jurisdiction of legislation dealing with the improvement of rivers and harbors and waterways for navigation, flood control, other water uses, and related purposes, and shore protection. It drafts the legislation for the protection and preservation of the navigable waters of the United States.

The Committee on Public Works handles legislation relating to the construction of Government office and post-office buildings throughout the country and lease-purchase agreements for construction of public buildings by private enterprise pursuant to Public Law 519, the Public Buildings Purchase Contract Act of 1954—title I—and the Post Office Department Property Act of 1954—title II.

The committee has jurisdiction in the matter of oil and other pollution of navigable waters.

All bills relating to the construction or maintenance of roads and post roads must be referred to our committee for consideration.

The committee has made a good record in the 1st session of the 84th Congress.

The committee held its first meeting on January 25, 1955, to organize subcommittees and appoint staff personnel and held approximately 80 meetings and hearings thereafter, which I believe is something of a record.

Three hundred and eighty-six bills have been referred to this committee for consideration. In addition, the committee has handled several hundred survey reports on navigation and flood control. These surveys involve a study and review of previous reports of the Corps of Engineers, discussion with corps' personnel, public hearings, and subcommittee as well as full committee action. The committee also acted upon 38 lease-purchase agreements for public buildings. Forty-two bills had favorable action by the committee.

In addition to hearings on individual river and harbor, flood control, and bridge authorizations, river compact agreements, and so forth, public hearings were held on legislative proposals for a national system of interstate and defense highways; revision and restatement of the highway laws; the Niagara power project; amendments to the Water Pollution Control Act; the Inter-American Highway; a new building for the Smithsonian Institution; Lake Michigan water diversion; Great Lakes connecting channels; the Mississippi River-Gulf outlet; Southwest Washington redevelopment project; and Mississippi River-St. Louis flood-control improvements.

In the accomplishments listed herein I have had the active cooperation and valuable aid of all committee members. I pay special tribute to Representatives GEORGE H. FALLON, CLIFFORD DAVIS, JOHN A. BLATNIK, and ROBERT E. JONES, JR., who served as chairmen of the subcommittees, and to Representative GEORGE A. DONDERO, ranking minority member of the committee and former chairman, who cooperated in every way to perfect the legislation which has been offered to the Congress.

I want to give credit, too, to our efficient and hard-working staff. The committee is fortunate in having capable and experienced staff members and I welcome this opportunity to commend them for a job well done.

Summary of Activities of the Committee on Public Works, United States Senate, 84th Congress, 1st Session

EXTENSION OF REMARKS

OF

HON. DENNIS CHAVEZ

OF NEW MEXICO

IN THE SENATE OF THE UNITED STATES

Tuesday, August 2, 1955

Mr. CHAVEZ. Mr. President, I ask unanimous consent to include in the CONGRESSIONAL RECORD a summary of the activities of the Committee on Public Works, United States Senate, 84th Congress, 1st session.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

Under the provisions of the Legislative Reorganization Act, the Committee on Public Works of the United States Senate has jurisdiction over legislation relating to flood control, improvement of rivers and harbors, public buildings, public roads, water power, bridges over navigable waterways, pollution of navigable waters, and public reservations and parks in the District of Columbia.

There were 144 measures referred to the committee during the 1st session of the 84th Congress. The committee approved 42 bills, of which 34 were passed by both Houses. Hearings were held on many of them and on others that were carried over until the next session. Survey reports for flood control and navigation have been received and reviewed, and reviews of previous reports

covering 35 basins and localities have been authorized by committee resolutions. Lease-purchase projects for 27 post offices and 26 General Services Administration buildings for courthouses, post offices, and Federal office buildings, aggregating a total estimated cost of $105,562,027, were approved by the committee. There were seven House-passed bills pending before the committee at the end of the session.

Bills and resolutions approved by the committee are as follows:

As of Aug. 4, 1955

ENACTED INTO LAW

Public law	Date approved	Title	Estimated cost
23	Apr. 11, 1955	Authorizing the Secretary of the Army to contract with the city of McCormick, S. C., for sale of water from Clark Hill Reservoir	0
34	May 13, 1955	Declare a portion of waterway, Fort Point Channel, in Boston nonnavigable	0
62	June 8, 1955	Amend sec. 2 of act of Mar. 2, 1945, Columbia River at Bonneville, Oreg	$135,000
63	do	Provide for adjustment of tolls on bridge across Des Moines River at St. Francisville, Mo	0
71	June 15, 1955	Authorize preliminary examination and survey of New England, New York, and eastern and southern seaboards to determine means of protection from hurricane winds and tides	2,800,000
79	June 16, 1955	Extend time for construction of toll bridge across Rainy River, Baudette, Minn	0
97	June 28, 1955	Grant consent of Congress to States of Arkansas and Oklahoma to enter into compact on Arkansas River	0
99	do	Amend sec. 5 of Flood Control Act of 1941 pertaining to emergency flood-control work	0
103	do	Amend sec. 7 of act of Sept. 22, 1922, for installations of telephones in private residences at Federal locks and dams	30,000
106	do	Authorize construction of building for Museum of History and Technology for Smithsonian Institution	36,000,000
129	July 1, 1955	Authorize sums for completion of construction of Inter-American Highway	25,730,000
150	July 12, 1955	Provide for construction of Government buildings under lease-purchase in Southwest Washington, District of Columbia	0
159	July 14, 1955	Provide for control of air pollution by research and technical assistance	25,000,000
160	July 15, 1955	Modify Ferrells Bridge Reservoir to provide for cash contribution by local interests for water supply features	3,200,000
164	do	Authorize construction of highway crossing over Lake Texoma, Red River, Tex.-Okla	6,000,000
184	July 28, 1955	Authorize State of Maine to construct bridge across St. Croix River between Calais, Maine, and St. Stephen, New Brunswick, Canada	0

PASSED BY BOTH HOUSES

Bill No.	Title	Estimated cost
S. 56	Authorizing construction of flood-control improvements, St. Louis, Mo	$123,020,000
S. 1210	Amend Public Buildings Act to increase 1-year limitation on leases in District of Columbia to 5 years	0
S. 1340	Authorize conveyance of land to Brownsville Navigation District, Tex	0
S. 1577	Remove limitation on tolls on bridges over Connecticut River	0
S. 1899	Authorize flood-control improvement on Amite River, La	3,008,000
S. 2260	Granting consent of Congress to compact between States of Texas, Oklahoma, Arkansas, and Louisiana on apportionment o. waters of Red River.	0
H. R. 2866	Declaring a portion of waterway on Acushnet River in New Bedford, Mass., a nonnavigable stream	0
H. R. 4362	Authorize construction of flood-control improvements on Red River below Denison Dam	12,734,002
H. R. 1599	Provide for adjustment in lands acquired for Jim Woodruff Dam, Fla. and Ga., by reconveyance to former owners	0
H. R. 3235	Provide for adjustment in lands acquired for Demopolis lock and dam, Alabama, by reconveyance of interests to former owners	0
H. R. 6066	Modify flood-control project on San Joaquin River to permit construction of levees by local interests instead of acquiring flowage easements	0
H. R. 6417	Revive and reenact act authorizing Arkansas-Mississippi Bridge Commission to construct bridge across Mississippi River at Friar Point, Miss.	0
H. R. 503	Convey land in Whitney Reservoir to State of Texas	0
H. R. 7628	Authorize appointment of Maj. Gen. John S. Bragdon to civilian position in White House Office	0
H. R. 6634	Provide for conveyance of land in Grapevine Reservoir to city of Grapevine, Tex	0
H. R. 7195	Provide for conveyance of lands or interests in Belton, Benbrook, Garza-Little Elm, Grapevine, and Whitney Reservoirs, Tex., to former owners.	0
H. R. 6102	Change name of Garza-Little Elm Dam to Lewisville Dam	0
H. R. 4734	Amend River and Harbor Act of 1954 to extend time for reimbursement to local interests for work done on Los Angeles-Long Beach Harbors, Calif.	0

REPORTED BY COMMITTEE ON PUBLIC WORKS AND PASSED SENATE

S. 890	Extending and strengthening Water Pollution Control Act	$10,000,000
S. 1048	To amend and supplement the Federal-Aid Road Act by continuing authorizations	12,580,000,000
S. 1749	Authorize improvement of harbor at Rockland, Maine	710,000
S. 1851	Authorize conveyance of certain land to Mary Ann Aust	0
S. 2029	Change name of Hulah Reservoir, Okla., to Lake O' the Osages	0
S. 2063	Compensate certain property owners for damages in connection with reservoirs in Missouri River Basin	790,000
S. 2374	Authorize Secretary of the Army to enter into contracts to furnish municipal water supply from flood control and river and harbor projects.	0
S. Res. 70	Increase limit of expenditures by the Committee on Public Works	100,000

Projects under Lease-Purchase Act

LOCATION, PROJECT, AND ESTIMATED COST	
Point Pleasant, N. J.: Post office	$68,750
St. Marys, Ohio: Post office	82,500
Scranton, Pa.: Branch post office	60,000
Brooklyn, N. Y.: East New York station post office	270,000
Oxford, Pa., Post office	65,000
Atlanta, Ga.: Post office garage facilities	465,000
Council Bluffs, Iowa: Post office and courthouse	1,630,000
Green Bay, Wis.: Post office and Federal building	1,615,000
Lake Charles, La.: Post office and courthouse	2,075,000
Rock Island, Ill.: Post office and courthouse	2,000,000
Denver, Colo.: Post office terminal annex	4,335,000
Two Harbors, Minn.: Post office	66,250
Garland, Tex.: Post office	143,750
Hudson, Mass.: Post office	90,000
Grand Prairie, Tex.: Post office	175,000
Albuquerque, N. Mex.: Federal office building	6,227,300
St. Paul, Minn.: Post office and customhouse	5,235,000
Jamestown, N. Y.: Post office and courthouse	1,840,135

Projects under Lease-Purchase Act—Con.

LOCATION, PROJECT, AND ESTIMATED COST—con.	
Kingsport, Tenn.: Post office and office building	$1,013,000
Abington, Va.: Post office and courthouse	543,210
Huntington, W. Va.: Federal office building	3,298,280
Kansas City, Kans.: Post office and courthouse	2,393,303
Grundy, Va.: Post office	50,000
Refugio, Tex.: Post office	78,125
West Memphis, Ark.: Post office	93,750
Cashmere, Wash.: Post office	54,687
Madison, Tenn.: Post office	78,125
Jefferson, Ohio: Post office	78,125
Camden, N. Y.: Post office	86,250
Houston, Tex.: Post office	7,100,000
Fort Mill, S. C.: Post office	49,800
New Richmond, Wis.: Post office	85,200
Toronto, Ohio: Post office	53,125
Newtown, Pa.: Post office	53,125
Skaneateles, N. Y.: Post office	79,875
Maplewood, N. J.: Post office	246,450
Burlington, Vt., Post office and courthouse	2,830,000
Burlington, Iowa: Post office and Federal building	1,328,987
New York, N. Y.: United Nations building	3,300,000

Projects under Lease-Purchase Act—Con.

LOCATION, PROJECT, AND ESTIMATED COST—con.	
Richmond, Va.: Federal office building	$7,410,000
Minneapolis, Minn.: Courthouse and Federal building	5,877,815
New Orleans, La.: Post office and Federal building	14,200,000
Ontonagon, Mich., Post office	61,560
Newkirk, Okla., Post Office	56,250
Atlanta, Ga., Communicable disease research building	12,330,000
Omaha, Nebr.: Post office and courthouse	9,579,823
Brunswick, Ga.: Post office and courthouse	1,431,000
Carthage, Tenn.: Post office and Federal building	272,000
Durham, N. H.: Post office and Federal building	433,600
Biloxi, Miss.: Post office and courthouse	1,110,000
Lafayette, La.: Post office and Federal building	1,095,000
Parkersburg, W. Va.: Courthouse and Federal building	1,722,841
Gainesville, Tex.: Post office and Federal building	645,036

The important legislation of national interest and effect that was approved by the committee is discussed briefly as follows:

FEDERAL-AID HIGHWAYS

The committee approved a bill to authorize appropriations for continuing the construction of Federal-aid highways for a period of 5 years, 1957 through 1961. The program for the regular Federal-aid systems would be increased to a total of $900 million for each of the 5 fiscal years, and continued on a 50–50 matching ratio and on existing apportionment formula.

Funds for the national system of interstate highways would be increased to $1 billion for fiscal year 1957, and increasing to $2 billion for fiscal years 1960 and 1961, a total of $7,750 million for the 5-year period. These funds would be apportioned to the States under existing law, with a 90–10 matching ratio.

The bill as approved by the Senate would permit 20-percent interchange of funds between systems, would continue the program on miscellaneous roads on Federal lands at existing levels, would permit reimbursement to utilities for a part of relocation cost in connection with Federal-aid projects, and limit weights of vehicles traveling on Federal-aid highways. The highway program would be financed from general revenues of the Treasury as at present.

A Federal-aid highway bill was defeated in the House of Representatives.

AIR POLLUTION CONTROL

Public Law 159 provides for research and technical assistance to devise methods of abating air pollution. The act recognizes the primary responsibility of State and local governments, but provides Federal aid to those agencies concerned with air pollution and control. The Surgeon General would encourage cooperative activities, collect and disseminate information, conduct and support research, and make available to all parties the results of surveys, studies, investigations, research, and experiments. An appropriation of $5 million annually for fiscal years 1956 through 1960.

WATER POLLUTION CONTROL

S. 890 would amend the existing Water Pollution Control Act which terminates June 30, 1956. It reemphasizes the policy of the Congress to recognize, preserve, and protect the primary rights and responsibilities of the States in controlling water pollution. It would provide a base for the cooperative program which the Public Health Service is carrying on with the States and interstate pollution-control agencies. The objective of these Federal activities is to support and assist State and interstate agencies. National research efforts in water pollution would be intensified, and a reasonable and equitable mechanism for Federal-State cooperation in resolving serious interstate pollution problems. Would authorize grants for each of 5 years of $2 million to States and interstate agencies, and provide means of enforcing abatement of pollution.

This bill passed the Senate on June 17, 1955, and was on the House Calendar at the end of the session.

HURRICANE DAMAGE SURVEY

Public Law 71 authorizes the Secretary of the Army to make an examination and survey along the coastal and tidal areas of the eastern and southern United States, to secure data on movement of hurricanes, forecasting their paths, and investigating possible structural improvements which may be provided to prevent loss of life and property damages during the occurrence of such hurricanes.

INTER-AMERICAN HIGHWAY

Public Law 129 provides legislative authority for the necessary appropriations for accelerating completion of the inter-American highway within a 3-year period. The act makes the authorizations contained in the Federal-Aid Highway Act of 1954 immediately available for appropriation, and would authorize an additional sum of $25,370,000 to be immediately available for appropriation, all sums to remain available until expended.

FLOOD CONTROL

In general, the committee deferred action on individual flood-control and river and harbor projects, with the idea of including them in the next omnibus bill. However, due to the needs of certain localities, and emergencies that exist in others, several individual bills were reported favorably by the committee. These projects included one for flood control at St. Louis, Mo.; flood control on the Amite River, La.; and flood control on Red River below Denison Dam, Oklahoma and Texas.

WATER SUPPLY

The committee approved a bill to authorize the Secretary of the Army to enter into contracts to furnish water for municipal water supplies, including water for domestic and industrial uses, in the operation of any flood-control or river and harbor project heretofore or hereafter constructed, with repayment of allocated construction costs to the United States over a period of not to exceed 40 years from the year water is first delivered, with interest at current average rates on long-term marketable loans of the United States.

Meeting Public Needs

EXTENSION OF REMARKS

OF

HON. LISTER HILL

OF ALABAMA

IN THE SENATE OF THE UNITED STATES

Tuesday, August 2, 1955

Mr. HILL. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a speech I made at the 56th annual meeting of the American Hospital Association on September 13, 1954.

There being no objection the speech was ordered to be printed in the RECORD, as follows:

MEETING PUBLIC NEEDS

(Address of Hon. LISTER HILL, United States Senator from Alabama, before the 56th annual meeting of the American Hospital Association, Chicago, Ill., September 13, 1954)

I should like to say how very happy I am to be here with you this afternoon. It is always a pleasure to meet and talk with old friends, and my friendship with the men and women of the American Hospital Association is an old one—a friendship of working together on common ground in a common cause for the common good.

And, speaking of old friends, permit me to say how good it is to see George Bugbee here, whose inspired vision and devoted labors contributed beyond measure to the development of a program to provide hospital facilities for our country. George Bugbee has exhibited rare statesmanship in the field of health. We wish him the best in his new responsibilities, and I know that in his successor, Dr. Crosby, we have another old friend whose dedication and gifted energies will prove a source of leadership and strength to us all in building the Nation's health.

As an old friend, I am going to talk about working together to build this country's health and our responsibilities as citizens for meeting our public needs. Certainly there is no one here who will dispute that today medical care is a public need of national concern. Indeed, it has been said that the building and maintenance of health must now be added to food, clothing, and shelter as one of life's basic human rights.

When we talk of the health of our people we are talking about the real strength of this Nation. The vitality we must have for survival in this mid-20th century is a matter of health. Health, then, is a subject in which the Federal Government must take a direct interest and have a considerable responsibility.

I do not need to remind you of the record of the rejections of men for the armed services during the last war for reasons of poor health, and the even higher rate of rejection during the Korean war. The record presents an absolutely appalling picture for a country with the natural and material resources at our command. Our security and survival as a nation, our very way of life depend ultimately not on any Federal stockpile program of critical materials or atom bombs, but directly and basically upon our greatest natural resource—human life, men and women of sound mind and body. The health of our citizens must be of grave concern to the Federal Government, as it is to all those associated with the voluntary health system.

What, then, should be the role of the Federal Government in meeting this public need of better health?

I am not unaware of the problems of Federal intervention in programs of medical care. Some people are afraid of the patient lest he overutilize the services available to him. Others fear the doctors—or at least the organized ones. Some even fear hospital administrators. And, of course, many people fear our Government, though it is still our servant, not our master. I do not fear any of these because I have faith in people and in their ability to work together to solve their common problems. Human beings are made for cooperation, not for conflict, and voluntary professional organizations like your hospital association have, and will, point the way toward such cooperation in the field of medical care.

It seems to me that there are three factors which determine the extent of the role of the Federal Government in fields which, today, are largely within its sphere of responsibility. These are:

1. The failure of local and State governments to meet responsibilities in the face of public need.

2. The mobility of our total population; the movement of people from one State to another.

3. The disparity in income and taxable wealth among the various States.

I think it would be interesting to hear what was said on this subject by the Assistant Secretary of the Department of Health, Education, and Welfare, Mr. Roswell B. Perkins. In a recent speech, Mr. Perkins said, "The suggestion is frequently made that the Federal Government should return to the States certain sources of tax revenues and terminate Federal grants-in-aid. However, study has shown that this solution is impracticable, at least on any broad scale. * * * There is no assurance that any tax or group of taxes which might be selected to be turned over to the State will provide revenues to an individual State which will be related in any effective way to the need for funds to replace the present Federal grants."

Thus, the present administration, having officially proclaimed its strong belief in decentralization of the Federal Government, has had to recognize the hard fiscal facts of life which have faced previous Presidents, administrations, and Congresses.

None of the three conditions which we have mentioned alters the fundamental relationships between the different levels of Government, but they do decidedly affect

the leadership role of the Federal Government in meeting public needs.

Federal leadership in such ventures of national scope as the health of our people is no new event in our history. Soon after the American Colonies won their independence from Britain, the United States established tariffs to protect the infant industries of New England and the hemp industry of Kentucky. With the development of railroads, the Nation willingly gave land and tax exemptions to nurture their growth and make possible the opening of the western country to settlement and development. The establishment of the land-grant colleges, the opening of vast tracts of the public domain for homestead and settlement in the land-rush days, waterways, and harbor development—in all these the States and the Federal Government recognized the need for central leadership and planning if these natural resources were to be fully developed in the public interest.

Today the Nation faces a new phase, with the great issue of the development and use of its atomic-power resources. New ventures challenge the imagination and energies of our people.

As the problems of resource development have grown big in the technological world of science and the machine, so must the means of coping with them be expanded.

More than ever there is need for integrated action—extending through all levels of effort—Government and private, group and individual, with each making his own particular contribution.

But this does not mean that big government is inevitable or desired. It means planning with national results in mind, but the execution of these plans must and should be carried out through local authorities.

I use the TVA as an example. Under TVA, Congress set the national policy. It set the broad outlines of an integrated plan of flood control, navigation, soil restoration, and power production. But in carrying out the mandate of Congress TVA uses local agencies of Government and private organizations.

This is a distinction of, I think, major importance. Congress must and should determine national policy in certain fields. This does not mean, however, that administration of these policies must be on a nationwide or centralized basis.

This is true in the field of health.

The Federal Government, which provides funds, can reserve the right to lay down certain basic standards. But the administration of the program should rest in the hands of local authorities.

The fact is there is no other way to do the job. The task of harmonizing and periodically adjusting the intricate maze of parts that make up the integrated development of resources—human or natural—in a technological world simply cannot be done effectively from some remote government or business headquarters.

Alexander Hamilton, our country's foremost advocate of a strong central government, declared, "The more the operations of the national authority are intermingled in the ordinary exercise of government, the more the citizens are accustomed to meet with it in the common occurrences of their political life, the more it is familiarized to their sight and to their feelings, the further it enters into those objects which touch the most sensible chords and put into motion the most active springs of the human heart, the greater will be the probability that it will conciliate the respect and attachment of the community."

And in 1937, in a message to the Congress respecting regional authorities, Franklin D. Roosevelt said:

"It is not wise to direct everything from Washington."

The democracy of decentralized government, which protects the authority of State and local governments from centralized domination while enabling the people to benefit from Federal leadership, funds, and coordination, has long been a personal conviction. As you of the American Hospital Association know, we have, in fact, embodied this philosophy in the Hospital Survey and Construction Act.

In 1946, when Senator Burton and I authored the Hospital Survey and Construction Act, we not only recognized the urgent need for more hospitals and better medical care, but we were convinced that the only way to defeat a compulsory health-insurance system was with an effectively functioning voluntary system. It seemed clear to us that the first step toward the goal of bringing the benefits of modern medicine within the reach of all our people was to make certain that hospital beds were available when needed. It seemed to us that hospitals and voluntary health insurance had to advance together. One could not proceed very far nor very satisfactorily without the other. Hospitals not only have to be paid for, they have to be maintained. Health insurance provides hospitals the means for a steady income. On the other hand, the extension of health insurance beyond the capacity of hospitals to supply beds when needed would only serve to aggravate the shortage of beds and increase the pressure for a socialized system.

I am in thorough agreement with the demonstrated philosophy of your American Hospital Association—a philosophy that believes the way to avoid the evils of socialized health care is to make sure that the voluntary system can do the job.

The forthright and inspired leadership of the American Hospital Association stands as a challenge to all citizen organizations dedicated to the good of the people.

You recognized that public needs had to be met and that there was little opportunity for bringing the benefits of modern medicine to millions of our population without adequate facilities.

As evidence of your association's vital role in meeting these needs, I recall that you scheduled a series of regional conferences held throughout the country last year. These meetings were designed to bring together individuals who had been closely associated with and were well informed on the operations of the Hill-Burton program, in order to determine what their thinking was about the program—whether they had major criticism concerning it and, in general, what their evaluation was as to its operation. The report of these conferences demonstrated that this program for the construction of hospitals and health facilities has been one of the most productive, best administered, and successful ventures into which the Federal Government has ever entered.

The program has been an example of Federal, State, and local community cooperation, and most important for us here, it derives its real strength from the fact that it is government and voluntary enterprise working together.

There are a number of important principles which were built into this program. They are not there by chance. They have had much to do with its success and can well serve as a basis for the expenditure of Federal funds for meeting public needs in other fields. These are:

1. A demonstrated need, substantiated by study and survey.

2. Local decision of greatest need and priority for expenditure of funds.

3. Maximum administrative authority given to the States.

4. Joint financing by all parties concerned.

5. General coordination and supervision by the responsible Federal Government agency.

6. Requirement that there be local responsibility for the operation of any facility.

7. A Federal council to review administrative procedures to insure that the Federal administrator does not act in an arbitrary manner.

8. A formula for the division of funds which recognizes the relative needs of different sections of the country and their ability to meet these needs.

9. Procedures which minimize political influence.

Perhaps more important than all of these principles is the incentive which the grant of Federal funds has given local and State bodies to take action to meet their needs. Our hospital program has demonstrated that when the Government helps to meet the need for hospitals and health facilities by providing assistance grants, the people—with their sense of local responsibility and local leadership—are eager to meet the opportunity and build their own hospitals and health facilities. The stimulus which the program has given to the building of hospitals and health facilities has carried over into many projects which have had no Federal or other governmental funds.

If we are to continue to improve the health of our people and build the strength of our country, we must strengthen the six pillars of health. These are:

1. Adequate numbers of well-trained health personnel—doctors, dentists, nurses, medical technicians.

2. A sufficient number of adequately equipped hospitals, health centers, and other health facilities.

3. Fuller understanding and practice of preventive medicine.

4. Continuation and increase of basic research in all fields of medicine and related sciences.

5. Education: It is the informed person who knows best how to take care of himself and preserve his health.

6. Conservation and enrichment of our soil. The minerals and nutrients which feed and make up our bodies come to us from the plants and products of the soil. Much disease and illness is attributed to deficiencies in our soil.

And I would suggest there is a seventh pillar essential to our health system. It is the newest one, and that is, the full use of voluntary prepayment insurance to finance the costs of needed health services. This instrumentality for easing the burden of the financial costs of illness, which through the years has weighed heavily on family income, can only attain its final goal through the support and participation of everyone, and this includes, I believe, the Federal Government. The voluntary health insurance bill, introduced on behalf of myself and several other Senators as a bipartisan measure, is aimed at bringing about the participation of the Federal Government, embodying the experience and philosophy of the Hospital Survey and Construction Act.

Other problems in the field of health remain unsolved. These have been studied by committees of Congress, the President's Commission on the Health Needs of the Nation, and most recently by the Commission on Financing of Hospital Care, sponsored by your association.

There must be an intelligent seeking for a sound basis of joint participation between local, State and Federal Government with the great voluntary health organizations of our country. The stimulus and incentive which the Federal Government can provide in these affairs does not weaken State and local government; quite to the contrary, it makes it possible for many States and local governments to discharge their responsibility, and thereby safeguards their rights.

If we do things in the voluntary way with a joining of hands and with each fulfilling

its responsibilities, our American system of government is strengthened in all its parts, the vitality of our Nation is quickened and preserved, and we hold fast to the principles of democracy proclaimed by Thomas Jefferson:

"Where every man is a sharer in the direction of his government * * * and feels that he is a participator in the government of affairs."

In this spirit, let us move forward in the great mission to which you dedicate your labor and your lives.

The struggles of today are not for today alone, but for a vast future.

Third Anniversary of the Commonwealth of Puerto Rico

EXTENSION OF REMARKS

OF

HON. JAMES E. MURRAY

OF MONTANA

IN THE SENATE OF THE UNITED STATES

Tuesday, August 2, 1955

Mr. MURRAY. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a statement which I have prepared concerning the third anniversary of the establishment of the Commonwealth of Puerto Rico.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. President, Monday, July 25, 1955, marked the third anniversary of the establishment of the Commonwealth of Puerto Rico. It is a day of great significance, and of celebration and rejoicing for our 2¼ million fellow American citizens in Puerto Rico, and one of which the Senate of the United States should take cognizance, and in which all Americans can take just pride.

Mr. President, I am sure that most of the Members of the Senate will recall how the Puerto Rican people through their elected leaders submitted to the 81st Congress something new and unique to the United States political system when they petitioned for authority in the form of a compact to organize themselves into a commonwealth government, with all proper powers of self-determination except for certain powers reserved to the United States Government.

This petition on the part of the Puerto Rican people was something new and different. It showed political inspiration and political imagination in planning a new system of government within the American framework to meet the new and unusual problems posed by the truly phenomenal economic and cultural progress of the people of Puerto Rico in their half-century under the American flag.

As the Members of the Senate know, Puerto Rico is a land of long-established civilization in a character remindful of Old World customs and traditions. Ponce de Leon started its settlement before he set out for Florida on his legendary search. The first bishop in the New World was Alonso Manso, the first bishop of Puerto Rico. The oldest church under our flag today is the San Jose Church in San Juan.

While possessing unsurpassed beauty and charm, the island is deficient in natural resources. Two and one-quarter million people live in an area of 3,500 square miles, of which only a part is arable. So far, few mineral resources have been discovered. But the people themselves have compensated for their lack of natural resources in their spiritual, mental, and physical energy.

Today, still a long way from the ultimate goal of eliminating unemployment, Puerto Rico has made tremendous strides toward the more abundant life for her people. Everywhere in this tiny island in a large sea the signs of progress can be seen. You will find there hotels comparing favorably with any in the New World, roads rivaling our best highways, an airport second to none, modern new factories, efficient and productive, albeit tiny by continental comparisons. You will find sanitary conditions which have brought in an almost unbelievably short space of time a death rate (and this may surprise you) lower than that of the United States as a whole.

You will see also acres of sugarcane, coffee, bananas, and other crops. Almost every square foot of available land is in agricultural production.

Puerto Rico is handicapped both by the distance from raw materials and ultimate market. The people had to be trained, industriallywise. The community was a poor one in which substandard living conditions prevailed. There was a mountainous job to do in the field of education. Little by little, the problems are being overcome. They are being attacked on all fronts simultaneously.

What inspired this beehive activity in tropical Puerto Rico? It is, I think, the explosive energy of a happy people who do not carry the burden of colonialism. It is the minds and muscles of free men and women aroused to their task by aggressive leadership. This activity will, I am sure, continue while these conditions prevail, until one day, perhaps not long from now, the children will go to school as long as do children in continental United States, and living conditions will equal those of their mainland brothers. In large measure, this depends upon the continued wisdom of this great body which is fomenting freedom, happiness, and an atmosphere of plenty for all throughout a free world.

But today, Mr. President, I want to commend both the people of Puerto Rico and the Members of the Senate for their achievements under 3 years of commonwealth status.

Expanding the Civil Airport Program

EXTENSION OF REMARKS

OF

HON. OREN HARRIS

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1955

Mr. HARRIS. Mr. Speaker, announcement that the President has approved S. 1855, to amend the Federal Airport Act, is welcome news to all of those interested in the development of civil aviation in the United States.

The action of the President in approving S. 1855 assures a substantial 4-year airport construction program. It will not only permit expansion of civil aviation, but will promote safety by providing more adequate facilities.

In 1946, Congress enacted the Federal Airport Act to authorize $520 million in Federal grants for the development of a nationwide system of civil airports. That was sound legislation, needed to insure the development of civil aviation in this country, but as of today, some 9 years later, we must face the fact that we do not have an adequate airport system to permit the continued expansion of civil aviation.

One reason for this situation is that less than half of the amount authorized by the Federal Airport Act has been appropriated. Congress has appropriated for Federal aid to sponsors the sum of $256,221,154.

Federal funds made available varied from $45 million in 1947 to nothing in 1954. Last year the appropriation was $22 million and this year the budget estimate was for $11 million.

It is easy enough to see that developing a sound, long-range program was impossible on that basis. Sponsors of airport projects obviously could not anticipate with any certainty the amount of Federal funds which might be available in the future.

Early this year representatives of airport sponsors and users appealed to Members of Congress to work out some solution to this problem. The result was that on May 16 I introduced H. R. 6260 which proposed a new approach to the problem. My bill was a companion bill to S. 1855.

This legislation proposed to abandon the old system of making annual appropriations for Federal-aid grants and instead give the Department of Commerce authority to make contract obligations amounting to $63 million a year for 4 years for such grants.

The principle of allowing contract obligations for Federal aid is not new. It has been in effect in the Federal highway program for years with great success.

Before the Committee on Interstate and Foreign Commerce of the House was able to hold public hearings on the legislation, the Senate passed S. 1855, with certain amendments.

The Subcommittee on Transportation and Communications, of which I have the honor of being chairman, held public hearings on the legislation on July 6, 8, and 14. The subcommittee felt that the Senate amendments improved the bill and recommended favorable action on the Senate bill. However, subsequent to the Senate action on the bill, an appropriation of $20 million for fiscal year 1946 was made, and S. 1855 was amended to cut back the contract authority granted the Department to $42,500,000 for the present fiscal year. The provision for annual contract authority of $63 million for the 3 subsequent fiscal years was left unchanged. The Senate later accepted the House amendments.

In addition to making a substantial increase in Federal-aid grants available, the bill makes it clear that the Department of Commerce is not to consider ineligible for Federal aid the development of any class of public airports, the construction, alteration, or repairs of airport terminal buildings, or the accomplishment of any other type of airport development legally eligible under the Federal Airport Act.

The legislation was drafted to make it clear that the Congress feels that an adequate national system of airports must include small airports, as well as the large airports serving the air carriers. An adequate national civil airport system also must take into consideration the airports needed for business flying, agricultural flying, and all of the many other

types of flying included in the overall category commonly known as general aviation.

It is realized that enactment of this legislation to amend the Federal Airport Act will not solve all of our problems in developing a national airport system, but I am sure that setting up a 4-year program by giving the Department of Commerce authority to make contract obligations for the Federal-aid grants is a great forward step in the right direction.

I am sure that all of those interested in the welfare of aviation in the United States are very grateful to the President for approving this legislation.

Members Should Be Proud of Record Made by 1st Session of the 84th Congress

EXTENSION OF REMARKS
OF
HON. CARL ALBERT
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. ALBERT. Mr. Speaker, the end of the 1st session of the 84th Congress provides us with an opportunity to look back on the results of our labors for the first 7 months of this year, and a chance to look forward to the anticipated accomplishments in the 2d session.

While every Member of Congress has a right to be proud of the record made in the first session, I think the Democrats can take particular pride in the high quality of statesmanship they have displayed under very trying circumstances. Under the leadership of our great Speaker, SAM RAYBURN, and of our distinguished majority leader, JOHN MCCORMACK, we have demonstrated for all to see that ours is the party of responsibility, the party of good government, the party of the people.

We have established beyond doubt that Democrats are not obstructionists; they do not carry on cold wars of partisan politics. On the contrary, our splendid record of cooperation with a Republican President in both the foreign and domestic fields proves that our sole objective is to do what we think best for the American people.

The Democratic record of supporting a nonpartisan policy in foreign affairs is unblemished. Our first major act in the last session was to pass a resolution, at the President's request, authorizing him to use the Armed Forces in defense of Formosa and the Pescadores Islands. Many held that the President needed no such grant of authority from the Congress, contending that he already had that power; but when the President sought affirmative action, Democrats voted to grant it to him.

We succeeded, over much Republican opposition, in passing a 3-year extension of the Reciprocal Trade Agreements Act, giving the President new authority to cut tariffs. The President had asked a Republican Congress to approve that recommendation last year, but the Republicans did not do it for him. We did.

We put through an extension of the foreign-aid program in substantially the form requested by the President, and we backed him to the hilt in his negotiations with our potential enemies. Criticism for carrying on these negotiations came not from the Democrats, but from Republicans. We on the Democratic side take considerable pride in the fact that the Eisenhower-Dulles foreign policy is, in the main a continuation of the foreign policies carried on under the previous Democratic administration.

Our support of a strong national defense has likewise been unstinted. We passed a law setting up a new Reserve program; we extended the draft; we insisted on the maintenance of a powerful fighting force despite the tendency in the Pentagon to put economy ahead of defense.

True, there were differences between the Democrats in Congress and the President on many domestic issues. The House, I am happy to say, passed a bill to restore the 90 percent price-support program on basic farm commodities. The Senate did not act on this item in the last session, but I feel sure action will be taken next year. The income of the farmers continues to slide downward, while Secretary of Agriculture Benson stands idly by.

The Democrats put through in the closing hours of the session a housing bill which will do much to provide better homes for thousands of our citizens. We passed a new minimum wage law, setting the floor on wages at $1 an hour, compared with the 90-cent recommendation of the President and the 75-cent floor in the old law.

We raised the pay of Federal employees, going beyond the recommendations of the President to establish fair-pay scales for postal and classified Federal workers. We authorized a special commission to investigate the much-criticized Federal employees security program.

We continued the Small Business Administration and the Defense Production Act, and we voted to extend the corporation- and excise-tax rates at the 1954 levels. We tried to give the little fellow a slight tax break to offset the tremendous windfall given the rich by the Republican Congress last year, but a powerful campaign led by the White House was too much for us to overcome with our paper-thin majority.

We passed a law providing for a fair distribution of Salk polio vaccine. In the House we passed a bill providing new social-security benefits for women and for the disabled. The retirement age for women would be reduced from 65 to 62 years. House action came too late in the session for the Senate to put that bill through this year, but action on it is certain to come early in the next session.

Congress also will be ready to act early next year on a big school construction program. The House Committee on Education and Labor has approved this program, and it will be before the House early in the next session.

Whether we can get a fair and equitable highway construction program through in the next session remains a question mark. We tried to put through a pay-as-you-use highway construction bill in the last session, but it was defeated late in the session. I sincerely hope we can agree on road legislation next year for, as everyone agrees, we badly need a big highway construction program.

One of the last acts of the House was to approve a bill freeing natural gas producers from Federal regulation. It took a lot of work for us to get that one through, but I am happy to say it was done. The bill is now ready for the Senate to consider.

With a presidential election coming up next year, it is expected by many that politics will play a big part in 1956 legislative deliberations. It is my prediction, however, that when the record is written at the end of the next session, it will show that the Democrats in Congress have continued to conduct themselves in an efficient, responsible manner. The White House will continue to get the aid of the Democratic leadership when it is deserving of that aid; yet we reserve for ourselves the right to make the legislative decisions. For myself, I have no doubt but that the Democratic record will be a persuasive factor when we go before the voters next year.

First Session, Eighty-fourth Congress, Has Constructive Record

EXTENSION OF REMARKS
OF
HON. JOHN W. McCORMACK
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. MCCORMACK. Mr. Speaker, under permission to extend my remarks, I include a radio address that I made over station WORL, Boston, Mass.:

Ladies and gentlemen of the radio audience, the 1st session of the 84th Congress, without fanfare or sensationalism, and without political bitterness has been a constructive one.

The Democratic-controlled Congress has enacted important legislation with a minimum of friction, bickering, or political conflict. This has been healthy, not only for our country but for the world.

As a passing observation, in the disturbed world of today, the most severe criticism of President Eisenhower has come from certain prominent or vocal Republican Members from both branches of the Congress.

The Democrats have legislated constructively, and criticized temperately. However, when there was Democratic criticism, it was justified and constructive in nature.

During the campaign of 1954, in the last days of the campaign, in his fervent and frantic desire and attempt to elect a Republican Congress, President Eisenhower while speaking in Denver on October 8, 1954, and calling for the election of a Republican Congress, declared that if the Democrats gained control, politics would "run riot in Washington and result in a cold war" between the Congress and the White House.

That somewhat reckless statement should never have been made. It was made in an attempt to put fear in the minds of the voters as to the motives of the Democrats if the

people voted to give the Democratic Party control of Congress—and an attempt to have voters, through fear, and by way of reaction, vote for Republican candidates.

The people exercized their judgment and wisdom, and wisely elected a Democratic Congress.

The history of this session shows that the people used excellent judgment. The record of this session has also shown how intemperate the President was when he made that scarecrow charge, and how unsound his judgment was. Even on the ground of politics such a statement should not have been made, particularly by the leader of the Republican Party who is also the President of the United States.

For the people must bear in mind that as a politician, the President is the political leader of the Republican Party.

You will note that I say "political leader" because there are many other leaders in the Republican Party who are not elected by the people—certain big-business men, bankers, and financiers, who pretty well determine the policies of the present administration. And the people are commencing to catch up with the fact that the present Republican administration is a "big business" administration. Certainly, the evidence already existing supports that statement, and within the next 16 months it will be disclosed further.

Before the present session of the 84th Democratic-controlled Congress started (and we have only a 1-vote margin in the Senate) that great American, who is "Mr. Democrat"—Speaker SAM RAYBURN, of Texas—said, in substance, that the Democratic Party would be a constructive influence, a constructive supporter, when we agreed, and a constructive critic and proposer, when there was a disagreement.

That is the role of a party not in control of the White House—that acts consistently with the finest traditions of American political life.

The record of the 1st session of the 84th Congress clearly shows the Democratic Party lived up to that role.

In this session just closing there has been a tremendous amount of legislation enacted into law. In comparison with the 1st session of the 83d Congress, which was under the control of Republicans, this session has been outstanding.

While you have read articles and heard over the radio statements from commentators that there has been an absence of fireworks and lack of sensationalism, such statements are a credit to the Democratic Party in Congress. For it must be remembered that it is the duty of the Congress to legislate and not just to make sensational headlines that appeal to the emotions and not to reason.

And the Democratic Party has done its job well; it has given an exemplary example of party responsibility.

In keeping with Democratic tradition that differing opinions in foreign affairs stop at the water's edge, we have acted with vision and courage in meeting the world's problems created by the leaders of international communism.

The present Republican administration is following in this respect the sound policies of past Democratic administrations.

The quick passage of the Formosa resolution; the ratification of the German treaty and numerous other treaties; defense appropriations; the reciprocal trade agreements extension for 3 years, weakened by the President in the Senate after the bill had passed the House; the foreign aid or mutual assistance legislation and appropriations; the Inter-American Highway; and many other pieces of legislation are evidence of the fine work of this session in the field of foreign affairs under Democratic leadership.

In the field of national defense, in addition to necessary appropriations, the extenson of the Selective Service Act and the Military Manpower Reserve Act, both of which are most important in our national defense and preservation; appropriations for research by the Atomic Energy Commission, and other agencies of the Government engaged in this field, so that we will remain in advance of the Soviets; in providing for a vast constructive program for our far-flung network of airbases throughout the world, are further evidence of the accomplishments of the first session of this Congress.

In the field of internal security a number of important bills have been passed. A special commission has been authorized to study the question of internal security so that the guilty will be vigorously detected and exposed and at the same time the reputation of the innocent will be protected.

There are many persons justifiably concerned with the large number of mergers taking place. There is no question but what some of them violate the Sherman antitrust law, and yet they are "getting away with it."

The Democratic Congress, recognizing the seriousness of this problem, has passed a law increasing the penalties of the violation of antitrust law; investigations are now being made by the Democratic-controlled committees of both the House and the Senate. The results will be disclosed later on.

And in other fields, such as the field of labor, the passage of the $1 minimum-wage law, the Democratic-controlled Congress has done outstanding work this session. And there is still another session of the 84th Congress to come, during which the people of the country will be assured that in the Halls of Congress the same kind of progressive and constructive action by the Democratic Party will continue in the best interests of our people. For the Democratic Party is truly the party of the people.

H. R. 7000, To Provide for the Strengthening of the Reserve Forces

EXTENSION OF REMARKS
OF

HON. W. J. BRYAN DORN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1955

Mr. DORN of South Carolina. Mr. Speaker, H. R. 7000 is about to become law. When this bill is law then it will be my duty as a Representative in Congress to do everything possible to see that the law is properly administered. I believe that should be the attitude of every Representative and every American concerning any legislation that he or she might have opposed. After giving such a law our backing and a fair trial, if it is then found unworkable, we should have the courage to repeal it and substitute something more in the national interest. In a democracy such as ours, this should be the attitude of every loyal American.

However, it is proper as one of the small minority who voted against H. R. 7000 to give my reason for so doing. The bill has now gone to the President for signature. When he signs it, it will be the law of the land for the next 4 years. As a bill, it is satisfactory to no one, not to the Pentagon, which asked for something very different; not to the President, who wants a strong Reserve to make up for his weakening of the Regular Military Establishment; and not to the Congress, which passed this bill solely as a compromise. As a law, it will prove unfair, unworkable, and ill-timed. It will create confusion, breed resentment, and work great hardship on the Armed Forces.

The day of large Reserve forces is past. The very idea is becoming outmoded. The most effective Reserve forces would have been of no assistance on the day of the Japanese attack on Pearl Harbor. If Japan had the same industrial potential that the United States possessed, she would have won World War II in 5 minutes at Pearl Harbor. There would have been nothing that the United States could have ever done to overcome the disadvantages of the Pearl Harbor defeat. We were saved because we had years to build bomber plants, train pilots, and again enter the war in the Pacific on more favorable terms. But had Japan possessed the ability to come on and control the air over America, we could never have mobilized and the war would have been over with America the loser. The usefulness of unmobilized Reserves disappeared with the development of the long-range bomber aircraft and nuclear weapons. If Russia should attack us, only two forces would be of any avail: the Ready defense force, alerted by the radar warning system that we are building across our northern approaches, and the Ready strategic air forces, that can deal an immediate retaliatory blow. In an atomic war, the need for Reserves would pass before they could be mobilized. The Military Reserve Act of 1955 represents the sort of legislation that would have been useful in preparing us to meet the challenge of 1914, but not even the challenge of 1941. We are still thinking of Chateau-Thierry and of sending great masses of men over there with plenty of time to mobilize and train them.

We should be preparing for a war of the future. Philip of Macedonia and Alexander the Great developed something new—the Greek Phalanx. With this new development Alexander was able to conquer the world with a very small force. The Roman Legion was something new. It dominated the world for 500 years. Britain was a small island, a dot on the map of the world with limited manpower, but her leaders were farsighted and developed through science and skill a navy which controlled the 7 seas for 400 years. This my friends is the age of airpower, guided missiles, rockets, germ warfare, and scientific development. The nation that can plan ahead and excel in these military fields of endeavor, that nation will control the world for peace.

Mr. Speaker, I remind you that in 1934 and 1935, one of the major courses taught at West Point was the horse cavalry. While Hitler was building Panzer divisions and Stuka dive bombers, these great military minds, including that of our great President, were thinking too much in terms of the trench warfare of World War I. Had Germany been contiguous to the United States in 1940, we would not have lasted as long as France with our horse cavalry, a few outmoded tanks and no air force.

I appeared on a national television show not long ago with a retired general

who openly advocated a reactivation of the horse cavalry. We must put aside this thinking and with imagination, determination and science prepare for a war of the future as the best means of preventing that war. I think I should say at this point that it was my opinion in 1944 and the opinion of many experts that World War II could have been won in Europe without the loss of a single infantry soldier wading across the beaches of Normandy and sloshing through the mud of northern France and the Rhineland. If the leaders of America at that time and before had possessed the imagination of the British when Britannia ruled the waves, they could have put the B–29 in operation over Germany and Germany would have been forced to capitulate. This plane, which later destroyed Japan, had been in the blueprint stage years before the Normandy invasion. We only needed leaders with the courage to develop it and put it in operation over Europe. Germany was a small country, highly industrialized and could not have long withstood TNT dropped by thousands of B–29's, much less thousands of atomic bombs from the same source. But our military thinking was geared to the Meuse-Argonne, so we lost nearly a million men, killed and wounded on the battlefields of Western Europe.

Let us be realistic. Our only potential enemy is Russia and her satellites. She has overwhelming superiority in ground troops, tanks, and tactical aircraft. We cannot, by any stretch of the imagination, match on land, in numbers or in firepower, the overwhelming masses of Russia and China. Our only alternative is to balance this preponderance of strength, not by building an air force equal to Russia's but by building an air force many times larger and superior in technology to counterbalance her vast land superiority. The situation is too delicate, too precarious, to waste money on a vast. cumbersome Reserve that could only be in action after months of mobilization and training.

America needs long-term enlistments, if we are to survive, for our mechanics, our airmen, our scientists, our radar specialists, and our technicians. We need a force ready to move this minute, this afternoon, for tomorrow may be too late. We need men with years of intense daily training. Six months of active duty with a night a week for several years cannot possibly give our national defense the highly skilled men needed. It takes 5 to 10 years of constant training to develop a good pilot, a good scientist, or a first-class technician in any category. Yet this is the type of man who will save America—not the ones who only know left-face and right-face.

Adequate national defense costs money. The United States is already hopelessly in debt. Every dollar must be made to count. After several years the Reserve program under this bill will cost huge sums of money. I believe this money could be better spent on a force in being ready to move at a moment's notice. I greatly fear that a tremendous retirement burden will be fostered on the American taxpayer under this vast Reserve program. Also, a retirement that might become unfair to those in Regular service. In other words, a man in the Reserve can build up and eventually draw retirement by being in the Reserve and at the same time continue his civilian occupation and provide for old age. For instance, men can be found today who draw Reserve retirement, social security, State retirement, possibly congressional retirement in some cases and at the same time amass a personal fortune. This is practically impossible for a Regular in military service. He does not have time to carry on a business on the side nor is his salary such that he can save up to provide real security. So, often a man in Regular service, after 20 or 30 years of such service, will find it necessary to get a job to support his family.

Many of those advocating this bill stated the necessity of having an organized group in every section of the country to keep order in case of an atomic attack. This is negative thinking. This is admitting failure in the first instance. This is tantamount to an admission that we are not making proper preparations to prevent such an attack. This is the thinking of prophets of doom. This theory is fallacious in the extreme and will lead to the wrong psychology. Our National Guard and civil-defense organizations will take care of any such emergency. Before the National Guard is inducted into Federal service a home guard should be organized as during World War II. On this point, Mr. Speaker, I think every citizen should be required to belong to a local organization to render first aid, do patrol duty, and things of this nature. This organization should function as a patriotic service without compensation. I do not believe that real patriotism can be bought. We owe something to America and to our way of life. It would be a privilege to serve in such an organization to prevent chaos at home in time of dire emergency.

Without adding this confusing bill, our national defense is cumbersome and clumsy to say the least. We have four Air Forces, the Regular Air Force, the Navy Air Force, the Marine Air Force, and the Army Air Force. In the interest of saving money and in striking power, these should be consolidated into one force with a terrific punch. It would be absurd and ridiculous to further divide command by giving each field army control of a certain number of tactical aircraft as advocated by some. Many of the technical schools of the Army could be consolidated and our ground forces in general consolidated into one highly skilled, highly mobile striking force with the same training areas and same uniforms, saving millions of dollars. Attention should also be given to uniform lines of supply and a common warehouse system for all services. Likewise, I believe our lady organizations should be consolidated and reduced, as civilian help can be acquired more cheaply, or men inducted into service with minor physical defects. The hour is too urgent to continue to play politics with the taxpayers' money.

This bill comes at a time when we desperately need a highly skilled, thoroughly trained, mobile Army with emphasis on airborne troops. It comes in a hour when our great Navy needs long-term enlistments of technicians who can handle proximity fuses, radar, rockets, and Nike. This bill will furnish no branch of our service with the kind of men needed.

We, as representatives of the people, will not be able to escape the condemnation of history if we fail to meet this crisis with a streamlined 1975 national defense.

Mr. Speaker, let me emphasize again that if we dissipate our resources all over the world among doubtful allies and further scatter our striking potential among several air forces and many branches of the service, we will be inviting disaster. If Russia succeeds in her initial attack on the United States and our industrial potential is destroyed, then the greatest Reserve in the world would be of no avail. We must be able to repel this initial onslaught from the air, whether it be conventional aircraft or guided missiles, and instantaneously launch a counterattack through the air that will paralyze the heart of Russia.

This Reserve measure places emphasis on land surface forces. At one stage the legislation included the provisions of a bonus for individuals enlisting in the Army and the Marine Corps. The thinking that inspired the bill is the thinking of surface force adherents, who have so far failed to comprehend the role of air power in a modern Military Establishment. The thinking that dominates the bill, as enacted, is the thinking of men oriented to the land masses type tactics. The bill fails completely to recognize the needs of the Air Force, even that the buildup of the Reserve in certain categories will make it diffcult for the Air Force to enlist the men it needs for regular service. There is less comprehension of the requirements of airpower in this bill than in the President's budget message.

The bill is unworkable. Its provisions are complex, and many of them still are subject to legal interpretation. No one can yet be sure what final effect the bill will have upon our military structure. It is easier to be sure of the effect it will have on the young men whose lives it will overshadow for the better part of a decade. Abraham Lincoln is credited with the authorship of the statement that a house divided against itself cannot stand. This Reserve bill will divide this Nation into two groups: Those affected by it and those who manage to escape its provisions. This bill sets brother against brother.

I say this because this bill does not provide either for universality of service or equitable service. Some men will volunteer for 3 or more years' active duty. Some will be drafted for 2 years. Some will volunteer for 3 to 6 months active duty training. Some will serve their entire time in the Reserves with no extended period of active duty at all. Some will receive one rate of pay, some another, and some will not wear the uniform at all—either in active or Reserve service. Admittedly, it sets up alternative choices for young men facing the

draft. Unfortunately, it requires nothing of young men who, somehow, miss the draft entirely.

The administration of this law will impose a very serious burden on the Military Establishment. New offices will have to be created to handle the personnel records of the men who serve under its various categories. I can anticipate that the law will also impose a very great burden on the Members of Congress. Parents will demand explanations; men affected by it will complain of the inequities; we will be asked to take steps to see that justice is done, and yet we will remain as confused by the complicated provisions of the compromise we have erected into a juggernaut as those who direct their questions to us.

Mr. Speaker, I do not question the desire of my colleagues to insure the security of the United States. I do not question their eagerness to create a strong military force to augment the Regular forces of our 2½-million-man Military Establishment. But I do question the farsightedness of many who advocated this bill. I question whether they had the proper concepts of future war or were acquainted with the facts. I know the political pressure groups were active. Russia is talking soft these days. Were my colleagues so bemused by the coo of a mechanical dove that they no longer realize the need for Reserve service that strengthens the Armed Forces, and Reserve legislation that can be translated effectively into combat power as quickly as needed?

No, Mr. Speaker, I fear that many Americans failed to support adequate Reserve legislation because they fail to appreciate what is needed to guarantee the security of this country. They see armed soldiers on the land, tanks and guns ready for action, warships riding at anchor. They do not see the aircraft that fly out of sight; they object to the noise of jet aircraft crossing the sonic barrier; they complain of the necessity of placing air bases near centers of industry and population. They have not yet come to understand that air power and air power alone can defend the United States against attack that comes through the air. They neither realize that air power won the decision in World War II, nor that world war III may well be ended before any surface forces could be employed. Lacking thorough study, they would establish a Reserve Army, to be composed of a high proportion of green young men, with very short active duty training periods, who may well never be needed, or if needed, will be impotent to add strength to the Regular Military Establishment.

Mr. Speaker, an air force in being is not an air force in action, though it is ready for action. A strong air force ready for action is the strongest kind of a reserve force. It can do for our country what the Reserve force to be created by this new law can never do. It is a police force, to keep the peace. It is a riot squad, ready to meet an emergency. It is a guaranty that peace will be preserved or, if once disturbed, quickly restored. It is the only Reserve force we need to guarantee our security.

The money spent on spasmodic training of part-time participants is money down a rathole. The funds we will need to appropriate for this measure would build aircraft; they would provide air wings; they could stimulate research and development to give body to weapons as yet on the drawing board or in the mind's eye of a laboratory scientist.

Mr. Speaker, I cannot believe that Russia is placing major emphasis on Reserve training. Russia is building aircraft. We all know now of her new long-range strategic bomber, of her new jet interceptor, of her new all-weather fighter. We know that she has built these planes at a rate surprising to us, that upset all our expectations and calculations. We know that Russian technology is excellent. We know that Russia has an enormous, and an enormously strong air force in being. We can be sure that the masters of the Kremlin are pleased with the fumbling that has gone on, on Capitol Hill.

Reserve forces at any time are intended merely to occupy an important secondary role in our Defense Establishment. In the age of jet aircraft and nuclear weapons, regular, full-time professional forces, ready instantly to fight, must have the major emphasis and the highest priority.

It is ironic that while the overall size and the overall capabilities of forces are being reduced—with further reductions scheduled—this Congress should have passed a hybrid and unsatisfactory Reserve bill, satisfactory to none, questioned by all, and sure to plague this and future Congresses so long as it remains on the statute books.

The 10th General Assembly of the United Nations: Challenge and Responsibility

EXTENSION OF REMARKS
OF
HON. CHESTER E. MERROW
OF NEW HAMPSHIRE
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. MERROW. Mr. Speaker, I have been privileged to be appointed by the President, along with the Honorable BROOKS HAYS, or Arkansas, as a United States representative to the forthcoming 10th session of the General Assembly of the United Nations, representing the United States Congress on the delegation. Heading the delegation will be the Honorable Henry Cabot Lodge, Jr., who is the permanent United States representative to the United Nations, and the other members are Gov. Dennis Joseph Roberts, of Rhode Island, and the Honorable Colgate Whitehead Darden, Jr., president of the University of Virginia. I appreciate deeply the opportunity which this will present, and I shall strive to bring into the deliberations of the United States delegation the congressional point of view reflecting the public opinion of our people. I believe it is essential that those of us who represent the United States at the United Nations, and indeed before other international bodies and conferences, must always bear in mind the central fact that whatever we decide upon in such international bodies vitally affects every man, woman, and child in the United States. It is equally important that our people be kept as fully informed as possible on the activities of its Government, particularly those activities concerning the maintenance of international peace and security.

Mr. Speaker, the organization that the people of the world have chosen as the primary agency for the maintenance of international peace and security is the United Nations. Over and over again the United Nations has been declared to be the cornerstone of American foreign policy. I am in full accord with this principle. Too often the organization has been attacked by those who have not had the facts. During the 83d Congress, I was privileged to serve as chairman of the Subcommittee on International Organizations and Movements of the House Foreign Affairs Committee. Our subcommittee held extensive hearings covering the whole range of United States participation in international organizations, including the United Nations. Testimony was received from individuals and organizations representing a cross-section of American life and activity. These people and organizations are to be commended for the time and effort which they took in presenting their views to the subcommittee. I felt it was extremely important to make available these views to the American people and to our own Government officials. These hearings were printed, and the demand has exceeded the supply. During the course of the hearings, it became apparent to me and to other members of the subcommittee that while it was true that there exists certain shortcomings in the United Nations, nevertheless its record of accomplishment far outweighs its shortcomings. I believe firmly that we must put forth every effort to improve the organization in every possible way, at the same time recognizing that the organization has served mankind well.

Mr. Speaker, I think it is well at this point to summarize the major accomplishments of the United Nations over the past 10 years. President Eisenhower, in a recent message to the Congress transmitting the ninth annual report on United States participation in the United Nations, stated:

> In a decade of trying years, the United Nations has developed from a blueprint for peace into a living, functioning organization.

It has done so in spite of such unforeseen and major problems as mankind's entry into the atomic age with all its potential for good or evil, and the Soviet inspired cold war which has attempted to frustrate international cooperation. The United Nations over the past 10 years has amassed this impressive record in carrying out the obligations assumed under the charter:

MAINTENANCE OF INTERNATIONAL PEACE AND SECURITY

In carrying out its obligations to maintain international peace and security the United Nations has established and

maintained a truce between Israel and the Arab League. This continues to be an uneasy truce but one which has effectively prevented open conflict. United Nations intervention in the dispute between India and Pakistan over control of Kashmir has prevented the outbreak of war in that sensitive area. The United Nations successfully mediated between the Dutch and the Indonesians, and this mediation has resulted in the establishment of an independent Republic of Indonesia.

SUPPRESSION OF ACTS OF AGGRESSION

The United Nations played a key part in 1946 in ending Communist aggression and threats of aggression in Iran and forcing the withdrawal of Soviet troops in that area. Likewise, Communist hostilities and subversive activities against Greece were brought into the open by the United Nations and the threat against the independence of that country effectively stopped. The invasion of the Republic of Korea by Communist forces in 1950 was the most direct and serious challenge to the authority and power of the United Nations. This challenge was met by the united action of the free countries of the world with the United States taking the leading part and making the major contribution. The aggressors were thrown back beyond the point from which they started. This action proved that the United Nations, unlike the League of Nations, could take military action when necessary to resist unprovoked aggression. An important by-product of the Korean action was the passage of the uniting-for-peace resolution whereby the General Assembly is empowered to deal with acts of aggression when the Security Council is prevented from doing so by the veto.

INTERNATIONAL ECONOMIC COOPERATION

The United Nations through the Economic and Social Council has developed effective plans for economic cooperation between nations to carry out the United Nation's responsibilities for creating conditions of well-being and raise standards of living. Regional economic commissions have been established for Europe, Latin America, and Asia and the Far East to determine the factors retarding the economic development of the areas and to make recommendations for improving these conditions. Because much international tension has economic roots, these cooperative economic efforts are effectively dealing with these problems at the point of origin.

The specialized agencies such as the World Health Organization, the Food and Agriculture Organization, and the International Labor Organization, to mention three, have established far-reaching programs to help underdeveloped areas raise their standards of health, nutrition, labor, and education. In general, the United States contribution to the work of these agencies, which we have strongly supported since the beginning, has been progressively reduced while the contribution of those countries which benefit directly is increasing. The work of these agencies is contributing importantly to an increase in political and economic stability with food production rising through the use of modern agricultural methods and debilitating diseases such as malaria being progressively eliminated.

In the fall of 1953 I served as chairman of a special study mission on international organizations and movements, which included the Honorable ALBERT P. MORANO, and the Honorable ALVIN M. BENTLEY. The group made a study of seven specialized agencies of the United Nations in Europe and issued its report—House Report No. 1257, 83d Congress—on February 25, 1954. This report records the high degree of accomplishment achieved by the specialized agencies.

PEACEFUL USES OF ATOMIC ENERGY

At the initiative of the United States and with the unanimous cooperation of the United Nations, atomic energy is being harnessed to serve the ends of peace rather than war. The Peaceful Uses Conference convening in Geneva on August 8 is the greatest scientific conference of this kind ever called. It holds within it the potential for vast benefits to mankind. At the same time progress is being made toward establishing an international agency for the peaceful uses of atomic energy.

WORLD FORUM OF PUBLIC OPINION

The United Nations, and within it the General Assembly in particular, has developed into a sounding board of public opinion which has served the interests of the free world well. In this forum the Communist cold war has been revealed for what it is, and the peaceful aims and cooperative endeavors of the free world have increasingly won the support of the majority. The recent release of the 11 American fliers illegally detained by the Chinese Communists is due in part to the pressure of world public opinion as applied through the General Assembly and carried out by the Secretary General.

DISARMAMENT

Effective disarmament under safeguarded controls is one of the major tasks which the United Nations has undertaken to achieve. While it has not yet succeeded in reaching this universally desired goal, there are increasing signs that the long-drawn-out negotiations under the Disarmament Commission of the United Nations are making progress. It is hoped that, faced with mutual annihilation in a modern atomic war, the powers principally concerned may come to terms in a program safeguarded by the United Nations.

THE UNITED NATIONS AND UNITED STATES FOREIGN POLICY

The United Nations has been effective in furthering important aspects of United States foreign policy objectives. This is particularly so in the various regional organizations which the United States has taken the initiative in establishing in our national interests as well as to insure the security of nations threatened by Communist aggression or subversion. These regional arrangements are specifically permitted under article 52 of the charter and they exist, so to speak, "under the umbrella" of the United Nations.

As I have indicated earlier in my remarks, the United Nations is far from a perfect organization and of necessity reflects within itself the many imperfections of our international society. However, it has proved to be a going and a growing organization which is working effectively for peace and for establishing conditions of well-being and security among nations. Its first 10 years have proved beyond doubt that there is universal recognition of the need for an international organization such as the United Nations. As far as I know, no member of the United Nations has threatened to resign and no member has been threatened with expulsion, while the waiting list of those desiring to join the organization is long. The elasticity of the United Nations Charter has enabled the organization to cope successfully with unexpected difficulties and it has become increasingly a source of strength to which mankind looks for harmonizing the action of nations.

This forthcoming session of the General Assembly of the United Nations may well be the crucial one in the history of the organization. It will call for steadfastness of purpose, adherence to principle and clear recognition of the best interests of the United States and of the United Nations. I look forward to the challenge it will present and realize full well the heavy responsibilities which will be ours.

Security and Peace Problems of 1953 Are Still With Us in 1955

EXTENSION OF REMARKS

OF

HON. LEROY JOHNSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1955

Mr. JOHNSON of California. Mr. Speaker, I insert in the RECORD a reply to a high-school student in my congressional district, who was concerned as to what was the greatest problem facing a Congressman today.

Mr. Speaker, I do believe that my reply may be enlightening to other students, and those who review the CONGRESSIONAL RECORD in the public libraries and elsewhere. It has been written in language that is understandable to the average layman, one who desires to know and interpret this document in his everyday life in this great country of ours.

FEBRUARY 25, 1953.

Mr. SAM DICKSON,
Takoma Park, Md.

DEAR SAM: This will acknowledge your letter requesting my views on what I consider the greatest problems facing a Congressman today.

World peace is the most important subject today and while many of the problems involved are confined to Congress and the representatives of our Government at the present time, I feel that every young man and woman who will soon be taking an active part as citizens will want to do everything possible to contribute toward this end.

As I discuss this with you, I will mention some of my own experiences and observations to illustrate how I believe the United States of America, at this crucial period, can

play a role that might solve the most staggering question of all time.

As I see it, the problem is how can this generation develop world stability that will take away forever the threat of war as a mechanism for the solution of international disputes. In this scientific and atomic age, the sphere of our world is rapidly becoming more and more confined. We must explore every possible means of settling our affairs in a peaceable manner.

My connection personally with the problem arose 35 years ago. After struggling hard to get through college, to get through law school, to get my law school debts paid, on January 2, 1917, I started practicing law in San Francisco, Calif. Within a few months the United States declared war on Imperial Germany. It was a terrible disappointment and shock to me that after all my struggles to get started in the practice of my chosen profession, a war should break out. Of course, as you and your classmates realize too well, the threat of war has never ceased since then, and the planning of your future must still include a period of service in the Armed Forces.

Following the outbreak of World War I, I decided to enlist and I was sent to the first officers' training camp at the Presidio in San Francisco. I took infantry training there and one of the first exercises we had was to learn to plunge a bayonet into a dummy hanging from a rod. This, of course, was to train us in the technique of killing an enemy soldier with a bayonet. The exercise, although it was in the interest of my own self-protection, repulsed me. I could stand the marching, the shooting, the sleeping out in the open, but to stab a human being was something that I rebelled against. I learned from some pals of mine that across the bay the Army was conducting a ground school for aviators. I contacted the commandant and asked him if he thought I could pass the examination and get into the course. He said he thought I could. I enlisted in the Signal Corps and in a few weeks I was attending ground school and in several months was sent to San Diego, Calif., where I learned to fly. When my training was completed, 67 of us were ordered overseas. We sailed out of New York Harbor on March 1, 1918, and by the 15th of March we were learning to fly Neuports, Spads, and other French planes. In August, I was sent to the front and early in September we were ordered to the St. Mihiel front. There I had my first flight on a military front and flew a few missions. We were then transferred to the Argonne front where I made the first flight for our group on September 26, the morning of the commencement of the final drive that won World War I. I flew all during the time of that drive, making the last flight for our group on November 10, 1918. I was more fortunate than some of my buddies. I lost one man in my plane who was shot in the arm and who died from the loss of blood.

During those flights, I viewed the devastation and the ruin that that war had caused to that portion of France. I saw the numerous cemeteries throughout the area and, when the armistice came, I saw the refugees coming through into our area looking for their loved ones and wondering if they were alive or dead. The terrible tragedy of war—the dead, the wounded, the ruined towns, and the sorrowing people—overwhelmed me.

Of all the nations involved in that war, France suffered the most. The cream of the crop of that generation went into early graves and today, France is still suffering from a lack of leadership by reason of the loss of young men during that period from 1914 to 1918.

President Wilson had said it was "a war to end wars" and in my youthful confidence I felt sure that the losses in the countries involved had convinced the people of the world that war was a futile, barbaric method of settling international disputes.

I was very anxious that the United States enter the League of Nations. To me this was a vehicle that would tie the great countries of the world together and formulate the public sentiment, as well as the necessary mechanisms to settle international disputes by peaceful means. As you know, the League of Nations was rejected by the Nation whose President had been the one who initiated its creation. This was a great disappointment, but I did not believe the consequences would be too great. I felt sure that the great nations of the world would never start another war. From the ruination I had witnessed, I was certain that no nation would be foolish enough to involve itself in another war which undoubtedly would be more destructive than the one we had just won.

Of course, you know the history—when we were just recovering from the many postwar problems, another war developed which almost wrecked our Nation from an economic standpoint. The depression struck us and Germany became influenced by a dictator who cried, "Follow me and I will bring justice to Germany. I will take the Reich into better days which Germany and the Germans deserve." Soon another war was upon us. Vastly more devastating. Tremendously more costly and much more prolonged than the first one. Inevitably we were drawn into it and it practically encompassed the entire earth.

During that war it was stated that we had learned our lesson and that means would be provided to safeguard the world against another catastrophe. The Atlantic Charter was promulgated. Many conferences were held at which various broad principles were adopted in the interest of unity among nations for the preservation of peace in the future. High, broad, noble principles were set forth by the leaders of the various nations to indicate that no longer would the world be afflicted with the curse of legalized murder, known as war.

Local autonomy in the selection of officials in each community had been practically guaranteed by ourselves and our allies. However, soon Poland held an election to select its officials and this was supervised by Russia. The government thus created by that election, was and now is, a Communist government, completely dominated by the Soviets. Estonia, Lithuania, Latvia, Czechoslovakia, Bulgaria, Albania, Romania, Yugoslavia, all met with the same fate and are now, except Yugoslavia, dominated by Russia and each of those countries has Communist regimes. We failed to carry out the basic principle of local autonomy and freedom and it is now blacked out in those countries.

A conference at Cairo was held between Churchill, Roosevelt, and Chiang Kai-shek. China was assured that the rape of China by Japan would be avenged. China would get back Manchuria. She would get back Formosa. China was so important that in the organization of the United Nations in 1945, she was one of the Big Five that composed the majority of the Security Council. This was to be the group which would maintain the peace of the world. China today does not even have its own government on the mainland. Communists have taken over in China and the former President of China, Chiang Kai-shek, is now located on Formosa, hoping that some day he may recapture the government he once controlled.

In setting up the United Nations, high hope was held out to the people of the world, that here at last was created a nucleus for international protection of small nations against larger nations going to war. It is unfortunate to observe that the United Nations has not made much progress in this direction. To over 90 percent of the steps proposed that might lead to control of atomic weapons, the limitation of armaments, the reduction of military forces, Russia has exercised its veto. The United Nations Forum is a world soundingboard and no other nation has taken so much advantage of it, or gets as large results from it, as the Soviets. Men are getting discouraged as they look into the future.

It is recognized that some form of political organization, which would have the authority to see that its members abide by the rules laid down by the organization, must be formed. This is not new to the older Members of Congress. In 1915, under the leadership of William Howard Taft, and one of America's outstanding men and Presidents was organized a group known as the League to Enforce Peace. That group recognized that there must be some power that could enforce the peace. Just as behind our domestic law, we have the sheriff, the National Guard, and those who can enforce the rules laid down by a court in a decision. It is seldom ever used in any part of our Nation. Why? Because our people have become so accustomed to respecting the law that when a decision is made, in the overwhelming majority of cases—probably 99.99 percent of the cases, the litigants abide by the decision. We are law conscious and therefore, we are respectful of the law.

In looking for a way to handle this problem, Congressmen and Senators took a look at history to see if there was any precedent for a situation such as we are in, where a change in legal technique might bring the desired results.

We found the precedent right near here—in Philadelphia. You remember that between November 15, 1777, and July 8, 1778, the Continental Congress drafted and adopted the Articles of Confederation. These articles gave the Thirteen Colonies the name "The United States of America," and the Articles, generally known as the First Constitution, remained in force until March 4, 1789, when the Constitution of the United States was proclaimed in effect. When I say "we" I mean, of course, the Colonies that fought and won the Revolution. The Articles of Confederation were loosely drawn. They recognized, in too large an extent, States rights. The result was that after a trial, it was found that instead of being unifying, the government set up by the Articles of Confederation, was divisive. Shay's Rebellion occurred. Some States threatened to set up tariff barriers; interstate commerce was impeded. In other ways, instead of binding the States closer together, the States seemed to get themselves into more and more quarrels and to create suspicion among each other. Our young nation had won the war and the independence, but it was losing the peace for which our men had fought.

Then action was taken that I believe does not have a precedent in the entire world. The government in power actually voted to call a convention, the result of which could be and did happen to be, to oust that government. The Congress, under the Articles of Confederation, called a convention to determine what, if any, changes could be made in the Articles of Confederation. The foremost man of his day, the greatest hero in America, George Washington, was asked to, and did, preside over the Convention. This group sat, I believe, from April to September 17 of 1787. It wrote the Constitution of the United States, one of the great documents of the world. In the preamble it said that one of its basic purposes was "to form a more perfect union." When the Convention concluded its deliberations, George Washington was a little doubtful as to the outcome of its efforts. He was not certain in his own mind whether the new government that the Constitution created

would be lasting. But he expressed the hope that it would. The two great dominant characters in that Convention were George Washington and Benjamin Franklin. The Constitution proved to be adequate, although it took a mighty devastating Civil War to finally determine that the United States was a Nation that could not be dissolved and one that had the possibility of lasting for all time.

As we look around us today, we are wondering if some type of world organization of the federal type, could not be organized for the limited purpose of getting the nations to agree to some type of unified effort that could prevent war. Owen Roberts, former member of the United States Supreme Court, one of the intellectual and legal giants of today, has taken the leadership in this work. One hundred and twenty-six Senators and Congressmen, including myself and then Senator, now Vice President, NIXON of California, sponsored a resolution requesting the President to call a convention to explore, I wish to emphasize the word "explore," the possibility and perhaps the feasibility of having a meeting of the free nations of the world with a view of organizing some kind of a federal group, primarily for the purpose of maintaining the peace and resisting aggression. It would make rules and regulations and provide means which would require nations to submit their disputes to some type of court or to arbitration. It would probably explore the possibility of how to implement the decisions of this type of court. They would consider means, which should be mandatory, that would require nations, before they went to war, to submit their dispute to the court, or other tribunal or the federal group. It would also consider the matter of pooling the resources and the manpower of the members to compel a belligerent to submit to a ruling in deciding a matter which might otherwise result in war. The concept is not new, but the idea of using it to settle today's problems is new and has the effect of frightening a great many sincere people. They are afraid such an organization might assume local authority in domestic affairs. Our immediate purpose is only to explore the idea. The federal principle has been operated successfully in a large nation like the United States and in a small nation like Switzerland. In Switzerland, as you know, four languages are spoken, yet they maintain their solidarity while each canton or province has almost complete autonomy in handling its own municipal affairs. This convention would explore the idea of also making a very limited type of world government, that would be based upon the basic principle of the United States Constitution; namely, our national central Government is a government of limited powers and all powers not expressly enumerated or necessarily implied in the Constitution are reserved to the respective States and to the people.

Through international organizations, such as the Boy Scouts, International Rotary, and the like, groups of men of all peoples pledge that men are brothers and that understanding one another is the greatest way to promote harmony and good will. That tolerance is probably the greatest virtue of an individual as well as of a nation.

I am convinced that you cannot stop wars by building larger and larger armaments. You cannot scare another nation or a group of nations into settling a dispute by merely threatening them with atomic warfare and other weapons of the kind. You cannot stop wars by talking about the economic cost, which is so staggering, that a modern war in this atomic age would practically bankrupt every participant nation. You cannot do it along the lines of merely using force to make people agree with you. You cannot scare a nation away from war simply because it is shown that war depletes the manpower of the nation and tends to disintegrate the economy.

Therefore, I have concluded that you can stop war in this world by organizing. I am confident that the organization of the free nations of the world into some type of federal union, with limited powers to handle security questions and to provide means of hearing and deciding disputes between nations, would bring about the peace that we have been looking for for generations. I emphasized limited powers, because it should be set up so as not to interfere with the domestic government of the individual nations, but at the same time it must be authorized to enforce international security.

The freemen of today have a challenge to perpetuate the freedom which they cherish so much. The free countries of the world have the challenge to unite to develop ways in the international field that will safeguard the freedom of the individual countries as these countries safeguard the freedom of their citizens.

War is out of date in a free world in the industrial and the atomic age. We must be courageous and ingenious enough to discard old orthodox thinking and prejudices and come up with some new approach if we are to meet the challenge that faces us.

Our forefathers did and I think we should be able to enlarge the principle to fit our modern world. The law of the jungle is too old for the age of science and Christianity. This matter is like all complicated disputed problems. But it can be settled by the commonsense, the tolerance, and the attitude of those involved. I simply cannot believe that the organization genius of the United States and other free countries cannot work out a plan that will promote the safety of each country against aggression and guarantee its sovereignty and independence, and automatically outlaw war forever.

Of course, the sovereignty which we talk about is not in the government, the sovereignty is in you, me and all the people who comprise the United States of America. We have given a part of our sovereignty to the National Government and set it down in writing in our Constitution and the 23 amendments thereto. The sovereignty of California resides in the people of California, who have given to their State government a certain amount of that sovereignty. In California we have local autonomy of cities, if they wish to have charters of their own, they may take the steps provided by the State of California and elect a board of freeholders to draft the charter. That charter becomes supreme law in the municipality and the State cannot interfere. We recognize that there are several layers of government. The cities have local autonomy, the counties have local autonomy. The State has a wider range. Then there is the Federal Government that controls the whole country to the limited degree provided by the Constitution. Is there any reason why this cannot be expanded to an international government to protect the interests of the free nations of the world?

I am sure that the young people, now graduating from high school, all over the world, would have a much happier outlook today if we could have found the solution to this problem by now. But we are learning by experience and perhaps the younger generation will be able to contribute a great deal to the final realization of this essential objective.

Because of the destructive effects of war, most of the nations of the world must look to us, not only for money, but for help, suggestions and as an example to follow. My travels into every continent during my service on the House Armed Services Committee have indicated to me, that while many nations want to take our money, want to get help that they may not be entitled to, they all basically respect the United States of America. They all know that America has no designs to take advantage or to take property from any other nation. We are able to handle ourselves and we have no so-called imperialistic designs to either take away or dominate any other nation of the world.

Therefore, I believe we are in a position to lead the way for such a discussion. Nothing can be harmful in it and it may be productive of good that will last on down through the generations.

I am enclosing copy of an article written by Dorothy Thompson which appeared in the Washington Star on February 3, 1953, and which I asked to be reprinted in the CONGRESSIONAL RECORD. If you and the members of your class have not had an opportunity to read this thought provoking article, I hope that you will do so.

With best wishes to you and the members of your graduating class for a happy and prosperous future, I remain

Sincerely yours,

LEROY JOHNSON,
Member of Congress.

Record Federal Employee Benefits Voted by 84th Congress

EXTENSION OF REMARKS
OF
HON. JAMES M. QUIGLEY
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. QUIGLEY. Mr. Speaker, it is with pride that we can look to the record of the 1st session of the 84th Congress, which has approved more Federal employee legislation than any similar session in history. This is a matter of great interest to the 19th Congressional District of Pennsylvania where a number of constituents are employed at some of the many Federal establishments in central Pennsylvania.

Here is a brief rundown of the many beneficial laws the Congress approved:

Pay raises: Most classified and postal employees, except the top executives were voted pay increases. We also approved funds which can be used to raise the pay of many per diem, or blue-collar employees.

Career status: We passed a bill to make an additional 50,000 indefinite employees eligible for career status.

Retirement increases: Two bills have been approved to increase the annuities of Government retirees. One bill boosts the annuities of 300,000 civil-service retirees and survivors, and the other increases the pensions of Foreign Service members.

Travel allowances, an issue for the past 5 years, have been raised by this Congress.

Postal job classifications: These were first advocated 20 years ago. Recommendations by Postmaster General Summerfield were controversial and granted him unlimited power. The protections written in by the Congress will, I hope, allow this program to go forward so as to achieve maximum benefits, but protect postal workers against arbitrary actions.

Surety bonds: After considering the proposition for a dozen years, this Congress has approved a bill to authorize

Federal agencies to pay for blanket bonds to cover their employees.

Dual compensation: Congress has raised from $3,000 to $10,000 the combined military annuity and civilian pay an employee may earn. This is particularly gratifying for it gives military installations the opportunity to employ Reservists who are 20-year career men.

Insurance: We have approved legislation to authorize the Government to take over the 135,000 life insurance policies held by employee beneficial associations for present and former Federal employees.

State retirement: The Congress approved a bill granting retirement credits to about 5,000 former State employees.

Uniforms: A new law that extends the up-to-$100 annual allowance to all Federal employees who must wear uniforms on the job was approved.

Free Haircuts to Servicemen

EXTENSION OF REMARKS
OF
HON. WILLIAM G. BRAY
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. BRAY. Mr. Speaker, I have introduced a bill authorizing the Army, Navy, and Air Force to give free haircuts to the men in service.

The armed services demand, and rightfully so, that servicemen be properly groomed at all times. Since this grooming is demanded of each serviceman, it would not seem illogical to allow the services to provide barbering service free of charge, just as medical and dental services are provided.

Free haircuts are already furnished in some instances, where the servicemen do not have a post exchange barbershop near at hand. The present system authorizes the post exchange to grant franchises for the operation of barber shops on military posts. The barber services offered to servicemen are not always of top quality, and the atmosphere of such shops is often incomparable to that of civilian shops.

I have received complaints about the present system not only from servicemen but from the operators of such post exchange barber shops. In many cases the post barber shops are not under the same sanitary regulations as civilian shops. The State of Indiana has one of the most rigid barber shop license and regulated sanitation laws of any State. The Fort Harrison Finance Center, however, does not allow the Indiana barber inspector to exercise supervision over barber shops on the post.

In many instances these shops, because of their cheap rates, compete with privately owned shops in the area for civilian trade, and create ill will toward the service installation. It is particularly irksome to town barbers to know the shops on the post are not held responsible to the same State regulations that they are.

I previously introduced legislation which I believe would correct some of these ills, but it was opposed by the Defense Department. Perhaps the present proposal will be acceptable. By providing free haircuts to men in service their continued good grooming will be assured, and by removing all civilian trade from barbershops on military and naval installations, this unfair competition can be halted and the ill will it creates be eliminated.

Good grooming is an important element of morale; we certainly want our servicemen to take pride in their neat appearance. Good barber service in a pleasant atmosphere should be available to them; and such can surely be made available to them without the dissatisfactions arising from the present system.

Congressman Dollinger's Report to His Constituents

EXTENSION OF REMARKS
OF
HON. ISIDORE DOLLINGER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. DOLLINGER. Mr. Speaker, under the present Republican administration we have suffered 2½ years of broken promises. It is guilty of failure to correct immigration and labor laws, reneging on the tax relief assured wage earners and those in the low and middle income brackets, giveaways involving natural resources of our Nation, such as tidelands, natural gas, and Dixon-Yates.

The people must have learned by this time to distinguish between sincere promises and campaign oratory; they know now that the assurances given them by the President during the 1952 and 1954 campaigns were merely oratory.

Democratic Members of Congress have urged revision of the Taft-Hartley law and are anxious to reinstate the good labor-management relations which existed before enactment of the law. However, White House support has been completely lacking despite the fact that Candidate Eisenhower definitely assured members of the A. F. of L. and CIO at their national conventions that union-busting provisions of the Taft-Hartley law must be repealed and amendments adopted so that the law would be fair to both management and labor. When former Secretary of Labor Martin Durkin found that his efforts were futile, that big business brain trusters were guiding the policies of the Republican administration, and that promises to labor were being cast aside, he resigned. Since then, legislative proposals, appointments on the National Labor Relations Board, and every step taken by the administration affecting labor has been antilabor.

The best illustration that big business is truly in the saddle was the administration's successful opposition which prevented a $20 tax reduction to the small-bracket taxpayers. This fight was waged by the administration in spite of the fact that 90 percent of the tax bill which they enacted was a windfall to the high-bracket taxpayers who have been heavy contributors and supporters of the Republican Party. The public should know that Secretary of the Treasury Humphrey engineered the excess-profits tax repeal which was approximately a windfall of $2 billion. This administration, under the runaway-plant program to big business through tax concessions, has given handouts of about $19 billion. Most of the $30 billion spent for new plants are in open-shop areas for the purpose of escaping union wages and union labor conditions. Hundreds of thousands of working men and women have been thrown out of jobs—mostly in Northern States.

The Republicans will try to take credit for a number of beneficial bills passed during this session. Remember that heretofore the Republicans branded as "socialistic" such beneficial programs as social security and public housing; they vigorously opposed the legislation in the beginning and tried to sabotage it through the years. In supporting such legislation now, they are only following the old Democratic programs, and they give their support grudgingly.

The President is, however, entitled to special credit for overruling some of his party leaders and following the foreign policy program of his Democratic predecessors. The President has been subjected to the same criticism by some Republican leaders as they directed against President Truman during the time he was the Chief Executive, in the matter of foreign affairs.

We have had a continuation of the Republican policy of "handouts to the greedy, brushoffs to the needy." Big business is helped at every turn, the vast majority of people have not benefited under the Republican program, nor have their problems been considered or their needs taken care of as they were led to believe they would be.

In this report, I shall try to cover major bills and problems so that my constituents may know of my efforts in their behalf.

GIVEAWAYS

Giveaways under the Republican administration again hold the spotlight. During the closing days of the session, the White House and the Republican leaders in Congress as well as some Democrats supported the so-called Natural Gas Act, exempting producers of natural gas from regulation by the Federal Power Commission. Consumers of natural gas face increases in costs which will put huge profits into the coffers of the very small number of producers who control the industry.

I fought in committee and on the floor of the House during debate, to defeat the measure. I stated:

The issues of the bill are beclouded and confused to such an extent that intelligent action is precluded. The provisions of the measure would have such stupendous and immeasurable ill effect upon millions of consumers of natural gas that hasty and impulsive action on our part would be unforgivable and a betrayal of the American people.

We have been told that the oil companies who are pushing the measure are spending $1,500,000 on their campaign. This is an indication of what they stand to gain, for they know they will get this investment back plus the estimated profits of the increase to consumers which is bound to come—a bonanza of anywhere from $200 million to $800 million a year. Those advocating passage of the bill refer to a 2 cents a day increased cost to consumers, but multiply this by the millions of residential customers and you get a huge profit running into the millions of dollars.

This bill is more or less of a duplicate blueprint of the famous tideland oil legislation which had the questionable distinction of being the first major legislation passed by the Republican Congress in the spring of 1953 and signed by President Eisenhower. It is another example of the administration helping big business at the expense of the consumer.

You are all familiar with the Dixon-Yates special-privilege grab. Due to Democratic watchdog tactics and vigilance, the Dixon-Yates contract has now been killed. The White House and the Republicans are trying to take credit for ending the controversial contract—they know what their scheming and manipulations are powerful weapons for the Democrats to use against them in the 1956 campaign. It is significant that the White House announcement came 3 days after the start of Senator KEFAUVER's investigation of the financial inception of the contract. The Republican retreat is a victory for the Democrats who bitterly opposed the contract.

TAXES

The Republicans' promise to lighten the tax load of the American people remains unfulfilled. The heavy tax load is being shifted more and more to the shoulders of the low-wage earner, no relief has been given him, and he and his family continue to struggle for a meager existence.

Under the Republican policy of help the rich—forget the less fortunate—the Republicans did help corporations and stockholders and gave them a nice present of liberalized tax deductions. Nothing was done for those in the low-and middle-income brackets.

Early in 1955 the Democrats proposed a $20 tax cut for each taxpayer and each dependent. The Republicans brought about the defeat of the tax reduction, basing their action on the argument that the budget had not been balanced. They inferred that it might be possible to afford such tax reduction next year. It is safe to predict that they will vote for such tax reduction legislation next year, whether or not the budget is balanced, because 1956 is an election year and they will expect votes in return for their much-delayed generosity. It would have been far more equitable to have cut the tax relief they gave to corporations and to have allowed the little fellow the benefit of a tax cut. I shall continue to press for individual income-tax reductions which the vast majority of our people must have if they are to maintain decent living standards.

I introduced the following bills in an effort to ease the tax burden: A bill to repeal certain miscellaneous excise taxes; a bill to grant additional income-tax exemption to taxpayer supporting dependent who is permanently handicapped; to provide additional income-tax exemption to certain physically handicapped individuals; to grant exemption from income tax in amounts up to $2,500 in the case of retirement annuities and pensions; to increase deductions for personal exemptions.

I am hopeful that we shall be successful in our efforts to pass helpful and remedial tax legislation during the next session of Congress.

IMMIGRATION

The un-American, inhumane McCarran-Walter Immigration Act still remains intact upon our statute books—a blot upon our Nation. It contains more inequities than any bill ever passed by Congress.

The Presidential Commission of Truman, in January of 1953, reported that the McCarran Act discriminates against human beings on account of their national origin, color, and religion; is based on hatred and distrust of all aliens; contains unnecessary and unreasonable restrictions and penalties and creates second-class citizenship; is badly drafted, confusing, and, in some respects, unworkable. The law has been in effect long enough for us to realize its disastrous results, the grave disappointments to aliens who looked to us for haven and refuge and to their relatives here, the lack of protection to those threatened with deportation, and the threat to naturalized citizens regarding revocation of their United States citizenship.

We recall the promise of President Eisenhower that corrective legislation would be passed. That promise was ignored, despite the attempts of many, including myself, to have the law changed.

I voted against the law and voted to sustain President Truman's veto. Thereafter, I introduced bills calling for repeal of the McCarran Act and also introduced a measure to completely revise it. I shall not relax my efforts. I shall continue my endeavors so that we may have a fair and humane immigration policy and so rights of aliens, as well as citizens, will be fully protected.

When President Eisenhower signed the Refugee Relief Act of 1953—2 years ago—he pointed out that its purpose was to welcome to our shores and give asylum to over 200,000 victims of Nazi and Communist oppression. These political refugees and escapees from behind the Iron Curtain were to be permitted to come to the American haven during a 3-year period ending in 1956. President Eisenhower said pridefully in August 1953:

> The law demonstrates again America's concern for the homeless, the persecuted, the less fortunate of other lands. This is a great humanitarian act.

Nothing could have been further from the truth. We have proof now that it was an immoral deception and a fraud. It has been called a phony refugee law which stands on our books as a national disgrace. Of the 200,000 aliens it purported to help, only 1,000 had been allowed to come here from the time the law was passed until early in 1955.

MINIMUM WAGE

As early as 1949 I introduced a bill to establish a $1 minimum hourly wage; in 1953 I introduced a bill providing for $1.25 and reintroduced it in 1955.

When the minimum-wage bill was being considered by the Committee on Education and Labor, I urged the committee to vote out a bill providing for at least $1.25. I said:

> The President of the United States has recommended a 90-cent minimum wage. This is grossly inadequate. Decent living standards cannot be maintained on less than $1.25 per hour.
>
> The low-wage earner has been staggering under an overwhelming burden of high taxes and ever-rising living costs and no relief by way of increased earnings has been given him. Low-income families have been suffering privations; they cannot afford adequate medical care or the necessities that we have come to take for granted as part of the American way of life. During the past 2 years, under the Republican administration, the rich have become richer while the poor man's lot has become more and more intolerable—low income families have had to battle for a meager existence.
>
> We must come to the rescue of the laboring people of the country. The wage earner should be adequately paid for his labors and efforts; this is only his just share of the profits reaped as a result of his labors. Justice demands that we set a minimum wage of $1.25 per hour. Anything less would be wholly inadequate, futile, and a betrayal of the workingmen who must rely upon us for protection.

The administration fought to limit the minimum wage to 90 cents. However, by strenuous effort on the part of the Democrats who wanted an increase to $1.25 per hour, we were able to get a compromise figure of $1 per hour. While this is inadequate, it is more than the President wanted to allow. The minimum-wage battle was another example of the Democrats recognizing the plight of the little fellow and wanting to help while the Republicans would give him as little aid as possible.

SOCIAL SECURITY

The Democratic-sponsored bill liberalizing social-security benefits and enlarging coverage passed the House and awaits Senate action.

I introduced a bill providing that monthly benefits should be payable at age 60 in the case of men and at age 55 in the case of women.

The measure which passed, provided that women workers could receive benefits at age 62, instead of 65. The bill also provides additional disability benefits for workers, continues children's disability benefits in cases where children become totally and permanently disabled before age 18, expands coverage to include certain self-employed professional groups and others previously excluded, and will benefit millions of workers and their dependents.

I realize that there is still room for improvement in social-security legislation, but was happy to have the opportunity to vote for these benefits.

Let me repeat, the social-security program was started by the Democrats, furthered by them, in the face of Republican opposition. The Democrats have again acted to increase benefits in order

that our older needy and disabled workers and their families may have the assistance and security they should have.

HOUSING

The Federal public-housing program was started under Democratic leadership. A critical housing shortage has existed for many years; millions of Americans are without homes or suitable housing. That our people do not have decent homes or shelter is a national disgrace.

The Republicans scuttled the program at the first opportunity, and building of new housing units as provided originally by the law came to a standstill. The Democrats, during the session just ended, did their utmost to force action on the proposed amendments to the Housing Act so that the original building program could be resumed.

The administration wanted 35,000 new units per year for only 2 years while the Democrats wanted far more in order that the needs of the people could be met. As usual, the bill met with stiff opposition by the Republicans, the measure was bottled up in the House Rules Committee for weeks due to the failure of a single Republican to vote it out. Finally, a compromise bill providing for 45,000 units for 1 year passed, over strong Republican objection.

This is far short of the goal originally set by the 1949 Housing Act passed under Democratic leadership, which provided for 810,000 units, 135,000 per year. So far, only 245,000 have been started and now we have provision for merely 45,000 more, which is totally inadequate and a great disappointment to all of us who wished to see the original housing program carried out. Since coming to Congress, I have fought for adequate Federal public housing and my efforts will continue.

I also introduced a bill to establish a program for the housing of elderly persons of low income. I urged that the Federal Government take immediate steps to assist in alleviating the present situation by providing housing which is specifically designed for such elderly persons. There is a great lack of sufficient housing for elderly persons in the low-income bracket, those who must exist on social-security payments, small retirement annuities or other income. The health, safety, welfare, and comfort of the people are menaced, and they should be provided with housing at rents they can afford.

POSTAL AND FEDERAL PAY INCREASES

On January 5, 1955 I introduced a bill providing for an increase in pay of $1,000 per annum for postal workers.

Last year, when the postal and Federal employees pay increase bill was vetoed by the President, a grave disappointment was suffered by employees and Members of Congress who were anxious to help. The pay raise was long overdue and employees were entitled to it.

When the pay raise bills were being considered by the Committee on Post Office and Civil Service this year, I urged that they grant a pay raise of $1,000 to postal and Federal workers. I pointed out that these employees were many years behind in catching up with the cost of living; that they could not meet their obligations or give their families adequate care or support on their pay; that they suffered real hardships and anxiety. I stated that there was no reason why the Federal Government should not provide its postal and Federal employees with a justified wage increase so that they could enjoy a decent standard of living. When the bill came before the House, I again made the plea that an increase of $1,000 be granted and stated that this sum would bring their pay only to the level of pay they would receive from private industry for similar effort on their part.

The bills as passed did not provide an adequate pay raise for postal and Federal employees, but they were the best we could get, and because of the stand taken by the administration, it was necessary to accept the compromise.

I also introduced a bill providing for merit promotion of employees in the postal service, and will continue to work for its passage.

I repeat my promise to keep the needs and problems of postal and Federal employees in mind and to continue to do all in my power to help them.

CIVIL RIGHTS

I reintroduced all my bills to prohibit discrimination and have continued to fight for civil rights at every opportunity. However, the Eisenhower administration again ignored its responsibilities and 7 of the 8 Government departments or agencies invited to testify on civil-rights bills pending in the House refused to appear. This apathetic and unbending attitude is deplorable.

The charge was made that the administration was afraid to come before the Judiciary Committee and approve proposals which it dared not oppose. By their unconscionable attitude, the Republicans have succeeded in obstructing progress on civil-rights bills which must be passed if we are to have true equality and freedom in our country.

Until the last vestige of discrimination is wiped out, countless persons cannot enjoy the democracy we profess to have in the United States.

FRAUDULENT RADIO AND TV ADVERTISING

I submitted to Congress a resolution to authorize the Committee on Interstate and Foreign Commerce to investigate and study the broadcasting of false, fraudulent, misleading, and deceptive advertisements by radio or television.

Such investigation is vitally necessary. Millions of dollars are stolen annually from the pockets of those who fall prey to fraudulent advertising. Although the big networks claim they do not permit fraudulent advertising, the fact remains that dishonest persons and companies do manage to get their ads broadcast or televised. So far, no real progress has been made in stopping the rackets, prosecuting the offenders, or fixing blame; there is confusion as to who is supposed to act, to whom those defrauded can look for redress, and where the responsibility lies to prevent such fraudulent practices from continuing.

Inasmuch as the individual stations, the networks, local communities, and authorities have not rid themselves of the frauds and dishonest practices of some advertisers, it is the duty of Congress to give the problem its attention so that the people can be protected against continuance of such frauds.

Under my resolution the committee would—

First, determine the extent to which the public is exposed to false, fraudulent, misleading, and deceptive advertising by radio or television;

Second, determine what steps licensees of radio and television stations have taken in order to protect the public from such advertising; and

Third, investigate and study the practice of the Federal Communications Commission with respect to the renewal of radio and television licenses of persons who make no effort to protect the public from such advertising.

Upon receiving the committee report, Congress should pass necessary remedial legislation to prevent further injustices to the public. I shall continue to work for passage of this measure which would be beneficial to all.

GENERAL TOPICS

The Republicans wiped out the protection afforded consumers by price controls, and living costs have continued to rise. I again introduced my bills providing for a Consumers' Advisory Bureau and a Joint Committee on Consumers which would enable consumers to get full value for their money and would furnish information helpful to them when making purchases.

Another grave problem is that of our older, able citizens who are denied the opportunity to work, solely on the basis of age. An increasing number of people who are too young to retire are being told that they are too old to get jobs in business and industry. Employers are setting rigid age limits and a man of 45 and a woman past the age of 35 are being refused jobs because they are over the age limit arbitrarily set by employers. I reintroduced my resolution providing for a commission to study the entire problem, to the end that obstacles to the employment of available and qualified older workers may be wiped out, and so that their right to work and their right to the dignity and status of self-support may be recognized.

Air pollution continues to be a menace to the health and welfare of the people and represents a problem of increasing concern to the residents of many areas and communities throughout the United States. I resubmitted my resolution to create a committee to conduct a full and complete investigation of air pollution in the United States. Congress finally passed legislation authorizing a 5-year program of $3 million per year for research into the causes of air pollution, and I am pleased that this serious problem will now be tackled by the Federal Government.

Veterans received additional assistance under laws passed by Congress since January. GI education benefits were extended to those in service as of January 31, 1955; the VA direct-loan program was extended for 2 years; disabled veterans' were given assistance with auto purchases.

There are many other major questions and problems as well as additional ef-

forts on my part, which I should like to discuss, but space does not permit.

BRONX CONGRESSIONAL OFFICE

I continue to maintain a congressional office at 938 Simpson Street, Bronx, which is open daily. My constituents are invited to call there and discuss their problems, which will receive my best attention. I also urge my constituents to write me so that I may have the benefit of their views and suggestions regarding legislation.

I appreciate the confidence placed in me by the people of the 23d District of New York who have chosen me to represent them in Congress, and shall continue to render conscientious service and try to fulfill my duties to their satisfaction.

John D. Faller, Jr.

EXTENSION OF REMARKS
OF
HON. JAMES M. QUIGLEY
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. QUIGLEY. Mr. Speaker, I was shocked when today's late news dispatches from Carlisle, Pa., reported the death of John D. Faller, Jr., a long-time personal friend, fellow attorney, and an outstanding citizen. John Faller was shot to death in the county courthouse when a litigant in a case in which Mr. Faller was acting as cocounsel pulled a gun and fired wildly.

John Dysert Faller, Jr., was a member of the law firm of Faller and Faller. He was the son of the late John Dysert Faller, a member of the Cumberland County Bar Association and secretary and general counsel to the Pennsylvania Turnpike Commission for a dozen years. He was graduted from Georgetown University and the Dickinson School of Law.

A member of the St. Patrick's Roman Catholic Church, Carlisle, Mr. Faller was general manager of the Mount Holly Water Co., a member of the Cumberland County Bar Association, the Pennsylvania Bar Association, and the American Bar Association. He was a charter member of the Knights of Columbus in Carlisle.

Mr. Faller was devoted to Carlisle and its people. He was a director of the Hamilton Library Historical Association. It was partly because of such interest that he offered to lead the legal fight for saving the market house for farmers by establishing their right to use of the site. Another community service was his acceptance of the presidency of the Carlisle Firemen's Relief Association, which deals with matters concerning compensation for injured volunteer firemen.

He was active in his church, in service club work, and in the Democratic Party. He was a citizen who will be missed in many ways.

Mr. Faller is survived by his wife, Mrs. Elizabeth Billow Faller; his son, John D. Faller III; his mother, Mrs. John D. Faller, Sr.; his brother, George B. Faller, Esq.; an aunt, Mrs. Ernest Gill, of Mount Rock, Pa., and an uncle, Dr. Constantine P. Faller.

I extend my deepest sympathies to his sorrowing family.

Cargo Preference: Whipping Boy of the Uninformed

EXTENSION OF REMARKS
OF
HON. JOHN MARSHALL BUTLER
OF MARYLAND
IN THE SENATE OF THE UNITED STATES
Tuesday, August 2, 1955

Mr. BUTLER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an editorial entitled "Cargo Preference: Whipping Boy of the Uninformed," which I prepared for the August 1955 issue of Marine News magazine.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CARGO PREFERENCE: WHIPPING BOY OF THE UNINFORMED

(By Senator JOHN MARSHALL BUTLER)

Attacking the cargo preference bill (Public Law 664 of the 83d Cong.) seems to be the fashion of the day on Capitol Hill. In repelling each assault upon the bill, the proponents of 50–50 have been able to graphically demonstrate its value to the taxpayers of this country, its importance to the American merchant marine, and its essentiality to our national defense.

Since 1948 nine statutes covering Government-generated cargoes have provided that at least 50 percent thereof be shipped on United States flag vessels. This principle, the roots of which go back approximately half a century, was extended in the cargo preference bill which I sponsored last year to cover all Government cargoes, including agricultural surpluses, financed directly or indirectly by United States public funds.

Such aid to American shipping is the most practical method by which we can maintain an adequate merchant marine. This is so because without cargoes—no matter the extent of monetary subsidies—American-flag vessels will not long sail the seven seas.

There is no doubt as to the identity of the group which is behind these wanton attacks on our cargo preference bill. Certain maritime nations, which have benefited enormou'y by our largess, not only want our aid—they insist that they have an inalienable economic right to carry our bounty from our shores to theirs, in their ships.

As a result of getting nowhere by frontal attacks on the cargo preference principle, this foreign shipping group has cleverly succeeded in getting certain well-intentioned but poorly informed American agriculturists to do their fighting for them. As a result of a complaint from the Department of Agriculture that the 50–50 provision was impeding the disposal of surplus agricultural commodities, the House Merchant Marine and Fisheries Committee early this year held extensive hearings, and in its report, dated February 28, 1955, said:

"There was unanimity from among all witnesses from both Government and industry on one point: there is no basis in fact whatever for the charge that shipments to foreign countries of surplus agricultural commodities are being delayed by reason of the Cargo Preference Act. The plain truth is that the act could not operate as to have any such effect unless it were being administered improperly."

Public Law 664 provides that the 50–50 principle shall be observed only to the extent that United States-flag vessels are available. It also provides that whenever Congress, the President, or the Secretary of Defense declares that an emergency exists justifying a temporary waiver of the law, preference for American-flag vessels shall not apply. Therefore, it is obvious that the act cannot operate to impede the disposal of surplus agricultural commodities.

There is absolutely no basis for the contention that the cargo-preference bill has impeded the surplus agricultural program. Approximately 70 percent of the 3-year authorization was committed in the first year, 17 nations having made agreements for the purchase of $468,800,000 worth of agricultural surpluses. Equally unfounded are the rumors that foreign nations will not purchase our agricultural surpluses if 50 percent must travel abroad on American-flag vessels.

Two other red herrings should be canned and filed away. In the first place, cargo preference does not increase the cost to the foreign country purchasing our agricultural surpluses at knockdown prices. This is self-evident in view of the fact that transportation costs are paid by the purchasing nation at world market rates regardless of the carrier's flag; the United States making up the slight difference where the cargo travels by nonconference American vessels. Second, since 80 percent of the agricultural surplus cargoes move on liners, they are transported on American ships at the same cost as if they traveled by foreign-flag vessels.

Now, here in the closing days of the session, the same foreign shipping groups have again persuaded various congressional leaders from agricultural communities to attack the cargo-preference bill. If the proposed amendments to the Agricultural Trade Development and Assistance Act of 1954 which were embodied in Senate bill 2253 as reported by the Senate Agricultural Committee had been enacted into law, they would have scuttled 50–50. In doing so, 5,000 to 10,000 American seamen and shoreworkers would have been deprived of their jobs. In addition, the Maritime Administration would have been deluged with requests for permission to transfer approximately 60 to 70 additional American-flag ships to foreign registry. Fortunately, we were able to persuade the Agricultural Committee to voluntarily eliminate from its bill the anti-50–50 provisions.

While we expect further unfounded attacks upon the cargo-preference bill, rest assured that those of us who fought so hard for its enactment will fight with equal vigor for its preservation.

Report to My Constituents in the Sixth Congressional District of Maryland

EXTENSION OF REMARKS
OF
HON. DeWITT S. HYDE
OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. HYDE. Mr. Speaker, at the close of the 1st session of the 84th Congress, I feel it is my duty to make a report of my voting record to the people of the Sixth Congressional District of Maryland. An analysis of this report will show that I cast my vote on every bill that was brought to a vote except one. On that day, I attended a function for the benefit of the Youth Opportunity Camp in Montgomery County.

Voting record of Representative DEWITT S. HYDE, 6th District, Maryland, 84th Cong., 1st sess.

Date	Measure	Vote
Jan. 25	H. J. Res. 159: Authorizing the President to employ Armed Forces of the United States for protecting the security of Formosa, the Pescadores, and related positions and territories of that area. (Passed 410 to 3.)	Yea.
Jan. 27	H. R. 587: Provides that persons serving in the Armed Forces on Jan. 31, 1955, may continue to accrue educational benefits under the Veterans' Readjustment Act. (Passed 366 to 0.)	Yea.
Feb. 8	H. R. 3005: To amend the Universal Military Training and Service Act by extending authority to induct certain individuals and to extend benefits under the Dependents Assistance Act for 4 years. (Passed 394 to 4.)	Yea.
June 28	H. R. 3005: Conference report on above bill. Motion to recommit. (Failed 171 to 221.)	Yea.
June 28	H. R. 3005: Conference report, on passage. (Passed 389 to 5.)	Yea.
Feb. 16	H. R. 3828: To adjust salaries of judges of United States courts, United States attorneys, Members of Congress. (Passed 283 to 118.)	Yea.
Mar. 1	H. R. 3828: Conference report on above bill. (Passed 223 to 113.)	Yea.
Feb. 17	H. Res. 142: Providing for consideration of H. R. 1, to extend the authority of the President to enter into trade agreements under sec. 350 of the Tariff Act of 1930, as amended, and for other purposes. On ordering previous question of closed rule. (Failed 178 to 207.)	Nay.
Feb. 17	H. Res. 142: Providing for consideration of H. R. 1. Amendment to previous question calling for open rule. (Failed 191 to 193.)	Yea.
Feb. 17	H. Res. 142: Providing for consideration of H. R. 1. On agreeing to resolution. (Passed 193 to 192.)	Nay.
Feb. 18	H. R. 1: To extend the authority of the President to enter into trade agreements, under sec. 350 of the Tariff Act of 1930, as amended, and for other purposes. On motion to recommit with instructions amending the bill to give Tariff Commission authority to limit imports causing serious injury to a domestic product, unless the President shall declare such limitation not in best interest of our national security. (Failed 199 to 206.)	Yea.
Feb. 18	H. R. 1: On passage of above bill. (Passed 295 to 110.)	Yea.
June 14	H. R. 1: Conference report on above bill. (Passed 347 to 54.)	Yea.
Feb. 25	H. R. 4259: To provide a 1-year extension of existing corporate normal-tax rate and of certain existing excise-tax rates, and to provide a $20 credit against the individual income tax for each personal exemption. On motion to recommit to delete income-tax provision. (Failed 205 to 210.)	Yea.
Feb. 25	H. R. 4259: On passage of above bill. (Passed 242 to 175.)	Nay.
Mar. 30	H. R. 4295: On conference report which provided 1-year extension of existing corporate normal tax and excise-tax rates. (Passed 387 to 8.)	Yea.
Mar. 10	H. R. 4720: To provide incentives for members of uniformed services by increasing certain pays and allowances. (Passed 399 to 1.)	Yea.
Mar. 18	H. R. 4903: Making supplemental appropriations for fiscal year ending June 30, 1955, and for other purposes. Amendment for technical assistance. (Passed 175 to 107.)	Yea.
Mar. 21	H. R. 4644: To increase rates of basic salary of post-office employees and to eliminate certain salary inequities. On motion to suspend rules and pass; ⅔ vote required. (Failed 120 to 302.)	Nay.
Apr. 20	H. R. 4644: Moss amendment to above bill to increase to 8.2 percent. (Passed 224 to 189.)	Nay.
Apr. 20	H. R. 4644: Motion to recommit above bill. (Failed 125 to 287.)	Yea.
Apr. 20	H. R. 4644: Passage of above bill. (Passed 324 to 85.)	Nay.
May 9	S. 1: To increase rates of basic compensation of officers and employees in Post Office Department. Motion to recommit with instructions to report bill same as H. R. 4644. (Failed 118 to 275.)	Yea.
May 9	S. 1: On adoption of conference report. (Passed 328 to 66.) Bill vetoed by President; Senate sustained veto	Nay.
June 7	S. 2061: To increase rates of basic compensation of officers and employees in Post Office Department and to eliminate certain salary inequities. On motion to suspend rules and pass; ⅔ vote required. (Passed 410 to 1.)	Yea.
Mar. 21	H. R. 4951: Directing a redetermination of the national marketing quota for burley tobacco for 1955–56 marketing year, and for other purposes. On motion to suspend rules and pass; ⅔ vote required. (Failed 260 to 151.) Passed Mar. 24 on majority vote; no record vote.	Yea.
Mar. 22	H. Res. 170: To declare that the House of Representatives does not favor sale of the facilities as recommended in the report of the Rubber Producing Facilities Disposal Commission submitted to Congress on Jan. 24, 1955. On agreeing to resolution. (Failed 132 to 283.)	Nay.
Mar. 22	H. Res. 171: To disapprove proposed sale to Shell Oil Co. of certain synthetic rubber facilities as recommended by the RPFDC. On agreeing to resolution. (Failed 137 to 276.)	Yea.
Mar. 30	H. R. 5240: Making appropriations for sundry independent executive bureaus, boards, commissions, etc., for fiscal year ending June 30, 1956. On amendment providing no part of appropriation shall be used to pay more than $1 per month for reports on each eligible veteran enrolled in institution. (Defeated 154 to 227.)	Yea.
Apr. 21	H. R. 4393: To provide for construction and conversion of certain modern naval vessels, and for other purposes. (Passed 373 to 3.)	Yea.
May 5	H. R. 12: To amend the Agricultural Act of 1949, to provide rigid price supports at 90 percent parity on basic agricultural commodities. On amendment to eliminate peanuts. (Failed 193 to 215.)	Yea.
May 5	H. R. 12: On motion to recommit above bill. (Failed 199 to 212.)	Yea.
May 5	H. R. 12: On passage of above bill. (Passed 206 to 201.)	Nay.
May 9	H. Res. 223: Providing for the consideration of H. R. 2535, to enable the people of Hawaii and Alaska each to form a constitution and State government and to be admitted into the Union on equal footing with the original States. (Closed rule without amendments.) (Passed 322 to 66.)	Nay.
May 10	H. R. 2535: To enable the people of Hawaii and Alaska each to form a constitution and State government and to be admitted into the Union on equal footing with the original States. On motion to recommit. (Approved 218 to 170.)	Yea.
May 12	H. R. 6042: Making appropriations for the Department of Defense for fiscal year ending June 30, 1956, and for other purposes. On amendment to strike out sec. 639 re contract work by the Department of Defense. (Failed 184 to 202.)	Nay.
May 12	H. R. 6042: On passage of above bill. (Passed 384 to 0.)	Yea.
May 23	S. 727: To adjust salaries of judges of the municipal court of appeals for the District of Columbia, the municipal court for the District of Columbia, the juvenile court of the District of Columbia, and the District of Columbia Tax Court. (Passed 283 to 33.)	Yea.
May 26	S. 727: Conference report on above bill. On motion to recommit. (Approved 170 to 165.)	Nay.
June 29	S. 727: Conference report on above bill. On motion to recommit. (Failed 158 to 226.)	Nay.
May 25	H. Res. 244: Creating a select committee to investigate the White County Bridge Commission, Harmony, Ind. On agreeing to the resolution. (Passed 205 to 166.)	Nay.
May 25	H. R. 2851: To make agricultural commodities owned by the Commodity Credit Corporation available to persons in need in areas of acute distress. (Passed 344 to 1.)	Yea.
May 26	H. R. 5881: To supplement the Federal reclamation laws by providing for Federal cooperation in non-Federal projects and for participation by non-Federal agencies in Federal projects. On motion to recommit. (Failed 62 to 229.)	Absent.
June 1	H. R. 3990: To authorize the Secretary of the Interior to investigate and report to the Congress on projects for the conservation, development, and utilization of the water resources of Alaska. On motion to recommit. (Failed 79 to 278.)	Nay.
June 8	H. R. 5923: To authorize certain sums to be appropriated immediately for the completion of the construction of the Inter-American Highway. (Passed 353 to 18.)	Yea.
June 14	H. R. 6227: To provide for the control and regulation of bank holding companies, and for other purposes. (Passed 371 to 24.)	Yea.
June 15	H. Res. 210: Authorizing the Committee on Banking and Currency to investigate the Federal Open Market Committee of the Federal Reserve Board. On agreeing to the resolution. (Failed 178 to 214.)	Nay.
June 20	S. 67: To increase the basic compensation of certain Federal employees. On motion to suspend rules and pass; ⅔ vote required. (Passed 370 to 3.)	Yea.
June 20	H. Con. Res. 109: Authorizing the appointment of a congressional delegation to attend the North Atlantic Treaty Organization Parliamentary Conference. On motion to suspend rules and pass; ⅔ vote required. (Passed 337 to 31.)	Yea.
June 20	H. R. 6295: To amend Travel Expense Act to provide an increase in per diem allowance for subsistence and travel. On motion to suspend rules and pass; ⅔ vote required. (Passed 320 to 41.)	Yea.
June 21	H. R. 4663: To authorize the Secretary of the Interior to construct, operate, and maintain the Trinity River division, Central Valley project, California, under Federal reclamation laws and authorized appropriation of $225 million. (Passed 230 to 153.)	Nay.
June 22	H. R. 6040: To amend administrative provisions of Tariff Act and repeal obsolete provisions of custom laws. On motion to recommit. (Failed 143 to 232.)	Nay.
June 23	H. Con. Res. 149: Expressing sense of the Congress that the United States in its international relations should maintain its traditional policy in opposition to colonialism and Communist imperialism. (Passed 367 to 0.)	Yea.
June 27	H. R. 6992: To extend for 1 year the existing temporary increase in public debt limit. (Passed 267 to 56.)	Yea.
June 27	H. R. 6829: To authorize certain construction at military, naval, and Air Force installations. (Passed 316 to 2.)	Yea.
June 30	S. 2090: To amend the Mutual Security Act of 1954. (Passed 273 to 128.)	Yea.
July 7	S. 2090: Conference report on above bill. (Passed 262 to 120.)	Yea.
July 6	H. R. 3210: To authorize State of Illinois and Sanitary District of Chicago, under direction of Secretary of the Army, to test, on a 3-year basis, the effect of increasing the diversion of water from Lake Michigan. On motion to recommit. (Failed 74 to 316.)	Nay.
July 11	H. R. 7224: To make appropriations for mutual security for fiscal year ending June 30, 1956. (Passed 251 to 123.)	Yea.
July 13	H. R. 6766: Conference report on public works and civil functions appropriations for fiscal year ending June 30, 1956. (Passed 316 to 92.)	Yea.
July 13	H. Res. 295: Providing for consideration of H. R. 7089, to provide benefits for the survivors o. servicemen and veterans. On agreeing to resolution. (Approved 376 to 24.)	Yea.
July 18	H. R. 7225: To amend Social Security Act to provide disability insurance benefits for disabled who have attained age of 50, to reduce to age 62 the age on the basis of which benefits are payable to certain women, to provide for continuation of child's insurance benefits for disabled children. On motion to suspend rules and pass; ⅔ vote required. (Passed 372 to 31.)	Yea.
July 20	H. R. 7214: To amend the Fair Labor Standards Act to increase the minimum wage to $1 an hour. (Passed 362 to 54.)	Yea.
July 20	H. R. 7000: To provide for strengthening of the Reserve Forces, and for other purposes. On adoption of conference report. (Passed 315 to 78.)	Yea.
July 26	H. Res. 314: Providing for consideration of H. R. 7474, to authorize appropriations for the Federal-State highway construction. On agreeing to resolution. (Passed 274 to 129.)	Yea.
July 27	H. R. 7474: To authorize appropriations for the Federal-State highway construction program by increasing certain taxes. On motion to recommit and substitute language on financing. (Failed 193 to 221.)	Yea.
July 27	H. R. 7474: On passage of above bill. (Failed 123 to 292.)	Nay.
July 28	H. Res. 317: Providing for the consideration of H. R. 6645, to amend the Natural Gas Act. On agreeing to the resolution. (Approved 273 to 135.)	Yea.

Voting record of Representative DEWITT S. HYDE, 6th District, Maryland, 84th Cong., 1st sess.—Continued

Date	Measure	Vote
July 28	H. R. 6645: To amend the Natural Gas Act. On motion to recommit. (Failed 203 to 210.)	Nay.
July 28	H. R. 6645: On passage of above bill. (Passed 209 to 203.)	Yea.
July 29	S. 2126: To extend laws relating to housing, slums, urban communities, and public housing. Public housing not tied in with slum clearance or redevelopment. On amendment to remove public housing under these conditions. (Passed 217 to 188.)	Yea.
July 29	S. 2126: On passage of above bill. (Passed 386 to 3.)	Yea.
Aug. 2	S. 2126: On conference report which provided for 45,000 units of public housing not tied in with slum clearance or urban redevelopment, and other provisions. On adoption of report. (Passed 187 to 168.)	Nay.
Aug. 1	H. Res. 299: Resolution providing for $35,000 for further expenses for the Select Committee on Small Business. On passage. (Passed 231 to 134.)	Nay.
Aug. 1	S. 2576: To amend the joint resolution of Jan. 14, 1933, to give District of Columbia Commissioners power to settle the Capital Transit strike. On motion to suspend rules and pass; ⅔ vote required. (Failed 215 to 150.)	Yea.

Freight Cars Needed for Grain Harvest in Midwest

EXTENSION OF REMARKS
OF
HON. WILLIAM G. BRAY
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. BRAY. Mr. Speaker, the State of Indiana and the Midwest in general are having one of the most bountiful grain harvests that we have ever had. We are deeply appreciative of this; but we are sorry to say that the transportation necessary to move this grain harvest has proved totally inadequate. The elevators are filled to capacity and there is a shortage of available freight cars practically as great as during the war years. I have received numerous complaints from farmers and elevator operators. I have made many requests in an attempt to get cars into southern Indiana to meet the great demand. Although the railroads did cooperate, it was obvious that there was not a sufficient number of available cars, at least in the Indiana area, and I understand that the situation is rather general. I believe it is apparent that steps must be taken to bring in more railroad cars. I believe that the railroads are aware of this, and in time this condition will be at least partially alleviated.

However, I have found that there are steps that can be taken now to help solve this very serious problem. The Commodity Credit Corporation has contributed materially to this great shortage of freight cars at harvesttime. They apparently have not planned the movement of their grain at a time which would cause the least congestion in shipping. In the Grain Belt it is common knowledge that there is always congestion of shipping immediately after the harvest. It is also common knowledge that at times between harvests, there is relative inactivity in the shipping of grain. I personally checked the situation in my district and found that from one elevator the Commodity Credit Corporation shipped 19 cars of corn just as the first wheat moved into elevators. This corn was available in the elevators awaiting movement 6 weeks before, at which time there were sufficient cars in that immediate locality.

I have discussed this matter with various officials of the Commodity Credit Corporation and the Department of Agriculture, and I have been assured that the Commodity Credit Corporation will take into consideration the general movement of grain in making their grain transportation plans. Everyone realizes that the Commodity Credit Corporation must ship their grain, and I do not want to be unduly critical of the situation in the past, but I do believe that the American farmers have a right to insist that they time their shipments so as to interfere with the general movement of grain to market as little as possible. There is going to be a large soybean and corn harvest in the Midwest, and the Commodity Credit Corporation should take that into consideration. The farmers and the people generally have a right to insist on this.

Swiss Independence Day, August 1, 1955

EXTENSION OF REMARKS
OF
HON. HERBERT H. LEHMAN
OF NEW YORK
IN THE SENATE OF THE UNITED STATES
Tuesday, August 2, 1955

Mr. LEHMAN. Mr. President, I ask unanimous consent that a statement I have prepared in connection with Swiss Independence Day, August 1, be printed in the CONGRESSIONAL RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

SWISS INDEPENDENCE DAY, AUGUST 1, 1955
(Statement by Senator HERBERT H. LEHMAN)

The Swiss in their own land, and Swiss-Americans in ours, will celebrate again this August 1 the anniversary of Switzerland's Independence Day. Six hundred and sixty-four years ago the people of 3 small northern Swiss cantons struck a blow for freedom against their alien oppressors much as did the people of the Original Thirteen United States almost 5 centuries later. Today the Swiss nation includes 22 cantons, America has 48 States, and the citizens of both share a common devotion to the democratic way of life which has proved so beneficial to their development.

In the knowledge that the peoples of both nations shared common ideals and desirous of expressing this fact in the form of a written document, the Swiss and United States Governments signed on November 25, 1850, a treaty of friendship.

Five months before the signing of this treaty, United States Secretary of State Clayton sent a letter of instruction to his special agent in Bern which I would like to read excerpts from now since they so clearly and brilliantly expound the basis for the strong bonds which tie our two nations:

"We owe it to the character of our own free Government," Secretary Clayton said then, "as well as to the commercial interests of our country to strengthen, by all the means at our disposal, the ties which bind us to the Swiss Confederation, which like our own happy land is the home of the free. * * *

"We regard as brothers and benefactors of the human family those enlightened and inflexible patriots in continental Europe, who have continued steadfast in their purpose to give their countrymen such permanent institutions as Washington and his contemporaries gave to America. * * *

"You will renew that proposition [of 1847] as it was approved by the Senate, combining with it such stipulations of a commercial character as may be deemed just and liberal, and best calculated to strengthen the bonds of friendship and alliance between the two sister Republics."

Five months later, the plenipotentiaries of both nations, meeting in Bern, signed the friendship treaty, the very keystone of the amicable and mutually profitable policy we have pursued toward each other ever since.

I would like to read to you from this treaty, because I believe that it is especially important now. It is so important, because only a year ago its message was temporarily forgotten, and the policy of our Government unfortunately veered somewhat from the announced intentions so warmly and sensibly expressed over a century ago. For it was last summer that this administration approved a tariff rise against Swiss watch imports, a serious misstep which must be corrected.

I think the eloquent language of the treaty will help to set matters in proper perspective and encourage us to return once more to the path charted for us back in 1850 by wise and farseeing Swiss and American statesmen.

I will now read excerpts from the friendship treaty:

"The United States of America and the Swiss Confederation, equally animated by the desire to preserve and to draw more closely the bonds of friendship which so happily exist between the two republics, as well as to augment, by all the means at their disposal, the commercial intercourse of their respective citizens, have mutually resolved to conclude a general convention of friendship, reciprocal establishments, commerce, and for the surrender of fugitive criminals. * * *

"The citizens of the United States and the citizens of Switzerland, as well as the members of their families, subject to the constitutional and legal provisions aforesaid, and yielding obedience to the laws, regulations and usages of the country wherein they reside, shall be at liberty to come, go, sojourn temporarily, domiciliate or establish themselves permanently, the former in the Cantons of the Swiss Confederation, the Swiss in the States of the American Union, to acquire, possess and alienate therein property * * * to manage their affairs, to exercise their profession, their industry and their commerce, to have establishments, to possess warehouses, to consign their products and their merchandise, and to sell them by wholesale or retail * * * they shall have free access to the tribunals and shall be at liberty to prosecute and defend their rights before courts of justice, in the same manner as native citizens. * * *

"No pecuniary or other more burdensome condition shall be imposed upon their residence or establishment, or upon the enjoyment of the above-mentioned rights than shall be imposed upon citizens of the country where they reside, nor any condition whatever, to which the latter shall not be subject. * * *

"The Swiss territory shall remain open to the admission of articles arriving from the United States of America; in like manner, no port of the said States shall be closed to articles arriving from Switzerland, provided they are conveyed in vessels of the United States or in vessels of any country having access to the ports of said States. * * * In faith whereof the respective plenipotentiaries have signed the above articles."

The First Session Ends

EXTENSION OF REMARKS
OF
HON. ELFORD A. CEDERBERG
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. CEDERBERG. Mr. Speaker, as the 1st session of the 84th Congress comes to a close, we find the Nation enjoying the highest level of employment and prosperity ever achieved. In July expanding job opportunities had reduced the number of persons receiving unemployment compensation below 1.2 million for the first time since the end of 1953. In Michigan the rate of covered workers receiving benefits dropped from 5 percent in July 1954 to 1.9 percent in July this year. Everything is booming but the guns.

What you think of the accomplishments of the 1st session of the 84th Congress depends on whether you are a Democrat or a Republican. The Democrats, citing their bipartisan cooperation with the Eisenhower Republican administration in foreign affairs and their support of predominantly popular legislative proposals advanced by the President, will tell you it was a session of glorious accomplishments, thanks to them. As a matter of fact on those particular domestic issues which the Democrats brag about supporting, it would have been politically unpopular for them to have acted otherwise with a national election only a few months away.

Legislation killed, blocked, or delayed by Democrats includes:

President Eisenhower's sensible highway program, legislation designed to give Michigan and other sugar growers a greater share of the sugar market, amendments to the social-security law extending coverage and liberalizing provisions for widows, helpless children, and totally disabled adults; labor-backed amendments to the Taft-Hartley act and the President's plan for broadening health programs.

Measures enacted into law include the following:

Selective service: Extended to June 30, 1959.

New Reserve program: Designed to have a Ready Reserve of 2,900,000 trained men by 1962. Youths 17–18½ years may volunteer for 6 months of active training followed by 7½ years Reserve training and receive draft-exempt status. Training may be delayed until completion of high school or reaching age of 20, whichever comes first. Men in service when law becomes effective exempt as are men with prior service.

Defense Facilities Act: In connection with new Reserve program, another $250 million provided for armories, airfields, and other training facilities.

Military career incentive pay: Designed to encourage reenlistments in Armed Forces and reduce expensive training of new recruits due to increasing number of men leaving services for jobs in private industry.

Defend Formosa: This resolution, which President Eisenhower said would "make clear the unified and serious intentions of our Government," strengthened our position abroad.

Small business: Life of Small Business Administration extended to June 30, 1957. Loan limit to single companies increased from $150,000 to $250,000.

One dollar minimum wage: The former minimum wage rate of 75 cents an hour was raised to $1 an hour, effective March 1, 1956. Because prevailing rates are generally higher already, new law will affect only about 2 million of the 24 million covered workers.

Veterans' benefits: Home loan benefits for veterans engaged in farming, enlarged funds appropriated for President's Commission on Veterans Pensions to appraise scope of present benefit laws, established period of entitlement for outpatient dental care, permit renewal of term insurance 120 days after separation from service.

Working Record of 1st Session of the 84th and 83d Congresses

EXTENSION OF REMARKS
OF
HON. JOHN W. McCORMACK
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. McCORMACK. Mr. Speaker, the 1st session of the 84th Congress handled a much greater volume of work than the 1st session of the 83d Congress according to official statistics just compiled.

The House of Representatives in its recent session passed a total of 1,597 measures as compared to 1,048 in the comparable session of the 83d.

Committees of the House of the 84th Congress reported a total of 1,528 measures as compared to 1,019 in the 1st session of the 83d.

On the Senate side, the statistics show that in the first session of the current Congress 1,324 measures were passed as against only 848 in the first session of the previous Congress. Committees of the Senate reported 1,393 measures in the session just ended in contrast to 969 in the 1st session of the 83d Congress.

Also, the Senate in its recent session confirmed more than 40,000 nominations—both military and civilian—compared to more than 23,000 in the 1st session of the 83d Congress.

This tremendous volume of work which included many important bills both in the field of foreign affairs and domestic affairs is a tribute to the Democratic Party in the Congress.

Included in my remarks is a breakdown of the 1st session of the 84th Congress in comparison with the 1st session of the 83d Congress which was controlled by the Republican Party:

Working record, 1st sess., 84th and 83d Congs.

	84th Cong.		83d Cong.	
	House	Senate	House	Senate
Measures passed, total	1,597	1,324	1,048	848
Senate bills	361	576	172	342
House bills	966	566	596	320
Senate joint resolutions	16	21	15	22
House joint resolutions	24	19	26	21
Senate concurrent resolutions	18	24	20	25
House concurrent resolutions	25	22	15	14
Simple resolutions	187	96	204	107
Measures reported, total	1,528	1,393	1,019	969
Senate bills	215	608	120	406
House bills	1,099	[1] 557	682	333
Senate joint resolutions	7	28	8	29
House joint resolutions	33	15	26	21
Senate concurrent resolutions	9	29	13	25
House concurrent resolutions	17	21	12	14
Simple resolutions	148	135	158	141
Special reports	46	27	32	21
Conference reports	68	-------	43	-------

[1] Incomplete.

Twinning

EXTENSION OF REMARKS
OF
HON. JAMES M. QUIGLEY
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. QUIGLEY. Mr. Speaker, during the week of September 12—Fair Week—the people of the city of York, Pa., will be hosts to visitors from Arles, France.

York will be playing host to representatives of a city which itself was a host to visitors from York last year. The project for the exchange of visitors is known as twinning and is the result of a non-profit-making, nonsubsidized organization, the Bilingual World, with headquarters in Paris.

The idea behind the association of York and Arles is to further the understanding of peoples of different countries of one another, and to do this not on the national level, where most diplomatic meetings take place, but on the community level, where everyday citizens can exchange culture and experience.

This is a splendid program, and I am proud that York, a community in the 19th Congressional District, has been the first American city to undertake a twinning project.

Local citizens have been working hard to prepare for the visit of the representatives of Arles. We have enjoyed excellent cooperation from the Department of State and the French Embassy officials in planning the itinerary of the visitors on the day when they will visit Washington.

One of those who has devoted untiring efforts to the success of this venture is a predecessor, the Honorable James F. Lind, who was a Member of the 81st and 82d Congresses.

Tax Policies of the Secretary of the Treasury

EXTENSION OF REMARKS
OF
HON. ROBERT W. KEAN
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. KEAN. Mr. Speaker, on August 1, the gentleman from Indiana [Mr. MADDEN], in discussing the record of the 84th Congress, made a series of statements critical of the tax policies of the Secretary of the Treasury. Constructive criticism is always welcome. However, the statements of the gentleman were so ill-founded and misleading that they should not be allowed to go unanswered.

Following are some of the erroneous statements, and the true facts of the matter in each case:

The charge: That Secretary Humphrey's opposition to the Democratic proposal for an across-the-board $20 tax cut showed that "big business is truly in the saddle during this administration."

The facts: Secretary Humphrey opposed the Democratic proposal because it would have cost about $2.3 billion a year in revenue, and so would have deliberately increased deficit financing with all its inflationary dangers. It thus would have played fast and loose with the real welfare of all Americans.

The inflation which the proposal invited could have cost Americans far more than the tax cut would have saved them.

The Secretary, while opposing the $20-for-everybody tax cut, urged the Congress to continue responsible financial management of the Government's affairs by extension of, first, the corporate income tax rate at 52 percent; and, second, the excise taxes on tobacco, liquor, and so forth, which otherwise would have gone down automatically.

The charge: That 90 percent of the tax bill enacted in 1954 was "a windfall to the high-bracket taxpayers."

The facts: The administration's 1954 tax reduction program made reductions amounting to $7.4 billion, the largest dollar reduction in any one year in the country's history. Reductions included $3 billion in individual income taxes; $1 billion in excise taxes; $1.4 billion in various relief provisions of the tax revision bill; and $2 billion through termination of the excess-profits tax.

Two-thirds of the total $7.4 billion 1954 tax reduction program was for the direct benefit of individuals, the other third for the benefit of business. Of the $4.6 billion in reductions received by individuals, 37 percent went to individuals with incomes of less than $5,000. This group which received 37 percent of the relief had previously been paying approximately one-third of the total burden of the individual income taxes and the excises which were reduced in 1954. Individual income taxes were reduced 10 percent in the lower and middle income brackets, and only about 1 percent in the top brackets.

The charge: That "Secretary of the Treasury Humphrey engineered the excess profits tax repeal."

The facts: The Secretary has made it plain that he considers the excess-profits tax a bad tax. Practically all economists agree. However, the Secretary did not engineer repeal of the excess-profits tax. The truth is that, when revenue needs of the Government required it, he successfully sought a 6-month extension of this tax.

Actually it was legislation enacted in 1950 by the Democratic 82d Congress which provided for the automatic termination on June 30, 1953, of the excess profits tax. The huge budgetary deficits inherited by the new Republican administration in 1953 made immediate tax reductions financially unsound, and in spite of the very undesirable nature of the tax, President Eisenhower on May 20, 1953, found it necessary to recommend its extension for 6 months beyond the automatic termination date. Secretary Humphrey supported this recommendation. Therefore, the truth of the matter is that the Republican administration was actually responsible for keeping the excess profits tax for 6 months longer than the Democrats had provided.

The charge: This administration has given "handouts of about 19 billion" to big business through tax concessions "under the runaway-plant program."

The facts: This charge evidently refers to the provision for rapid tax amortization of emergency plants and equipment. The Revenue Act of 1950, enacted by the Democratic 82d Congress, provided special tax deductions for the 60-month amortization of facilities certified as essential because of the defense emergency. The Congress has not changed this provision of the law, and it continues to be administered as provided by the 1950 act. The maximum annual amount by which tax revenues were estimated to be decreased is $880 million in the fiscal year 1956. The aggregate decrease in revenues from 1951 through 1960 is estimated at $4.5 billion, and this will be substantially offset by revenue gains in the following years.

Secretary Humphrey has been one of the foremost in suggesting that the rapid tax amortization law be modified, and in this connection some recent remarks by J. A. Livingston in his well-known Business Outlook column in the Washington Post and Times Herald are interesting. Mr. Livingston wrote:

As Humphrey sees it, incentives to expand plants no longer are needed. Since the fast writeoff was enacted, the excess-profits tax has been repealed, and the new Internal Revenue Code permits all businesses to quicken their depreciation—to take roughly two-thirds of the cost of a plant in one-half of its normal life.

* * * * *

Says Humphrey:

"Certificates should be used sparingly and be confined to direct war requirements."

The charge: That the Eisenhower administration through Secretary Humphrey installed the "stock option plan which meant billions to the high-bracket taxpayers."

The facts: The provision for special tax treatment of restricted employee stock options was enacted in 1950 by the Democratic 82d Congress. There has been no basic change in this provision during the Eisenhower administration. In fact, the Republican tax revision law of 1954 made changes imposing some limitations on the use of the provision.

The charge: That "the Eisenhower tax brain trusters enacted the so-called rapid depreciation provision which allows corporations to charge off against taxes cost of new machinery, plant equipment, etc., which amounts to between 15 to 20 billion."

The facts: The Eisenhower administration did indeed appreciate the need for a more flexible allowance of depreciation deductions than had been permitted under prior tax law. The President in his budget message of January 21, 1954, recommended changes in the depreciation provisions. He noted that the tax treatment of depreciation has far-reaching effects on all business, and liberalization would be especially helpful in the expansion of small business, whether conducted as individual proprietorships, partnerships, or corporations.

The need for change was also plainly evident to the Congress. In June 1953 some 70 statements urging liberalization of depreciation allowances were presented in hearings before the Committee on Ways and Means. It was pointed out that the rigid, long-standing rules were not in accord with modern business practice and economic facts. The situation was discouraging to plant modernization and economic progress, particularly when the investment was of a long-range character and involved a considerable business risk.

The revision of the depreciation provisions adopted by the Congress in the 1954 Internal Revenue Code will allow tax procedure of farmers, business concerns and others to conform to the economic reality of faster depreciation in the early years of the life of the property. The new methods allowed are in fact modest as compared to the action taken in other countries.

The decrease in Federal tax revenues resulting from these depreciation changes is estimated at $364 million in the fiscal year 1955, $291 million of which is attributable to depreciation deductions of corporations and $73 million to businesses of individuals and partnerships. Actually, of course the more liberal depreciation allowance does not necessarily involve any loss of revenue. Taxpayers who take advantage of the

new methods through larger depreciation deductions in current years will pay higher taxes in the future.

It is plain that talk of huge windfalls to big business and high bracket taxpayers from the administration's tax policies is nonsense. It is equally silly to charge Secretary Humphrey with responsibility for tax provisions enacted by Democratic Congresses under a Democratic administration.

Politically motivated attacks must be expected but those making charges should stick to the truth.

Congressman Crumpacker Plans Tour of 24 Third District Communities

EXTENSION OF REMARKS
OF
HON. S. J. CRUMPACKER, JR.
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. CRUMPACKER. Mr. Speaker, following my annual custom of bringing the services of my office directly to the people in their home communities, I am planning an official business tour of 24 cities and towns in the Third Indiana District while Congress is in recess.

My 1955 grassroots tour has been scheduled for November 14 through November 18 and will include visits to 7 communities in Elkhart County, 5 in St. Joseph County, 7 in La Porte County, and 5 in Marshall County.

A temporary office will be established in a central location in each community and local constituents will have an opportunity to confer informally with their Representative in Congress.

No advance appointments will be required. As in the past, I will be accompanied by a member of my Washington office staff and we will welcome the chance to be of service to any and all callers.

I have learned from experience, Mr. Speaker, that these tours are valuable for many reasons. As a supplement to the opinion polls I conduct each year by mail, they enable me to determine—through personal contact—the views and attitudes of my constituents on current national issues. They also give me the opportunity to report directly to the people on my stewardship in Washington.

With this in mind I am looking forward with pleasure to my 1955 tour of the Third Indiana District.

The complete tour schedule follows:

MONDAY, NOVEMBER 14

Osceola, fire station, 9 a. m.
Elkhart, courthouse, 10 a. m.
Middlebury, First State Bank, 2 p. m.
Bristol, townhall, 3:30 p. m.

TUESDAY, NOVEMBER 15

Wakarusa, Exchange State Bank, 9:30 a. m .
Goshen, courthouse, 10:30 a. m.
New Paris, State Bank, 2 p. m.
Nappanee, city hall, 3 p. m.

WEDNESDAY, NOVEMBER 16

Lakeville, townhall, 9:30 a. m.
Bremen, townhall, 11 a. m.
Bourbon, News-Mirror office, 1 p. m.
Argos, townhall, 2:30 p. m.
Culver, Citzen office, 3:30 p. m.

THURSDAY, NOVEMBER 17

North Liberty, post office, 9 a. m.
Walkerton, townhall, 10 a. m.
Plymouth, courthouse, 11 a. m.
La Crosse, townhall, 2 p. m.
Wanatah, H. W. Welkie office, 3 p. m.
Union Mills, fire station, 4 p. m.

FRIDAY, NOVEMBER 18

Westville, public library, 9 a. m.
Michigan City, courthouse, 10 a. m.
La Porte, courthouse, 2 p. m.
Rolling Prairie, fire station, 4 p. m.
New Carlisle, townhall, 5 p. m.

Taxation of Business Income Derived From Foreign Sources

EXTENSION OF REMARKS
OF
HON. JERE COOPER
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. COOPER. Mr. Speaker, I have recently received from the Secretary of the Treasury, the Honorable George M. Humphrey, a letter and accompanying memorandum pertaining to the taxation of business income earned abroad. The Secretary's letter recommended favorable consideration of legislation which would grant a lower rate of tax on corporate business income earned abroad, somewhat similar to the present tax treatment accorded income earned in the Western Hemisphere.

As chairman of the House Committee on Ways and Means, I introduced legislation, H. R. 7725, which would give effect to this recommendation of the Secretary of the Treasury which is in conformity with the President's recommendation as set forth in his message to the Congress on foreign economic policy of January 10, 1955.

For the benefit of those persons who are interested in this subject, I will insert at this point in the RECORD the letter which I received from the Secretary of the Treasury with the memorandum that accompanied that letter:

THE SECRETARY OF THE TREASURY,
Washington, July 27, 1955.

Hon. JERE COOPER,
Chairman, Committee on Ways and Means, New House Office Building, Washington, D. C.

MY DEAR MR. CHAIRMAN: Last year, your committee and the House of Representatives included as part of the tax revision bill new provisions giving a lower rate of tax on corporate business income earned abroad, somewhat similar to that available since 1942 to income earned in the Western Hemisphere. Provision also was made for postponement of taxes on the income of foreign branches until it was removed from the country where it was earned, a treatment somewhat comparable to that now given to the income of foreign subsidiaries. These sections were omitted from the bill as reported by the Senate Finance Committee, but the report of that committee stated the hope that provisions along these lines might be developed in the conference between the House and the Senate before final passage of the tax bill. This was not done. The Treasury Department has continued to examine the problem since that time.

I now submit to you a suggested draft of legislation designed to secure the results which were sought and apparently desired last year. This is in accord with the President's recommendation in 1954, which was reaffirmed in his message on foreign economic policy on January 10 of this year.

The purpose of this recommended legislation is to facilitate the investment abroad of capital from this country. At present our business firms are at a disadvantage in countries with lower taxes than our own when they have to compete with local capital, or capital from countries which impose lower taxes on foreign income than we do. Foreign countries are also under an incentive to increase taxes on United States enterprises up to the level of United States tax rates.

Capital investment will aid in the economic development of foreign countries. Participation by United States enterprises will encourage development along the lines we have followed in this country which are especially helpful in raising living standards, through high wages and mass markets, and which will promote the flow of international trade with the United States.

The Treasury staffs and I will be glad to be of such assistance as we can to you, your committee, and your staffs in any consideration which you may wish to give to the taxation of foreign business income. A memorandum explaining our analysis of three of the problems we have considered in this area is enclosed.

Sincerely yours,

G. M. HUMPHREY,
Secretary of the Treasury.

MEMORANDUM ON PROBLEMS IN TAXATION OF FOREIGN INCOME

The principal problem in developing recommendations for new legislation on taxation of income from foreign sources has been in the definition of foreign business income. Some argue for a broad definition, which would include not only income earned from significant business activity actually conducted abroad but also income from products made here and merely sold for delivery abroad. Others favor a definition related to a "permanent establishment" abroad, or to the existence of a business activity subject to taxation in the country where it is conducted. Still others prefer a specific listing of designated activities which are deemed to be of particular importance. Naturally, the representatives of almost every particular industry or activity argue that they should not be left out of any group which receives favorable tax treatment.

In our analysis of the problems of definition, the following principles have seemed important. (1) As a matter of national policy, it would not be desirable or wise for this country to subsidize exports by taxing profits from exports at a lower rate than profits from domestic sales. For this reason, a definition based on ultimate destination, or place of delivery of goods produced, would not be satisfactory. (2) Small business should have the same potential advantages as larger businesses. (3) The standard selected should not be subject to manipulation by arrangements, for example, to rent an office or pay a small tax abroad to qualify for a substantial tax advantage at home.

The definition of foreign income suggested in the attached draft legislation revolves around the active conduct of a trade or business abroad, with the exception of export

trade. It is a broad concept, related to economic activities which often involve capital investment and typically involve full participation and integration in the economy of the country where it is carried on. To avoid any tax motivation for companies to shift to foreign countries their production of goods intended for our own home markets, the importation to the United States of any substantial part of the products manufactured abroad would disqualify a company for the special tax treatment.

Inevitably there will be difficulties in administering this or any other definition of foreign income. In some instances it will be difficult to draw the dividing line between manufacturing which would qualify for the lower tax and minor assembly or repackaging which would not qualify. Such difficulties, however, should not stand in the way of an attempt to foster economic development through private capital investment.

Two problems, of more limited scope, exist in connection with the postponement of tax on income earned by foreign branches.

First, under present law the income from a foreign subsidiary corporation is not taxed until it is received by the domestic parent company. There is no legal basis for taxation by this country of such income so long as it is held abroad by the foreign subsidiary, regardless of how it is reinvested or shifted from the country where it is earned to other foreign countries. It has been proposed that foreign branches of United States corporations be given similar latitude to shift funds between countries with no intervening tax imposed by the United States until foreign income is finally repatriated.

A deferral of tax on foreign income until it is repatriated would give the maximum encouragement to foreign investment. However, such a provision would be subject to abuse. There could be indefinite postponement of tax by shifting profits earned in high-risk areas to low-risk investments in other places. The diversification and growth of foreign investment among firms already operating profitably abroad would receive greater benefit than that of firms presently operating solely in the United States. It therefore seems preferable to adopt deferral of tax on branch income on a limited basis, at least in the first instance.

The second problem concerns the simultaneous allowance of both a deduction and a credit for foreign taxes on income received through foreign subsidiaries. At present the earnings of a foreign subsidiary corporation, when received as dividends by the parent corporation here, are subject to the regular United States corporation income tax, but a credit is allowed against the United States tax for any foreign income tax paid by the subsidiary. The United States tax is imposed only on the subsidiary's net earnings after payment of the foreign income tax. The combined effect of the credit and deduction (under some combinations of rates) is a somewhat lower total tax, foreign and domestic, than the United States tax would be by itself. For example: when the foreign corporate tax rate is one-half of our rate (26 percent against our 52 percent), the combined effective tax on the foreign income (foreign and domestic) works out to only a little over 45 percent. This feature of the foreign tax credit was adopted in the Revenue Act of 1918. No recommendation has been made to change it, presumably because it has not seemed desirable to increase, directly or through technical changes, the present tax on foreign business income.

A similar treatment of foreign income taxes is suggested in the proposed taxation of income from foreign branches. This is not a necessary or essential part of the program, and is included only to secure similarity with the taxation of income from subsidiaries, along the lines established by the 1918 Revenue Act.

Accomplishments of the 1st Session of the 84th Congress With Respect to Nationality Interests

EXTENSION OF REMARKS

OF

HON. HERBERT H. LEHMAN

OF NEW YORK

IN THE SENATE OF THE UNITED STATES

Tuesday, August 2, 1955

Mr. LEHMAN. Mr. President, the 1st session of the 84th Congress is about to come to a close. Many observations and summaries of the work of this Congress have been made. I have prepared an analysis of the achievements of the past Congress with respect to the interests of the nationality groups of this country. I have summarized both the accomplishments and the failures.

We can be proud of the accomplishments but we should be determined to remedy the failures in the next session.

I ask unanimous consent that the statement I have prepared on this matter be printed in the CONGRESSIONAL RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

COMMENTS BY SENATOR HERBERT H. LEHMAN ON ACCOMPLISHMENTS OF THE 1ST SESSION OF THE 84TH CONGRESS ADDRESSED ESPECIALLY TO NATIONALITY INTERESTS

The recently concluded 1st session of the 84th Congress was remarkable for its accomplishments in the field of foreign relations. In this field the Congress showed a leadership which usually is vested in the President. In the absence of Presidential leadership, however, the Congress filled the vacuum and pointed the way to the achievement of substantial gains in regard to our relations with the other countries of the world.

There were, however, failures, too, both on the part of Congress and on the part of the Eisenhower administration.

The accomplishments were mainly in the direction of relaxing the tensions which have gathered in world affairs and of capitalizing at last on the gains for which the Truman-Acheson foreign policy of 1947–53 had laid the groundwork.

A treaty was at long last arrived at with Austria, and preparations made for the withdrawal of foreign troops from that country. The way is now clear for insisting that Soviet troops be withdrawn also from Rumania and Bulgaria, since the excuse for maintaining Soviet troops in those countries was for the purpose of maintaining a line of communication between Soviet Russia and Soviet occupation forces in Austria. This latter possibility, however, is without substantial significance since Bulgaria and Rumania remain securely pinioned behind the Iron Curtain.

A defense agreement was reached among the countries of Western Europe and the Federal Republic of Western Germany, firmly integrating Germany into Western Europe and making possible a German contribution to the defense of Western Europe. For the first time in this century an accommodation of relations between France and Germany has been achieved.

Authorization for the continuation of the reciprocal trade program was continued in the recent session of Congress, thus extending the possibility of decreasing barriers to world trade.

Authorizations and appropriations for foreign military and economic aid were again enacted.

Above all, however, the chief contribution of the recent session of Congress was in the support and leadership it gave for the steps leading to a relaxation of world tensions. The Geneva meeting at the summit was made possible—indeed it was originally suggested and advocated—by Senator WALTER GEORGE, the Democratic chairman of the Senate Foreign Relations Committee. The Democratic Congress not only gave unified support to the Big Four meeting and to the negotiations which ensued at Geneva, but effectively rebuked and forestalled the attempts of die-hard Republican neoisolationists to impede and jettison the Geneva Conference.

Democratic leadership successfully reversed the go-it-alone policy in Asia and overcame the effects of the phony unleashing of Chiang Kai-shek in January 1953.

The military strength of the United States was maintained in the face of administration recommendations for drastic cuts in our Armed Forces, including a proposed 10 percent cut in the strength of the Marine Corps. That proposed cut was rejected by the Democratic Congress.

The Democratic leadership in the Congress bottled up the Bricker amendment, designed to cripple and hamstring the President in his conduct of foreign affairs—unlike the Republican leadership in the previous Congress which allowed this proposal to come to a vote in 1954. On that occasion, the Bricker proposal was defeated by a bare one-vote margin. It is to be recalled that the Republican leader of the Senate, Senator KNOWLAND, voted for this incredible proposal.

The Democratic Congress went on record, in approving the McCormack resolution (introduced by Representative JOHN MCCORMACK, the majority leader in the House), in favor of independence and freedom for dependent and enslaved peoples.

Among the failures of the recent session of Congress—and most of these failures can be ascribed to the negative attitude of the administration and the obstructive tactics of a preponderant majority of Republicans—were:

1. The failure to ratify the Genocide Convention.
2. The failure to ratify the Human Rights Covenant.
3. The failure to amend the Refugee Relief Act.
4. The failure to amend the McCarran-Walter Act.

There were other failures, too, but the failures cited above were the most outstanding. These failures must be remedied in the next session. Only an aroused public opinion, indicating wholehearted support for prompt and effective action in these matters, will insure results.

Outstanding Service of Maj. Gen. Verne D. Mudge

EXTENSION OF REMARKS

OF

HON. ESTES KEFAUVER

OF TENNESSEE

IN THE SENATE OF THE UNITED STATES

Tuesday, August 2, 1955

Mr. KEFAUVER. Mr. President, I ask unanimous consent that there may be printed in the CONGRESSIONAL RECORD a resolution by the Committee on Armed Services relative to the outstanding services of Maj. Gen. Verne D. Mudge.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas Maj. Gen. Verne D. Mudge has been a professional staff member of the Committee on Armed Services of the United States Senate from 1947 until the present; and

Whereas during this period of service he has demonstrated exceptional competence in assisting the committee under the chairmanships of Senator Chan Gurney, Senator Millard Tydings, Senator Leverett Saltonstall, and Senator Richard B. Russell; and

Whereas he has given the committee the benefit of his broad military experience while maintaining scrupulously a viewpoint of complete objectivity; and

Whereas by the energetic application of his talents General Mudge has contributed immeasurably to committee and Senate action on the many items of legislation affecting the Department of Defense and the national security enacted during the period of his service; and

Whereas he has endeared himself to the members of the committee and its staff by his outstanding ability, his wise and friendly counsel, and his loyalty to the members and staff of the committee; and

Whereas after 8 years of service, General Mudge is resigning from his position on the staff of the committee: Now, therefore, be it

Resolved, That the Committee on Armed Services expresses its profound appreciation to Maj. Gen. Verne D. Mudge, United States Army, retired, for his dedicated service of the highest quality, and extends its sincere wishes for his future health and happiness.

Committee on Interstate and Foreign Commerce Activity Report

EXTENSION OF REMARKS
OF
HON. J. PERCY PRIEST
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. PRIEST. Mr. Speaker, pursuant to section 136 of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, and House Resolution 105, 84th Congress, I should like to submit a statement of the activity of the Committee on Interstate and Foreign Commerce for the 84th Congress, 1st session.

Notwithstanding circumstances that involved the committee in lengthy hearings and executive sessions on two different subjects, we were able to clear some extremely important legislation during the session.

In the field of health we reported and both Houses passed a resolution authorizing a 3-year study of the Nation's mental health problems. This resolution was frequently referred to in the course of the hearings as perhaps the most important legislation that was before the 84th Congress insofar as its ultimate effects on the welfare of the people are concerned.

When the announcement was made on April 12 that field tests conducted in 1954 proved the efficacy of the Salk vaccine, the committee immediately began a study of the problems presented by that important announcement. These problems were greatly accentuated by the discovery of some live virus in batches of vaccine released by the Cutter laboratories.

The committee maintained a careful watch over all developments that followed and then, after hearing a panel of 15 top experts on the subject of poliomyelitis, reported legislation which we believe will be extremely helpful to the Nation as a whole in carrying on vaccination programs in the several States.

We reported legislation amending the Railroad Retirement Act to provide additional benefits for wives of retired railroadmen, and for widows who may be eligible to receive a widow's annuity under the act, and also eligible to receive social-security benefits in their own right.

In the field of aviation we reported legislation, which became law, making it possible for local service airlines to obtain permanent certificates, and a national airport program that should greatly assist in bringing our national airways up to date in line with the growth of the industry and the increased speed of planes.

Amendments to the Natural Gas Act were reported and passed the House but did not become law.

We reported a bill to provide for research in air pollution and this became law.

Reports were filed on newsprint and on the very controversial question that arose out of the conflict of opinion relating to a system of air navigation. This is commonly referred to as the VOR/DME/TACAN controversy, and it called for a very detailed technical study by the committee.

The detailed activity report follows:

ACTIVITY REPORT OF THE HOUSE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE, 84TH CONGRESS, 1ST SESSION—BILLS REPORTED

The committee has considered and reported favorably the following bills:

H. R. 2225, permanent certification of local-service air carriers: Report No. 265, by Mr. WILLIAMS, March 22, 1955. Approved May 19, 1955, Public Law 38.

House Joint Resolution 256, providing for study of mental health: Report No. 241, by Mr. PRIEST, March 21, 1955. Approved July 28, 1955, Public Law 182.

H. R. 1816, to declare certain tidewaters in Boston nonnavigable: Report No. 421, by Mr. MACDONALD, April 18, 1955. Approved May 13, 1955, Public Law 34.

H. R. 6645, to amend Natural Gas Act—exemption of producers: Report No. 992, by Mr. PRIEST, June 28, 1955. Passed House, amended, July 28, 1955.

H. R. 5222, flammable fabrics—exempt scarves: Report No. 969, by Mr. KLEIN, June 28, 1955. House rule rejected, August 1, 1955.

H. R. 2866, nonnavigable waters in Acushnet River, Mass.: Report No. 909, by Mr. MACDONALD, June 23, 1955. Approved August 3, 1955, Public Law 212.

S. 928, providing for research in air pollution: Report No. 968, by Mr. CARLYLE, June 28, 1955. Approved July 14, 1955, Public Law 159.

S. 1250, nonnavigable waters in Pike Creek, Kenosha, Wis.: Report No. 908, by Mr. FLYNT, June 23, 1955. Approved July 26, 1955, Public Law 169.

S. 1300, nonnavigable waters in Greenwich Harbor, Conn.: Report No. 905, by Mr. HAYWORTH, June 23, 1955. Approved July 12, 1955, Public Law 152.

S. 1469, nonnavigable waters in Cedar Creek, Bridgeport, Conn.: Report No. 907, by Mr. FRIEDEL, June 23, 1955. Approved July 12, 1955, Public Law 151.

Senate Joint Resolution 38, interstate compact to conserve oil and gas: Report No. 917, by Mr. HARRIS, June 27, 1955. Approved July 28, 1955, Public Law 185.

H. R. 4744, railroad retirement—dual benefits for widows: Report No. 1046, by Mr. PRIEST, July 1, 1955. Approved August 12, 1955, Public Law 383.

H. R. 5614, to amend Communications Act—protest rule: Report No. 1051, by Mr. PRIEST, July 1, 1955. Passed House, July 21, 1955.

H. R. 4090, radio call selectors on cargo ships: Report No. 1618, by Mr. MACDONALD, August 1, 1955.

H. R. 7126, grants to States for purchase of Salk polio vaccine: Report No. 1186, by Mr. PRIEST, July 14, 1955. S. 2501 passed House, amended, in lieu, August 1, 1955. S. 2501 approved August 12, 1955, Public Law 377.

S. 1855, Federal airport assistance: Report No. 1190, by Mr. HARRIS, July 15, 1955. Approved August 3, 1955, Public Law 211.

The committee held public hearings as follows:

Number of public hearings:	
Entire committee	54
Subcommittees	30
Hours of sitting:	
Entire committee	183
Subcommittees	90
Printed pages of public hearings	2,980
Unprinted pages of public hearings	815

In addition to the above, the committee filed House Report No. 683, newsprint study, current newsprint outlook; House Report No. 592, investigation of the development of the common system of air navigation and traffic control; and printed as a committee print a staff report on State taxation of interstate trucking and the reciprocity problem.

Voting and Attendance Record of Hon. Richard E. Lankford, of Maryland

EXTENSION OF REMARKS
OF
HON. RICHARD E. LANKFORD
OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. LANKFORD. Mr. Speaker, under leave to extend my remarks, I include a report of my voting and attendance record during the 1st session of the 84th Congress.

This record includes rollcall votes and all quorum-call votes. For the purpose of identification I have included a brief description of each bill.

The purpose of this report is to provide my interested constituents with a simple compilation of my voting and attendance record.

I would like to point out that I was present for every rollcall vote.

Voting and attendance record, Representative RICHARD E. LANHAM, *5th District of Maryland, 84th Cong., 1st sess.*

Roll-call No.	Date	Measure, question, and result	Vote
	1955		
1	Jan. 5	Quorum call	Present.
2	Jan. 5	Election of the Speaker (Rayburn, 226; Martin, 198)	Rayburn.
3	Jan. 25	H. J. Res. 159: Authorizing the President to employ the Armed Forces of the United States for protecting Formosa, etc. (Passed 410 to 3.)	Yes.
4	Jan. 27	H. R. 587: To provide that persons serving in the Armed Forces on Jan. 31, 1955, may continue to accrue educational benefits under the Veteran Readjustment Assistance Act of 1952. (Passed 366 to 0.)	Yes.
5	Feb. 8	H. R. 3005: To extend Universal Military Training and Service Act and the Dependents' Assistance Act for 4 years. (Passed 394 to 4.)	Yes.
6	Feb. 16	H. R. 3828: To adjust legislative and judicial salaries; Congressmen to receive $22,500 plus $2,500 for expenses. (Passed 283 to 118.)	Yes.
7	Feb. 17	Quorum call	Present.
8	Feb. 17	H. Res. 142: Motion to stop further debate on the question of a closed rule on H. R. 1. (Defeated 207 to 178.)	Yes.
9	Feb. 17	H. Res. 142: To permit 5 hours of debate and amendments from the floor on H. R. 1. (Defeated 193 to 191.)	No.
10	Feb. 17	H. Res. 142: Closed rule on H. R. 1 to prohibit amendments from the floor. (Passed 193 to 192.)	Yes.
11	Feb. 18	H. R. 1: To recommit to Committee on Ways and Means with instructions to amend to require the President to comply with recommendations of the Tariff Commission except when national security is involved. (Defeated 206 to 199.)	No.
12	Feb. 18	H. R. 1: Final passage to extend the authority of the President for 3 years to enter into trade agreements for reduction of tariffs. (Passed 295 to 110.)	Yes.
13	Feb. 23	Quorum call	Present.
14	Feb. 24	Quorum call	Present.
15	Feb. 25	H. R. 4295: To recommit to Committee on Ways and Means in order to delete provision calling for a $20 credit against individual income tax for each personal exemption in tax year 1955. (Defeated 210 to 205.)	No.
16	Feb. 25	H. R. 4592: Extending existing corporate normal-tax rate and certain excise-tax rates and providing $20 credit against individual income taxes for each personal exemption. (Passed 242 to 175.)	Yes.
17	Mar. 1	H. R. 3828: An adoption of conference report setting judicial and legislative salaries: Congressmen to receive $22,500. (Passed 223 to 113.)	Yes.
18	Mar. 10	Quorum call	Present.
19	Mar. 10	H. R. 4720: To increase the compensation of members of the Armed Forces. (Passed 399 to 1.)	Yes.
20	Mar. 16	Quorum call	Present.
21	Mar. 18	H. R. 4903: Amendment to restore $4 million for the United Nations technical-assistance program which had been deleted by a point of order. (Passed 174 to 107.)	Yes.
22	Mar. 21	Quorum call	Present.
23	Mar. 21	H. R. 4646: To suspend the rules and pass the bill increasing postal employees' salaries on an average of 7.5 percent. (Defeated 302 to 120.)	No.
24	Mar. 21	Quorum call	Present.
25	Mar. 21	H. R. 4957: To suspend the rules and pass the bill directing a redetermination of the national marketing quota for burley tobacco for 1955–56. (Defeated 260 yeas to 152 nays, a ⅔ majority being necessary.)	Yes.
26	Mar. 22	Quorum call	Present.
27	Mar. 22	H. Res. 170: To disapprove of the disposal of some of the Government-owned synthetic rubber plants. (Defeated 283 to 132.) (Effect of my vote: Permits sale of plants to private companies.)	No.
28	Mar. 23	Quorum call	Present.
29	Mar. 23	H. Res. 171: To disapprove of the disposal of some of the Government-owned synthetic rubber plants. (Defeated 276 to 137.) (Effect of my vote: Permits sale of plants to private companies.)	No.
30	Mar. 24	Quorum call	Present.
31	Mar. 28	Quorum call	Present.
32	Mar. 29	Quorum call	Present.
33	Mar. 30	H. R. 4295: To accept conference report extending corporate and excise taxes for 1 year and deleting the $20 income tax for each taxpayer and his dependents. (Passed 386 to 8.)	Yes.
34	Mar. 30	H. R. 5240: Amendment to restore a provision limiting to $1 per month the fee to educational institutions for reports on veterans. (Defeated 226 to 156.)	No.
35	Apr. 13	Quorum call	Present.
36	Apr. 20	Quorum call	Absent.[1]
37	Apr. 20	H. R. 4644: Amendment to the postal pay raise which would increase the annual rate for certain classes of employees, raised the overall increase from 7.5 to 8.2 percent. (Passed 224 to 189.)	Yes.
38	Apr. 20	H. R. 4644: Motion to recommit to Committee on Post Office and Civil Service. (Defeated 287 to 125.)	No.
39	Apr. 20	H. R. 4644: On final passage of the bill as amended to grant a postal pay raise of about 8.2 percent. (Passed 324 to 85.)	Yes.
40	Apr. 21	Quorum call	Absent.[1]
41	Apr. 21	H. R. 4303: To provide for construction and conversion of certain modern naval vessels; calls for a $1.3 billion, 4-year Navy shipbuilding program. (Passed 373 to 3.)	Yes.
42	Apr. 27	Quorum call	Present.
43	May 3	Quorum call	Present.
44	May 4	Quorum call	Present.
45	May 5	Quorum call	Present.
46	May 5	H. R. 12: Amendment to remove peanuts as one of the basic commodities in the farm price-support program. (Defeated 215 to 193.)	No.
47	May 5	H. R. 12: To recommit to Committee on Agriculture. (Defeated 212 to 199.)	No.
48	May 5	H. R. 12: To restore the 90 percent of parity supports on 5 basic crops and fix the minimum level for support of dairy products at 80 percent of parity. Final passage. (Passed 206 to 201.)	Yes.
49	May 9	Quorum call	Present.
50	May 9	S. 1 and H. R. 4644: To recommit the conference report on the postal pay raise bills (8.8 percent increase) to the conference committee. (Defeated 275 to 118.)	No.
51	May 9	S. 1 and H. R. 4644: On final passage of conference report on postal pay raise bills (8.8 percent). (Passed 328 to 66.)	Yes.
52	May 9	H. Res. 223: To authorize consideration of the bill to permit statehood for Hawaii and Alaska. (Passed 322 to 66.)	Yes.
53	May 9	Quorum call	Present.
54	May 10	Quorum call	Present.
55	May 10	Quorum call	Present.
56	May 10	Quorum call	Present.
57	May 10	H. R. 2535: To recommit to committee the bill authorizing statehood for Hawaii and Alaska. (Passed 218 to 170.)	Yes.
58	May 11	Quorum call	Present.
59	May 11	Quorum call	Present.
60	May 12	Quorum call	Present.
61	May 12	Quorum call	Present.
62	May 12	H. R. 6042 (Department of Defense appropriations): To strike out provisions requiring approval by congressional committee before the armed services may move any permanent facility. (Defeated 202 to 184.)	No.
63	May 12	H. R. 6042: Final passage of defense appropriations bill. (Passed 382 to 0.)	Yes.
64	May 17	Quorum call	Present.
65	May 18	Quorum call	Present.
66	May 19	Quorum call	Present.
67	May 19	Quorum call	Present.
68	May 19	Quorum call	Present.
69	May 23	S. 727: To increase the salaries of judges for the District of Columbia. (Passed 282 to 32.)	Yes.
70	May 25	Quorum call	Present.
71	May 25	H. Res. 224: To create a select committee to investigate the White County (Ind.) Bridge Commission. (Passed 205 to 166.)	Yes.
72	May 25	H. R. 2851: To make agricultural commodities owned by the CCC available to needy persons in areas of acute distress. (Passed 343 to 1.)	Yes.
73	May 26	Quorum call	Present.
74	May 26	S. 727: To recommit to conference committee a bill which would raise salaries of District of Columbia judges to an amount greater than previously voted by the House. (Passed 170 to 165.)	No.
75	May 26	Quorum call	Present.
76	May 26	H. R. 5881: To recommit to committee the bill which provided for Federal compensation in non-Federal reclamation projects and for participation by non-Federal agencies in Federal reclamation projects in order to limit the scope of the bill to 17 Western States instead of all 48 States. (Defeated 229 to 62.)	No.
77	June 1	Quorum call	Present.
78	June 1	H. R. 3990: To authorize the Secretary of the Interior to investigate projects for conservation, development, utilization of the water resources of Alaska. Motion to recommit bill to Committee on Interior and Insular Affairs. (Defeated 278 to 79.)	No.
79	June 7	S. 2061: To increase salaries in the postal service by an average of 8 percent and to provide for reclassification. (Passed 409 to 1.)	Yes.
80	June 8	H. R. 5923: To authorize an appropriation of $57,730,000 to complete the Inter-American Highway. (Passed 353 to 13.)	Yes.
81	June 13	Quorum call	Present.
82	June 14	Quorum call	Present.

[1] Member, Board of Visitors, U. S. Naval Academy, Annapolis, Md.; appointed by the Speaker.

Voting and attendance record, Representative RICHARD E. LANKFORD, *5th District of Maryland, 84th Cong., 1st sess.*—Continued

Roll-call No.	Date	Measure, question, and result	Vote
	1955		
83	June 14	H. R. 1: On acceptance of conference report on the Trade Agreements Extension Act of 1955. (Passed 347 to 54.)	Yes.
84	June 14	H. R. 6227: To provide for the control and regulation of bank holding companies. (Passed 371 to 24.)	Yes.
85	June 15	Quorum call	Present.
86	June 15	H. Res. 210: To authorize an investigation of the Federal Open Market Committee of the Federal Reserve Board. (Defeated 214 to 178.)	Yes.
87	June 16	Quorum call	Present.
88	June 20	S. 67: To increase salaries of civil-service employees by about 7.5 percent. (Passed 370 to 3.)	Yes.
89	June 20	H. Con. Res. 109: Authorizing the appointment of a congressional delegation to attend the NATO Parliamentary Conference. (Passed 338 to 31.)	Yes.
90	June 20	H. R. 6295: To raise the per diem allowance for subsistence and travel expenses for Federal employees from $9 to $13. (Passed 320 to 41.)	Yes.
91	June 21	H. R. 4663: To authorize the Secretary of the Interior to construct, operate, and maintain the Trinity River division, Central Valley project, California, and to authorize an appropriation of $225 million therefor. (Passed 230 to 153.)	Yes.
92	June 22	Quorum call	Present.
93	June 22	H. R. 6040: To recommit to committee the customs simplification bill with instructions to strike out sec. 2, which would make export value the primary basis for assessing ad valorem duties. (Defeated 232 to 143.)	No.
94	June 23	H. Con. Res. 149: Expressing the sense of Congress that the United States in its international relations should maintain its traditional policy in opposition to colonialism and Communist imperialism. (Passed 367 to 0.)	Yes.
95	June 27	H. R. 6992: To extend for 1 year the existing temporary ceiling on the public debt of $281 billion. (Passed 267 to 56.)	Yes.
96	June 27	Quorum call	Present.
97	June 27	H. R. 6829: To authorize certain construction at military, naval, and Air Force installations. (Passed 316 to 2.)	Yes.
98	June 28	Quorum call	Present.
99	June 28	H. R. 3005: To recommit the conference report to committee. (Defeated 171 to 221.)	No.
100	June 28	H. R. 3005: To extend the Universal Military Training and Service Act and the Dependents Assistance Act for 4 years and to extend for 2 years the Doctors-Dentists Draft Act. (Passed 388 to 5.)	Yes.
101	June 28	Quorum call	Present.
102	June 29	Quorum call	Present.
103	June 29	S. 727: To recommit the conference report on the bill which adjusts the salaries of the judges of the courts of the District of Columbia. (Defeated 157 to 227.)	No.
104	June 30	Quorum call	Present.
105	June 30	S. 2090: To authorize appropriations totaling $3,285,800,000 for carrying forward the mutual security program. (Passed 273 to 128.)	Yes.
106	July 1	Quorum call	Present.
107	July 1	Quorum call	Present.
108	July 5	Quorum call	Present.
109	July 6	H. R. 3210: To recommit the bill which would authorize the State of Illinois and the Sanitary District of Chicago to test, on a 3-year basis, the effect of increasing the diversion of water from Lake Michigan into the Illinois Waterway. (Defeated 74 to 316.)	No.
110	July 7	S. 2090: To adopt conference report authorizing $3,285,800,000 for the mutual security program. (Passed 262 to 120.)	Yes.
111	July 11	Quorum call	Present.
112	July 11	H. R. 7224: Appropriating $2,638,741,750 for mutual security during the fiscal year 1956. (Passed 251 to 128.)	Yes.
113	July 12	Quorum call	Present.
114	July 13	H. R. 6766: Conference report making appropriations for the AEC, TVA, and certain agencies of the Departments of Interior and the Army. (Passed 315 to 92.)	Yes.
115	July 13	H. Res. 295: To provide for the consideration of H. R. 7089, a bill to provide benefits for the survivors of servicemen and veterans. (Passed 376 to 24.)	Yes.
116	July 13	Quorum call	Present.
117	July 14	Quorum call	Present.
118	July 18	Quorum call	Present.
119	July 18	H. R. 7225: To amend the Social Security Act to extend coverage to certain disabled persons who are at least 50 years old, to women at 62 years of age, and to certain disabled children over 18 years old, and to certain occupational groups. (Passed 372 to 31.)	Yes.
120	July 18	Quorum call	Present.
121	July 18	Quorum call	Present.
122	July 19	Quorum call	Present.
123	July 19	Quorum call	Present.
124	July 20	Quorum call	Present.
125	July 20	H. R. 7214: To amend the Fair Labor Standards Act to make the minimum wage $1 an hour effective Mar. 1, 1956	Yes.
126	July 25	Quorum call	Present.
127	July 25	Quorum call	Present.
128	July 25	Quorum call	Present.
129	July 25	H. R. 7000: To agree to the conference report on the Reserve Forces Act of 1955. (Passed 315 to 78.)	Yes.
130	July 26	H. Res. 314: To provide for 3 hours' debate on H. R. 7474, the Federal-State highway construction bill. (Passed 274 to 128.)	Yes.
131	July 27	Quorum call	Present.
132	July 27	H. R. 7474: To recommit this highway bill to committee and to substitute therefor the administration bond-financing proposal for highway construction. (Defeated 193 to 221.)	No.
133	July 27	H. R. 7474: Final passage on the highway construction bill increasing certain taxes. (Defeated 123 to 292.)	No.
134	July 28	Quorum call	Present.
135	July 28	H. Res. 317: To provide for 3 hours of general debate on H. R. 6645, to amend the Natural Gas Act. (Passed 272 to 135.)	Yes.
136	July 28	Quorum call	Present.
137	July 28	H. R. 6645: To recommit to committee the amendment to the Natural Gas Act. (Defeated 203 to 210.)	Yes.
138	July 28	H. R. 6645: The Harris bill to amend the Natural Gas Act to remove from control of the Federal Power Commission natural gas producers and gatherers. (Passed 209 to 203.)	No.
139	July 29	Quorum call	Present.
140	July 29	S. 2126: To adopt the Wolcott substitute for the Senate housing bill. (Passed 217 to 188.)	No.
141	July 29	S. 2126: Final passage with the Wolcott substitute inserted in the housing bill. (Passed 396 to 3.)	Yes.
142	Aug. 1	Quorum call	Present.
143	Aug. 1	H. Res. 299: To grant to the Small Business Committee an additional $35,000 for operating expenses. (Passed 231 to 134.)	Yes.
144	Aug. 1	S. 2576: To strengthen the power of the District Commissioners in relation to the Capital Transit Co. and to authorize repeal of the franchise of the company. (Defeated 215 to 150, a ⅔ majority being required to suspend the rules.)	Yes.
145	Aug. 1	Quorum call	Present.
146	Aug. 2	Quorum call	Present.
147	Aug. 2	S. 2126: To adopt conference report on Housing Act of 1955. (Passed 187 to 168.)	Yes.

National Conservation Memorial Commission

EXTENSION OF REMARKS

OF

HON. JAMES E. MURRAY

OF MONTANA

IN THE SENATE OF THE UNITED STATES

Tuesday, August 2, 1955

Mr. MURRAY. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a statement which I have prepared concerning the proposed establishment of a National Conservation Memorial Commission.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. President, a bipartisan group of 25 Senators, representing every geographical region of the Nation, have joined with me in introducing Senate Joint Resolution 101. I am advised that more than 30 Democratic and Republican Members of the House, also representing every section of the country, have joined with Hon. FRANK THOMPSON, JR., of New Jersey, in introducing a companion resolution, House Joint Resolution 400.

The purpose of these resolutions is to provide for the observance and commemoration of the 50th anniversary of the founding and launching of the conservation movement for the protection, in the public interest, of the natural resources of the United States.

The resolution sets up a National Conservation Memorial Commission which is directed to prepare and carry out a comprehensive plan for the observance and commemoration of the golden anniversary of the birth of the conservation movement in the United States and generally promote among the citizens of our country, a realization of the importance of protecting our natural resources.

All Government departments and agencies are directed to cooperate with and assist the Commission which in turn is instructed to cooperate with the governors of all of the States in carrying out its plans for observing the half-century milestone of the launching of conservation.

The President of the United States will serve as honorary chairman of the Commission. Other members will include Senators

and Representatives from both political parties appointed by the Vice President and the Speaker of the House, representatives of national nonprofit organizations dedicated to conservation of various phases of natural resources, and 10 citizens from private life. All members will serve without compensation. The Commission will cease to exist not later than 1 year after the date of the observance of the birth of the conservation movement.

I think it is appropriate at this point to explain why it is so important to the future welfare of the citizens of our Nation that we properly commemorate the 50th anniversary of the birth of the conservation movement and through such action that we arouse, renew, stimulate, and maintain the greatest possible degree of interest of the greatest possible number of our citizens in the need for continuing conservation policies and programs that will preserve and protect our natural resources in the public interest.

The Commission can and will render such a vital service.

As recently pointed out by President Eisenhower and many informed leaders in Government, industry, labor, agriculture, science, and education, the problems involving the preservation and protection of our natural resources are as great today, if not greater, than ever before.

We only have to read the splendid and thought-provoking reports of the President's Materials Policy Commission in 1952, and study the proceedings of the meeting of the Mid-Century Conference on Resources for the Future in 1953 to realize how important and vital it is to our survival as a nation that we adopt and follow programs of action that will insure the protection of our natural resources and the intelligent and efficient use of them.

The President's Materials Policy Commission was headed by the Honorable William S. Paley and became known as the Paley Commission.

Under the general title of "Resources for Freedom" this Commission presented five comprehensive reports in addition to assembling a great deal of other valuable data. The five reports were entitled "Volume I: Foundations for Growth and Security"; "Volume II: The Outlook for Key Commodities"; "Volume III: The Outlook for Energy Sources"; "Volume IV: The Promise of Technology"; and "Volume V: Selected Reports to the Commission."

To focus public attention on the findings and recommendations of this Commission should be one of the major achievements to stem from the observance of the 50th anniversary of the conservation movement.

The Paley Commission warns that our natural resources "will in the future demand much more thought and effort than we as a nation have seen fit to give them in the past."

At this point I should like to describe briefly the history of the conservation movement and how it was born 50 years ago.

The idea for the first conference of governors ever held in the history of the United States developed while President Theodore Roosevelt was the guest of the Inland Waterways Commission on a boat trip down the Mississippi River.

The idea and program for the conference were made public and developed by two members of the Waterways Commission, Hon. Theodore Burton, then United States Senator from Ohio, and Hon. Gifford Pinchot, of Pennsylvania, then the first head of the United States Forest Service.

President Roosevelt announced the calling of the conference in an address at Memphis, Tenn. He said then:

"As I have said elsewhere, the conservation of natural resources is the fundamental problem. Unless we solve that problem it will avail us little to solve all others. To solve it, the whole Nation must undertake the task through their organizations and associations, through the men whom they have made especially responsible for the welfare of the several States, and finally through Congress and the Executive. As a preliminary step, the Inland Waterways Commission has asked me to call a conference on the conservation of natural resources, including of course, the streams, to meet in Washington during the coming winter. I shall accordingly call such a conference. It ought to be among the most important gatherings in our history, for none have had a more vital question to consider."

The conference opened on the morning of May 14, 1908, with prayer by the Reverend Edward Everett Hale, then Chaplain of the United States Senate.

Then President Theodore Roosevelt spoke. He said in part:

"So vital is this question of conservation that for the first time in our history the chief executive officers of the States separately, and of the States together forming the Nation, have met to consider it. It is the chief material question that confronts us, second only—and second always—to the great fundamental question of morality.

"The occasion for the meeting lies in the fact that the natural resources of our country are in danger of exhaustion if we permit the old wasteful methods of exploiting them longer to continue. In the development, the use, and therefore the exhaustion of certain of the natural resources, the progress has been more rapid in the past century and a quarter than during all preceding time of history since the days of primitive man.

"All these various uses of our natural resources are so closely connected that they should be coordinated, and should be treated as part of one coherent plan and not in haphazard and piecemeal fashion.

"The time has come for a change. As a people we have the right and the duty, second to none other but the right and duty of obeying the moral law, of requiring and doing justice, to protect ourselves and our children against the wasteful development of our natural resources, whether that waste is caused by the actual destruction of such resources or by making them impossible of development hereafter."

Among the speakers at the conference in addition to the governors and Members of Congress were Andrew Carnegie, John Hays Hammond, Elihu Root, Gifford Pinchot, and James J. Hill.

The governors unanimously adopted a series of resolutions calling for a national policy and programs that would preserve and protect the forests, the water and streams, the soil and the range, the minerals, fuels, and all other natural resources.

A key phrase in these resolutions declared:

"We, the governors of the States and Territories of the United States of America, in conference assembled, declare our firm conviction that this conservation of our natural resources is a subject of transcendent importance, which should engage unremittingly the attention of the Nation, the States, and the people in earnest cooperation."

The Governors' Conference on Conservation was the first of its kind—the first not only in America, but in the world. It may well be regarded by future historians as a turning point in human history. Because it introduced to mankind the newly formulated policy of the conservation of natural resources, it exerted and continues to exert a vital influence on the United States, on the other nations of the Americas, and on the peoples of the whole earth.

The conference set forth in impressive fashion, and it was the first national meeting in any country to set forth, the idea that the protection, preservation, and wise use of the natural resources is not a series of separate and independent tasks, but one single problem.

It spread far and wide the new proposition that the purpose of conservation is the greatest good of the greatest number for the longest time.

It asserted that the conservation of natural resources is the one most fundamentally important material problem of all, and it drove home the basic truth that the planned and orderly development of the earth and all it contains is indispensable to the permanent prosperity of the human race.

That great truth was never so true as now. It is therefore fitting that we as a Congress and a nation take all proper steps to observe this golden anniversary of the birth of the conservation movement.

Accomplishments of the Committee on Ways and Means During the 84th Congress

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EXTENSION OF REMARKS

OF

HON. JERE COOPER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1955

Mr. COOPER. Mr. Speaker, as chairman of the Committee on Ways and Means, I am pleased to call to the attention of the Members of the House of Representatives the outstanding record that was accomplished by the Committee on Ways and Means during the 1st session of the 84th Congress.

It is a record that was achieved only through the efforts of every member of the committee for which I would like to express my grateful appreciation. This legislative record involved arduous effort and long hours of work on the part of all concerned.

It is interesting to note how the workload of the Committee on Ways and Means has been increasing. More bills were referred to the committee during the 1st session of this Congress than were referred to it in all of the 81st and 82d Congresses. During the 1st session of the 84th Congress 752 bills were referred to the committee compared to 458 for the whole of the 81st Congress and 696 for the whole of the 82d Congress. In the 83d Congress 1,203 bills were referred to the committee. If the same number of bills should be referred to our committee in the 2d session of the 84th Congress as were referred to it in the 1st session, the total will run over 1,500.

The committee reported to the House 61 bills in the first session of this Congress compared to 54 in both sessions of the 81st Congress, 64 in both sessions of the 82d Congress and 52 in both sessions of the 83d Congress. In the 81st Congress 44 bills reported by the Committee became public law, 51 in the 82d Congress and 41 in the 83d Congress plus another that received a pocket veto.

For the first time during my service on the committee, each committee member was given an opportunity to request and get consideration of any bills pending before the committee which he, or

any other Member of the House, had introduced in this session of Congress.

Of the 61 bills that were reported favorably to the House by the Committee on Ways and Means, 5 of them might be termed major legislation and 11 of them were bills on which specific requests for favorable action had been received from the administration. Thirty-two of the bills reported by the committee were enacted into law. It is expected that this number will increase next session as a result of consideration by the Senate of legislation originating in the Ways and Means Committee that is now pending in that body.

For the information of all interested persons, I will insert at this point in the RECORD a compilation of committee activities for the 1st session of the 84th Congress:

RECORD OF THE COMMITTEE ON WAYS AND MEANS, 84TH CONGRESS, 1ST SESSION

The following record of the Committee on Ways and Means sets forth in summary form the activities and accomplishments of the committee during the 1st session of the 84th Congress:

I. STATUS OF LEGISLATION

The status of bills pending before the committee during the 1st session of the 84th Congress is indicated in the table set forth below:

Status:	*Total bills*
Reported by the committee	61
Passed by the House	58
Reported by Senate Finance	33
Passed by the Senate	33
Enacted into law	32

(NOTE.—There are 25 bills reported by the committee which passed the House that are pending before the Senate Committee on Finance for action next session. There was a memorandum of disapproval on one bill, H. R. 6887.)

During the course of the 1st session, the committee met 80 times in executive session and held a total of 29 days of public hearings on a variety of subjects. Testimony was received from 329 witnesses in the public hearings, in addition to which a number of persons submitted statements with regard to the subject matter under consideration in lieu of appearances. Data concerning these hearings follow:

Subject	Days	Witnesses
Trade Agreements Extension Act of 1955	16	214
Prepaid income and reserves for estimated expenses	4	29
Revision of Philippine Trade Agreement	1	7
Customs Simplification Act of 1955	2	14
Public debt limit	1	1
Individual Retirement Act of 1955	2	41
Bonding period for distilled spirits	1	12
Upjeweling of watch movements	2	11
Total	29	329

II. BRIEF DESCRIPTION OF LEGISLATIVE ACTIVITIES

A. Tariffs and customs legislation

In the first session the committee took favorable action on 3 major bills affecting tariff and customs laws and 11 minor bills. The three major bills are as follows:

H. R. 1: This legislation, the Trade Agreements Extension Act of 1955, was one of the most important pieces of legislation to be considered by the committee and to pass both Houses of Congress during the first session. This legislation became Public Law 86. It continues through June 30, 1958, the authority of the President to enter into trade agreements and made other liberalizing and clarifying improvements in our reciprocal trade program. H. R. 1 prescribes the delegation of authority to the Executive for the establishment of our foreign economic policy which the President has described as the cornerstone of our foreign policy.

In the careful consideration of this legislation the committee held 16 days of public hearings and heard from 214 witnesses in addition to receiving voluminous material for inclusion in the printed record of the hearings. Seven administration witnesses of Cabinet rank appeared before the committee in support of the enactment of H. R. 1. In favorably reporting H. R. 1 to the House, the committee expressed the view that this legislation was a part of the answer to our objectives of increasing domestic prosperity, free world strength, and international peace.

H. R. 6040: This legislation, the Customs Simplification Act of 1955, provides improved procedures for the valuation of imports and conversion of foreign currency into dollars for the purpose of assessing customs duties. In addition, the legislation repeals a number of obsolete provision of the customs laws. In reporting this legislation to the House of Representatives, the committee expressed the view that its enactment would bring about greater speed of customs administration and increased certainty and commercial realism in our customs laws. This legislation passed the House of Representatives and is pending before the Senate Committee on Finance for action next session.

H. R. 6059: This legislation, the Philippine Trade Agreement Revision Act of 1955, authorizes revision of the 1946 trade agreement between the United States of America and the Republic of the Philippines. This legislation passed both Houses of Congress and became Public Law 196. Comparable legislation passed the Philippine Legislature and, after the signing of the agreement authorized by the United States and the Philippine legislation, the Chief Executives of the respective countries will proclaim the authorized modifications in the existing trade agreement. The legislation will further serve to strengthen the historic bond of friendship that has always existed between the peoples of the United States and the Philippines as well as improve the economic relationship between the two countries.

In addition to the above enumerated 3 major bills affecting our tariff and customs laws, the committee also took favorable action with respect to 11 tariff and customs bills of somewhat lesser importance. Among other things, these bills continued the suspension of duties on certain strategic and critical materials, extended the free entry period on gifts for members of the Armed Forces abroad and on household and personal effects brought into the United States under Government orders, and made appropriate adjustment in the tariff and customs status of certain other articles.

B. Tax legislation

During the 1st session of the 84th Congress the Committee on Ways and Means took favorable action with respect to 40 bills which amended the Internal Revenue Code. Many of these bills made important changes in our tax structure and one of them might be deemed to be a major bill as it was reported by the committee and passed by the House of Representatives. That bill was H. R. 4259.

H. R. 4259, the Revenue Act of 1955, as passed the House, provided a $20 tax credit against the individual income tax for each personal exemption claimed by a taxpayer. In addition, this legislation provided a 1-year extension of the existing corporate normal-tax rate and of certain existing excise tax rates. In providing this $20 tax credit the committee expressed the view that this tax relief was necessary to support an expanding economy and to restore balance to our tax structure. While the House-passed version of H. R. 4259 granted across-the-board individual tax relief amounting to over $2 billion in a full year of operation to an estimated 71 million taxpayers, the net revenue effect of this legislation as passed the House was to increase receipts toward a balanced budget. This was to be accomplished through a more equitable distribution of the total tax burden among all taxpayers. The Senate deleted the $20 tax credit from the bill and as H. R. 4259 was enacted into law (Public Law 18) it merely provided for a 1-year extension of the existing corporate normal-tax rate and of certain existing excise tax rates.

Other tax legislation of somewhat major importance was H. R. 7201, which would provide a revised formula for the taxation of life insurance companies. This legislation passed the House and is presently pending before the Senate Committee on Finance for action next session.

The Committee on Ways and Means also prepared legislation, H. R. 4725, closing two loopholes in the Internal Revenue Code of 1954 which, it is estimated, would have cost the Treasury in excess of $1 billion. In taking this action to repeal sections 452 and 462 of the 1954 code (relating to prepaid income and reserves for estimated expenses) the committee directed a staff study to be made with a view to preparing legislation embodying the principles of these sections but providing adequate safeguards to prevent the existence of any loopholes.

The remaining 37 tax bills which were approved by your committee were designed to eliminate existing inequities in our Federal tax structure and to grant appropriate tax relief in certain hardship areas.

C. Social-security legislation

The Committee on Ways and Means prepared and presented to the House for favorable consideration major amendments to the social-security law. This legislation, H. R. 7225, the Social Security Amendments of 1955, provided (1) monthly benefits for disabled insured individuals who have attained age 50; (2) a reduction in the benefit eligibility age for women to 62 years; (3) continued monthly benefits for disabled children after they attain age 18; (4) expanded old-age and survivors insurance coverage; and (5) an adjustment in the contribution schedule. It is estimated that in the first year of operation these amendments will make old-age and survivors insurance benefits in the amount of $600 million payable to approximately 1 million persons. In the long run, it is estimated that 2.8 million people will be added to the benefit rolls who will receive approximately $2.2 billion in annual benefits. By making benefits available to eligible disabled workers, by providing for a reduced retirement age for women, and by continuing monthly benefits to children who become totally and permanently disabled before age 18, these important amendments to the old-age and survivors insurance title of the social-security law will remove serious benefit gaps existing under present law. The expanded coverage provided under H. R. 7225 will make available to an estimated 250,000 individuals and their families the protection of the old-age and survivors insurance system for the first time. H. R. 7225 provided for an adjustment in the contribution schedule that is designed to place the system in a stronger actuarial condition than exists under present law. H. R. 7225 passed the House of Representatives and is pending before the Senate Committee on Finance for consideration next year.

In addition, the committee also approved H. R. 5936, which continued old-age and survivors insurance wage credits for military personnel. This legislation passed both Houses of Congress and became Public Law 325.

D. Miscellaneous legislation

The committee approved 6 bills that might be grouped under this miscellaneous category. One of these bills, H. R. 4904, extended for 2 years, with amendments, the Renegotiation Act of 1951. This action was taken in view of the fact that expenditures for national defense are expected to exceed more than one-half of the total budgetary expenditures for the period that the renegotiation authority is extended by the bill. This legislation was approved by the Congress and became Public Law 216.

At the request of the administration, the Committee on Ways and Means took favorable action on H. R. 6992, a bill to extend for 1 year the existing $6 billion temporary increase in the public debt limit. This legislation was approved by the Congress and became Public Law 124.

The committee also favorably reported 2 bills designed to strengthen the enforcement of our narcotic laws, viz.: H. R. 2369 (Public Law 1) and H. R. 7018 (Public Law 362). Two other bills relating to certain Treasury administrative expenses (S. 1727, Public Law 57) and to the collection of State sales and use taxes on cigarettes (H. R. 6886, Public Law 335) were favorably reported by the Committee on Ways and Means.

III. SUBCOMMITTEES

During the closing days of the first session of the 84th Congress, 3 subcommittees were established. These subcommittees and their respective memberships are as follows:

The Subcommittee on Taxation of Life Insurance Companies: Hon. WILBUR D. MILLS, Democrat, Arkansas, chairman; Hon. NOBLE J. GREGORY, Democrat, Kentucky; and Hon. THOMAS B. CURTIS, Republican, Missouri.

The Subcommittee on Excise Tax Technical and Administrative Problems: Hon. AIME J. FORAND, Democrat, Rhode Island, chairman; Hon. EUGENE J. KEOGH, Democrat, New York; Hon. BURR P. HARRISON, Democrat, Virginia; Hon. A. S. HERLONG, JR., Democrat, Florida; Hon. THOMAS A. JENKINS, Republican, Ohio; Hon. RICHARD M. SIMPSON, Republican, Pennsylvania; and Hon. NOAH M. MASON, Republican, Illinois.

The Subcommittee on Narcotics: Hon. HALE BOGGS, Democrat, Louisiana, chairman; Hon. FRANK M. KARSTEN, Democrat, Missouri; Hon. EUGENE J. MCCARTHY, Democrat, Minnesota; Hon. FRANK IKARD, Democrat, Texas; Hon. JOHN W. BYRNES, Republican, Wisconsin; Hon. ANTONI N. SADLAK, Republican, Connecticut; and Hon. HOWARD H. BAKER, Republican, Tennessee.

Plans and procedures are presently being formulated with a view to arranging the activities of the above-mentioned subcommittees.

Military Life Is Not Proving Ground for Political Leadership

EXTENSION OF REMARKS
OF
HON. JAMES M. QUIGLEY
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1955

Mr. QUIGLEY. Mr. Speaker, in January 1948, one of our greatest generals wrote a letter to a New Hampshire newspaper publisher, in which the general said, in part:

It is my conviction that the necessary and wise subordination of the military to civil power will be best sustained, and our people will have greater confidence that it is so sustained, when lifelong professional soldiers, in the absence of some obvious and overriding reasons, abstain from seeking high political office. This truth has a possible inverse application. I would regard it as unalloyed tragedy for our country if ever should come the day when military commanders might be selected with an eye to their future potentialities in the political field rather than exclusively upon judgment as to their military abilities.

Politics is a profession; a serious, complicated and, in its true sense, a noble one.

In the American scene I see no dearth of men fitted by training, talent, and integrity for national leadership. On the other hand, nothing in the international or domestic situation especially qualifies for the most important office in the world a man whose adult years have been spent in the country's military forces. At least this is true in my case.

Mr. Speaker, the great soldier who penned those words was the then Chief of Staff of the Army, General of the Army Dwight D. Eisenhower.

Outstanding Record of the House Post Office and Civil Service Committee

EXTENSION OF REMARKS
OF
HON. TOM MURRAY
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1955

Mr. MURRAY of Tennessee. Mr. Speaker, the 1st session of the 84th Congress established an outstanding record with respect to postal and civil-service legislation. This is a record in which each Member of the House of Representatives may take just pride.

I feel that the members of our Post Office and Civil Service Committee, in particular, are deserving of the highest commendation for their contribution to this exceptional record. Both personally and as chairman of the committee I want to extend to each member my deep appreciation and sincere respect for a job well done. They have been most loyal and conscientious in their attendance at committee meetings. Their conduct at all times has been characterized by unselfish devotion to duty regardless of personal sacrifices. In my judgment, there is no other group so well informed on the many—and often controversial—problems of the postal service and the Federal civil service. It is a fair statement that much that was accomplished on these problems should be credited to their spirit of helpful cooperation and the information and evidence relating to legislation before the committee which has been developed through their individual and collective efforts.

POSTAL PAY AND POSITION CLASSIFICATION

An outstanding instance of the value of such concerted committee action is the enactment of the Postal Field Service Compensation Act of 1955—Public Law 68, 84th Congress. This was truly a committee bill, representing the product of the combined efforts of the entire membership of the committee. The act provides for an average of 8.1-percent increase in the salary of postal employees and corrects serious inequities in their salary schedules. At the same time, it establishes a new salary structure which reflects a more realistic relationship between the various positions in the postal service—particularly with reference to their duties and responsibilities—and the salaries of such positions. The basic provisions were contained in a bill reported by the House Post Office and Civil Service Committee.

Postal salaries and the classification of 500,000 postal positions are a tremendously complex and difficult subject. Full and complete hearings on the matter were held by our committee over a period of several weeks. The Postmaster General and his staff presented the proposal of the administration and advised the committee on technical and operating problems. The views and recommendations of all major employee organizations were received and given extensive consideration. A number of executive sessions were held in order to work out a solution of differences.

On the basis of the information developed in this very comprehensive deliberation our committee reached agreement on the principles and specific provisions of legislation to establish a complete new system of postal pay and position classification giving appropriate recognition, salarywise, to substantial differences in the levels of the duties and responsibilities of positions in the postal service.

This new postal salary law represents a great milestone in the development of a comprehensive and modern personnel program for the postal service. Our postal establishment is essentially a service organization, with more than half a million employees, and over 70 percent of its expenditures are for personal services. It is impossible, therefore, to overemphasize the importance of a sound and effective personnel program, from the standpoint of both management and employee benefits.

The new law, in addition to salary increases averaging 8.1 percent with a minimum of 6 percent for all employees, contains many other employee benefits as well as provisions which will contribute materially to efficiency and economy in postal operations.

Any postal employee will have the right to appeal to the Civil Service Commission in order to determine if his position has been placed in the proper salary level. The Post Office Department must comply with the decision of the Commission.

Each postal employee is protected against any loss of salary, and everyone will receive at least the minimum of 6 percent salary increase.

Progress of clerks and carriers—who constitute the major working force—through the automatic step-increases will be accelerated under the new law. Each step-increase will be larger than before and the employee will reach the top of his salary level in 7 years, instead of 9 years as had been the case.

Substitute employees, who previously were ineligible for longevity step-increases, will be entitled to the same automatic step-increases as regular employees.

Postmasters and supervisors, who heretofore had single salary rates, also will receive automatic step-increases as

do other employees, thus for the first time being given a real incentive for superior performance in the form of salary recognition.

Any employee who is promoted will receive a salary increase which, at the minimum, equals the difference between the first step rates of his old and new salary levels.

There will be far greater opportunity for promotion. The new salary schedule, which establishes 20 separate salary levels, permits placement of many employees in positions at levels above those they previously occupied. A large number of positions in the postal service warrant higher salaries than could be paid under the old law, and such higher salaries may be paid under this new law. The inclusion of positions in the regional and district offices in the same salary schedule also will open up greater promotional opportunities for qualified personnel.

Appointments at higher than the initial step rate for any position in the postal field service will be permitted only in the cases of, first, persons who have been civilian employees in other branches of the Government; and, second, positions in the district or regional offices or which are professional or scientific in nature.

Postal employees will be changed from the semimonthly to the biweekly system of salary payments, providing 26 payments per year and thereby granting an extra day's pay each year. This will permit standardization of the payday on the same day of each alternate week throughout the year.

The present system of payments for Sunday and holiday work is continued, at the request of the clerk and carrier employee organizations.

One classified substitute will be permitted for every 5 regular employees—a continuation of the principle established under the old law which provided a 1-for-6 ratio.

The authorized travel allowance for postal transportation employees assigned to road duty is increased from $6 to $9 per day. This authorization is in conformity with the recent increase in authorized travel allowances for other Federal personnel.

The Postmaster General must submit a comprehensive report on operations under this legislation by January 15, 1956. Such report must include information, in summary and in detail, with respect to activities under the act and such other data as will enable the Committees on Post Office and Civil Service more effectively to perform their legislative review function under section 136 of the Legislative Reorganization Act of 1946.

The urgent need for this legislation has long been recognized. The attention of Congress has been directed to this need through its committees as well as the reports of special commissions. The postal salary system—or rather lack of system—in effect before enactment of this legislation completely ignored the principle of equal pay for substantially equal work. It made no provision for recognizing variations in the difficulty, responsibility, and qualification requirements of any postal position. Employees were paid solely on the basis of job titles and pay rates established by law for such titles.

To eliminate waste and achieve a greater measure of efficiency and economy in the postal establishment, it is essential that adequate recognition be accorded the responsibility of supervisory personnel. It is only with such recognition that the number of employees needed to perform the many tasks of the postal service may be reduced and kept at a minimum. The outmoded salary procedure previously in effect was a millstone around the neck of management, a major obstruction to all efforts toward improving postal service as well as the lot of postal employees.

FEDERAL EMPLOYEES SALARY INCREASE ACT OF 1955

Immediately after reporting the Postal Field Service Compensation Act of 1955, our committee took up the matter of increases for other classified Federal employees. Complete hearings also were held on legislation to adjust the salaries of these employees, at which representatives of the Civil Service Commission presented the views of the administration and representatives of employee organizations submitted their recommendations. On the basis of these hearings and information developed by the committee on its own initiative, the committee reported legislation to provide a 7½-percent salary increase for over one million classified Federal employees—see Public Law 94, 84th Congress.

One of the major factors in recommending this salary increase was the increase in cost-of-living. The last salary increase was granted effective July 1, 1951, when the cost-of-living index of the Bureau of Labor Statistics was 110.9. In January 1955, the index stood at 114.3, an increase of 3.4 points or 3.07 percent. Our committee reported a bill granting a 7.5 percent increase to every employee covered.

As in the case of the postal salary increase legislation, this increase for Federal classified employees likewise was truly a committee bill. The increase is substantially greater than the increased cost of living since the last pay raise, but in the view of the committee it is appropriate in order to provide these employees with increased real wages which will permit them to enjoy a general rise in their standard of living along with the millions of workers outside of Government.

BONDING OF FEDERAL EMPLOYEES

Long-sought legislation to authorize the Government to procure bonds for Federal employees—Public Law 323, 83d Congress—was reported by our committee. This legislation permits the procurement by the Government of blanket, position schedule, or other types of bonds—suitable for the numbers and types of employees involved—for Federal employees who are required by law or regulation to be bonded. These employees have had to pay for their own bonds, and will be relieved of this expense. The new procedure also will result in savings in administrative costs to the Government which will more than equalize the cost of procuring the bonds. This policy is in conformity with the best practice in private business and industry.

CAREER APPOINTMENTS FOR CERTAIN FEDERAL EMPLOYEES

The committee also approved legislation—Public Law 380, 84th Congress—to authorize the granting of career-type appointments for thousands of indefinite and temporary employees who are not eligible for such appointments under Executive Order 10577. Early in the year I wrote the Civil Service Commission, pointing out the necessity of providing for career-type appointments for these employees, but the Commission declined to adopt my recommendation. An employee not covered by the Executive order may obtain such an appointment if he occupied a position in the competitive civil service on January 23, 1955, served in the position from that date to the effective date of the legislation, has passed a qualifying competitive examination or within 1 year passes a noncompetitive qualifying examination, and has completed 3 years of satisfactory service in the competitive civil service.

INCREASES IN CIVIL SERVICE RETIREMENT ANNUITIES

The committee also worked out and reported legislation to increase annuities of retired Federal employees by 12 percent on the first $1,500 and 8 percent on all in excess of $1,500, except that no regular annuity will be increased to an amount in excess of $4,104—Public Law 369, 84th Congress. This will relieve a great deal of the hardship which many of our retired Federal employees have suffered because of the rise in cost-of-living.

GROUP LIFE INSURANCE

The Federal Employees Group Life Insurance Act of 1954 resulted in an inequity with respect to the interests which many employees and former employees hold in nonprofit beneficial associations that had been organized by groups of employees over the years. About 135,000 Federal employees were faced with loss of life insurance protection which they held as members of such beneficial associations. The committee action will make possible the continuance of such protection for these employees. Arrangements for the necessary amendment to the law was worked out with the Civil Service Commission—Public Law 356, 84th Congress.

TEMPORARY EMPLOYMENT IN THE POSTAL SERVICE OF CERTAIN EMPLOYEES

Public Law 286, 84th Congress, authorizes the employment on suitable work in the postal service of certain custodial employees—many of whom have previous postal experience—notwithstanding the laws which in general prohibit dual employment of Government personnel.

ALLOWANCES FOR UNIFORMS

Legislation to remove an inequity in the Federal Employees Uniform Allowance Act was approved by the committee—Public Law 37, 84th Congress. This legislation will permit that act to apply to employees who in the future may be required to wear uniforms, and also will

require annual reports to Congress on the administration of that act.

SUBSISTENCE AND QUARTERS FOR CERTAIN CORPS OF ENGINEERS EMPLOYEES

The committee reported legislation—Public Law 35, 84th Congress—to provide for the furnishing of subsistence and quarters to approximately 2,500 employees of the Corps of Engineers whose rates of pay are established under the prevailing wage system. Although their pay rates are comparable to those for similar jobs in private industry, they have not been furnished quarters and subsistence as is generally the case in private industry. This legislation will place them on a par with employees in private industry in such respect.

PROHIBITION AGAINST GOVERNMENT EMPLOYMENT OF DISLOYAL PERSONS

The 84th Congress wrote into a single permanent law—Public Law 330, 84th Congress—the many provisions which have been carried in appropriation acts and other laws to deny Federal employment to disloyal persons and those who strike, or assert the right to strike, against the Government. Such employment will be a penal offense.

EQUALIZATION OF CERTAIN POSTAL SALARIES

In separate legislation—Public Law 90, 84th Congress—the committee removed an inequity in the postal salary laws whereunder a number of dispatchers in the motor vehicle service and other supervisors were limited to salaries lower than similar workers with lesser periods of service. Some of these employees might have been required, without this legislation, to repay certain salary payments they had received.

MAILING OF KEYS AND IDENTIFICATION DEVICES

Existing law authorizing the return by mail of hotel and steamship keys was clarified and brought up-to-date by the committee—Public Law 238, 84th Congress. This will authorize transmission through the mails of keys, identification devices, and other small articles designated by the Postmaster General, at a postage rate of 5 cents for each 2 ounces or fraction thereof. The bill was strongly recommended by the Disabled American Veterans and other organizations which had developed convenient means for the identifying and returning of such articles.

MAILING OF PUBLICATIONS OF CHURCHES AND CHURCH ORGANIZATIONS

Under a simplified procedure approved by the committee—Public Law 170, 84th Congress—churches and church organizations no longer will be required to maintain subscription lists separate from their memberships in order to obtain second-class postage rates for mailing their publications. Publications of institutions of learning, trade unions, lodges, beneficial societies, and similar organizations have had this privilege for some time.

OTHER COMMITTEE LEGISLATION WHICH BECAME LAW

Other legislation reported by the committee includes Public Law 65, 84th Congress, barring claims for unpaid money orders unless presented within 20 years, and Public Law 108, 84th Congress, authorizing transmission in the mails, under appropriate regulations, of live scorpions for purposes of medical research or the manufacture of antivenin.

BILLS PASSED BY THE HOUSE BUT NOT BY THE OTHER BODY

Several bills of special note reported by the committee were passed by the House but not acted on by the other body.

FREE MAIL FOR TROOPS IN KOREA

One of my greatest disappointments of the first session of the 84th Congress is the failure to obtain final action on legislation to continue the free mailing privilege for troops in Korea which expired June 30 of this year.

Free mail for these troops first was authorized in 1950, to expire in 1953. The expiration date later was extended to June 1955, unless terminated earlier by the President. When this final termination date approached without any word from the Department of Defense, I requested the views of that Department and the Post Office Department on an extension under the same conditions. Upon their failure to submit a timely recommendation, an arrangement was worked out with them to allow the troops to send mail free until such time as Congress could have an opportunity to act, and I introduced legislation—H. R. 7125—to fix a new expiration date of June 30, 1956, unless terminated earlier by the President.

This legislation, H. R. 7125, was unanimously approved by the House Post Office and Civil Service Committee and the House of Representatives, but has not yet passed the other body. I earnestly hope that prompt action will be taken in the next session on this urgently needed measure, which will provide our troops in Korea some small measure of convenience and necessity by granting them the right to send mail free to their families and loved ones at home.

The discontinuance of free mail for troops in Korea in my judgment has resulted in a severe blow to the morale and well being of these troops as well as their families and friends on the home front.

SAVING OF SALARIES OF EMPLOYEES WHOSE POSITIONS ARE DOWNGRADED

H. R. 3255 would prevent loss of salary for classified Federal employees whose positions are reclassified to lower salary grades. This measure applies the recognized principle of a savings provision for salaries of employees who have satisfactorily performed their duties for 2 or more years when their positions are downgraded. It applies to any downgrading on or after July 1, 1954, and will benefit an estimated 5,000 Federal employees who have suffered losses of salary through downgradings through no fault of their own. It will also be prospective in effect. The mere threat of this legislation forced the Civil Service Commission to revise its regulations so as to provide partial relief for these employees. The regulations, however, are deemed inadequate and the committee bill is designed to provide the necessary protection for these employees.

EXECUTIVE PAY

A bill entitled "The Federal Executive Pay Act of 1955"—H. R. 7619—providing needed adjustments in the salaries of top officials in the executive branch of the Government and certain others, was approved by the House Post Office and Civil Service Committee and passed by the House of Representatives, but was not acted on by the other body. The salary rates and the relationships between the various positions in this bill were very carefully worked out on the basis of administrative advice and recommendations and an extensive study in which our ranking minority member cooperated with me. The legislation was requested by the President, who outlined the general principles which he believed should be followed in the adjustment of executive salaries. Only Cabinet officers—$25,000 per annum—would receive salaries higher than those paid Members of Congress, while but 10 other officials would receive as much as a Member of Congress.

"PRAY FOR PEACE" STAMP

The committee and the House of Representatives unanimously approved H. R. 692, to authorize the use of first- and second-class post offices of a special canceling stamp or postmarking die bearing the words "Pray for peace," but the other body did not act on this bill.

Additional bills passed by the House and pending before the other body follow:

ACCOUNTING FOR PENALTY MAIL

H. R. 5856 will eliminate unnecessary paperwork by Government departments and agencies in their accounting for penalty mail materials. Approval of this legislation will result in savings of a large part of the present $3.8 million cost of such accounting. Needed fiscal information is available through other, less expensive means.

RENEWAL OF DEEPWATER MAIL CONTRACTS

H. R. 4569 will authorize renewal of contracts for carrying the mail on deepwater routes without advertising for bids, when it is in the interest of the postal service to do so. Such authority presently applies to contracts for inland-water routes, star routes, screen-vehicle routes, and mail messenger service.

LEGISLATION NOT APPROVED BY THE PRESIDENT—RETIREMENT CREDIT FOR CERTAIN STATE SERVICE

S. 1041, providing for allowance of civil service retirement credit for certain service on Federal-State projects financed by Federal funds rendered by persons who are retired on or after June 30, 1954, who make application for such credit, and who make appropriate contribution to the retirement fund, was disapproved by the President's memorandum of disapproval dated August 12, 1955.

EMPLOYEE BENEFIT LEGISLATION REPORTED BY OTHER HOUSE COMMITTEES

In this discussion of legislation for the benefit of Federal employees I want to mention in passing two important measures which were approved by committees other than the House Post Office and Civil Service Committee.

For some time past there has been general recognition of the need for revision of the dual-compensation statute which generally prohibits the receipt by retired commissioned officers of salary

for a civilian position if such salary, together with retired pay, exceeds $3,000. Public Law 239, 84th Congress, reported by the Committee on Veterans' Affairs, increases this limitation to $10,000, thus permitting the utilization in civilian positions of the special qualifications of many of these retired commissioned officers.

The House Committee on Government Operations approved legislation—Public Law 189, 84th Congress—further amending the Travel Expense Act of 1950, increasing from $9 to $12 a day the maximum authorized allowances for Federal employees traveling on official business. This conforms to the provision in the postal pay legislation which increases by $3 the maximum authorized allowance for postal transportation employees assigned to road duty. These increases were necessary to compensate employees in travel status for increased costs of living.

COMMITTEE STUDIES AND INVESTIGATIONS

House Resolution 304, 84th Congress, approved July 13, 1955, authorizes the House Post Office and Civil Service Committee to conduct studies and investigations of certain specific matters relating to the postal establishment, the Civil Service Commission, and personnel programs, and civilian manpower utilization in the Government.

Pursuant to the resolutions, three standing subcommittees were appointed.

The Subcommittee on Post Office and Postal Operations is composed of JOHN DOWDY, Texas, chairman; EDWARD J. ROBESON, JR., Virginia; DANTE B. FASCELL, Florida; JOE M. KILGORE, Texas; KATHARINE ST. GEORGE, New York; CHARLES S. GUBSER, California; ELFORD A. CEDERBERG, Michigan. Ex officio: TOM MURRAY, Tennessee; EDWARD H. REES, Kansas. This subcommittee has broad jurisdiction to conduct studies and investigations of postal operations.

The Manpower Utilization and Departmental Personnel Management Subcommittee is composed of JAMES C. DAVIS, Georgia, chairman; JOHN LESINSKI, JR., Michigan; HUGH Q. ALEXANDER, North Carolina; GRACIE PFOST, Idaho; CHET HOLIFIELD, California; ROBERT J. CORBETT, Pennsylvania; H. R. GROSS, Iowa; JOHN E. HENDERSON, Ohio; AUGUST E. JOHANSEN, Michigan. Ex officio: TOM MURRAY, Tennessee; EDWARD H. REES, Kansas. This subcommittee is responsible for study and investigation of a number of specific matters relating to the more effective utilization of civilian manpower in the Federal Government.

The Subcommittee on the Civil Service and Personnel Programs is composed of JAMES H. MORRISON, Louisiana, chairman; GEORGE M. RHODES, Pennsylvania; JOHN E. MOSS, California; T. JAMES TUMULTY, New Jersey; CECIL M. HARDEN, Indiana; ALBERT W. CRETELLA, Connecticut; JOEL T. BROYHILL, Virginia. Ex officio: TOM MURRAY, Tennessee; EDWARD H. REES, Kansas. This subcommittee is responsible for study and investigation of the operations of the Civil Service Commission and of Federal civilian personnel programs.

These studies and investigations in part are extensions of similar ones completed in the last Congress, but largely will relate to matters which were not considered in such earlier studies and which, according to information and evidence developed by the committee in the present Congress, warrant the committee's attention.

The objectives of these studies and investigations are the achievement of greater efficiency and economy in postal operations and in the utilization of manpower by the Government, and the strengthening of civil service and personnel practices in order to increase their value as management tools and factors in better employee relations.

The legislative record of our committee speaks for itself. I regard it as a great privilege to serve as chairman of this fine committee and deeply appreciate the cooperation which each member of the committee has given.

Closure of Gavins Point Dam

EXTENSION OF REMARKS
OF
HON. FRANCIS CASE
OF SOUTH DAKOTA
IN THE SENATE OF THE UNITED STATES

Tuesday, August 2, 1955

Mr. CASE of South Dakota. Mr. President, on July 31, 1955, the States of South Dakota and Nebraska celebrated the closure of Gavins Point Dam on the Missouri River by appropriate ceremonies.

The Honorable Wilber M. Brucker, Secretary of the Army, as one of his first official acts, participated in the ceremonies.

His remarks on this occasion clearly show that he appreciates and realizes the full impact of the many benefits that will come to the area and the Nation by the Missouri River development program. It was a most excellent address and I ask unanimous consent to have the speech in its entirety inserted in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

REMARKS BY THE HONORABLE WILBER M. BRUCKER, SECRETARY OF THE ARMY, AT CLOSURE OF GAVINS POINT DAM, YANKTON, S. DAK., JULY 31, 1955

The closure of the Gavins Point Dam on the Missouri River has impressive national significance. Today the page is being turned to the beginning of another inspiring chapter in the history of the Missouri Basin—a region embracing all or part of 10 great States and comprising one-sixth of the land area of the United States. This new chapter will tell the story of tremendous advances in the agricultural, industrial, and commercial development of this entire region. It will record a steadily rising level of economic security and well-being for millions of Americans.

As Secretary of the Army, as one of my first official duties, I am particularly proud to be present, because of the leading role the Army—our Corps of Engineers—has played in carrying out the great Missouri Basin development program, bringing to fruition the hopes and great expectations of generations of the people of this area.

I do not come here today as a neophyte in the field of water-resource development. No son of Michigan, surrounded by the Great Lakes, and which to a large extent owes its founding and growth to water, could fail to appreciate the vital part that water plays in the life of our Nation. Moreover, as Governor of that State, and in other official and unofficial capacities, I have grappled with the myriad problems connected with harbors and inland navigation, lake levels, beach erosion, water diversion, drought relief, and other matters related to water, or the lack of it. I come with full understanding of your problems, of the difficulties you have experienced, and of the great good which you and your children's children will derive from the Missouri Basin program.

Gavins Point Dam is of extraordinary importance as a key installation of the entire program, the key to many of the major benefits flowing from that program. It is a symbol of all that has been accomplished in the last 20 years in harnessing "Old Muddy" and its tributaries from the furthest rivulet in northwestern Montana to the mighty volume of water discharged into the Mississippi at St. Louis.

When we recall that within a little over a century there have been 16 disastrous floods below this point, with a toll of tragedy reckoned in many lives, and property damage adding up to hundreds of millions of dollars—and at least a hundred lesser but still costly inundations—we are able to appreciate the true value of a control system which, although incomplete, already has largely robbed the great river of its power to destroy.

When we recall further the suffering and despair and huge economic loss caused by searing drought in this plains region during the last several decades, the significance of the fact that this vast system now makes the once waste waters of the Missouri readily available to irrigate the dry and thirsty land becomes strikingly apparent.

Nor are these the only great benefits conferred upon this area by the Missouri Basin development program. A third is hydroelectric power—power to lighten the farmer's labor and to extend his capabilities; power to vitalize new and highly productive industries and create new wealth; power which will add immeasurably to the prosperity of the entire basin.

A fourth benefit is the advantage to your commerce which will accrue from the stabilization of the Missouri throughout a distance of 760 miles from the authorized head of navigation—which, in time, may be extended upriver as economic factors warrant—to its juncture with the Mississippi. Before long the products of the Missouri Valley will be able to move in ever-mounting volume to the markets of the midcontinent along this waterway. Your industries will have freer access to the great trunk system of waterways reaching south to the oil and cotton fields of the gulf and along the coast of Florida and Mexico; up the Ohio to the present industrial heart of the Nation; north to the Twin Cities, and eventually to the Great Lakes and, by the St. Lawrence, to all the oceans of the world. It is a magnificent prospect.

I would hesitate to conclude even this abbreviated catalog of the benefits of the Missouri Basin development program without at least mentioning the recreational advantages provided by the creation of a chain of lakes along 1,200 river-miles through the rolling prairies. The satisfactions looked forward to by the residents of Yankton and its environs from the use of Lewis and Clark Lake, which will shortly fill behind this Gavins Point Dam, will be matched, and multiplied, a hundredfold, along the course of the Missouri northward to Fort Peck.

So far I have sketched the benefits of the development program largely in terms of advantage to the Missouri Basin itself. If I

went no further, I would be guilty of drawing a very incomplete picture, because the benefits of this development accruing to the Nation at large are of incalculable value.

This big country of ours has become such a closely knit industrial, agricultural, and social entity that disaster in one area is keenly felt throughout the land. The tragic consequences of recurrent flood and drought here in the Missouri Valley have had adverse effects on the welfare of the entire United States.

Conversely, the increased productivity and prosperity of any section of the country is reflected from coast to coast and from border to border. When, for example, a waterway cuts the cost of marketing Nebraska grain, or brings fertilizer more cheaply to the fields of South Dakota, it helps to cut the cost of the food on every American table. When the stabilization of this great river, and the harnessing of its power attracts new industries to its banks, the entire Nation is the richer. The people who live in one section of our land are today full partners, both in adversity and in prosperity, with those who live in every other section.

Taking the long-range viewpoint, our national security—our continued existence as a free nation—depends upon a dynamic and expanding economy. Not only must we meet continuing defense requirements of a magnitude unprecedented in our peacetime experience—including heavy commitments to our friends and allies abroad—but we must also be prepared to bear the enormous burden of a full-scale war if it should be thrust upon us. All of this is superimposed on the necessity of supporting a constantly increasing population. Today there are more than 165 million people living in the United States; in 20 years, it is predicted, there will be 220 million, and we certainly want to make sure that these 220 million have no less high a standard of living than we enjoy today.

The backbone of our economy is our natural resources, which we have been exploiting with a prodigal hand for nearly two centuries. None of these is more important than water. Disregarding the huge amounts of water needed by individuals in their daily living—which is proving a serious and growing problem in our metropolitan areas as well—we need, as our economy expands, more and more water for industrial power, more and more water to turn dry but fertile land into productive farms, water to float our inland commerce, tremendous supplies of water to satisfy the seemingly insatiable appetite of modern technological processes.

Of course rain and snow, which are the sources of our water supply, continue to fall on our land, but our needs have grown so great and so specialized that we can no longer afford to take water for granted. We can no longer treat it as an inexhaustible resource and allow it to run a wayward and wasteful course to the sea. Where water is concerned, America is learning to face realities. Our necessities demand that it be controlled, that its power be turned from destruction to production, and that it be distributed, not in accordance with the whims of nature, but the requirements of man. If we fail to accomplish these ends, we invite the gravest difficulties, and perhaps disaster.

President Eisenhower pointed up the seriousness of the situation when he declared that: "If we are to continue to advance agriculturally and industrially, we must make the best use of every drop of water which falls on our soil or which can be extracted from the ocean."

In that statement he spelled out the basic philosophy behind his vigorous support of water resource development programs, such as this Missouri Basin program, which are being pushed forward as fast as the Nation's budgetary situation and economic health permit.

Although both as a public official and a private citizen I have long been aware of the increasing need for water conservation, and have had no little personal experience with the problems involved, it was a revelation to me to discover, as I delved into the matter from the viewpoint of the Army, the true magnitude of the Nation's requirements. For instance, our Corps of Engineers has at the present time a backlog of over $8½ billion worth of congressionally authorized construction, which is considerably more than all the construction the corps has done in the entire 134 years it has been engaged in civil-works programs. This huge backlog, General Sturgis tells me, has accumulated largely in the last 25 years, and is constantly growing greater. I might add that all these projects have been carefully screened. They are completely feasible from an engineering standpoint, and economically justified.

President Eisenhower has emphatically demonstrated his complete and continuing approval of this inland waterway program. This administration has initiated several worthwhile projects, and is devoting itself enthusiastically to completing them.

Among the many big projects in the engineer backlog on which work is now underway, and which the administration is pushing with redoubled vigor, are the complex central and southern Florida flood control and drainage project; the great Folsom, the Dalles, and Chief Joseph Dams in California, Oregon, and Washington; the 20-year project for the modernization of the Ohio River, and the Calumet-Sag Channel, which will link the Mississippi River system with the Great Lakes. The backlog also includes construction which will cost over $1 billion to complete the Army's part of this Missouri Basin program, including such big items as the Oahe and Big Bend Dams. We are going ahead with these as rapidly as possible. Many important projects, however, are still under study. These include deepening the Delaware River Channel, most of the units of the big flood control project on the Kansas River and its tributaries, and the Old River closure, which will eliminate the great and ever-present danger that the Mississippi will seek a new channel down the Atchafalaya River and isolate such cities as Baton Rouge and New Orleans on a bayou. I am happy to say that work on the Old River project will be started this year.

To me the existence of so large a backlog is sobering evidence of how rapidly our necessity is outstripping our development. It underscores the urgency that attaches to our water resources development programs. It also suggests that the efforts of the Federal Government alone, as limited by budgetary considerations, will not be sufficient to keep us ahead in this race. It must seek, as it is seeking, earnestly and persistently, to find ways in which local, State, and other non-Federal agencies and institutions country-wide can participate to a greater extent in the big job of resources development.

The success of the Missouri Basin development program as so far carried out is a dramatic illustration of how much can be accomplished through a close partnership among the Federal Government, the States, local communities, quasi-public agencies, and private citizens. It is an outstanding example of sound planning and proper coordination at all levels.

The Federal agencies—the Corps of Engineers, the Bureau of Reclamation, the Department of Agriculture, and others—have worked closely with the States of the Missouri Basin through the Missouri Basin Interagency Committee. Great credit for this approach, and the results achieved, is due to the farsighted State governors who over the years have provided inspired leadership and developed effective support throughout the basin. Much credit is also owed to the vision and judgment of the Members of the Congress.

The contributions of you South Dakotans and Nebraskans have been particularly noteworthy. The intense interest shown in basin development by your State executives dates considerably further back than the Pick-Sloan plan on which the program is based. Governors Joe Foss and Vic Anderson and their distinguished predecessors have all been untiring in their efforts to bring this splendid concept into physical being. It would be impossible for me to pay individual tribute to the thousands of dedicated men and women in all walks of life who have devoted so much of their time, their energy, and their enthusiasm to achieving this success, but I feel I would be remiss if I failed to mention especially former Governor Sharpe, of South Dakota, who has been one of the most indefatigable and effective proponents of the basin program since its conception.

All who have had a part in this undertaking, no matter how large, can well be proud of what has been accomplished. There is no doubt in my mind that you will address yourselves with equal determination and enthusiasm to the big task of putting to practical, constructive use the full potential created by the Missouri Basin system. In the years to come, generations of Americans will have cause to bless you all for your efforts.

Résumé of the Activities of the Committee on Merchant Marine and Fisheries, 84th Congress, 1st Session

EXTENSION OF REMARKS

OF

HON. HERBERT C. BONNER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1955

Mr. BONNER. Mr. Speaker, under leave granted the chairman of all standing committees and subcommittees of the House, relative to the activities of their respective committees, I desire to include the résumé of the activities of the Committee on Merchant Marine and Fisheries, 84th Congress, 1st session.

At the outset of its work in the 84th Congress, the committee found itself with a fairly large number of new members who were unfamiliar with the scope and detail of its operations. Accordingly, arrangements were made with the various agencies under the committee's jurisdiction to present information concerning their activities. A series of open hearings were held for this purpose and the information thus received proved extremely useful in connection with bills and other matters considered later affecting the several agencies.

OPERATION OF TANKER TRADE-IN LEGISLATION

The preceding Congresses enacted legislation providing for the trade-in of 10-year-old tankers for credit toward construction of new vessels. At the hearings on the bill, the executive agencies charged with the responsibility of encouraging a merchant fleet for peace and war emphasized the need for tankers with a sustained speed of 18 knots. While this was not mentioned in the bill, the committee's report accompanying it referred to the necessity of such speed. Subsequently, it came to the attention

of the committee that credits were being allowed for the construction of tankers of less than 18 knots speed. Early in the session hearings were held by the committee to obtain the facts. As a result, the Maritime Administrator stated that he would encourage the construction of the 18-knot type and that vessels of a lesser speed would not be approved without prior consultation with the committee.

The first transaction consummated involved the trade-in of tankers by Cities Service Oil Co. In order to assure itself that the law was being observed with respect to condition of the trade-in vessels, the committee sent surveyors to examine the vessels. It was found that the Maritime Administration had fully complied with the law in respect to the condition of the ships.

LABOR-MANAGEMENT RELATIONS IN THE MARITIME INDUSTRY

During the past session of Congress, the Merchant Marine and Fisheries Committee made notable strides in its examination of the ills that beset the American Merchant Marine. Extensive hearings were held on the relations between labor and management with a view toward assessing responsibility for the all-too-prevalent interruptions in service which have been costly not only in terms of Government money paid in subsidies, but also from the point of view of loss of cargo to foreign lines. At the hearings, representatives of Government, management, and labor were afforded opportunity to express themselves freely with respect to their problems, and it is reasonably certain that there has been an improvement in understanding among the various interests. The committee has every intention of continuing its interest in the field and considerable activity has been planned, by way of hearings and staff studies, during the recess in preparation for further work in the next session.

MERCHANT VESSEL REPLACEMENT

The problem of block obsolescence of merchant vessels has become of increasing concern to the committee. It is generally accepted that a ship has a useful life of 20 years. Virtually all of the American merchant marine consists of vessels built during World War II which are presently 10 to 13 years old. If no action is taken, they will all become obsolete within a span of 4 years beginning in 1962. In such an eventuality the shipyards would have more work than they could possibly handle at that time but in the meantime they would have practically no work, which would result in a loss of skilled manpower difficult to replace or reemploy.

To cope with this problem the committee held a series of hearings to develop ideas which would encourage construction of new vessels in the immediate future, not only to spread ship construction over a longer period but to obtain vessels of new designs better able to compete with foreign built tonnage. In connection with this problem, the future use of nuclear power in merchant vessels was explored. It had been suggested that some companies might delay replacing vessels, if atomic power on a commercially feasible basis was "just around the corner." It was found that little or no effort was being made to experiment with atomic power for merchant ships. Hence, the committee reported a bill authorizing the construction of a prototype nuclear powered merchant vessel. This bill was passed by the House.

A number of subsidized lines indicated their willingness to enter into new subsidy contracts in which they would undertake replacements of existing vessels in the immediate future but were hesitant to do so because they believed that the new contracts would jeopardize favorable recapture positions in the old. To meet this problem, the committee reported a bill, subsequently passed by the House, that would enable the operators to enter into new contracts without losing the benefit of their old ones which had a year or two to run.

Plans presently underway call for the construction or conversion by private interests of 26 passenger, passenger-cargo, and cargo ships for service on essential routes. In addition, bills authorizing the sale of the passenger vessels *Monterey* and *La Guardia* were reported by the committee and passed by the House. Necessary work to prepare these vessels for operation on the west coast-Hawaiian run will result in more than $12 million in work for American shipyards.

FIFTY-FIFTY LEGISLATION

The committee continued its vigilance to assure proper functioning of the 50-50 Act to obtain a fair share of ocean-borne commerce in which the Government has a financial interest. In the Mutual Security Act of 1955, an attempt was made to eliminate the requirement that half of such cargoes be carried in American bottoms, but the integrity of the 50–50 concept was maintained. The necessary information to confirm the effectiveness of the concept had been developed early in the year when the committee, taking heed of certain protests as to its adverse effects, held hearings and brought in as witnesses the representatives of various viewpoints. As a result of these hearings the committee concluded that the law was working satisfactorily and that claims of harm to any American interest were unfounded.

WAR RISK INSURANCE

The continued operation of ships in peace and war requires that adequate insurance be available either from private or Government sources. No prudent shipowner will hazard a vessel, representing an investment of many millions of dollars, to the perils of the sea, natural or man-made, without sufficient insurance against damage or loss. History has shown that private underwriters are unwilling to continue coverage in case of hostilities and it is necessary for Government to take their place. Standby authority to assume marine risks had been given the Maritime Administration in 1950, and this authority was extended for an additional 5 years during the current session.

MERCHANT MARINE TRAINING

Competent leadership at sea is extremely important. To assure trained men to handle our ships, the United States Merchant Marine Academy was established in 1938. As experience demonstrated the value of its graduates both in war and peace to the merchant marine, it became evident that the time had come to place the Academy on a permanent basis, to take its place with Annapolis, West Point, and the Air Academy as an important part of our national defense. So, for the second time, the committee reported, and the House passed, a bill to give the Academy permanent status.

COAST AND GEODETIC SURVEY

Accurate charts and maps of the coastal waters are a necessity, not only to the merchant marine but also to the Navy and the fisheries. The duty of preparing such maps is entrusted to the Coast and Geodetic Survey in the Department of Commerce. This unsung but most important branch of Government is presently engaged, in addition to its more or less routine duties of mapping the coastline of continental United States, in the fairly urgent job of completing charts of the coast of Alaska. The importance of its work cannot be overemphasized, because the location of loran stations and the whole effectiveness of this system of navigation is dependent upon accurate bearings. To increase the effectiveness of its work, the committee authorized the construction of two new survey vessels. These will be equipped with necessary facilities for helicopters and will permit the Survey to perform its duties with even greater efficiency. In addition, the committee considered and reported to the House, which subsequently passed, a measure designed to improve the operation of the Survey in respect to its purely internal functioning.

COAST GUARD

In the field of its Coast Guard jurisdiction, the committee reported, and the House subsequently passed, a number of bills designed to boost the morale and improve the efficiency of its operations. Discharges of enlisted men before expiration of their term of enlistment without loss of benefits, involuntary retirement of higher ranks of officers, and compensatory time off for personnel serving at isolated stations were considered and bills reported which passed the House. In the interest of the remaining civilian members of the former Lighthouse Service, bills were reported and passed making pension increases permanent and lowering the age limit for voluntary retirement to conform to limits in other Government retirement systems.

PHILIPPINE SHIPS

Since the close of World War II, a number of the smaller warbuilt coastal type vessels have been chartered to citizens of the Philippines for operation among the islands. The committee has been observing this operation for the past few years in the light of certain discriminations practiced by the Philippine Government against American shipping lines and agricultural interests. Having finally been convinced that the discriminations had been substantially removed or modified, the committee reported a bill authorizing the sale of the

vessels to the present operators; the bill became law.

WILDLIFE RESTORATION

In 1937 the Pittman-Robertson Act was passed which provided for Federal aid to the States in wildlife restoration projects. The funds for such work were derived from the proceeds of an excise tax on sporting arms and ammunition. By reason of conditions created by the war, the full amount of the tax was not appropriated from 1939 to 1946, by reason of which a fund of over $13 million accumulated which, in equity, should have been distributed. A number of bills providing for various schemes of distribution were referred to the committee and, after extensive hearings, a bill providing for use of the fund over a 5-year period was reported to the House.

In the course of its work, the committee held 71 days of hearings and has reported 26 bills and resolutions to the House, of which 18 were passed and 13 have become law. While the committee reported 5 bills and resolutions to the House, the Senate companion measures, which were not referred to the committee, were adopted on the House floor and have either become law or are pending before the President for signature, making a total of 18 laws.

Activities of the House Committee on Government Operations

EXTENSION OF REMARKS
OF

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1955

Mr. FASCELL. Mr. Speaker, the following is a report of the activities of the Committee on Government Operations for the 1st session of the 84th Congress.

The Committee on Government Operations, formerly known as the Committee on Expenditures in the Executive Departments, was set up in 1816 to consider expenditures in the executive departments then consisting of State, Treasury, War, and Navy. As time went on and departments multiplied the number of such committees on executive expenditures became 11. In the 70th Congress, by a massive merger, these 11 committees became 1—the Committee on Expenditures in the Executive Departments. The ancient jurisdiction of these committees included abolition of useless offices, the economy and accountability of officers, the examination of the accounts of the Departments, proper application of public moneys, enforcement of payment of money due the Government and economy and retrenchment generally.

A logical restatement of this jurisdiction is found in Rule XI placing on the Committee on Government Operations the mandate to study the operation of Government activities at all levels with a view to determining its economy and efficiency.

The importance of this mandate to the Committee on Government Operations is emphasized by the fact that nowhere else is any provision made for the constant, continuing and overall scrutiny of the vast appropriated moneys of the Government.

The Bureau of the Budget winnows executive requests; the Appropriations Committee sifts the Bureau's recommendations and the General Accounting Office makes limited audits covering technical compliance. Only the Committee on Government Operations is charged with the duty of determining the economy and efficiency of the expenditure of so incomprehensible a sum as $65 billion a year.

As it is the business of the Appropriations Committee to keep a hand on the intake valve and a watchful eye on the gage measuring appropriations so is it the business of the Committee on Government Operations constantly to measure the quantity and quality of the resulting output.

The distinguished chairman of the committee, the Honorable WILLIAM L. DAWSON, has inaugurated a new plan of committee organization designed to accomplish this purpose. He has created seven subcommittees having the identical subject matter jurisdiction as do corresponding subcommittees of the Appropriations Committee. The following are the subcommittees and their chairmen:

Executive and Legislative Reorganization: Hon. WILLIAM L. DAWSON, chairman.

Military Operations: Hon. CHET HOLIFIELD, chairman.

Intergovernmental Relations: Hon. L. H. FOUNTAIN, chairman.

Public Works and Resources: Hon. EARL CHUDOFF, chairman.

International Operations: Hon. PORTER HARDY, JR., Chairman.

Legal and Monetary Affairs: Hon. ROBERT H. MOLLOHAN, chairman.

Special Government Activities: Hon. JACK BROOKS, chairman.

Thus when the Labor Department, for example, goes before a subcommittee of Appropriations on an appropriation item it will subsequently account to a similar subcommittee of Government Operations in respect to the expenditure of that item. In the meantime these two subcommittees have relations of continuing comity and cooperation on matters of common interest. The seven different subcommittees cover the entire field of executive expenditure.

This single act of legislative statesmanship promises to save many millions of the taxpayers' money. In fact, it should accomplish much more than has ever been done by either of the Hoover Commissions. In the first place the Commissions' recommendations were, at best, extralegislative and were seldom enacted. In the second place their recommendations were transitory and periodic.

The recommendations of the Committee on Government Operations have the high authority of legislative approval and the potentiality of securing respectful compliance because of the close cooperation of the Appropriations Committee. Again the recommendations of our committee are based on a surveillance that is constant and permanent and the committee always has the full use of the facilities of the General Accounting Office for expert technical assistance.

A project so momentous and far reaching does not attain its full fruition overnight. It requires much planning, careful staff work, and extensive ground preparation.

An experienced staff made up of people dedicated to the public interest is being set up by the respective subcommittees. This qualified personnel is cooperating with the committees having substantive jurisdiction. The area of cooperation is unlimited and because our jurisdiction is prudential or adjective rather than substantive there are no areas of conflict.

With this work only just begun it is still possible to measure tangible results in terms of dollars saved.

Let me cite examples from our subcommittees. The failure to mention other instances does not mean that equal or greater savings are not being accomplished. In some instances disclosure would be premature and in any event the record would be too long.

The saving resulting from Congressman HOLIFIELD's Subcommittee on Military Operations may readily be projected by reading the comprehensive intermediate reports on military procurement of air navigation equipment, Federal catalog progress report, proposed disestablishment of San Pedro Naval Supply Depot, and Navy procurement of beverage base.

The Subcommittee on Intergovernmental Relations, under Congressman FOUNTAIN, has investigated a deal whereby the Agriculture Department, through the Commodity Credit Corporation, bought more than 80 million pounds of cheese at 37 cents a pound and agreed at the same time to sell it back to the same people a few days later at 1¾ cents to 2¾ cents a pound less. The cheese never moved from the warehouses but checks went from the Government to cheese processors and dealers in an amount of over $2 million. Congressman FOUNTAIN stated during the hearings he believed the transaction was illegal and that he intended to press for the recovery of the money. The Comptroller General of the United States in a recent letter to Congressman FOUNTAIN has stated it was his "opinion that the transactions were not premised upon bona fide purchases within the meaning of the Agricultural Act of 1949, and consequently, that payments thereunder were unauthorized and improper." Congressman FOUNTAIN has forwarded a copy of the Comptroller General's opinion on the legality of the purchase-resale transactions to the Secretary of Agriculture requesting that he be advised as to what action the Department would take.

Congressman CHUDOFF secured the revocation of an illegal automobile rental contract and disclosed irregularities in auto purchases and subsistence payments. His subcommittee is now engaged in investigating a matter of agency policy which jeopardizes $70 million of

the taxpayers' money invested by the REA.

The cash returns from Congressman HARDY'S study of the use of foreign currency accruing from surplus commodity sales abroad are not yet known.

Since the investigation of abuses of tax amortization certificates by Congressman MOLLOHAN there has been at least a temporary supervision of a policy which Secretary Humphrey says is currently costing the taxpayers $880 million a year.

Congressman BROOKS' subcommittee has investigated many so-called negotiated sales and leases where there has been no competitive bidding. In one instance alone where he insisted on readvertising the Laramie alumina plant, the Government received $173,000 more than it would have received had it not been advertised.

The work of Chairman DAWSON'S Subcommittee on Executive and Legislative Reorganization, in pressing for unified procurement in the Defense Department, has not yet been completed. Assurances of cooperation have been received which, when translated into practice, will save unestimated but multiplied millions yearly.

While perhaps the greatest opportunity for the committee is in the fields just discussed it nevertheless exercises important legislative functions in considering legislation referred to it. A review of this part of the committee's work follows:

LEGISLATION

H. R. 3322, which was enacted into law as Public Law 61, was introduced by Congressman MCCORMACK and considered by a special Subcommittee on Donable Property under his chairmanship. The Federal Property and Administrative Services Act of 1949 authorizes donations of surplus property for educational and public-health purposes, and this program has made an important contribution to the welfare of the American people. As a result of a regulation by the Department of Defense in February 1954 a substantial amount of surplus property valuable for educational and public-health purposes was capitalized in working capital funds. The immediate result was to make this property unavailable for donation despite the fact that it might be excess to the requirements of the Department of Defense or the stock funds. Public Law 61 is essentially a restatement of the original purpose of the Congress in making provision for donations of surplus property for educational and public-health purposes. Its most important feature is to spell out the fact that property capitalized in a working capital fund shall not be held for sale as surplus property instead of being made available as donable property for educational or public-health purposes.

Public Law 16, considered by the committee as H. R. 2576, gives the President authority to transmit reorganization plans to the Congress in accordance with the Reorganization Act of 1949 at any time before June 1, 1957. The authority of the President to transmit reorganization plans would have expired on April 1, 1955.

Public Law 46 was considered by the committee as H. R. 6015. For a number of years executive agencies, in the interest of economy, have been entering into reciprocal fire-protection agreements. Such agreements were made with local governmental units and public or private organizations maintaining fire-protection facilities near Federal installations. In 1952 the Comptroller General ruled that expenditures could not be made for fighting fires on non-Federal property.

Public Law 46 specifically authorizes reciprocal fire-protection agreements and ratifies and confirms existing agreements. This law immediately saved the Federal Treasury a large amount of money. Even larger economies will result in the future because of expenditures which would have been necessary in the absence of this legislation. The Departments of the Army and Navy alone would have had to make an initial expenditure of almost $6 million and an annual recurring expenditure of approximately $20 million for personnel and equipment in the absence of reciprocal fire-protection agreements.

Public Law 148 was considered by the committee as H. R. 3758. This law clarifies the effect of the Federal Property and Administrative Services Act of 1949 and Reorganization Plan 20 of 1950. The law authorizes the General Services Administration, through the National Archives, to receive copies of agreements or compacts between the States. In doing so the law clears up the confusion which existed as to whether the Department of State or the General Services Administration is the proper depository for such records.

Public Law 189, considered by the committee as H. R. 6295, increases the maximum per diem allowance for subsistence from $9 to $12 and mileage rates for privately owned automobiles from a maximum of 7 cents per mile to 10 cents per mile. The maximum per diem allowance for employees who serve the Government without compensation was raised from $10 to $15. The law also provides that in the case of unusual circumstances the heads of agencies may prescribe conditions under which reimbursement for travel expenses may be authorized on an actual expense basis up to a maximum amount not to exceed $25 per day.

Public Law 200 was considered by the committee as H. R. 3757. This law gives authority to donate to the American National Red Cross surplus Government-owned property which was in the first instance donated to the Government by the Red Cross. Since this type of property was donated by the public for charitable purposes it was felt desirable to authorize the return of such property when it became surplus to the needs of the Federal Government.

Public Law 365 was considered by the committee as H. R. 7034. Section 1 of H. R. 7034 provides a permanent and uniform method for relief of disbursing officers by the Comptroller General. Under this legislation the Comptroller General may relieve disbursing officers of accountability when it has been determined that improper payments made were not the result of bad faith or lack of due care. Hitherto such relief was provided through private relief bills. Section 2 of H. R. 7034 authorizes reimbursement of disbursing officers within the Department of Defense for payments made out of their own pockets to make up for physical losses or deficiencies of Government funds, vouchers, et cetera, when such losses occur in the line of duty and without fault or negligence on the part of the officers concerned. In this case too the legislation eliminates the need for private relief bills which have been utilized up to now to accomplish the same results. H. R. 7034 does not reduce the liability of the Government officials involved. The legislation merely changes the procedure for making desirable adjustments.

Public Law 334 was considered by the committee as H. R. 7035. This legislation does for accountable officers of the Government generally what H. R. 7034 does for disbursing officers in the Department of Defense.

Public Law 373 was considered by the committee as House Joint Resolution 330. This legislation provides a procedure for the preservation and administration by the Federal Government of the papers and other historical materials of any President or former President of the United States. House Joint Resolution 330 would enable our Presidents and former Presidents to plan for the preservation of their papers at the places of their choice in different parts of the United States. It makes possible a decentralized system of historical archives in cooperation with States, universities, institutions of higher learning, and other private institutions. This act would not only tend to assure the preservation of invaluable presidential papers but would serve to make them available to all who are interested in the history of their country.

Public Law 388 was considered by the committee as H. R. 6182. The problem of payments by the Federal Government in lieu of taxes is one of long standing. There has arisen a general feeling that temporary provision for such payments should be made in limited cases to take care of obvious inequities. Consequently, H. R. 6182 authorizes a payment in lieu of taxes on real property once held by the Reconstruction Finance Corporation and transferred on or after January 1, 1946, to any Government department. In such cases H. R. 6182 authorizes payments in lieu of taxes for a temporary period from January 1, 1955, to January 1, 1959. This legislation takes care of those commercial and industrial properties which had been on State and local tax rolls when they were held by the Reconstruction Finance Corporation but were removed from such tax rolls by accident of transfer from the Reconstruction Finance Corporation to a regular Government department or agency.

H. R. 7227, considered by the committee, was passed by the House. This legislation amends the Federal Property and Administrative Services Act of 1949 by adding another category of donable property. To date the Federal Government has appropriated approximately

$241 million for civil defense, including $62 million for grants-in-aid. It was considered desirable therefore that provision be made for donation of surplus property which might be of use for civil-defense purposes. If H. R. 7227 is enacted into law, donations of surplus property may be made for civil-defense purposes as well as educational and public-health purposes. H. R. 7227 provides that the Secretary of Defense may determine, in the case of surplus property under the control of the Department of Defense, whether such property, not including common-use items, is peculiarly adaptable for civil defense. If such is the case, the Secretary of Defense is directed to allocate it for transfer by the General Services Administrator. In other applicable cases, including common-use items, the determination shall be made by the Federal Civil Defense Administrator who is to make a like allocation to the Administrator of General Services.

There are various general statutes which authorize transfer of surplus Government-owned property to States and their political subdivisions for enumerated public purposes. Nevertheless, from time to time special situations arise which call for special consideration by the Congress. The committee has had referred to it a substantial number of bills providing for specific transfers of real property for various public or charitable purposes. Where careful consideration indicates especially meritorious circumstances affected with a definite public interest the committee has recommended to the House, and the Congress has generally enacted, specific statutes authorizing transfers of particular parcels of real property.

The committee has also held hearings on a number of other bills which require further study before final action is taken on them.

A number of bills have been referred to the committee dealing with the termination of Government competition with private enterprise. The committee obtained the views of the principal departments and agencies concerned and held a meeting to consider the pertinent bills then pending before the committee; namely, H. R. 279, H. R. 687, and H. R. 6013. H. R. 7032 and H. R. 7382, dealing with the same subject matter, have since been referred to the committee.

The Bureau of the Budget has issued Budget Circular 55–4, requiring the executive agencies to inventory and study commercial activities which may be in competition with private enterprise, and so far as possible to dispose of the same. The committee desires to study and evaluate the reports made to the Bureau of the Budget, under Circular 55–4, before acting on legislation covering the same field. Section 638 of the defense appropriation bill expresses the latest sense of Congress on the problem of termination of Government competition with private enterprise but it has been declared unconstitutional by the President. A resolution of this conflict of judgment may well be an incident to the consideration of this legislation.

Hearings were held on related bills dealing with budgetary reform, H. R. 4009, H. R. 6558, and House Joint Resolution 346. H. R. 4009 would direct the Comptroller General to make studies for the appropriations committees in connection with budget items submitted to the Congress. House Joint Resolution 346 and H. R. 6558, both introduced by Chairman CANNON of the House Committee on Appropriations, aim at a balanced budget. House Joint Resolution 346 would require the submission of a budget which did not contain estimated expenditures in excess of estimated receipts for each fiscal year. H. R. 6558 would completely overhaul the budgetary system of the Federal Government. It would create an Office of the United States Budget in the legislative branch of the Government in order to provide effective congressional control over the budget of the United States. Mr. CANNON appeared before the committee and gave it the benefit of his great experience. In view of the complexity of the problem, the committee is continuing to study ways and means of strengthening the budgetary system.

Legislation to create a Department of Civil Defense is contained in House Concurrent Resolution 108, House Joint Resolution 71, House Joint Resolution 75, and House Joint Resolution 98. One approach contemplates a civilian department of defense within the existing Department of Defense. The other envisions a separate executive department of Cabinet status. The committee has placed these measures under special study.

H. R. 1864, to create a Department of Urbiculture, has been heard by the committee. Subsequently H. R. 7731, to create a Department of Urban Affairs has been referred to the committee. This legislation brings to the attention of the Congress the problem which has emerged with the urbanization of our population. There are aspects of urban living which may well require research, and technical assistance if Federal, State, and local programs are to be properly coordinated. The committee hearing on H. R. 1864 and its subsequent study of this bill, as well as H. R. 7731, may reveal the need for legislative recognition of the new problems of urban and metropolitan areas.

A hearing was held on H. R. 6854 which aims at achieving better coordination of transportation, traffic, and public utility management services. The bill proposes to centralize responsibility for these functions in the Administrator of General Services by amending the Federal Property and Administrative Services Act of 1949 to that end. This is one of the measures stemming from the studies of the Commission on Organization of the Executive Branch of the Government. In view of the fact that the committee is also considering that Commission's report on transportation functions and services of the Government, H. R. 6854 will require further consideration in connection with the overall report on transportation.

REVIEW OF REPORTS OF THE COMPTROLLER GENERAL OF THE UNITED STATES

Under the rules of the House, the committee has the function of receiving and examining reports of the Comptroller General of the United States. During the 1st session of the 84th Congress some 50 audit reports on the operations of Government agencies were received from the Comptroller General, as well as a substantial number of reports made because of special investigations. The committee has placed each one of these reports under study and has held hearings in order to obtain further information in connection with some of the reports.

The committee considers that it is of primary importance to the Congress to have the investigations and reports of the Comptroller General carefully examined. To this end the committee has instituted a program of carefully evaluating the reports and recommendations of the Comptroller General and of encouraging the adoption of many of the Comptroller General's recommendations by the executive agencies. There has also been a substantially increased use by the committee of the facilities of the General Accounting Office as provided by law. There is significant evidence that the initiation of these closer working relationships between the committee and the General Accounting Office has already resulted in adding to the effectiveness of the General Accounting Office as an arm of the Congress.

REPORTS OF THE COMMISSION ON ORGANIZATION OF THE EXECUTIVE BRANCH OF THE GOVERNMENT

The Commission on Organization of the Executive Branch of the Government—Hoover Commission—transmitted 18 reports to the Congress dealing with various aspects of Government operations. Of these 18 reports, 13 were referred by the Speaker of the House to the committee for study.

The committee has placed each of the 13 reports referred to it under study. Hearings have been held on the following reports: Food and clothing, surplus property, lending agencies, and transportation. The committee's study of these four reports is not yet completed.

Approximately one-fifth of the total expenditures of the Commission on Organization were devoted to its study of water resources and power. The report of the Commission on this subject is one of the most massive reports ever produced by any study commission. Moreover, its recommendations so vitally affect the general welfare that the committee has established a Special Subcommittee on Water Resources and Power in order to make a thorough study of the Commission's report on water resources and power. The Honorable ROBERT E. JONES, JR., is chairman of this subcommittee.

STUDY OF REPORTS FROM THE COMMISSION ON INTERGOVERNMENTAL RELATIONS

The report of the Commission on Intergovernmental Relations, together with its accompanying studies, has been referred to the committee for consideration. It consists of 15 separate volumes.

A comprehensive analysis of the Commission's report has been undertaken. That part of the Commission's report which is devoted to payments in lieu of taxes has already been considered in part in connection with the hearings

held on H. R. 6182 which has been passed by both House and Senate.

INVESTIGATION OF GOVERNMENT OPERATIONS IN THE FIELD OF GOVERNMENT INFORMATION

The committee has been perturbed by the apparent tendency in the last 2 years for high Government officials to place increasing restrictions on the flow of information to the Congress, to the press, and to the public. The right of the people and their elected representatives to know what their Government is doing is basic to the maintenance of our free and democratic society. This makes it imperative that information about Government activities be available. Some restrictions are, of course, necessary in the interest of national security. But this necessity must not be used as a cloak for keeping basic and essential information from the Congress, the press, and the public.

Because of the importance of maintaining a free flow of information, the committee has organized a special study of Government organization, operations, and policies with regard to the availability of Government information. This investigation has begun under the aegis of a Special Subcommittee on Government Information with the Honorable JOHN E. MOSS as chairman.

A Special Subcommittee on Donable Property, with the distinguished majority leader, the Honorable JOHN W. MCCORMACK as chairman, considered and recommended for passage the important donable property bill and the equally important bill dealing with the preservation of Presidential papers.

It is appropriate at this point to record the committee's appreciation of the contribution of the committee staff to the success of the committee's efforts. The committee is proud of the high caliber of its staff and of the excellence of their work and their devotion to their duties.

Wisconsin's Opportunities

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Tuesday, August 2, 1955

Mr. WILEY. Mr. President, I ask unanimous consent to include in the CONGRESSIONAL RECORD a radio address made by me.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

WISCONSIN'S OPPORTUNITIES

I am glad to report to you, through the courtesy of this station, on the great opportunities awaiting our State.

During this next quarter hour, I am going to answer a series of questions about the future of Wisconsin, as affected by developments in our Nation's Capital.

I am going to talk to you about matters of interest to you as an individual, and matters affecting your community and mine. That means Wisconsin roads, Wisconsin airports, and Wisconsin health; it means housing, fair taxes, old-age pensions, a worthwhile return for farming, and a wide variety of other necessary actions. Yes, it means peace for us and for our children.

I hope that you will enjoy this report, and I hope, too, that you will give me the benefit of your reactions to it.

AIRBASE IN KANSASVILLE

Question. First off, Senator WILEY, regarding Wisconsin's facilities itself, what are some of the major developments affecting the Badger State that you have been working on during the 1st session of the 84th Congress?

Answer. Perhaps the most important item was the completion of legislative action for the building of the new $16½ million jet airbase at Kansasville, in Kenosha and Racine Counties.

This Air Defense Command Base, will be located around 25 miles southwest of Milwaukee. It will cover around 4,000 acres. It will be named in honor of Wisconsin's Medal of Honor winner, the late Maj. Richard Ira Bong—a naming which I personally suggested in honor of this great hero.

This airbase, in Dick's honor, like the Nike-guided missile sites around Milwaukee—are necessary steps for the defense of our beloved country against possible enemy attack in this atomic age.

Question. Speaking of aviation, I know that Congress, too, has passed a major new Federal Aid to Airport Act, has it not, Senator?

Answer. That is right. Funds have been allocated for expansion of Wisconsin's and all America's airport system. And Wisconsin, will, of course, get its fair share of such funds.

Right now, airports all over our State could stand modernization and improvement. And we could stand new airports for many smaller cities which are not now served at all by airplanes. Modest-sized airports with small runways are now feasible; they can carry considerable passengers and cargo.

POPULATION INCREASE

Question. You look forward to a great increase in air traffic, don't you Senator?

Answer. That's right. In terms of future population alone, this great country of ours will number 225 million souls by 1975—just 20 years from now.

Four million babies are being born this year, and that means lots more mouths to feed and healthy babies to clothe over and above our present 165 million population.

Question. And for those 4 million babies, I know you feel that world peace must be our greatest goal?

Answer. Absolutely. No thinking person wants war, particularly an A-bomb—H-bomb war. Fortunately, thanks to the great leadership of President Eisenhower, we've made much progress toward peace. But we certainly dare not let our guard down or fall asleep.

CONNECTING CHANNELS ESSENTIAL

Question. We have looked at our population, at the problem of peace and at our peacetime and military airports. Now, how about water transportation, Senator?

Answer. Well, that brings up, of course, the vital issue of the Great Lakes connecting channels.

I am urging the United States Bureau of the Budget to set aside a million and a half dollars of engineering funds, commencing in January 1956. This will be to plan for the deepening of the Great Lakes connecting channels, west of Lake Erie. Once these engineering blueprints are prepared, final construction can begin. Then, the entire 2,300-mile Great Lakes Waterway will have become a reality.

Incidentally, in October, at Marquette University, it will be my pleasure to participate in a seaway conference.

HIGHWAY IMPROVEMENT

Question. We have looked at aviation and water, how about land transportation, Senator?

Answer. Well, unfortunately, the necessary bill for the President's highway improvement program didn't pass the Congress in the first session. The bill will have to come up next year.

This highway bill is tremendously important, because good roads mean highway safety. They mean low cost of transporting farm products, a healthy tourist industry, in addition to many other advantages.

Fortunately, in spite of the delay on the new highway bill, work will continue on certain key Wisconsin highways.

Right now, Wisconsin receives around $20 million a year in Federal funds for all highway work. Around 452 miles of the Federal-State system of highways is in Wisconsin. Uncle Sam provides 60 percent of the funds for these vital roads, and the State of Wisconsin provides 40 percent.

Meanwhile, work on the rebuilding of Highway 41, south of Milwaukee to the Illinois border, and Highway 12, west to Eau Claire to Minnesota, will continue.

Question. Senator WILEY, you have referred to the highway bill as one of the major unfinished tasks of the Congress; would you tell us what other major subjects Congress is going to give its attention to when it starts its next session?

TAX REFORM

Answer. I am glad to do that, because there are quite a few bills which Congress is going to have to concentrate on. Let me list a few of them:

First, the time is overdue to take another look at heavy Federal taxes and the need for tax reform in general, in the light of modern conditions and changes.

Second, Congress must pass a bill widening social security and liberalizing its benefits. That means, for example, bringing lawyers, doctors, dentists, and other now-excluded professional people under Federal social security.

It means providing humanitarian aid to the totally and permanently disabled. It means lowering the age of eligibility for women. Thus, they could receive pensions at 60 years, instead of waiting the long years until 65. This liberal change is exactly what I have proposed in one of the bills that I personally have offered.

HELP THE FARMER

Question. What would you say is another major task for the new Congress?

Answer. Another task is to take a brand new look at the farm-parity picture. As we all know, regrettably, Wisconsin milk checks have gone down and the farmer is in trouble.

With lowered farm purchasing power, the farmer can't buy the goods which the workers in the cities are manufacturing. The result is hardship all along the line. Obviously, therefore, the farmer must receive his cost of production plus a reasonable profit.

Whatever level of parity support is necessary to do justice by the farmer should be set—whatever level in the vicinity of 90 percent. Why? Because if the farmer is damaged by inadequate income, the rest of the Nation is in turn quickly harmed. Purchasing power tends then to drop everywhere.

VETERANS' SURVIVORS BILL

Question. Well, that covers social security and farming. How about other major tasks for the new Congress? What about veterans' legislation, for example?

Answer. There is an extremely important bill, affecting our 18 million veterans, their survivors and dependents, known as the Hardy survivors' benefits bill.

It has been passed by the House of Representatives, but not yet approved by the Senate.

This bill should be very closely studied and improved. Then a version of it should be enacted into law, so as to modernize and liberalize the program of looking after those who fought for our Nation on the field of battle, as well as their dependents and widows.

Question. Social security, farming, veterans' rights. What other major bills await Congress' attention next year, Senator WILEY?

HOOVER BILLS

Answer. Well, we have got to enact more of the Hoover Commission recommendations. These Hoover reports will save the taxpayer very considerable sums of money. They will result in greater efficiency and economy in Government. I personally have offered several Hoover Commission bills. I am particularly in favor of the Hoover Commission recommendation for getting the Federal Government out—I emphasize "out"—of certain businesses which it has been operating in unfair competition with private enterprise.

Then, turning to another subject, Congress should pass juvenile delinquency control legislation. I personally have offered a bill to help reduce the staggering rate of crime among our Nation's youngsters.

Third, Congress should resist attacks against our national forests, against parks and wildlife refuges. Instead, we must preserve the great outdoor heritage of our people—the great heritage of field and stream.

Question. Senator, you have listed a great many issues where you are seeking constructive action, and you've just touched upon a possible danger—attacks against conservation. Are there other particular issues where you feel Congress should kill unworthy bills?

FIGHT GAS INCREASE BILL

Answer. Yes, very definitely. The principal example is the dangerous natural gas increase bill.

If that bill passes the Senate next year, as it has already passed the House, we of Wisconsin will be paying, over the long run, literally millions of dollars more for natural gas in our homes and factories.

This increase bill would unwisely destroy Federal controls over natural gas. The result would be to leave the consumer helpless and at the mercy of a few monopolistic companies. And so I will continue my fight against this bill, which would do so much harm to the consumers of Wisconsin.

TOURING WISCONSIN

Question. Well, I know, Senator WILEY, that in the weeks and months up ahead you have a vast number of speaking engagements all over Wisconsin, and you have referred to one of them at Marquette University.

Answer. That is right.

During Congress' recess, I will be visiting many areas of our State, talking to folks, getting their opinions, addressing their organizations. In addition, I will be participating in the work of various congressional committees, because, as you know, the work of the Congress does not stop when Congress recesses. Our committees continue right on with their regular jobs—12 months a year; and that is as it should be. Committees are investigating monopoly, for example. They are investigating the dope traffic problem, the Communist problem, and other issues affecting America.

Question. Senator WILEY, earlier in the broadcast you referred to the problem of farmers.

We have just a few moments now before leaving the air. Could you tell us some other things which you think ought to be done for the purpose of making sure that Wisconsin agriculture remains in a healthy condition?

SEVERAL-POINT DAIRY PROGRAM

Answer. I am glad to do so. I have set up a dairy program with several points, and I will just list a few of the points now.

First of all is this matter of fair farm parity return, to which I have already referred.

Next, we must expand the Wisconsin school milk program, such as I have proposed in a bill in this Congress.

Third, expand the number of dairy automatic vending machines. These machines dispense cartons or cups of milk in factories, schools, theaters, and other public places. They're a great help in increasing the drinking of milk.

Fourth, enact the Wiley bill for a dairy research laboratory at Madison. This laboratory would help find new byproducts of milk and new uses for its components.

Fifth, continue and intensify research into livestock diseases like brucellosis and bovine tuberculosis, as well as diseases of crops which impair the farmer's purchasing power.

Sixth, encourage Americans to increase their personal consumption of milk, butter, cheese, and nonfat dry milk solids.

Seventh, study the problem of lowering milk distribution costs. That means narrowing the difference in the price spread—the difference of 14 or 15 cents—between what the farmer gets at the farm and what the consumer pays for his milk in the city. Right now, the farmer is only getting around one-third of what the consumer is paying for the milk.

These, then, are just a few points in an overall farm program. Remember, they are not designed to give any special preference or favoritism, but merely to provide justice for the farmer—for the one-seventh of all Americans who live on our farms—22 million Americans in all.

CONCLUSION

Question. Senator WILEY, you have referred to a great many issues of deepest interest to Wisconsin.

You have referred to Wisconsin airports, highway and water transportation, to conservation, fair taxes, the social security problem, the veterans' pension problem.

You have pointed up your several-point program for Wisconsin farmers. You have discussed your continued opposition to arbitrary increases in natural gas rates.

I know that your listeners have enjoyed this broadcast, as I have in participating with you in it.

Answer. Thanks very much. It has been a real pleasure, through the courtesy of this station, to report to you.

I hope that you will be listening in later on when I deliver other addresses over this station.

Thanks very much for your attention, and good luck to you all.

This is your Senator, ALEX WILEY, signing off from Washington.

Report on the Accomplishments of the Senate Committee on Interstate and Foreign Commerce, 1st Session, 84th Congress

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EXTENSION OF REMARKS

OF

HON. WARREN G. MAGNUSON

OF WASHINGTON

IN THE SENATE OF THE UNITED STATES

Tuesday, August 2, 1955

Mr. MAGNUSON. Mr. President, I ask unanimous consent to include in the CONGRESSIONAL RECORD a report on the accomplishments of the Senate Committee on Interstate and Foreign Commerce in the 1st session of the 84th Congress.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

Mr. President, this has been one of the busiest sessions for the Senate Committee on Interstate and Foreign Commerce in its history and the preparations we have made for continuing our work in the 2d session of the 84th Congress indicate that it is going to be an even busier and more important year.

The committee has jurisdiction over some of the biggest and most important industries in the Nation—communications, aviation, all land transportation, merchant marine and fisheries, and natural gas, and in each of these fields it conducted intensive hearings or investigations or initiated legislation.

To show at a glance what our committee has accomplished during the year, from the legislative standpoint, here is a table showing what we have done:

Number of Senate and House bills, resolutions, and amendments referred to committee	155
Number of bills reported by committee	46
Number of bills passed by Senate	43
Number of Senate bills pending in House committees	13
Number of Senate bills reported by House committee	20
Number of Senate bills passed House	21
Number of bills signed by President	23
Number of routine nominations referred to committee	572
Number of routine nominations confirmed	545
Number of major nominations referred to committee and confirmed	14
Number of executive meetings of full committee	18
Communications Subcommittee	1
Surface Transportation Subcommittee	2
Aviation Subcommittee	3
Merchant Marine and Fisheries Subcommittee	1
Automobile marketing	2
Total	27
Number of days of open hearings of full committee	21
Communications Subcommittee	2
Surface Transportation Subcommittee	4
Aviation Subcommittee	13
Merchant Marine and Fisheries Subcommittee	7
Payne subcommittee on S. 2060	1
Air Agreement Subcommittee	1
Freight car shortage	2
Total	51

In addition to work on these bills, we held long hearings on the bill amending the Natural Gas Act; on bills revising laws governing aviation; on multiple communications problems including television; on the necessity of providing quickly a second airport for Washington; on the trip-lease bill; on international air agreements; on the regulation of fish nets in Alaskan waters; on merchant marine bills; amendments to the Federal Airport Act and hearings on the Pacific coast tuna problems.

The committee reached no conclusion on the omnibus aviation bill before the committee and decided it would be better to postpone any decision until the next session when we may hold additional hearings.

The communications problems are serious and our staff has been studying them intensively. In addition, we called in the outstanding manufacturers of television and radio sets in the country and discussed with them the acute problem raised by the use of VHF television and UHF television. We suggested that if the manufacturers would produce all-channels sets it would solve much of the problem facing the television industry today. The situation now is that of some 35 million television sets owned by viewers of this country, 5 million of them are UHF sets that cannot receive VHF signals and 30 million of them are VHF sets that cannot receive UHF signals. It is a tremendous investment our citizens have made—billions of dollars—and if we can alleviate the trouble no effort should be spared to do so.

Some manufacturers already have put on the market television sets than can be equipped at a small additional charge to receive both VHF and UHF signals and the older sets can be so converted at a small expense.

We also urged enactment of a bill to eliminate the excise tax on all-channel sets to encourage the manufacturers to produce them. This would about equalize the cost to the viewer with that of the UHF and VHF sets.

Carrying our study of television further, we have set up a voluntary ad hoc committee of the outstanding television and radio engineers in the country and they are studying means of making more room on the spectrum so that more VHF channels may be placed at the disposal of our people.

We are endeavoring, in our studies which will be pursued during the recess, to find a means of bringing television service to every part of the Nation and to the small communities which have had to resort to costly experiments in reflector stations and community-circuit television under which a signal is picked up from a distant station by an antenna usually at some high spot and redelivered to homes by cable. There are some 400 such services in this country that serve 300,000 homes who have an approximate investment of $25 million.

The Federal Communications Commission recently approved construction of low-powered broadcasting TV stations and this may result in bringing television to a wider audience and to smaller communities.

The Federal Communications Commission is also studying the proposals for pay-as-you-see television and a decision may be reached on this important subject next year.

In our studies of aviation, a point that stood out was the handling of our international air agreements. Our attention was attracted to this by the action of the Department of State and the Civil Aeronautics Board in agreeing to the International Air Agreement with the Republic of West Germany. Our committee was shocked to find that the two agencies had agreed to give the Germans permission to fly to Boston, New York, and Philadelphia and beyond. "Beyond," we learned, meant they could fly over our territory to Central America and South America and over the circle to Los Angeles and San Francisco and to other choice markets. Giving the Germans that right, we found, would be detrimental to our own lines who protested the action vigorously. Our airline officials had not been allowed to participate in the negotiations with the Germans and did not learn of the details until after the agreement was ready for signing.

At our insistence the signing was held up to give our airlines a hearing on their objections but 2 weeks after the hearings we were notified the agreement was being signed that day and was unchanged from its original form. The committee decided that Congress should know how international air agreements were reached, what privileges were granted the foreign airlines, and what this country received in return. Senator SMATHERS, chairman of our special subcommittee, is conducting our investigation into the international air agreements.

We initiated and the bill has been signed by the President to grant permanent certification to local or feeder airlines.

You know, of course, that we revived the Federal Airport Act and passed a bill granting $63 million a year for 4 years for construction, repair, and remodeling of airports throughout the Nation, which has been signed by the President.

In the aviation field we got extended for 5 years, until 1960, the Prototype Aircraft Act, which will provide Federal assistance in the development of prototype craft. We felt that Federal assistance is needed now in the development of air transports.

Our committee also took an interest in the wiretapping scandals divulged in New York, but decided to postpone action until investigations started by others were concluded.

We also approved bills for construction of a nuclear-powered merchant ship and a bill for putting nuclear power into a presently constructed hull. We referred both bills to the Joint Committee on Atomic Energy.

Our staff, following requests of a year ago, has investigated all phases of automobile marketing, including the so-called bootlegging of automobiles. That investigation is going on and our staff is watching closely the sales that will be made in August and September, the time of the year that brings the greatest pressure on the automobile dealers. It has prepared a survey of the "phantom" freight rates charged the dealers and the customers.

We held hearings on the lag of construction of tankers authorized by the last Congress and only recently, after hearings we had called, the Navy accepted bids for the lease of 8 of 15 tankers that are authorized for construction by private builders and to be leased to the Navy for 10 years. We have not completed our investigation into the terms of the leases but intend to see that the construction of the vessels is speeded up.

Our committee protested the practice of the Military Sea Transportation Service in competing with commercial American-flag vessels in carrying passengers and cargo. The Hoover report, stating that the MSTS should stop the competition, was about the same sort of protest that members of our committee have made. We believe the Department of Defense can correct much of the competition through administrative action. However, if it does not, we will have to hold hearings and report legislation in the next session that will curb the Department's activities in its transportation policy.

Lately the committee has had to step into the problem of the Japanese dumping Japanese-caught frozen and fresh tuna on our west coast where the practice threatens the very existence of our fishing fleet. We have insisted the State Department take immediate action to alleviate the threat to our tuna fishing fleet and look forward to a positive program in a few weeks.

We have also protested the Department of Defense practice of setting up on the Pacific coast maintenance and repair shops for Government ships which take that work away from commercial shipyards in the area.

The shortage of boxcars for hauling our harvests is being felt acutely in parts of the country and is going to become worse as the season advances. We were deeply concerned and sought to find a means of alleviating the situation but the answer is that there are just not enough such cars to meet the demand during harvest.

We have received promise from the railroads they will expedite the unloading and return of cars to their original areas and that they will step up the repair of boxcars in their shops. This will be helpful but will not solve the problem which has been with us every year during harvest time and will continue to plague the American farmers until sufficient such cars are constructed.

Our committee also participated in preventing the scuttling of the 50–50 law which requires that half of foreign-aid shipments move on American-flag vessels. That action prevented writing into the foreign aid and Commodity Credit disposal programs provisions setting aside the 50–50 law which has been of such great help to our American-flag vessels.

Proportional Representation (P. R.) in the Election of the President of the United States—No. 1 of a Series of Seven

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EXTENSION OF REMARKS
OF

HON. KARL E. MUNDT

OF SOUTH DAKOTA

IN THE SENATE OF THE UNITED STATES

Tuesday, August 2, 1955

Mr. MUNDT. Mr. President, I ask unanimous consent to include in the CONGRESSIONAL RECORD No. 1 in a series of seven statements on proportional representation in the election of the President of the United States.

There being no objection, statement No. 1 was ordered to be printed in the RECORD, as follows:

No one thing in our constitutional and political system is more important than the principle of representation underlying the election of the President of the United States.

Senate Joint Resolution 31, widely known as the Lodge-Gossett amendment, proposes a constitutional amendment which would introduce a new method of electing the President on a principle of representation foreign to the Constitution and to the American political system. This principle is known as proportional representation and is commonly referred to by its friends and enemies as PR. This amendment has an interesting history which began long before Messrs. Lodge and Gossett came to the Congress or became associated with the proposal.

In 1937 the National Home Library Foundation in Washington, D. C., published a small book under the title "Proportional Representation: The Key to Democracy," by George H. Hallett, Jr. In the author's preface, Dr. Hallett writes:

"Some years ago I had the privilege of collaborating with C. G. Hoag, of Haverford, Pa., who is the real father of proportional representation in the United States, in a more comprehensive treatment of this same subject, published by the Macmillan Co. in 1926 under the title 'Proportional Representation'."

The first six chapters of Dr. Hallett's little book are devoted to the explanation of proportional representation and to a description of its use in various cities in the United States and foreign countries. Chapter VII is titled "How the Plan Should Be Used." Among the uses urged are:

Proportional representation for municipal councils.

Proportional representation for school boards.

Proportional representation for counties.

Proportional representation for legislatures.

Proportional representation for Congress.

Proportional representation for presidential elections.

On the last subject, proportional representation for presidential elections, Dr. Hallett writes:

"In theory there is no good reason why the principles of the single-house legislature and an executive appointed by it should not be applied even to our National Government when the National House of Representatives is made really representative. But any such development seems remote."

Then, Dr. Hallet continues:

"Congressman Clarence F. Lea, of California, is urging an amendment to the United States Constitution which would leave each State with its present number of electoral votes, but would divide them among the candidates in proportion to their popular votes. * * * For the choosing of presidential electors, of course, this simple arithmetical apportionment is quite as good as proportional representation with the transferable vote would be, for the electors are mere automatons. * * *

"Fortunately, the Lea amendment is a real possibility for the immediate future. In the 1933-34 session of Congress it was reported from committee unanimously, though it was prevented from coming to a vote by the pressure of other matters. President Roosevelt let it be known at that time that he was for it."

In his conclusion, Dr. Hallett writes:

"To sum up, proportional representation can be applied with great profit to all elected bodies whose business it is to make decisions on behalf of the voters. Its heartening victories so far should be only the beginning of a great nationwide adoption."

The earlier work referred to, Proportional Representation, by Clarence Gilbert Hoag and George H. Hallett, Jr., had been published by the Macmillan Co., 11 years earlier, in 1926. On page 325 of this work is set forth a draft of a constitutional amendment, which with certain modifications is now on the Senate Calendar as Senate Joint Resolution 31.

Proportional Representation was published 14 months before Representative Clarence F. Lea, of California, introduced in the 1st session of the 70th Congress (January 25, 1928), House Joint Resolution 181, which proposed a constitutional amendment to apply the proportional principle to the electoral votes in each State for President and Vice President.

Proportional Representation (P. R.) in the Election of the President of the United States—No. 2 of a Series of Seven

EXTENSION OF REMARKS
OF
HON. KARL E. MUNDT
OF SOUTH DAKOTA
IN THE SENATE OF THE UNITED STATES

Tuesday, August 2, 1955

Mr. MUNDT. Mr. President, I ask unanimous consent to include in the CONGRESSIONAL RECORD, No. 2 in a series of seven statements on proportional representation in the election of the President of the United States.

There being no objection, statement No. 2 was ordered to be printed in the RECORD, as follows:

Senate Joint Resolution 31, now on the Senate Calendar, proposes to change by constitutional amendment the principles of representation of the executive branch of the Government of the United States.

This brief insertion, No. 2 in a series of seven, is from the Proportional Representation Review of April 1928, quarterly of the Proportional Representation League, and is titled "The Principle of Proportional Representation for Presidential Elections." The descriptive part of that article follows:

"THE PRINCIPLE OF PROPORTIONAL REPRESENTATION FOR PRESIDENTIAL ELECTIONS

"A constitutional amendment proposed by Congressman Lea

"On January 25, Hon. Clarence F. Lea, of Santa Rosa, Democratic Congressman from the First District of California, introduced a constitutional amendment[1] to apply the proportional principle to the electoral votes of each State in the election of the President and Vice President.

"Under the provisions of the amendment—

"1. The electoral college is abolished.

"2. Each State retains a number of electoral votes for President and for Vice President equal to the number of its Representatives and Senators in Congress.

"3. Each voter votes directly for his favorite candidate for President and his favorite candidate for Vice President.

"4. The electoral votes of each State in the choice of President and in the choice of Vice President are divided among all the candidates in proportion to the popular votes cast for them within the State.

"5. The candidates receiving most electoral votes for President and Vice President are elected.

"Except in its provision for a plurality decision in case there is no absolute majority, this amendment is the same in principle as the one advocated in the Proportional Representation Review for July 1920 and July and October 1924, and in Proportional Representation by Hoag and Hallett (pp. 320 to 328).[2] It does not provide complete equality of voting power by doing away entirely with electoral votes by States (for the very good practical reason that such a change would have little chance of ratification by the small States, which now have more than their share of the electoral college), but it does have advantages over the present system which are of the most fundamental and far-reaching importance. Some of these advantages may be summarized as follows:

"1. It would make the vote of every voter count for his favorite presidential candidate whether he votes with the majority in his State or not. At the present time a Republican vote in Texas or a Democratic vote in Pennsylvania—or a hundred thousand of them for that matter—has no effect on the result, for all the electoral votes of the State are credited to the candidate of the majority. The proposed amendment would divide the electoral votes of each State among all the candidates in proportion to their popular votes and so make every vote count.

"2. It would thus stimulate voting and contribute to the political education of the electorate. When no one except a member of the locally dominant party can hope to accomplish anything by voting, it is not surprising that only half of the qualified voters register their votes and campaigning is largely confined to a few doubtful States.

"3. It would make the best qualified candidates of all parties politically available for nomination regardless of their places of residence. Under the present system a candidate who does not live in one of the few large doubtful States is not politically available because it is the polling of most votes in those States rather than of most votes in the whole country that decides the election. In the last 12 presidential elections the Republican and Democratic Parties have nominated for President or Vice President 30 citizens of New York, Indiana, and Ohio, and only 18 from all the rest of the country together.

"4. It would make a reversal of the popular verdict less likely. When the minority votes in each State are disregarded, there is considerable chance that a candidate with a majority of the popular votes will fail to win a majority of the electoral votes and be defeated. This has already happened on three occasions.

"5. It would remove the present tremendous incentives to fraud, promises of patronage, and excessive expenditure of money in the doubtful States with large blocks of electoral votes. How great these incentives are is indicated by the fact that on at least four occasions the change of less than a thousand votes in a single State would have elected a different President.

"6. It would remove the device of personal electors, which is not only useless but dangerous. If any of the electors should for any reason fail to carry out the very specific duties now prescribed for them by the Constitution, or should vote contrary to their pledges, it might easily change the result. The electoral college system has actually been responsible for gravely serious controversies on several occasions.[3] In 1856 the electors of Wisconsin were prevented from casting their votes on the prescribed day by a severe blizzard. In the famous Hayes-Tilden dispute the personal eligibility of one elector was a deciding factor. Surely in so important a matter it is unwise to take such risks unnecessarily."

[1] H. J. Res. 181.

[2] This amendment differed from Mr. Lea's in allowing the decision to go into Congress in case no candidate has a majority, as provided in the Constitution at present, making more equitable provisions than the present ones, however, to govern the congressional decision.

[3] For a telling description of the troubles already caused by the electoral college system and its sinister possibilities for the future, see The Electoral System of the United States, by J. Hampden Dougherty (G. P. Putnam's Sons, New York and London, 1906).

Proportional Representation (P. R.) in the Election of the President of the United States—No. 3 of a Series of Seven

EXTENSION OF REMARKS
OF
HON. KARL E. MUNDT
OF SOUTH DAKOTA
IN THE SENATE OF THE UNITED STATES

Tuesday, August 2, 1955

Mr. MUNDT. Mr. President, I ask unanimous consent to include in the CONGRESSIONAL RECORD, No. 3 in a series of seven statements on proportional representation in the election of the President of the United States.

There being no objection, statement No. 3 was ordered to be printed in the RECORD, as follows:

This chapter in the early development of Senate Joint Resolution 31 is from the Proportional Representation Review of October 1929, quarterly organ of the Proportional Representation League.

This publication was the organ of the Proportional Representation League, made up

of apostles of a principle of representation foreign to the American political system.

The title of this article is "The National Elections of 1928," and applies specifically to the electoral college. In this article are included the most significant sentences of House Joint Resolution 106 of the 71st Congress, which language now appears in Senate Joint Resolution 31 pending before the Senate. The enthusiasm of the proportionalists for the application of this principle in the election of the President is clear from this article. The article follows:

"THE NATIONAL ELECTIONS OF 1928

"The electoral college

"The presidential election of 1928 illustrates well the defects of the system used. In Pennsylvania 1,067,586 and in New York 2,089,863 Democratic votes failed to elect a single presidential elector. The reason, of course, is that since each State votes for its electors on a general ticket, the party in the State that polls most votes captures all the seats, the ballots of all other parties in that State, whether few or many, being thrown away.

"In spite of the great element of chance in this system, it works out in most cases, of course, in giving the Presidency to the largest party. But not always; in 1876, for example, Tilden had most popular votes, but Hayes won the Presidency. The same thing happened on two other occasions.

"And that is not the only defect of the system; it also presents extraordinary temptations to corruption in States in which the scale is likely to be turned by a few votes. In the last election, though votes were worth but little in California where it would have required the change of 273,980 from Hoover to Smith to win that State's 13 seats in the electoral college, or 21,075 votes for each seat, they were worth a great deal in Texas where it would have required the change of only 13,003 votes to win the State's 20 seats, only 650 votes for each one. To go a step further, it would have required a change of only 416,055 votes in certain crucial States, out of a total presidential vote of over 36 million (or one-ninetieth of the votes cast) to have made Mr. Smith President rather than Mr. Hoover.

"The remedy for these grave defects in our system of choosing the President is explained fully in Hoag and Hallet's Proportional Representation,[1] pages 320–328. The chief change is the apportionment of each State's Presidential votes (the election of actual persons to serve as Presidential electors is not only useless but dangerous[2]) not all to one party but to the several parties in proportion to the votes they have cast in the election. For this apportionment neither the Hare system nor any other system of proportional representation is needed: all that is neded is to do a little sum in arithmetic as soon as the ballots have been counted. For example, in this last election, since in Texas Hoover polled 367,036 votes, Smith 341,032 votes, and other candidates 931 votes, Hoover would have been given, according to this plan, three hundred sixty-seven thousand and thirty-six seven hundred eight thousand nine hundred and ninety-ninths of the State's Presidential votes, and Smith would have been given three hundred forty-one thousand and thirty-two seven hundred eight thousand nine hundred ninety-ninths of them.[3]

"The most satisfactory way of bringing this change about is by an amendment to the Federal Constitution. A proposed amendment for the purpose will be found on pages 325–328 of Hoag and Hallett's book. A less comprehensive but excellent amendment with the same object was advocated in the House of Representatives by the Honorable Clarence F. Lea, of California, on June 7, 1929, and introduced by him for the second time,[4] as House Joint Resolution 106, on June 13, 1929. The most significant sentences of this resolution are as follows:

" 'The electoral-college system of electing the President and Vice President of the United States is hereby abolished. * * * Each State shall be entitled to a number of electoral votes equal to the whole number of Senators and Representatives to which such State may be entitled in the Congress. * * * Each person for whom votes were cast for President in each State shall be credited with such proportion of the electoral votes of that State for such office, as the vote for such person in that State for such office bears to the total vote of the electors[5] of that State for all persons for whom votes were cast for President.'

"Representatives in Congress

"For many years the Proportional Representation Review has published, after each congressional election, a summary of the results based on official sources. That of the elections of 1928 will be found in connection with this article.

"As usual, the results show some of the more obvious weaknesses of the system of election used, which differs from that used for presidential electors in applying the plurality principle to single-member districts instead of whole States. For example, 1,564,000 Democrats in the southern States of Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, South Carolina, and Texas elected all of those States' 74 Representatives in Congress, whereas 1,769,000 Democratic voters in the northern States of Connecticut, Idaho, Iowa, Maine, Michigan, Minnesota, New Hampshire, North Dakota, Oregon, South Dakota, Utah, and Wisconsin, failed to elect a single one of their 69 Representatives.

"But this method of election not only fails to give the minority its share of the Representatives,, as in the cases of the southern Republicans and the northern Democrats, it sometimes fails to give even the majority its due. In New York the Democrats, with 1,989,000 votes elected 23 Congressmen, while the Republicans, with 2,072,000 votes elected but 20. Similarly in Maryland the Democrats, who cast 226,116 votes, elected 4 of the State's Representatives, and the Republicans with 234,848 votes elected only 2.

"Results of the congressional elections,[1] Nov. 6, 1928

State	Votes cast			Members elected			Members by proportional representation [2]		
	Republican	Democratic	Others	Republicans	Democrats	Others	Republicans	Democrats	Others
Alabama	35,611	165,023		0	10	0	1	9	0
Arizona	31,382	50,231		0	1	0	0	1	0
Arkansas	42,575	157,223		0	7	0	1	6	0
California	[3] 1,127,910	[4] 152,591	46,049	10	1	0	10	1	0
Colorado	210,838	141,005	949	3	1	0	2	2	0
Connecticut	297,651	250,526	3,217	5	0	0	3	2	0
Delaware	66,361	38,045		1	0	0	1	0	0
Florida	69,469	148,528		0	4	0	1	3	0
Georgia		200,188		0	12	0	0	12	0
Idaho	97,006	48,486	1,039	2	0	0	1	1	0
Illinois [5]	1,604,151	1,212,916	6,296	[6] 21	6	0	15	12	0
Indiana	770,317	641,498	2,078	10	3	0	7	6	0
Iowa	594,998	248,089		11	0	0	8	3	0
Kansas	375,500	218,182		7	1	0	5	3	0
Kentucky	526,194	412,421	113	9	2	0	6	5	0
Louisiana	14,661	152,816	22	0	8	0	0	8	0
Maine	145,955	61,890		4	0	0	3	1	0
Maryland	234,848	226,116	2,314	2	4	0	3	3	0
Massachusetts	753,391	[7] 686,700	5,152	13	3	0	8	8	0

[1] Official figures as published by the Clerk of the House of Representatives.

[2] The figures in this column have been calculated as if each State were a single congressional district electing its allotted quota of Members by proportional representation with the single transferable vote (Hare system), assuming that each voter voted for all the candidates of the party for which he actually voted and for no other. If proportional representation were actually used the largest States would probably be divided into 2 or more multimember districts, but that would not interfere seriously with the proportionality of the result.

[3] This is the total vote for the Republican nominees who call themselves Republicans. 7 of them, with a total vote of 774,830, received the Democratic as well as the Republican nomination.

[4] This is the total vote for the Democratic nominees who call themselves Democrats. 1 of them, with a vote of 56,381, received the Republican as well as the Democratic nomination.

[5] The total votes given for Illinois are the totals of the votes cast for district Representatives in the 25 congressional districts. 2 Representatives were elected from the State at large.

[6] 2 of the 21 Republican Members were elected at large.

[7] This figure includes 61,607 votes for a Democratic candidate who received the endorsement of the Republican Party.

[1] The Macmillan Co., New York, 1926. On sale by the Proportional Representation League, for its benefit, at 311 South Juniper Street, Philadelphia.

[2] See The Electoral System of the United States, by J. Hampden Dougherty, New York, 1906.

[3] It may be asked why the President cannot be elected directly by popular vote. The answer is brief—because so many of the less populous States enjoy representation in the electoral college in excess of their per capita share that it would probably be impossible to make any change in the Constitution of that sort.

[4] See the Proportional Representation Review for April 1928.

[5] Voters.

"Results of the congressional elections, Nov. 6, 1928—Continued

State	Votes cast			Members elected			Members by proportional representation		
	Republican	Democratic	Others	Republicans	Democrats	Others	Republicans	Democrats	Others
Michigan	979,071	357,065	2,449	13	0	0	10	3	0
Minnesota	525,511	174,383	271,863	9	0	1	6	2	[1] 2
Mississippi		110,550		0	8	0	0	8	0
Missouri	790,044	726,500	187	10	6	0	8	8	0
Montana	103,478	77,669	826	1	1	0	1	1	0
Nebraska	289,899	232,994		4	2	0	3	3	0
Nevada	18,815	13,287		1	0	0	1	0	0
New Hampshire	108,284	75,845	186	2	0	0	1	1	0
New Jersey	870,883	564,621	914	9	3	0	7	5	0
New Mexico	61,208	56,048		1	0	0	1	0	0
New York	2,072,853	1,989,404	147,504	20	23	0	21	21	[9] 1
North Carolina	289,331	355,360		2	8	0	4	6	0
North Dakota	149,005	51,547		3	0	0	2	1	0
Ohio	1,442,859	931,103	2,290	19	3	0	13	9	0
Oklahoma	293,876	296,574	2,217	3	5	0	4	4	0
Oregon	196,539	85,353	11,478	3	0	0	2	1	0
Pennsylvania	[10] [11] 2,068,258	[10] 910,969	28,346	35	1	0	25	11	0
Rhode Island	120,361	114,454		2	1	0	2	1	0
South Carolina		61,347		0	7	0	0	7	0
South Dakota	142,567	103,444	1,744	3	0	0	2	1	0
Tennessee	116,449	178,436		2	8	0	4	6	0
Texas	81,283	568,430	1	0	18	0	2	16	0
Utah	97,140	77,914	847	2	0	0	1	1	0
Vermont	91,223	36,451	1,684	2	0	0	2	0	0
Virginia	91,832	206,533	7,860	3	7	0	3	7	0
Washington	291,977	134,910	823	4	1	0	4	1	0
West Virginia	347,085	292,061	115	5	1	0	3	3	0
Wisconsin	598,072	234,604	63,942	11	0	0	8	3	0
Wyoming	38,935	35,972	333	1	0	0	1	0	0
Total	19,275,656	14,266,502	612,838	268	166	1	[12] 216	[12] 210	[12] 3

[1] These seats should have gone to the Farmer-Labor Party, which cast 251,126 votes of those listed under "Others."

[9] This seat should have gone to the Socialists who cast 103,700 votes of those listed under "Others."

[10] A number of the Republican and Democratic candidates received the endorsement of the Prohibition, Labor, and Socialist Parties.

[11] This is the total vote for the Republican nominees who call themselves Republicans. 4 of them, with a total vote of 291,384, received the Democratic nomination as well as the Republican.

[12] A proportional assignment on the basis of the totals for the whole country instead of State by State would be: Republican 246, Democratic 182, other parties (if they were united), 7. The discrepancy is due chiefly to 2 factors: (1) The vote in the South is very small in proportion to population, so that the apportionment of Members to States on the basis of population gives southern votes a greater value than northern votes; (2) the number of Members allotted to a number of the smaller States is too small to allow a satisfactory proportional assignment on a State basis.

"Besides these more obvious weaknesses of the congressional election system there are, of course, others that are not shown by the returns at all. We refer to the fact that even of those ballots that do help elect the candidate marked, many, often the majority, do not help the candidate wanted. For the old single-shot ballot used for congressional elections—the ballot that gives the voter no opportunity to say what shall be done with his vote if it cannot help the candidate marked—forces many voters, often the majority, to mark a candidate who, they think, has some chance and is not quite the worst of the lot.

"Sometime, therefore, when the people are ready, we hope the present system of electing Congressmen will be supplanted by one that is suitable for the purpose.

Proportional Representation (P. R.) in the Election of the President of the United States—No. 4 of a Series of Seven

EXTENSION OF REMARKS

OF

HON. KARL E. MUNDT

OF SOUTH DAKOTA

IN THE SENATE OF THE UNITED STATES

Tuesday, August 2, 1955

Mr. MUNDT. Mr. President, I ask unanimous consent to include in the CONGRESSIONAL RECORD, No. 4 in a series of seven statements on proportional representation in the election of the President of the United States.

There being no objection, statement No. 4 was ordered to be printed in the RECORD, as follows:

Another chapter in the history of Senate Joint Resolution 31 is an article from the October 1928 issue of Proportional Representation Review, quarterly organ of the Proportional Representation League. This article, The Next President May Be a Minority Choice, is further evidence that Senate Joint Resolution 31 is the child of the Proportional Representation League and is based on the principles which that league would have introduced into every phase of representative government in the United States:

"THE NEXT PRESIDENT MAY BE A MINORITY CHOICE [1]

"It is entirely posible that Mr. Hoover will receive a handsome majority of the popular vote this fall and yet be defeated, or that he will fail to receive as many popular votes as Governor Smith and yet be elected. Already on three occasions a President has been chosen who had fewer popular votes than his principal opponent,[2] and analysis of the figures at the last election shows that a recurrence of minority rule this fall is not unlikely. In fact, so long as the votes of each State in the electoral college are all counted for one candidate and the popular votes cast within the State for other candidates are disregarded, there can never be any assurance that the majority will win.

"In 1924 President Coolidge had a plurality over John W. Davis of over seven million popular votes and 246 votes in the electoral college. The electoral college stood 382 for Coolidge, 136 for Davis, and 13 for La Follette. Overwhelming as this lead appears, examination shows that it could have been wiped out entirely by a change of less than one million votes in 8 of the 18 Coolidge States which have at least 1 Democratic United States Senator and which may therefore be regarded as possible Democratic territory this fall. In fact, if the Democratic Party can hold the States it won in 1924 and capture by however small a margin only six of the large doubtful States as indicated in the table below, it will elect the President regardless of the total popular vote.

"Basis of possible Democratic victory

"Twelve Southern States which Davis carried in 1924: 136 electoral votes.

"New York (now has Democratic Governor and two Democratic Senators): 45 electoral votes.

"Ohio (now has Democratic Governor): 24 electoral votes.

"Massachusetts (Senator last elected is Democratic): 18 electoral votes.

"Missouri (now has two Democratic Senators): 18 electoral votes.

"New Jersey (now has Democratic Governor and one Democratic Senator): 14 electoral votes.

"Kentucky (Senator last elected is Democratic): 13 electoral votes.

"Total: 268 electoral votes.

"Majority that insures election: 266 electoral votes.

"Any losses from this list might easily be made up from the following 15 States with a total of 90 electoral votes, each of which has elected a Democratic Governor or United States Senator within the last 6 years: Arizona [3] (3 electoral votes), Colorado [4] (6),

[1] The substance of the first part of this article was sent out by the Proportional Representation League as a news release on June 21.

[2] When John Quincy Adams was elected over Andrew Jackson in 1824, when Hayes was elected over Tilden in 1876, and when Harrison was elected over Cleveland in 1888.

[3] Now has a Democratic governor and two Democratic Senators.

[4] Now has a Democratic governor.

Delaware[5] (3), Iowa[5] (13), Maryland[5] (8), Michigan[5] (15), Montana[5] (4), Nevada[5] (3), New Mexico[6] (3), Rhode Island[5] (5), South Dakota[4] (5), Utah[7] (4), Washington[5] (7), West Virginia[5] (8), and Wyoming[5] (3). There is ample opportunity for a Democratic victory without a Democratic majority vote.

"On the other hand, there is a possibility of a Democratic majority vote without a Democratic victory. The Democrats could even poll more votes than the Republicans without changing the electoral vote of 1924 in the least. In fact, if Hoover can hold the 15 States which Coolidge carried with pluralities of more than 100,000 over Davis, he will win, even if all the other States go for his opponent by overwhelming majorities, for these 15 States hold a majority of the votes in the electoral college.

"Basis of possible Republican victory

"(The 15 Coolidge States in which Coolidge led Davis by more than 100,000)

"New York: 45 electoral votes.
"Pennsylvania: 38 electoral votes.
"Illinois: 29 electoral votes.
"Ohio: 24 electoral votes.
"Massachusetts: 18 electoral votes.
"Michigan: 15 electoral votes.
"Indiana: 15 electoral votes.
"New Jersey: 14 electoral votes.
"California: 13 electoral votes.
"Iowa: 13 electoral votes.
"Minnesota: 12 electoral votes.
"Kansas: 10 electoral votes.
"Connecticut: 7 electoral votes.
"Washington: 7 electoral votes.
"Colorado: 6 electoral votes.
"Total: 266 electoral votes.

"Majority that insures election: 266 electoral votes.

"Of course, any losses in this list might easily be made up from the 20 other States, with a total of 116 electoral votes, which President Coolidge carried in 1924.[8] There is also ample opportunity for a Republican victory without a Republican majority vote.

"Under the present method of electing the President, as under the district method of electing Congressmen, it is not the number of votes for a party which counts but the number cast for it in an advantageous location. In Pennsylvania, the Democrats can take nearly half a million votes from the Republicans without gaining a single elector. But a smaller gain in New York would switch the State's 45 electoral votes from the Republicans to the Democrats, and so give the party a net gain of 90. In the 12 Southern States which gave Davis his 136 electoral votes more than 900,000 Coolidge votes were cast—almost half as many as were cast in those States for Davis—but they secured no representation in the electoral college. In the New England States, exclusive of Massachusetts, on the other hand, a smaller number of Republicans—less than 700,000—elected 26 electors.

"A practical remedy: Proportional representation for the electoral college

"To give effect to all votes, wherever they are cast, and so remove the danger of defeating the popular choice, two remedies have been proposed. The obvious remedy of direct election from the country at large seems at present impracticable because it would reduce the voting power of the smaller States, which are now overrepresented in the electoral college, and so could hardly be expected to receive support from enough of them to write it into the Constitution.

"Another remedy, almost as effective, was proposed in Congress as early as 1877[9] and brought forward again in the last session by Congressman Clarence F. Lea, of California, and Senator David I. Walsh, of Massachusetts. It keeps the device of electoral votes but proposes to divide those of each State among the several candidates, giving each candidate the same share of the electoral votes that he has of the popular vote. For example, if Hoover polled four-ninths of the popular vote in New York, it would give him four-ninths of the State's electoral vote—20 out of 45—instead of none at all. And if Governor Smith polled six-nineteenths of the popular vote in Pennsylvania, it would give him 12 of the 38 electoral votes for Pennsylvania.

"This simple application of the proportional representation principle—which is now used for legislative elections in a large part of the civilized world and for electoral colleges in Finland and Denmark[10]—would give every voter a chance to make his vote count for the candidate of his choice. It would remove the distorted representation of the large States which is so likely under present conditions to upset the popular verdict.[11]

"A resolution by Senator Walsh, of Massachusetts

"Congressman Lea's resolution (H. J. Res. 181) for a constitutional amendment abolishing personal electors and providing for a proportional assignment of electoral votes was described in our April issue. Senator Walsh on May 8 introduced a concurrent resolution (S. Con. Res. 23) calling on the States to adopt proportional representation for the electoral college of their own accord, which they already have a right to do under the Constitution if personal electors are retained.

"The resolution follows nearly word for word a resolution introduced by Senator Magnus Johnson (Farmer-Labor) of Minnesota in 1925 and printed in full in the Proportional Representation Review for April 1925. It is being sent by Senator Walsh and William C. Lee, of Washington, with a supporting memorandum by Mr. Lee which Senator Walsh had read into the CONGRESSIONAL RECORD, to all members of the legislature and a selected list of citizens in the States of Massachusetts, Minnesota, Wisconsin, Nebraska, Ohio, and Tennessee, in the hope that one or more of them may be induced to put its suggestions into effect. This could very easily be done by means of the simplest sort of party list system, even without the names of the candidates for electors appearing on the ballot.

"Of course the only thoroughly safe plan, for reasons outlined in our issue for last April, would involve the abolition of personal electors by constitutional amendment."

[5] Now has one Democratic Senator.
[6] Senator last elected is Democratic.
[7] Now has a Democratic governor and one Democratic Senator.
[8] Or from Wisconsin (13 electoral votes), which has a Republican Governor and 2 Republican Senators and gave Coolidge a lead of 240,000 over Davis for second place in 1924; Oklahoma (10), which has 1 Republican Senator and went for Harding in 1920; and Tennessee (12), which went for Harding in 1920.

[9] By Representative Levi S. Maish and Senator Charles R. Buckalew, both of Pennsylvania. (See J. Hampden Dougherty, the Electoral System of the United States (New York, 1906), pp. 351 ff).

[10] In Finland the electoral college chooses the president; in Denmark it chooses the upper house of Parliament by proportional representation with the single transferable vote. In Sweden and the Netherlands also the upper house of Parliament is chosen by proportional representation by bodies (Provincial councils and other local authorities) which are themselves chosen by proportional representation.

[11] For fuller treatments of this proposal see Proportional Representation by Hoag and Hallett, pp. 320–328, articles in the Proportional Representation Review for July 1920, July and October 1924, and April 1928, and Mr. Dougherty's book cited in footnote 9.

Proportional Representation (P. R.) in the Election of the President of the United States—No. 5 of a Series of Seven

EXTENSION OF REMARKS
OF
HON. KARL E. MUNDT
OF SOUTH DAKOTA
IN THE SENATE OF THE UNITED STATES
Tuesday, August 2, 1955

Mr. MUNDT. Mr. President, I ask unanimous consent to include in the CONGRESSIONAL RECORD, No. 5 in a series of 7 statements on proportional representation in the election of the President of the United States.

There being no objection, statement No. 5 was ordered to be printed in the RECORD, as follows:

This chapter is in the historical development of Senate Joint Resolution 31, which proposes to change the basis of presidential elections to the principle of proportional representation, is from the April 1930 issue of the Proportional Representation Review, which was the organ of the Proportional Representation League. This article welcomed Representative Clarence F. Lea's reintroduction in the 1st session of the 71st Congress his proposal to amend the Constitution with respect to election of the President and Vice President. The title of this article "Proportional Representation Proposed Again for Presidential Elections" is documentary evidence that the apostles of the proportional representation movement believed the plan for electing the President to be based on proportional representation. The article follows:

"PROPORTIONAL REPRESENTATION PROPOSED AGAIN FOR PRESIDENTIAL ELECTIONS

"A constitutional amendment[1]

"A measure before the present Congress which has been given far less attention than it deserves is the constitutional amendment by Congressman Lea of California[2] to abolish the electoral college and elect the President of the United States by popular vote without disturbing the relative voting power of the several States.

"Mr. Lea does not make the usual proposal of a direct nationwide plurality vote, for the very good reason that a sufficient number of the smaller States which would lose in voting power under that arrangement could not be expected to ratify it. He leaves each State its present allotment of electoral votes but distributes them among the candidates in proportion to their popular votes within the State.

"New York, for example, in the election of 1928, gave President Hoover 2,193,344 popular votes out of a total of 4,405,626. Since this was 22.403 forty-fifths of the votes in the State, Mr. Lea's plan would have given Mr. Hoover 22.403 electoral votes from New York, instead of all 45. And since former Governor Smith polled 21.346 forty-fifths, he would have received 21.346 of New York's electoral votes instead of none at all. Similarly in the States which Smith carried Hoover would have received his due share of the electoral votes, and the electoral vote for the whole country would have been much more nearly

[1] The first part of this article was sent out on April 18 with the weekly editorial service of the National Municipal League.
[2] H. J. Res. 106, 71st Cong., 1st sess.

proportionate to the popular vote than it actually was.[2]

"Such a plan would have at least the following outstanding advantages:

"1. It would make a reversal of the popular verdict less likely. Three times already a candidate has been defeated for President who polled more popular votes than his successful opponent, simply because all the votes cast for him in States which he failed to carry were disregarded. In the last presidential election it would have required a change of only 417,000 votes in certain close States, or one-ninetieth of the total, to have elected Smith President, though Hoover would still have had a popular plurality of over 5 million. On the other hand it would have required a change of only 202,000 votes to have deprived Smith of all the electoral votes he did receive. A method of election under which the disposition of 2 percent of the popular votes can make all the difference between no electoral votes at all and election is obviously not to be trusted to elect the right man.

"2. It would give every voter the satisfaction of helping his favorite candidate for President whether he voted with the majority in his State or not. In the last presidential election three quarters of a million Republican votes in Massachusetts and 2 million Democratic votes in New York had no more effect on the result than so much waste paper.

"3. It would thus stimulate voting and contribute to the political education of the electorate. When no one except a member of the locally dominant party can hope to accomplish anything by voting, it is not surprising that only half of the qualified voters usually register their votes and that campaigning is largely confined to a few doubtful States.

"4. It would make the best qualified candidates of all parties politically available for nomination regardless of their places of residence. Under the present system a candidate who does not live in one of the few large doubtful States is usually not politically available because it is the polling of most votes in those States rather than of most votes in the whole country that decides the election. In the last 13 presidential elections the Republican and Democratic Parties have nominated for President or Vice President 31 citizens of New York, Indiana, and Ohio, and only 21 from all the rest of the country together.

"5. It would remove the present tremendous incentives to fraud, promises of patronage, and excessive expenditure of money in the doubtful States with large blocks of electoral votes. How great these incentives are is indicated by the fact that on at least four occasions the change of less than a thousand votes in a single State would have elected a different President.

"6. It would remove the device of personal electors, which is not only useless but dangerous. If any of the electors should for any reason fail to carry out the very specific duties now prescribed for them by the Constitution, or should vote contrary to their pledges, it might easily change the result. The electoral college system has actually been responsible for gravely serious controversies on several occasions. In 1856 the electors of Wisconsin were prevented from casting their votes on the prescribed day by a severe blizzard. In the famous Hayes-Tilden dispute the personal eligibility of one elector was a deciding factor. Surely in so important a matter it is unwise to take such risks unnecessarily.

"On March 14 the House Committee on Election of President, Vice President, and Representatives in Congress, to which Mr. Lea's resolution was referred, held a public hearing at which Mr. Lea presented a mass of instructive evidence in favor of his proposal, which was received by the committee with sympathetic attention. Mr. Hoag and Mr. Hallett of the Proportional Representation League also spoke."

The Proportional Representation League was equally interested in electing Members of the House of Representatives on their principles.

[2] The total popular votes of the three leading candidates, as published in the official statement of the Clerk of the House of Representatives, were: Hoover 21,388,300 (58.1 percent), Smith 15,005,443 (40.8 percent), and Thomas 266,549 (.7 percent). The total electoral votes were Hoover 444 (83.6 percent), Smith 87 (16.4 percent), and Thomas 0 (0 percent). Mr. Lea calculates that the total electoral votes under his proposed plan would have been Hoover 291.398 (54.9 percent), Smith 231.251 (43.6 percent, and Thomas 2.872 (.5 percent).

Proportional Representation (P. R.) in the Election of the President of the United States—No. 6 of a Series of Seven

EXTENSION OF REMARKS
OF

HON. KARL E. MUNDT

OF SOUTH DAKOTA

IN THE SENATE OF THE UNITED STATES

Tuesday, August 2, 1955

Mr. MUNDT. Mr. President, I ask unanimous consent to include in the CONGRESSIONAL RECORD, No. 6 in a series of 7 statements on proportional representation in the election of the President of the United States.

There being no objection, statement No. 6 was ordered to be printed in the RECORD, as follows:

I have stated before in this series of items, which I have introduced into the CONGRESSIONAL RECORD and with reference to Senate Joint Resolution 31, now pending on the Senate Calendar and which proposes to introduce a new principle of representation in presidential elections, that the proponents of proportional representation were equally concerned with the election of House Members according to their plan.

Today's chapter in the historical development of Senate Joint Resolution 31 is in the nature of an aside from the Presidency because it deals with the election of Members of the House of Representatives. This article is titled "The Nation Misrepresented" and applies the principles of proportional representation to the congressional elections of November 1930. It is from Proportional Representation Review, quarterly organ of the Proportional Representation League.

It is especially important that this old article be brought to public attention. The adoption of Senate Joint Resolution 31 with respect to the election of the President will give impulse and force to the movement to elect the House of Representatives on the same principles. The article follows:

"THE NATION MISREPRESENTED

"An analysis of the last congressional elections [1]

"With the control of the next Congress still in the hands of Providence, it is pertinent to inquire whether the even balance in the representative body reflects a similar balance in the sentiments of the voters or whether the somewhat difficult situation which confronts the Nation is merely the result of faulty election machinery.

"A glance at the figures of last fall's congresisonal elections gives a first impression that the results were unfair to the Republicans: the Republican candidates for the National House polled 2 million more votes than their Democratic opponents.

"But this impression overlooks the fact that in large parts of the South the Democrats had no opposition and so did not need to poll their full vote.

"If, to avoid this error, one calculates State by State the proper representation of each party in proportion to the vote cast, it appears that the results actually were unfair to the Democrats: on such a proportional basis State by State the Democrats would have elected 225 Representatives to the Republicans' 204.

"But this also is inconclusive, for if the method of election had allowed due representation to minorities in conformity with the old American slogan about taxation without representation, hundreds of thousands of Republican votes would have been cast in the South and Democratic votes in the North which were not cast under present discouraging conditions. What the net result would have been no one can tell.

"The one thing certain from a careful examination of the figures is that the actual result was very much a gamble, depending on the disposition of a handful of votes in the close districts, and that the existing near-deadlock bears no necessary relation to the real wishes of the voters.

"Minority rule

"How defective is our present method of electing Congressmen as a means of reflecting public sentiment becomes very clear as the results are examined State by State.

"In two States the so-called majority system in single-member districts gave a majority of seats to the minority party. In West Virginia the minority party actually elected twice as many Represenatives as the majority, because its votes happened to be distributed more favorably in the geographical districts. Here are the figures:

"West Virginia

Party	Votes cast	Representatives elected	Representatives in proportion to votes
Republican	264,160	4	3
Democratic	264,951	2	3

"Illinois [1]

Party	Votes cast	Representatives elected	Representatives in proportion to votes
Republican	1,002,947	15	13
Democratic	1,020,319	12	14
Others	5,808	0	0

[1] The total votes given for Illinois are the totals of the votes cast for district Representatives in the 25 congressional districts. 2 Representatives, 1 Republican, and 1 Democrat, were elected from the State at large.

"Minorities excluded

"Of course the minority party was more frequently underrepresented.

"In North Carolina the Republicans polled nearly two-fifths of the votes, but elected none of the State's 10 Representatives in Congress. This has been the usual state of affairs for many years, a temporary exception giving the Republicans two Congressmen (instead of their rightful four) in the

[1] Analyses of previous congressional elections will be found in the Proportional Representation Reviews for October 1929, April 1927, April 1925, and earlier issues.

Hoover landslide of 1928. The Republicans of North Carolina, by living in the State, increase its representation and so regularly contribute four Congressmen to the party they vote against.

"In Michigan the Democrats polled 170,000 votes—nearly a third as many as their Republican opponents—but elected not 1 of the State's 13 Members. Less than 170,000 Democratic votes elected 10 Members in Alabama, and 12 in Georgia.

"In Missouri the vote of the Democrats exceeded that of the Republicans by less than 10,000 in a total poll of nearly a million. Yet the Democrats elected three times as many of the State's Members.

"Missouri

Party	Votes cast	Representatives elected	Representatives in proportion to votes
Democratic	477,467	12	8
Republican	468,853	4	8
Others	743	0	0

"The results of many other States, summarized in the table on page 46 present incongruities almost as striking.

"With the minority votes in all districts, totaling many millions, going completely to waste, justice even to organized parties is not to be expected. Add the certainty of similar injustices in the primaries of each party and the failure of millions to vote as they feel or to vote at all because they have no hope of electing the sort of officials they really want, and the picture under present methods becomes hopeless.

"Representative government will not become a reality until the rules of the game are changed to assure all elements their fair share. This can easily be done without constitutional amendment when the American people realize its need. In fact, under the new apportionment act, any State could elect its members in the national House of Representatives by proportional representation, by act of its own legislature, without waiting for other States to do so.

"One-party elections

"Meanwhile the breakdown of the two-party system continues apace. The long-continued under-representation of the minority party has already, in most parts of the country, reduced it to a condition of innocuous desuetude. In four-fifths of the area of the United States a one-party system of government is, for practical purposes, in full effect.

"Under such conditions it is something of a stretch of the imagination to call either of the two great national parties either national or (if party be defined as in the Oxford dictionary as a body of persons united in a cause, opinion) a party. Each is an inharmonious aggregation of nearly all the warring elements in one part of the country. For the sake of participating in the primary of the major party, which has become the real election, low-tariff advocates in Pennsylvania register as Republicans and high-tariff advocates in Alabama as Democrats.

"How sharply and artificially the present methods of election have divided the country will be seen from the map on the back cover of this Review, and from the following tables:

"The solid South (Maryland, Virginia, North and South Carolina, Georgia, Florida, Alabama, Mississippi, Louisiana, Arkansas, Oklahoma, Texas, New Mexico, and Arizona)

Party	Votes cast	Representatives elected	Representatives in proportion to votes
Democratic	1,999,638	107	80
Republican	761,143	[1]3	30
Others	3,083	0	0

"The solid Northwest (Michigan, Wisconsin, Minnesota, Iowa, North and South Dakota, Montana, Wyoming, Colorado, Utah, Nevada, Idaho, Washington, Oregon, and California)

Party	Votes cast	Representatives elected	Representatives in proportion to votes
Republican	3,693,043	74	67
Democratic	1,316,895	[1]7	20
Others	380,572	[1]1	3

[1] No more than 1 minority Member was elected in any one State.

"These tables make it clear that under proportional representation, even if no more opposition votes were cast than actually are cast under the present adverse conditions, there would no longer be a solid South or a solid part of the North. Each of the great parties would become truly national in scope.

"And since one could vote for the minority party without throwing one's vote away, there would be a real chance of an alinement on the basis of principles instead of mere geography.

"Results of the congressional elections,[1] Nov. 4, 1930

State	Votes cast			Members elected			Members by proportional representation [2]		
	Republican	Democratic	Others	Republicans	Democrats	Others	Republicans	Democrats	Others
Alabama	32,030	165,403		0	10	0	1	9	0
Arizona		52,342		0	1	0	0	1	0
Arkansas		145,108		0	7	0	0	7	0
California	[3] 964,690	[4] 130,106	2,275	10	1	0	10	1	0
Colorado	167,227	146,192	1,224	3	1	0	2	2	0
Connecticut	216,518	208,202	3,559	3	2	0	3	2	0
Delaware	48,493	38,391	127	1	0	0	1	0	0
Florida	11,819	84,070		0	4	0	0	4	0
Georgia	1,631	55,444	372	0	12	0	0	12	0
Idaho	80,869	45,661		2	0	0	1	1	0
Illinois [5]	[3] 1,002,947	[5] 1,020,819	[5] 5,808	[3] 15	[3] 12	0	13	14	0
Indiana	572,082	641,206	606	4	9	0	6	7	0
Iowa	321,702	207,686	858	10	1	0	7	4	0
Kansas	322,775	242,477		7	1	0	5	3	0
Kentucky	253,903	288,354	6,325	2	9	0	5	6	0
Louisiana	2,207	130,086		0	8	0	0	8	0
Maine	88,072	55,471		4	0	0	3	1	0
Maryland	189,815	275,461	780	0	6	0	2	4	0
Massachusetts	629,821	529,258	17,496	12	4	0	9	7	0
Michigan	557,203	171,402	5,822	13	0	0	10	3	0
Minnesota	412,888	65,490	[6] 281,385	9	0	[7] 1	6	1	[7] 3
Mississippi		34,899		0	8	0	0	8	0
Missouri	468,853	477,467	743	4	12	0	8	8	0
Montana	82,736	84,604	2,807	1	1	0	1	1	0
Nebraska	199,196	216,405		2	4	0	3	3	0
Nevada	18,279	15,343		1	0	0	1	0	0
New Hampshire	71,506	52,323		2	0	0	1	1	0
New Jersey	558,925	425,352	6,553	9	3	0	7	5	0
New Mexico	51,655	65,194	290	0	1	0	0	1	[8] 1
New York	1,304,010	[5] 1,532,413	[6] 188,750	20	23	0	19	22	[8] 2
North Carolina	198,310	334,376		0	10	0	4	6	0
North Dakota	126,678	52,284	3,538	3	0	0	2	1	0
Ohio	955,716	910,931	13,468	13	9	0	11	11	0
Oklahoma	173,944	282,629	166	1	7	0	3	5	0
Oregon	116,642	107,187	4,606	2	1	0	2	1	0

[1] Official figures as published by the Clerk of the House of Representatives.

[2] The figures in this column have been calculated as if each State were a single congressional district electing its allotted quota of Members by proportional representation with the single transferable vote (Hare system), assuming that each voter voted for all the candidates of the party for which he actually voted and for no other. If proportional representation were actually used, the largest States would probably be divided into 2 or more multimember districts, but that would not interfere seriously with the proportionality of the result.

[3] This is the total vote for the Republican nominees who call themselves Republicans. 7 of them, with a total vote of 549,891, received the Democratic as well as the Republican nomination.

[4] This is the total vote for the Democratic nominees who call themselves Democrats. 1 of them, with a vote of 66,703, received the Republican as well as the Democratic nomination.

[5] The total votes given for Illinois are the totals of the votes cast for district representatives in the 25 congressional districts. 2 Representatives, 1 Republican and 1 Democrat, were elected from the State at large.

[6] Of these votes 271,599 were cast for candidates of the Farmer-Labor Party.

[7] Farmer-Labor.

[8] This is the total vote for the Democratic nominees who call themselves Democrats. 1 of them, with a vote of 39,340, received the Socialist as well as the Democratic nomination.

[9] Of these votes 163,286 were cast for candidates of the Socialist Party.

[10] Socialist.

Results of the congressional elections, Nov. 4, 1930—Continued

State	Votes cast			Members elected			Members by proportional representation		
	Republican	Democratic	Others	Republicans	Democrats	Others	Republicans	Democrats	Others
Pennsylvania [11]	[11] 1,421,634	[11] 566,594	[11] 31,143	[11] 33	[11] 3	0	26	10	0
Rhode Island	113,354	105,968		2	1	0	2	1	0
South Carolina		16,163		0	7	0	0	7	0
South Dakota	106,429	55,718	7,926	3	0	0	2	1	0
Tennessee	[12] 72,354	132,615	1,908	2	8	0	3	7	0
Texas	45,281	249,450		1	17	0	2	16	0
Utah	80,981	62,828	10,944	2	0	0	1	1	0
Vermont	49,074	23,741	7	2	0	0	2	0	0
Virginia	54,451	109,013	1,466	1	9	0	3	7	0
Washington	205,942	75,424	8,017	4	1	0	4	1	0
West Virginia	264,160	264,951		4	2	0	3	3	0
Wisconsin	395,887	72,451	[13] 51,080	10	1	0	9	1	[14] 1
Wyoming	44,890	24,519		1	0	0	1	0	0
Total	13,067,579	11,048,971	660,157	218	216	1	[15] 204	[15] 225	[15] 6

[11] In the several Pennsylvania districts where the same candidate was nominated by 2 or more parties, the votes have been distributed to the proper parties but the election has been credited to the party to which the successful candidate actually belongs. 5 of the successful Republicans were endorsed by the Democrats, and 1 successful Democrat by the Republicans. In 5 cases the successful candidate had Prohibition, Labor, or Socialist endorsement.

[12] This total includes the vote cast for Republicans, 38,106, and for Independent Republicans, 34,248. Independent Republicans opposed the regular Republican candidates in 2 districts.

[13] Of these votes 47,520 were cast for candidates of the Socialist Party.

[14] Socialist.

[15] A proportional assignment on the basis of the totals for the whole country instead of State by State would be: Republicans 230, Democrats 194, other parties (if they were united), 11. The discrepancy is due chiefly to 2 factors: (1) the vote in the South is very small in proportion to population, so that the apportionment of Members to States on the basis of population gives southern votes a greater value than northern votes; (2) the number of Members allotted to a number of the smaller States is too small to allow a satisfactory proportional assignment on a State basis. See the opening paragraphs of this article.

Proportional Representation (P. R.) in the Election of the President of the United States—No. 7 and Last of a Series of Seven

EXTENSION OF REMARKS

OF

HON. KARL E. MUNDT

OF SOUTH DAKOTA

IN THE SENATE OF THE UNITED STATES

Tuesday, August 2, 1955

Mr. MUNDT. Mr. President, I ask unanimous consent to include in the CONGRESSIONAL RECORD, No. 7 and last in a series of 7 statements on proportional representation in the election of the President of the United States.

There being no objection, statement No. 7 was ordered to be printed in the RECORD, as follows:

In concluding these essays in the historical development since January 25, 1928, I submit a copy of Senate Joint Resolution 181, 70th Congress, 1st session introduced by Representative Clarence F. Lea, of California.

During course in the Congress some of its language has been rephrased by the committee of the several intervening Congresses. The language rephrased over the years is indicated by italics. All of the language in roman type remains unchanged today in Senate Joint Resolution 31. The document follows:

"House Joint Resolution 181

"Joint resolution proposing an amendment to the Constitution of the United States providing for the election of President and Vice President

"Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, (two-thirds of each House concurring therein), That an amendment is hereby proposed to the Constitution of the United States which shall be valid to all intents and purposes as part of the Constitution when ratified by three-fourths of the legislatures of the several States. Said amendment shall be as follows:

"That the 12th amendment of the Constitution of the United States be, and is hereby, amended to read as follows:

"ARTICLE XII

"The electoral college system of electing the President and Vice President of the United States is hereby abolished. The President and Vice President shall be voted for by the people of the several States. The electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature. Congress shall determine the time of such presidential election, which shall be the same throughout the United States. Until otherwise determined by the Congress, such election shall be held on the Tuesday next after the first Monday in November *in every fourth year succeeding every election of a President and Vice President.* Each State shall be entitled to a number of electoral votes equal to the whole number of Senators and Representatives to which such State may be entitled in the Congress.

"Within 45 days after *the presidential* election, or at such time as the Congress shall direct, *the secretary of state* of each State, *or other corresponding officer of said State who, by the law thereof, has the custody of the official election returns thereof, shall make distinct lists of all persons voted for as President and of all persons voted for as Vice President* and the number of votes for each and the total vote of the electors of the State for all *candidates for such offices, respectively,* which lists he shall sign and certify and transmit sealed to the seat of the Government of the United States, directed to the President of the Senate—the President of the Senate shall in the presence of the Senate and House of Representatives open all certificates and the votes shall then be counted—each person *voted for as President or Vice President in each State* shall be credited with such proportion of the electoral votes *of said State for such office, respectively, as the vote for said person in said State for such office bears to* the total vote of the electors *of said State for all candidates for said office.* In making the computations, fractional numbers less than one one-thousandth shall be disregarded *unless a more detailed calculation would change the result of the election.* The person having the greatest number of electoral votes for President shall be President. *The person having the greatest number of electoral votes for Vice President shall be Vice President,* but no person constitutionally ineligible to the office of President shall be eligible to that of Vice President of the United States.

"This amendment shall take effect on the *1st day of July following its ratification."*

For comparison with the above document, I submit Senate Joint Resolution 31 as reported by the Committee on the Judiciary of the Senate in this Congress:

"Senate Joint Resolution 31

"Joint resolution proposing an amendment to the Constitution of the United States providing for the election of President and Vice President

"Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That an amendment is hereby proposed to the Constitution of the United States which shall be valid to all intents and purposes as part of the Constitution when ratified by three-fourths of the legislatures of the several States. Said amendment shall be as follows:

" 'ARTICLE II

" 'SEC. 1. The executive power shall be vested in a President of the United States of America. He shall hold his office during the term of 4 years, and together with the Vice President, chosen for the same term, be elected as provided in this Constitution.

" 'The electoral college system of electing the President and Vice President of the United States is hereby abolished. The President and Vice President shall be elected by the people of the several States. The electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature. Congress shall determine the time of such election, which shall be the same throughout the United States. Until otherwise determined by the Congress, such election shall be held on the Tuesday next after the first Monday in November of the year preceding the year in which the regular term of the President is to begin. Each State shall be entitled to a number of electoral votes equal to the whole number of Senators and Representatives to which such State may be entitled in the Congress.

" 'Within 45 days after such election, or at such time as the Congress shall direct, the official custodian of the election returns of each State shall make distinct lists of all persons for whom votes were cast for President and the number of votes for each, and the total vote of the electors of the State for all persons for President, which lists he shall sign and certify and transmit sealed to the seat of the Government of the United States, directed to the President of the Senate. On the 6th day of January following the election, unless the Congress by law appoints a different day not earlier than the 4th day of January and not later than the 10th day of January, the President of the Senate shall in the presence of the Senate and House of Representatives open all certificates and the votes shall then be counted. Each person for whom votes were cast for President in each State shall be credited with such proportion of the electoral votes thereof as he received of the total vote of the electors therein for President. In making the computations, fractional numbers less than one one-thousandth shall be disregarded. The person having the greatest number of electoral votes for President shall be President, if such number be at least 40 percent of the whole number of such electoral votes. If no person have at least 40 percent of the whole number of electoral votes, then from the persons having the two highest numbers of electoral votes for President the Senate and House of Representatives sitting in joint session shall choose immediately, by ballot, the President. A majority of the votes of the combined authorized membership of the Senate and the House of Representatives shall be necessary for a choice.

" 'The Vice President shall be likewise elected, at the same time and in the same manner and subject to the same provisions, as the President, but no person constitutionally ineligible for the office of President shall be eligible to that of Vice President of the United States.

" 'The Congress may by law provide for the case of the death of any of the persons from whom the Senate and the House of Representatives may choose a President whenever the right of choice shall have devolved upon them, and for the case of the death of any of the persons from whom the Senate and the House of Representatives may choose a Vice President whenever the right of choice shall have devolved upon them.

"SEC. 2. Paragraphs 1, 2, and 3 of section 1, article II, of the Constitution, the 12th article of amendment to the Constitution, and section 4 of the 20th article of amendment to the Constitution, are hereby repealed.

" 'SEC. 3. This article shall take effect on the 10th day of February following its ratification.

" 'SEC. 4. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the States within 7 years from the date of its submission to the States by the Congress'."

Verne D. Mudge

EXTENSION OF REMARKS
OF
HON. ESTES KEFAUVER
OF TENNESSEE
IN THE SENATE OF THE UNITED STATES
Tuesday, August 2, 1955

Mr. KEFAUVER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD, the attached memorandum in appreciation of the fine service Mr. Verne D. Mudge has rendered the Committee on Armed Services of the United States Senate from 1947 until the present time as professional staff member.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

Whereas Verne D. Mudge has been a professional staff member of the Committee on Armed Services of the United States Senate from 1947 until the present; and

Whereas during this period of service he has demonstrated exceptional competence in assisting the committee under the chairmanships of Senator Chan Gurney, Senator Millard Tydings, Senator Leverett Saltonstall, and Senator Richard B. Russell; and

Whereas he has given the committee the benefit of his broad military experience while maintaining scrupulously a viewpoint of complete objectivity; and

Whereas by the energetic application of his talents Verne has contributed immeasurably to committee and Senate action on the many items of legislation affecting the Department of Defense and the national security enacted during the period of his service; and

Whereas he has endeared himself to the members of the committee and its staff by his outstanding ability, his wise and friendly counsel, and his loyalty to the members and staff of the committee; and

Whereas after 8 years of service Verne is resigning from his position on the staff of the committee: Now, therefore, be it

Resolved, That the Committee on Armed Services expresses its profound appreciation to Maj. Gen. Verne D. Mudge, United States Army, retired, for his dedicated service of the highest quality, and extends its sincere wishes for his future health and happiness.

Coal Exports Through Foreign Aid Program

EXTENSION OF REMARKS
OF
HON. ROBERT B. CHIPERFIELD
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. CHIPERFIELD. Mr. Speaker, since October 1954 the following coal purchases have been made from foreign aid funds:

	Tons
Colorado	22,400
Kentucky	224,000
Alabama	67,200
Illinois	179,200
Washington	66,080
Utah	67,200
West Virginia	44,800
Indiana	112,000
Oklahoma	44,800
New Mexico	11,200
Pennsylvania	156,800
Pittsburgh seams	134,400
Total	1,130,080

Most of this is destined for Korea; some will go to Indochina, Greece, and Yugoslavia.

Through normal commercial channels an additional 3,201,184 tons have been purchased, of which 1,321,600 tons have been procured through the operation of a revolving fund.

A small additional amount has been bought out of foreign aid funds by the United States Government.

In all, the purchase of 4,653,824 tons of coal has been authorized for fiscal year 1955.

Exports of coal from October 1953 to September 1954 were 14,100,000 tons.

For the period October 1954, through June 1955—9 months—exports were 17,800,000 tons.

The Late Paul Shafer

EXTENSION OF REMARKS
OF
HON. DEWEY SHORT
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. SHORT. Mr. Speaker—

I sometimes hold it half a sin
To put to words the grief I feel;
For words, like Nature, half reveal
And half conceal the soul within.

But, for the unquiet heart and brain,
A use in measured language lies;
The sad mechanic exercise,
Like dull narcotics, numbing pain.

In words, like weeds, I'll wrap me o'er,
Like coarsest clothes against the cold;
But that large grief which these unfold
Is given in outline and no more.

Mr. Speaker, almost 1 year ago—on August 17, 1954—an earthquake hit me and left me buried. Paul Shafer died. Just now I am struggling to dig out or get my head above water. I have not known whether I have been on land or sea.

Members of this House and all outside who knew us well said that Frank Fellows, Paul Shafer, and Dewey Short were a grand trio. It may be doubtful as to how grand we were, but certainly we were a trio. Bound indissolubly together by a common faith, purpose, and philosophy, we were a unit.

When Frank died, Paul and I went to his funeral in Maine. Paul and I would have preferred attending our own. We did not get to do all that we had promised and wanted to do on that particular occasion, because there were too many people present, and we knew some would not understand.

After our dear and beloved Frank left us, Paul and I were called the Gold Dust Twins. Though I knew his ill health and immeasurable grief over the death of his dear wife, Ila, only 6 weeks before his death, I was not prepared for the shock that hit me like a ton of bricks when Paul was cruelly snatched from me.

Life in Maine, Michigan, Missouri, and all over the world has not been the same to me. It never will be. The moon has dimmed, the stars have gone out, and the bright sun casts only a shadow and pall over me. My heart is heavy and heavier than the heart can bear.

But I know the sun still shines. God is in the heavens and all is right with the world.

Today I miss Frank Fellows and Paul Shafer more than ever before in my life. It is only the tender ties and precious memories of them that enable me to carry on. I shall carry on to the bitter end or unto the perfect day.

Though I paid a feeble tribute to Frank, unworthy of a great and good man, which had to be read by our good mutual friend, Hon. CLIFFORD DAVIS of Tennessee, I have said nothing, until this moment—almost a year after his death—about Paul Shafer. Nothing I can say now would detract from his honor or add to his glory.

When Paul died, I did not go to his casket nor did I attend his funeral. I wanted to remember him in life, because he was so full of life. Though he is dead, he yet lives. Forever his good deeds will be a requiem sung by the angels.

Mr. Speaker, we treat our enemies with mean and contemptuous silence, but our friends with a silence that is sacred, that song can never sing, that tongue can never tell.

At this late date, almost 1 year since his death, I cannot begin to express what is in my mind and in my heart about Paul Shafer. He defies description. Rather should I "pronounce his name and let it go shining on in deathless splendor."

On this first anniversary of his death, I can only say that the dearest, sweetest, kindest, and best personal and political friend left me. Oh, what an aching void. In one sense it seems ages ago, and in another sense it seems only yesterday. He was closer to me than hands and feet, and I can now almost reach out and touch his smiling face. Paul had a heart bigger than a cow and a smile that would melt the stoniest faces. He loved people and people loved him.

Mr. Speaker, Paul Shafer with all his foolishness and playfulness—thank God he had it—was a great and good man. He fought the battle of life the hard way and understood people. He battled against heavy odds for high principles and never stultified his conscience. He believed that every person should paddle his or her own canoe but was always helpful to anyone in need. He sided with the weak, the poor, the wronged, and lovingly gave alms to people less fortunate than himself.

Paul Shafer never asked what he could get in return for his good deeds, but he had faith, knowing that whatever bread he cast upon the waters would return to him after many days. He was quick to anger at wrongdoing, but he was also quick to forgive. His big and generous heart could not carry a grudge for long. Paul Shafer loved his God, was devoted to his country, and was loyal to his friends. Honor and loyalty, Mr. Speaker, are about the highest virtues. Paul Shafer had both. His greatest pain was that he could not do more for his family, his friends, and his country. I have seen him on innumerable occasions suffer because he could not do more. Bless his soul.

Many are the times we disagreed without being disagreeable; often he reprimanded me, usually to my benefit, and I have said harsh words to him, only to receive a big broad smile and a warm hug that melted my heart. True friends really understand. We did.

Mr. Speaker, methinks that perhaps I could pronounce a grand encomium upon Paul Shafer, but I know if I did, he would rise up in his simplicity, sincerity, humility, and honor from the ashes of his dust to strike me down. Already, I know he feels embarrassed.

I know it is now time to stop—maybe long overdue—but in closing, I want to bow down and thank our God that it was my rare privilege to have known and worked with one of the finest spirits, greatest souls, and best men ever born.

I loved Paul Shafer in this life and will love him increasingly throughout eternity.

Mr. Speaker, as I began these remarks with a quotation from Alfred Lord Tennyson, so I conclude with his immortal poem:

Break, break, break,
On the cold gray stones, O Sea!
And I would that my tongue could utter
The thoughts that arise in me.

O well for the fisherman's boy,
That he shouts with his sister at play!
O well for the sailor lad,
That he sings in his boat on the bay!

And the stately ships go on
To their haven under the hill;
But O for the touch of a vanished hand,
And the sound of a voice that is still!

Break, break, break,
At the foot of thy crags, O Sea!
But the tender grace of a day that is dead
Will never come back to me.

National System of Interstate and Defense Highways Act of 1955

EXTENSION OF REMARKS
OF
HON. AUGUSTINE B. KELLEY
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. KELLEY of Pennsylvania. Mr. Speaker, I do believe that the majority of the Members of the House are anxious to have a good highway bill.

The President's proposal, along with the Fallon bill, was brought up in the last few days of the session without proper consideration. The President's proposal was not satisfactory to many Members, including me, because it would have cost the taxpayers $11½ billion in interest over a period of 30 years. The Fallon bill was not acceptable, and I opposed it, because it provided for a tax in a legislative authorization bill which would be establishing a new parliamentary practice in the House of Representatives. The tax-writing function of the Congress is in the Ways and Means Committee exclusively and not in the ordinary legislative committees. In addition to that, there was a closed rule and no amendments could be offered to that taxation provision.

There is no doubt in my mind but what a good bill could be passed as everybody appreciates the necessity for it.

Some newspapers have been violently criticizing Members of Congress for submitting to the trucking lobby. I wish to say for the record that I was not approached by a single member of the lobby. I received some telegrams, yes, very few from my district; but there was nothing unusual in the number compared to the number of telegrams I have received on other controversial matters.

For Distinguished Service in Congress

EXTENSION OF REMARKS
OF
HON. HERBERT H. LEHMAN
OF NEW YORK
IN THE SENATE OF THE UNITED STATES
Tuesday, August 2, 1955

Mr. LEHMAN. Mr. President, in the Sunday magazine section of the New York Times of July 24, there appeared a most interesting article written by former Senator William Benton, of Connecticut, a most distinguished American, whose penetrating and fruitful mind continues to be of benefit to all of us.

In this article, former Senator Benton cogently analyzes the duties and functions of Members of Congress, and proposes distinguished service awards to be given to Members of Congress for outstanding performance in the unsung day-to-day labors of the Congress which are so necessary but which receive so little public notice.

While I have some questions about some aspects of the proposal by Senator Benton, I think his article a most useful and arresting one. Surely it deserves a place in the CONGRESSIONAL RECORD.

I therefore ask unanimous consent that this thoughful article by former Senator Benton be printed in the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FOR DISTINGUISHED SERVICE IN CONGRESS—MANY A CONGRESSMAN DEVOTES HIMSELF QUIETLY TO THE PUBLIC WELFARE AND THE PUBLIC NEVER HEARS OF HIM—HERE IS A PROPOSAL TO REWARD THE UNSUNG LAWMAKER

(By William Benton)

As Congress lumbers toward its summer recess, the season of appraisal opens. Which Senators, which Representatives turned in the best performances, those most in the national interest?

How many questions are potentially more important than this—and on how many do we do a more careless, slovenly job? As a nation we dote on rating our athletes and our actors. We gladly debate the merits of writers, dentists, junior and senior executives, ministers of the Gospel, storekeepers, and even scientists. Do we lack the resourcefulness to assess key political policymakers and to bring them out in the open so that we can better judge their deeds and know who they are?

Reelection is no indication of outstanding national performance. Repeated reelection certainly demonstrates ability of some kind, but there are many second-raters among the old hands. Skill in getting things done for friends or hoped-for friends may determine a Congressman's reelection, but it is no gage of his performance in the national interest.

Congressmen and Senators are flooded with requests from individual constituents. They often battle manfully for special benefits for their own districts or States and such services tend to be duly rewarded at the polls.

Nor is the amount of publicity a Congressman receives necessarily a clue to his national value. For lack of better routes to recognition, too many Members of Congress, in the battle for survival, struggle too hard for newspace and headlines. That they do cannot be blamed entirely on the newspapers. The newsmen who cover Capitol Hill average high in ability, but they are limited by the requirements of their craft. They don't seek to give ratings to Congressmen. Their news stories focus on controversial figures, or on that handful among the 531 Members of Congress who as party or committee leaders—usually by virtue of seniority—wield great influence.

In November of 1953 the Harry Dexter White case was in the headlines nearly every day, with Senator JENNER's committee centered in the spotlight. The House Un-American Activities Committee announced it was going to subpena, or request, former President Truman to testify about White. One of the House committee employees explained that the committee wanted to get into the act.

He was candid, if crude. For among all the crafts and professions, politics and the theater are the two in which personal publicity seems most important. Just as a good press is converted into ticket sales at the theater box office, so also is favorable publicity translated into votes at the polls.

The politician's thirst for attention is not inconsistent with democratic theory; one of his jobs is to discover and formulate and clarify what is on the public mind. Another is to try to give leadership to the public opinion. The danger arises when headlines are hunted cynically, when ignorance and prejudice are deliberately exploited, when phony or futile issues are raised merely for the sake of publicity.

A sorry example is Senator MCCARTHY'S recent offer to take part in a commando raid on the mainland of China to rescue American fliers, "if the Air Force will provide adequate cover." A light-hearted example is Senator NEUBERGER'S proposal for an investigation of the treatment of squirrels on the White House lawn.

The headline-aimed statement of the legislator is now far less commonly made on the floor of either House, or in any speech. In form, it can be a press release, or an interview, or a phone call to a columnist. An accusation or an attack is often good for space. So is a demand for an investigation.

An eye-catching bill or resolution can be tossed into the hopper for its 1-day story value. The alert solon with a flair for publicity can ride the news ticker with statements—and score a fair percentage of hits. And of course such statements often obscure the moderate and informed discussion that forms the solid substance of congressional activity. Thus the national distinction of a Congressman can in no sense be measured in column-inches.

Most Senators and Representatives, like other human beings, act out of a mixture of motives, and under a variety of pressures, among which publicity-pressure is only one. But if a given action will produce fast and favorable attention for themselves, many Members of Congress are quick to see its validity and importance. If the action promises hard work and no public recognition, it takes some of them longer to discern the same virtues in it.

This brings me back to my opening question, which can perhaps be reformulated like this: Is there a way to help rectify the imbalance of the headlines by providing a "moral equivalent" which in itself would be personally rewarding to the Congressman; which would generate publicity that in turn would be translatable into votes at the polls; and which would help elevate the tone and quality of the Congress? I have a suggestion toward this end which will be discussed later.

Where shall be look for the unsung—or unappreciated—heroes of Capitol Hill? Three types seems to stand out.

First, there is a kind of guild of professional craftsmen in Congress, men and women who without fanfare do the bulk of the heavy work of legislation—and rarely get so much as a stick of news-type for their pains. Chief among them are the committee specialists. They master the detailed and complex problems of legislation and of its impact on the executive branch.

Hours of solitary study, and faithful attendance at often tedious committee sessions lie behind the construction of appropriation bills, tax measures and major substantive legislation in all fields.

This is the nonglamorous drudgery which is the heart of effective work by Congress. Both Houses of Congress are sprinkled with Members who devote themselves to this work, and it is they who lead and educate their newer colleagues—or the lazier—or those who spread themselves too thin.

Perhaps, without injustice to anyone, Senator CARL HAYDEN, of Arizona, may be singled out to symbolize those in Congress who have performed magnificent services for years on end while remaining virtually unknown to the general public. Senator HAYDEN entered the House in 1912 when Arizona, our newest State, was admitted to the Union. Since 1927 he has served in the Senate, and now ranks second in seniority among the 96 (only Senator GEORGE is left ahead of him).

He speaks seldom, always softly, and never with the slightest tinge of rhetoric or passion. He is a tireless worker and his influence within the Senate is enormous. He has played an outstanding part in framing massive appropriation bills, more important on the average than any other task in Congress.

His advice is sought and heeded by Members of both parties. He is trusted by everyone. On a list of influential and effective lawmakers, no name would rank higher than his. Yet he is little known outside of Arizona and the city of Washington.

Senator GEORGE, of Georgia, has been an acknowledged master of revenue and taxation problems for a generation. The Republican counterpart for Senator GEORGE is Senator MILLIKIN, of Colorado. He, too, has a command of finance and revenue issues. One of his Democratic colleagues describes Senator MILLIKIN as the ablest advocate of the conservative viewpoint on revenue and financial policy who has appeared in the Senate in this generation.

The House boasts its full quota of greatly respected stalwarts. Until he assumed the chairmanship of the Joint Committee on Atomic Energy in a Republican Congress, the public had rarely heard of Representative W. STERLING COLE, of New York. The record of Representative COLE'S contributions to the upbuilding of the Nation's nuclear defenses has been necessarily buried in the secret archives of that committee.

My second group of unappreciated heroes are by nature the reverse of headline-hunters. They are the pros. Senator HAYDEN and GEORGE and MILLIKIN were old pros long before their seniority put their names in the news columns as committee chairmen. Thus I am here talking about temperament and industry, plus the attitude toward politics that it is a great profession and a life's work.

The pros were described by one experienced congressional observer as "the men who keep their shirts on." They are rarely reformers. They may lack talent as speakers. Their power lies in their character and the force of their personalities, in the confidence they inspire in the minds of fellow Members.

These are the men who put out the fires and curb any latent tendencies to hysteria. They realize that hasty and ill-advised action by Congress can cause incalculable damage, and so they tend to advise patience and delay, and because they are respected their counsel is usually taken.

I shall make my point more clearly in this category, as in the former, if I pick names identifiable by the public even if not highly publicized except through long years of service and seniority. Two Massachusetts Congressmen can perhaps symbolize the pros: JOHN MCCORMACK and JOSEPH MARTIN, or the two Texans: SAM RAYBURN and LYNDON JOHNSON.

My third classification consists of those who risk their political fortunes to champion unpopular causes simply because they believe the cause is right. Very few of the pros are ever in this group. These are the men and women who seek to blaze the trail—to demonstrate the underlying justice of what they advocate. Their immediate reward can be a fusillade of personal abuse and billingsgate, or it can be merely the enlistment of a few more enemies. The end result can be, and sometimes is, defeat at the polls.

A personal experience of my own, in my early days in the Senate, may serve as a minor illustration.

When I was a very junior Senator in 1950—in fact, at the very bottom of the seniority ladder—a batch of Hoover Commission proposals for the improvement and reorganization of the Federal Government came before the Committee on Expenditures.

To my surprise, many of these worthy proposals had no Senate champion. I leaped into the breach, not, I like to believe, without some success on some of the Hoover proposals. One columnist said of me he couldn't decide whether I was a Sir Galahad or just naive.

Senator Kenneth Wherry helped me gain understanding of my lonely role. The proposal under debate by the Senate was to reorganize certain aspects of the Treasury Department's relationship to the banks. I was the only Senator to speak for this Hoover Commission proposal, which was opposed by the banks and which had no friends or supporters with any political impact. After my speech came the vote. The proposed reorganization mustered only seven "ayes."

Senator Wherry left his front-row seat as Republican leader and walked to my back-row seat, No. 96. We were personal friends from my State Department days. He said:

"Bill, your speech reminds me of my first as a Senator; I prepared it carefully; as I spoke I saw the old and distinguished heads nodding in approval; I thought I was doing fine; but when the vote came, I wasn't there. I didn't have the votes, and I remembered that as I walked off the floor Senator Reynolds, of North Carolina, came up to me and put a consoling arm around my shoulder. 'Kenny,' Senator Reynolds said to me, 'Kenny, we was with you as long as you was talking.'"

I learned that, more professional and experienced than I, the old hands in the Senate knew there was no political sex appeal in reorganization. There was little publicity in many of the proposals and almost no incentive in terms of popular support, meaning votes in the following election. But there could be real and terrible penalties in terms of the organized opposition of those who thought they stood to lose—whether they were bankers or railroads or Government employees or veterans. If no friends are to be won, and enemies are to be made, the choice for the Congressman can be difficult indeed.

Can we devise means of rewarding and drawing public attention to the work of the

quiet—but invaluable—Senators and Congressmen? One suggestion I herewith propose is that the American Political Science Association each year, perhaps about September 1, award five citations for distinguished service in Congress to Members for outstanding unpublicized (or inadequately understood) performance as Members of the Senate or House during the session that began in January. No Member could win a citation more than once in 5 years.

The Political Science Association, which is controlled by scholars and students of government, is experienced in administering awards. Perhaps the association would conduct an advisory secret poll among the Members of Congress itself, another among the accredited correspondents in the congressional press galleries, and a third among the 200 or 300 top employees of Congress and its committees.

If the association is unwilling or proves unsuitable to administer the awards, perhaps the responsibility should go to the National Committee for an Effective Congress.

Such citations, I believe, would be greatly coveted. What would be at stake would be far greater than a medal or scroll or even the thousand dollars that might come with it. The citations would help reelect men and women who would not otherwise get the public credit they deserve. The awards would cause other Congressman to emulate the kind of congressional service which won the plaudits of the association. They would thus strengthen and improve the Congress. Doubtless there are better ideas toward this end; I hope my suggestion will stimulate them.

The Members of Congress are the most remarkable group that I have ever met anywhere; and in integrity, intelligence, and hard work they rank above any other group with whom I have ever worked. That is as great a tribute as I know how to pay to men and women who are so frequently kicked around, abused, misunderstood, and unappreciated.

Yet the prestige of Congress is slipping, and this is something far more serious than personal misfortune for the individual Members. (One butt of continuing attack by Communist propaganda is our Congress.) A loss of prestige for Congress is a national loss. Carried far enough, it could be a disastrous loss.

I am suggesting one way of helping our people achieve a better understanding of our Congress and how it works. At the same time my suggestion would, I believe, develop the prestige of the Congress and of those Members who contribute most to making it the great and effective body it is. Finally, I would hope that it would encourage an even larger percentage of the Congress to concentrate on those activities which promise to make our legislative process even more effective and to function ever more successfully in the public interest.

Anniversary of the Birthday of Johann Wolfgang von Goethe, August 28

EXTENSION OF REMARKS

OF

HON. DANIEL J. FLOOD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1955

Mr. FLOOD. Mr. Speaker, this month we celebrate an event which took place over 200 years ago, the birth of Johann Wolfgang von Goethe on August 28, 1749.

This great German poet was also dramatist, novelist, philosopher, statesman, and scientist. He is honored throughout the world, for his fame has traversed both time and nationality. He has been called the last universal man of the Western World.

The rise of any man from humble beginnings to the heights of renown appeals strongly to our imagination. Goethe, however, was born of a well-to-do and long-established family, with every facility for education. Temptations to an easier life must have been numerous, but his life's story discloses that he refused to tread the pleasant paths that opened to him, and took the way which led over the rough road of toil and action.

Goethe has left us in his autobiography an unforgettable pic'ure of his childhood. The library, the art objects, and antiquities of his father's home in Frankfort-on-the-Main kindled the quick intelligence and imagination of the young boy. His education was carefully planned. In the earliest stages it was conducted by his father and later was supplemented by tutors. He then studied at the universities at Leipzig and Strasbourg. There was hardly any field of study which Goethe did not survey. Meanwhile his literary powers were developing, as was evidenced in his letters and in his poetry.

When in 1775, at the age of 26, he was called to Weimar to serve the young duke, Karl August, as companion and tutor, there began for him a course in the practical application of his education to life. Here Goethe would have been free to devote much of his time to his poetry and writing, but, instead, he chose the role of servant to the people and the court. He remained in that service for over 50 years. As a public servant he worked hard as government official, administrator, theatrical manager, mining engineer, collector of art, and university chancellor. But at the same time he was furthering his studies in a number of fields. The literary results of these years are well known to all of us. Goethe incorporated more types of learning and more forms of spiritual discipline into his art than any man of his day—or of our own day, for that matter. He gave the world many pages of beauty as well as power, not only in thought but in form and style. The harmony, the balance, and the classicism that are associated with Goethe's work were not qualities that were bestowed upon him. They represent a mighty achievement, for, although Goethe spent his life in a small village and never stirred from Europe, yet he developed universal interests and universal sympathy. He will always be an inspiration to us because he transcends the narrow specialization of our day. Faust, his masterpiece, has had a great influence on literature and the arts the world over.

In examining Goethe and his varied life we like to think of those aspects of the man's character which we feel are relevant today, for, in celebrating this anniversary of his birth, we are not merely celebrating the fact that he was a great poet. What fascinates this mid-twentieth century about Goethe is, above all, the man himself. His energy and ability were remarkable. He possessed a powerful, ever-active mind. Perhaps most important of all was the fact that he did not make his life's journey over the much-traveled roads, but thought and acted independently and with originality and imagination. His life and work were remarkably creative accomplishments.

Goethe was devoid of affectation; he possessed that entire simplicity of manner and way of life which is the crowning result of the highest culture and the finest nature. His ideal of humanity and his never doubting belief in the dignity of the individual man have greatly influenced succeeding generations. The universal greatness of Goethe cannot be disputed. The inspiration of his greatness will remain a thousand years hence, for Goethe belongs to all ages and to the whole world.

Social-Security Amendments of 1955

EXTENSION OF REMARKS

OF

HON. JERE COOPER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1955

Mr. COOPER. Mr. Speaker, during the 1st session of the 84th Congress, the House of Representatives by a vote of 372 yeas, 31 nays, with 2 Members voting present, approved legislation which would make important and meritorious changes in our social-security law.

The legislation, H. R. 7225, was designed to eliminate certain benefit and coverage gaps existing in the present old-age and survivors insurance system. The improvements with respect to benefits which would be accomplished by this legislation are that benefits would be available to women at age 62 instead of age 65, disability benefits would be made available to permanently and totally disabled insured workers who have attained age 50 and over, and benefits for disabled child beneficiaries age 18 and over of insured workers would be continued. The elimination of coverage gaps would be accomplished by extending coverage to self-employed professional groups—except physicians—who are now excluded, to certain farmers, to turpentine workers, and to employees of the Tennessee Valley Authority and Federal home-loan banks.

To improve the actuarial soundness of the old-age and survivors insurance program and to compensate for the added cost to the system that would result from these important amendments, an adjustment would be made by H. R. 7225 in the social-security tax schedule.

In addition, an advisory council on social-security financing would be established by this legislation to review the status of the Federal old-age and survivors insurance trust fund.

For the information of the Members of Congress and other interested persons,

I am inserting at this point in the RECORD a summary of the principal provisions of the social-security amendments of 1955, H. R. 7225.

This legislation is now pending before the Senate Committee on Finance where it is expected consideration will be given to it during the forthcoming 2d session of the 84th Congress.

SUMMARY OF PRINCIPAL PROVISIONS AND EFFECTS OF SOCIAL-SECURITY AMENDMENTS OF 1955, H. R. 7225, AS PASSED BY THE HOUSE ON JULY 18, 1955

GENERAL SUMMARY

The bill would make seven changes in the old-age and survivors insurance program. It would:

1. Reduce from 65 to 62 the age at which women (workers, wives, widows, and parents) may become eligible for benefits.
2. Provide cash disability benefits for permanently and totally disabled workers aged 50 and over.
3. Provide continuation benefits for disabled child beneficiaries over age 18 of insured workers.
4. Provide extension of coverage to the self-employed professional groups now excluded (except physicians), to certain farmers, to turpentine workers, and to two groups of Federal employees.
5. Increase the contribution rates of the program.
6. Set up an Advisory Council on Social Security Financing to review the status of the Federal Old-Age and Survivors Insurance Trust Fund in relation to the long-term commitments of the old-age and survivors insurance program.
7. Make certain technical amendments in the program.

SUMMARY OF PROVISIONS

I. Eligibility age for women

A. The age at which women beneficiaries (workers, wives, widows, and parents) can qualify for benefits would be reduced from 65 to 62.

B. The change would be effective for the month of January 1956.

C. About 1,200,000 women would be eligible for benefits beginning with January 1956. About 800,000 could draw monthly benefits immediately; the remaining 400,000 are working or are the wives of workingmen who can draw benefits if their earnings or their husbands' earnings stop.

II. Disability insurance benefits

A. Benefits would be payable to qualified disabled workers who attain age 50.

B. Benefits would not be provided for dependents of a disabled worker.

C. To be insured for disability benefits the disabled worker would have to:

1. Be fully insured; and
2. Be currently insured; and
3. Have 20 quarters of coverage in the last 40 quarters ending with the first quarter of disablement.

D. The definition of disability would be the same as in present law for freezing the insurance rights of disabled persons (except there would be no presumed disability for the blind).

E. Where an individual is also receiving a workmen's compensation benefit or another Federal benefit based on disability, the disability benefit under the old-age and survivors insurance program would be reduced by the amount of such benefit.

F. In order to promote rehabilitation, an individual performing services in the course of a rehabilitation program carried on under an approved State plan would nevertheless be considered disabled (not able to engage in any substantial gainful employment) for a year after he first rendered such services.

G. The first month for which disability benefits would be payable would be January 1956.

III. Benefits for disabled children

A. The disability must have begun before the child attained age 18.

B. The child must have attained age 18 after December 1953 and must have been eligible for benefits before age 18.

C. The benefits would be first payable for the month of January 1956; a child who previously had been entitled to benefits and whose benefits had been terminated would have to file a new application.

D. Between 500 and 1,000 disabled children would become eligible on January 1, 1956. Some 250 to 500 children currently attaining age 18 would be continued on the rolls annually in the future.

IV. Extension of coverage

A. Coverage would be extended to:

1. Professional self-employed groups now excluded, except physicians—that is, lawyers, dentists, osteopaths, chiropractors, veterinarians, naturopaths, and optometrists (200,000 persons).
2. Employees of Federal Home Loan Banks (200 employees) and additional employees of the Tennessee Valley Authority (13,000 employees).
3. Agricultural workers engaged in the production of turpentine and gum naval stores (20,000 workers).
4. The above provisions would be effective January 1, 1956.
5. Rental income from a farm under certain conditions.

B. The status of share farmers covered under present law would be clarified to resolve any doubt in favor of their being self-employed for coverage purposes.

C. The following technical changes affecting coverage would be made in the Internal Revenue Code:

1. Employees of nonprofit organizations who were on the payroll when the organization elected coverage but did not elect coverage at that time would be given a limited time in which to elect coverage;
2. Nonprofit organizations would be enabled to acquire coverage for the quarter in which coverage is elected;
3. District of Columbia credit unions, whose employees are covered under OASI, would be subject to the OASI employer tax.

V. Tax rate changes

The schedule of tax rate increases would be accelerated and the ultimate rate raised above that in present law:

[In percent]

Years	Employers and employees		Self-employed	
	Present	Proposed	Present	Proposed
1956–59	2	2½	3	3¾
1960–64	2½	3	3¾	4½
1965–69	3	3½	4½	5¼
1970–74	3½	4	5¼	6
1975 and after	4	4½	6	6¾

VI. Establishment of advisory council on social-security financing

A. Purpose: To review the status of the old-age and survivors insurance trust fund in relation to the long-term commitments of the program.

B. Membership: Commissioner of Social Security as Chairman, plus 12 other members is to be appointed by Secretary of Health, Education, and Welfare representing, to the extent possible, employees and employers in equal numbers and self-employed persons and the public.

C. Report: Report and recommendations, including recommendations for changes in old-age and survivors insurance tax rates, would be submitted not later than January 1, 1959, for inclusion in the trustees' report to be submitted to Congress by March 1, 1959.

D. Duration: Council to go out of existence after submittal of report. However, a new council, similarly constituted and with same functions and duties, would be appointed not later than 2 years prior to each ensuing scheduled increase in tax rate, and would report its findings and recommendations not later than January 1 of year preceding year in which the scheduled increase is to occur, for publication in next ensuing trustees' report.

VII. Technical amendments

Technical amendments would be made to aline old-age and survivors insurance requirements with change to April 15 date for income-tax reporting; to put computations involving disability periods on an annual basis; and to preserve relationship between old-age and survivors insurance and railroad retirement programs.

VIII. Costs

The level premium cost, on intermediate basis, as percent of payroll, is as follows:

	Percent of payroll
Present law (current estimate, 1955)	7.51
Increase in cost resulting from proposed changes:	
Reduction in retirement age for women	.56
Monthly disability benefits beginning at age 50	.37
Extension of coverage	—.01
Continuation of benefits to disabled child beneficiaries beyond age 18	(1)
Total	.92
Revised law	8.43

[1] Less than 0.005 percent.

IX. Benefit payments

Additional benefit payments under the bill on an annual basis are as follows:

[Amounts in millions]

First year (1956):	
Reduction in retirement age for women	$389
Monthly disability benefits	200
Extension of coverage and continuation of benefits to disabled children	2
Total	591
Long run (1980):	
Reduction in retirement age for women	1,292
Monthly disability benefits	859
Extension of coverage and continuation of benefits to disabled children	43
Total	2,194

Budget Estimates and Appropriations, 84th Congress, 1st Session

EXTENSION OF REMARKS
OF
HON. CLARENCE CANNON
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1955

Mr. CANNON. Mr. Speaker, I include herein certain tabulations showing results of the work of the 1st session of the

84th Congress on appropriation bills as compared to budget estimates submitted. The first tabulation is in the usual form by bills, and divides them as between fiscal year 1956, fiscal year 1955 and prior, and one item not considered but included here for sake of completeness. Permanent appropriations—those which recur automatically under substantive law without annual action in the appropriation bills—are also added for purpose of showing a complete total.

Comparison of estimates and appropriations, 84th Cong., 1st sess.

Title	Estimates considered by House	Reported to House	Passed House	Estimates considered by Senate	Reported to Senate	Passed Senate	Public law	Increase (+) or decrease (−), appropriation compared with estimates
1. Fiscal year 1956 bills:								
Treasury-Post Office:								
Treasury	$604,398,000	$595,818,000	$595,818,000	$604,398,000	$603,348,000	$603,348,000	$599,598,000	−$4,800,000
Post Office	2,754,817,000	2,685,700,000	2,685,700,000	2,754,817,000	2,754,104,000	2,754,104,000	2,721,720,500	−33,096,500
Tax Court of the United States	1,035,000	1,035,000	1,035,000	1,170,000	1,170,000	1,170,000	1,170,000	
Total	3,360,250,000	3,282,553,000	3,282,553,000	3,360,385,000	3,358,622,000	3,358,622,000	3,322,488,500	−37,896,500
Labor and Health, Education, and Welfare:								
Labor	470,116,000	417,792,900	417,792,900	470,116,000	418,838,900	418,838,900	418,303,650	−51,812,350
Health, Education, and Welfare	1,949,465,861	1,907,403,361	1,907,403,361	1,949,465,861	1,972,890,700	1,973,740,700	1,942,886,850	−6,579,011
Related agencies	12,567,000	12,326,000	12,326,000	12,567,000	12,326,000	12,326,000	12,326,000	−241,000
Total	2,432,148,861	2,337,522,261	2,337,522,261	2,432,148,861	2,404,055,600	2,404,905,600	2,373,516,500	−58,632,361
Interior and related agencies:								
Interior	222,734,356	207,025,856	206,680,156	222,734,356	227,301,698	227,301,698	220,399,798	−2,334,558
Forest Service	83,453,000	84,536,690	84,536,690	84,623,000	93,826,690	93,826,690	90,315,129	+5,692,129
Related agencies	7,165,700	6,708,700	6,708,700	7,165,700	6,858,700	6,858,700	6,858,700	−307,000
Total	313,353,056	298,271,246	297,925,546	314,523,056	327,987,088	327,987,088	317,573,627	+3,050,571
Agriculture and Farm Credit Administration	897,684,574	880,260,050	880,260,050	898,384,574	884,393,923	884,433,923	883,051,623	−15,332,951
Independent offices	5,639,790,000	5,845,595,375	5,845,595,375	5,640,155,000	5,882,379,500	5,848,394,500	5,842,458,500	+202,303,500
State, Justice, and judiciary and related agencies:								
State	147,267,197	126,769,977	126,769,977	147,267,197	147,549,608	147,549,608	137,450,905	−9,816,292
Justice	201,485,000	197,525,000	197,525,000	201,485,000	200,445,000	200,445,000	198,735,000	−2,750,000
The judiciary	30,279,715	29,603,250	29,603,250	30,279,715	30,640,810	30,640,810	30,116,510	−163,205
U. S. Information Agency	88,500,000	80,500,000	80,500,000	88,500,000	88,350,000	88,350,000	85,000,000	−3,500,000
Refugee relief	16,000,000	16,000,000	16,000,000	16,000,000	15,000,000	15,000,000	15,000,000	−1,000,000
Total	483,531,912	450,398,227	450,398,227	483,531,912	481,985,418	481,985,418	466,302,415	−17,229,497
Defense:								
Office of the Secretary	12,750,000	12,400,000	12,400,000	12,750,000	12,670,000	12,670,000	12,670,000	−80,000
Interservice activities	682,250,000	672,250,000	672,250,000	682,250,000	682,250,000	682,250,000	682,250,000	
Army	7,573,980,000	7,329,818,000	7,329,818,000	7,573,980,000	7,330,053,000	7,330,053,000	7,329,953,000	−244,027,000
Navy	9,180,157,000	9,071,834,000	9,071,834,000	9,180,157,000	9,071,785,166	9,118,179,556	9,118,179,556	−61,977,444
Air Force	14,783,678,000	14,401,904,000	14,401,904,000	14,783,678,000	14,739,763,170	14,739,763,170	14,739,763,170	−43,914,830
Total, Defense	32,232,815,000	31,488,206,000	31,488,206,000	32,232,815,000	31,836,521,336	31,882,915,726	31,882,815,726	−349,999,274
District of Columbia	(175,405,300)	(166,547,509)	(166,901,780)	(175,462,020)	(169,456,749)	(169,456,749)	(168,843,440)	(−6,618,580)
Federal payment	21,892,700	17,892,700	17,892,700	21,892,700	21,892,700	21,892,700	19,892,700	−2,000,000
Commerce and related agencies:								
Commerce	1,347,800,000	1,103,560,000	1,105,810,000	1,347,800,000	1,296,322,300	1,298,897,300	1,227,385,000	−120,415,000
Canal Zone	16,898,000	16,300,000	16,300,000	16,898,000	16,600,000	16,600,000	16,300,000	−598,000
Related agencies	1,695,000	1,575,000	1,575,000	1,695,000	1,695,000	1,695,000	1,675,000	−20,000
Total	1,366,393,000	1,121,435,000	1,123,685,000	1,366,393,000	1,314,617,300	1,317,192,300	1,245,360,000	−121,033,000
General Government matters	27,700,700	21,890,700	21,890,700	28,777,700	27,166,300	27,166,300	27,166,300	−1,611,400
Public works:								
Atomic Energy Commission	1,045,000,000	618,000,000	618,000,000	1,045,000,000	575,000,000	575,000,000	575,000,000	−470,000,000
Tennessee Valley Authority	27,550,000	26,214,000	26,214,000	27,550,000	27,053,000	27,053,000	27,053,000	−497,000
Department of Interior power administrations	24,297,000	22,944,000	22,944,000	24,297,000	23,660,000	23,660,000	23,610,000	−687,000
Bureau of Reclamation	179,616,000	145,090,442	178,745,000	179,616,000	180,095,000	180,095,000	179,995,000	+379,000
Army civil functions	512,702,000	473,497,800	526,219,800	525,002,000	571,683,000	571,763,000	559,955,500	+34,953,500
Total	1,789,165,000	1,285,746,242	1,372,122,800	1,801,465,000	1,377,491,000	1,3.7,571,000	1,365,613,500	−435,851,500
Legislative	67,572,138	66,298,175	66,298,175	92,692,911	92,924,027	93,025,527	92,808,972	+116,061
Mutual security	3,266,641,750	2,638,741,750	2,638,741,750	3,266,641,750	3,205,341,750	3,205,841,750	2,703,341,750	−563,300,000
The supplemental, 1956	1,927,785,868	1,648,876,128	[1] 224,276,628	2,123,351,072	1,826,111,614	1,830,078,614	1,656,625,802	−466,725,270
Subtotal, fiscal year 1956	53,826,724,559	51,383,686,854	50,047,368,212	54,063,157,536	53,041,489,556	53,062,012,446	52,199,015,915	−1,864,141,621
2. Deficiency and supplemental acts, fiscal year 1955:								
Urgent deficiency, 1955		25,000	25,000	160,000	993,950	1,013,950	1,013,950	+853,950
Second supplemental, 1955	920,523,454	855,212,429	857,187,429	952,002,718	938,402,835	945,412,835	898,805,875	−53,196,843
Department of Justice	750,000	710,000	710,000	750,000	710,000	710,000	710,000	−40,000
Second urgent deficiency, 1955	28,263,475	25,263,475	25,263,475	28,263,475	25,263,475	25,263,475	25,263,475	−3,000,000
House of Representatives		12,000	12,000		12,000	12,000	12,000	+12,000
Subtotal, fiscal year 1955 and prior	949,536,929	881,222,904	883,197,904	981,176,193	965,382,260	972,412,260	925,805,300	−55,370,893
3. Estimates not considered	156,500,000			156,500,000				−156,500,000
Grand total, session	54,932,761,488	52,264,909,758	50,930,566,116	55,200,833,729	54,006,871,816	54,034,424,706	53,124,821,215	−2,076,012,514
4. Permanent appropriations (estimate)							6,773,516,346	
Grand total, regular annual, supplemental, deficiency and permanent	54,932,761,488	52,264,909,758	50,930,566,116	55,200,833,729	54,006,871,816	54,034,424,706	59,898,337,561	−2,076,012,514

[1] Points of order made and sustained during consideration of the bill on the floor of the House reduced bill as reported by committee by $1,452,499,500. Amendments adopted on the floor increased bill by $27,900,000.

SUMMARY FOR THE SESSION

Budget estimates submitted to the House during the session totaled $54,932,761,488 against which the Committee on Appropriations recommended $52,264,909,758, or $2,667,851,730 less than the estimates. Bills as passed by the House totaled $50,930,566,116—below the committee totals only because of numerous items deleted from the supplemental, 1956 bill by points of order. Estimates considered by the Senate aggregated $55,200,833,729 and the bills as passed by that body totaled $54,034,424,706. Final amounts enacted aggregate $53,124,821,215, a total of $2,076,012,514 below the estimates submitted by the President.

Mr. Speaker, the reductions effected in the President's budget requests for appropriations are supportable. They are bona fide. They were made because there were reasons why they could be made. On the other hand, the totals appropriated during the present session for fiscal year 1956 as shown in the tabulation are not the final amounts. Supplemental estimates for 1956 are expected to be forthcoming in the next session. The final totals will be higher, but no one can now predict precisely how much higher.

COMPARISON OF REDUCTIONS

Mr. Speaker, at first glance the reduction of $2 billion plus in the budget estimates appears to compare unfavorably with the record of the 83d Congress. The 1st session of the 83d Congress reduced budget estimates by $12 billion and the 2d session effected cuts of $2.6 billion in the estimates.

But these bare totals do not reveal the whole story. It must necessarily be apparent to anyone acquainted with the facts that only within the Department of Defense could any wholesale budget adjustments of this magnitude be made. The reductions of $12 billion in the 1st session of the 83d Congress were composed in major part of reductions totaling $8 billion in the Department of Defense. The $8 billion reduction was made possible in turn by a cut of approximately $5 billion in the Air Force. In the 2d session of the 83d Congress the cut of $2.6 billion included $1.4 billion in the Defense Department.

Appropriations of the 1st session of the 83d Congress aggregated $54.5 billion. Appropriations of the 2d session were still lower, totaling $47.6 billion, or approximately $6.9 billion less. Following that same pattern, appropriations for the Defense Department in the 2d session were $5 billion below those for the 1st session.

The result of the reductions in defense in the 83d Congress is partially reflected in the estimates submitted by the administration to the present Congress. Total estimates submitted were $7.6 billion above appropriations voted by the 2d session of the 83d Congress. Requests for the Department of Defense were raised from $29.6 billion—the appropriation for 1955—to $33.7 billion for 1956, or $4.1 billion of the $7.6 billion total. The lion's share of the increase is for the Air Force.

The present Congress has met its responsibilities to provide for the national defense and has not therefore made any appreciable reduction in funds for defense. And, in so doing, it was necessary to appropriate above the reduced level of last year's appropriations—as the President requested.

The following table shows the situation I have just discussed:

Comparison of estimates, appropriations, and reductions, 83d and 84th Congs. (grand totals except permanent appropriations and miscellaneous private acts)

Congress and session	Estimates	Law	Decrease (–)
83d Cong., 1st sess	$66, 568, 694. 353	$54. 539 342. 491	–$12, 029, 351, 862
83d Cong., 2d sess	50, 253, 323. 985	47. 642. 131, 205	–2, 611, 192, 780
84th Cong., 1st sess	55, 200, 833, 729	53, 124, 821, 215	–2, 076, 012, 514

Department of Defense only (appropriations for defense military functions and military public works)

Congress and session	Estimates	Law	Decrease (–)
83d Cong., 1st sess	$42, 619, 931, 000	$34, 612, 317, 000	–$8, 007, 614, 000
83d Cong., 2d sess	30, 987, 055, 000	29, 617, 128, 486	–1, 369, 926, 514
84th Cong., 1st sess	33, 712, 815, 000	33, 076, 685, 026	–636, 129, 974

MAJOR NATIONAL DEFENSE ITEMS

Mr. Speaker, Department of Defense appropriations of course represent the preponderance of national security outlays. But substantial additional amounts appropriated annually either contribute directly to the national defense effort or result directly therefrom. Since the aggregate amounts represent about 80 percent of total appropriations, the following table is included in order to show the situation in more specific terms:

Major national defense and all other appropriations, 84th Cong., 1st sess.

[NOTE.—Excludes permanent appropriations]

	Estimates	Law	Increase (+) or decrease (–)
Regular annual 1956 acts:			
1. Major national security agencies and activities:			
Department of Defense	$32, 232, 815, 000	$31, 882, 815, 726	–$349, 999, 274
Veterans' Administration	4, 452, 370, 000	4, 466, 128, 000	+13, 758, 000
Atomic Energy Commission	1, 045, 000, 000	575, 000, 000	–470, 000, 000
National Advisory Committee for Aeronautics	76, 500, 000	72, 700, 000	–3, 800, 000
Selective Service System	28, 700, 000	27, 216, 000	–1, 484, 000
General Services Administration (Strategic and Critical Materials)	548, 900, 000	548, 900, 000	
Federal Civil Defense Administration	59, 300, 000	56, 350, 000	–2, 950, 000
Mutual security program	3, 266, 641, 750	2, 703, 341, 750	–563, 300, 000
Subtotal	41, 710, 226, 750	40, 332, 451, 476	–1, 377, 775, 274
2. All other agencies and activities	10, 229, 579, 714	10, 209, 938, 637	–19, 641, 077
Total regular annual 1956 acts	51, 939, 806, 464	50, 542, 390, 113	–1, 397, 416, 351
Supplemental and deficiency, 1956 and prior:			
1. Major national security agencies and activities:			
Department of Defense (military public works)	1, 480, 000, 000	1, 193, 869, 300	–286, 130, 700
National Advisory Committee for Aeronautics	300, 000	240, 000	–60, 000
Mutual Security	8, 000, 000		–8, 000, 000
Federal Civil Defense Administration	28, 050, 000	12, 325, 000	–15, 725, 000
Atomic Energy Commission	294, 700, 000	256, 327, 000	–38, 373, 000
Veterans' Administration	423, 720, 000	420, 611, 000	–3, 109, 000
Subtotal	2, 234, 770, 000	1, 883, 372, 300	–351, 397, 700
2. All other agencies and activities	869, 757, 265	699, 058, 802	–170, 698, 463
Total supplemental and deficiency, 1956 and prior	3, 104, 527, 265	2, 582, 431, 102	–522, 096, 163
Estimate not considered	156, 500, 000		–156, 500, 000
Total appropriations, session	55, 200, 833, 729	53, 124, 821, 215	–2, 076, 012, 514
Recapitulation:			
Major national security activities	43, 944, 996, 750	42, 215, 823, 776	–1, 729, 172, 974
All other activities	11, 099, 336, 979	10, 908, 997, 439	–190, 339, 540
Estimate not considered	156, 500, 000		–156, 500, 000
Total	55, 200, 833, 729	53, 124, 821, 215	–2, 076, 012, 514

DEFICIT SPENDING

Mr. Speaker, deficit spending continues. Not since fiscal year 1951 has the Government operated in the black. The budget for fiscal year 1956, submitted last January, forecast a deficit of $2.4 billions. Reductions made in requests for appropriations during this session will result in reductions in expenditures and if revenues hold to the January budget estimate of $60 billions, the deficit should be less than $2.4 billion.

Mr. Speaker, the Government has operated in the red in each of the 3 fiscal years of the present administration. The following tabulation shows the situation:

Estimates of budget receipts, expenditures, and deficit, fiscal years 1954, 1955, and 1956

[In millions]

Item	Fiscal year 1954, budget, 1956 (actual)	Fiscal year 1955			Fiscal year 1956, budget, 1956 (January 1955)
		Budget, 1955	Budget, 1956	Preliminary, actual, July 14, 1955	
Receipts	$64,655	$62,642	$59,000	$60,302	$60,000
Expenditures	67,772	65,570	63,504	64,494	62,408
Deficit	3,117	2,928	4,504	4,192	2,408

NOTE.—The last year in which a budget surplus occurred was fiscal year 1951 when, under a previous administration, there was a surplus of $3.5 billion.

The old debt ceiling of $275 billion was increased at the last session of Congress to $281 billion as a purely temporary measure. Failure to spend less than revenues taken in made it necessary during the current session to continue the $281 billion ceiling for another year and there is no convincing evidence of being able to return to the old ceiling by next year, much less going below it. All of this has happened when the Nation is at peace. We are not at war. Revenues are at the highest level in our peacetime history, yet expenditures continue to exceed them. The consequences are serious. The purchasing power of the dollar has been reduced, adversely affecting every American family. We cannot indefinitely continue spending more than we take in and expect to remain solvent. Furthermore, a sound, healthy economy is a basic cornerstone of our national defense program.

Mr. Speaker, the administration has already begun formulation of the budget which will be submitted next January. Unless the intervening months hold events now unforeseeable, it will be another peacetime budget. If the administration is to avoid further postponing fulfillment of its promise in the campaign of 1952, the next budget will have to be submitted in balance. It must be in balance if the purchasing power of family income and savings is not to be further reduced and further increase of the national debt avoided. If the President will submit a sound balanced budget, the Committee on Appropriations and the Congress will cooperate by holding down, and even further reduce, the spending requests. The appropriation bills returned to the President will be below the budget on which they are based, as they have been for many years.

SUPPLEMENTAL AND DEFICIENCY ESTIMATES

In 1950, the Congress approved the General Appropriations Act for 1951 which contained, as developed and recommended by this committee, a vastly strengthened antideficiency law. The control of the Congress over supplemental and deficiency estimates has improved considerably. In the present session, total supplemental and deficiency estimates for the fiscal year 1955 and prior fiscal years amounted to $985,276,193, and the ensuing laws appropriated $929,905,300. These amounts compare with appropriations previously enacted totaling $47,642,131,205 for 1955.

Of the supplemental and deficiency estimates for 1955 and prior years considered in this session, $928,500,000, or approximately 94 percent, represent items which are practically mandatory by virtue of substantive law. Appropriations in consequence of these particular estimates total $897,966,000, a modest reduction of about 3 percent in the estimates. Typical of the items largely beyond reach of the Committee on Appropriations are $420,611,000 for supplemental requirements of compensation and benefit programs for veterans; $238 million for added needs of the program of grants to States for public assistance; $99,375,000 for additional liquidation of contract authority for various phases of the highway aid programs; and $50 million in additional requirements for the payment of operating differential subsidies for merchant marine operations.

Aside from these major programs, items of purely contingent and deficiency nature considered in this session for fiscal years 1955 and prior totaled only $56,776,193, or one-tenth of 1 percent above the original estimates for the fiscal year 1955. Against these estimates, appropriations were made in the amount of $31,939,300, a reduction of nearly 44 percent below the estimates.

In recapitulation, of items submitted under the name of supplemental and deficiency estimates, the Congress made reductions of 44 percent in the less than 6 percent which were completely within the control of the committee and the Congress, but could only afford to make very conservative reductions of 3 percent in the 94 percent of the estimates which were based on spending programs more specifically established in substantive law.

As to supplemental estimates submitted during this session for the fiscal year 1956, and the Mutual Security Appropriation Act should properly be so considered, $5,203,347,412 out of the total of $5,385,892,822 resulted directly from legislation introduced during this same session. These large amounts include two major authorization bills, mutual security and military public works—estimates of $3,266,641,750 and $1,473,550,000, respectively—which were not passed until late in the session. Although reductions of about 15 percent in the estimates were effected, it should be apparent that proper consideration cannot be given, by either the committee or the Congress, to estimates of this magnitude with less than 4 weeks between enactment of the authorizing legislation and the adjournment date. The executive branch should submit the programs much earlier in the session so as to permit more adequate legislative consideration.

Record of Activity of the Committee on the Judiciary of the House of Representatives, 1st Session, 84th Congress

EXTENSION OF REMARKS
OF

HON. EMANUEL CELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1955

Mr. CELLER. Mr. Speaker, the Committee on the Judiciary of the House of Representatives submits its record of activity during the first session of this Congress. As chairman of the committee, I do this in the knowledge that its contributions to the achievements of the 84th Congress could not have been effected without the concentrated work and devotion of the members of the committee and the staff.

Of the 8,843 bills introduced in the House, a total number of 3,959 were referred to the Committee on the Judiciary, thus giving this committee about 45 percent of the total number of House bills.

Among the 3,959 referred to this committee are the following: 817 public House bills, 12 public Senate bills, 2,815 private House bills, 315 private Senate bills. Thirty-three public House bills reported by the Committee on the Judiciary were pending in the Senate at the time of adjournment. Twenty-three public bills acted upon by the Committee on the Judiciary have been enacted into law. Three hundred and twenty-seven private bills were enacted into private law.

The committee held a total of 114 hearings during the session on 3,959 bills.

We believe it is a good record and we invite review of the detailed account of the work of the five standing subcommittees into which the committee itself is divided, as hereinbelow set forth:

SUBCOMMITTEE NO. 1—GENERAL JURISDICTION OVER BILLS AS ASSIGNED, SPECIAL JURISDICTION OVER IMMIGRATION AND NATURALIZATION

Public bills: Subcommittee No. 1 had 104 public bills referred to it for action.

A group of nine bills dealing with the transportation and distribution of obscene matter were considered by the subcommittee. H. R. 3333, amending chapter 71 of title 18, United States Code, so as to strengthen the provisions barring the transportation of indecent and obscene matter, was reported by the subcommittee. A similar Senate bill, S. 600, was amended on the floor of the House by the substitution of the provisions of H. R. 3333. That bill, approved by both Houses of Congress and signed by the President, became Public Law 95.

H. R. 2854 to increase the penalties for seditious conspiracy, advocating the overthrow of the Government and conspiracy to advocate the overthrow of the Government was recommended favorably by the subcommittee. The bill was reported, passed the House, and was pending in the Senate at the close of the session.

The subcommittee drafted and recommended for enactment a bill to facilitate

the admission into the United States of wives and children of Spanish sheepherders who had been admitted under laws authorizing the admission of such sheepherders. The legislation also provided for a more humane approach to the waiver of minor criminal offenses of persons seeking to enter the United States. The subcommittee incorporated into the bill an amendment to the Refugee Relief Act of 1953, as amended, so as to apply that law to refugees in Spain. An additional committee amendment was designed to correct a situation involving a number of aliens admitted under the displaced persons laws, who misrepresented their nationality or country of birth to avoid forced repatriation to Communist-controlled countries. The bill, H. R. 6888, was reported to the House, and was passed on July 30, 1955. The bill was not acted upon by the Senate prior to adjournment.

The subcommittee, after hearings at which representatives of the American Bar Association and the State and Justice Departments appeared, recommended an amended bill to provide for a commission to conduct a study of the problems in the field of international legal procedure with the purpose of formulating suggested rules of international judicial procedure. A clean bill was introduced embodying the recommendations of the subcommittee and reported to the House, H. R. 7500.

The committee has heard from a large number of witnesses in the course of hearings on H. R. 3, a bill to establish rules of interpretation governing questions of the effect of the acts of Congress on State laws. It is contemplated that hearings on this legislation will be continued at the next session of this Congress.

The subcommittee held 33 meetings, 8 of which were hearings on public bills.

The extent of work of this subcommittee cannot be appreciated without a review of its activity in the area of private legislation. The following table sets this forth:

House bills:	
Private laws enacted	270
Bills pending in Senate	99
Adverse action by Senate committee	2
Reported in House, Senate bills substituted on House floor	5
Passed by Senate, amended, in which the House has not concurred	3
On House Private Calendar	1
Recommitted	2
Tabled by committee	291
Bills disposed of by inclusion in two omnibus bills	64
Bills rejected under committee rules	37
Departmental reports submitted, no action taken	935
Departmental reports requested and not received	283
Number departmental reports requested	199
Total House bills	2,191
House joint resolutions:	
Private law enacted	1
Private law pending	1
Total joint resolutions	2
Senate bills:	
Private laws enacted	131
Vetoed	1
Tabled by committee	15
Pending	151
Total Senate bills	298
Total number of bills and joint resolutions	2,491
Total number of private laws	1 412

[1] Ten Senate bills, not referred to the committee, were called up on the floor of the House and have become private laws.

In addition, final congressional action was taken on several concurrent resolutions, as follows:

Three House concurrent resolutions, approving the favorable recommendation of the Attorney General in 611 cases submitted to Congress pursuant to the provisions of section 4 of the Displaced Persons Act of 1948, as amended.

Two House concurrent resolutions, favoring the granting of permanent residence in 409 cases submitted to Congress by the Attorney General pursuant to section 6 of the Refugee Relief Act of 1953, as amended.

Two Senate concurrent resolutions, approving 256 cases submitted to Congress by the Attorney General in which suspension of deportation was recommended.

Two Senate concurrent resolutions, withdrawing suspension of deportation in two cases.

One Senate concurrent resolution, providing for the reenrollment of S. 195.

Totals: 5 House concurrent resolutions, 5 Senate concurrent resolutions.

SUBCOMMITTEE NO. 2—GENERAL JURISDICTION OVER JUDICIARY BILLS AS ASSIGNED, SPECIAL JURISDICTION OVER CLAIMS

During the session the subcommittee conducted hearings on 14 different days. These covered public as well as private claims measures. Consideration was given 296 bills.

The following tabulation indicates the workload of this subcommittee in connection with claims against the Government:

Referred to subcommittee:		
Private, House bills	599	
Private, House resolutions	15	
Private, Senate bills	12	
		626
Public, House bills	68	
Public, House joint resolution	1	
Public, Senate bills	3	
		72
Total		698
Reported to committee:		
Private, House bills, favorably	194	
Private, House resolutions, favorably	14	
Private, Senate bills, favorably	7	
		215
Public, House bills, favorably	17	
Public, Senate bills, favorably	1	
		18
Total		233
Private, House bills, adversely	66	
Private, Senate bills, adversely	1	
		67
Public, House bills, adversely	2	
Public, Senate bill, adversely	1	
		3
Total		70
Reported to House:		
Private, House bills	227	
Private, House resolutions	14	
Private, Senate bills	6	
		247
Public, House bills	17	
Public, Senate bill	1	
		18
Total [1]		265
Passed House:		
Private, House bills	212	
Private, House resolutions	14	
Private, Senate bills	7	
		233
Public, House bills	16	
Public, Senate bill	1	
		17
Total		250
Pending in Senate:		
Private, House bills	168	
Public, House bills	15	
Total		183
Public laws enacted (claims)		2
Private laws enacted		57
Bills vetoed		3

[1] This total includes 33 private House bills reported under rule 7 of the committee, which authorizes the chairman to report bills which have been favorably reported by the committee in the previous Congress.

A substantial amount of the subcommittee's time was devoted to the bill (H. R. 4045) relating to the Texas City disaster. This legislation concerned some 8,000 claims against the United States for death, personal injury, and property damage. As a result of the disaster over 570 people were killed and 3,500 more injured. The claims were litigated for over 5 years in the Federal courts under the Tort Claims Act.

The subcommitte held extensive hearings in which it heard not only the representatives from the Department of Justice, but also the attorneys who represented many of the claimants. It also studied and examined the record of the court litigation, which consisted of over 39 volumes and some 40,000 pages. In addition, the subcommittee held some 10 executive sessions on this legislation. As a result, it recommended legislation substantially different from the bill as introduced, and as changed, it was passed by the House late in this session of the Congress. Because the House disagreed with the Senate's recommendations, it was necessary to go into conference. However, both Houses adopted the report of the conferees and the legislation has been cleared for Presidential action.

The subcommittee has scheduled 4 days of hearings in California on H. R. 7763, a bill looking toward the early settlement of the Japanese-American evacuation claims. As a result of the evacuation and exclusion of people of Japanese ancestry from the west coast during World War II, the Government recognized claims by people who suffered losses due to the evacuation. There remain over 2,500 claims unsettled, totaling approximately $60 million. It is hoped that the hearings on this bill will result in providing additional methods for the expeditious settlement of these remaining claims. It is some 13 years now since the evacuation of these people, and it is felt that it is only proper and fair to recompense the remaining claimants as speedily as is reasonably possible to help

them rehabilitate and readjust themselves.

GENERAL JURISDICTION

In addition to claims bills, Subcommittee No. 2 handled a number of pieces of general legislation. These included civil rights bills, bills to establish a public defenders system in the courts of the United States, legislation concerning criminal laws, mileage allowance increases for marshals and their deputies, proposed modification of the Lucas Act—Public Law 657, 79th Congress—and bills to provide a remedy for persons who are slandered or libeled by Members of Congress.

Hearings were held on July 13, 14, and 27 on 51 civil-rights bills before Subcommittee No. 2. These bills would provide extensive Federal protection of civil rights. Among the proposals considered were the following: The creation of a Fair Employment Practices Commission to eliminate racial and other discriminations in employment, prohibitions on racial and other discriminations in federally supported housing, federally supported education, interstate transportation and the armed services, prohibitions on interference with the right to vote, and other rights, privileges, and immunities secured by the Constitution or laws of the United States, and anti-lynching, anti-poll-tax, and anti-peonage legislation.

Other bills would create a joint congressional committee on civil rights and establish a Federal commission on civil rights to gather information concerning the protection of civil rights in the United States and report annually to the President. In addition, there are proposals to reorganize the Department of Justice by providing an additional Assistant Attorney General to head a civil rights division and to authorize additional FBI personnel to enforce civil-rights legislation.

Hearings were held on a number of bills to authorize the establishment of a public defenders system in the courts of the United States. Full time or part time defenders would be appointed to represent indigent defendants charged with Federal crimes. These bills are now under consideration by the subcommittee.

A number of bills concerning the criminal laws have been before Subcommittee No. 2. H. R. 5205, a bill to include all members of the armed services in Federal criminal law protection now afforded the members of the Coast Guard, was favorably reported by the subcommittee and the full Judiciary Committee and is now pending on the Consent Calendar of the House.

Hearings were held on other legislation concerning the criminal law. H. R. 4930 and H. R. 4932 would provide the defendant with an appeal against an excessive criminal sentence while H. R. 799 and H. R. 5264 would establish the making of contradictory statements under oath as perjury. These bills are now under consideration by the subcommittee.

Preliminary hearings were held on two bills, H. R. 4299 and H. R. 5753 to modify the Lucas Act—Public Law 657, 79th Congress. These bills would render less stringent the requirements as to requests for relief so as to make more World War II contractors' claims eligible for consideration.

The subcommittee held hearings on two bills, H. R. 271 and H. R. 641, to provide remedies for persons who are slandered or libeled by Members of Congress. These bills were adversely reported by the subcommittee and tabled by the full committee.

In view of the fact that all other Federal employees received increases in mileage allowances for travel on official business, Subcommittee No. 2 favorably reported H. R. 4019, to authorize an identical mileage allowance increase for United States marshals and their deputies. This bill passed the House on July 25, 1955, and an identical bill, S. 2592, was then substituted for it.

Number of public bills referred to subcommittee	79
Number of hearings held	7
Number of public bills reported to full committee	14
Number of reports filed	2
Number of public bills passed House	0
Number of public bills pending in the Senate	0
Number of Senate bills disposed of	0
Number of public bills approved by the President	0
Number of public bills pending approval of the President	0

SUBCOMMITTEE NO. 3—GENERAL JURISDICTION OVER JUDICIARY BILLS AS ASSIGNED SPECIAL JURISDICTION OVER PATENTS, TRADEMARKS, COPYRIGHTS, AND REVISION OF THE LAWS

The primary functions of this subcommittee are three. It processes all bills of a general nature which are assigned to it. It also handles legislation relating to patent, trademark, and copyright laws. In addition, it has jurisdiction over the revision of the laws, classifying the general and permanent laws, as they are enacted, into the 50 titles of the United States Code.

Out of a total of 69 days which were available for subcommittee hearings, 23 days of hearings were scheduled. In other words, this subcommittee held hearings on an average of 1 for every 3 days. In addition, the subcommittee held 14 executive sessions.

GENERAL LEGISLATION

With respect to general legislation, the workload of Subcommittee No. 3 was substantially increased during the 1st session of the 84th Congress. Aside from patent, trademark, copyright, and codification bills, which are treated, for subcommittee purposes, as special legislation, there were referred to the subcommittee during the 1st session 30 bills relating to general legislation. Among the general judiciary bills handled by this subcommittee was one—H. R. 3882—requiring the registration of persons trained in the espionage service and tactics of foreign governments. This legislation will give important assistance to our law-enforcement agencies in combating subversive activities in this country.

Important assistance to our defense agencies is expected to result from the enactment into law of H. R. 3885—Public Law 60—which permits the waiving of performance and payment bonds in connection with Coast Guard contracts.

The subcommittee also processed the bill, H. R. 3702, which passed the House but has not been acted upon as yet by the Senate. That bill amends the Motor Vehicle Theft Act by making it a crime to transport stolen truck trailers and semitrailers in interstate commerce.

Following full public hearings, the subcommittee took favorable action on a bill, H. R. 5649, which will restrain the abuse of the use of the writ of habeas corpus in the lower Federal courts by prisoners convicted in State courts of State crimes. This bill was recommended by the Administrative Office of the United States Courts and has the approval of both the State and Federal judiciaries.

H. R. 3233, which passed the House, relates to the Fugitive Felon Act, and makes it a Federal criminal offense for anyone to cross State boundaries to avoid prosecution for the crime of arson.

Another bill which was enacted into law—Public Law 136—on which this subcommittee acted, was H. R. 4221, which authorizes certain staff personnel to administer oaths and take acknowledgments of inmates in Federal penal institutions. This legislation will not only result in the savings of time for our Federal prison officials but will also eliminate the necessity of moving inmates in and out of the prison offices.

The House also passed H. R. 5417, which broadens the class of postal workers who are prohibited by law from seeking to increase the compensation of postmasters through the sale or pledge of postage stamps.

PATENTS, TRADEMARKS, AND COPYRIGHTS

Another important phase of this subcommittee's work relates to patent, trademark, and copyright laws. One of the major pieces of legislation regarding patents has been the bill (H. R. 7416) to increase the fees payable to the Patent Office for the registration of patents and trademarks. Extensive hearings were held on this legislation and the committee favorably reported a bill which would increase patent and trademark fees generally. This legislation it believed necessary for many reasons, among which is to help expedite and therefore shorten the period for processing patent and trademark applications.

A piece of legislation which this committee reported to the House—H. R. 2128—concerned the extension of the terms for certain patients whose exploitation and use was curtailed during World War II and the Korean conflict. As in the case of patent-fee increases, extensive hearings were conducted on this legislation, and it is presently pending in the Rules Committee, where a rule has been requested.

An inventive contributions award bill—H. R. 2383—also passed the House in the closing days of this session, which will foster invention for our national defense by authorizing monetary awards to those people who make meritorious inventive contributions to our Government in aid of our national defense.

The subcommittee also reported out and the House favorably acted upon

H. R. 5876, a bill to amend the copyright laws to permit the deposit of photographs in lieu of the actual works for people seeking copyrights.

REVISION OF THE LAWS

The primary work of the subcommittee with respect to the revision of the laws—the classification of public laws to appropriate titles of the United States Code and the District of Columbia Code—has been carried on currently in conformity with the policy of classifying the laws immediately upon their promulgation. With the large volume of bills awaiting the President's signature the total number of public laws will undoubtedly exceed 450 for this session. The last laws will be classified as soon as practicable upon their receipt from the Government Printing Office.

As soon as possible after the classification of all of the laws of this session, copy will be forwarded to the Government Printing Office for the printing of Supplement III of the United States Code and Supplement IV of the District of Columbia Code. It is hoped that these supplements will be available in the early part of next year.

The law revision functions of the committee consist, in part, of promulgating and keeping up to date the official United States Code which now consists of 6 volumes comprising over 10,000 pages. Supplement II to the code containing the additions to and the changes in the laws enacted during the 2d session of the 83d Congress has been prepared from editorial copy consisting of nearly 28,000 cards to be inserted in the text of supplement I. Delivery is expected within the next month. It will consist of 1 volume of 1,563 pages, an increase of 1,000 pages over the prior supplement.

The work of preparing Supplement III to the District of Columbia Code containing the laws to January 4, 1955, was completed early during this session. The supplement contains notes to decisions of the court from January 3, 1951, to July 1, 1954. It consists of 2 volumes totaling approximately 500 pages.

Supplement IV of the District of Columbia Code containing the laws to the end of the first session of the 84th Congress and the notes to the court decisions as of July 1, 1955, is also in the process of preparation and should be ready for delivery during the latter part of this year. It will also consist of two pocket parts to be inserted in the two volumes of the 1951 edition.

The other phase of the law-revision work—that of preparing bills to enact into law separate titles of the United States Code—has been going forward steadily. Since the last report of the subcommittee, title 13, Census, has been enacted into law and subcommittee action has progressed on title 16, Conservation and Reclamation; title 20, Education; title 23, Highways; and title 43, Public Lands. Only recently a bill—H. R. 7768—was introduced by me to revise title 39, the Postal Service. The draft for this bill was prepared in cooperation with the Post Office Department over a period of almost 1 year. In addition, bills to revise title 21, Food, Drugs, and Cosmetics; title 10, Armed Forces; and title 32, National Guard, have already passed the House and are pending in the Senate. It may be of interest to mention that title 10, Armed Forces, has been in preparation for some 7 years and consisting of 817 pages, is almost the largest bill ever introduced in the Congress. This bill first consolidates the present title 10, Army and Air Force; title 34, Navy; and the provisions relating to the Department of Defense into one title to be known as title 10, Armed Forces; and second, enacts the laws relating to the National Guard as title 32.

In addition to the codification bills that have been introduced, a committee print has been prepared and published covering the proposed codification of the laws relating to reclamation and conservation, title 16, United States Code. A committee print of a proposed report of this bill has also been printed and given wide distribution with the view of introducing a bill early in the next session of the 84th Congress. Also progress has been made on the draft of a bill to enact title 44, Public Printing.

The subcommittee has cooperated with the other subcommittees of this committee and with other committees of the House with respect to the form and style and legislation affecting titles of the United States Code which have been enacted into law.

Subcommittee No. 3, Committee on the Judiciary

Bills referred	68
Hearings held	23
Bills reported to full committee	20
Bills reported to House	14
Bills passed House	11
Bills pending in Senate	8
Senate bills processed	1
Bills which became public law	2
Bills awaiting Presidential action	1

SUBCOMMITTEE NO. 4—GENERAL JURISDICTION OVER JUDICIARY BILLS AS ASSIGNED, SPECIAL JURISDICTION OVER BANKRUPTCY AND REORGANIZATION

To improve the administration of the bankruptcy laws, Subcommittee No. 4 held hearings on and favorably reported bills authorizing increases in the compensation of referees and trustees in bankruptcy. These bills are designed to make highly qualified persons available as referees and trustees. H. R. 4791, pertaining to referees' compensation, passed the House May 17, 1955, and H. R. 5047, pertaining to trustees' compensation, passed the House on August 1, 1955. These bills are now pending in the Senate.

In the 1st session of the 84th Congress, Subcommittee 4 held hearings on and favorably reported other bills designed to improve particular aspects of the bankruptcy laws. H. R. 256, clarifying the definition of "salesmen" in the priorities section of the law, passed the House on July 5, 1955, and H. R. 6247, conforming the handling of unclaimed bankruptcy funds with other unclaimed funds of district courts, passed the House July 30, 1955. These bills are now pending in the Senate.

General legislation assigned to Subcommittee No. 4 has covered a wide range of subjects. For example, there have been before the subcommittee more than 100 bills concerning holidays, celebrations, and the incorporation of patriotic and other organizations. In addition, action has been taken on general legislation dealing with the temporary extension of various emergency statutes, the amendment of the Contract Settlement Act of 1944, the amendment of criminal laws, and the restoration of court jurisdiction over certain civil cases.

The emergency legislation on which Subcommittee No. 4 held hearings and took action concerns title II of the First War Powers Act and war-risk hazards. Public Law 58 extends the effectiveness of title II of the First War Powers Act to July 30, 1957. This legislation authorizes expeditious contracting procedures essential to national defense. Public Law 125 extends to July 1, 1956, legislation providing benefits for civilian employees who are injured, killed or captured by enemy or other military action. These war-risk hazard and detention benefits are essential for effective recruitment of qualified civilian personnel for overseas employment, such as construction work on military installations.

The criminal laws concerning threats against the President were amended by Public Law No. 53 to include the President-elect and Vice President in their protections and subsequently the House passed H. R. 6621 to include the Vice President-elect in this protection and to clarify the law. This bill is now pending in the Senate.

Subcommittee No. 4 held hearings on and favorably reported two bills to rectify certain injustices. H. R. 7418 was ordered favorably reported by the subcommittee on July 27, 1955. This bill would amend the Contract Settlement Act of 1944 to give miners of strategic minerals during World War II an opportunity to have their claims for fair compensation determined on the merits by the contracting agencies involved. H. R. 5862 was ordered favorably reported by the subcommittee on July 27, 1955, to restore court jurisdiction over cases involving claims for overtime pay during World War II. A 1951 statute inadvertently deprived courts of jurisdiction over these then pending cases.

Number of public bills referred to subcommittee	168
Number of hearings held	11
Number of public bills reported to full committee	24
Number of reports filed	16
Number of public bills passed House	15
Number of public bills pending in the Senate	5
Number of Senate bills disposed of	1
Number of public bills approved by the President	8
Number of public bills pending approval of the President	1

SUBCOMMITTEE NO. 5, COMMITTEE ON THE JUDICIARY—GENERAL JURISDICTION OVER JUDICIARY BILLS AS ASSIGNED, SPECIAL JURISDICTION OVER ANTITRUST MATTERS

This subcommittee exercises jurisdiction over a variety of subjects with special jurisdiction over antitrust matters. Among the subjects assigned to this subcommittee were such matters as congres-

sional and judicial salaries, with Federal judicial administration, wiretapping, and antitrust problems.

During the first session of the 84th Congress this subcommittee had referred to it 62 bills on which 49 hearings were held. Nine bills were favorably reported to the full committee of which 8 received favorable action in the House. Five of these bills were approved by the President.

One of the bills enacted into law provided for a Commission on Security to make a study and report of the Government's security program both within the Government itself and in private industry insofar as national defense and security are involved.

This subcommittee also managed the bill which increased the salaries of Members of Congress and Federal judiciary.

Two bills relating to antitrust were also enacted into law. One of these bills increased the penalties for criminal violations of the antitrust laws. The other was of a twofold nature and provided for a uniform statute of limitations with regard to antitrust litigation and also created a right of action on the part of the Government to recover actual damages in antitrust suits.

At the close of the first session of the Congress this subcommittee had reported to the full committee a bill providing for Federal control over wiretapping. This measure was recommended to the full committee after lengthy hearings had been held and a clean bill written.

Another measure enacted into law abolished the divisions in the judicial district of Nebraska.

This subcommittee also conducted a series of hearings which will be reopened at the next session of Congress on a number of bills relating to the Federal judicial system throughout the country as well as a number of bills providing for additional judges in the circuit and district courts.

ANTITRUST MATTERS

The Antitrust Subcommittee carried out a comprehensive series of hearings on current problems in the antitrust field.

The purposes of the hearings were to examine current antitrust enforcement, recommendations made by the Attorney General's Committee to Study the Antitrust Laws, the forces involved in the merger movement, the growing problem of industry concentration and to secure up-to-date information from political, industrial, agricultural, and labor leaders concerning the new monopoly problems which they face because of the new forces transmuting the economy. Hearings on these matters extended over a period of 18 days in the course of which 55 witnesses were heard representing all points of view. For example, a number of Members of the House and Senate experienced in the field offered their counsel. Various leading professors in economics and antitrust law gave their observations and recommendations. Leading governmental officials testified regarding current antitrust enforcement. Leaders in the fields of business, labor, farming, and banking, in their various branches, made available their detailed and practical experience of the economic life of the country. Testimony was adduced from experts regarding the impact, or lack of it, of the antitrust laws in the field of foreign trade.

As a result of the testimony received it is possible to isolate many antitrust problems facing the country and possible solutions to these problems. A committee report is currently being prepared for these purposes.

These exploratory hearings resulted in a number of bills being introduced: One of these bills, H. R. 5948, is designed to bring asset acquisitions by banks within the purview of the Celler-Kefauver Antimerger Act of 1950 and thus check the current wave of bank mergers which is causing the demise of a large number of strong, independent competing banks. The bill was approved by the subcommittee and the full committee and reported favorably to the House, after hearings held to obtain the views of all interested parties.

Hearings were also held by the subcommittee on H. R. 6875 which would remove the provision for mandatory treble damages in private antitrust suits and provide the judge with discretion as to the extent of damages. Where the violation is willful it would be mandatory under the bill to assess full treble damages. Final subcommittee action has not yet been taken.

The subcommittee has been concerned with the problem of businessmen serving in key Government posts without compensation. These so-called w. o. c.'s receive salaries from their usual employers while on loan to the Government for service in such agencies as the Department of Commerce. Hearings held by the subcommittee on this subject have demonstrated the dangers presented by the conflict of interests involved for w. o. c.'s and the possibility of Government abdication of policymaking functions to the representatives of groups having a particularized interest in the continued increase of economic concentration.

An important series of bills referred to the subcommittee are H. R. 11 and a number of companion bills which would remove "good faith meeting of a competitor's price" as a defense against a charge of price discrimination under the Robinson-Patman Act where the effect of the discrimination may be substantially to lessen competition. The subcommittee has requested various governmental agencies to submit their views on these equality-of-opportunity bills.

Several bills have been introduced to cope with the increasing number of industrial mergers which has been occurring in recent years. One bill would require any corporation with assets over $1 million to give 90 days' notice to the Department of Justice and the Federal Trade Commission before consummating a merger. Another bill would require not only advance notification but suspend a merger in the event a complaint is filed by the enforcement agencies. Still an additional bill would give the Federal Trade Commission authority to seek a temporary restraining order preventing a merger pending Commission determination of its legality.

The subcommittee has also been concerned with the increasing degree of concentration in the textile industry which has been called in the main by merger activity. A detailed staff report on this subject has been issued which examines in detail various mergers which have occurred together with the factors which gave rise to those mergers.

SUBJECT MATTER OF SPECIAL INVESTIGATIONS

First. Industrial mergers and economic concentration.

Second. Administration of the Celler-Kefauver Antimerger Act of 1950 by the Department of Justice and the Federal Trade Commission.

Third. Bank mergers.

Fourth. Retention of mandatory treble-damage provision in private antitrust suits.

Fifth. Composition and organization of Attorney General's National Committee to Study the Antitrust Laws.

Sixth. Recommendations of Attorney General's National Committee to Study the Antitrust Laws.

Seventh. Government personnel serving without compensation—w. o. c.'s.

Eighth. Government advisory groups.

Ninth. Business Advisory Council for the Department of Commerce.

Tenth. Operations of the petroleum cartel and the Iranian consortium.

Eleventh. Comparison of per se and rule of reason approach to antitrust law interpretation.

SUBJECT MATTER OF GENERAL INVESTIGATION

First. Price discrimination and the Robinson-Patman Act.

Second. Exclusive dealing contracts under the antitrust laws.

Third. Retail distribution practices and the antitrust laws.

Fourth. Resale price maintenance—fair trade—laws.

Fifth. Patent antitrust problems.

Sixth. Antitrust injunctive procedures and legislation.

Seventh. Attorney General's Advisory Opinions.

Eighth. Antitrust consent decrees.

Ninth. Antitrust aspects of automobile distribution.

Tenth. Monopoly problems in the airlines industry.

Eleventh. Antitrust aspects of foreign trade.

Twelfth. Antitrust problems affecting brokers.

Thirteenth. Antitrust problems concerning the petroleum industry, the aluminum industry, the steel industry, the cement industry, the dairy industry, private utilities.

Fourteenth. Economic bigness.

Fifteenth. Antitrust problems affecting small business, labor, agriculture, cooperatives.

Sixteenth. Industries exempt from antitrust laws.

Seventeenth. Exclusive dealing contracts under the antitrust laws.

Eighteenth. Federal incorporation statute.

Nineteenth. The effect of Government procurement on economic concentration.

Subcommittee No. 5

Number of bills referred to subcommittee No. 5	62
Number of hearings held	51
Number of bills reported to full committee	9
Number of reports filed	9
Number of bills passed House	8
Number of bills pending in the Senate	3
Number of Senate bills disposed of	0
Number of bills approved by the President	5

Civil Defense and Adams County, Pa.

EXTENSION OF REMARKS
OF
HON. JAMES M. QUIGLEY
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1955

Mr. QUIGLEY. Mr. Speaker, although it is appropriate that Congress has considered legislation to provide for a civilian medal of merit to those in our Nation who have contributed greatly to its welfare, it sometimes strikes me as incongruous that we do not make a blanket presentation to those honored and industrious citizens who give of themselves and their time unstintingly for service in the Ground Observer Corps. These people are truly the unsung heroes of the cold war who, notwithstanding the general apathy of the Nation toward potential defense measures, have given and will give a full measure of devotion to their volunteer duties, assuring that those of us who are more complacent will have adequate warning of any possible aggression.

I am indeed proud that in my congressional district reside groups of citizens who have an outstanding record of accomplishment in this regard. One such group is located in Adams County, Pa. The Adams County volunteers of the Ground Observer Corps have not only adhered to the pattern throughout the Nation in providing personnel for manning the observation posts, but they excel by far the normal pattern by providing a full 24-hour coverage. This is indeed a unique accomplishment because all too often we hear and read of Ground Observer Corps posts which are manned only part time. Some, unfortunately, have no coverage at all. The good citizens of Adams County have taken on this duty as they do other requisites of American citizenship, not halfheartedly or on a part-time basis but fully and without thought of material reward.

Although any attempt to give personal credit would perhaps detract from those who hold no particular positions of official responsibility, I believe that proper notice must be taken of the contribution of Mr. W. H. Armor, who is the Ground Observer Corps chief for Adams County. Undoubtedly, the inspiration which he has given to others is, in great part, responsible for the outstanding work being done by the volunteer observers. It gives me additional pleasure to report that through the cooperation of Mr. Fred Rettace, burgess of Littlestown, Pa.; Mr. Gerald Daley, supervisor for Ground Observer Corps at Littlestown, and with the active cooperation of the junior chamber of commerce, the commissioners of Adams County are financing the construction of an all-aluminum, prefabricated Ground Observer Corps observation post, which will be installed atop the high school in Littlestown. This is, to my knowledge, the first such type installation in the Nation, and highlights the fact that the Adams County organization has made a forthright step in creating and holding the interest of the people in the importance of the work being done by the Ground Observer Corps.

I believe it to be appropriate that proper notice should be taken of the accomplishments of these fine people, who sacrifice without reward for the defense of this Nation, and I am pleased to do so as their Representative in Congress.

Summary of Legislation Considered by the House Committee on Banking and Currency, 84th Congress, 1st Session

EXTENSION OF REMARKS
OF
HON. BRENT SPENCE
OF KENTUCKY
IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1955

Mr. SPENCE. Mr. Speaker, there follows herewith a summary of the legislation considered by the Committee on Banking and Currency during the 1st session of the 84th Congress. For the benefit of the membership of the House each legislative act is preceded by a caption reference, together with the public law number, the House reports relating to the legislation, and the bill number of the legislation as considered in the House.

BANKING, CREDIT, AND FINANCE

INTERNATIONAL FINANCE CORPORATION

(Public Law 350, H. Rept. No. 1299, S. 1894)

This act authorizes the President to accept membership on behalf of the United States in the International Finance Corporation, authorizes the payment of the United States subscription of $35,168,000, contains several provisions of law necessary to make our membership effective, and provides for the coordination of the United States representatives to the IFC by the National Advisory Council on International Monetary and Financial Problems. The bill requires the approval of Congress for certain major actions on behalf of the United States with respect to the IFC, namely, voting for an increase in capital or subscribing to additional stock, accepting amendments to the articles of agreement, and making any loan to the Corporation.

The International Finance Corporation will be an international organization, whose members must be members of the International Bank. It will be affiliated with the International Bank through common membership in their Boards of Directors and Boards of Governors. The President of the International Bank will be the Chairman of the Board of the IFC, and the management and operations of the two institutions will be closely coordinated in the interest of achieving maximum efficiency with a minimum staff. The authorized capital of the IFC will be $100 million. The amount available for subscription by each member will be proportionate to that member's subscription to the capital stock of the International Bank.

The objective of the International Finance Corporation will be to encourage the growth of private enterprises in its member countries, particularly the less developed areas, by:

First. Investing in productive private enterprise, in association with private investors without Government guaranties of repayment where sufficient private capital is not available on reasonable terms:

Second. Serving as a clearinghouse to bring together investment opportunities, private capital, and experienced management;

Third. Creating conditions conducive to and otherwise stimulating the productive investment of private capital.

These objectives were generally recognized and sought by the previous administrations.

The International Finance Corporation is intended to provide venture capital but is not authorized to invest in capital stock or to assume responsibility for managing an enterprise in which it has invested.

There is almost universal agreement that increased investment and development would be desirable in less developed areas of the free world. Many benefits would result to the people of those areas through raising their standard of living, often tragically low; the United States could anticipate increasing consumption of American agricultural and industrial products; and the entire free world would gain by relaxation of the discontent and unrest which make a fertile field for Communist activity.

It is hoped that by channeling private investment into the less developed areas the International Finance Corporation will lessen the need for public grants and loans.

Currently private United States and other capital flowing into the underdeveloped regions is concentrated in relatively few areas and industries, particularly oil and mining. Private capital for general industrial and commercial purposes in these areas is generally conceded to be inadequate.

One of the problems of the underdeveloped regions is the low rate of capital formation. What capital there is, all too frequently is invested in the more highly developed areas. It is hoped that the examples of productive and profitable enterprises which the IFC will help to start in these areas will generate local confidence and increase the available supply of local capital.

INSCRIPTION OF "IN GOD WE TRUST" ON ALL UNITED STATES CURRENCY AND COINS

(Public Law 140, H. Rept. No. 662, H. R. 619)

This act, approved July 11, 1955, requires that the inscription "In God We Trust" be placed upon the currency of

the United States and requires that hereafter the same inscription also appear on all coins of the United States. The Bureau of Engraving and Printing is now undertaking, for purposes of economy, the designing of a new process for the printing of the currency which will require the preparation of new dies, rolls, and plates. In connection with this redesigning of the currency it will be possible to include the inscription "In God We Trust" in the new design with very little additional cost. In order that the Government not be faced with the substantial expenditure running into hundreds of thousands of dollars that would be required to make such a change if it were made other than at the time of redesigning the currency, the act provides that the inscription be incorporated in the new design at such time as new dies for the printing of currency are adopted in connection with the current program of the Treasury to increase the capacity of presses utilized by the Bureau of Engraving and Printing.

With respect to coins, the act would simply make mandatory the existing procedure of placing the inscription on all coins of the United States. Presently the inscription is only mandatory with respect to the denominations of silver coins on which it was inscribed prior to May 18, 1908, but in practice in recent years it has been placed on all coins.

NATIONAL BANK 20-YEAR REAL ESTATE LOANS

(Public Law 343, H. Rept. No. 1349, S. 1189)

Under section 24 of the Federal Reserve Act, national banks are presently authorized to make mortgage loans secured by first liens upon improved real estate. The amount of any such loan may not exceed 50 percent of the appraised value of the real estate and no loan may be made for a period longer than 5 years, except that any such loan may be made in an amount not exceeding 60 percent of the appraised value of the real estate and for a term not longer than 10 years if the loan is amortized and the installment payments are sufficient to amortize 40 percent or more of the principal of the loan within a period of not more than 10 years. National banks are also permitted to make construction loans for residential and farm construction, but the maturity may not exceed 6 months. Such construction loans are classed as ordinary commercial loans.

This act makes three changes in these existing national bank loan authorities. In the case of 40 percent amortized residential mortgage loans not exceeding a 10-year maturity, the percentage of the loan to the appraised value is increased from 60 to 66⅔ percent. New authority is granted for national banks to make residential real-estate loans in an amount not exceeding 66⅔ percent of appraised value and for a term not longer than 20 years if the loan is secured by an amortized mortgage, deed of trust, or other instrument which provides for complete amortization of the principal of the loan within the 20-year period. The 6 months' limit on construction loans is increased to 9 months.

As a matter of practice national banks have been making real-estate residential loans in effect for an extended period through making a 10-year loan, 40 percent amortized within the period, and then at the end of the period recasting the unpaid balance into a new loan with a 10-year maturity. The 20-year maturity permitted by the new act is thus primarily for the interest of the borrower in that it enables him to definitely set his complete home-financing plan at the time he undertakes the obligation. The change from 6 to 9 months in the construction loan maturity is more realistic with actual conditions and may well serve to increase the availability of funds for such financing.

ADVERTISEMENT OF NATIONAL BANK LIQUIDATION

(Public Law 266, H. Rept. No. 1337, S. 1187)

This act changes the advertisement requirements of existing law with respect to a national bank that is placed in voluntary liquidation. Under existing law whenever a vote is taken to place a national bank in liquidation the board of directors must cause notice of that fact to be published for a period of 2 months in a newspaper published in the city or town in which the bank is located, and also in a newspaper published in the city of New York. The New York City newspaper notice originally was required because national banks formerly issued notes which circulated as currency and because the circulation of these notes was often wide it was deemed desirable to have notice of a pending liquidation published in New York, then the financial center of the country, in addition to the notice to all creditors that was given locally. With the cessation of the issuance of such notes, every national bank having circulating notes outstanding deposited lawful money to cover same with the Treasurer of the United States and all such notes may be redeemed at the Treasury. Therefore the need for publication of notice in New York no longer exists. This act repeals that requirement but retains the local publication requirement and makes clear that local publication must be in every issue of the local newspaper so that all creditors will have notice to present their claims against the bank.

BANK HOLDING COMPANY ACT OF 1955

(H. Rept. No. 609, H. R. 6227)

This bill, passed by the House on June 14, 1955, and not yet acted upon by the Senate, contains 5 major provisions.

First, the bill would set forth a declaration that it is the policy of the Congress (a) to control the creation and expansion of bank holding companies, (b) to separate their business of managing and controlling banks from unrelated business, (c) generally to maintain competition among banks and to eliminate the danger inherent in the undue concentration of economic power through centralized control of banks, and (d) to subject bank holding companies to examination and regulation.

Second, the bill would define a bank holding company as any company which either (a) controls 25 percent or more of the voting shares of 2 or more banks or of a bank holding company, or (b) is found by the Board of Governors of the Federal Reserve System, after notice and opportunity for hearing, to exercise a controlling influence over 2 or more banks. Certain exemptions from the definition of "bank holding company" would, however, be provided. These are as follows: (a) Any corporation a majority of the shares of which are owned by the United States or any State; (b) banks which own or control shares solely in a fiduciary capacity—except where such shares are held for the benefit of all or a majority of the persons beneficially interested in such bank; and (c) any mutual savings bank, or any nonprofit organization operating exclusively for charitable, religious, and similar purposes which would otherwise be a bank holding company by reason of its ownership of bank stock on the effective date of the act.

Third, the bill would require bank holding companies to obtain the prior approval of the Board of the Federal Reserve System before acquiring additional bank stocks or assets. The Federal Reserve Board, before granting approval of any application, would be required to ask for the recommendation of the agency that chartered the bank or banks involved, the Comptroller of the Currency in the case of a national bank and the State supervisor in the case of a State bank. If such an agency denied approval within 30 days that action would be final, but if approval was granted then the Board in the light of the overall situation still could make its own determination.

Fourth, the bill would require bank holding companies within a maximum of 5 years to divest themselves of interests in nonbanking enterprises. Suitable tax relief on the distribution of such interests made at the order of the Board, or where because of such an order a company chooses to distribute its holdings of bank shares so as to cease to be a bank holding company, would be provided.

Fifth, the bill would prohibit a bank subsidiary of a bank holding company from investing any of its funds in, or lending any of its funds on the security of, the stock or other securities of the holding company of which it is a subsidiary, and other subsidiaries thereof, and would prohibit the bank from making loans to its bank holding company and other subsidiaries.

HOUSING

INCREASE IN FHA MORTGAGE INSURANCE AUTHORIZATION

(Public Law 10, H. Rept. No. 66, S. J. Res. 42)

Early in the session it became apparent that the FHA mortgage insurance authorization would be fully committed in the first quarter of the year. Accordingly, the committee reported House Joint Resolution 202 which provided for a $1.5 billion increase in this authority to enable the FHA to go into the spring and summer building season without any interruption in mortgage insurance operations. A companion measure Senate Joint Resolution 42 was passed in lieu of House Joint Resolution 202 and became law on March 11, 1955.

HOUSING AMENDMENTS OF 1955

(Public Law 345, H. Repts. 913 and 1622, S. 2126)

The Housing Amendments of 1955 contain five titles modifying existing law in several respects as noted in more detail in the summary which follows. Title I of the new act deals with FHA title I home repair and modernization loan insurance authority, FHA title II mortgage insurance authority, slum clearance, and urban renewal, public housing, independence of the Home Loan Bank Board and planning advances for community facilities. Title II relates to an expanded program for public facility loans. Title III broadens the college housing program. Title IV revises and extends the military housing program. Title V grants continued authority for the farm housing program.

FHA title I: FHA title I provides a system of insurance for home repair and modernization loans. Under this program more than 18.5 million home repair loans have been made since inception of the program in 1934. Currently the loans average about $550 in size and more than 80 percent of them are made to finance repairs to single-family dwellings. This program is continued to September 30, 1956, under the terms of the Housing Amendments of 1955.

FHA title II: FHA title II provides mortgage insurance programs for sales housing, multifamily rental housing, cooperative housing, and housing in urban renewal areas. The mortgage insurance authorization for this title of the act is increased by $4 billion over the outstanding balance of mortgages insured and outstanding commitments as of July 1, 1955. The size limit of an individual mortgage on a multifamily project built by a private sponsor is increased from $5 million to $12.5 million and two of the project programs, section 213 (b) (2) cooperative housing and section 220 (d) (3) new urban renewal area housing are placed on a more liberal basis of valuation for mortgage insurance, the change being from estimated replacement cost to an estimated value basis.

Provisions added to section 213, cooperative housing, and section 207, rental project insurance, make clear that projects containing 8 or more dwelling units, rather than 12 or more under existing regulations, could qualify for these types of mortgage insurance. The FHA Commissioner is directed to appoint a special assistant with adequate staff to expedite operations under the section 213 cooperative housing mortgage insurance program. Authority is added to permit insurance under section 213 of mortgages on Government-owned housing being disposed of under provisions of existing law.

The section 221 insuring authority designed to assist in relocating families displaced by slum clearance or redevelopment operations is modified so that this liberal mortgage insurance also would be available to families in an urban renewal area even though the families are not required by governmental action to leave the area. The cost certification requirement of existing law is amended to make it inapplicable to sales housing insured under section 221 of the act.

A new insuring authority is provided to cover the insurance of mortgages on trailer courts or trailer parks. Such mortgages, however, cannot exceed $1,000 per trailer space or $300,000 per mortgage. The insurance will be written under FHA section 207 which provides that the FHA Commissioner may require regulation as to rents, charges, capital structure, rate of return, and methods of operation, so as to provide reasonable rentals to tenants and a reasonable return on the investment.

A technical amendment permits the FHA to make final settlement of certificates of claim held by mortgagees any time after the sale or transfer of title by FHA on sales housing acquired by FHA through default on section 203 or section 603 insured mortgages.

FEDERAL NATIONAL MORTGAGE ASSOCIATION

Authority is given the Federal National Mortgage Association under its special assistance function, to enter into advance commitments totaling not more than $50 million outstanding at any one time to purchase FHA cooperative housing mortgages—section 213 mortgages. Of this authorization a $5 million limitation is applicable to any one State.

DEFENSE HOUSING AND COMMUNITY FACILITIES

The defense housing mortgage insurance program—a special program contained in FHA title IX—has now expired. To permit orderly conclusion of this program authority is granted for recognizing commitments on any project which has previously been designated by the President under the authority of the act.

SLUM CLEARANCE AND URBAN RENEWAL

The new act makes three changes in the slum clearance and urban renewal programs. They are as follows: First, the amount of grant authority is increased by $500 million over a 2-year period; second, the amount of grant authority over and above the State limitation—10 percent any one State—is increased from $35 million to $70 million to be used in States where more than two-thirds of their limitation had been obligated; and third, limited loan funds are made available to assist communities in redeveloping open or predominantly open areas for commercial use.

URBAN RENEWAL IN TERRITORIES

The Territorial Enabling Act of 1950 is amended so that the Territories might take advantage of the financial assistance available for urban renewal activities as well as for carrying out slum clearance and redevelopment projects.

PUBLIC HOUSING

An authorization is provided for new contracts for loans and annual contributions for an additional 45,000 low-cost public housing units up to July 31, 1956, under the United States Housing Act of 1937. Restrictions formerly in the law, that the community have a workable program, that a title I slum clearance or urban renewal program was being carried out, that the project was needed to meet title I relocation requirements and that the Housing and Home Finance Administrator determine the number of units neded, were eliminated. The public housing units authorized are thus made available to any communities which desire to participate in the program.

Authorization is granted the Housing and Home Finance Administrator to sell at fair market value a war housing project known as Welles Village to the housing authority of Glastonbury, Conn., subject to the approval of the legislative body of that town, for use as moderate rental housing.

During the war the Government constructed a large amount of temporary housing at Richmond, Calif. This was built under the Lanham Act. To facilitate the orderly redevelopment of this area the Housing and Home Finance Administrator is authorized to sell the underlying land to the city or local redevelopment agency upon terms calling for one-third down with the balance due within 1 year at 4 percent interest.

HOME LOAN BANK BOARD

The new act reestablishes the Home Loan Bank Board as an independent agency of the Government and changed its name to the Federal Home Loan Bank Board. Hereafter its annual reports will be made directly to the Congress rather than to the Housing and Home Finance Administrator as was the case when it was a constituent agency of the Housing and Home Finance Agency pursuant to Reorganization Plan No. 3 of 1947.

The Federal Home Loan Bank Act is also amended to make certain technical changes, including right to remove a member institution because of insolvent condition, more equitable apportionment of elective directors of a Federal home-loan bank, and clarification of the right of a Federal Savings and Loan Association to make FHA title I or VA property improvement loans to the full extent permitted by the FHA or VA. Provision is also made for charging an equitable admission fee of a savings and loan association becoming an institution insured by the Federal Savings and Loan Insurance Corporation.

COMMUNITY FACILITIES ADMINISTRATION

The Housing Act of 1954 provided for a 3-year program of assistance by the Housing and Home Finance Administrator to assist communities in developing a reserve of planned public works. Appropriations of $10 million were authorized, and not more than 5 percent of the funds could be expended in any one State. The new act places this program on a permanent basis, increases the authorized appropriations to $48 million on a revolving-fund basis, and increases the State limitation from 5 percent to 10 percent. The salary of the Community Facilities Commissioner in the Housing and Home Finance Agency was made the same as for the heads of the other constituent agencies of the HHFA.

PUBLIC FACILITY LOANS

The Housing Act of 1954 placed in the Housing and Home Finance Administrator authority to make public facility loans and authorized appropriations of $50 million for that purpose. The program has been inactive due in large part to the very limited amount of funds actually appropriated. Title II of the new act authorizes the Housing and Home

Finance Administrator to establish a revolving fund for this purpose, not exceeding $100 million outstanding at any one time, from funds borrowed from the Treasury. The Administrator is authorized to make loans to political subdivisions for essential public works where financial assistance is not otherwise available on reasonable terms. Such loans are to be of such sound value or so secured as to reasonably assure repayment. The maturity limit is 40 years. Priority in processing applications is granted to communities of 10,000 or less population for basic public works, including water, sewer, and gas systems for which there is urgent public need.

COLLEGE HOUSING LOANS

Title III of the new act amends the college housing loan provisions of the Housing Act of 1950 in the following respects:

First. The purposes for which such loans can be made is broadened to include other essential service facilities as well as housing and dining facilities.

Second. The terms of new loans is extended from 40 to a maximum of 50 years.

Third. The interest formula is changed, the effect of which is to reduce the rate on new loans or loans on which disbursements have not been completed from the present 3¼ percent rate to 2¾ percent.

Fourth. The test of existing law that the institution cannot otherwise obtain credit on generally comparable terms is changed to a test of equally as favorable terms. By regulation the Administrator had interpreted "generally comparable" to mean within one-fourth of 1 percent of the HHFA rate. The effect of the change will be to make more educational institutions eligible for the loans from the Government.

Fifth. The amount of the revolving loan fund is increased from $300 million to $500 million of which not more than $100 million may be used for other educational facilities.

Sixth. The eligible borrower may also be a nonprofit affiliated building corporation established for the sole purpose of providing facilities for the institution as well as the educational institution itself.

Seventh. The loans may not be made on facilities completed prior to filing of an application for a loan.

MILITARY HOUSING

Title IV of the new act extends to September 30, 1956, the life of the existing FHA title VIII—Wherry Act—military housing program and amends it in the following major respects:

First. An insurance authorization of $1,363,500,000 is established for this program, in addition to the general FHA insurance authorization.

Second. Insurance is to be issued for units which the Secretary of Defense determines are needed to meet essential military requirements, or for personnel for whom adequate housing is not available at reasonable rentals within reasonable commuting distance of a military installation. If the Federal Housing Commissioner does not concur in the Secretary's determination, he may require the Secretary to guarantee the insurance fund against loss on the mortgage in question.

Third. The amount of the insured mortgage may not exceed the FHA estimate of replacement cost, including the cost of land, physical improvements, and onsite utilities; and it may not exceed an average of $13,500 per family unit for the part of the project attributable to dwelling use; and it may not exceed the lowest acceptable bid submitted by a qualified builder, as determined by the Secretary of Defense after consulting FHA. Also, the replacement cost of the property—including the estimated value of any usable utilities within the boundaries of the property where owned by the United States and not provided for out of the proceeds of the mortgage—cannot exceed $13,500 per unit.

Fourth. The mortgage must mature in not more than 25 years, and bear interest at not more than 4 percent.

Fifth. The cost certification provisions of section 227 of the National Housing Act are made inapplicable to this program as contracts are let on competitive-bid basis.

Sixth. The program is extended to include the Coast Guard as well as the military departments.

The Federal National Mortgage Association is authorized to make commitments to purchase, and to purchase, service, and sell mortgages insured under the new military housing program, but the total amount of purchases and commitments outstanding at any one time could not exceed $200 million.

The Secretary of Defense is authorized to enter into contracts with any eligible builder for the construction of housing on Government land at or near a military installation, after competitive bidding in accordance with the Armed Services Procurement Act of 1947. Under such contracts, the housing will be placed under the control of the Secretary of Defense as it becomes available for occupancy and the capital stock of the builder corporation will be transferred without cost to the Secretary. The Secretary of Defense is authorized to acquire unimproved land and, with FHA approval, existing Wherry housing, for purposes of the military housing program, through purchase or other transfer or through condemnation proceedings; and provisions are included to protect the interests of the owners in condemnation cases.

The Secretary of Defense is authorized to maintain and operate housing acquired under the program and assign quarters in such housing to military and civilian personnel. The military department concerned may use appropriations for quarters allowances or appropriate allotments, and rental charges to civilian personnel, to pay the obligations of the mortgagor with respect to the housing. Such payments cannot exceed an average of $90 a month per housing unit, and cannot total more than $9 million per month, nor more than $90,000 per month for housing for the Coast Guard. Maintenance and operation expenses are not to be paid in this manner, but are to be paid out of funds appropriated for the purpose.

Miscellaneous provisions of title IV of the new act provide for procurement of services of architects and engineers, authorize necessary appropriations, and contain saving provisions necessary to complete operations—including operations with respect to projects certified by the Atomic Energy Commission prior to July 1, 1956—under the existing Wherry Act.

FARM HOUSING

The Housing Act of 1949 authorizes the Secretary of Agriculture to make, first, long-term loans to farmers having adequate farms who are nevertheless unable to obtain private credit on reasonable terms; second, similar loans supplemented by modest contributions for 5 years, where the farmer is unable to undertake to repay the loan in full and the farm is not adequate but capable of being improved to the point where it is self-sustaining; and third, modest loans and grants to help farm families on very poor farms to undertake minor improvements or minimum repairs to farm dwellings where necessary to remove hazards to the health or safety of the occupants, and modest loans for enlargement and development of farms.

Title V of the new act provides the following additional authorization for farm housing under title V of the Housing Act of 1949, as amended, to be available on or after July 1, 1955: First, $100 million in the amount of loan funds which can be obtained from the Treasury; second, $2 million per annum in the amount of annual contribution commitments for housing on potentially adequate farms; and third, $10 million in the amount of appropriations authorized for loans and grants for improvements and repairs of farm dwellings and other buildings, and loans for the enlargement and development of farms.

CONVEYANCE OF CERTAIN WAR HOUSING PROJECTS TO THE CITY OF WARWICK, VA., AND THE CITY OF HAMPTON, VA.

(Public Law 80, H. Rept. No. 664, S. 755)

This act authorizes the Housing and Home Finance Administrator to sell and convey at fair market value, as determined by him on the basis of an appraisal made by an independent real estate expert, war housing projects VA–44061 and VA–44067 located in the cities of Warwick and Hampton, Va., to the respective cities, or to a public housing authority for such cities. The sale could be made to the cities jointly or to an authority for both cities or to an agency or corporation jointly established or sponsored in the public interest. Project VA–44061, known as the Ferguson Park war housing project, consists of 1,188 permanent family dwelling units constructed in 1942 for war workers in the Newport News area. It is located in the city of Warwick, Va. Project VA–44067, known as the Copeland-Newsome project presently consists of 3,886 units of the so-called demountable-type housing of which 2,164 units are located in the city of Warwick and 1,722 in the city of Hampton. The provisions of the act are effective only during a period ending 6 months after the date of approval, which was June 16, 1955.

SALE OF CERTAIN WAR HOUSING PROJECTS TO THE HOUSING AUTHORITY OF BEAVER COUNTY, PA.

(Public Law 326, H. Rept. 1338, H. R. 6198)

This act authorizes the Housing and Home Finance Administrator to sell and convey to the Housing Authority of the county of Beaver, Pa., at fair market value as determined by him, for use in providing rental housing for persons of limited income, seven war housing projects located in Beaver County. These 7 projects containing 1,130 dwelling units were built during World War II to house workers engaged in industries essential to the national defense effort. However, before any of these projects may be sold to the Housing Authority, it must first be offered by the Administrator to a duly organized mutual ownership or cooperative organization for not exceeding 120 days. Also no such project may be sold to the Housing Authority until the Administrator has received from the Attorney General of Pennsylvania an opinion that said Housing Authority has legal authority to acquire, pay for, and operate such project as a rental housing project for persons of limited income. Terms could not exceed 30 years with interest on the unpaid balance at a rate not exceeding 5 percent. The authority granted in this act will expire on the first day of the sixth month following the month in which the act is approved.

SALE OF PERSONAL PROPERTY HELD IN CONNECTION WITH LANHAM ACT HOUSING

(Public Law 349, H. Rept. No. 1339, H. R. 6199)

This act authorizes the Housing and Home Finance Administrator to sell to any agency organized for slum clearance or to provide subsidized housing for persons of low income, at fair market value personal property of a war-housing project which is not sold with the project. Any sale would be made on a cash basis payable at time of settlement. This will enable a local housing authority to purchase equipment which it has been using in any combined operation of war housing and low-rent housing projects. Where a housing authority has been using equipment in such a combined operation, the sale of the equipment to someone other than the housing authority would require the housing authority to purchase at considerably greater expense new equipment to replace any items sold to others. This would in some measure increase the Federal subsidy for annual contributions to the project. Sale of such equipment to the local authority would obviate such increase and permit the authority to continue to have available the equipment which it has been using to service all its projects.

CONVEYANCE OF CERTAIN WAR HOUSING PROJECTS TO THE CITY OF NORFOLK, VA.

(Public Law 284, H. Rept. No. 1341, S. 2351)

The committee reported H. R. 7073 a companion bill to S. 2351. In the House the reported bill was laid on the table and S. 2351 passed in lieu thereof. Under its provisions the Housing and Home Finance Administrator is authorized to sell at fair market value war housing projects VA–44075 and VA–44184, located in the city of Norfolk, Va., to the city of Norfolk, to the Norfolk Redevelopment and Housing Authority, or to any agency or corporation established or sponsored in the public interest by the city. These projects of demountable-type construction presently contain 3,493 units. The city of Norfolk through its redevelopment agency is engaged in an extensive redevelopment program and has indicated that the projects are needed to house families displaced by this program. The authorization will remain effective during a period of six months after the date of approval of the act.

CONVEYANCE OF CERTAIN WAR HOUSING PROJECTS TO THE STATE OF LOUISIANA

(Public Law 235, H. Rept. No. 663, H. R. 5512)

This act authorizes the Housing and Home Finance Administrator to convey to the State of Louisiana projects LA–16011 and LA–16012 in consideration of the payment of $300,000 in three equal annual installments. These projects consist of 255 permanent dwelling units constructed early in World War II on land leased from the State of Louisiana to provide dwelling accommodations for military personnel assigned to the Alexandria Air Force Base. They were designed with the aid of an architect employed by the State, in a manner which would permit their conversion to eventual hospital use. The State would be required to pay the first installment within 6 months after the date of approval of the act.

TRANSFER OF WAR HOUSING PROJECTS TO THE CITY OF MOSES LAKE, WASH.

(H. Rept. No. 1340, H. R. 6298)

This bill, which passed the House on July 30, 1955, but has not been acted upon by the Senate, would amend section 601 (g) of the Lanham Act so as to permit the transfer of 2 war-housing projects, Wash–45206 and Wash–45402, to the city of Moses Lake, Wash. These projects contain a total of 172 temporary family dwelling units. Moses Lake is one of the comparatively few communities in which on December 31, 1948, more people were living in temporary family accommodations than were listed in the census of 1940. In such cases transfer of the temporary Government-owned housing accommodations can be made to the community or local slum clearance agency without cost other than for payment of the land involved.

SALE OF GOVERNMENT-OWNED HOUSING TO THE CITY OF HOOKS, TEX.

(H. Rept. No. 1554, H. R. 7540)

The committee reported this bill on July 28, 1955, but action was not completed on this measure by the House. Under its provisions the appropriate Government agency is directed to sell and convey the North Village housing project—Texas–41142—whenever it is declared surplus to the needs of the Government, to the city of Hooks, Tex., at fair market value as determined on the basis of an appraisal made by an independent real estate expert. The project consists of 248 housing units and was transferred to the Department of the Army on December 3, 1948, by the Housing and Home Finance Agency. It has been used to house personnel at the Red River Arsenal, near Texarkana, Tex., but it now appears that the project is no longer required for that purpose.

CONVEYANCE OF A WAR HOUSING PROJECT TO THE BOSTON HOUSING AUTHORITY

(Public Law 217, H. R. 6980)

The committee held hearings on this bill but due to the fact the bill was passed by unanimous consent the same day the bill was ordered reported, no formal report was filed by the committee. This act directs the Housing and Home Finance Administrator to sell and convey war housing project Mass–19051 to the Boston Housing Authority for use as a relocation project under applicable local law. The project contains 873 dwelling units. The sale would be at fair market value as determined by the Administrator on the basis of an appraisal made by an independent real estate expert. Payment in full would be required within a 30-year period with interest on the unpaid balance of not to exceed 5 percent per annum. The authorization would be effective for 6 months after approval of the act unless such time limit was extended by the Administrator.

ECONOMIC

DEFENSE PRODUCTION ACT AMENDMENTS OF 1955

(Public Law 295, H. Rept. Nos. 1343 and 1630, S. 2391)

The committee reported a companion bill H. R. 7470, the provisions of which were substituted for S. 2391. The conference substitute retaining the Senate bill number, extended the Defense Production Act of 1950, as amended, to the close of June 30, 1956, and made certain changes therein. The declaration of policy of the act is amended to reflect the emphasis now being placed on preparedness programs. Authority is granted the President to make provision for the development of substitutes for strategic and critical materials when it will aid the national defense. Authority for allocation of materials in the civilian market is modified so that if this authority is again made use of a more realistic base period can be employed. Provision is made for an intensive study by the Office of Defense Mobilization of the share of procurement going to small business concerns. The voluntary agreements authority, under which there is exemption from the antitrust laws, is restricted to those covering primarily military items but permit certain existing nonmilitary agreements to continue subject to review by the Attorney General within 90 days after approval of the act to determine if they should be allowed to continue. The provisions of the law authorizing the use of industry employees serving without compensation from the Government and who are exempted from the conflict-of-interest statutes, are materially strengthened to prevent possible abuses. Authority is granted the President to provide for the establishment and training of a nucleus executive reserve for employment in Government during periods of emergency. The limit on the expenses of the Joint Congressional Committee on Defense Production is increased from $50,000 to $65,000 in any fiscal year and an increase to the going rate is authorized for stenographic reporting services.

The act is made effective as of its previous expiration date.

EXTENSION OF THE SMALL BUSINESS ACT OF 1953

(Public Law 268, H. Rep. No. 1350, S. 2127)

This act extends the life of the Small Business Administration for 2 years until July 31, 1957. It also makes the following changes in the Small Business Act of 1953: First, the limit on an individual small-business loan is increased from $150,000 to $250,000; second, the interest rate on Small Business Administration loans—both direct and participation—is limited to not more than 6 percent per annum; third, the $250,000 loan limitation is waived on any loan extended to any corporation formed and capitalized by a group of small-business concerns with resources provided by them if such corporation is formed to produce or secure raw materials or supplies. If such a loan is for the purpose of constructing facilities, it may have a maturity of not to exceed 20 years plus such additional time as is required to complete such construction. These loans are to be made at an interest rate of not less than 3 nor more than 5 percent per annum. The employee limitation otherwise applicable to small-business concerns does not apply in the case of any such new corporation. Agreements pertaining to such a new corporation when approved by the SBA would not be subject to the proceedings of the antitrust laws; fourth, the Administrator of the Small Business Administration when requested to do so by any small-business concern—or any Government department or agency—is required to issue an appropriate certificate certifying an eligible small-business concern as a small-business concern in accordance with the criteria expressed in the Small Business Act of 1953. Offices of the Government having procurement or lending powers or engaging in the disposal of Federal property or allocating materials or supplies, or promulgating regulations affecting the distribution of materials or supplies are required to accept as conclusive the Administrator's determination.

This act also makes it mandatory that all bids and invitations for bids under the Armed Services Procurement Act of 1947 contain specifications which will give a prospective bidder sufficient information to permit him to bid.

COMMODITIES

COMMODITY CREDIT CORPORATION

(Public Law 344, H. Rept. 1559, S. 2604)

This act increases the borrowing power of the Commodity Credit Corporation from $10 billion to $12 billion in order to enable the Corporation to carry out existing commitments by the Government for price support on 1955 crops.

The Commodity Credit Corporation is a federally chartered corporation and is the instrumentality through which price support is extended on farm commodities through loans, purchase agreements, and purchases, in accordance with existing legislation. The price-support operations constitute the major activity of the Corporation, but it also operates a storage facilities program, a supply and foreign-purchase program, and a commodity-export program. It also performs other activities authorized by Congress. The President's budget each year describes fully the various programs carried out by the Corporation, all of which are within the framework of laws enacted by the Congress.

The Corporation is managed by a Board of Directors which is appointed by the President and confirmed by the Senate. It is subject to the general supervision and direction of the Secretary of Agriculture who is, ex officio, a Director and Chairman of the Board.

As required by its Federal charter, the Corporation utilizes private trade facilities, including banks, cooperatives, commercial warehouses, handlers, and others to the maximum extent practicable.

TEXAS CITY TIN SMELTER

(H. Rept. 661, S. Con. Res. 26)

This concurrent resolution expresses the sense of the Congress, first, that the Government-owned tin smelter at Texas City, Tex., should be continued in operation until June 30, 1956, and as long thereafter as may be hereafter authorized by the Congress; second, that the President have conducted a study and investigation so as to make recommendations to the Congress upon the most feasible methods of maintaining a permanent domestic tin-smelting industry in the United States; third, that in making such study and investigation, the President shall consider the possibilities of private lease or sale of the Government smelter as well as continued Government ownership and operation of this facility; fourth, that appropriate arrangements be made so that the Texas City plant and facilities, as well as nonsecurity information concerning them, shall be shown to interested private persons; and fifth, that the President shall, on or before March 31, 1956, report to the Congress the findings of this study and his recommendations with respect to the future operation of the tin smelter.

MISCELLANEOUS

TEMPORARY EXTENSION OF CERTAIN HOUSING PROGRAMS, THE SMALL BUSINESS ACT, AND THE DEFENSE PRODUCTION ACT

(Public Law 119, S. J. Res. 85)

This joint resolution providing for a 1-month extension of certain housing programs, the Small Business Act, and the Defense Production Act was necessary to prevent the expiration of these programs and acts while the Congress was completing action on the basic bills amending and extending these programs and acts. After informal consideration of the 1-month extension resolution by the committee, the chairman called up S. J. Res. 85 by unanmous consent in the House and it was passed by the House on June 28, 1955, and approved by the President on June 30, 1955.

MEDAL FOR DR. JONAS E. SALK

(Public Law 297, H. Rept. No. 1351, H. J. Res. 278)

This act directs the Secretary of the Treasury to strike an appropriate gold medal to be presented to Dr. Jonas E. Salk in recognition of his great achievement in the field of medicine for his discovery of a serum for poliomyelitis. The act also authorizes the Secretary of the Treasury to strike bronze duplicates of the medal to be sold at a price sufficient to cover the costs involved.

TEXAS COMMEMORATIVE MEDAL

(Public Law 338, H. Rept. No. 1342, H. R. 7244)

This act provides for the striking of medals in commemoration of the 120th anniversay of the signing of the Texas Declaration of Independence and the Battles of the Alamo, Goliad, and San Jacinto in the year 1836. The Secretary of the Treasury is authorized and directed to strike and furnish at cost to the Texas Heritage Foundation, Inc., 2,000 medals of appropriate design and inscription. The act also authorizes the manufacture and sale by the mint to the public of bronze duplicates of this medal upon authorization from the Texas Heritage Foundation, Inc.

BENJAMIN FRANKLIN MEDAL

(Public Law 259, H. Rept. No. 1553, S. 463)

This act authorizes and directs the Secretary of the Treasury to strike 71 bronze medals with an appropriate design and inscription to commemorate the 250th anniversay of the birth of Benjamin Franklin occurring on January 17, 1956. Twenty-one scientific, educational, and welfare societies of which Benjamin Franklin was a member are specifically designated to be recipients of medals. The remaining 50 medals are to be presented in cooperation with the 250th anniversary committee of the Franklin Institute to other enterprises, institutions, and societies founded or helped in their early development by Benjamin Franklin.

A Tribute to the Japanese American Citizens League on Its 25th Anniversary

EXTENSION OF REMARKS

OF

HON. WALTER H. JUDD

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1955

Mr. JUDD. Mr. Speaker, under leave to extend my remarks in the RECORD, I would like to take this opportunity to report to my colleagues in the Congress that I have arranged to have presented to the National Headquarters of the Japanese American Citizens League, in commemoration of their 25th anniversary as a national organization, an American flag which has flown over the Capitol of the United States.

My colleagues, both here in the House and in the Senate, who are acquainted with the membership and purposes of the Japanese American Citizens League, more popularly identified as the JACL, and who have supported, particularly after World War II, many of its legislative suggestions which have not only greatly enlarged the area of racial freedom and human dignity in this Nation but have also demonstrated our national and international good will toward those of Asian origin, will, I am confident, applaud this presentation of our

flag, with all that it means, to this exemplary organization which has personified, as few organizations with similar objectives have, their slogan, "For better Americans in a greater America."

I know that many of my colleagues, of both political parties from every geographical section, join with me in congratulating the JACL on their first quarter century of dedicated service to our country, in general, and to our Americans of Japanese ancestry, in particular.

To appreciate just how much has been accomplished in the past 25 years, one need only look back in mind's eye to 1930, when the ill effects of the Japanese Exclusion Act of 1924 were still clearly visible and Japanese Americans were suspect people concentrated only on our west coast. In contrast, examine their position today as accepted and assimilated fellow Americans who are known and welcomed throughout the entire land. To have accomplished so much, for any people, in such a short time, and against such odds of prejudice and discrimination, with so little in the way of financial and political backing, is not only a tribute to the leadership and membership of JACL but also to the system of government and the democratic processes which gave opportunity and incentive for such progress in human relations.

As we wish for JACL, its officers and its membership, another quarter century of successful attainment in the common cause of trying to make our land a better place in which to live and work, may I add the hope that the next 25 years to come will not be under the same trying circumstances either for our Nation or for Americans of Japanese ancestry.

JACL IDENTIFIED WITH JAPANESE IN AMERICA

Seldom can the history of a people be identified with a single organization. But, uniquely and unmistakably, the annals of persons of Japanese ancestry on the United States mainland during their most crucial and tumultuous quarter century, when their destiny in this country was secured for all time to come, is the story of JACL.

Indeed, had it not been for JACL, with its skillful use of the tools of democracy, it is doubtful that those of Japanese origin in this land would enjoy the healthy and promising status that is theirs today as integrated and loyal Americans.

JACL's record belies the facts that Americans of Japanese ancestry are among the fewest in numbers and the youngest in average age of all our many nationality groups, being only some 85,000 averaging about 30 years in age; that they are only one generation removed from the emigrants of an Asian land whose culture, language, and heritage are quite different from that of most Americans who trace their origins to Europe; and that they were persecuted and prosecuted as perhaps no other racial minority in our Nation's experience.

FIRST CONVENTION, SEATTLE, 1930

Over the Labor Day weekend in 1930, some 112 Nisei, or American-born citizens of Japanese ancestry, representing 10 local civic clubs in Washington, Oregon, and California, met in Seattle and organized the Japanese American Citizens League to encourage Americanization among both the citizen and alien Japanese and to promote the general welfare of the group by securing the repeal or nullification of racially restrictive State and Federal laws which circumscribed their opportunities for full citizenship and economic and social development.

Indicative of their spirit, even so long ago, was their insistence that there be no hyphen between the words "Japanese" and "Americans," for these Nisei declared that they were not hyphenated Americans with divided allegiances, but only loyal Americans. The word "Japanese," they carefully explained, was merely a descriptive adjective modifying the important noun "American" and was used only for purposes of identifying the special problems of the group.

At successive biennial national conventions held in Los Angeles in 1932, in San Francisco in 1934, in Seattle again in 1936, in Los Angeles again in 1938, and in Portland in 1940, JACL delegates met to review their program and progress and to chart new projects to make more meaningful for Japanese Americans the equality which should have been theirs as native-born citizens.

Each succeeding national convention witnessed a growth in membership and chapters, with the last pre-World War II conclave in Portland attracting almost a thousand delegates from over fifty chapters. In 1940, the national council, which is the policymaking agency, welcomed the intermountain district council, comprising Utah and Idaho, the first district council outside the West Coast where the overwhelming majority of all persons of Japanese ancestry in the United States resided.

PRE-WORLD WAR II DECADE

During their first decade of existence as a national organization, JACL was able to secure special legislation enabling alien Japanese who had served honorably in our Armed Forces in World War I to become naturalized citizens and providing for the expeditious naturalization of Nisei wives who had lost their citizenship by marriage to alien Japanese. But they were neither able to persuade the Congress to eliminate race as a qualification for naturalization, nor to repeal the Japanese and other Oriental exclusion laws. Success in these efforts might conceivably have averted war in the Pacific.

On local, municipal, and State levels, JACL chapters were active in promoting economic and educational opportunities, in eliminating discriminatory and prejudicial practices and ordinances which were the outgrowth of the "yellow peril" hate campaigns of an earlier era, and in refuting vicious charges of unassimilability by demonstrating civic responsibility.

In spite of their youth and inexperience, in spite of voluntary, part-time work, for there was never any money for staff or offices, the JACL was remarkably successful even in the prewar period when their major attention was devoted to building up an organization with responsible membership and leadership.

In this connection it should be remembered that unlike most other nationality groups in this country, because the alien, parent generation from Japan was barred by Federal statute from the privilege of naturalization, the older, more experienced Japanese were not in a position to provide the leadership and guidance that proved so helpful to other national minorities in our midst in their earlier, pioneering days.

When it became apparent that international tensions between the nation of their birth and the land of their ancestry were increasing to the danger point, in August 1941, the national board composed of the nationally elected officers and the chairmen of the various district councils, who serve as the governing body between biennial national council conventions, met in San Francisco, voted for a modest budget, and appointed an executive secretary, a paid staff member for the first time in their history, to prepare if possible for any eventuality.

WORLD WAR II

But the war came before any real progress was made to build up the organization or to prepare the Japanese American communities on the Pacific coast for the tragic events that were to follow.

Because these Americans with Japanese faces looked like the enemy, and because hate and hysteria were fomented against this defenseless segment of our population, all persons of Japanese ancestry, through no fault of their own, became suspect in the minds of their own Government as well as their neighbors.

The leading alien Japanese, who were subjects and nationals of Japan because by our laws they could not become naturalized citizens, were interned as a precautionary measure by the Federal Bureau of Investigation. The Japanese language and other community newspapers were closed down. The various Japanese settlements on the west coast were in confusion and in fear. And so, the leadership of the whole suspect population was thrust upon the JACL, still a relatively young organization dependent almost entirely on voluntary help. The average age of the American-born Nisei at that time, it might be noted, was still in the late teens.

To the credit of JACL, they did not shirk their responsibilities even under the most trying of circumstances.

JACL tried to persuade the Government and the American people to distinguish between enemy Japan and loyal Japanese Americans, but in vain. Various interests, some legitimate, but most not, goaded the Army into ordering the mass evacuation of all persons of Japanese ancestry, citizens and aliens alike, to barrack camps in the interior wilderness, without trial or hearing of any kind, when martial law had not been declared and our courts were supposed to be functioning.

JACL AND THE EVACUATION ORDERS

JACL at first protested as best they could the validity and the necessity for the exclusion orders. But when the orders were described as having been dictated by "military necessity," even though disagreeing with that finding,

JACL urged all its members and all others of Japanese ancestry to cooperate in their own removal as their ultimate contribution to the national defense, even though such cooperation would cause property losses in hundreds of millions of dollars and incalculable suffering, misery, and humiliation.

It was this unprecedented cooperation that resulted in the mass evacuation of some 110,000 civilians without incident and forced reappraisal of the so-called Japanese problem, for it was inconceivable that disloyal or dangerous persons would not have at least attempted to embarrass the Army and provoked bloodshed, thereby providing the enemy with valuable propaganda in its efforts to gain the support of fellow Asians.

Dr. Milton S. Eisenhower, now president of Pennsylvania State College, paid tribute to JACL's leadership in this matter when, as the first director of the War Relocation Authority, which was established by Executive order to supervise the detention program following the military removal phase, he testified before a congressional appropriations subcommittee in 1942 for funds with which to effectuate his task.

RIGHT TO SERVE IN MILITARY DEMANDED

Over the Thanksgiving weekend, 1942, long after the evacuation itself had been completed, delegates from all 10 relocation centers and from the "free zones" gathered in emergency national session in Salt Lake City, Utah, and, after reaffirming their faith in their Government, unanimously adopted resolutions demanding the right to serve in the Armed Forces which had been denied them by selective service after the outbreak of war, and the opportunity for those remaining in camp to leave and seek normal lives and employment to aid the national defense in the Midwest and in the East.

The first of these resolutions paved the way for the formation of the now fabled 442d Regimental Combat Team, that most-decorated military unit in American military history for its size and length of service, composed entirely of volunteer Japanese Americans from the Territory of Hawaii, where, incidentally there was no mass evacuation, and, more impressively, from behind the barbed wire fences of these desert camps where our own Government had incarcerated them. Seldom, if ever, has there been a greater demonstration of faith in country than this.

Other Nisei troops served in Combat Intelligence against the Japanese enemy in the Pacific and with other Armed Forces units in Europe.

Meanwhile, the War Relocation Authority initiated a program of gradual resettlement from the wilderness centers to midwestern and eastern communities which discovered that Japanese Americans, too, were human.

FIRST POSTWAR NATIONAL CONVENTION

After the end of hostilities, when many of its members who had served in the 442d and in G–2 in the Pacific returned to try to translate their wartime exploits into positive good for their parents and families, JACL held its first postwar biennial national convention in Denver, Colo., in the spring of 1946, and there determined upon a threefold program to secure the kind of acceptance and equality which would forever safeguard persons of Japanese ancestry in this country from a repetition of their World War II tragedies:

Legislatively, to secure equality in and under the law, and particularly in the matter of naturalization privileges in order that the alien parents of these gallant Nisei might share, at long last, in that precious United States citizenship which would nullify all of the hundreds of anti-Japanese laws sanctioned by that "racially ineligible to citizenship" classification in our Federal code; also, to repeal the Japanese Exclusion Act along with all of the remaining racial prohibitions against immigration from Asia;

Judicially, to seek in the courts the invalidation of all discriminatory statutes, and especially the alien land laws of some 13 Western States by which the Japanese had been denied the right to economic opportunities through the ownership and occupation of land; and

Educationally, to conduct nationally a public information campaign to publicize the wartime record of devotion and sacrifice of all persons of Japanese ancestry and to gain the good will and support of their fellow Americans for their legislative and judicial objectives.

That in the 9 years since the Denver convention the JACL has just about attained all of their major objectives is plainly evident, although just how remains a "miracle of democracy," as one old Japanese pioneer described it at a recent naturalization ceremony.

JACL has utilized the tools of a representative government in such an effective manner that they are today a model that can well be emulated by others seeking justice and equality of treatment.

MANY MEMBERS HAVE HELPED

Many Members of Congress, from the West as well as from other sections of the country, Republicans and Democrats alike, have actively participated in the enactment of these remedial and corrective statutes which have been enacted in the past decade.

Reading of the testimony before congressional committees and the RECORD on the debates in the Congress on the many bills which have given a new meaning to democracy to these recently "suspect" Americans amount to a testament of recognition and esteem seldom voiced by lawmakers.

For my part, I am proud of having been associated with JACL's postwar program from the beginning. In fact, in Japan in 1925 I became convinced we must eliminate the racial barriers in our immigration and naturalization laws if we hoped to have lasting peace in the Pacific. I urged such legislation in my first year in Congress, 1943. But not until 1948 was it possible to get enough change in national thinking to give some hope for success. I then drafted and introduced the so-called Asian provisions of what is now the Immigration and Nationality Act of 1952. These proposals provided that all racial, though not numerical, exclusions to immigration be repealed and that the privilege of naturalization shall no longer be limited to specially designated races and nationalities. No person of whatever race or origin was to be ineligible to American citizenship because of race, color, or national origin.

SUMMARY RECORD OF ACHIEVEMENT

Those noncontroversial features of the Immigration and Nationality Act of 1952, providing for naturalization and immigration privileges to the Japanese and other Asians, would not have been attainable so soon after the war with Japan without the remarkable efforts of JACL and hence represent its most noteworthy achievement. For through their enactment alien Japanese were, for the first time in United States history, invited to become naturalized citizens in the land of their choice, and the citizenship of their American-born became unqualified and untainted.

The Congress has also approved legislation providing some compensation for certain real and personal property losses suffered as a consequence of the evacuation. Some thirty millions of dollars have been paid to more than 20,000 exacuees as a token of congressional regret that the loyalty of the Japanese American population was misjudged, and to provide restitution and simple justice. The claims program is not yet completed, however, and amendments to expedite and liberalize the remaining payments are presently before the Congress.

Through general and private legislation, I have been told, some 500 ordinances and laws that were once directed against persons of Japanese ancestry in this country have been repealed or invalidated and that at the present time there are no statutes anywhere in the land specifically discriminatory against the Japanese.

The JACL coupled their congressional campaigns with special activities in the various State legislatures concerned to eliminate the remaining vestiges of the "anti-Orientalism" of the early 1900's.

In the field of litigation, too, nationally and in the States, JACL has successfully argued the unconstitutionality of discriminatory laws which restricted the opportunities of persons of Japanese ancestry and subjected them to indignities. The alien land laws, the prohibition against commercial fishing, racial restrictive covenants, segregation in public places and schools, exclusion of jury lists—all these and more have been determined in favor of the Nisei and the immigrant generation, their new citizen-parents—not always pleaded alone by the JACL but in some cases in concert with others similarly seeking more equitable consideration as citizens in this democracy.

The American people now know and welcome Americans of Japanese ancestry. They are no longer confined in the main to the west coast but are to be found in every State in the Union, accepted by their neighbors and completely assimilated into their respective communities.

I have been advised by the JACL, as they prepare for their next quarter

century of service, that Americans of Japanese ancestry enjoy a far better status in this country than ever before, even in the best of prewar days. Today they are confident of their future, for under the leadership of the JACL they are, in fact, better Americans in an America made greater by their contributions.

In 1930, JACL was a few hundred members in 10 small chapters scattered in Washington, Oregon, and California. Today JACL, based upon its solid record of accomplishment, boasts more than 15,000 active members in 88 chapters in some 32 States and the District of Columbia.

TOUCHSTONE OF DEMOCRACY

The JACL story for their first 25 years is an inspiring document of democracy in action at the best, an epic which could have been written only in America and which completely refutes the hate and race mongers of only a few years ago who charged that the Japanese, by their very character, were unassimilable into the American cultural pattern, which itself, as we all know, is made up of the cultures and the contributions of all the many peoples who have immigrated to these shores since time immemorial, as did the ancestors of all of us.

But perhaps even more important in the long pull of history is that, what the JACL has accomplished here in the United States is living proof to all the free peoples of the world, and especially to those in the Far East who are so important to us as a nation today, that the democratic way is best, for it makes possible the correction of abuses and wrongs and the achievement of justice and redress on the basis of the complete record and of individual merit, not race, color, creed, or national origin.

Ours is an imperfect democracy, it is true. But the JACL has proved that it is a constantly improving one which continually strives to forge an ever more perfect union.

Congratulations to the Japanese American Citizens League, their officers, and their members on this historic milestone in human relations.

All of us have learned much from their quarter-century history, and all of us can gain much by putting into practice, as they have so nobly done, their national slogan, "For better Americans in a greater America."

Report to the Voters of the 10th Congressional District of New York

EXTENSION OF REMARKS

OF

HON. EDNA F. KELLY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1955

Mrs. KELLY of New York. Mr. Speaker, with the adjournment of every session of Congress, I have reported to each enrolled voter of my district. It is my great privilege and proud responsibility to be the Representative of the 10th Congressional District of New York. I answer personally every letter written to me. I have served thousands of my constituents in their personal problems. It is an honor not only to be your Representative but also to be a ranking member of the Foreign Affairs Committee of the House, assigned as chairman of the Subcommittee on Europe.

My office in Washington is open 6 days a week. Letters sent there receive my immediate attention. The address is: EDNA F. KELLY, Member of Congress, House of Representatives, Washington 25, D. C.

I direct myself now to the report of the 84th Congress.

President Eisenhower's request for a Republican Congress during the congressional campaign in 1954 was rejected by the voters on Election Day. It was rejected because the American people had been accustomed to and they wanted a return to a pattern of constructive legislation instituted during Democratic administrations. During this period programs of farsighted social legislation had been accomplished by courageous men and women who fearlessly met the problems of the day. Many of these important measures, instituted for the benefit of the public welfare, were denounced as "too socialistic" by the Republican Party—the same party which gave unstinting support to the affairs of big business.

Thus the election returns of 1954 brought into being the 1st session of the 84th Congress, Democratic by a slight majority and under Democratic leadership. Many obstacles confronted this Congress, not the least of which was a review of the 41 Presidential commissions which had been established during the 83d Congress to evaluate policies of former Democratic administrations. It came as no surprise to the sponsors of these policies that they were not found wanting. What has surprised many is that, in the process of continuation or extension, policies became Republican with no reference to their Democratic foundation. Many Republican legislators reversed their previous stand not because of the intrinsic merit of the policy but solely on its sponsorship.

In my report I shall address myself first to issues relative to foreign policy—international—and, second, to the issues encompassing the domestic field—national.

INTERNATIONAL

It must be borne in mind that the foreign policy of the Republican administration is the basic foreign policy forged by the Democratic Party. This policy has been making history since 1945 when the United States, first, joined the United Nations; second, established the ECA program; third, enacted the mutual defense pact; fourth, initiated the mutual-security program, including Point 4; fifth, ratified the North Atlantic Treaty and other regional pacts.

This is the policy that was called a "lack of foreign policy" by the Republican Party in the presidential campaign of 1952. They contended that the policy of containment of the Democratic Party was against the liberation of the enslaved peoples of the world. In their reappraisal they soon realized that liberation, as they saw it, could not be achieved without resort to war.

Coexistence is now offered to a hopeful world. In 1925 Stalin called for a period of coexistence as a temporary measure. In 1955 the smiling successors of Stalin put coexistence on one side of their scale of justice and on the other the enslaved people of small countries whose promised freedom is a mirage. Coexistence in that light is an impossible dream between the free and the slave world. It means appeasement—accepting the status quo of the world.

The mutual-security program, commonly referred to as foreign aid, authorizes and appropriates funds which implement the foreign policy of the United States. This year Congress gave $2.7 billion to the President to be used as our share toward the collective security of the free world. A Democratic Congress gave the President full authority to transfer these funds to any region of the world. Flexibility was deemed necessary to meet the many crises of the present day. This new money plus the carryover of past years amounts to over $12 billion.

Republican acceptance of the farsighted foreign policy of the past 10 years may be noted in excerpts from statements made during this session by leaders of the Republican Party before meetings of the Foreign Affairs Committee.

Secretary of State, John Foster Dulles:

> It (mutual-security program) has been unique in the whole history of the world * * * This program of mutual security continues to be an essential part of our overall policy of seeking to bring those rulers who now follow the line of international communism to see the futility of the policy of attempting world conquest.

Director of the Foreign Operations Administration, Harold E. Stassen:

> The military assistance which has been furnished to our allies in NATO and to the other countries in the free world has provided a firm foundation for collective defensive strength and has served as an effective deterrent against Communist military aggression.

A provision of the foreign-aid program—MSA—requires that countries recipient of American aid permit continuous "inspection and review" of the use of the aid. This provision is based upon common sense. The Executive may give military or economic aid to any country if he deems it advisable for national security.

For this reason I want inspection of United States aid in all countries to be carried out by United States missions as ordered by Congress. Any nation refusing this inspection should be refused aid. Yugoslav military authorities have turned back every recent effort by United States officials to increase their observation of the military-aid program. Yet, with United States military aid Yugoslavia has been able to reequip her army, one of the biggest in Europe, with largely American materiel instead of Russian.

The premise upon which American policy toward Yugoslavia is based is that we want Yugoslavia to be a strong country with a free and independent citizenry. And deviation toward the satellite status

it occupied in the Communist camp would of necessity change American policy. Recently, the mood of the Yugoslav dictator has been critical of the West and cordial to the Soviet Union. On July 29 a report came from reliable sources that Yugoslavia and the Soviet Union have equated their debts with each other.

Once again I introduced an amendment to the mutual security bill to cut off all aid to Yugoslavia, including new authorization of about $40 million and several hundred million dollars of undelivered materiel from previous programs. The United States has already given over $1 billion.

My amendment was not adopted, but the Appropriations Committee of Congress cut the assistance requested by President Eisenhower. There is great flexibility, however, under the terms of the MSA bill of 1955. The Executive is enabled to transfer funds on a global basis as crises arise. It is his sole responsibility now to discontinue assistance when and where the provisions of the law are violated.

One of the first acts of the 84th Congress was to grant authority to the Executive to employ the Armed Forces of the United States for protecting the security of Formosa, the Pescadores, and related positions and territories of that area. This measure, passed almost unanimously, presented to the world a united and determined people supporting their President in a moment of crisis. Such determination on the part of free people is the key to peace in this atomic age. President Eisenhower requested this authority when danger was imminent and it has not been rescinded. The Executive receives daily secret reports which are not available to Congress. Possessing this knowledge, he alone must decide what action to take in order to decrease the tensions between the free world and the Communist bloc.

I was a member of the ad hoc Committee on Foreign Affairs which reported on and had passed by the House H. R. 2097, a bill to adjust the annuities of Foreign Service officers who retired before July 1, 1949, and the widows of such officers. It provides for a $324 increase. No additional charge against government is made for this disbursement. The Foreign Service Retirement and Disability Fund, to which the personnel contributed, will bear the cost.

This increase involves about 250 people, plus 90 who had not hitherto been eligible, all of whom are of advanced age. It adjusts their retirement pay to the equivalent of the cost-of-living increase given to Federal employees by an act of Congress in 1952. I was responsible for the amendment in the bill which included the widows of the officers and also for the across the board increase of $324 as against a percentage increase.

On other international issues the President had the confidence and support of the Democrats. This was given to prove to the world that Congress was unified in support of our President, while at the same time many of us realized that further implementation was urgently needed. Treaties ratified were:

First. South-East Asia Treaty Organization—SEATO.

This is a NATO-like collective security pact for the Far East. It is in the blueprint stage.

Second. Security Pact with Nationalist China.

Third. West Germany approved as sovereign State and a member of NATO.

Fourth. Restored independence to Austria.

This is the same treaty which was sponsored by the Democratic administration over 10 years ago and refused over 200 times by U. S. S. R. I believe that this treaty should have been changed in line with present conditions. Under its terms U. S. S. R. will take the same reparations as previously planned despite the fact that in the interim of 10 years Austrian economy has been drained by Soviet occupation. Will not the United States now be asked to help this independent nation economically, thereby helping to pay U. S. S. R.?

Fifth. Vietnam.

In this country is one of the most critical situations in the Far East. I was one of several members of the Foreign Affairs Committee who guided the administration to continue their positive support of South Vietnam. We requested that the administration refuse cooperation with the French in undermining the new Diem regime. Proof had been given us that the French Army was sustaining the anti-Government forces.

The Reciprocal Trade bill stands as a recognition of the real fact that the United States has accepted its role of political and military leadership of the free world. It recognizes that we cannot fight economic wars with our political and military allies. The importance of the extension of the reciprocal trade program which was initiated by the Democratic administration in 1934 is noted by the priority number 1 given it by the present administration.

Reciprocal trade was one of the most bitterly debated issues in the 84th Congress. In this legislation, the President is permitted to enter into mutual tariff reduction agreements with other countries. Hearings are held on the various commodities before this reduction action can be taken and the Tariff Commission must report when a peril point is reached so that serious harm to United States industry will be avoided. If the United States is to sell its goods freely in other countries, it must also buy freely in those countries. This is only logical. The United States produces more than 40 percent of the world's total output of goods and services although only 5 percent of the world population is found in the United States. To those who feel that we are self-sufficient we must point out that we have to turn to other countries for our supplies of copper, chrome, lead, zinc, oil, manganese, and other vital commodities.

The greatest opposition to the President's request for this reciprocal trade legislation came from his own Republican Party. The bill was passed only because of the help given the President by the Democrats in the House led by Speaker SAM RAYBURN. Had President Eisenhower given forceful assistance and more active support for this famous program, a less protectionist bill would have been enacted. As finally passed, it is the weakest version of the program instituted by the late Cordell Hull two decades ago.

NATIONAL DEFENSE

In the category of national defense, the draft law was extended for 4 years and the draft of doctors and dentists for 2 years. The Reserve bill—Public Law 305—is not too satisfactory because of the National Guard features. The administration's proposed Reserve bill involved a reduction in the standing Armed Forces and an increase in quantity and quality of the military reserves. The reduction in standing forces is under way and should be completed within the year. In the bill proposed by the President, young men including veterans, would be required to give active service in the Reserve or National Guard. The present 800,000-man paid Reserve would be increased to 2.9 million trained and ready reservists by 1960.

The Congress objected to many features of the President's measure. It was felt that compulsion, particularly of experienced veterans, was unfair, and that the bill would open the door to compulsory military training. Also, this bill would have forced some of our citizens to serve against their wills in racially segregated National Guard units. When the bill was finally voted on by both the House and the Senate, little of the original wording remained. Under the enacted bill, almost all compulsion was omitted and no person who had served in the Armed Forces is required to participate in the Reserve program. Persons serving in the future have Reserve obligations up to 6 years, depending on their degree of active participation. Incentives were provided whereby young men would volunteer in their total draft and Reserve obligations.

Since 1952 the Democrats have opposed the $5 billion cut in the Air Force recommended by President Eisenhower. When the U. S. S. R. demonstrated this year that their air strength may exceed that of the United States, Congress took the matter into its own hands and as a result jet production has been increased by 35 percent. The cutback by the administration has set back United States air strength by 2 years or more. Certainly this is false economy on the part of the Republican administration.

In a similar manner and for the same reason Congress demanded that the Marine Corps strength be maintained. Forty-six million three hundred thousand dollars above the amount recommended by President Eisenhower was appropriated which will prevent a 22,000 manpower cut in this strategic service.

Public Law 141 authorizes $237 million program of Atomic Energy Commission projects.

Public Law 44 authorizes funds for expansion of existing research facilities of the National Advisory Committee for Aeronautics.

Public Law 161 authorizes $2.3 billion program for construction of foreign military bases and housing.

Public Law 211 authorizes $63 million grants-in-aid to States for airport construction for 4 years.

NATIONAL ECONOMY

Early in this session, the Democratic-controlled House proposed a $20 tax reduction but this was declared by the President to be irresponsible. Yet, it was his Republican-controlled Congress which in 1954 gave tax relief to corporations and to coupon clippers at a far greater loss of revenue to the Government than would have been lost had the $20 tax reduction been allowed. The tax law of 1954 gave big business a method of tax forgiveness. This was detected by my Democratic colleague from New York, the Honorable HERBERT ZELENKO. The Democratic-controlled 84th Congress amended the Revenue Act of 1954 in an effort to help balance the budget next year. The following is a quotation from the remarks of Congressman ZELENKO on the floor of the House:

> Under the act as it was written last year every big-business man in this country is this year getting a double deduction, and I say that is a tax reduction. It is a tax forgiveness. It adds up to about $5 billions. Here is the way it works, right from the act, and I will give it to you in small figures.
>
> A business house having an income of $10,000 and expenses of $2,000 before the enactment of this statute would have a taxable income of $8,000. Under the act of 1954, this business can now estimate what its costs will be in the year 1955 in the way of expenses, at least what they were in 1954, another $2,000, making a taxable income of not $8,000 but $6,000, keeping the extra $2,000 in what is called reserve, which just means the Government does not get it. The Government will never recoup that money because in 1956, if this statute remains on the books, the business house will again estimate its future expenses for 1957, and on and on forever, so that in this particular year of 1954 I say there are $5 billions which the Government will never see because of some hocus pocus, high-powered accounting which was written into the 1954 act.

I was glad to support the repeal of this section.

Public Law 18 extends to April 1, 1956, existing excise tax schedules and the 52-percent corporate income tax.

Public Law 268 extends the life of the Small Business Administration for 2 years and increases its revolving fund for loans to a total of $175 million.

Public Law 135 raises the penalties under the Sherman Antitrust Act from $5,000 to $50,000.

Under Public Law 124, a temporary increase of the debt limit from $275 to $281 billion to June 30, 1956, was effected.

Public Law 216 extends the Renegotiation Act for 2 years to December 31, 1956, to provide for recovery of excessive profits from defense contracts.

Public Law 137 grants the Federal Government the right of action to recover damages under the antitrust laws, and establishes uniform statute of limitations.

AGRICULTURE

Several bills in this session were of special interest to the farmers of our country:

Public Law 70 revises the formula for allocation of rural electrification loans.

Public Law 166 extends for 2 years the period for making emergency loans to farmers and stockmen.

In addition, steps were taken to curb commodity speculation and to curtail market manipulations in certain agricultural products. The House passed the bill to restore rigid farm price supports, but the measure was not considered in the Senate. The President had asked for a continuation of the flexible price-support program which is now in effect. The Senate Democratic leadership successfully resisted the drive by the farm bloc to restore rigid farm price supports at 90 percent of parity, although the House voted to restore the sliding scale with 90-percent supports for basic commodities. I opposed this action in the House and I will continue to do so. I regret that the fruits of farm labor, including perishables, are supported by a law which forces the Government to purchase and store these products. If necessary, the Congress should remain in session until it develops a plan feasible to consumer as well as farmer. It does not make sense that the taxpayer-consumer should pay taxes to keep food at a ceiling which prohibits consumption and forces purchase and storage by the Government.

As of August 3, 1955, the total value of surplus agricultural commodities stored by the Government was $5,370,-029,000. As of that date, the Government inventory showed the following surpluses:

Butter, in excess of 184 million pounds at 63.9 cents per pound; total cost, $118,-067,000.

Cheese, in excess of 272 million pounds at 40.3 cents per pound; total cost, $109,-954,000.

Dried milk, in excess of 141 million pounds at 17.1 cents per pound; total cost, $24,192,000.

Wheat, in excess of 933 million bushels at $2.59 per bushel, total cost, $2,-422,809,000.

Total, $2,675,022,000.

On the foregoing items, we have the following approximate storage charges per month: Butter, $324,348; cheese, $375,000; dried milk, $102,543; wheat, $15,348,000, approximately $511,000 per day.

The approximate monthly storage charges for all agricultural commodities amount to $23,723,000 or, a yearly expense of $284,676,000. This is what it costs to store $5,370,029,000 worth of surplus agricultural commodities in a year. No wonder then, that the Congress was forced to increase the borrowing power of the Commodity Credit Corporation to $12.5 billion a year.

Public Law 387 increased from $700 million to $1.5 billion the funds for the sale of these surplus agricultural commodities for foreign currencies. Further endeavor to reduce these surpluses through sale abroad was included in the foreign-aid bill which stipulates that not less than $300 million of the money appropriated in this law for the fiscal year 1956 could be used to finance the export and sale of these surpluses for foreign currencies. Neither of these measures is a solution to the agricultural problem which is critical. The problem is not insoluble, but it must be approached from a bipartisan viewpoint both politically and regionally. Then surpluses would be a blessing and not a burden.

HOUSING

Public Law 345 authorizes the construction of 45,000 public housing units which is 10,000 more than were requested by President Eisenhower but they are by no means enough to supply the needs in this critical social problem. This law provides for slum clearance and community redevelopment, as well as for FHA and military housing programs.

The passage of the Housing Act constituted a definite victory for the Democrats. The Republican opposition tried to repeat its action on the 1954 housing bill which killed public housing.

Public Law 343 permits national banks to issue real estate, residential and farm construction loans on a more liberal basis than the previous law had permitted.

LABOR

Public Law 381 increased the minimum wage under the Fair Labor Standards Act from 75 cents to $1 per hour effective March 1, 1956. President Eisenhower favored an increase to only 90 cents an hour.

Public Law 383 raises the limitation on the amount of railroad retirement annuities to spouses to the maximum payable under social security laws.

In this session, there was effected a complete revision of Federal salaries, including post office employees, classified workers, administration officials, Members of Congress, and Federal judges. Also, the retirement benefits of Government workers were brought to a more realistic level by increasing them between 8 and 12 percent.

HEALTH

Public Law 377 authorizes appropriations to supply polio vaccine free to the States for their State polio vaccination programs.

Public Law 159 authorizes a 5-year program of $3 million a year for research into the causes of air pollution.

Public Law 182 authorizes $1.25 million for study and research in the field of mental health.

WELFARE

Public Law 311 authorizes the expenditure of $15 million during the next 2 years for processing of wheat and corn into flour for distribution to States for needy families. The Eisenhower administration opposed this measure.

Public Law 61 improves the administration of surplus property for educational and public health purposes.

Public Law 71 authorizes a survey of the New England area to determine the possibility of preventing loss of life and property from hurricanes.

VETERANS AND SERVICEMEN

The Congress this year enacted several measures of particular benefit to veterans and servicemen.

Public Law 7 to permit persons in the Armed Forces on January 31, 1955, to continue accrual of educational benefits;

Public Law 20 which provides incentive pay increases of 6 to 25 percent and allowances for members of our Armed Forces;

Public Law 88 which extends to June 30, 1956, the Veterans' Administration program for direct loans for purchase or building of homes and authorizes appropriations of $150 million;

Public Law 299 which applies retirement income tax credit provisions to members of Armed Forces;

Public Law 325 which provides social security wage credits for military service before January 1, 1956;

Public Law 180 which extends to July 15, 1956, the time for a Korean veteran to apply for mustering-out pay.

BUDGET

The Democrats claim cuts of $1.6 billion from the President's budget estimates. Including interest on the debt and other fixed charges, estimates total $60.8 billion. The appropriation bills carried $59.1 billion. It usually happens that cuts made in money bills in one session are restored in deficiency bills the following January. Only at the adjournment of the Congress, and not of its first session, can we estimate how much has been saved.

Table of appropriations, 84th Cong., 1st sess.

Title	Budget estimates	Amount as passed (House)	Amount as passed (Senate)	Amount as enacted
1955 supplemental	$833,950	$25,000	$1,013,950	$1,013,950
1955 2d supplemental	920,523,454	857,187,429	945,412,835	898,805,875
1955 2d urgent deficiency	25,263,475	25,263,475	25,263,475	25,263,475
Treasury	604,398,000	595,818,000	603,348,000	599,598,000
Post Office	2,754,817,000	2,685,700,000	2,754,104,000	2,721,720,500
U. S. Tax Court	1,035,000	1,035,000	1,170,000	1,170,000
Labor [1]	470,116,000	417,792,900	418,838,900	418,303,650
Health, Education, Welfare	1,949,465,861	1,907,403,361	1,973,740,700	1,942,886,850
Interior [2]	313,353,056	297,925,546	327,987,088	317,573,627
Agriculture [3]	897,684,574	880,260,050	884,433,923	883,051,623
Independent offices	5,639,790,000	5,845,595,375	5,848,394,500	5,842,458,500
State	147,267,197	126,769,977	147,549,608	137,450,905
U. S. Information Agency	88,500,000	80,500,000	88,350,000	85,000,000
Refugee relief	16,000,000	16,000,000	15,000,000	15,000,000
Justice	201,485,000	197,525,000	200,445,000	198,735,000
Judiciary	30,279,715	29,603,250	30,640,810	30,116,510
Defense	32,232,815,000	31,488,206,000	31,882,915,726	31,882,815,726
District of Columbia [4]	175,405,300	166,901,780	169,456,749	168,843,440
Commerce [5]	1,347,800,000	1,105,810,000	1,298,897,300	1,227,385,000
Related agencies	18,593,000	17,875,000	18,295,000	17,975,000
Executive Office of President	8,780,700	8,670,700	9,747,700	9,747,700
General agencies	18,920,000	13,220,000	17,418,600	17,418,600
Public works [6]	1,789,165,000	1,372,122,800	1,377,491,000	1,365,613,500
Legislative	67,572,138	66,298,175	93,025,527	92,808,972
Mutual security	3,266,641,750	2,638,741,750	3,205,841,750	2,703,341,750
1956 supplemental [7]	1,927,785,868	224,276,628	1,830,078,814	1,656,625,802

[1] Also carried in this bill, but not included in above total, are appropriations for: National Labor Relations Board, $8,000,000; National Mediation Board, $1,187,000; and the Federal Mediation and Conciliation Service, $3,134,000.
[2] Includes funds for Forest Service, Department of Agriculture. Funds for power administrations and for reclamation projects this year are carried in a public works appropriation bill.
[3] Figures are for cash appropriations only. This bill also carries $388 million in loan authorizations, and an advance authorization of $250 million for soil conservation subsidies.
[4] Includes direct Federal contribution of $17,892,700; balance to be derived from District revenues.
[5] Includes funds for Civil Aeronautics Board.
[6] Includes funds for Army civil functions (rivers and harbors, flood-control projects), $553,955,000; Atomic Energy Commission, $575 million; TVA, $27,053,000; and other power and reclamation agencies.
[7] Reduced in House by raising of points of order.

INCOMPLETED LEGISLATION

Final action on some very important issues was left for the 2d session of the 84th Congress. The reasons for this varied with the bills but in no case was it because Members of Congress were anxious to adjourn. Some bills of controversial nature were blocked in committee; others were recommended too late in the session and required further hearings and study. Many of these bills will be studied during adjournment and will be considered early in the next session.

FEDERAL HIGHWAY BILL

It must be borne in mind that the Democratic majority in Congress is slight and that within both parties are those who oppose new trends. By title, many programs were acceptable but certain provisions contained in the legislation caused the rejection of many bills. The Federal Highway bill is an excellent example.

Republicans and Democrats recognize the great need to increase the Federal investment in highways. The Presidential Clay committee recommended a $101 million Federal and State program for the decade ahead, and it was on this recommendation that the President's highway program was based. The Clay committee recommended financing by a Federal bond issue which would have increased the national debt. The taxes, in this method of financing, are hidden and the burden of the cost is placed on future generations.

The Democrats reported a pay-as-you-build plan, increasing user taxes on gasoline, diesel fuel, tires. In the final test the nay votes of 128 Democrats and 164 Republicans defeated the Federal highway bill. As the Democratic floor leader, Congressman McCORMACK remarked, "Everyone wants a road bill but no one wants to pay for it."

SOCIAL SECURITY

Extensive committee hearings and discussion took place in this session on the subject of social legislation but few of the bills considered were enacted. It is hoped that early attention will be given these measures when the Congress reconvenes in January. The most important of these bills is H. R. 7225 to amend the social-security laws. This bill passed the House but was not acted on in the Senate. The bill—

Lowers the retirement age for women from 65 to 62, bringing immediate benefits to 800,000 additional women;

Brings disability benefits to some 250,000 workers aged 50 or more;

Continues disability benefits for children even after they have reached age 18; and

Extends coverage, mainly to certain professional groups.

I introduced two measures on the subject of social security; one to lower the retirement age for all—men and women—from 65 to 60; and the other, to extend coverage to lawyers.

NATURAL-GAS BILL

The House of Representatives passed the natural-gas bill by a vote of 209–203. It was not considered in the Senate. I voted against this measure because I feel that Federal regulation of gas prices at the wellhead assures a more reasonable price to the consumer than otherwise.

The controversy on this bill did not include the method or pricing natural gas to the ultimate consumer. Local utilities which buy gas from the interstate pipelines and bring it into homes and business houses are monopolies and are regulated by local or State authorities.

Nor was the dispute over the prices which pipeline companies charge local utilities. These prices have been regulated for almost 20 years by the Federal Power Commission. The arguments on the bill were concerned solely with the method of pricing the gas which the so-called independent producers sell to interstate pipelines.

I believe that competition among pipelines seeking a supply of gas can have but one effect—an increase in the price of gas. Under FPC regulation the pipelines have done very well in profits for themselves. Federal control insures adequate protection of public interest.

SCHOOL-CONSTRUCTION PROGRAM

H. R. 7535 to authorize Federal assistance to the States and local communities in financing an expanded program of school construction was reported to the House on July 28 but was not reached for consideration before the Congress adjourned. This measure carried an authorization of $400 million a year for school construction. It must be borne in mind that New York City alone needs this amount to improve its schools. A great deal of study is needed on this very important legislation.

ADMISSION OF HAWAII AND ALASKA TO STATEHOOD

In reporting the bill for the admission to statehood of Alaska and Hawaii, the Rules Committee voted a closed rule which precluded the offering of amendments to the bill. The House, therefore, recommitted the bill to the Committee on Territories and Insular Affairs. I favor the admission of these territories,

and I have so voted when the opportunity has been given to me.

IMMIGRATION

In 1952 I voted against the passage of the Walter-McCarran Act, and I voted to sustain President Truman's veto of this legislation. In the 83d and again in the 84th Congress I introduced amendments to correct the inequities in this law. I am hopeful that in the coming session of this Congress the Judiciary Committee, under the chairmanship of my distinguished colleague and neighbor, the Honorable EMANUEL CELLER, will grant hearings on my amendments or on similar bills so that the inequitable provisions of our immigration laws can be removed from the statute books.

TAFT-HARTLEY ACT

This law, also known as the Labor Management Relations Act, was not amended in the 1st session of the 84th Congress. Many bills to amend the law—and a few to repeal it—were introduced in the session but the Committee on Education and Labor held no hearings on the subject and consequently did not report any bill of this nature.

JOINT COMMITTEE ON INTELLIGENCE MATTERS

In this session, I introduced House Concurrent Resolution 29 to establish a Senate and House Committee on Intelligence Matters. This resolution was not adopted, but along these lines, the Congress enacted Public Law 304, creating a Commission on Government Security to review the present security program and to make recommendations to Congress by December 31, 1956. There are many items on the credit side of the ledger in the concerted actions of the Democrats of the 84th Congress in this Republican administration—the administration which President Eisenhower predicted "will not tolerate any deviation from an uncompromising code of honesty and ethics in Government service." Democrats investigating alleged deviation demonstrated their maturity when they showed—in the words of Arthur Krock, of the New York Times, "a commendable disposition to weigh carefully" testimony given the McClellan subcommittee before passing judgment.

EQUAL PAY FOR EQUAL WORK

I introduced H. R. 3228 to provide that women in industry shall be paid the same wages that are paid to men in the same type of work. Many other Members of Congress have introduced similar bills which undoubtedly will be a factor in helping me to obtain an early hearing on my bill in the next session.

CONCLUSION

The cold war predicted for a Republican Executive and a Democratic Congress did not materialize. The 1st session of the 84th Congress adjourned with a commendable record of achievements which far outweighed its shortcomings. Cooperation was given the President on all issues of benefit to our people.

It has been pointed out that clearer recommendations made to the Congress by the President would result in more expeditious enactments. Indecision and attempts to compromise the many intra-party differences has had deterring effects on many issues. It is to be hoped that these issues will be resolved in the 2d session of the 84th Congress.

Excise-Tax-Structure Revision

EXTENSION OF REMARKS
OF
HON. AIME J. FORAND
OF RHODE ISLAND
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. FORAND. Mr. Speaker, the Honorable JERE COOPER, chairman of the House Committee on Ways and Means, has established a Subcommittee on Excise Tax Technical and Administrative Problems to make a basic study of our excise-tax structure with a view to correcting inadequacies and inequities that may exist in the administrative and technical aspects of that structure.

It was my privilege to be named chairman of this important subcommittee. My committee colleagues who will serve with me as subcommittee members are: The Honorable EUGENE J. KEOGH; Hon. BURR P. HARRISON; Hon. A. S. HERLONG, JR.; Hon. THOMAS A. JENKINS; Hon. RICHARD M. SIMPSON; and Hon. NOAH M. MASON.

Because this is the first comprehensive revision of our excise-tax structure to be undertaken by the Congress in contemporary times, I am sure that I speak for my colleagues on the subcommittee, as well as for myself, when I say that we view this important undertaking as a responsibility that is to be performed conscientiously and diligently.

At an organizational and agenda meeting of the subcommittee it was agreed that public hearings would be held by the subcommittee beginning October 4, 1955, to last for 2 weeks. In agreeing to these hearings the subcommittee decided that they would be limited to technical and administrative problems in the excise-tax area and that the question of excise-tax rates would not be considered by the subcommittee.

For the information of interested persons, I am inserting in the RECORD at this point a copy of the release which the subcommittee authorized me to issue announcing the public hearings and setting forth the scope and plan of the hearings:

Hon. AIME J. FORAND, chairman of the Subcommittee on Excise Tax Technical and Administrative Problems of the House Committee on Ways and Means, today announced that the subcommittee has scheduled public hearings on excise tax problems to begin on October 4, 1955. It is the firm intention of the subcommittee to conclude the hearings in not to exceed 2 weeks. Chairman Forand stressed the fact that the hearings would be limited strictly to technical and administrative problems and will not be concerned with questions of excise-tax rates.

Members of the subcommittee are: The Honorable AIME J. FORAND, Democrat, Rhode Island, chairman; Hon. EUGENE J. KEOGH, Democrat, New York; Hon. BURR P. HARRISON, Democrat, Virginia; Hon. A. S. HERLONG, JR., Democrat, Florida; Hon. THOMAS A. JENKINS, Republican, Ohio; Hon. RICHARD M. SIMPSON, Republican, Pennsylvania; and Hon. NOAH M. MASON, Republican, Illinois.

Representatives of the Department of the Treasury will be invited to open the hearings to present to the subcommittee those problems which have come to the attention of the Treasury Department and also to outline in detail the procedures followed in collecting and administering the various excise taxes. Following the testimony by the Treasury representatives, public witnesses will be scheduled in the order of the following excise categories in which they may be interested:

1. Retail taxes;
2. Manufacturers excises;
3. Excises on facilities and services (admissions, communications, transportation, etc.);
4. Documentary stamp taxes;
5. Excises on wagering, coin-operated devices, bowling alleys, etc., and regulatory taxes (except those on narcotics);[1]
6. Import taxes;
7. Taxes on distilled spirits, beer, and wines;
8. Taxes on tobacco products; and
9. Other excises.

Within each of these categories industry representatives and others desiring to testify on an entire category will be scheduled for first appearances. Other witnesses will be scheduled according to the order in which the taxes on which they wish to testify appear in the Internal Revenue Code of 1954. In the interest of avoiding duplication of testimony, it is requested that to the maximum extent possible an industry group select one spokesman to present the views of that industry.

To facilitate the orderly consideration of excise tax problems by the subcommittee, witnesses are requested to divide their prepared testimony into three broad groupings to the maximum extent possible. The three groupings are:

1. Administrative problems, such as, but not limited to, those arising in connection with procedures followed with respect to publication of rulings, refund requirements, and the system of review of excise tax rulings;

2. Technical problems relating to broad groups of excises, such as, but not limited to, the determination of a fair manufacturers' price and the treatment of leases in the case of the manufacturers' excise taxes; and

3. Technical problems relating to individual excises, such as, but not limited to, the timing of the collection of the tax in the case of tires, the treatment of reclaimed oil in the case of the tax on lubricating oil, and the treatment of charitable and similar organizations in the case of the tax on admissions. A witness may testify on more than one of these groupings, but it is requested that each grouping be clearly separated and captioned in the copies of the prepared testimony.

Persons interested in appearing at these hearings may arrange to do so by writing to the clerk of the Committee on Ways and Means, room 1102, New House Office Building, Washington 25, D. C., by not later than September 24, 1955. It is requested that prospective witnesses indicate in their letters to the clerk the categories on which they will testify, and where pertinent, the sections of the 1954 Code on which they will testify. Witnesses should also indicate the minimum amount of time required for their testimony.

Statements may be submitted for the record in lieu of an appearance. A witness interested in more than one of the excise categories set forth above may testify on each

[1] The subcommittee will not consider regulatory excises on narcotics in view of the existence of another subcommittee of the Committee on Ways and Means with jurisdiction over this subject.

category at the time of its consideration by the subcommittee. An an alternative to multiple appearances by a witness who is interested in more than one category, testimony may be given on the subject or subjects of major importance to the witness and briefs submitted for the record concerning other topics of interest.

Witnesses will be notified of the scheduled date of their appearance. The hearings will be held in the committee hearing room in the New Office Building and will begin each day at 10 a. m.

It is requested that witnesses submit 40 copies of their prepared statements to the committee clerk at least 4 days in advance of their scheduled appearance. In the event that a witness desires to make copies of his testimony available to the press, it is suggested that an additional 40 copies be submitted to the clerk for that purpose.

A Tribute to Majority Leader John W. McCormack

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. LANE. Mr. Speaker, I ask consent to publish in the CONGRESSIONAL RECORD the following editorial which appeared in the Telegram-News, of Lynn, Mass.

Members of Congress, because of their close association with the majority leader, are familiar with his hard work, his many accomplishments, and his undisputed ability as a leader of the Democratic Party.

It is good to know that our high opinion of him is also shared by the folks back home.

Reflected in may editorials, of which the one printed below is but a sample.

MAJORITY LEADER MCCORMACK'S REPORT

One of the ablest men to ever sit in Congress is Majority Leader JOHN W. MCCORMACK. The success of the 84th Congress is due largely to his efforts.

The Telegram-News today publishes the majority leader's report. It is a masterpiece and should be read as it is a forthright analysis of the major achievements of 84th Congress which "represents an era of enlightenment in the field of party politics that is unsurpassed in the history of America."

Congressman MCCORMACK explains clearly and with emphasis the reason for voting for many measures proposed by President Eisenhower. He says: "So that there will be no mistake, may I say we voted for those measures on the Democratic side of the House not because we favored and followed the President. We voted for those measures because we favored and fought for the public interest."

He also said: "The majority party refuses, as a matter of principle, to abandon the position it has already maintained as a party of the people. Nor will we change our course just because the President, a formerly devoted subordinate of President Truman, has embraced Democratic policies, lock, stock, and barrel unto himself."

The present Congress, under the leadership of Congressman MCCORMACK, worked in the interest and welfare of the people and to the defense of the country.

Congressman MCCORMACK ably points out what this Congress has done in the following statement: "This session has written a record of constructive action. The record clearly shows that partisanship has been subordinated to the good of the Nation and the welfare of our people; a record that is in sharp contrast to that of a recent Republican Congress under reverse circumstances."

Congressman MCCORMACK is an ideal leader of a great party. He is well qualified to keep alive the fine traditions the party has established in American history.

Mrs. McCormack, his wife, is a gracious lady. She has been in Washington with the Congressman all the years he has served and has been a wonderful helpmeet during the many trying days.

Keenotes

EXTENSION OF REMARKS
OF
HON. ELIZABETH KEE
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mrs. KEE. Mr. Speaker, under leave to extend my remarks in the RECORD, I should like to include my newspaper column, Keenotes, which follows:

KEENOTES

(By Representative ELIZABETH KEE)

Talk, talk, talk. Endless talk. Repetitious talk. Droning on, never seeming to stop.

That is often the popular conception of Congress at work, or, for that matter. of any legislative body outside the Iron Curtain or other totalitarian areas. Democracy in action seems to mean, and seems to require, millions upon millions of words and hours upon hours of debate to settle anything or to settle nothing.

We find it in the PTA meeting as well as in the township commission, city council, State legislature, or the Congress—in other words, wherever people who are free to do so gather to agree (if they can) on common action in their mutual interest.

Is all of this talk necessary? Perhaps yes, perhaps no. Of course, we must allow all sides to be heard, but must we encourage them all to speak at such great length? Is anyone convinced of anything after about 8 minutes or 15 or 20?

Have you ever heard a speaker rise and say he really had nothing important to say—and then take a half hour to prove it?

On the other hand, have you ever had the delightful experience of hearing someone who had risen to speak reluctantly and after much prodding, as if fearful of wasting the listener's time, compress into a few minutes a whole philosophy, and a thrilling outlook on life, and leave you almost breathless in the inspiration you have felt from this?

I think we can agree that an experience of this kind happens quite seldom. Usually we are deluged with dull talk, bored to tears with the deadly use of stale phrases, made to feel almost on the edge of our nerves' capacity to endure by the long arguments over nonessentials.

On the other hand, out of this freedom to bore each other in public speech, and to argue endlessly with each other in public forums, comes the solid basis of our freedom, because—seldom though it seems to happen—out of this comes the occasional burst of brilliance which lights our way through difficult paths of public policy.

I sometimes fret over the excessive talk in the Congress and when I saw the official résumé of congressional activity for the period from January 5 through July 31 of this year, I shuddered in the thought of all of the millions of words we had to listen to.

The CONGRESSIONAL RECORD, in that period, carried more than 16,000 pages of proceedings and extraneous matter. Estimated roughly at about 2,000 words per page, it runs to nearly 33 million words.

Of course, not all those words were spoken. Much of this material is merely placed in the RECORD for the subsequent review by those Members interested in reading it. This took up 5,642 pages of the Appendix to the daily RECORD. But the nearly 6,000 pages of proceedings in the Senate represent probably 10 or 12 million words actually spoken by the 96 Senators, whereas the 4,868 pages of proceedings in the House would represent perhaps 6 or 8 million words actually spoken by the 435 House Members. While we in the House did not talk as much as the Senators did, and while we maintain a strict limitation on debate in the House in contrast to the unlimited debate in the Senate, we still had 456 hours and 58 minutes of talk, talk, talk in the House in the 6 months up to July 31, and that does not count the many, many additional hours of debate and hearings in committee.

Some of the more critical Members refer to all of this by the somewhat inelegant term "yakity yak."

No matter what you term it, it is a lot of talk. Some would dismiss it as sound and fury, signifying nothing. But occasionally—just every once in a long while—there is meaning, and inspiration, and enlightenment, and the pure delight of fine speech and real eloquence in all of this wordage. And that makes it all worth while.

Accomplishments of the 1st Session of the 84th Congress

EXTENSION OF REMARKS
OF
HON. CLIFTON (CLIFF) YOUNG
OF NEVADA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. YOUNG. Mr. Speaker, now that the 1st session of the 84th Congress is drawing to a close, it is appropriate that we look back over the past year and appraise the accomplishments of this legislative body.

In the field of Federal employee benefits, the 84th Congress has established an unprecedented record. It has approved more legislation than any similar session in history. As there are nearly 2½ million Federal workers in this country, this legislation will have far-reaching effects upon the economy and welfare of our citizenry. In order for the Government to serve its people effectively, it must be staffed by loyal and competent employees, and I believe that the laws enacted by this Congress will do much to restore, protect, and improve the dignity, prestige, and morale of those citizens who have chosen the Federal service as their life work.

As it is my honor and privilege to represent in the House of Representatives a State which has one of the highest percentages of Federal employees in the Nation, I have followed this legislation with a great deal of interest. I should like at this time to summarize the major beneficial laws that were enacted by this session.

PAY RAISES

A record number of pay increases were voted by this Congress. Raises were granted to 500,000 postal workers and to more than 1 million classified employees. The pay boosts to the postal employees were combined with a job reclassification system and averaged 8.1 percent. The classified employee received an across-the-board increase of 7.5 percent. This was the first general increase given to these groups since July, 1951.

CARRIER STATUS

By the enactment of Public Law 380, more than 50,000 Government indefinite employees were given career status. The new law opens the way for career status to indefinite employees who have passed civil-service examinations and who have completed at least 3 years of satisfactory Federal service. The employees must be recommended by their agencies to the Civil Service Commission to obtain career status.

RETIREMENT LEGISLATION

Two major measures were passed in the field of retirement legislation. The first bill would raise the pensions of Foreign Service members who retired prior to July 1, 1945, by 25 percent, and this increase would gradually be cut back to 5 percent for those who retired after July 1, 1948.

The second measure would increase the annuities of the 300,000 civil-service retirees and survivors. It provides for an increase of 12 percent on the first $1,500 and 8 percent on the balance for employees who had retired prior to July 1, and by lesser amounts thereafter for those retiring.

DUAL COMPENSATION

The approval of H. R. 5893 provided for an increase in the dual compensation limit for military retirees in both Federal civilian salaries and military retirement from $3,000 to $10,000.

S. 2403, which authorized dual employment of custodial employees in post-office buildings operated by the General Services Administration was also approved.

TRAVEL ALLOWANCES

Legislation was approved to increase the maximum per diem allowance for subsistence and travel expense from $9 to $12 and to raise the mileage allowance from 7 cents to 10 cents a mile.

INSURANCE

Legislation was approved to authorize the Government to take over the 135,000 life insurance policies held by employee beneficial associations for present and former Federal employees.

SURETY BONDS

Approval of H. R. 4778 authorized Federal agencies to pay for blanket bonds to cover their employees. Prior to the passage of this measure, employees whose jobs required them to be bonded had to pay for their own bond premiums.

UNIFORM ALLOWANCES

The passage of Public Law 37 makes the Federal Employees Uniform Allowance Act applicable to all Federal employees who are required to wear a prescribed uniform, thereby extending the up-to-$100 annual allowance to additional employees.

LOYALTY PROVISIONS

The Congress wrote into a single bill the many provisions which appeared in the various appropriation bills to prohibit employment by the Government of persons who are disloyal or who believe in the right to strike against the Government.

STATE RETIREMENT

A measure to extend civil-service retirement benefits to former District and State government employees was passed by both houses but failed to gain the approval of the President. In his veto message, the Chief Executive said that he would substitute a proposal at the next session to bring Federal employees under the social-security system, thereby giving Federal and State employees the common base of retirements sought by this measure and avoiding the disadvantages of civil-service expansion.

Revising Our Federal Election Laws

EXTENSION OF REMARKS
OF
HON. STEWART L. UDALL
OF ARIZONA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. UDALL. Mr. Speaker, when we resume our work next year we will once again face a recurrent responsibility—the task of revising our Federal laws relating to corruption in elections. This task has confronted Congress in virtually every session during the past 30 years, and it is one which we cannot afford to shirk any longer.

The latest attempt to effect revision of these laws has been embodied in the proposed Federal Elections Act of 1955, introduced in the Senate—S. 636—by Senator THOMAS C. HENNINGS, JR., and by myself in the House of Representatives—H. R. 3139. The Senate Subcommittee on Privileges and Elections, under the chairmanship of Senator HENNINGS, conducted extensive hearings on this measure, and an amended bill was favorably reported and is now on the calendar of that body. In the House, the Subcommittee on Elections, under the chairmanship of the able Representative from South Carolina [Mr. ASHMORE], has also conducted hearings during the past few months. I would especially like to commend Mr. ASHMORE and his committee colleagues for the manner in which they conducted their hearings. I can personally testify to the nonpartisan consideration which they gave the bill, and to the serious and thoughtful nature of their hearings. Their task has not been an easy one, nor a thankful one, for they will receive little commendation for their labors.

I cannot emphasize too strongly the need for this bill, or one of a similar character. Existing laws are unquestionably inadequate, and they add fuel to an all too prevalent belief that political personalities are venal men. I am proud to be a Member of the Congress of the United States, and I know my colleagues all possess similar pride. And yet, because of the miserable laws concerning the use of money in elections, many of the American people regard us all with suspicion. To some we are knaves, to others we are worse. For many people believe that politics is necessarily a quasi-corrupt profession. As long as we are content to conduct our elections under such inadequate laws, this attitude will remain in the minds of many of our citizens.

Reform of Federal election laws is urgently needed, and such reform will eventually be realized. If Congress does not act next year, the elections of 1956 will clearly and dramatically illustrate once again the defects of our present laws. A recent Gallup poll revealed that over two-thirds of the public advocates stricter Federal election laws. I am convinced that this number will continue to grow, until eventually we will be forced to act. I hope that such action will be taken next year.

The integrity of our Government is closely related to the nature of the election process. That process in turn depends on the laws which regulate it. The people will continue to demand better and more adequate election laws, until eventually Congress enacts them.

I do not believe, however, that enactment of this measure alone will produce the situation which is our objective. American politics cannot be truly representative until all of our people participate actively. To encourage such participation, Senator HENNINGS and I also introduced bills to make political contributions in modest amount tax exempt, in the belief that increased financial participation will in turn lead to participation of other kinds, and that political contributions will be placed on a plane of equality with other public-spirited contributions. I hope that this latter bill also will receive favorable consideration at an early date next year.

Report to the People of the Second Congressional District of New York

EXTENSION OF REMARKS
OF
HON. STEVEN B. DEROUNIAN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. DEROUNIAN. Mr. Speaker, under leave to extend my remarks, I include a report to the people of the Second Congressional District of Nassau County, N. Y. It is a continuing pleasure for me to represent such a fine district, and I feel that my constituents should have readily available to them my voting and attendance record during the 1st session of the 84th Congress.

This record includes all rollcall votes and all quorum calls. It collects in one place information which otherwise can be found only by studying thousands of pages of the RECORD.

The descriptions of the bills are for identification purposes only and I have not attempted to describe them in detail or to dwell upon the issues involved.

They do not, therefore, always reflect the nature or true purpose of the legislation. I shall, however, be pleased to furnish more complete information concerning any particular bill, the issues involved, and the reasons for my vote, upon request. The footnotes at the end of this record will indicate the reasons for any absences.

Voting and Attendance Record, Representative STEVEN B. DEROUNIAN, *2d District, New York, 84th Cong., 1st Sess.*

Roll-call No.	Date	Subject and action taken	Vote
	1955		
1	Jan. 5	Quorum call	Present.
2	Jan. 5	Election of Speaker (RAYBURN 228, MARTIN 198)	MARTIN.
3	Jan. 25	H. J. Res. 159, authorizing President to employ Armed Forces of United States for protecting Formosa, etc. (Passed 410 to 3.)	Yes.
4	Jan. 27	H. R. 587, to provide that persons serving in the Armed Forces on Jan. 31, 1955, may continue to accrue educational benefits under Veterans' Readjustment Assistance Act of 1952. (Passed 366 to 0.)	Not voting.[1]
5	Feb. 8	H. R. 2005, to extend Universal Military Training and Service Act and Dependents' Assistance Act to July 1, 1959. (Passed 394 to 4.)	Yes.
6	Feb. 16	H. R. 3828, to adjust salaries of judges of United States courts, United States attorneys, and Members of Congress. (Passed 283 to 118.)	Yes.
7	Feb. 17	Quorum call	Present.
8	Feb. 17	H. Res. 142, motion to end debate on question of a closed rule on H. R. 1. (Defeated 207 to 178.)	Yes.
9	Feb. 17	H. Res. 142, to permit 5 hours of debate and amendments from the floor on H. R. 1. (Defeated 193 to 191.)	No.
10	Feb. 17	H. Res. 142, closed rule on H. R. 1 to prohibit amendments from floor. (Passed 193 to 192.)	Yes.
11	Feb. 18	H. R. 1, motion to recommit to committee with instructions to amend to require President to comply with recommendations of Tariff Commission except when national security is involved. (Defeated 206 to 199.)	No.
12	Feb. 18	H. R. 1, to extend for 3 years authority of the President to enter into trade agreements, final passage. (Passed 295 to 110.)	Yes.
13	Feb. 23	Quorum call	Absent.[2]
14	Feb. 24	Quorum call	Present.
15	Feb. 25	H. R. 4259, motion to recommit to Committee on Ways and Means in order to delete provision calling for $20 credit against individual income tax for each personal exemption in tax year 1955. (Defeated 210 to 205.)	Yes.
16	Feb. 25	H. R. 4259, to provide 1 year extension of existing corporate normal tax rate and of certain excise tax rates, and to provide a $20 tax credit against individual income tax for each personal exemption. (Passed 242 to 175.)	No.
17	Mar. 1	H. R. 3828, conference report on bill to adjust salaries of judges of United States courts, United States attorneys, and Members of Congress. (Passed 223 to 113.)	Yes.
18	Mar. 10	Quorum call	Present.
19	Mar. 10	H. R. 4720, to provide incentives for members of the uniformed services by increasing certain pays and allowances. (Passed 399 to 1.)	Yes.
20	Mar. 16	Quorum call	Present.
21	Mar. 18	H. R. 4903, supplemental appropriations for fiscal year 1955, for an additional $4 million for United States contributions to United Nations program of technical assistance. (Passed 175 to 107.)	Not voting.[3]
22	Mar. 21	Quorum call	Present.
23	Mar. 21	H. R. 4644, to increase postal employees' salaries an average of 7.5 percent. Suspension of the Rules. (Defeated 302 to 120.)	No.
24	Mar. 21	Quorum call	Present.
25	Mar. 21	H. R. 4951, directing a redetermination of the national marketing quota for burley tobacco for 1955-56. (Defeated 260 to 152.)	No.
26	Mar. 22	Quorum call	Present.
27	Mar. 22	H. Res. 170, to disapprove of the disposal of some of the Government-owned synthetic-rubber plants. (Defeated 283 to 132.)	No.
28	Mar. 23	Quorum call	Present.
29	Mar. 23	H. Res. 171, to disapprove of disposal of some of the Government-owned synthetic-rubber plants, as recommended by Rubber Producing Facilities Disposal Commission report. (Defeated 276 to 137.)	No.
30	Mar. 24	Quorum call	Present.
31	Mar. 28	Quorum call	Present.
32	Mar. 29	Quorum call	Present.
33	Mar. 30	H. R. 4259, conference report extending corporate and excise taxes for 1 year and deleting the $20 income tax credit for each taxpayer and his dependents. (Passed 387 to 8.)	Yes.
34	Mar. 30	H. R. 5240, amendment to restore a provision limiting to $1 per month the fee to educational institutions for reports on veterans. (Defeated 227 to 154.)	Yes.
35	Apr. 13	Quorum call	Present.
36	Apr. 20	Quorum call	Present.
37	Apr. 20	H. R. 4644, amendment to the postal pay raise which would increase the annual rate for certain classes of employees and raise the overall increase from 7.5 to 8.2 percent. (Passed 224 to 189.)	No.
38	Apr. 20	H. R. 4644, motion to recommit to Committee on Post Office and Civil Service. (Defeated 287 to 125.)	Yes.
39	Apr. 20	H. R. 4644, on final passage of the bill as amended to grant a postal pay raise of 8.2 percent. (Passed 324 to 85.)	No.
40	Apr. 21	Quorum call	Present.
41	Apr. 21	H. R. 4393, to provide for construction and conversion of certain modern naval vessels. (Passed 373 to 3.)	Yes.
42	Apr. 27	Quorum call	Present.
43	May 3	Quorum call	Present.
44	May 4	Quorum call	Present.
45	May 5	Quorum call	Present.
46	May 5	H. R. 12, amendment to remove peanuts as one of the basic commodities in the farm price-support program. (Defeated 215 to 193.)	Yes.
47	May 5	H. R. 12 to recommit to Committee on Agriculture. (Defeated 212 to 199.)	Yes.
48	May 5	H. R. 12, to restore the 90 percent of parity supports for the basic commodities. (Passed 206 to 201.)	No.
49	May 9	Quorum call	Present.
50	May 9	S. 1, to recommit conference report on the postal pay raise bills to conference committee. (Defeated 275 to 118.)	Yes.
51	May 9	S. 1, on final passage of conference report on postal pay raise bills. (Passed 328 to 66.)	No.
52	May 9	H. Res. 223, to authorize consideration of the bill to permit statehood for Hawaii and Alaska. (Passed 323 to 66.)	No.
53	May 9	Quorum call	Present.
54	May 10	Quorum call	Present.
55	May 10	Quorum call	Present.
56	May 10	Quorum call	Present.
57	May 10	H. R. 2535, to recommit to committee the bill authorizing statehood for Hawaii and Alaska. (Passed 218 to 170.)	Yes.
58	May 11	Quorum call	Present.
59	May 11	Quorum call	Present.
60	May 12	Quorum call	Present.
61	May 12	Quorum call	Present.
62	May 12	H. R. 6042, appropriations for the Department of Defense, amendment deleting language requiring approval of congressional committee prior to disposal or transfer of work traditionally performed by civilian employees of Department of Defense. (Defeated 202 to 184.)	Yes.
63	May 12	H. R. 6042, appropriations for the Department of Defense, final passage. (Passed 384 to 0.)	Yes.
64	May 17	Quorum call	Present.
65	May 18	Quorum call	Present.
66	May 19	Quorum call	Present.
67	May 19	Quorum call	Present.
68	May 19	Quorum call	Present.
69	May 23	S. 727, to increase the salaries of judges for the District of Columbia. (Passed 283 to 33.)	Yes.
70	May 25	Quorum call	Absent.[4]
71	May 25	H. Res. 244, to create a select committee to investigate the White County, Ind., Bridge Commission. (Passed 205 to 166.)	Not voting.[4]
72	May 25	H. R. 2851, to make agricultural commodities owned by the Commodity Credit Corporation available to needy persons in areas of acute distress. (Passed 344 to 1.)	Not voting.
73	May 26	Quorum call	Absent.[4]
74	May 26	S. 727, to recommit to conference committee a bill which would raise salaries of District of Columbia judges to an amount greater than previously voted by the House. (Passed 170 to 165.)	Not voting.[4]
75	May 26	Quorum call	Absent.[4]
76	May 26	H. R. 5881, to recommit to committee the bill which provides for Federal compensation in non-Federal reclamation projects and for participation by non-Federal agencies in Federal reclamation projects in order to limit the scope of the bill to 17 Western States instead of all 48 States. (Defeated 229 to 62.)	Not voting.[4]
77	June 1	Quorum call	Present.
78	June 1	H. R. 3990, to recommit to committee the bill which authorized the Secretary of the Interior to investigate projects for conservation, development, utilization of the water resources of Alaska. (Defeated 278 to 79.)	No.
79	June 7	S. 2061, to increase salaries in the postal service by an average of 8 percent and to provide for reclassification. (Passed 410 to 1.)	Yes.
80	June 8	H. R. 5923, to authorize an appropriation to complete the Inter-American Highway. (Passed 353 to 13.)	Yes.
81	June 13	Quorum call	Present.
82	June 14	Quorum call	Present.

[1] On this day, Mrs. Derounian and I greeted the arrival of a new son, Steven Blake.

[2] In Nassau County on official, congressional matters.

[3] At Army Ordnance Proving Ground, Aberdeen, Md., on official business.

[4] Leave of absence granted on account of the death of my father.

Voting and Attendance Record, Representative STEVEN B. DEROUNIAN, *2d District, New York, 84th Cong., 1st Sess.*—Continued

Roll-call No.	Date	Subject and action taken	Vote
83	June 14	H. R. 1, acceptance of conference report on the Trade Agreements Extension Act of 1955. (Passed 347 to 54.)	Yes.
84	June 14	H. R. 6227, to provide for control and regulation of bank holding companies. (Passed 371 to 24.)	No.
85	June 15	Quorum call	Present.
86	June 15	H. Res. 210, to authorize an investigation of the Federal Open Market Committee of the Federal Reserve Board. (Defeated 214 to 178.)	No.
87	June 16	Quorum call	Present.
88	June 20	S. 67, to increase salaries of civil service employees by about 7.5 percent. (Passed 370 to 3.)	Yes.
89	June 20	H. Con. Res. 109, authorizing the appointment of a congressional delegation to attend the NATO Parliamentary Conference. (Passed 337 to 31.)	Yes.
90	June 20	H. R. 6295, to raise the per diem allowance for subsistence and travel expenses for Federal employees from $9 to $13. (Passed 320 to 41.)	Yes.
91	June 21	H. R. 4663, to authorize the Secretary of the Interior to construct, operate, and maintain the Trinity River division, Central Valley project, California, and to authorize an appropriation of $225 million therefor. (Passed 230 to 153.)	No.
92	June 22	Quorum call	Present.
93	June 22	H. R. 6040, to recommit to committee the customs simplification bill with instructions to strike out sec. 2, which would make export value the primary basis for assessing ad valorem duties. (Defeated 232 to 143.)	No.
94	June 23	H. Con. Res. 149, expressing the sense of Congress that the United States in its international relations should maintain its traditional policy in opposition to colonialism and Communist imperialism. (Passed 367 to 0.)	Yes.
95	June 27	H. R. 6992, to extend for 1 year the existing temporary ceiling on the public debt of $281 billion. (Passed 267 to 56.)	Yes.
96	June 27	Quorum call	Present.
97	June 27	H. R. 6829, to authorize certain construction at military, naval, and Air Force installations. (Passed 316 to 2.)	Yes.
98	June 28	Quorum call	Present.
99	June 28	H. R. 3005, to recommit the conference report to committee. (Defeated 221 to 171.)	No.
100	June 28	H. R. 3005, to extend the Universal Military Training and Service Act and the Dependents Assistance Act for 4 years and to extend the Doctors-Dentists Draft Act for 2 years. (Passed 389 to 5.)	Yes.
101	June 28	Quorum call	Present.
102	June 29	Quorum call	Present.
103	June 29	S. 727, to recommit the conference report on the bill which adjusts the salaries of the judges of the courts of the District of Columbia. (Defeated 226 to 158.)	No.
104	June 30	Quorum call	Present.
105	June 30	S. 2090, to authorize appropriations for and carry forward the mutual security program. (Passed 273 to 128.)	Yes.
106	July 1	Quorum call	Present.
107	July 1	Quorum call	Present.
108	July 5	Quorum call	Present.
109	July 6	H. R. 3210, to recommit the bill which would authorize the State of Illinois and the Sanitary District of Chicago to test, on a 3-year basis, the effect of increasing the diversion of water from Lake Michigan into the Illinois Waterway. (Defeated 316 to 74.)	Yes.
110	July 7	S. 2090, to adopt conference report authorizing appropriations for the mutual security program. (Passed 262 to 120.)	Yes.
111	July 11	Quorum call	Present.
112	July 11	H. R. 7224, to authorize appropriations for mutual security during fiscal year 1956. (Passed 251 to 123.)	Yes.
113	July 12	Quorum call	Present.
114	July 13	H. R. 6766, to adopt conference report authorizing appropriations for the AEC, TVA, and certain agencies of the Departments of the Interior and the Army, including a reduction in funds available to the Atomic Energy Commission and an additional 107 unbudgeted projects for which engineering studies were uncompleted. (Passed 316 to 92.)	No.
115	July 13	H. Res. 295, to provide for consideration of H. R. 7089, a bill to provide benefits for the survivors of servicemen and veterans. (Passed 376 to 24.)	Yes.
116	July 13	Quorum call	Present.
117	July 14	Quorum call	Present.
118	July 18	Quorum call	Present.
119	July 18	H. R. 7225, to amend the Social Security Act to extend coverage to certain disabled persons who are at least 50 years of age, to women at 62 years of age, to certain disabled children over 18 years of age, and to certain occupational groups. (Passed 372 to 31.)	Yes.
120	July 18	Quorum call	Present.
121	July 18	Quorum call	Present.
122	July 19	Quorum call	Present.
123	July 19	Quorum call	Absent.[1]
124	July 20	Quorum call	Present.
125	July 20	H. R. 7214, to amend the Fair Labor Standards Act to make the minimum wage $1 an hour effective Mar. 1, 1956. (Passed 362 to 54.)	Yes.
126	July 25	Quorum call	Present.
127	July 25	Quorum call	Present.
128	July 25	Quorum call	Present.
129	July 25	H. R. 7000, to agree to the conference report on the Reserve Forces Act of 1955. (Passed 315 to 78.)	Yes.
130	July 26	H. Res. 314, to provide for 3 hours' debate on H. R. 7474, the Federal-State highway construction bill. (Passed 274 to 129.)	Yes.
131	July 27	Quorum call	Present.
132	July 27	H. R. 7474, to recommit this highway bill to committee and to substitute therefor the administration bond financing proposal for highway construction. (Defeated 221 to 193.)	Yes.
133	July 27	H. R 7474, final passage on the highway construction bill, which included the increasing of certain taxes. (Defeated 292 to 123.)	No.
134	July 28	Quorum call	Present.
135	July 28	H. Res. 317, to provide for 3 hours of general debate on H. R. 6645, to amend the Natural Gas Act. (Passed 273 to 135.)	Yes.
136	July 28	Quorum call	Present.
137	July 28	H. R. 6645, to recommit to committee the amendment to the Natural Gas Act. (Defeated 210 to 203.)	Yes.
138	July 28	H. R. 6645, on final passage of bill to amend the Natural Gas Act, to remove from control of the Federal Power Commission natural gas producers and gatherers. (Passed 209 to 203.)	No.
139	July 29	Quorum call	Present.
140	July 29	S. 2126, to adopt Wolcott amendment to the Housing Act of 1955, which struck authorization of 135,000 public housing units. (Passed 217 to 188.)	Yes.
141	July 29	S. 2126, on final passage of the Housing Act of 1955. (Passed 396 to 3.)	Yes.
142	Aug. 1	Quorum call	Present.
143	Aug. 1	H. Res. 299, to grant to the Small Business Committee on additional $35,000 for operating expenses. (Passed 231 to 134.)	No.
144	Aug. 1	S. 2576, to repeal franchise of Capital Transit Co., operating in District of Columbia, providing public operation, with District of Columbia obligated to make up deficits. (Defeated 215 to 150, a ⅔ majority being required to suspend rules.)	No.
145	Aug. 1	Quorum call	Present.
146	Aug. 2	Quorum call	Present.
147	Aug. 2	S. 2126, to adopt conference report on Housing Act of 1955. (Passed 187 to 168.)	No.

[1] Attending a meeting with the Honorable Herbert Hoover, Jr., Acting Secretary of State.

AN EXPLANATION OF TERMS

Of necessity the report contains parliamentary and legislative terms with which the reader may not be familiar. An explanation of some of these terms may, therefore, be helpful:

First. A quorum call consists of a calling of the roll of Members to determine whether or not a quorum—a majority of Members—is present. No business may be conducted when it is found that a quorum is not present.

Second. Recommittal: Generally, on all important bills, a motion to recommit the bill to a committee, with or without instructions, is voted upon by the House before it votes upon passage of the bill. If such a motion is adopted, it means that the bill will be changed, delayed, or even killed. However, when a motion to recommit is accompanied by instructions, the vote generally indicates whether the Member is in favor of or opposed to the change in the legislation proposed by the instructions and does not necessarily indicate his position on the bill as a whole. A motion to recommit with instructions, if adopted, does not kill the bill.

Third. The type of bill can be determined by the letters which precede its number. All bills that originate in the House are designated by an H; those that originate in the Senate by an S. There are four main types:

1. H. R. (S.) designates a bill which, when passed by both Houses in identical form and signed by the President, becomes law.

2. H. J. Res. (S. J. Res.) designates a joint resolution which must pass both Houses and be signed by the President before becoming law. It is generally used for continuing the life of an existing law, or in submitting to the States a constitutional amendment, in which case it does not require the signature of the President but must be passed by a two-thirds majority of both Houses.

3. H. Con. Res. (S. Con. Res.) designates a concurrent resolution. To become effective it must be passed by both the House and Senate but does not require the President's signature. It is used to take joint action which is purely within the jurisdiction of Congress. Many emergency laws carry the provision that they may be terminated by concurrent resolution, thus eliminating the possibility of a Presidential veto.

4. H. Res. (S. Res.) designates a simple resolution of either body. It does not require approval by the other body nor the signature of the President. It is used to deal with matters that concern one House only, such as changing rules, creating special committees, and so forth.

Fourth. Rule: Important bills, after approval of the committee concerned, go to the House Committee on Rules where a rule, in the form of a House resolution (H. Res.), is granted covering the time allowed for debate, consideration of amendments, and other parliamentary questions.

Fifth. Suspension of the rules: This action limits debate and does not permit the right of amendment.

Sixth. Conference: Representatives from both Houses of Congress meet in conference to work out differences existing in the legislation as passed by the two bodies. Upon conclusion of their conference, a report is submitted to each House setting forth the agreements reached. Each House then must act by way of adopting or rejecting the report in whole or in part.

Seventh. Ordering the previous question: A motion to order the previous question, if adopted, shuts off further debate on the question before the House and prevents further amendments to such proposition.

Eighth. A bill may pass, or be defeated, by one of the following kind of votes:

1. Voice vote: The Speaker first asks all in favor to say "aye" then those opposed to say "nay." If there is no question as to the result, this is sufficient.

2. Division: If the result of the voice vote is in doubt, the Speaker asks those in favor to stand, then those opposed to stand. He counts in each instance and announces the result. If he is in doubt, or if demand is made by one-fifth of a quorum, then—

3. Tellers are ordered. A Member on each side of the question is appointed as teller, and they take their places at each side of the center aisle. Those in favor walk through and are counted. Those opposed do likewise. The result settles most questions, but any Member, supported by one-fifth of a quorum, can ask for a rollcall. This privilege is guaranteed by the Constitution.

4. Rollcalls place each Member on record on the particular measure involved. Each Member's name is called and his vote recorded. Rollcalls constitute the official voting record of the House.

The outcome of various votes are indicated in parentheses in the record above. In the case of rollcall votes, the actual vote is shown.

Legislative Record of Hon. Irwin D. Davidson, of New York, 1st Session, 84th Congress

EXTENSION OF REMARKS
OF

HON. IRWIN D. DAVIDSON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1955

Mr. DAVIDSON. Mr. Speaker, as a freshman Congressman, I should like the RECORD to show that I am cognizant and deeply appreciative of, not alone the great honor but also the opportunity for public service which the people of my district have afforded me. I have worked hard to do the kind of job they had a right to expect of me. My efforts were in many fields of legislative activity. For their critical examination and the consideration of the House, I submit a compilation of the major bills which I have introduced this year. In some instances, it can be reported with pride, perhaps pardonable for a first-year Congressman, that I was successful. In others, it is my intention to continue to strive for favorable consideration next year.

I have introduced a fairly large number of bills and for convenience list them here in 12 major fields for legislative action.

1. CONSUMERS

House Resolution 220 introduced April 21, referred to the Committee on Rules: This resolution would authorize the establishment of a special congressional committee to study consumer problems such as false advertising, pricing practices, governmental activities for the protection of the consumer, including the desirability of establishing a consumers agency in the Federal Government or increasing the power and scope of the Federal Trade Commission. I have requested hearings before the Rules Committee and am hopeful that these may be held shortly after Congress reconvenes.

2. AUTOMATION

House Resolution 221, introduced April 21: This resolution would establish a congressional committee to study the effect of automation on the American economy, giving particular attention to the need for revision of social security, workmen's compensation and other laws. Following my introduction of this resolution, the Joint Committee on the Economic Report announced they would undertake such an investigation. Hearings will be held in October.

3. NARCOTICS

House Joint Resolution 225, introduced February 18, 1955: This resolution would completely revise our efforts to control narcotic importation, selling, and addiction. A companion bill has been introduced in the Senate by a bipartisan group of over 40 Senators, including Senators LEHMAN, KEFAUVER, SALTONSTALL, and PAYNE. Under this resolution, the Federal Government would set up a chain of narcotic treatment clinics across the country, the FBI and Justice Department would take over enforcement of our narcotic laws and stronger penalties for violations would be imposed. The measure is pending in the Ways and Means Committee and I have exchanged correspondence with the chairman of that committee and believe that hearings will be held next year.

H. R. 7838, introduced August 2: This bill contains two major parts, one of which deals with narcotic addicts. We spent many months preparing this and several other bills along similar health-education lines. These are listed later on. Under H. R. 7838, $5 million is authorized to aid the States on a matching basis to build narcotic addict hospitals, treatment centers, and rehabilitation facilities. This is an extension of the well-known Hill-Burton law, and I have high hopes that there will be favorable action on it.

4. SALK VACCINE

House Joint Resolution 278, introduced April 14: This resolution, authorized the coining of a special gold medal for Dr. Jonas E. Salk in recognition of his wonderful work in developing the polio vaccine. I am proud to say it was unanimously passed by the House and Senate and became law on August 9 when the President signed it. The medal will be prepared and presented to Dr. Salk by the Secretary of the Treasury. Bronze replicas of the medal may be sold to the public by the Treasury.

H. R. 5983, introduced May 3: The purpose of this bill was to authorize the President to control the distribution and price of the Salk vaccine. It is interesting to note that I introduced the medal resolution which passed just 2 days after the announcement of the development of the vaccine when everyone was elated at Dr. Salk's success. Three weeks later, due to the scandalous administrative handling of the vaccine and the press reports of favoritism and black marketeering I found it necessary to introduce control legislation. My bill would have given the President standby power to put the controls into force as he thought necessary.

5. CIVIL RIGHTS

I introduced a series of civil-rights bills on February 2. They were referred to the Committee on the Judiciary and at my request hearings were held on July 13 and 14. I testified on July 14. No report has been filed as yet by the committee, and I will continue to press for some affirmative action. The bills which I introduced are as follows:

H. R. 3417, outlaw the poll tax as a condition of voting in any primary or other election for national officers.

H. R. 3418, reorganize the Department of Justice by establishing within it a division for the protection of civil rights.

H. R. 3419, prohibit intimidation or coercion of voters in national elections, making such action criminal and providing penalties of $1,000 fine and/or 1 year in jail.

H. R. 3420, strengthen the laws relating to peonage, involuntary servitude, and slavery. This bill extends the prohibition against shanghaiing to all

means of transportation instead of just to vessels.

H. R. 3421, prohibits activities such as Klu Klux Klan marauding on the public highways or on the private property of another.

H. R. 3422, establishes a Commission on Civil Rights in the executive branch of the Government.

H. R. 3423, an omnibus bill establishing a Joint Congressional Committee on Civil Rights, a Civil Rights Commission, strengthening the laws protecting civil rights, and prohibiting discrimination in interstate transportation. The latter provision would extend the historic decision of the Supreme Court prohibiting so-called separate but equal school facilities to cover interstate transportation. It is high time this outrageous discriminatory, deceptive concept was eliminated entirely.

H. R. 3575, to protect the rights of all persons, including aliens, within the United States and to prohibit lynchings.

H. R. 3576, a separate bill containing the prohibition against discrimination in interstate transportation. This bill was referred to the Interstate and Foreign Commerce Committee. By introducing several versions of the same bill, the chances of obtaining action is increased.

6. MINIMUM WAGE

H. R. 3424, introduced February 2: My bill to increase the minimum wage is the companion bill to that introduced by Senator LEHMAN. It provided for an increase in the national minimum to $1.25 per hour, and would establish minimums in Puerto Rico and the Virgin Islands of 80 cents the first year, and increase it there 5 cents per year for the next 5 years until it reached $1.05 an hour. I appeared before the House Committee on Education and Labor in support of my bill. While we were successful in obtaining passage of a bill to increase the mainland minimum to $1 an hour—10 cents more than the Republicans said they wanted—we were unable to obtain any real action on the Puerto Rican situation. I plan to introduce new legislation at the next session to cover this glaring need. The cost of living in Puerto Rico is higher than it is on the mainland, but the prevailing wages are much lower. This has a very adverse effect not only on the Puerto Rican standard of living, but on industry here in New York where more and more employers are leaving to open plants in the South and in Puerto Rico or the Virgin Islands. This tendency must be stopped.

7. HOUSING

H. R. 3926, introduced February 10: This was the first housing bill which I introduced and it provided for special low-rent housing for the aged.

H. R. 6745, introduced June 9: My bill provided for 150,000 units of public housing and a change in procedure in slum clearance financing. By the change contained in my bill, which has been passed by Congress, FHA will no longer be able to stall this program. My bill also closed a loophole in the slum-clearance law. Without my amendment, there could be vast windfalls. This provision of my bill was approved by the House committee, but due to the action of the Republican leadership was rejected and has not passed. I will introduce it again at the next session. In addition, I proposed that a study be undertaken to establish a system for insuring the equity which small-home owners have in their homes so that in the event of economic reversals beyond their control, they would not lose all the money which they put into the house. The committee reported on this suggestion and it will be studied by the housing subcommittee during the recess.

8. REFUGEE RELIEF AND IMMIGRATION

H. R. 4432, introduced February 25: This is the bill to amend the so-called McCarran-Walter Act. Senator LEHMAN and I introduced it the same day. It makes 10 major changes in the existing discriminatory immigration law including:

First. Elimination of the national origins quota system;

Second. Elimination of discrimination between naturalized and native-born citizens;

Third. Elimination of special immigration barriers against Negroes and orientals;

Fourth. Permission for immigration of up to 250,000 persons each year; and

Fifth. Establishment of statutory review and appeals procedures in case of deportation, exclusion, or denials of visas.

This bill, like my bill to amend the Refugee Relief Act has been referred to the Judiciary Subcommittee headed by Congressman WALTER. Senator LEHMAN and I and several other Congressmen are continuing our efforts to obtain consideration of these bills.

H. R. 6161 was introduced May 10 in conjunction with Senator LEHMAN. This bill is designed to completely revise the refugee-relief law. It provides for:

First. Appointment of a new Administrator of Refugee Relief;

Second. Sponsorship and assurances for refugees by recognized welfare agencies;

Third. Increasing the number of visas by 15,000;

Fourth. Extending the law to December 31, 1960;

Fifth. Broadening the definition of the word "refugee";

Sixth. Elimination of the 2-year documented history requirement;

Seventh. Elimination of necessity for certificates of readmission to country of departure;

Eighth. Elimination of the word "ethnic" from the law;

Ninth. Raising the age for orphans eligible for admission from 10 to 14;

Tenth. Broadening the provisions for adjustment of status of aliens presently in the United States; and

Eleventh. Repeal of the visa priority system.

9. BANKS

H. R. 5710, introduced April 20: This bill would require the national banks to comply with State laws relating to their branch-banking activities. It would remove the disadvantage at which the State banks are now placed. The companion bill has passed the Senate.

10. NIAGARA POWER

H. R. 5878, introduced April 27: Senator LEHMAN and I introduced this bill to permit the New York State Power Authority to develop hydroelectric facilities at the Niagara. It would also require the power authority to give preference in the distribution of such power to municipal and nonprofit cooperative electric companies. I testified before both the House and Senate Public Works Committees in support of the bill, but thus far the utility monopoly has been able to keep both bills bottled up in committee. The administration has vigorously opposed this bill and advocated another giant giveaway to the big-business combine. You may be sure that we will not let that happen. The Niagara belongs to all the people of New York, and will be developed by them and for them.

11. TAFT-HARTLEY

H. R. 6023, introduced May 4: This bill, if enacted, would repeal that portion of the Taft-Hartley Act which permits the States to pass the so-called right-to-work laws. These laws prevent legitimate union activities and have been condemned as reactionary antiunion measures throughout the Nation. The Republican leadership is fighting to prevent consideration of any revision of the Taft-Hartley law.

12. SCIENCE, HEALTH, AND EDUCATION

H. R. 7838, introduced August 2: This is the bill which I described in part under the "Narcotics" heading. In addition to those provisions, my bill would also provide $20 million for assistance to the States on a matching basis for the construction of psychiatric hospitals and psychiatric treatment and rehabilitation centers. There is at present a shortage of over 500,000 hospital beds throughout the country; the greatest single shortage exists in the field of mental illness. This bill seeks to overcome this great deficit.

H. R. 7839: This is the second bill which I introduced on August 2 as part of a program to stimulate science education and expanded health activities. The bill provides for 10 college scholarships per State each year for high school graduates who qualify in national mental examinations. The program would be similar to the GI bill and as long as the students make satisfactory progress they may remain enrolled under the plan. An additional group would enter each year, and certain students could continue under the scholarship into graduate schools. The purpose of this bill and H. R. 7840 is to increase the number of United States scientific personnel. Statistics show that we are rapidly and steadily falling behind Russia in the number of trained scientific people who graduate each year. At present there is a national shortage of doctors, nurses, dentists, engineers, laboratory technicians, and many other scientists. New research is limited by this shortage. If we hope to continue the scientific advances we have been making, this shortage must be overcome.

H. R. 7840: This is the last bill which I introduced, and would provide $250,000 to finance the cost of preparation, publication, and distribution of science

teaching text and laboratory manual supplements for use in public elementary and secondary schools. The manuals would be prepared by qualified private science teaching groups.

These last three bills were introduced on the final day of the session so that interested groups would have time to study them and so that reports could be obtained from the governmental agencies concerned before Congess meets in January. I have already requested these reports and have asked that public hearings be held as soon as possible next year.

The above constitutes a rather full report on my legislation. During the congressional recess we shall have hearings on automation, narcotics, housing, and the merchant marine.

Conservation of Our Natural Resources

EXTENSION OF REMARKS
OF
HON. CLIFTON (CLIFF) YOUNG
OF NEVADA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. YOUNG. Mr. Speaker, on several past occasions I have commented on legislation enacted by the 84th Congress which provides for the multiple use of the surface resources of our public lands, provides for their more efficient administration, and amends the mining laws to curtail abuses of those laws by a few individuals who usually are not miners.

This legislation, which may be officially cited as the act of July 23, 1955—Public Law 167, 84th Congress, 69th Statutes at Large, page 367—deals with a matter of vital interest to the people of Nevada and our other Western States. It is of interest to all of the people of the United States because the resources of the public domain belong to them.

The House Interior Committee, in reporting H. R. 5891, and the Congress in approving this bill which became Public Law 167, made clear their determination to assure maximum utilization, and conservation of all of the public domain surface and subsurface resources—minerals, materials, timber, grass, recreation, water, fish, wildlife, and waterfowl. Operation of this new law with respect to vegetable and mineral values was discussed in my remarks of July 30, 1955. Today, I address myself to its effect on our fish, wildlife, and waterfowl resource values.

EFFECT ON HUNTING, FISHING, AND WILDLIFE MANAGEMENT OF MINING LAW ABUSES

In our report accompanying H. R. 5891 to the House, the Interior Committee pointed up some of the abuses under the mining laws at which this legislation is aimed. Examples cited, together with testimony on the bill, make it clear that detrimental effects on hunting, fishing, and wildlife management come about primarily because of the activities of two groups of pseudominers which I will call, first, antifishing and antihunting mining locators; and, second, antimining fishermen and hunters.

In the first group are those miners who make a location, promptly post it with a "no trespassing" sign, and thus deny access to the located lands by agents of the Federal Government charged with the responsibility of managing wild game habitats or improving a fishing stream; blocked, too, is access to adjacent lands. Mining claims located astraddle fishing streams, or flanking hunting areas—when posted—serve to thwart effective management and the desirable controlled harvest by hunters and fishermen of our fish and wildlife resources.

In the second group are those individuals who combine a desire to hunt or fish with a declared interest in mining. A group of fishermen-prospectors will locate a good stream, stake out successive mining claims flanking the stream, post their mining claims with "no trespassing" signs, and proceed to enjoy their own private fishing camp. So, too, with hunter-prospectors, except that their blocked-out mining claims embrace wildlife habitats; posted, they constitute excellent hunting camps.

The multiple effect of activities of both such groups is obvious; a waste of valuable resources of the surface on lands embraced within claims made for a purpose other than mining; for lands adjacent to such locations, fish, wildlife, and recreational values wasted or destroyed because of increased cost of management, difficulty of administration, or inaccessibility; the activities of a relatively few pseudominers reflecting on the legitimate mining industry and, of course, nothing added to our mineral or material wealth through mining activity.

The provisions of Public Law 167 deal directly with such abuses.

OPERATION OF PUBLIC LAW 167

Subsection (b) of section 4 of Public Law 167 is aimed directly at ending abuses such as those described in the foregoing comments. It provides that hereafter located claims under the mining laws shall be subject, prior to patent issuance, to the right of the United States to manage and dispose of the vegetative surface resources thereof and to manage other surface resources, except mineral deposits subject to location under the mining laws. This subsection also makes such claims subject, prior to issuance of patent, to the right of the United States, its permittees and licensees, to use so much of the location surface as may be necessary for access to adjacent lands.

With respect to the reservations in the United States to use the surface and surface resources, particular attention is called to the proviso which qualifies them:

> Any use of the surface of any such mining claim by the United States, its permittees, or licensees, shall be such as not to endanger or materially interfere with prospecting, mining, or processing operations or uses reasonably incident thereto.

I do not believe I can improve upon the statement by Mr. Charles H. Callison, the eminent and articulate conservation director of the National Wildlife Federation, with respect to the effect of section 4 (b). In his appearance before our committee, after citing examples of abuses at which this particular provision is directed, Mr. Callison declared:

> We interpret the language of section 4 (b) * * * as corrective of this situation. A claimant who files pursuant to this act will not be able legally to post his claim against trespass by hunters or fishermen. He cannot deny access to the Federal Government or its licensees or permittees when access is intended for the purpose of harvesting or otherwise managing the fish and wildlife resources, so long, of course, as such access does not "endanger or materially interfere with prospecting, mining, or processing operations or uses reasonably incident thereto."

The foregoing applies to mining claims located after July 23, 1955.

With respect to claims located before the effective date of Public Law 167, dealt with in sections 5 and 6 of the act, the restrictions and limitations of section 4 would apply only in two instances: First, when—after compliance by the responsible Federal agency with the carefully drawn notice requirements—the claimant actually receiving notice of the initiation of the quiet title action provided for, fails to submit a statement setting forth pertinent information as to his claim, and thereby constructively waives his right to not come under the provisions of section 4; and second, when, under the provisions of section 6 of the act, the owner of any unpatented mining claim made before the date of the act actually waives and relinquishes his right to not come under the restrictions and limitations of section 4.

Understanding on the part of the public of these desirable provisions of Public Law 167 will, I am confident, add substantially to our ability to conserve and utilize to the maximum all of our public domain resources.

Relationship Between Industry Groups and Administrative Agencies of Our Government

EXTENSION OF REMARKS
OF
HON. PAT McNAMARA
OF MICHIGAN
IN THE SENATE OF THE UNITED STATES
Tuesday, August 2, 1955

Mr. McNAMARA. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD the following remarks regarding the relationship between some industry groups and some of the administrative agencies of our Government.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

> I should like to bring to the attention of the Senate the relationship between some industry groups and some of the administrative agencies of our Government which may yet require investigation by Congress.
>
> In the case of the National Labor Relations Board this relationship finds expression in recent decisions by the Board narrowing the scope of collective bargaining by placing arbitrary limits on the size of companies whose employees may seek relief before the NLRB, and by narrowing the scope of existing and proposed collective-bargaining units.
>
> Evidence of at least a friendly understanding between the Board and employers in the

telephone industry, for example, is found in an NLRB decision only 8 months old which withdrew protection of the National Labor Relations Act from all employees of telephone companies doing less than $200,000 business annually. Apparently the Board felt it necessary to protect smaller employers from harassment by unions. This, however, left the employers free to harass their employees, which didn't seem to impress the NLRB at all.

The Board went so far as to hold that such companies are not covered by the act, even if they are subsidiaries of larger companies which are subject to the act, and even if the company doing less than $200,000 annual business is wholly owned by one of the companies which make up the Bell System.

The Board and these telephone companies have an additional approach to undercutting what is still held by the law of the land to be the legitimate right of workers to form labor organizations of their own choosing.

According to this by now well-developed technique, a telephone company, faced with a union representation demand, classifies as confidential, professional, or quasi-supervisory as many jobs as possible, thus removing them from the collective bargaining unit.

As a result of this chopping away at the collective bargaining units, the telephone industry has—with the help of the NLRB—steadily increased the proportion of its supervisory employees to its total employees.

A case in point is the Southern Bell Telephone & Telegraph Co. In October 1946, 12.2 percent of the total number of employees were supervisory. Today, in that same company, 20.2 percent of the employees are called supervisory.

In the Pennsylvania Bell Telephone Co., there are 35,150 employees, of whom 4,433 (or 13 percent) are supervisors. Right now, the company is seeking to have an additional 1,100 workers—service assistants—excluded from the bargaining unit. This would raise to 16 percent the number of workers in this unit to whom union representation would be denied.

Judging by recent decisions of the National Labor Relations Board involving large independent telephone companies, the Board is likely to agree to the Pennsylvania company's request, and remove these 1,100 service assistants from the bargaining unit.

Since all these Bell companies are owned by the giant A. T. & T., success for the company in Pennsylvania would encourage identical action in other A. T. & T. units across the country. The union operating in this field, the Communications Workers of America, estimates that more than 30,000 Bell System workers across the country may in this way lose their right to be represented by a union.

It is often charged by the union that the Bell System companies have a well-developed program of strikebreaking, using employees exempted from bargaining units. During the recent 72-day strike of the communications workers union against Southern Bell, supervisory employees were brought into the area from other places; the union charges that the company imported as many as 9,000 strikebreakers and that these people came from as far away as Cleveland, Ohio.

This mammoth, overloaded supervisory force being created with the help of the NLRB may enable the Bell System to pursue antiunion policies, but it means added costs to the public for telephone service, the cost of which has already jumped in recent years.

A thoroughgoing investigation into the relations between the National Labor Relations Board and the giant corporations of the countr_ may yet be necessary.

The relationship of the Board with the telephone system may well be the place to start.

Today's Opportunities, Tomorrow's Achievements

EXTENSION OF REMARKS

OF

HON. THOMAS H. KUCHEL

OF CALIFORNIA

IN THE SENATE OF THE UNITED STATES

Tuesday, August 2, 1955

Mr. KUCHEL. Mr. President, I ask unanimous consent to include in the CONGRESSIONAL RECORD a statement prepared by me entitled "Today's Opportunities, Tomorrow's Achievement."

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. President, the cause of peace has been advanced these past several months. Overwhelming Senate—and congressional—cooperation with President Eisenhower in the advance of that cause in history will be forcefully marked as a noble achievement of American Government in 1955.

As an American, I take pride in my support of the President in the overwhelmingly important field of peace and foreign relations. The Eisenhower policies are aimed at the Eisenhower goal: security of the American people in a just and honorable peace. The great majority of our people—Democrats, Republicans, and Independents—enthusiastically support those policies.

I am reassured, Mr. President, that during this session both Chambers have given repeated proof that in America politics stops at the water's edge. The capacity of Congress to subordinate political differences in order to inspire mankind and to demonstrate our devotion to democratic principles is obvious in the overwhelming passage of the resolution granting President Eisenhower's request for authority to prevent communism from subjugating Free China, Senate ratification of the Paris accords restoring West Germany to the family of peace-loving nations, the approval of the SEATO and China defense treaties, and the affirmation of this Nation's willingness to confer and consult with other great powers of the world in our quest for peace.

The actions of this Senate and of this Congress in dealing with matters affecting foreign relations and international affairs show that day in and day out the undeniable motive of the Members is to move forthrightly and uncompromisingly toward the goal set out by the President. Therefore, it is decidedly heartening to look back over the last several months and recall the cooperation that has been extended our President and the solidarity that has affirmed our Nation's leadership in the constant striving for peace and security.

In no spirit of rancor, I wish to suggest that our legislative record on the domestic scene is far from satisfactory. I shall not attempt here to assess the blame, but I do desire to say that politics—unfortunately—contributed to this unhappy record on our home front.

I am distressed, Mr. President, by the failure of this Congress to take constructive action on—indeed, even to consider President Eisenhower's recommendations for—legislation bolstering our educational facilities, providing health reinsurance to bring medical and hospital care within the reach of all, and revising the immigration and refugee relief laws. The Senate, regrettably, did not even face the questions of statehood for Hawaii and Alaska. And our failure to enact sound legislation providing for modern American highways is tragic.

As a Senate Public Works Committee member, I have listened firsthand to irrefutable testimony on the appalling condition of America's roads and highways. We need, urgently and without further delay, an up-to-date system of interstate highways, 40,000 miles in length. No one can deny that need. America's defense requirements dictate it and our economy demands it. Beyond that, our frightful toll of highway casualties is, in great part, attributable to antiquated and dilapidated highways.

The Federal Government has an unmistakable responsibility in this field. Politics must not interfere with our discharge of it. There ought not to be a dime's worth of partisanship in our consideration of Federal highway legislation. While I sincerely believe in President Eisenhower's recommendations—and voted for them earlier this year—I am ready to discuss any reasonable alternative recommendations. But I will decline to discuss any unreasonable alternative or any political one.

While politics stopped at the water's edge, it is a source of great regret that partisanship was the chief reason for inaction on many urgent matters of domestic importance. If we are to convince the remainder of the world that self-government is the soundest and most effective way of recognizing the dignity of mankind, there must be a greater spirit of give and take and a less selfish approach toward proposed solutions of problems which affect the health, economic security, safety, and general well-being of our people. Our record on the domestic front was not good.

As a Californian, I must say that the 84th Congress in its first session has been sympathetic and understanding toward the State which I have the honor in part to represent. The Senate in particular has responded generously to appeals from the 13 million people of California for aid and assistance in solving some of their intricate and perplexing problems. For this, I am deeply grateful and proud.

By and large, the 84th Congress enacted a number and variety of measures which will benefit the people of my State. That was due in many instances to the circumstance that the California delegation, the second largest in the Congress, recognized the fact that ours is a State with wide ranges of economic, social, and political interests, and that cooperation and mutual assistance are essential in advancing the welfare of our fellow citizens.

In reciting some of the more noteworthy legislative accomplishments of benefit to California, I wish to remark that one measure with which I was most intimately concerned has national significance. The Air Pollution Research and Technical Assistance Act, which now is Public Law 159, will bring into play the resources of the Federal Government in a concerted campaign to overcome a menace that is spreading over our Nation and becoming more serious to the health, happiness, and safety of a growing number of people.

I am deeply grateful this Congress thus climaxed my 2-year fight to obtain Federal assistance for the local and State governments, public and private scientific groups, civic bodies, and educational institutions which have been trying to isolate the sources and causes of smog and other atmospheric contaminants and to devise remedial and preventive measures for purifying the air that people, plants, and animals all require for their very existence.

The antismog law, authorizing a 5-year $25 million course of investigation and experimentation, should pay tremendous dividends to the entire Nation. I am intensely pleased that this Congress saw fit to make an initial $1,190,000 appropriation toward setting the program in motion. Added to the $412,500 item in the regular Public Health Service budget for air pollution studies by the Division of Sanitary Engineering, the first allot-

ment under the $25 million authorization will finance a series of projects that should yield valuable knowledge toward cleansing the atmosphere in metropolitan and industrial areas.

For more than a quarter of a century, Congress has been told again and again that water—due to maldistribution and the breathtaking growth of our population—is California's most complex and urgent problem. The people of our State have endeavored for generations to remedy the deficiencies of nature. They have displayed ingenuity and resourcefulness in utilizing the surplus supplies found in some sections for the benefit of other regions where serious deficits must be overcome. The assistance of the Federal Government has been an invaluable ingredient of the progress made toward solving California's water problem and in enjoying our wealth of precious natural resources.

Again this year Congress has shown appreciation for the seriousness and complexity of our California water problem. I feel certain that the law authorizing the Trinity division of the Central Valley project—the largest single multipurpose water-resource development enacted under the Eisenhower administration—will contribute to the ultimate benefit of the Nation, as well as help immeasurably in the orderly growth and development of my native State. I am proud to have been associated with my colleague, Senator KNOWLAND, and our distinguished fellow citizen, Representative CLAIR ENGLE in the House, in sponsoring this law which makes possible immediate commencement of work on this $225 million undertaking.

Let me thank the Senate for approving the other reclamation project bill which I sponsored this year. I refer to the $27 million authorization of the Ventura project, so necessary for the people of Ventura County in their earnest endeavor to obtain an adequate and dependable supply of water. My bill now awaits action in the House, which I very much hope will be both speedy and favorable.

I repeat that water remains the basic problem of California. We now are the second largest State in the Union, in population as well as in size. We need to conserve the water we have to insure an adequate supply, and to distribute it equitably. In the Senate's approval this year of both the Trinity project and the Ventura project, Members on both sides of the aisle, in great majority, assented to necessary Federal assistance. For those actions, they have the unbounded thanks of California.

Two other pieces of water legislation that should materially aid California also were enacted during the current session. These are the so-called distribution systems law, which will extend Federal financial help to local irrigation districts and other bodies desiring to build works that will supplement Federal reclamation projects, and the statute expanding the program of research into methods of reclaiming ocean and other saline waters for industrial, municipal, and agricultural uses and for human consumption.

While the unwillingness of Congress to authorize a new highway program is an undeniable black mark on the record of this session, the needs of our transportation system in this atomic era received partial recognition which is gratifying to me. I refer to the new Federal Airport Act which, I believe, will prove a sound and far-sighted investment and I know will give particular impetus to my State which is so air-minded and dependent on time-saving air transportation.

The importance of the 4-year program envisioned by this law is obvious when it is noted that only 2 cities in California and 5 in other States have airports presently capable of handling fully loaded jet transports.

With jet-powered passenger and cargo aircraft expected to be available for transcontinental schedules in 3 to 5 years, the need for such Federal assistance is clear beyond question. This new Federal aid law should be particularly valuable to California, with so many widely separated centers of population, such a large number of privately owned aircraft, and the terminus of many transcontinental and transpacific routes. The Federal allotment to California, approximately $10 million over the 4-year period, will enable a number of communities to tackle their back-log of urgently required improvements, which early this year were estimated to involve outlays of more than $50 million.

Because of the geographical expanse of our State, together with its exposed location, California is the site of an immense number and variety of national defense installations. The protection of the western half of the Nation, and at the same time the welfare of armed services personnel, will be advanced by the public works program this Congress authorized for the Armed Forces. I am pleased that in the $108,600,000 worth of construction scheduled in 21 counties of our State under the defense public works law a number of critically needed housing units are contemplated. These, supplemented by new construction which should be encouraged by the Housing Act amendments, will raise morale of officers, men, and their families, many of whom are stationed at isolated points or near heavily populated centers where quarters are inadequate and difficult to locate.

As usual, this Congress faced the unenviable responsibility of reconciling requests for appropriations from the National Treasury with the monetary resources of our Government. Although the budget still is out of balance, progress has been made toward sound fiscal policy.

The people of California, who bear a weighty tax load, appreciate the consideration shown by the 84th Congress in enacting appropriation bills. The numerous money items which will be available for activities and projects particularly in our State are invariably of the wealth-producing and prosperity-promoting variety.

I share the gratitude of people in a large area of California and of my colleagues in the congressional delegation for the $1 million appropriation to complete advance planning for and start construction of the vital Trinity division of the Central Valley project. This initial installment on such an economically feasible multipurpose water development is a notable example of wise fiscal management.

The miscellaneous appropriation bills contained several unique sums for California which deserve mention. The 84th Congress agreed to provide funds for some projects which I earnestly advocated and helped push to enactment in the 83d Congress. Conspicuous in this category is the Cherry Valley Reservoir, for which $785,000 was approved. The legislation under which this expenditure is authorized was the first measure adopted by the Senate after I entered this body which bore my name as a sponsor, so naturally I have a paternal concern about carrying this development to completion, so necessary to the people of San Francisco in connection with their domestic water needs.

The session now closing made available the following amounts to finance planning or initiate construction on public works projects which I favored in the 83d Congress and were authorized in the 1954 omnibus law: Richmond Harbor, $500,000; the Santa Maria project, $1 million; Playa del Rey Harbor, $25,000; Port Hueneme Harbor, $70,000; and San Lorenzo Creek project, $25,000.

An initial $70,000 was voted to carry out the program of saving the grasslands which are nesting and feeding grounds for migratory game birds along the Pacific flyway. This effort, authorized by the bill I sponsored in the 1953 and 1954 sessions, should prove a boon to farmers and sportsmen and the expenditure represents far-sighted use of Federal resources for general public benefit.

The 1st session of the 84th Congress wisely, in my judgment, recognized the value of intensifying efforts to protect the Nation's natural resources in different directions. For these purposes, the Senate added $1 million and the Congress finally voted this amount to the fund for plant and animal disease and pest control, chiefly to help curb the menacing Mexican fruitfly and the khapra beetle. Increased funds for stepped-up fire protection in the national forests, for which $300,000 was specifically earmarked for southern California, will safeguard our treasured timber, widely enjoyed recreation areas, and vital watersheds. A similar commendable objective was recognized when the present session added to the budget $1,250,000 to initiate the building of flood-control works to protect strategic and thickly settled parts of San Bernardino and Riverside Counties.

On behalf of the people of the thriving section of California for which our State capital is the hub of commerce and trade, this Congress agreed to revive the Sacramento deep-water channel project. The $500,000 allowed for this development will permit resumption of dredging which was well underway when the Korean war forced a halt to all public works. This is one more California port facility now accorded Federal recognition.

California traditionally has deep concern in maritime and merchant marine matters. Because the sea for so many generations was a principal artery of communication and transportation, our people understandably have a continuing dependence upon shipping. Water-borne commerce still is a leading line of economic activity. Therefore, California is thankful the 1st session of the 84th Congress decided to continue Federal financial support for the 4 State nautical schools, 1 of which is California's Maritime Academy. Our far-flung trade interests likewise were reassured when this Senate preserved the 50–50 Cargo Preference Act which is essential to the continued existence of the Nation's overseas commerce and shipping industry.

Another great economic enterprise in California is agriculture. Cotton is our State's most valuable crop. Accordingly, I wish to thank the Senate for refusing to disturb the acreage allocation formula which is vital to the continued cultivation of cotton. I regret that the sugar bill was left hanging in the Senate and trust that next year this legislation—which recognizes the right of American farmers in California and other States to a just and fair share of the domestic market—will receive the approval of this body and become law.

Substantial progress was made toward translating into reality other ideas and suggestions which would further promote the prosperity of California.

Unfortunately, a variety of factors made it impossible to proceed this year as rapidly and as far as I had hoped with one piece of legislation that has national application, is universally acknowledged to be sorely needed, and would relieve literally scores of local governments in California and hundreds across the Nation from the squeezing pressures of rising costs and declining revenues occasioned by expanded property holdings by the Federal Government. I was gratified when in the closing days of this session committee consideration was given to several bills, including one of which I am cosponsor, to authorize the Federal Government to make payments in lieu of taxes to municipalities, school districts, counties, and other agencies dependent upon tax revenues to finance functions of local government. Enactment of general legislation for this purpose is entitled to high priority on the agenda for the 1956 session.

The legislative accomplishments of this first session did include approval of an assortment of bills primarily of local significance. Many California communities and citizens benefited by the passage of measures such as those authorizing California and Nevada to work out a compact for utilizing the waters of the Truckee, Carson, and Walker Rivers and Lake Tahoe, carrying out the Federal obligation to reimburse the city of Los Angeles for expenditures to improve facilities of that municipality's great harbor, giving the city of Richmond jurisdiction over public utilities which are an integral part of the muncipally administered housing project, and equalizing burdens of the people of Merced County in the building and operation of protective levees on the San Joaquin River.

Mr. President, America has been summoned to a high responsibility never envisioned by the authors of the Declaration of Independence and the framers of the Constitution. Similarly, each year supplies new reminders that our frontiers of pioneer days have long been gone and western America is on its way toward overtaking the rest of the Nation both in people and production.

What an imposing panorama of opportunities stands before us. The initiative of our people has brought us to the highest level of productive employment in our history. People of good will all around the globe are knit more strongly together in their defenses against aggression and in the cause of peace. God grant that the United States, our people, and their Government may have the courage and the vision and the leadership to take today's opportunities and fashion them into the achievements of tomorrow.

My Voting Record

EXTENSION OF REMARKS
OF

HON. IRWIN D. DAVIDSON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1955

Mr. DAVIDSON. Mr. Speaker, the record of the 1st session of the 84th Congress is now history. In some respects we have accomplished much, in others we have been derelict.

I regard it incumbent upon each Member to review his actions here and to recapitulate his voting record.

Representing as I do a great district, the 20th Congressional District of New York, I want my constituents and all the people of our blessed United States to know in what manner I have attempted to carry out their mandate to me.

The following is my voting record on each and every major legislative issue which came before the House of Representatives for its consideration:

Roll No. 3. Voted "yea." House Joint Resolution 159, a joint resolution authorizing the President to employ the Armed Forces of the United States for protecting the security of Formosa, the Pescadores, and related positions and territories of that area. On passage, January 25, 1955, yeas 410, nays 3.

Roll No. 4. Voted "yea." H. R. 587, a bill to provide that persons in the Armed Forces on January 31, 1955, may continue to earn educational and other benefits under the GI bill until discharged. This bill was necessary to reverse the unfair action of the President which would have terminated educational and other benefits as of January 31, 1955, for all GI's. On passage, January 27, 1955, yeas 366, nays 0.

Roll No. 6. Voted "yea." H. R. 3828, a bill to adjust the salaries of judges of United States courts, United States attorneys, Members of Congress, and for other purposes. On passage, February 16, 1955, yeas 283, nays 118.

Roll No. 12. Voted "yea." H. R. 1, a bill to extend the President's authority to enter into reciprocal trade agreements under the Tariff Act for 3 years. On passage, February 18, 1955, yeas 295, nays 110.

Roll No. 16. Voted "yea." H. R. 4259, a bill to provide a 1-year extension of the existing corporate normal-tax rate and of certain existing excise-tax rates, and to provide a $20 credit against the individual income tax for each personal exemption. On passage, February 25, 1955, yeas 242, nays 175. The $20 tax credit, of principal benefit for the small taxpayer was, unfortunately, eliminated in the conference between the Senate and House, primarily because of the President's opposition.

Roll No. 19. Voted "yea." H. R. 4720, a bill to provide incentives for members of the armed services by increasing certain pays and allowances. On passage, March 10, 1955, yeas 399, nays 1.

Roll No. 27. Voted "yea." House Resolution 170, a resolution to declare that the House of Representatives does not favor sale of the facilities as recommended in the report of the Rubber Producing Facilities Disposal Commission submitted to the Congress on January 24, 1955. On agreeing to resolution, March 22, 1955, failed, yeas 132, nays 283. This resolution, had it been adopted, would have prevented another giveaway advocated by the Republican leadership.

Roll No. 29. Voted "yea." House Resolution 171, a resolution to disapprove proposed sale to Shell Oil Co. of certain synthetic rubber facilities as recommended by the Rubber Producing Facilities Disposal Commission report. On agreeing to the resolution, March 23, 1955, failed, yeas 137, nays 276. This is another giveaway advocated by the Republican leaders for big business which could not be prevented after this resolution was defeated.

Roll No. 37. Voted "yea." H. R. 4644, a bill to increase the rates of basic salary of postmasters, officers, supervisors, and employees in the postal field service, to eliminate certain salary inequities, and for other purposes. On Moss amendment No. 2 (8.2 percent increase), April 20, 1955, yeas 224, nays 189.

Roll No. 39. Voted "yea." H. R. 4644, a bill to increase the rates of basic salary of postmasters, officers, supervisors, and employees in the postal field service, to eliminate certain salary inequities, and for other purposes. On passage, April 20, 1955, yeas 324, nays 85. This was the 8.2 percent increase bill which the President vetoed.

Roll No. 57. Voted "nay." H. R. 2535, a bill to enable the people of Hawaii and Alaska each to form a constitution and State government and to be admitted into the Union on an equal footing with the original States. On motion to recommit, May 10, 1955, yeas 218, nays 170, "present" 3. This bill would have granted statehood to Hawaii and Alaska. They deserve it, but the Republican leadership succeeded in obtaining sufficient reactionary support to recommit the bill to the committee and thus killed it. My vote was against recommittal. If we had been successful, then a vote on passage would have been necessary, and I would, of course, have voted for it.

Roll No. 72. Voted "yea." H. R. 2851, a bill to make agricultural commodities owned by the Commodity Credit Corporation available to persons in need in areas of acute distress. On passage, May 25, 1955, yeas 344, nays 1, "present" 3. This bill allows the disposal of some of our surplus agricultural products to American distress areas.

Roll No. 79. Voted "yea." S. 2061. This was the bill to increase the pay of the postal employees after the veto. It provided an increase of from 6 to 8 percent. June 7, 1955, yeas 410, nays 1.

Roll No. 80. Voted "yea." H. R. 5923, a bill to authorize certain sums to be appropriated immediately for the completion of the construction of the Inter-American Highway. On passage, June 8, 1955, yeas 353, nays 13.

Roll No. 83. Voted "yea." H. R. 1. Final passage of the bill to extend the President's authority to enter into reciprocal trade agreements under the Tariff Act. June 14, 1955, yeas 347, nays 54.

Roll No. 84. Voted "yea." H. R. 6227, a bill to provide for the control and regulation of bank holding companies, and for other purposes. On passage, June 14, 1955, yeas 371, nays 24, "present" 2. This was an important bill on which we spent a great deal of time in the Committee on Banking and Currency. It reduces the power of certain giant monopolistic banking firms.

Roll No. 94. Voted "yea." House Concurrent Resolution 149, a concurrent resolution expressing the sense of the Congress that the United States in its international relations should maintain its traditional policy of opposition to colonialism and Communist imperialism. On passage, June 23, 1955, yeas 367, nays 0. This important resolution is the one of which the President said he had not heard when asked about it at his press conference. He said he was probably out fishing.

Roll No. 100. Voted "yea." H. R. 3005, a bill to further amend the Universal Military Training and Service Act by extending the authority to induct certain individuals, and to extend the benefits under the Dependents Assistance Act to July 1, 1959. Conference report, on adoption, June 28, 1955, yeas 389, nays 5, "present" 1. This bill extended the draft.

Roll No. 105. Voted "yea." S. 2090, an act to amend the Mutual Security Act of 1954, and for other purposes. On passage, June 30, 1955, yeas 273, nays 128. This bill provided for further United States defense and technical development assistance to our foreign friends and allies.

Roll No. 110. Voted "yea." This is another vote on the mutual security bill

and approves the bill reported by the Senate and House conferees.

Roll No. 119. Voted "yea." H. R. 7225, a bill to amend title II of the Social Security Act to provide disability insurance benefits for certain disabled individuals who have attained age 50, to reduce to age 62 the age on the basis of which benefits are payable to certain women, to provide for continuation of child's insurance benefits for children who are disabled before age 18, to extend coverage, and for other purposes. On motion to suspend rules and pass—two-thirds required—July 18, 1955, yeas 372, nays 31, "present" 2. This bill provides for some much needed improvements in the social security law. I would have liked some additional improvements but this measure is a good step in the right direction. Perhaps we will be able to improve it at the next session after the Senate acts upon it.

Roll No. 125. Voted "yea." H. R. 7214, a bill to amend the Fair Labor Standards Act to make the minimum wage $1 an hour effective March 1, 1956. On passage, July 20, 1955, yeas 362, nays 54, "present" 2. My own bill provided for an increase in the minimum wage to $1.25 an hour and established a minimum of 75 cents in Puerto Rico and the Virgin Islands.

Roll No. 129. Voted "yea." H. R. 7000, a bill to provide for strengthening of the Reserve forces, and for other purposes. Conference report, on adoption, July 25, 1955, yeas 315, nays 78, "present" 1.

Roll No. 133. Voted "yea." H. R. 7474, a bill to amend and supplement the Federal Aid Road Act approved July 11, 1916 (39 Stat. 355), as amended and supplemented, to authorize appropriations for continuing the construction of highways, and for other purposes. On passage, July 27, 1955, failed, yeas 123, nays 292. This bill would have provided Federal assistance in construction of the Nation's highways. The trucking industry combined with the oil, gas, and rubber companies to lobby against it and defeat this much-needed legislation. I hope we will have better success at the next session.

Roll No. 135. Voted "nay." House Resolution 317, a resolution providing for the consideration of H. R. 6645, a bill to amend the Natural Gas Act, as amended. On agreeing to resolution, July 28, 1955, yeas 273, nays 135. I voted against this resolution in an attempt to prevent House consideration of this bill which would permit gouging of consumers and eliminate Federal control over producers of natural gas. As the next two votes indicate, we were not able to defeat the bill in the House, but the Senate refused to consider it at all, so control remains in force.

Roll No. 137. Voted "yea." H. R. 6645, a bill to amend the Natural Gas Act, as amended. On motion to recommit, July 28, 1955, failed, yeas 203, nays 210, "present" 1.

Roll No. 138. Voted "nay." H. R. 6645, a bill to amend the Natural Gas Act, as amended. On passage, July 28, 1955, yeas 209, nays 203, "present" 2.

Roll No. 140. Voted "nay." S. 2126, an act to extend and clarify laws relating to the provision and improvement of housing, the elimination and prevention of slums, the conservation and development of urban communities, the financing of vitally needed public works, and for other purposes. On the amendment—Wolcott substitute—July 29, 1955, yeas 217, nays 188, "present" 2. This was the vote to substitute the Wolcott bill which contained no public housing. I voted against it.

Roll No. 141. Voted "yea." S. 2126. Having failed to obtain House approval of our committee bill, I voted for the Wolcott substitute only so that we could hold a conference with the Senate which had previously approved 135,000 units of public housing. In the conference, we hoped to obtain some assistance for our slum dwellers. My own bill, part of which was adopted, provided for 150,000 units of public housing, and a new safeguard against windfall profits which was rejected by the Republican leadership. The final rollcall was on the conference housing bill and as we had hoped it provided for public housing, although for only 45,000 units. This is 10,000 more than the President's meager request and 45,000 more than the Republican leadership wanted. On passage, July 29, 1955, yeas 396, nays 3, "present" 4.

Roll No. 147. Voted "yea." S. 2126. Passage of the conference housing bill. Contains 45,000 units of public housing and provision for educational housing. July 29, 1955, yeas 396, nays 3.

Hobgoblins and Realities

EXTENSION OF REMARKS
OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1955

Mr. MULTER. Mr. Speaker, before the start of our legislative session, the President had great misgivings about the coming months. He reprimanded the voters of the Nation because they chose to send Democrats to Congress, while the administration was of the opposing political faith. He forecast that a Republican administration would not have the support of a Democratic Congress. During the 1954 congressional campaign, he even foresaw the possibility of a cold war within Government which could destroy the Nation's unity at this crucial time.

The same kind of talk from a Democratic President would have been labeled in the one-party press either as intended to scare our people or as an insult to our intelligence. Coming from the leader of the Republican Party, that same part of our American press repeated the reckless charge as though it were unimpeachable gospel.

How disappointing it must be to them to find that the hobgoblins and the gremlins disappeared into thin air even before the 84th Congress opened.

Now that the first session of this Congress has closed, the American people are entitled to the full story.

Even though an ardent Democrat, I will not pretend that none of my Democratic colleagues made any mistakes, nor that there was no occasion when some of my Republican colleagues did vote right. I do proclaim, however, as loudly as I can, that my Democratic colleagues voted right more frequently than my Republican colleagues and, conversely, that the Republicans voted wrong more frequently than the Democrats—too frequently for the good of our country.

Let us now proceed to analyze the record.

The President greatly underestimated the caliber and character of the Democratic majority. He now admits that the political responsibility of the Democratic-controlled Congress made the successes of this session possible. The proof of Democratic leadership and support—the willingness to lay aside political antagonism and jealousies—is a part of the record.

It is with great pleasure that I review these accomplishments. In doing so, we must have in mind that what is right or wrong is not determined by who sponsors a proposal, nor by which party supports it. The determination must be based on the sole test of what is best for the greatest number of our people.

INTERNATIONAL AFFAIRS: UNITY AND STRENGTH

Nowhere is the story of cooperation and responsibility better illustrated than in the areas of foreign policy and national defense. The world situation threatens to remain a precarious one for many years to come. Although the great ideological conflicts between East and West show some indication of being eased, few are shortsighted enough to believe that the aims of international communism have changed so completely in so short a time. If these differences between East and West cannot be settled or at least compromised, the alternative is a global atomic war from which no side could emerge victorious. While urging thorough exploration of every path that might lead to world peace, the Democratic Party stood as one man in favor of keeping our guard up and our defenses strong enough to withstand a sneak attack. In our system of government the President and his State Department must assume the leadership in the realm of international affairs. Congress responded by supporting them completely on every major issue. The President was authorized to use United States military forces in defending Formosa and the nearby Pescadores Islands. Executive agreements were ratified establishing a mutual-defense treaty with Nationalist China and a NATO-type defense alliance for Southeast Asia.

Despite overwhelming sentiment in the Congress for it, the executive branch of our Government took no firm or realistic step toward establishing permanent peace in the Near East.

The occupation of Germany was ended so that she could be armed and brought into the European defense system. Austria was reestablished as an independent and democratic state.

To carry out our foreign policy aims, Congress authorized $3.2 billion for economic and military aid to foreign countries.

To encourage the benefits of international trade, the Reciprocal Trade Agreements Act was extended for 3 years so that the President has the full authority to continue his efforts to promote our foreign affairs. A bill simplifying our complicated and outmoded system of customs definition, classification, and rate structure was passed by the House of Representatives and awaits Senate approval in the next session of Congress.

A manpower reserve program was put into effect which provides for a trained military reserve of 3,900,000 men by 1959. Such a program, the President told us, will avoid the cost and inconvenience of a large standing army, while at the same time providing for the national defense. It was necessary, nevertheless, to extend the selective service law for 4 more years, including the draft of doctors and dentists for 2 more years. I am far from satisfied with either of these laws, but believe they are the best compromise we could get at this time.

Atomic energy projects were authorized to the extent of $237 million for research facilities and actual production of atomic peacetime projects, as well as atomic weapons. Funds were also authorized for the expansion of existing aeronautical research, for construction of foreign military bases and housing, and for a billion-dollar Navy shipbuilding program.

The only issue on which Congress and the administration clashed was the relatively minor one involving Marine Corps manpower. Congress refused to bow to the Republican demand for a 22,000-man cut in this important military unit.

All in all, the Democratic Congress was happy to follow a foreign-policy program whose principles were enunciated by President Truman and Secretary of State Acheson, several years ago. The result has been a satisfying one. American prestige has grown abroad, the cold war tensions have lessened, if only temporarily, and a period of diplomatic negotiation has been vigorously begun. Democratic support, far from being absent, has been consistently greater than the support of the President's own party. Because of this support, the United States has been able to demonstrate its strength and unity.

SOCIAL LEGISLATION: FOR THE MANY AND NOT THE FEW

In domestic matters, of course, there was no comparable need for unanimity of thinking. The Democratic majority acted according to its political and economic principles and clashed with the administration where there was substantial difference. Once again, however, Mr. Eisenhower's forecast of a cold war was completely unfounded. The Democratic opposition to administration policies was as intelligent and high-minded as it was determined. There was no opposition merely for opposition's sake.

In the area of social legislation, several of the administration's proposals were extensions of earlier New Deal and Fair Deal ideas. These found enthusiastic Democratic support as far as they went—but often they did not go nearly far enough. Increased railroad retirement benefits, better FHA mortgage insurance coverage, and improved surplus property disposal to schools and hospitals were implementations of the Democratic program. Other parts of the administration program, however, proved quite inadequate.

A minimum wage proposal of $0.90 per hour, unreal at a time of high prices and general prosperity, was changed to a $1 minimum. This increase over the old $0.75 minimum will help keep industries from "running away" to the South and West where labor is so much cheaper, as well as preserve a decent wage for all American workers. More important, it raises the standard of living of all our citizens, nationally and not sectionally.

The administration's housing bill asked for only 35,000 public-housing units and made them well-nigh impossible of construction by improper restrictions. Congress increased the low-rent provisions by 10,000 additional units and eased the requirements to enable more extensive and better-balanced housing projects. Such liberalization of the law is necessitated by the acute housing shortage and the slum clearance needs of our urban centers.

To cure the unfortunate polio vaccine mixup, Congress authorized $2 million more than was asked by the President. In addition, all necessary funds are to be made available to the States to purchase enough vaccine for one-third of all the unvaccinated children, plus all expectant mothers. A more extensive and a better program was opposed by the administration as unnecessary and a step toward socialized medicine. The threat of a veto of the entire program effectually prevented the enactment of control legislation. Obviously, this administration is willing to risk black markets which may destroy the health of our people.

In appropriations for general matters of health, education, and social welfare, the Congress added more than $17 million to the Eisenhower program. The Congress felt that these were matters in which false economy was extremely dangerous. We were not willing to bear the responsibility of holding back research programs on cancer, heart disease, arthritis, and mental health so that the Federal budget might be a fraction of 1 percent lower. This, too, points up a basic difference of philosophy. The Democrats believe in being liberal with money to conserve the health of our people.

So, too, an attempt to liberalize the social security laws and make the program more adequate to meet today's problems was stoutly opposed by the Republican administration. The Democratic majority in the House of Representatives overwhelmingly passed a bill to lower retirement age for women from 65 to 62, to allow disability benefits to 250,000 workers aged 50 or more, to continue disability benefits for children after age 18, and to extend coverage to the professions. Administration opposition in the Senate defeated this program there, although the need for such legislation has become more and more apparent in recent years.

Throughout the consideration of these matters, the Republicans consistently showed themselves for what they are—a party dedicated to the few rather than the many; a party which is more interested in budgetary figures than human needs; a party seeking to carry out a minimal social program at a minimal expense. Plenty of lip service, but no votes.

BUSINESS AND TAXATION: THE LITTLE FISH IN A BIG POND

The Eisenhower administration has time and again denied that it is an administration of, by, and for big business. And yet the record clearly shows that almost all of the major economic policies which seek to help the small-business man have originated among the Democratic Members of Congress and have been opposed by the Republican administration.

The Small Business Administration, an agency dedicated to the plight of small business, was extended for 2 years. The administration opposed any increase in its authorized funds. The amount of any individual loan was increased to $250,000. These loans are intended for those deserving small-business men who cannot get help from regular bank sources. The disaster loan program and the small business participation in Government procurement were strengthened. The lending function together with the help given to small business in getting a fair share of Government procurement contracts makes SBA one of the most important agencies to have been started in recent years.

This is one of the few domestic policies which, in principle, has been consistently supported by both parties.

Bills were passed to halt the growing monopolistic practices in business. The antitrust penalty for violation of the Sherman Act was raised from $5,000 to $50,000. It was evident that $5,000 to a large corporation is merely a petty-cash transaction which was no deterrent to such a potential violator. In addition, the House passed a bill to curb the influence of bank holding companies by requiring Federal approval of new bank acquisitions by holding companies and requiring those companies to divest themselves of their nonbanking interests. This bill is designed to preserve the small independent bank as the banking unit best able to serve the interests of the small-business men. In the area of taxes, most of the existing income, corporate and excess-profits taxes were extended for another year. The only important proposal for tax relief came from the Democratic side of the Senate and the House of Representatives. Although this concerned a mere $20 cut in personal income taxes for each taxpayer and each dependent—relief aimed at the lowest-income bracket, yet equally fair to all income brackets—the Republican administration forcefully rejected the idea and caused its defeat in the Senate after the House had given its approval.

ARMED SERVICES AND VETERANS: SOMETHING FOR SOMETHING

Thanks to Democratic support, the serviceman and veteran were not for-

gotten during the past few months. Those who were in the service as of January 31, 1955, were allowed to go on building up GI schooling benefits until discharged from the service. The Veterans' Administration direct-loan program was extended for another 2 years and was broadened to include home improvements as well as home purchases. Disabled veterans, including those who fought in Korea, were given the privilege of starting purchase of a special automobile before October 1956.

To help the buildup of a strong backbone of career servicemen—an essential supplement to the new military Reserve program—Congress raised the pay and created greater benefits for servicemen as an incentive to a military career. Finally, Congress decided to continue regular pay to the dependents and relatives of missing or captured men who had fought in Korea.

The feeling was strong in the Congress that our Government should do as much as it could for the men who defend our country and are called upon to make great sacrifices. This program was both an expression of gratitude of the American citizen and a means of compensation for their sacrifices.

TRANSPORTATION: BUT NOT AT ANY COST

The pressing need to bring the Nation's transportation system up to date was apparent to the leaders of both parties. Airport construction was encouraged to the extent of $252 million in grants-in-aid to the States for 4 years.

In advocating a nationwide highway-construction program, the Eisenhower administration asked that the 10-year program be financed with special high-rate bonds. This would have involved at least $2.7 billion in unnecessary interest payments to bankers and other bondholders. The administration proposal was another unfortunate example of special-interest legislation which the Democratic majority has refused to stomach. The Democratic majority almost unanimously rejected this. They proposed in its place a system of user taxes on gasoline and tires, a plan by which those who benefited by the construction of the highways would pay their cost. Opposition to this proposal arose from many sources and the House defeated the bill even though the Senate had given its approval. The Republican opposition was almost unanimous.

FEDERAL EMPLOYEES: MORE OF THE SAME

With regard to the pay of Federal employees, the administration insisted it would approve only a straight 5 percent increase, while conceding the employees were entitled to more. The Democrats once again felt this to be bad business and false economy, having in mind how much Government workers' pay had lagged behind the cost-of-living increases and comparable wage increases among other workers throughout the country. We prevailed, though not to the full extent. Increased pay bills for more than the administration recommended were passed and approved.

THE GIVEAWAYS: BIGGER AND MORE

The minks are now sables. The 5-percenters are 10-percenters. Teapot Dome was a drop in a bucket compared to Dixon-Yates. First they gave away our oil lands. Now they are trying to give away all the rest of our natural resources.

The projects in which big business would not risk its stockholders' money are now beginning to pay back to the taxpayer his investment. So the administration will now get the Government out of business by giving to big business the taxpayers' property.

To help do this our Government now uses w. o. c.'s. That is the old dollar-a-year man. He now works for us "without compensation." Big business pays him and lends him to the Government for nothing. For nothing to the taxpayer, but not for nothing to his private employer. He merely steers the Government business to his employer. He sits in on all the high-level policymaking conferences, either as the head of the department or as his consultant. Maybe he does not give his private employer any advance information. Maybe he does not write the specifications that only his private employer can bid on. Maybe I am speculating. Then why did Secretary of Commerce Weeks refuse to tell a congressional committee what his big business advisers do? Why was it necessary to employ as a top executive in the Container Division of that Department the Washington "special representative," on the payroll as such, of the country's largest container corporation? The testimony showed this man knew nothing about the business.

The full story is being developed now and promises to be the biggest scandal of our history.

THE FARMER AND THE CONSUMER: THEY NEED EACH OTHER

I have supported the Democratic farm program because I am convinced that neither farmer nor consumer can prosper alone. They live and prosper together, or not at all.

The Eisenhower farm program will destroy our country.

Our warehouses are bursting at the seams. Some because they are overloaded. Others because this administration bought and paid for defective storage facilities.

In various parts of the country there is unemployment so serious that our people are starving while surplus commodities in Government warehouses are rotting away.

Under 20 years of Democratic administration, the farm program sustained losses of $1 billion. In less than 2½ years of Republican administration the farm program lost $2½ billion.

In 20 years under the Democrats, the maximum authorization for the program was $6¾ billion. In 2½ years under the Republicans, the Eisenhower administration increased it to $12 billion.

If you do not think cheese smells, ask Secretary Benson to explain about the millions of dollars he just handed to—no, not the farmers—to the big cheese processors.

FISCAL POLICY: I HOPE YOU CAN ADD

Candidate Eisenhower promised to balance the budget. Of course, you know he was fooling. President Eisenhower, thinking you took Candidate Eisenhower seriously, has hastened to explain that he did not say when.

But he did promise as President, that if we increased the national debt limit in 1954 to $281 billion, he would cut back the increase in 1955. In the last days of this session, he sent word to your Congress that he could not keep his promise and that we must give him another year in which to do what he said needed only 1 year to do.

Let us not be too hard on him. I think that you, too, would have trouble with that much money. I know that I would.

MY OWN PROJECTS: SOMETHING FOR THE FUTURE

Every Congressman has his own particular interests that he hopes to see enacted. Throughout the years I have been able to gain the approval of many proposals while others still await congressional approval. Without attempting to set them forth in the order of their importance, some of the proposals I hope to see enacted in the near future are: low-income housing for the aged; a complete civil-rights program; revision of the refugee relief and immigration laws; no discrimination or segregation in National Guard units; measures to keep racist and defamatory literature out of the mail; power to the President to act in health matters in case of a national emergency; strengthening of our antitrust laws to help keep the small-business man as the backbone of our free-enterprise system; income-tax deductions for all educational expenses of dependents and exemptions for servicemen serving overseas; prevention of the giveaway programs of Government rights and property; free postage to and from members of the Armed Forces; a review of all disapproved veterans' claims by the United States Court of Claims; a sound and just security program that will weed out the disloyal, without destroying the loyal; a system of standby economic controls for the prevention of inflation; a system of allocations and priorities of fuel for emergencies; a Department of Civil Defense within the Department of Defense, with strengthened authority; greater consideration of consumer problems by establishing a congressional committee therefor, as well as an executive department to protect the consumer; better pay for Federal employees; equal pay for equal work by women; and a code of ethics in Government for Government officials which, among other things, will prevent big business from acquiring our birthright.

CONCLUSION: RESPONSIBILITY AND INTELLIGENCE

The record of the Congress this year has been a mixed one. And this is far from a complete record. It is merely a brief summary. Some of the more important legislation that might have been enacted this year has been left until next year.

The accomplishments, nevertheless, have been solid ones—the very opposite of what the Republican leaders told the American people to expect.

The moral of this story may be simply stated; the opposition to the administration by the Democratic majority has been intelligent and responsible. Where differences have existed between administration and Congress, there has been a give-and-take and compromise worthy of democratic institutions. The people of this country were not neglected by their Government in favor of partisan politics and petty jealousies. The Democrats of this country have a right to be proud of that record.

RECESS BUT NOT RESPITE

Although Congress is about to recess until January 1956, your Congressman will continue to serve you. His office—your office—is room 1305, New House Office Building, Washington 25, D. C. It will remain open and fully staffed throughout the year. If visiting Washington, feel free to come in. If you have a problem that you think your Congressman can help you solve, write him a note to that address. He may not be able to help you, but you may be sure he will try.

Keenotes

EXTENSION OF REMARKS
OF
HON. ELIZABETH KEE
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mrs. KEE. Mr. Speaker, under leave to extend my remarks in the RECORD, I should like to include my newspaper column entitled "Keenotes," which follows:

KEENOTES

(By Representative ELIZABETH KEE)

What is the "ideal" retirement age? Is it the same for all?

In many Government and teaching positions, retirement is compulsory at 70. The accumulated years of wisdom and of experience which make some individuals so outstanding in their jobs suddenly become not assets any longer but liabilities when the "must" retirement age is reached.

Since the advent of social security just 20 years ago this month, 65 has become a common retirement age for workers covered by this program. Under a bill which the House passed this year and which is now pending before the Senate Finance Committee, women would be eligible for social-security benefits at 62 instead of 65.

Many people will tell you that they look forward with great anticipation to retirement, when they can drop the daily cares of earning a living and concentrate on the relaxed enjoyment of life. But how often does that anticipation give way to disillusionment? Some people find they have to keep on working in order to enjoy a full life and escape boredom.

The reason doctors have never been brought under social security is that their spokesmen insist doctors never do get a chance to retire, hence would not really benefit from coverage. (But so many doctors die young—literally working themselves to death in service to the community.)

In any event, this problem of retirement and the ideal age for it is one that each person faces individually. One eminent American—a great public servant who died last week—faced that problem and solved it in a novel way. "Retired" as Librarian of the Library of Congress 16 years ago, Herbert Putnam was named by Congress to a specially created post of Librarian Emeritus. He worked at the job every day, except during the summer when he went to New England for his favorite sport of sailing small boats up and down the Maine coast.

He was 77 when he "retired." When he died last week—still in harness—he was 93.

Appointed as Librarian of the Library of Congress by President McKinley in 1899, Herbert Putnam served for 40 years as the active director of that remarkable institution, singlehandedly, almost, raising it in stature to the greatest storehouse of knowledge in the world. The Library had about 1 million poorly cataloged books when he took over; when he "retired" in 1939, it had five and a half times as many books and a cataloging system which has become standard throughout the country. Just about every library in the Nation depends upon the Library of Congress for its cataloging.

Dr. Putnam, whose name has been synonymous with scholarship, culture, knowledge in the field of books, considered himself an administrator rather than a scholar. He once told a reporter:

"I am not a profuse reader. I read romantic stuff, travel tales, westerns, and detective stories and stirring romances with a happy ending."

Whether he was pulling the reporter's leg or not, putting himself on the lowbrow level in his reading habits, he certainly did more for scholarship than almost any other American. And, fortunately, he never did retire. Some people just aren't meant to retire.

Patronage Politics or Racial Discrimination in Public Housing Agency

EXTENSION OF REMARKS
OF
HON. FRANK THOMPSON, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. THOMPSON of New Jersey. Mr. Speaker, at various times during this session of Congress I have had occasion to call attention to the fact that the Eisenhower administration was engaged in the worst kind of patronage politics. In recent days, one more example of this type of maneuver has come to the attention of the Nation. On July 25, 1955, the Administrator of Housing and Home Finance Agency, Albert M. Cole, advised Dr. Frank S. Horne that he was being dropped from his position in that Agency because of what he called a necessary reduction in force. According to Cole, this was brought about because of budgetary considerations.

Never have I seen a more flagrant example of patronage politics in action. What possible budgetary considerations could be involved when actually the budget for this Agency had been increased from $2,868,500 to $5 million? Furthermore, Dr. Horne is a status employee within the civil-service ranks and he is entitled to veterans' preference. He, therefore, according to civil-service rules and regulations, is entitled to bump any other employee of equal or lesser status who does not have veterans' preference. Now, as it happens, Dr. Horne is qualified and, under the civil-service rules, is eligible for at least seven other jobs within the Agency. In spite of this fact, Mr. Cole in his letter to Dr. Horne, says that Dr. Horne has been "considered for all possible reduction-in-force placements but no other continuous position in the Office of the Administrator for which you are qualified was found to be held by an employee with lower subgroup standing."

Nor is this the end of the story. Upon receipt of the letter from Mr. Cole, Dr. Horne objected to his abrupt dismissal and pointed out that he was well qualified to fill other positions within the Agency. He then received a letter from Douglas Chaffin, the Director of Personnel within the Housing Agency, which stated that his case had been reconsidered and he was offered a new job at the same salary but with quite different duties. This was most certainly a new job, for none like it had ever existed up to that time. It was a job for which Dr. Horne was not nearly so well trained as he is for his old position and it quite obviously overlaps the duties of other members of the staff of the Agency. What happened to the budgetary considerations when they offered Dr. Horne this job? Where was this position when Mr. Cole first informed Dr. Horne of his dismissal?

Dr. Horne refused this new job and said he would appeal his case directly to the Civil Service Commission. I wish him luck with his appeal but I seriously doubt that it will do him much good for his case is but one in a pattern. There is a difference, however; Dr. Horne is today recognized as a leading expert in the field of interracial housing. During his 17 years service with the Government he has done much to make possible the success of such programs and the prestige of the United States has grown accordingly. This is the second time he has had great trouble with his agency head since the Eisenhower administration took office. He was given the position from which he has just been fired in 1953 in order to make room for a political appointee in the Housing Agency. He protested that action at the time, but finally took what was an entirely new position because he felt he would still be able to do his job and aid the interracial housing program. He now sees that he was mistaken. The new job was not nearly so satisfactory because he was removed from the mainstream of Agency activity in the field of his specialty and relegated to the sidelines. Now even this job has been taken from him. And this at a time when President Eisenhower has been urging increased activity in the public-housing field. Is this another case of the right hand not knowing what the left is doing? I felt deep concern for the public-housing program when Mr. Cole was originally appointed for he was known to have been an outspoken opponent of the whole idea of public housing. This idea has been newly reenforced because of this decision to drop Dr. Horne from the staff of the Agency.

There is one other aspect of this whole matter which disturbs me greatly. That is the possibility that racial discrimination may be involved. The United States Government has gradually been build-

ing an excellent record in the field of interracial public housing. It is a record of which all Americans may well be proud. But—and it is a very large but—this may not continue to be the case for long. As Mrs. Eleanor Roosevelt pointed out in a recent newspaper column, "Mr. Cole advised the Judiciary Committee of the House to go slow in considering racial segregation bans involving Government housing and in Government housing insurance." That advice, taken in conjunction with the attempt to remove Dr. Horne, a specialist in interracial housing, from his position, seems to indicate that the Administrator of the Housing Agency really does not believe in such ideas or projects.

Thus, whether Dr. Horne's dismissal results from patronage politics, from a general disbelief in public housing, or antagonism to the idea of interracial housing, it is a miserable situation and one that well merits the attention of the Congress. It is my hope that when Congress reconvenes or perhaps even before that time, the appropriate committee or committees will make a full investigation of this whole affair. Only in this way can we be sure that justice will be maintained.

For the information of my colleagues I would like to include as a part of my remarks the text of the letter from Albert M. Cole to Dr. Horne, a letter from Dr. Horne to Douglas Chaffin, an editorial from the Washington Post and Times Herald, and some letters to the editor which were carried in that newspaper.

The matters follow:

HOUSING AND HOME FINANCE AGENCY,
Washington, D. C., July 25, 1955.

MR. FRANK S. HORNE,
Assistant to the Administrator, Immediate Office of the Administrator, Washington, D. C.

DEAR MR. HORNE: Budgetary considerations have made a reduction in force in the Office of the Administrator necessary. As a result the position which you occupy will be eliminated.

In accordance with the regulations prescribed by the Civil Service Commission, you have been considered for all possible reduction-in-force placements, but no other continuous position in the Office of the Administrator for which you are qualified was found to be held by an employee with lower subgroup standing.

Accordingly, I regret to inform you that you will be separated effective midnight, August 25, 1955.

The procedure followed in effecting this reduction is in accord with the civil-service rules and regulations. If you believe that the regulations have not been carried out in your case, you should make a specific written appeal to the Director of Personnel within 10 days of the receipt of this notice. If, within 10 days after receipt of an answer by the Director of Personnel or the receipt of a supplementary notice, you so desire, you may further appeal the action to the appropriate office of the Civil Service Commission. Your written appeal to the Commission must also give specific reasons for your appeal.

There is a supplemental sheet attached which indicates where you may inspect the retention register, the Commission's regulations, and other pertinent records and which contains additional information of importance to you at this time.

You are eligible for listing on the reemployment priority list.

The Agency is appreciative of the contribution you have made to its programs.

Sincerely yours,

ALBERT M. COLE,
Administrator.

REDUCTION-IN-FORCE NOTICE, ISSUED JULY 25, 1955

DOUGLAS E. CHAFFIN,
Director of Personnel, Office of Administrator:

On July 25, 1955, I received reduction-in-force notice from Albert M. Cole, Administrator, Housing and Home Finance Agency, eliminating the position I now occupy (Assistant to the Administrator—GS–101–15) as the result of budgetary considerations. I hereby appeal this action on the ground that the procedure followed in effecting this reduction is not in accord with the Civil Service Rules and Regulations applicable to a classified civil-service employee with veteran's status.

There is no evidence, to my knowledge, that a general reduction in force has been ordered that would achieve any significant budget savings. I am informed by the personnel office that as of today only two separation notices have been issued for alleged budgetary consideration, one to me and one to my assistant. The only conclusion that I can reach is that such summary action, in violation of statutory employment rights, was deemed necessary to dispense with my services.

The Agency has made no placement offer based on retention registers and individual qualifications, although I am a status employee with 17 years of varied experience in Government housing agencies and veterans' preference. Although my RIF notice states that I "have been considered for all possible reduction-in-force placements but no other continuous position in the Office of the Administrator for which you are qualified was found to be held by an employee with lower subgroup standing," I have examined a list of grade GS–15 and GS–14 positions in the Office of the Administrator and find that a number of continuous positions for which I am clearly qualified are now held by nonveterans. These positions include the following as examples:

NONVETERANS—GS–15

301. Director, Operations Analysis Staff.
301. Director, Urban Renewal Services Branch.
301. Chief, Project Procedure and Review.

NONVETERANS—GS–14

101. Racial Relations Adviser.
301. Relocation Rehousing Adviser.
301. Assistant Area Supervisor.
301. Assistant Director, Demonstration Program Branch.

I claim that there can be little question that I have the basic education and experience, and such special skills and aptitudes as are necessary to take over any of the above positions, as well as others at grades GS–15 and GS–14 in the Office of the Administrator, in a reduction in force and render satisfactory service without undue interruption to the work program. Further, in any instances in which there could be a shadow of doubt as to my qualification, that doubt would supposedly be resolved in favor of a veteran.

Second, under section 14 of the Veterans Preference Act of 1944, as amended, and part 22 of the Civil Service Regulations, I challenge the validity of the reduction in force action and claim it to be a device to preclude the proper recognition and exercise of my statutory rights as a classified civil-service employee with veteran's status and thus to displace me from the Agency as part of the original improper process involved in my removal in October 1953 from my original position (Assistant to the Administrator (Racial Relations)—GS–101–15) and reassignment under pressure to a newly created position (Assistant to the Administrator—GS–101–15). The alternatives indicated as open to me by the Agency in October 1953 at the time of my reassignment were either to resign or accept the newly created position, with no indication or recognition of my rights actually due me as a classified civil-service employee with veteran's status either in my original job or to any other. In fact, the job sheet created for the new job evolved out of a series of discussions between the Assistant Administrator for Administration and me after I had indicated that I would not resign but would resist displacement from the Agency as the result of clearly identifiable political action. I introduced the word "rank" into the discussions and, while it was never acknowledged as a job right, concessions were made in obvious efforts to parallel the rank of the job from which I was being displaced (Assistant to the Administrator (Racial Relations)—GS–101–15). Finally, I accepted the job in good faith at the request of the Administrator as indicated in his public announcement of October 1, 1953.

At the time of the reassignment action, I had and was given no information regarding my retention rights in my original position. The Roth case had not been decided and, even now, there are doubts as to the implications of this case and Civil Service Commission Departmental Circular No. 789. It appeared to me, however, that the moment I was reassigned to the newly created position, I suffered loss of rank.

As evidence of this fact, there was a diminishing of my prestige within the Agency and among professional organizations in the field of housing and racial relations who had come to regard me as one of the outstanding authorities in these fields. Although listed as an Assistant to the Administrator, I was excluded from the Administrator's primary staff meetings which I had previously attended; specific assignments were not made to me by the Administrator nor by other members of his immediate staff; my studies and recommendations were almost completely ignored; I ceased to have any primary effect upon policy or procedure; I ceased to be able to speak for the Administrator or the Agency in any effective way; while formerly it was my responsibility to write and sign correspondence related to policy questions, I was confined to routine responses in a restricted area; in my original position, delegations and individuals seeking consultation regarding policy and procedural questions involving the public impact of Agency policies and operations, such contacts were now precluded; while previously, on behalf of the Administrator, I gave general supervision and direction to extensive operations throughout OA and the constituents, and had come to be regarded as a keystone in an area recognized to be of considerable significance both within and outside the Agency, my position, rank, and prestige all suffered from restriction to narrower concerns.

When I recognized this loss of rank and in an effort to bolster the position to which I had been reassigned, I presented, during November and December of 1954 and in January 1955, a redefinition of my function for consideration by the Administrator which would have enhanced the role of my office in such matters as review of workable programs and relocation plans in order to be placed in the stream of Agency operations and to place at the disposal of the Agency and the Administrator my accumulated experience and skills. While originally considered sound by the Administrator, it was never accepted nor put into operation. Finally, it had become evident that there was clearly no intention to maintain the rank of my position as Assistant to the Administrator nor to allow me to preserve the high prestige formerly recognized by professional groups and organizations.

After discovering, by accident, in April 1955, the existence of Civil Service Commission Departmental Circular No. 789, originally issued January 24, 1955, I filed a written request with the Assistant Administrator for Administration on April 15, 1955 (within the 90-day period indicated in the circular), as to the implications of CSC Departmental Circular No. 789 "for my own present and former position." Three months elapsed during which I received no response whatsoever. Finally, on July 28, 1955, after I had received the reduction-in-force notice, I filed another formal memorandum requesting response to my original request of April 15, 1955. You will note that the response to my second request, finally received on July 29, 1955, is not pertinent to my original request regarding the possibility of improper action in my removal in October 1953 from my original position as Assistant to the Administrator (Racial Relations)—GS–101–15.

I now, therefore, claim that the removal and reassignment action of 1953, made under pressure, was improper, that the position offered was not of the same rank and that the current reduction-in-force action is a device to absolve the Agency from meeting my legitimate and statutory rights as a classified employee with veteran's preference in and to my original position (Assistant to the Administrator (Racial Relations)—GS–101–15). My appeal to you, therefore, is for withdrawal of the reduction-in-force notice and restoration to my original position (Assistant to the Administrator (Racial Relations)—GS–101–15) from which I was improperly moved.

FRANK S. HORNE,
Assistant to the Administrator.

[From the Washington Post and Times Herald]

PATRONAGE HANGOVER

Repercussions from a patronage move nearly 2 years ago are causing a stir in the Housing and Home Finance Agency. At that time the HHFA ousted Dr. Frank S. Horne, the able and experienced director of its Racial Relations Service, and named Joseph R. Ray, Sr., a Republican leader of Louisville, as his successor. When the ousting of Dr. Horne, a Democrat, provoked a series of protests because of his good work in the delicate field of racial relations in housing, HHFA Administrator Cole decided to keep Dr. Horne on as a special assistant to the Administrator. In reviewing his budget situation recently, however, Mr. Cole decided that he could not afford the luxury of two units working on racial relations and decided to abolish the jobs held by Dr. Horne and an assistant.

Apparently there was no dissatisfaction with Dr. Horne's work. Recognizing Dr. Horne's civil-service rights, Mr. Cole said that efforts would be made to find another job for him. It is to be hoped that some means will be found for continuation of the good work he has done in housing, but there seems to be little chance of finding the kind of job—other than the one he previously held—that will utilize his special talents. The public has an interest, of course, in not maintaining duplicate services in the HHFA or any other governmental agencies. The real mischief was done 2 years ago when Dr. Horne was displaced from the post for which he had been specially trained, merely to meet the demands for patronage.

[From the Washington Post and Times Herald]

"PATRONAGE HANGOVER"

May we congratulate the Washington Post and Times Herald for its splendid editorial entitled "Patronage Hangover"? You have placed the issue of the dismissal of Dr. Frank Horne as Assistant to the Administrator of the Housing and Home Finance Agency in its proper framework—politics.

For more than 19 years, Dr. Horne has been an outstanding public servant in the field of race relations and 17 of those years have been in the field of housing. We who sign this letter have had occasion throughout the years to consult frequently with Dr. Horne. We have watched him grow with his job. He built his staff as director of the racial relations service with consideration only as to the skill of the persons recruited for Government service.

Never have we detected a partisan approach in his operations or his policy recommendations. Much of the credit for improved racial relationships in housing within this country throughout the last two decades rightfully belongs to the skill of the operations directed by Dr. Horne.

When Dr. Horne was removed as head of the racial relations service 2 years ago to make room for a political appointee, we protested. When a compromise was reached establishing a new position as assistant to the administrator to advise on broad racial policies, some of us urged Dr. Horne to accept it. We believed that the position was established in good faith, although some who have signed this letter warned then that it could be a delaying action. Those who held that reservation were apparently correct.

Throughout the last 22 months, Dr. Horne's vast experience and tested judgment were seldom drawn upon. Racial policies have not progressed with the times and strong leadership has been lost.

The fact that Dr. Horne's dismissal was based on a reduction in force for alleged budgetary reasons which cannot be defended is incidental to the issue. The fact that proper consideration was not initially given to his rights as a civil servant with veterans' preference, while indicative of a breakdown in the whole structure of public service, is not the basic cause for the expression of alarm that has been raised by this action throughout the Nation.

We protest this effort to destroy the foundation on which sound racial relations in the housing field have been built. We assert that the abandonment of forward-looking policies executed by highly skilled technicians and the substitution of political determinations in one of the most critical phases of American life, weakens our country both at home and abroad.

We are grateful for your public service in pointing up this issue.

Kenneth M. Birkhead, Wallace J. Campbell, Lee F. Johnson, Mrs. Winthrop D. Lane, John D. Lange, Mrs. W. T. Mason, Mrs. Olya Margolin, Clarence Mitchell, Philip Schiff, Bert Seidman, George L. P. Weaver, Bernard Weitzer.

WASHINGTON.

As a practicing attorney and one interested and active in civic affairs, I wish to congratulate you on your splendid editorial relating to the ouster of Dr. Frank S. Horne. I think your point is very well taken that the demands for patronage should not cause the dismissal of highly qualified, trained, and skilled employees, and you are to be commended on bringing it to the attention of the public.

There are many capable public servants who now hold and should be permitted to continue to hold top-level Government jobs without regard to the fact that they are not members of the party which now happens to be in power.

I realize that patronage is an integral part of the American political process; it is equally true, however, that the experience accumulated by many men like Dr. Horne through long years of Government service should not be discarded lightly. Appointive authorities at all levels of Government service should remain alert to the balance which must be struck between rewarding party loyalty and giving the best government possible to the American people.

CHARLES T. DUNCAN.

WASHINGTON.

[From the Washington Post and Times Herald]

LETTERS TO THE EDITOR

"PATRONAGE HANGOVER"

Your editorial entitled "Patronage Hangover" relating to the dismissal of Dr. Frank S. Horne and his assistant, Mrs. Corienne Morrow, is a commentary which calls for high praise. To those who recognize that making democracy work is a difficult problem it is also a challenge to express themselves in support of two exceptionally devoted and competent public servants.

Working in a field requiring unusual talent, both Dr. Horne and Mrs. Morrow have made a record worth examining thoroughly. In playing a leading part in opening a much needed supply of modern housing to minority groups throughout the Nation, and in stimulating initiative on the part of private enterprise in doing this, Dr. Horne has become an outstanding person.

I have known Mrs. Morrow for more years than Dr. Horne. In those years I have seen her display unusual sagacity in handling some extremely difficult problems in human relations. She has revealed an uncanny understanding of Negro psychology, and used that knowledge in the public interest. As a well-integrated personality her efforts in handling tough assignments have been outstanding.

It is people of such caliber to whom public service should be made especially attractive, no matter of what race. When, through carelessness or prejudice life is made difficult for them a blow against democratic institutions is being delivered.

I believe we are entering a period in which we must employ all of the ingenuity and inventiveness which Americans boast, and which has brought enormous progress in science and technology, in the field of human relations. It is in this area that progress has lagged dangerously. If we are to be successful in this field, especially in bringing into public service the ablest and most self-effacing men and women, those who see this need must come to the support of the kind of folk who care more about serving others than themselves.

You have done this editorially in bringing to public attention the cases of Dr. Horne and Mrs. Morrow.

BARROW LYONS.

WASHINGTON.

American Taxpayers and Their Nation's Capital

EXTENSION OF REMARKS
OF
HON. BARRATT O'HARA
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. O'HARA of Illinois. Mr. Speaker, the countless thousands who annually visit Washington, as pilgrims coming to the shrine of their country, are impressed by the marvelous beauty of the Capital City of their Government. I think they would be interested in knowing something of the contribution that they as taxpayers make to maintaining the Dis-

trict of Columbia, hence I am extending my remarks to include a summary of Public Law 131, the Appropriations Act for the District of Columbia, as follows:

Public Law 131, 84th Cong.

(District of Columbia Appropriation Act, 1956)

OPERATING EXPENSES

Executive Office	$308,000
Department of General Administration	3,081,850
Office of Corporation Counsel	442,900
Compensation and retirement fund expenses	10,036,000
Regulatory agencies	967,000
Department of Occupations and Professions	248,500
Public schools	28,130,000
Public library	1,639,300
Recreation Department	1,688,500
Metropolitan Police	12,808,000
Fire Department	6,257,900
Veterans' Service Center	92,200
Office of Civil Defense	75,000
Department of Vocational Rehabilitation	140,000
Courts	3,369,674
Department of Public Health	23,592,000
Department of Corrections	4,526,820
Department of Public Welfare	9,600,000
Department of Buildings and Grounds	1,687,000
Office of Surveyor	153,920
Department of Licenses and Inspections	1,546,276
Department of Highways	5,967,000
Department of Vehicles and Traffic	1,107,000
Motor Vehicle Parking Agency	350,000
Department of Sanitary Engineering	10,285,000
Washington aqueduct	2,120,000
National Guard	119,800
National Capital Parks	2,389,000
National Zoological Park	669,300
Total operating expenses	133,397,940

CAPITAL OUTLAY

District debt service	443,800
Public building construction	7,544,400
Miscellaneous capital outlay	1,260,300
Department of Highways	13,535,000
Department of Sanitary Engineering	9,662,000
Washington aqueduct	3,000,000
Total, capital outlay	35,445,500
Grand total	168,843,440

GENERAL PROVISIONS

First. Continues antistrike provisions.

Second. Authorizes use of funds for automobile allowances.

Third. Authorizes use of funds for attendance at meetings.

Fourth. Authorizes investment in United States securities of funds not needed to meet current expenses.

Fifth. Authorizes the employment of experts.

Sixth. Authorizes advances of money to officials herein specified.

Seventh. Prohibits the use of appropriations for certain activities of the Public Utilities Commission pertaining to taxicabs.

Eighth. Restricts amount to be paid for electric street lighting.

Ninth. Places motor-propelled passenger-carrying vehicles under the direction and control of the District of Columbia Commissioners.

Tenth. Authorizes use of appropriations for snow- and ice-control work.

Eleventh. Authorizes the District of Columbia Commissioners to establish a working fund without fiscal-year limitation for the purpose of printing, duplicating, and photographing.

Activity of the Committee on the District of Columbia During the 84th Congress, 1st Session

EXTENSION OF REMARKS
OF
HON. JOHN L. McMILLAN
OF SOUTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. McMILLAN. Mr. Speaker, as chairman of the House Committee on the District of Columbia, I wish to take this opportunity to make a statement as to the activity of our committee in the first session of this Congress. As you know, under the Federal Constitution the Congress of the United States is charged with the responsibility of exercising exclusive jurisdiction in all matters whatsoever concerning the District of Columbia. Under the rules of the House of Representatives the House District Committee has jurisdiction of all measures relating to the municipal affairs of the District of Columbia in general, other than appropriations therefor, including adulteration of foods and drugs, incorporation and organization of societies, insurance, executors, administrators, wills and divorce, municipal code and amendments to the criminal and corporation laws, municipal and juvenile courts, public health and safety, sanitation, and quarantine regulations, regulation of sale of intoxicating liquors, and taxes and tax sales.

During the 1st session of the 84th Congress the members of the House District Committee have worked diligently on measures before this committee and have spent many hours of their time in hearing bills before this committee affecting matters in the District of Columbia. I would like at this time to take the opportunity to thank each of the members of this committee, both on the majority and on the minority side, for the fine cooperation which they have given to me during this 1st session of the 84th Congress, and to thank each of these members for their time spent considering measures pertaining to the District of Columbia. Without the assistance of these members the record of this committee could not have been achieved.

During the 1st session of the 84th Congress a total of 127 bills were introduced in the House of Representatives and referred to the Committee on the District of Columbia. Of the House bills introduced, 29 were referred to either a subcommittee or the full committee and separate hearings held on these measures. Of the 29 bills considered, 20 bills were reported by the full committee. Seventeen bills passed the House either as reported by the committee or in an amended form. Six of the original House bills passed the Senate. Also during the 1st session of the 84th Congress 19 bills which passed the Senate were referred to the Committee on the District of Columbia. Of the 19 bills, 9 were acted on either by a subcommittee or the full committee and reported in the House of Representatives. Twelve bills which were acted on by the Senate were also passed by the House of Representatives. Of the total bills passed by the House and Senate, 17 bills became public law and 1 private bill became private law. None of the bills were vetoed by the President.

I believe that the record of this committee speaks for itself, and I take great pride in making it available to the Members of this body.

A Report to the People of My District

EXTENSION OF REMARKS
OF
HON. VICTOR L. ANFUSO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. ANFUSO. Mr. Speaker, the conclusion of the 1st session of the 84th Congress is a good time to pause and reflect upon the legislative record accomplished, and particularly my own efforts in serving the needs of the people of my district. In this way I hope to keep my constituents better informed as to my record and my views on major issues.

I represent the Eighth Congressional District of New York, which is located in Brooklyn and includes the sections known as Greenpoint, parts of Williamsburg, Bushwick, the Navy Yard area, and so forth. It is strictly an urban district of working-class, low-income families, people of various national origins and religious faiths, but all devoted and loyal American citizens. I am proud to represent them in the Congress of the United States and am grateful to them for choosing me as their Representative.

THE SEARCH FOR WORLD PEACE

The quest for world peace is today uppermost in the minds of people everywhere. Of late there has been somewhat of a relaxation of international tensions, but it is still a long way from mankind's cherished goal of attaining a real and lasting peace. There is great doubt in the minds of many people whether the Communists are earnest in their current policies or whether they are stalling for time; consequently, we must at all times be on the alert.

When I came to Congress in January of this year I had pledged to myself to do all in my power to further the cause of peace and the abolition of war. I have given this matter a great deal of thought and have taken several noteworthy steps to fulfill my pledge. In April I delivered a major address in Congress on "The Search for Peace," in which I developed the thought for a

people-to-people approach to the problem of international peace and I suggested three proposals to Congress: First, adoption of a resolution expressing the will of the American people to abolish war as a means of settling international disputes; second, revision of the United Nations Charter by extending the authority of the U. N. to halt aggressions, facilitate universal disarmament, enforce international law, et cetera; third, set up a "Mission for Peace" to be comprised of elder statesmen who would conduct discussions leading toward peace. A few weeks later I introduced three resolutions incorporating these proposals, which were then referred to the Committee on Foreign Affairs for consideration.

In July I was honored by Speaker SAM RAYBURN by being appointed a member of the United States congressional delegation to the NATO parliamentary conference, which took place in Paris July 18–22. This was a meeting of representatives of the 15 countries which are associated in the North Atlantic Treaty Organization to plan the maintenance of peace and security of these nations, as well as to obtain closer economic, social, and cultural relations between the peoples of the Atlantic community.

Shortly before leaving for the conference I had prepared a lengthy study on the international situation in which I proposed the idea that the United States should invite the principal powers of the world to join with us in a declaration establishing a moratorium on war for a period of 10 years. I indicated the benefits which mankind would derive and I stressed the need for certain safeguards. At the NATO conference I discussed the plan with many statesmen from other countries, who responded very favorably to the idea. I also submitted a copy of my plan to Secretary of State Dulles, who was then at the summit conference in Geneva.

In other matters of international affairs, I supported the extension of our trade agreements program for 3 years and simplification of our customs procedure to increase our international trade with the rest of the world. I voted for the resolution expressing United States opposition to colonialism and imperialism. I also supported continuation of our mutual security program to provide military, economic, and technical assistance to our allies.

I want to emphasize at this point that in our search for peace we must never, while there still remains tension in the world, let down our guard for one single moment. Gen. Alfred M. Gruenther, a successor to General Eisenhower as Supreme Allied Commander of Europe, told me while the summit conference was going on in Geneva that what inspired that conference more than anything else was the existence of NATO. Without NATO, Russia would have already moved over all of Europe and she would have had no desire for talks. Now more than ever, we must keep in mind that the dissolution of NATO still remains the No. 1 objective of the Soviet Union. The moment we let down our guard, the moment we weaken our defenses in Europe or anywhere else in the world, Russia will not have to talk to us.

Following my experience in World War II as an intelligence officer with OSS, I was against scrapping of our huge war surpluses and other means of defense. I warned then—1945—that our friends today might be our enemies tomorrow. The political information I had on Russia convinced me then that she was only a convenient ally. I am now firmly of the opinion that had we had a NATO organization in 1914 and also in 1939 in Europe, World War I and World War II would have been averted. We cannot afford to gamble on the future again.

IMMIGRATION AND REFUGEE PROGRAM

The problem of immigration is of vital interest to me. Immediately after my election to Congress I began to work on a bill to revise the discriminatory McCarran-Walter Immigration Act. My first deed after taking the oath as Congressman on January 5 was to introduce my bill, H. R. 501, a document of over 200 pages, calling for a complete revision and liberalization of our present immigration laws. In it I advocate the elimination of the national origins quota system, the establishment of an annual quota of 220,000 immigrants based on the 1940 census, the distribution of unused quotas among countries with small quota allotments, no discrimination against immigrants because of race, religion, or national origin, the elimination of all distinctions between native-born and naturalized United States citizens, and many other liberal features.

Several months passed and nothing was done. The House Judiciary Committee, to whom the bill was referred, did not schedule hearings on this measure. Finally, I decided to intiate a discharge petition on my bill in an effort to bring it out on the floor of Congress for debate and a vote. In order to accomplish this the petition must be signed by a majority of the Members of the House—218. Although a large number have already signed the petition we are still far from the necessary 218. During the first weeks of the 1956 session I plan to undertake an intensive campaign to obtain the required number of signatures in the hope of giving Congress a chance to vote on the measure.

Meanwhile, I also introduced a bill suggesting five amendments to the Refugee Relief Act of 1953. This is the act which provides for the admission of 214,000 refugees over a 3-year period ending December 31, 1956. Less than a year and a half remains of this time limit, but until now only about 30,000 people were admitted under the program. In order to save the program from being a failure and to step up the flow of immigration, I proposed as follows: to raise the age limit of orphans from 10 to 14 so that 4,000 orphans can be admitted; to eliminate the need for housing and employment assurances; to abolish the requirement for readmission guaranties; to take the program out of the hands of the State Department and administer it under a special commission; and to extend the act for another year until the end of 1957. Also in this respect nothing was done and I shall, therefore, continue my efforts to obtain action early in the new session.

SOCIAL SECURITY

The House approved a bill to extend social-security benefits in several ways: By including self-employed professionals except doctors, reducing the retirement age for women to 62, and providing certain disability benefits. The bill was sent to the Senate but final action was delayed until the next session. I was in favor of these improvements but I felt that they do not go far enough. Back in March I introduced a bill which I consider more adequate and which would provide greater security for our older people.

My bill contains four major proposals: To raise the monthly minimum benefits from $30 to $40; to allow outside earnings up to $125 per month instead of the present $100; to lower the retirement age from 65 to 60 for both men and women; and to extend coverage to professional groups, including doctors. I regard my amendments as more practical and will continue to work for their adoption in the future.

I also introduced a special bill known as Insurance Against Blindness Act, which provides that those who become blind shall be entitled to receive social-security benefits from the time they are afflicted with blindness, instead of waiting until they reach 65. This proposal has been endorsed by organizations working for the blind.

LABOR AND MINIMUM WAGE

Unfortunately, very little was done by Congress this year in the field of labor legislation, with the sole exception of increasing the minimum wage from 75 cents to $1 per hour. I had hoped that the minimum wage would be set at $1.25, but President Eisenhower proposed only 90 cents, so we compromised at $1. I felt that these were substandard wages which we should not tolerate in the United States and I so told my colleagues in Congress. The higher minimum wage will benefit about 10 million low-paid workers and their families.

Nothing was done to repeal or amend the Taft-Hartley labor law, and I frankly doubt whether it will ever be repealed under a Republican administration. Every other attempt to aid labor was frustrated. I made at least two attempts but they were both defeated. When the Sugar Act came up I introduced an amendment which provided that sugar workers, who are among the most exploited in this country, should receive the minimum wage as prescribed by law and that they be permitted to join unions. In another instance, when the Mexican farm-labor bill came up in the House, I submitted an amendment which required that American employers who are bringing in Mexican contract labor should offer the same terms and conditions to domestic farmworkers as those given to Mexicans, including transportation, housing, guaranties of wages, and so forth. This is necessary for the protection of American labor. Both of my amendments had the support of the big labor organizations in the United States, but both were defeated in Congress.

FARM PRICES AND THE COST OF LIVING

When I came to Congress in January, the leadership suggested that I become a member of the Committee on Agriculture. Although I do not have a single farmer in my district in Brooklyn, the idea appealed to me for this reason: As a member of the committee I would represent the standpoint of the consumer in the big city who is struggling with the high cost of living and I would be in a position to plead the cause of the city people. This I have been doing since then at every opportunity.

Unfortunately, the cost of living which has such a telling effect on our pocketbooks continues to remain high. The present administration is making no attempt to bring it down a little. In my own way I have tried to do everything possible. I introduced a bill for the improvement and construction of modern marketing facilities for handling perishable food products in urban areas, which would not only be more sanitary but more economical. It would result in lower prices for fruits, vegetables, meats, eggs, dairy products, and so forth. Just before the session ended, the Agriculture Committee approved the bill and it will come up in the House early next year.

In view of the huge surpluses of food in this country, such as wheat, butter, and other commodities, which are rotting and spoiling in warehouses, I introduced a bill to authorize the sale of some of these surpluses to foreign nations on credit. This is to be done particularly in areas where there is hunger. In this way we shall be able to help relieve starvation and also dispose of some of our surplus foods in this country. Of course, I also voted for the bill authorizing the Government to donate substantial quantities of food for use by institutions for the poor and the aged and for other needy people.

CIVIL RIGHTS AND CIVIL LIBERTIES

I have always taken the position that our country should take the lead in practicing toleration toward minority groups and that discrimination against any group on grounds of race, creed, color, or national origin should be eliminated. For this reason, I am a strong believer in civil rights and the protection of our civil liberties to which all American citizens are entitled under the Constitution.

I regret to report that in its 1st session the 84th Congress has done nothing in this field. Although many civil rights bills were introduced, not a single one was brought to the floor of either House for consideration and approval. In April, I introduced a bill calling for the observance of civil rights in the United States. In it, I proposed four steps: First, the President should set up a Civil Rights Commission to conduct a study of the policies, practices, and the enforcement program of the Government with respect to civil rights, and the progress made throughout the Nation in observance of these rights; second, abolish the poll tax as a prerequisite to voting; third, outlaw lynching and mob violence; fourth, set up a fair employment practices commission—FEPC—to eliminate discrimination in employment.

CRIME AND JUVENILE DELINQUENCY

The sharp increase in crime and juvenile delinquency in recent years is most deplorable. It is my view that in order to check its growth Congress should lead a crusade against crime on a national scale, instead of leaving it to the local communities. As a former judge and voluntary social worker, I have always been deeply interested in this problem, particularly the great menace it constitutes for our youth.

Since coming to Congress, I have spoken on the subject several times in the House of Representatives. I introduced several bills to deal with this problem. One bill calls for the creation of a congressional committee of five to study the causes of crime and to seek methods for preventing crime. Another bill recommends that a Bureau of Crime Prevention be created in the Department of Justice to deal with crime and juvenile delinquency, and to cooperate with State and local authorities in crime-prevention programs. In a third bill, I suggested that the United States establish a port patrol and border patrol in the Customs Bureau of the Treasury Department to deal more effectively with the smuggling of narcotics into this country.

In February the large New York newspaper Daily Mirror asked me to write a special article on teen-age crime and how to deal with it. My article was published in the Mirror on Sunday, February 13. In my own district I organized a group of public-spirited citizens to help me fight crime. We purchased an old police station which we are planning to remodel and to open it in the near future as a youth center to provide a variety of wholesome activities for young people.

POSTAL AND FEDERAL EMPLOYEES

During my first term in Congress in 1951–52, I served on the House Post Office and Civil Service Committee. There I became fully acquainted with the problems of our postal workers and Federal employees, their struggles and their plight in maintaining a decent standard of living on a limited income. Their salaries had not been raised for several years. One of my first acts when I returned to Congress was to introduce a bill to increase the salaries of all postal and Federal workers by $1,000 per annum. I feel that they have worked for many years on inadequate salaries and deserve this compensation.

In 1954 President Eisenhower had vetoed a 5-percent increase for these people. It was therefore clear that a $1,000 increase would never be approved by the administration, so I began to work very actively for the adoption of a bill which would provide at least a 10-percent increase. After many months, when at times it looked like a forlorn cause, we succeeded in compromising on an 8.1-percent raise for postal workers and 7.5 percent for Federal employees. While I am happy over the results, I still feel that it is not sufficient.

VETERANS LEGISLATION

Another group which always finds a warm response in my heart are the veterans of this country who have sacrificed so much for the defense of the United States in two world wars and the Korean war. In the first session of the 84th Congress we passed several measures to benefit war veterans which I was glad to support.

Among these measures are the following: A bill which provides that all those serving in our Armed Forces on January 31, 1955, may continue to earn educational benefits until their discharge up to 36 months of entitlement. This would give them a chance to continue their education, just as other servicemen had done after World War II. Other bills extended an increase in military salaries, continuation of assistance to dependents of those in the service, improvement of survivors' benefits, special privileges to disabled veterans, and extension of the Veterans' Administration program for home loans to veterans.

MISCELLANEOUS LEGISLATION

Many other bills and issues came up during the course of the session on which I expressed my views. Following are some of the more important issues:

Prior to the 10th anniversary meeting of the United Nations in San Francisco in June, I delivered an address in Congress on the need for early admission of Italy to the United Nations. I pointed out that Italy is a major nation on the European Continent, it is peaceful and democratic, it is an ally of the United States and a member of NATO. I cited how on five different occasions the U. N. was ready to admit Italy as a member, but in each instance Soviet Russia vetoed her application. I pleaded with the United States to take the lead in bringing Italy into the U. N.

When religious persecution spread in Argentina against Catholics and the Catholic church, I protested in Congress against the Peron regime and I urged our Government to stop its financial assistance to that regime which seeks to destroy religion and religious freedom. I also wrote to President Eisenhower and suggested that the United States protest to Argentina against this persecution.

In the case of the Arab-Israel conflict in the Middle East, I protested to our Government for sending arms to the Arab countries. I proposed that either we extend the same or proportionate military assistance to Israel as to the Arab States, or else that we cease giving such aid to the Arabs. I also proposed that the United States conclude a mutual defense pact with Israel whereby the security of that country and its people would be guaranteed and the integrity of its borders respected by the Arab countries. I am convinced that if the United States would pursue a policy along the lines I proposed, tension in the Middle East would be ended quickly and peace between Israel and the Arab States would be attained. Needless to add, I was happy to support the economic aid program under which Israel will receive about $30 million during the coming year, although I felt she should have received as much as in previous years.

On several occasions during the session I took the floor in the House to extend greetings to various nationality groups whose homelands are now under

the yoke of Communist imperialism. I refer to Poland, the Ukraine, Lithuania and the other Baltic States, Czechoslovakia, and others. In each such instance I assured these people that we, as Americans, realize their great plight, that we support their aspirations for national independence and freedom, and that we shall at all times be ready to help them in every way possible. Theirs is a just and righteous cause which deserves our support.

I have also introduced a bill to designate December 15 of each year as Bill of Rights Day, in honor of the first 10 amendments to the United States Constitution establishing the basic freedoms and fundamental rights of the American people. Another one of my bills recommends that deputy United States marshal jobs be placed under the civil-service classified system.

At the beginning of the session, the Democrats proposed that the exemption for income tax be increased so that low-income families be aided. Later a compromise was reached whereby a $20-per-person tax reduction was recommended. I was glad to vote for this reduction, but unfortunately the Republican administration forces killed it in the Senate. I hope that tax relief for low-income groups can be attained in the next session.

Other measures which I supported are an adequate public-housing program, increased penalties for violation of antimonopoly laws, a highway program financed on a practical basis, Federal aid for school construction, elimination of excess profits on Government contracts, aid for mental-health research, and many others. Some of these are not yet enacted.

CONCLUSION

This is by no means the full story of my activities in Congress. Due to limitations of space I am stressing only those matters which are of greater and more general interest. A chapter in itself is the service performed for many constituents who seek my help and advice in personal matters. Some require intervention in immigration matters, others need help in housing problems, servicemen's hardship cases, veterans' pensions, social-security payments, postal-service matters, information and literature about the Government, and numerous other inquiries. These are handled both in my Washington and New York offices courteously and efficiently. I regard it a privilege to be helpful to all those who seek my help, and nothing pleases me more than when my efforts in behalf of my constituents prove successful.

I am proud to present this record of my achievements during the current session. It is an account of my stewardship of office which, I trust, will be read carefully by the constituent. I leave it to his good judgment to evaluate this record. Even if we may not see eye to eye on all issues, I have no fear that the intelligent and informed citizen will realize that the welfare of the American people as a whole stands uppermost in my mind and my actions. The whole world looks to the American people for guidance and leadership. We must stand united in our efforts toward human freedom, peace, and the dignity of man.

May I take this occasion to wish to all my constituents and my friends in and out of Congress a peaceful and a prosperous 1956.

Is There a Paper Curtain in Washington?

EXTENSION OF REMARKS

OF

HON. JOHN E. MOSS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1955

Mr. MOSS. Mr. Speaker, in government of the people, the full flow of information gives the electorate, as the American Society of Newspaper Editors put it, the "foundation of truth upon which to judge their government." Do the people have that solid foundation to formulate their opinions and intelligently exercise their franchise? Do Government agencies clearly and frankly tell the people what is being done by Government servants, giving them the essential background? Or have the agencies become citadels of silence, manipulating information to give the people only facts that are favorable to those who, as Mark Twain said, "are clothed in a little brief authority?"

As the Government has grown larger in recent years, there have been charges that less and less reliable information is being released about activities of the Federal Government. These charges have come from the American Society of Newspaper Editors, the American Newspaper Publishers Association, Sigma Delta Chi journalistic fraternity, various news organizations, independent newspapers, Washington correspondents, and reporters all over the country who have the difficult job of digging out the day-to-day facts on Government activities.

This warning that a "paper curtain" is cloaking the operation of our Government is not a new development. The "paper curtain" may be an end-product of an increasing trend toward secrecy in government. It results from the bureaucratic theory that it is up to each agency to decide what information the people should have.

During the 80th Congress, the House Committee on Expenditures in the Executive Departments looked into the information policies of the previous administration. The committee was concerned because Congress, itself, was finding it more and more difficult to ferret out information which the public is entitled to know and which is necessary in legislating and appropriating. In a report on their investigation, Hon. CLARE E. HOFFMAN, of Michigan, as committee chairman, stated:

> Action on the part of the Executive or the head of some department, challenging the right of the Congress to specified information has never been confined to the representative or representatives of either political party. It has been a policy followed by the Executive who at the moment was in power.
>
> Nor is the proposed legislation aimed at the acts of the present Executive and his subordinates, for he and they are but following in a greater or a lesser degree a position taken by the Executive of all parties. It is aimed at a practice or policy.
>
> The issue is one between the executive and the legislative branches of the Government, regardless of political affiliations.

We are pleased to have Mr. HOFFMAN as a member of the House Government Operations Committee's Subcommittee on Government Information, of which I am the chairman. Hon. DANTE FASCELL, of Florida, is the other member of the Government Information Subcommittee which was directed to look into this most important problem by Hon. WILLIAM L. DAWSON, of Illinois, chairman of the House Government Operations Committee.

The Government Information Subcommittee in this Congress will not be conducting an investigation but, rather, will be studying a vital problem. The job will be done in a nonpartisan spirit, since the protection of our American democracy and the development of good government know no party lines. As Congressman DAWSON stated in chartering the Government Information Subcommittee:

> An informed public makes the difference between mob rule and democratic government. If the pertinent and necessary information on governmental activities is denied the public, the result is a weakening of the democratic process and the ultimate atrophy of our form of government.

An American public, told that there is no major danger from atomic fall-out, for instance, may be complacent about the need for a civil defense program based on immediate evacuation of metropolitan areas. The people, inadequately informed, could support any demagogue who sells them the idea of complacency or cheap victory. Given the full information on what can be expected to happen in atomic or hydrogen bomb warfare, the American public will not be stampeded but will prepare intelligently for the worst while continuing to work for the best.

The American people—call them taxpayers, voters or what you will—hold the final authority in our democratic system. They are the ones to decide, for instance, whether our civilian defense program and our military offensive strength are adequate to protect the free world in these times of tension and potential disaster. As taxpayers, the American people have the right to know what their tax dollars are being spent for; as voters, the American people will cast their ballots for those representatives who will spend the tax dollars to support the program the people want.

But can the American people vote for representatives advocating the wisest use of their tax dollars if they do not have enough information to make intelligent decisions? Of course not. And it is with full realization of this fact that the dictatorial bureaucrat refuses to expose governmental activities to the light of public opinion. An uninformed public acts from fear, or ignorance, not good judgment based on fact.

When Government agencies arrogate unto themselves the unrestricted power

to decide what information the American people should have, the agencies sometimes reach conclusions that are absurd and laughable. One agency, for instance, refused to tell how much peanut butter the armed services were buying. The agency decided, in all seriousness, that putting out such vital information would allow a clever enemy agent to deduce the number of men in our armed forces. Yet another agency, located not far away in Washington—unworried about the connection between guns and peanut butter—reported regularly on the number of men supported by tax dollars in the armed services. If this kind of thinking is carried to a logical conclusion, we may some day find a slap-happy bureaucrat has classified the weather report on the grounds that it might give vital information to a potential enemy.

Not only do some Government agencies refuse to tell the public how they are handling the public's business, but they also refuse to tell the Congress of their activities. The American taxpayers and voters hold the power of government; their chosen representatives in Congress have the duty, under oath, of legislating the wishes of the American electorate. It is just as absurd to expect an uninformed Congress to carry out its duties wisely as it is to expect uninformed voters to cast their ballots intelligently. Big government, as we know it today, need not be secret government.

Speaking to this general point, James S. Pope, of the Louisville Courier-Journal—for 3 years chairman of the freedom of information committee of the American Society of Newspaper Editors, observed in a letter:

> The fact is that all of us—Congress and the press alike—need to reexamine our approach to information about government, and consider whether our tools and our manpower have not become dangerously inefficient. There is such a vast quantity of news. If you look at the increase in Federal business and employees in the past 100 years, it becomes obvious that even good-will on the part of all concerned leaves enormous areas of ignorance, both in Congress and in the country. We hardly see as much of it as a big iceberg shows above the surface.

It has been said that government has become distant and removed from the people. The Federal Government used to be at least a kissing cousin. But it has become so large and so aloof that it is now only a distant relative!

There have been an increasing number of comments about the remoteness of government and the brown-out of information from the Government.

In a Senate speech, Senator HUBERT HUMPHREY criticized Secretary of Defense Charles E. Wilson for having slapped a "confidential" stamp on the parting report of the former Army Chief of Staff, Gen. Matthew Ridgway. It so happened that the report eventually was published in the press. As Senator HUMPHREY pointed out, Secretary Wilson said he had stamped the report "confidential" because he did not wish to add in any way to the problems of President Eisenhower and Secretary of State Dulles at the Geneva Conference.

> It is a most extraordinarily frank example of this administration—and especially the Department of Defense—classifying matters which are neither secret nor should they be—

Said Senator HUMPHREY,

> It is a use of secrecy to keep from the American people information which they have every right to know and which they must have if they are to be the informed electorate that is necessary for the proper functioning of a democracy.

Senator HUMPHREY and our House Government Information Subcommittee have been receiving mounting complaints, as the Senator phrased it, "from responsible members of the working press here in Washington that they are finding it increasingly difficult to get the facts from this administration—that the public relations, Madison Avenue treatment is more and more standing between them and the information—in no way secret—that should be public knowledge."

The repression of information seems to take various forms. According to complaints which this subcommittee is studying, the information may be withheld by misusing the security stamp in order to avoid embarrassment or unpleasantness. In other instances, agencies apparently have discontinued publishing information of a nonsecret nature on the pretext of economy. Much of this information is of a scientific or technical nature and is information which the Government should disseminate to interested citizens or organizations. In other instances, there have been complaints that officials have been instructed not to talk with, or even associate socially with, responsible writers. In at least one case, the subcommittee has received a complaint that indicates intimidation and investigation of reporters who publish stories not considered favorable to the agency.

The Government Information Subcommittee, with the cooperation of the executive agencies, the press, public affairs organizations, and interested individuals, will take a long, hard look at this entire problem. As a first step, the subcommittee has sent to every executive department and independent agency of the Federal Government a questionnaire to try to find out what are the information policies of these agencies and how they are construed in actual practice. The subcommittee not only wants to find out how the Government agencies are carrying out their duty of informing the public and the Congress, but also hopes to recommend any improvements necessary to build "a foundation of truth."

Editor and Publisher describes the questionnaire as a "blunt approach." We have framed the questions frankly and forthrightly, and we expect to receive frank and forthright replies. The replies will be duly published and will provide a rich mine of information for further inquiry, if necessary. The subcommittee has tried to make the questions simple and direct. It is hoped that the replies will be equally simple and direct.

The subcommittee's study has aroused a great deal of interest. The consensus is that such a study is long overdue. The Kinston (N. C.) Daily Free Press calls the subcommittee's work "one of the most worthwhile inquiries which has been initiated in Congress in recent years." The New York Daily News editorialized:

> We hope Representative Moss' committee can smoke out numerous bureaucrats who cover their mistakes by classifying them as secret, and can do something toward making them open up.

The Topeka State Journal editorialized as follows:

> A NEW HARD EYE ON NEWS SMOTHERING
>
> The tables have turned, and the worm, too. The people may get to listen in on their own affairs yet.
>
> Or at least if they aren't told all, they may soon have a better idea of how much they aren't being told.
>
> Just the other day we referred in this space to the wallops laid by Mr. Hoover and his Commission upon the back of bureaucracy. We learned how much money and time he found could be saved by pruning drastically in the "wilderness" of Government forms and questionnaires, some 4,700 of them.
>
> Now there is one more questionnaire but it is one that everybody should cheer. The Government is sending the Government a questionnaire. Or rather, we should say a committee of Congress is sending a questionnaire to every department, agency and nest of bureaucracy within the wide-flung borders of big government. Congress is really not a part of the bureaucracy, which is an executive growth. But Congress did spawn and does tolerate bureaucracy.
>
> Anyway this questionnaire, of which we have received a copy, is 5½ pages of blunt queries and calls for full information. The questioner is a House information subcommittee headed by California's JOHN MOSS. The information demanded of the Government is how available to the people, who own the Government, is Government information?
>
> Completing the satisfaction of citizen questionnaire answerers in this table-turning is the timing. The questionnaire was sent to all Government bureaus on Wednesday of this week with instructions to file complete answers to the 80 questions by September 15. In other words, no fooling around about it. (And while we hate ourself when we think things like this, we hope the requirement is laid on for every question to be answered in octuplicate.)
>
> Secrecy is regarded by Washington's top newsmen as the No. 1 headache of the newsgathering profession. It has grown like cancer in some agencies, where the hushup technique has been perfected to a fine degree, with newsmen being sent from pillar to post to get the simplest fact. One Washington newsman related not long ago that he has to wait 3 days for a mimeographed biographical sketch of a Marine colonel to go through channels and receive the proper stamp approving it as what Defense Secretary Wilson calls "constructive."
>
> The great trouble, the great threat to free minds is that the defense need of security in a few military matters is played into a huge, sacrosanct closet where officials may hide their failures and misdeeds.
>
> And by the way, while we're rooting for the new House probe of information channels, who's going to investigate the fact that 41 percent of the 3,002 congressional committee sessions in the last Congress were "executive," a three-bit word for keep out, scram, and this means you?

As a further step, aside from the questionnaire, the subcommittee is assembling and checking reports of specific instances of refusal by executive agencies to make available their public papers to both the public and the Congress. The

subcommittee has specifically asked each agency to justify its authority for withholding information. These replies will be analyzed carefully. The first series of hearings will be held this fall.

It is not the temper of the public to be left in the dark about decisions of the Government. As of now, one gets the impression that the public is being treated as if it could not be trusted with certain information to which it is rightfully entitled. The theory in some quarters within the Federal Government seems to be: What the people don't know won't hurt them.

It is not the temper of the press to be kept at arm's length when it makes legitimate inquiries of Federal agencies. Newspapermen are impatient with double talk, soft soap, the run-around, and the bum steer.

Nor is it the temper of the Congress to be denied information vital to legislating, appropriating and even orating. Congress has the right to know, under its mandate spelled out in the Constitution. I am sure the Congress has no intention to abdicate in this field.

Hon. Michael A. Feighan, of Ohio, Awarded Honorary Degree of Doctor of Laws in Political Sciences by the Free Ukrainian University, Munich, Germany

EXTENSION OF REMARKS
OF
HON. THOMAS J. DODD
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1955

Mr. DODD. Mr. Speaker, on May 29 one of our distinguished colleagues, the Honorable MICHAEL A. FEIGHAN, of Ohio, was awarded an honorary degree of doctor of laws in political sciences from the Free Ukrainian University located in Munich, Germany. The Members of this House are keenly aware of the tireless efforts of our colleague in behalf of the cause of peace and human freedom and the many contributions he has made to a better understanding of the real menace of communism and its threat to the very existence of our entire civilization.

It is significant to note that the Free Ukrainian University was founded in Prague, Czechoslovakia, in 1921, by the invitation of Thomas G. Masaryk, the first President of Czechoslovakia. Under the protection of Thomas G. Masaryk this university served as a rallying point for Ukrainian intellectuals who fled their homeland after the Communists destroyed the independent government and up until World War II it was known as an intellectual center advocating those political principles essential to any democratic form of government. When Czechoslovakia was occupied by the Communists, this free university was transferred to Munich, Germany, and there received the support of the American occupation forces and later the official approval of the Federal Republic of Germany.

A significant tribute was paid to our colleague, Congressman FEIGHAN, on the occasion of his receiving this honorary degree of doctor of laws. Under leave to extend my remarks, I herewith include that well-deserved tribute made by the board of governors of the Free Ukrainian University:

The Honorable MICHAEL A. FEIGHAN, distinguished American lawyer and legislator, has been warning the free world against the danger of imperialist Russian Communist aggression, a process pursued by the same group of ruthless enslavers for a period of 37 years. His great devotion to the task undertaken, uncompromising adherence to principle, and keenly penetrating mind, have brought him to the foreground of western civilization's fighters against the forces of darkness.

Often daring to tread upon untrodden ground, he finally broke many prejudices theretofore existing among those who were loath to even admit that neither Russia as such, nor the Soviet Union in particular, was not a political and national monolith.

A true leader in the cause of liberation of nations and peoples forcibly kept in bondage by Russian communism, he has gained the undying gratitude of all the non-Russian nations of the Soviet Union as a protagonist of American democratic ideals in all sectors of life: the religious, political, cultural, and academic. Thereby MICHAEL A. FEIGHAN fully merits the degree of doctor of laws in political sciences, honoris causa.

Retirement of Orme Lewis

EXTENSION OF REMARKS
OF
HON. CLAIR ENGLE
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1955

Mr. ENGLE. Mr. Speaker, according to a news release from the Department of the Interior, Assistant Secretary Orme Lewis will leave the Department on September 15, 1955, to return to his law practice in Phoenix, Ariz.

Mr. Lewis in the past 30 months has served as Assistant Secretary for Public Land Management, and in this capacity has directed the activities of five agencies within the Department having responsibilities of vital importance to the West and to the Nation—the Bureau of Land Management, the Bureau of Indian Affairs, the National Park Service, the Fish and Wildlife Service, and the Office of Territories.

During his period of service as Assistant Secretary, I served in the 83d Republican Congress as ranking minority member of the House Committee on Interior and Insular Affairs, and during the present Democratic Congress have served as chairman of that committee, whose functions deal almost exclusively with matters involving the Interior Department.

In my committee role—and as a Member of Congress representing a district where natural resources development and utilization forms a principal economic base—I have had frequent contact with public land management matters and with Orme Lewis.

While I have on occasion disagreed with him in political philosophy, I have greatly respected his ability to master comprehension of the varied and frequently technical subjects upon which he has testified before the committee. I have differed in several instances with the policy recommendations of the Department in matters under his jurisdiction, but at the same time have found him outstandingly qualified to articulate that policy and to defend his reasons for supporting it.

As a westerner, Mr. Lewis used an open mind and broad-view approach to problems; as a trained and practicing lawyer he has demonstrated that he has equipped himself to logically and precisely define the issues involved and then state his case. He was unusually conscientious and dedicated in purpose.

Mr. Lewis was able to bring to Washington in his work with the Department a broad knowledge of the natural and human resource problems of the West, and his experience here should serve him well when he returns to Arizona.

I join with his many good friends in Washington and the Congress in wishing him every good success for the future in the knowledge that he has made a lasting public service contribution to the cause he served.

The Record of the 84th Congress, 1st Session

EXTENSION OF REMARKS
OF
HON. ROBERT H. MOLLOHAN
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1955

Mr. MOLLOHAN. Mr. Speaker, the first Democratic-controlled Congress to face a Republican President in 75 years has completed its first session. Inevitably, its record will be compared with that of the Republican 83d Congress—the first in 20 years to work with a representative of its own party in the White House.

According to the Congressional Quarterly, the 83d Congress, in its first session, met on 117 legislative days, approved 288 public laws, acted favorably on 32 of the administration's 44 proposals, rejected 3, took partial action on 3 and no action on 6.

By the same standard, the 84th Congress met on 112 legislative days, passed 390 public laws, approved 96 of the administration's 207 specific requests, finally rejected 14, had 16 passed by one House and pending in the other; gave committee consideration to 35; and left 44 for possible action in the second session.

But it is not by such statistical comparisons that the American people will sit in judgment upon the records of these two Congresses. The ultimate verdict will rest, not upon the quantity, but with the quality of the performance which each has rendered in the public interest. The 84th Congress will not suffer by such comparison.

In retrospect, the first session of the 83d Congress seems almost wholly barren

of fruitful or constructive action. But with the turning over of the reins of government to a Republican administration after 20 years of Democratic control, this is to a large extent understandable.

Nevertheless, it seems unfortunate that the 83d Congress, in its first session seemed chiefly interested in initiating changes and that, for the most part, it was preoccupied with reorganizing Government departments and agencies; with creating innumerable high-salaried positions for political appointees outside the Federal civil-service system; and with setting up study groups, commissions and committees for additional overhaulings of existing Government services. Ten percent of all legislative action was directed toward these ends, while almost 20 percent was limited merely to extending existing laws.

Indeed its principal claim to fame would appear to depend upon the dubious distinction of having given away one of the Nation's richest national resources—its offshore oil reserves.

Further development of our natural resources for the common benefit of all the people was brought to a standstill; social-security legislation gained the questionable advantage of an especially appointed, but none too sympathetic, study group; the shaky position of the Nation's farmers was bolstered only to the extent of emergency loans restricted to drought-disaster areas. Neither the veteran nor the Federal employee acquired any benefits of substantial nature. The small-business man received a sop in the form of a renamed Small Defense Plants Administration—the Small Business Administration—which was hemmed in with restricting limitations. Even big business suffered a surprising rebuff with the prolongation of the excess-profits tax beyond the date of its scheduled expiration. The national defense was weakened by curtailment of the Air Force buildup program; and our international relations were boosted principally by expressions of sympathy for minority groups and satellites behind the Iron Curtain and a Refugee Relief Act that kept out more freedom-seeking immigrants than it admitted.

In contrast to this negative record, the accomplishments in the 1st session of the 84th Congress are genuinely outstanding.

The defense and security of the Nation have been strengthened by insistence upon an increased air wing goal; by the authorization of an additional $356 million for the increased production of B–52 jet bombers; by a 4-year extension of the regular draft, a 2-year extension of the doctors and dentists draft, and passage of legislation to achieve a Ready Reserve of 2,900,000 trained men by 1960.

The natural resources of the country are assured of continued development by the addition of 107 projects, not requested by the administration, for which funds have been included in the public works appropriations bill. The farmer has been aided by a law lowering the interest rate on disaster loans—which the administration had increased to 5 percent—to a maximum of not more than 3 percent; by providing special help in low-income areas; by a new modernized system for dividing up REA loan funds among the States; and by repealing a restriction of ACP payments enacted by the last Congress and which committed such payments to be made only to farmers who had fully complied with all of the acreage restrictions and marketing quotas in effect on basic farm commodities.

For low-income families the 84th Congress reversed its predecessor to assure continuation of slum clearance and the construction of 45,000 public-housing units in the current fiscal year. Small business has been helped by a law providing permanent, instead of temporary, permits for the small "feeder" airlines serving smaller communities; by increased penalties for violation of the antitrust laws; by increases in the Small Business Administration's revolving funds for making loans; and by the closing of loopholes in the tax laws which permitted a billion-dollar-windfall principally to the advantage of big corporations.

For veterans, benefits under the GI on-farm training program have been increased; the same VA home-loan program has been extended to include farm homes as well as city dwellings; and home improvements as well as home purchases have been included in the direct loan program. Veterans in service as of January 31, 1955, can go on building up GI school benefits as long as they are in service; and survivors' benefit improvements have already passed the House and will, without doubt, pass the Senate in the next session.

The average citizen has been benefited by an increase in the minimum wage; by the appropriation of $30 million, plus additional sums as may be necessary, to provide grants to States for free polio vaccine. Unemployed workers have been assured of wheat flour and corn in the distribution of surplus food to needy families. Employees of the Federal Government, both postal and classified workers, have received long-overdue cost of living pay increases; and last, but not least, a social-security bill has already passed the House which will extend coverage and provide additional benefits for women and disabled workers.

This is only a partial listing of the major legislative action of the 84th Congress. It represents a sound record of achievement in the interests of all the American people and a return to that atmosphere of dignity and sanity in Government which the American people have a right to expect in the conduct of their Nation's affairs.

Gen. Peyton C. March

EXTENSION OF REMARKS
OF
HON. DEWEY SHORT
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1955

Mr. SHORT. Mr. Speaker, last April when one of our greatest Americans died I paid him a feeble tribute, which appears in the CONGRESSIONAL RECORD of April 19, 1955, pages 4766–4767.

Since then I have come into possession of a letter from the President of the United States, Dwight D. Eisenhower, addressed to Mrs. Peyton C. March, and also a telegram of April 14, 1955, addressed to Mrs. March from one of the most successful businessmen of our time, Thomas J. Watson.

Under leave to extend my remarks, I include the following letter from President Eisenhower and the telegram from Mr. Watson in the RECORD:

THE WHITE HOUSE,
Washington, April 14, 1955.

MRS. PEYTON C. MARCH,
Washington, D. C.

DEAR MRS. MARCH: It was with great regret that I learned yesterday evening of the death of your distinguished husband. To all Americans and to the military personnel in particular, his outstanding accomplishments during World War I have become almost legendary. Considering the difficulties we in World War II had in transporting men and material to Europe, what he did some 25 years earlier always stood out in my mind as a triumph of brilliance and ingenuity.

Mrs. Eisenhower joins me in deep sympathy to you and to the members of your family.

Sincerely,

DWIGHT D. EISENHOWER.

NEW YORK, N. Y.,
April 14, 1955.

MRS. PEYTON C. MARCH.

Mrs. Watson and I extend to you and your daughters deep sympathy in the passing of your distinguished husband. The contributions which General March made to his country and to the world, as a general, as a statesman, and particularly as Chief of Staff and head military adviser to President Wilson during World War I will forever remain as a lasting monument to his memory. To him the people of the world owe a great debt for his indefatigable service in helping to preserve for his fellowmen the democratic principles of freedom and justice. We know that you are receiving comfort from the one great Comforter who never fails us in our hour of need.

THOS. J. WATSON.

The Coal Industry and Its Importance to America's Economy and Progress

EXTENSION OF REMARKS
OF
HON. THOMAS A. JENKINS
OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1955

Mr. JENKINS. Mr. Speaker, the commercial application of atomic energy is destined to occupy an increasingly predominant position in America's fuel picture. Because of the enthusiasm for the development of this new source of power, there may be a tendency to overemphasize the possibilities of nuclear fission to the neglect of our traditionally basic fuels. I am thinking particularly of coal, which has been used most prominently as a source of camparison—price-wise at least—in news stories about the theoretical economies of atomic energy.

The most heralded projects at the present time are electric powerplants that will be fueled by the atom. Scientists and engineers foresee universal construction of electric generating plants in which reactors will provide power both for domestic and industrial consumption. But regardless of the increasing application of atomic energy to electric utilities, there will still be a need for more and more coal throughout our vast utilities systems. Fuel experts predict that, no matter how much power is to be generated by the new method, the electric utilities industry will by 1975 require at least three times more coal than is currently being consumed. This is strong argument that our coal industry will continue to be the fundamental source of energy for a long time.

From 1800 through the first half of the present century, coal was responsible for 46.1 percent of the heat and mechanical energy produced in the United States. To heat our homes and power our industries in peace and war—and to fill the fuel deficits in friendly nations—more than 28 billion tons of anthracite and bituminous coal have come from our mines.

Ohio, which through the years has been America's fifth leading coal producer, mined more than 1 billion tons of bituminous coal in the last 100 years. Records show that in 1806, the first mining in the State took place at Coalport, now in Pomeroy, Meigs County, which is in the congressional district I have the honor to represent. In the northern part of the State, the first mine was opened in 1810 in Summit County. In those days, besides being used for heating purposes, coal served in forges and in salt furnaces. As consumption increased and further utility value was discovered, production gradually moved upward. Shortly after the middle of the last century, Ohio's mines were producing more than a million tons a year; by 1900, the figure was in the vicinity of 20 million tons. In 1920, a record output of 45,878,000 tons was reached; in 1948 the output was nearly 39 million tons. There has been a steady decline in the past several years. In 1954, the production was 22 percent below the 1948 figure.

Federal and State Governments owe it to the general public, as well as to the mine owners and mine workers, to rectify any unfair competitive conditions that have come about. The Federal administration took the first such steps on February 26 of this year with the issuance of the report by the Cabinet Committee on Energy Supplies and Resources Policy. One of the recommendations is the provision stating in effect that oil imports should be prevented from continuing their wholesale raids on United States domestic fuel markets. I have, for years past, supported legislative proposals to prevent excessive quantities of foreign goods from taking over the markets that are the rightful customers of American products. The principle of protecting American industry and labor from goods made in countries whose wage scales and standards of living are far below ours has been disputed by the so-called free trade group over the years. In no case, however, can anyone justify the disemployment of large numbers of American workers, particularly in industries which are vital to the national security.

Foreign oil has been coming into the United States at sharply increased rates since shortly after the end of World War II. In April 1955 R. L. Ireland, chairman of the executive committee, Pittsburgh Consolidation Coal Co., with headquarters in Cleveland, appeared before a Senate subcommittee and stated:

> In many cases, loss of markets for Ohio-produced coal can be attributed directly to the chain reaction that has resulted from the displacement of coal, in east coast markets, by imported residual fuel oil. Some of the coal displaced in the eastern markets has successfully sought other outlets among customers who ordinarily would burn Ohio-produced coal. The result is that because of certain market conditions, restrictive transportation rates and other factors, Ohio coal is stymied in many instances in its efforts to recoup these lost sales.

Much of Ohio's coal is used in generation of electricity. A number of Ohio's public utility companies are expanding their present capacity. When these expansion programs are completed, considerably more coal will be required for the generation of electricity. The Federal Government is constantly increasing its fuel consumption. The Tennessee Valley Authority, for instance, will soon be generating as much electricity from coal as from water power, with consumption by this agency scheduled to exceed 13 million tons annually beginning in 1956. It is estimated that the Government's atomic energy plants now under construction will use about 23 million tons of coal per year when they are completed. As you know, one of these facilities is located in southern Ohio and will depend upon our State's mines for much of the fuel to generate the vast amounts of electricity which will be required.

The coal mining industry is going to have to expand to meet these and the many other demands that will be made upon it. For some time, many mining companies have been forced to sell their product at a price below actual cost—a condition that could imperil the entire industry structure. Our coal industry must be ready for the great undertaking that lies ahead, and it cannot be prepared for this job if it is forced to operate at a loss in the interim period. The President's Material Policy Commission, which 3 years ago completed a study of the Nation's future energy requirements, estimated that within a quarter of a century coal consumption will rise from its present level to more than 800 million tons a year, with a far greater amount needed in the event of world hostilities. As I have mentioned, electric utilities will be using increased tonnage as will also the coke and steel industries. Those markets alone will then be consuming much more than the entire Nation is using at the present time. To these must be added the estimated demands of manufacturing industries, the railroads, the chemicals industries, and the retail and export markets.

The industry's job is cut out for it. I have confidence in mine management and in the great laboring force in our coal communities. I am disturbed because of the fact that depressed conditions in the coal industry have brought vast unemployment to our people. In some cases the family breadwinner has been laid off for months at a time. In other cases, he must struggle on an income that comes with 1 or 2 or 3 days work per week. Unless greater opportunities are open to him, it is only natural that he will think about leaving his native locality to seek employment elsewhere. In this event, there could very well be a shortage of miners at a time when America needs them most.

Whatever unnecessary obstacles that are burdening this vital industry should be removed. Coal has always been an essential element in America's progress. It will continue to be so for many generations to come.

New Jersey Strongly Supports Plan for Observing the Golden Anniversary of the Conservation Movement

EXTENSION OF REMARKS

OF

HON. FRANK THOMPSON, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1955

Mr. THOMPSON of New Jersey. Mr. Speaker, New Jersey this year is observing the 50th anniversary of the conservation movement. New Jersey passed its act for the establishment of State forest-park reservations in 1905 and acquired two tracts within the year. One of these in Bass River Township, Burlington County, became the nucleus of our present Bass River State Forest.

It was our good fortune, shortly before 1900, to have Gifford Pinchot, our country's greatest pioneer conservationist, as the consulting botanist for a survey and study of the forests of southern New Jersey. An administrative report of the period called Mr. Pinchot's study refreshing as well as forceful in suggestion. Many of his recommendations were promptly adopted.

It is with this background in mind that I joined with Senator JAMES E. MURRAY, chairman of the Interior and Insular Affairs Committee of the United States Senate, in developing a joint resolution providing for the observance and commemoration of the 50th anniversary of the founding and launching in the United States of the conservation movement for the wise and efficient use and preservation of our country's priceless resources.

The year 1958 marks the golden anniversary of the first conference of State governors ever held in the history of the United States. The conference, called by President Theodore Roosevelt to consider the problem of conservation was addressed by the President who said among other things that—

> So vital is this question of conservation, that for the first time in our history the chief executive officers of the States separately, and of the States together forming the Nation, have met to consider it. It is the chief material question that confronts

us, second only—and second always—to the great fundamental question of morality.

A bipartisan group of 28 House Members and 29 Senators joined in introducing the joint resolution.

The House Members introducing the measure were the gentlewoman from New York, KATHARINE ST. GEORGE; the gentleman from California, B. F. SISK; the gentleman from Delaware, HARRIS B. MCDOWELL, JR.; the gentleman from Michigan, THADDEUS M. MACHROWICZ; the gentleman from California, CECIL R. KING; the gentleman from New Jersey, T. JAMES TUMULTY; the gentleman from Ohio, THOMAS LUDLOW ASHLEY; the gentleman from New Jersey, WILLIAM B. WIDNALL; the gentleman from New Jersey, HUGH J. ADDONIZIO; the gentleman from New Jersey, PETER W. RODINO, JR.; the gentleman from Arizona, STEWART L. UDALL; the gentleman from Montana, LEE METCALF; the gentleman from New Jersey, HARRISON A. WILLIAMS, JR.; the gentleman from Colorado, WAYNE N. ASPINALL; the gentleman from California, CHET HOLIFIELD; the gentleman from California, JAMES ROOSEVELT; the gentleman from Minnesota, JOHN A. BLATNIK; the gentleman from New York, EMANUEL CELLER; the gentleman from Pennsylvania, FRANK M. CLARK; the gentleman from Oklahoma, ED EDMONDSON; the gentleman from Wisconsin, LESTER R. JOHNSON; the gentleman from Pennsylvania, JOHN P. SAYLOR; the gentleman from Pennsylvania, HUGH SCOTT; the gentleman from Minnesota, ROY W. WIER; the gentleman from Pennsylvania, LEON H. GAVIN; the gentleman from Michigan, CHARLES C. DIGGS, JR.; the gentleman from Wisconsin, HENRY S. REUSS; and myself.

The text of the joint resolution follows:

Joint resolution to provide for the observance and commemoration of the 50th anniversary of the founding and launching of the conservation movement for the protection in the public interest, of the natural resources of the United States

Whereas the year 1957 marks the 50th anniversary of the first conference of State governors ever held in the history of the United States; and

Whereas President Theodore Roosevelt, who called the conference in his opening address on May 14, 1907, said in part:

"So vital is this question of conservation, that for the first time in our history the chief executive officers of the States separately, and of the States together forming the Nation, have met to consider it. It is the chief material question that confronts us, second only—and second always—to the great fundamental question of morality.

"The occasion for the meeting lies in the fact that the natural resources of our country are in danger of exhaustion if we permit the old wasteful methods of exploiting them longer to continue. In the development, the use, and therefore the exhaustion of certain of the natural resources, the progress has been more rapid in the past century and a quarter than during all preceding time of history since the days of primitive man.

"All these various uses of our natural resources are so closely connected that they should be coordinated, and should be treated as part of one coherent plan and not in haphazard and piecemeal fashion"; and

Whereas this first conference of governors, in complete agreement with the thinking of President Theodore Roosevelt, adopted unanimously a series of resolutions calling for a national policy and programs that would preserve and protect the forests, the water and streams, the soil and the range, the minerals, fuels, and all other natural resources; and

Whereas this action by the State governors, assembled together for the first time in history, gave formal birth to the conservation movement in the United States; and

Whereas the problems involving the protection of our natural resources are as great today, if not greater than ever before, as pointed out by President Dwight D. Eisenhower at the Mid-Century Conference on Resources for the Future held in Washington, D. C., in December 1953; and

Whereas it has been emphasized repeatedly by both Democratic and Republican Presidents of the United States since Theodore Roosevelt that conservation of our natural resources is a bipartisan, continuing, and never-ending struggle that should have the interest and support of all citizens; and

Whereas the conservation of natural resources is the key to the future because the very existence of our Nation depends on conserving the resources which are the foundations of its life; and

Whereas it is vital for the continued welfare and prosperity of our citizens that conservation policies be followed in the future for the protection of our natural resources which will make certain that the purpose of "conservation is the greatest good of the greatest number for the longest time"; and

Whereas the most effective way of maintaining such conservation policies is for the greatest possible number of citizens to maintain a continuing interest in the problem of conserving our natural resources; and

Whereas this interest of all citizens will be aroused, renewed, and stimulated through the proper observance of the golden anniversary of the birth of the conservation movement in the United States: Therefore, be it

Resolved, etc., That (a) there is hereby established a commission to be known as the National Conservation Memorial Commission (hereinafter referred to in this joint resolution as the "Commission").

(b) The Commission shall be composed of the following members: The President of the United States, who shall be honorary chairman; the President of the Senate and four Members of the Senate appointed by him; the Speaker of the House of Representatives and four Members of the House of Representatives appointed by him. The Commission members shall serve without compensation and shall select a chairman from among their number. The Chairman may, with the advice of the Commission, expand its membership to include 15 representatives of national nonprofit organizations dedicated to conservation of various natural resources and 10 citizens at large from private life.

SEC. 2. It shall be the duty of the Commission to prepare and carry out a comprehensive plan for the observance and commemoration of the 50th anniversary of the birth of the conservation movement in the United States and generally promote among all citizens a realization of the importance of protecting the natural resources of the United States. In the preparation of such plan, the Commission shall have the cooperation and assistance of all departments and agencies of the Federal Government. It shall also cooperate with the governors of the individual States in order that there may be proper coordination and correlation of plans for such observance.

SEC. 3. (a) The Commission is authorized to appoint and prescribe the duties and fix the compensation of such employees as are necessary in the execution of its duties and functions.

(b) There is hereby authorized the appropriation of $100,000 to carry out the purposes of this joint resolution, including all necessary traveling and subsistence expenses incurred by the members and employees of the Commission. All expenditures of the Commission shall be allowed and paid upon presentation of itemized vouchers therefor, approved by the Chairman of the Commission.

(c) The Commission shall cease to exist not later than 1 year after the date of the observance of the golden anniversary of the birth of the conservation movement in the United States.

I include here some of the letters which I have received regarding this joint resolution:

STATE OF NEW JERSEY,
DEPARTMENT OF CONSERVATION
AND ECONOMIC DEVELOPMENT,
Trenton, N. J.

Hon. FRANK THOMPSON, JR.,
House of Representatives,
Washington, D. C.

DEAR FRANK: I am very much interested in your plan to provide for the observance and commemoration of the 50th anniversary of the founding and launching of the national conservation movement. I shall be pleased to serve as one of the cosponsors.

Perhaps you know that here in New Jersey we are having such a 50th anniversary this year. Our State passed its act for the establishment of State forest-park reservations in 1905 and acquired two tracts within the year. One of these in Bass River Township, Burlington County, became the nucleus of our present Bass River State Forest.

It was also our good fortune, shortly before 1900, to have Gifford Pinchot the consulting botanist for a survey and study of the forests of southern New Jersey. An administrative report of the period called Mr. Pinchot's information "refreshing as well as forceful in suggestion." It appears that some of his recommendations promptly took root and grew.

Although the prevention of forest fires seems to have been a primary consideration in much of our early conservation work, there was also a recognition of the need for outdoor recreation areas, demonstration woodlots, and other practices leading toward our present emphasis on multiple land use of all public properties.

If our department can be of help to you in carrying out your plans for the observance of the national conservation anniversary, we hope you will call upon us.

Sincerely yours,

JOSEPH E. MCLEAN,
Commissioner.

COLUMBIA BROADCASTING SYSTEM, INC.,
New York, N. Y., July 28, 1955.

The Honorable FRANK THOMPSON, JR.,
House Office Building,
Washington, D. C.

DEAR MR. THOMPSON: Thank you very much for your letter of July 23 regarding your plan to commemorate the 50th anniversary of the founding and launching of the conservation movement in the United States.

I think the effort you and Senator MURRAY are planning is a very worthy one and that it can be especially effective in focusing public attention on the problems and possible courses of action if its general scope is as clearly fixed as possible at the outset. This would be desirable, I think, because of the differing definitions there may be of conservation, itself; and also because of possible differing views as to the relation of overseas sources to our domestic resource policy.

If, as I hope, the effort you and Senator MURRAY are proposing would be of the broadest possible scope (and would therefore embrace the wise or efficient use concept of conservation as well as the idea of preservation, and would also embrace a consideration of our materials position in terms of overseas as well as domestic sources), I would view your undertaking most favorably.

Perhaps you would permit me to defer a definite reply until your plans have developed to the point that you are assured of the bipartisan support you are trying to achieve in the Congress and of the broadest possible approach to the subject of conservation.

I look forward to hearing further from you on this.

The only suggestions I would offer on the proposed joint resolution have to do with expanding the idea of preservation to include the wise or efficient use of natural resources. Also, in the third paragraph from the bottom of the first page, the date of the Mid-Century Conference should be 1953.

With appreciation of your writing to me, and with all good wishes, I am,

Sincerely yours,

WILLIAM S. PALEY.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C.

Mr. WILLIAM S. PALEY,
Chairman of the Board,
Columbia Broadcasting System, Inc.,
New York, N. Y.

DEAR MR. PALEY: I appreciate very much having your comments on the joint resolution Senator JAMES E. MURRAY and I have been working on to provide for the observance and commemoration of the 50th anniversary of the founding and launching of the conservation movement for the preservation of the natural resources of the United States. You will be interested in the fact that though the resolution was developed in the closing days of the first session still 21 Democrats and 7 Republican Senators were able to join with Senator MURRAY in sponsoring his measure; and 23 Democrats and 4 Republican Members of the House joined me in introducing the resolution in the House.

You are, of course, completely correct when you say that the commemoration of the golden anniversary of the conservation movement can be especially effective in focusing public attention on the problems and possible courses of action before us in this field. The wise and efficient use of natural resources, I feel, is inherent in the concept of conservation but it would undoubtedly improve the resolution to have language spelling this out included in the text. I only wish that your letter containing this suggestion had been received in time to have done this before the joint resolution was presented. This can be done, however, early in the next session of the Congress or at the time the resolution is being considered.

Copies of the resolutions presented in the Senate by Senator MURRAY and by me in the House are enclosed for your consideration.

I hope that you will be able to arrange your schedule so that you can appear and testify when hearings are held next year. In the meantime, it is my hope that there will be wide public discussion of the plan to commemorate the 50th anniversary. I have been informed by C. R. Gutermuth, secretary of the Natural Resources Council of America, that this will be one of the subjects to be on the agenda of the forthcoming annual meeting of the council. The wise and efficient use of our natural resources and their conservation and preservation for the future is of the broadest public concern. I know this was made evident to everyone who participated in the Midcentury Conference on Resources for the Future which you chaired so brilliantly and effectively in Washington in December 1953. Any assistance which you can give in publicizing the plan for commemorating the anniversary will be most helpful and will be greatly appreciated by the congressional sponsors of this joint resolution.

With kindest regards.

Cordially,

FRANK THOMPSON, JR.,
Member of Congress.

WASHINGTON, D. C., *July 31, 1955.*

Representative FRANK THOMPSON, JR.,
House of Representatives,
Washington, D. C.

DEAR MR. CONGRESSMAN: Very many thanks for your letter telling me of the joint resolution re conservation sponsored by yourself and Senator MURRAY. I am certainly interested in this—and pleased that 13 Members have joined you in sponsoring the measure.

Since bipartisan sponsorship in both the Senate and House is sought, have you thought of asking GAVIN and SAYLOR, both Congressmen from Pennsylvania, who have expressed to me their strong interest in conservation policies?

I think the resolution is excellent—but I have one suggestion to make if possible. Would it not help to strengthen the position of the resolution if something were said from the antimonopoly angle, which as you know was so much a factor in the thinking of both Gifford Pinchot and T. R. Roosevelt and is quite if not even more important today. You remember the former said:

"The conservation policy has three great purposes:

"First, wisely to use, protect, preserve, and renew the natural resources of the earth.

"Second, to control the use of the natural resources and their products in the common interest, and to secure their distribution to the people at fair and reasonable charges for goods and services.

"Third, to see to it that the rights of the people to govern themselves shall not be controlled by great monopolies through their power over natural resources.

"Conservation is the application of commonsense to the common problems for the common good. Since its objective is the ownership, control, development, processing, distribution, and use of the natural resources for the benefit of the people, it is by its very nature the antithesis of monopoly."

Sincerely yours,

CORNELIA BRYCE PINCHOT.

That the preservation and protection of our natural resources today is an even greater problem than it was 50 years ago is pointed up by the report of the President's Materials Policy Commission. This Commission, headed by William S. Paley, chairman of the board of the Columbia Broadcasting System, made an exhaustive study of every phase of the Nation's resources and materials. The report, entitled "Resources for Freedom," was submitted to the President and the Congress in 1952. At one place the report says:

The full report of the President's Materials Policy Commission, Resources for Freedom, has as its central task an examination of the adequacy of materials to meet the needs of the free world in the years ahead. Even a casual assessment of these years shows many causes for concern. In area after area we encounter soaring demands, shrinking resources, the consequent pressure toward rising real costs, the risk of wartime shortages, the strong possibility of an arrest or decline in the standard of living we cherish and hope to share. As a Nation, we are threatened, but not alert. The materials problem now demands that we give new and deep consideration to the fundamental upon which all employment, all daily activity, eventually rests: The contents of the earth and its physical environment.

None of us in the United States, whether in civilian or military life, is easily accustomed to the idea that raw materials can be a problem. Indeed, America's problem today is precisely the reverse of the problem to which all our tradition has accustomed us. A hundred years ago resources seemed limitless and the struggle upward from meager conditions of life was the struggle to create the means and methods of getting these materials into use. In this struggle we have by now succeeded all too well. So efficiently have we built our high-output factories and opened the lines of distribution to our remotest consumers that our sources are faltering under the constantly increasing strain of demand. As a nation, we have always been more interested in sawmills than seedlings; we have put much more engineering thought into the layout of factories to cut up metals than into mining processes to produce them. We think about raw materials last, not first.

THE CONVERGING FORCES

Today, throughout the industrial world, but centering inevitably in the heavily industrialized United States, the resulting materials problem bears down with considerable severity. The nature of the problem can perhaps be successfully oversimplified by saying that the consumption of almost all materials is expanding at compound rates and is thus pressing harder and harder against resources which, whatever else they may be doing, are not similarly expanding. This materials problem is thus not the sort of "shortage" problem, local and transient, which in the past has found its solution in price changes which have brought supply and demand back into balance. The terms of the materials problem we face today are larger and more pervasive.

Powerful historical streams have converged to make the problem uniquely intense today.

Mr. Speaker, the President's Materials Policy Commission submitted many excellent recommendations for preserving our resources and materials and for their wise and efficient use. One of the greatest services that the proposed National Conservation Memorial Commission could render the Nation would be to arouse a continuing interest on the part of our citizens in the problems of protecting our natural resources. Whatever can be done to encourage the people to familiarize themselves with these problems and thus arouse public sentiment toward a program of action will benefit our country and its citizens for generations to come.

Producers With Largest Quantity of Products Under Loan on the 1954 Crop

EXTENSION OF REMARKS
OF
HON. CHARLES B. BROWNSON
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. BROWNSON. Mr. Speaker, during the debate on the Agricultural Act of 1954, which provided for continued price supports for agricultural products, I included in my speech—CONGRESSIONAL RECORD, volume 100, part 7, page 9557—the breakdown by States of producers with the five largest quantities of corn, wheat, and cotton under loan for the 1953 crop.

At this time I would like to include in the RECORD the following list, just prepared for me by the Department of Agriculture at my request, of recipients of such loans on the 1954 crop.

Producers with largest quantity of products under loan on the 1954 crop

Name of producer and address	Quantity	Amount
ALABAMA		
COTTON		
J. B. Hain, Jr., Sardis, Ala	746 bales	$131,425.95
J. C. Moore Mercantile Co., Marion, Ala	441 bales	74,529.43
W. A. Ganguet, Cuba, Ala	188 bales	31,390.54
T. W. Oliver, Route 5, Montgomery, Ala	197 bales	29,113.82
D. C. Davis, Cedar Bluff, Ala	158 bales	28,100.98
ARIZONA		
COTTON		
J. G. Boswell, Litchfield Park, Ariz	1,178 bales	365,646.44
Bing K. Wong Farms, Inc., Marana, Ariz	1,587 bales	251,571.42
L. D. Ulmer, Marana, Ariz	910 bales	144,623.01
Jones Ranch, Eloy, Ariz	821 bales	141,080.87
Santa Cruz Ranch, Marana, Ariz	740 bales	114,949.63
ARKANSAS		
COTTON		
J. G. Adams & Son, Hughes, Ark	3,998 bales	624,754.20
Miller Lumber Co., Marianna, Ark	1,967 bales	358,305.75
Tillar & Co., Tillar, Ark	1,791 bales	271,602.03
Lindsey Mercantile Co., Caldwell, Ark	780 bales	142,810.66
W. M. Smith & Sons, Birdeye, Ark	647 bales	113,307.58
RICE [1]		
Craighead Rice Milling Co., Jonesboro, Ark	95,298 hundredweight	431,853.99
Southern Rice Farms, Inc., Carlisle, Ark	81,545 hundredweight	350,824.89
George Smith, Wayne Fly, etc., DeWitt, Ark	54,579 hundredweight	252,963.05
J. O. Bennett & Sons., Lonoke, Ark	41,221 hundredweight	167,448.95
K. L. and Roy Wixson, Fisher, Ark	22,885 hundredweight	161,149.85
WHEAT [2]		
Wesson Farms, Victoria, Ark	56,805.72 bushels	134,002.12
E. B. Chiles, Jr., Joiner, Ark	15,375.09 bushels	34,601.29
A. J. Lewis, Route 1, Manila, Ark	14,879.17 bushels	33,141.16
H. T. Dillahunty, Hughes, Ark	14,777 bushels	33,101.99
Dr. Porter R. Rodgers, Searcy, Ark	12,723 bushels	29,135.67
CALIFORNIA		
COTTON		
Charles Schwartz Farms, Inc., Stratford, Calif	2,435 bales	385,488.77
Giffen, Inc., Box 218, Huron, Calif	1,725 bales	317,253.08
Maricopa Farms, 325 3d Ave., Arvin, Calif	1,635 bales	266,893.84
Buller & Neufeld, Bakersfield, Calif	1,546 bales	248,320.03
Mirosol Co. (Buerkle Bros.), Buttonwillow, Calif.	1,477 bales	233,798.47
RICE [3]		
Fratus Bros., Oroville, Calif	391 hundredweight	2,009.74
Palm Farm, Inc., Buttonwillow, Calif	33,000 hundredweight	153,739.15
Myrna Pottle Gray, Yuba City, Calif	600 hundredweight	2,084.22
WHEAT [4]		
Jackson & Reinert, Paso Robles, Calif	54,221 bushels	119,183.37
Heilmann Bros., Atascadero, Calif	31,606 bushels	69,959.88
Hammonds Ranch, Inc., Five Points, Calif	27,604 bushels	61,154.86
White Ranch Co., Shandon, Calif	25,029 bushels	55,401.69
The Desert Ranch, Firebaugh, Calif	28,848 bushels	52,653.16
COLORADO		
WHEAT [5]		
Joseph Keir, Woodrow, Colo	19,562 bushels	43,134.21
Curtis C. James, Burlington, Colo	19,000 bushels	39,520.00
William Stretesky, Julesburg, Colo	17,565 bushels	38,818.65
Smyth, Richards & Smyth, care of Gilbert R. Smyth, Julesburg, Colo.	15,047 bushels	33,253.87
Clayton Farms, Otis, Colo	13,389 bushels	29,188.02
DELAWARE		
CORN [6]		
Hiimer L. Bryon, Lewes, Del	4,236 bushels	7,540.08
Wilson E. Campbell, Dagsboro, Del	3,941 bushels	7,014.98
C. A. Taylor, Harrington, Del	2,693 bushels	4,793.54
Henry I. Short, Georgetown, Del	1,916 bushels	3,410.48
Joseph Schmidt, Middletown, Del	1,750 bushels	3,115.00
WHEAT [7]		
Randall Willin, Seaford, Del	4,865.77 bushels	11,531.87
C. N. Lester, St. Georges, Del	4,196.51 bushels	10,029.66
Allen D. Figgs, Seaford, Del	3,273.55 bushels	7,643.51
Charles B. Moore, Bear, Del	3,041.00 bushels	7,359.22
J. Medford Davis, Sr., Smyrna, Del	2,846.16 bushels	6,528.06
FLORIDA		
COTTON		
Hubert C. Johnson, Baker, Fla	57 bales	$8,296.82
J. J. Sale, Lovett, Fla	36 bales	5,466.28
John R. Johnson, Baker, Fla	28 bales	3,924.30
Richard Finlay, Jay, Fla	11 bales	1,953.69
Broadus Willoughby, Madison, Fla	6 bales	894.10
GEORGIA		
COTTON		
J. G. Brandon, Route 1, Cartersville, Ga	379 bales	64,581.23
W. M. Clemons, Rome, Ga	310 bales	52,250.51
W. H. Lovett, Dublin, Ga	337 bales	52,113.12
J. H. Rowland, Midville, Ga	245 bales	43,606.41
Paul B. Dye, Waynesboro, Ga	230 bales	37,068.76
WHEAT [8]		
Ralph C. Collier, Colbert, Ga	10,170.27 bushels	23,672.15
F. H. Willis, Louisville, Ga	9,734.46 bushels	21,192.62
H. G. Lewis, Davisboro, Ga	5,567 bushels	13,226.73
Marvin Hartley, Davisboro, Ga	5,017 bushels	11,660.22
Gunn Farms, Byron, Ga	5,059 bushels	11,939.24
IDAHO		
WHEAT [9]		
E. C. Hay & Sons, Tekoa, Wash	116,710 bushels	243,642.00
Wagner & Sons, Craigmont, Idaho	89,600 bushels	183,591.00
Roy Green & Sons, Grangeville, Idaho	61,323 bushels	121,536.00
Ira McIntosh & Sons, Lewiston, Idaho	54,149 bushels	109,811.00
Merritt Meacham & Sons, Culdesac, Idaho	48,962 bushels	98,973.00
ILLINOIS		
CORN [10]		
Chas. R. Bartels, St. Marys, Mo	49,896 bushels	82,757.19
Rebecca Lowrie, Mark Allard, agent, Henry, Ill.	45,912 bushels	75,295.68
Coultas Bros., Winchester, Ill	38,422 bushels	61,030.38
Sam Stevenson, Carman, Ill	28,091 bushels	45,505.80
Ben Graff & Dunhams, Inc., Route 4, Elgin, Ill	27,181 bushels	44,848.65
WHEAT [11]		
Valley Farms care of Robert Wietzer, Carrollton, Ill.	25,235.69 bushels	58,380.93
R. W. Shafer & C. C. Losch, Route 1, East Alton, Ill.	14,561 bushels	34,394.80
Loitz Bros., Grant Park, Ill	19,936 bushels	32,695.04
L. L. Cooke, trust care of Chas. T. Meek, Carrollton, Ill.	13,375 bushels	31,411.95
Karl Meisenback, Pearl, Ill	13,227.46 bushels	30,203.33
INDIANA		
CORN [12]		
Emil Savich, Rensselaer, Ind	88,505 bushels	145,148.20
Richard Gumz, North Judson, Ind	79,798 bushels	130,868.72
Bettsma Bros, Hebron, Ind	33,175 bushels	54,407.00
William Rader, Hebron, Ind	24,818 bushels	40,701.52
M. E. Zellers, Kewanna, Ind	24,581 bushels	40,067.03
WHEAT [13]		
James Bower and M. D. Guenther, Evansville, Ind.	27,445 bushels	63,123.50
Capehart Farms, Washington, Ind	9,536 bushels	21,742.08
Gettinger Farms, Sullivan, Ind	8,661 bushels	20,266.80
Emge Packing Co., Fort Branch, Ind	7,868 bushels	18,131.69
B. F. Clark, Lafayette, Ind	7,035 bushels	16,391.55
IOWA		
CORN [14]		
Adams Bros. & Co., Odebolt, Iowa	115,566 bushels	179,127.30
C. C. Davis, Box 94, Pasadena, Calif	35,100 bushels	54,054.00
Gus Ostermann & Sons, Ocheyedan, Iowa	33,764 bushels	51,658.92
Ray Van Steenhuyse, Mount Auburn, Iowa	29,998 bushels	47,612.76
Varro E. Tyler (trustee for Martha P. Cresap), Nebraska City, Nebr.	28,165 bushels	44,782.35
WHEAT [15]		
M. M. Payne, Hamburg, Iowa	16,218.67 bushels	39,741.16
Varro E. Tyler (trustee for Martha P. Cresap), Nebraska City, Nebr.	13,748 bushels	33,305.79
S. G. Lodwick, Wever, Iowa	7,479.36 bushels	17,982.70
Vern Meek and J. L. Meek, Athelston, Iowa	4,665.33 bushels	11,395.74
Geo. Kellogg Estate, Missouri Valley, Iowa	5,176.83 bushels	11,302.83

[1] Estimated State average per rice loan, $6,873.88.
[2] Estimated State average per wheat loan, $3,615.
[3] 3 loans only, all redeemed.
[4] Estimated State average per wheat loan, $8,516.
[5] Estimated State average per wheat loan, $2,500.
[6] Estimated State average per corn loan, $2,059.33.
[7] Estimated State average per wheat loan, $1,205.19.
[8] Estimated State average per wheat loan, $1,128.
[9] Estimated State average per wheat loans, $2,962.
[10] Estimated State average per corn loan, $1,335.84.
[11] Estimated State average per wheat loan, $571.66.
[12] Estimated State average per corn loan, $2,646.68.
[13] Estimated State average per wheat loan, $1,288.25.
[14] Estimated State average for corn loan, $1,909.41.
[15] Estimated State average for wheat loan, $1,218.21.

Producers with largest quantity of products under loan on the 1954 crop—Continued

Name of producer and address	Quantity	Amount
KANSAS		
WHEAT [16]		
Garvey Farms, Colby, Kans.	61,365.82 bushels	$146,820.24
Iron H. Mueller, Bird City, Kans.	30,802.33 bushels	65,015.80
H. A. Hills, Colby, Kans.	25,389 bushels	55,292.46
C. Wilbur White, Goodland, Kans.	22,522 bushels	48,872.74
W. D. Ferguson, Colby, Kans.	17,405.33 bushels	41,531.52
CORN [17]		
A. L. Broderick, Denton, Kans.	16,008 bushels	25,612.80
Walter Kemig, Atchison, Kans.	15,924 bushels	25,478.40
Chas., Dean & Edw. H. Reese, Hiawatha, Kans.	12,969 bushels	20,750.40
John F. Brant, Robinson, Kans.	11,572 bushels	18,515.20
V. P. Rush, Bendena, Kans.	10,245.50 bushels	16,392.80
KENTUCKY		
CORN [18]		
S. S. Wathen, 1531 Frederica St., Owensboro, Ky.	20,522 bushels	34,682.18
Bower Bros., a partnership, 421 Walnut St., Evansville, Ind.	16,365 bushels	27,657.86
Jas. Wilson & Paul Harmond, Wickliffe, Ky.; 14 Northwest 3d St., Evansville, Ind.	15,857 bushels	27,115.47
Joseph E. King, Route 1, Henderson, Ky.	15,081 bushels	25,486.89
Grace Townsend, Nebo, Ky.	12,371 bushels	21,278.12
WHEAT [19]		
E. G. LaMotte, Route 1, Hopkinsville, Ky.	7,811 bushels	17,581.69
J. W. Hancock & Son, Morganfield, Ky.	5,738 bushels	11,980.55
Essel Mitchell & Sons, Dixon, Ky.	4,925 bushels	11,327.50
Thurmond & Gee, 1737 South Main, Hopkinsville, Ky.	4,626 bushesl	10,437.66
Mrs. Nannie Mae Dawson, Almstead, Ky.	4,545 bushels	9,227.55
LOUISIANA		
RICE [20]		
Mayo Romero, New Iberia, La.	12,567 hundredweight	61,546.43
J. M. Petit Jean, Lake Arthur, La.	15,316 hundredweight	85,310.12
Welsh Canal, Welsh, La.	15,489 hundredweight	77,511.23
Louisiana Irrigation & Mill Co., Crowley, La.	104,992 hundredweight	486,725.77
Herskel B. Wilder, Crowley, La.	12,156 hundredweight	60,911.06
COTTON		
Harriss & Son, Vidalia, La.	548 bales	92,280.25
George B. Franklin, Holly Ridge, La.	383 bales	68,771.90
Jesse Anderson, Tallulah, La.	282 bales	50,481.15
M. P. Utz Estate, Tallulah, La.	214 bales	37,738.63
Watson, McDonald, Jr., Delta, La.	181 bales	29,994.56
MARYLAND		
CORN [21]		
R. T. White, Gaithersburg, Md.	4,589 bushels	8,168.42
Elmer W. Bryan, Trappe, Md.	4,308 bushels	7,668.24
Marvin D. Tyndall, Newark, Md.	4,012 bushels	7,141.36
P. E. Jenkins, Easton, Md.	3,619 bushels	6,441.82
Roland Mullinix, Woodbine, Md.	3,321 bushels	4,308.10
WHEAT [22]		
B. F. Shriver Co., Westminster, Md.	13,905 bushels	33,957.16
A. W. Feeser Co., Inc., Westminster, Md.	10,083 bushels	23,810.71
R. T. White, Gaithersburg, Md.	8,561 bushels	19,685.06
Thomas Eliason, Chestertown, Md.	6,144 bushels	13,942.27
Malkus Bros., Cambridge, Md.	5,356 bushels	12,802.56
MICHIGAN		
CORN [23]		
Mueller Bros., Britton, Mich.	27,229 bushels	45,744.72
Bainbridge, Inc., Marcellus, Mich.	12,209 bushels	20,144.85
Arthur Segerdahl, Schoolcraft, Mich.	11,922 bushels	19,790.52
Foster Mitchell, Breckenridge, Mich.	10,351 bushels	17,389.68
Palmer Beebe, Saginaw, Mich.	8,263 bushels	13,633.95
WHEAT [24]		
Walot Farms, St. Charles, Mich.	12,289.82 bushels	30,227.81
Richard Price, Saginaw, Mich.	11,194.91 bushels	26,969.19
I. J. and B. L. Cousino, Erie, Mich.	10,013 bushels	22,658.19
Gerald Wright, Vandalia, Mich.	8,168 bushels	18,623.04
Claude Wood, Brown City, Mich.	7,920.10 bushels	17,978.62
MINNESOTA		
CORN [25]		
John C. Boote, Worthington, Minn.	21,502 bushels	$32,683.04
Parker D. Sanders, Redwood Falls, Minn.	19,276 bushels	29,492.28
Lee Ruebel, Olivia, Minn.	18,678 bushels	28,764.12
Henry Walser, Minnesota Lake, Minn.	16,245 bushels	25,017.30
Joseph Kreps, Rose Creek, Minn.	15,548 bushels	23,943.92
WHEAT [26]		
Frank Kiene Estate, Kennedy, Minn.	37,428 bushels	82,621.72
Ell Kiene, Kennedy, Minn.	19,601 bushels	43,906.24
Glidden Grain Farms, Hallock, Minn.	7,753 bushels	17,319.12
Victor Younggren, Hallock, Minn.	7,043 bushels	15,591.60
Duane & Henry Lindberg & Ronald Larson, Kennedy, Minn.	6,711 bushels	15,099.75
MISSISSIPPI		
COTTON		
Delta and Pine Land Co., Scott, Miss.	7,554 bales	1,292,472.25
Roy Flowers, Mattson, Miss.	1,385 bales	224,688.92
C. P. Owen, Robinsonville, Miss.	1,211 bales	218,309.05
R. Hancock, Bentonia, Miss.	1,068 bales	188,022.25
D. Seligman, Shaw, Miss.	973 bales	165,683.82
RICE [27]		
J. K. and C. E. Greer, Hollandale, Miss.	33,861 hundredweight	177,624.93
Heger Bros., Shaw, Miss.	22,612 hundredweight	121,977.36
R. T. Wade and B. F. Simmons, Minter City, Miss.	20,668 hundredweight	105,264.31
J. C. O'Neal, Cleveland, Miss.	19,960 hundredweight	99,075.11
J. C. Cherry, Sledge, Miss.	22,256 hundredweight	97,923.16
MISSOURI		
COTTON		
Walter Richardson, Marston, Mo.	118 bales	20,327.16
U. S. Holiman and W. M. Fortner, Gideon, Mo.	do	19,376.00
Julian Streeter, Painton, Mo.	94 bales	14,254.22
C. D. Heaton, Poplar Bluff, Mo.	50 bales	8,174.29
John R. Hutchison, Caruthersville, Mo.	39 bales	6,507.85
RICE [28]		
Hoyt Bros., Leachville, Ark.	9,615 hundredweight	49,901.85
Dirl Bagby, Dexter, Mo.	1,135 hundredweight	45,202.10
Starnes & Highfill, Parma, Mo.	7,511.70 hundredweight.	31,098.44
A. T. Earls Gin Co., Bragg City, Mo.	10,702 hundredweight	28,575.97
Manuel B. Ainley, Jr., Corning, Ark.	4,395 hundredweight	22,018.95
CORN [29]		
Saline County Farms, Marshall, Mo.	37,316 bushels	61,571.40
The Albert Painton Co., Inc., Painton, Mo.	27,154 bushels	45,618.72
N. H. Bruckerhoff, St. Marys, Mo.	19,772 bushels	33,216.96
Esther R. Giffin and Donald Hurst, Tarkio, Mo.	19,354 bushels	30,772.86
Sonnenmoser Bros., Rushville, Mo.	14,270 bushels	23,084.20
WHEAT [30]		
W. D. Earnst, Sarcoxie, Mo.	18,989 bushels	44,244.37
Carl Donath, Palmyra, Mo.	16,681 bushels	37,031.82
Parretta Bros., Kansas City, Mo.	15,210.17 bushels	34,685.02
G. E. Irvin, Gage, Okla.	12,749 bushels	30,087.64
Wise Bros., Stephens, Mo.	13,118.03 bushels	30,883.81
MONTANA		
WHEAT [31]		
Campbell Farming Corp., Hardin, Mont.	208,881 bushels	430,691.00
H. B. and Allen Kolstad, Chester, Mont.	109,060 bushels	224,003.00
Bill Frazer and H. B. Kolstad, Chester, Mont.	56,498 bushels	115,649.00
McNutt Bros. (operate farm in Liberty County, Mont.), Eugene, Oreg.	48,640 bushels	100,714.00
Floyd Warren, Inc., Hardin, Mont.	35,799 bushels	73,522
NEBRASKA		
CORN [32]		
M. B. & Q. Farms, Ralph I. Brown, manager, Fremont, Nebr.	37,036 bushels	58,146.52
Ernest Hundahl, Tekamah, Nebr.	26,161 bushels	41,072.77
Hynes Ranch, Herman, Nebr.	17,481 bushels	27,619.98
P. F. Verzani, Ponca, Nebr.	17,680 bushels	27,355.40
E. C. Weller, Atkinson, Nebr.	16,000 bushels	24,960.00

[16] Estimated State average per wheat loan, $1,759.
[17] Estimated State average per corn loan, $1,672.
[18] Estimated State average per corn loan, $2,735.88.
[19] Estimated State average per wheat loan, $1,216.94.
[20] Estimated State average per rice loan, $5,107.43.
[21] Estimated State average per corn loan, $2,386.
[22] Estimated State average per wheat loan, $1,128.70.
[23] Estimated State average per corn loan, $1,272.76.
[24] Estimated State average per wheat loan, $1,108.35.
[25] Estimated State average per corn loan, $1,572.
[26] Estimated State average per wheat loan, $1,200
[27] Estimated State average per rice loan, $9,706.
[28] Estimated State average per rice loan, $7,040.83.
[29] Estimated State average per corn loan, $2,396.44.
[30] Estimated State average per wheat loan, $2,186.04.
[31] Estimated State average per wheat loan, $4,926.32.
[32] Estimated State average per corn loan, $2,045.

Producers with largest quantity of products under loan on the 1954 crop—Continued

Name of producer and address	Quantity	Amount
NEBRASKA—Continued		
WHEAT [33]		
Ramey C. Whitney, Chappell, Nebr.	40,426 bushels	$100,130.94
Cleo Harmon, Adams County, Nebr.	42,671 bushels	96,521.91
Morrison & Quick, Hastings, Nebr.	41,499 bushels	89,812.72
Hill Construction Co., Mankato, Kans.	26,516 bushels	60,456.48
Grace Land & Cattle Co., Lewellen, Nebr.	23,900 bushels	50,907.00
NEW JERSEY		
CORN [34]		
Hugh Oakley, Freehold, N. J.	5,977 bushels	8,128.72
Cspregi & Hendrickson, Freehold, N. J.	5,449 bushels	7,410.64
Roland Parenteau, Freehold, N. J.	5,400 bushels	7,344.00
Gordon H. Hurff, Swedesboro, N. J.	5,350 bushels	9,737.00
Charles Wikoff, Jr., Englishtown, N. J.	5,176 bushels	7,039.36
WHEAT [35]		
William T. Smith, Freehold, N. J.	9,614 bushels	23,169.74
William J. Clayton & Son, Freehold, N. J.	9,317 bushels	22,453.97
Henry D. Suydam, Hightstown, N. J.	8,235 bushels	20,093.40
E. R. Gordon, Trenton, N. J.	7,203.33 bushels	17,025.99
Cross Bros., Holmdel, N. J.	5,587 bushels	13,408.80
NEW MEXICO		
COTTON		
Montray Bros., Artesia, N. Mex.	1,308 bales	240,754.05
Hayner Ranch, Las Cruces, N. Mex.	1,449 bales	235,236.36
Hal Bogle, Dexter, N. Mex.	792 bales	145,415.24
Richins Farms, Animas, N. Mex.	780 bales	134,947.25
Thigpen & Funk, Lake Arthur, N. Mex.	735 bales	126,363.81
WHEAT [36]		
Marvin L. Smith, Clovis, N. Mex.	12,991.75 bushels	27,412.59
Skarda Bros., Clovis, N. Mex.	8,748 bushels	18,020.88
G. H. Simms and L. D. Johnson, Clovis, N. Mex.	8,261 bushels	17,017.66
J. M. Ross, Rogers, N. Mex.	6,375 bushels	14,088.75
Leon Beaver, Clovis, N. Mex.	6,152 bushels	12,673.12
NEW YORK		
WHEAT [37]		
L. L. Lamb & Sons, Hamilton, N. Y.	9,135.33 bushels	22,877.66
Elbert Torrey Estate, Stafford, N. Y.	6,568 bushels	15,720.91
Norman Demler, Niagara Falls, N. Y.	6,233.99 bushels	14,898.64
Bush Sales & Service, Mount Morris, N. Y.	6,016 bushels	15,045.04
Everett Blazey, Canandaigua, N. Y.	5,723 bushels	13,677.97
NORTH CAROLINA		
COTTON		
Long Bros., Garysburg, N. C.	241 bales	42,451.14
T. B. Upchurch, Raeford, N. C.	241 bales	39,043.90
Mrs. Agnes U. Johnson, Raeford, N. C.	185 bales	30,155.89
A. D. Gibson Store, Laurel Hill, N. C.	124 bales	21,149.25
H. R. Currie, Jackson Springs, N. C.	134 bales	20,366.21
CORN [38]		
J. C. Small, Jr., Elizabeth City, N. C.	6,119 bushels	10,891.82
N. C. Larabee, Elizabeth City, N. C.	4,566 bushels	8,127.48
Franklin Wilson, Rocky Mount, N. C.	3,867 bushels	6,921.93
Robert S. Chanpell, Jr., Elizabeth City, N. C.	3,722 bushels	6,625.16
C. G. Westerbeck, Pinetown, N. C.	3,683 bushels	6,555.74
WHEAT [39]		
John Crowder, Lattimore, N. C.	4,887 bushels	11,265.44
A. M. Waddell, Rockingham, N. C.	4,758 bushels	11,333.32
C. E. Secrest, Monroe, N. C.	4,677 bushels	10,934.19
S. P. Jackson, Kinston, N. C.	4,586.59 bushels	10,427.17
Dockery Farms, Rockingham, N. C.	4,353 bushels	9,547.38
NORTH DAKOTA		
CORN [40]		
Walter Loff, Colfax, N. Dak.	7,420 bushels	11,130.00
Neil McDougall, Morreton, N. Dak.	5,414 bushesl	8,121.00
Russell Mead, Wyndmere, N. Dak.	4,401 bushels	6,601.50
Gerald Olson, Wahpeton, N. Dak.	4,089 bushels	6,133.50
Dotzenrod Bros., Wyndmere, N. Dak.	3,923 bushels	5,884.50
WHEAT [41]		
The Witteman Co., Mohall, N. Dak.	36,734 bushels	79,712.78
Otto Engen, Minot, N. Dak.	21,083 bushels	42,998.26
Peter A. Nygaard, Alexander, N. Dak.	15,886 bushels	33,801.88
Leo Mondry, Ardoch, N. Dak.	15,072 bushels	32,419.86
Weyrauch Bros., Ray, N. Dak.	13,518 bushels	29,022.93
OHIO		
CORN [42]		
Walton & Case Farms, Prospect, Ohio.	46,570 bushels	$77,771.90
Chaswil Farm, Sabina, Ohio.	37,732 bushels	62,635.30
Dunlap Co., Williamsport, Ohio.	31,832 bushels	53,160.00
Landen Farms, Foster, Ohio.	27,825 bushels	46,189.50
Dale Roe, Rudolph, Ohio.	22,604 bushels	37,749.00
WHEAT [43]		
Orleton Farms, London, Ohio.	43,522 bushels	72,681.74
Walton & Case Farms, Prospect, Ohio.	21,719.33 bushels	49,302.88
J. J. Beck & Sons, Napoleon, Ohio.	7,109.33 bushels	17,248.66
D. G. Wing, Mechanicsburg, Ohio.	7,223.40 bushels	16,758.04
Heckert Bros., Bucyrus, Ohio.	7,195.70 bushels	15,552.34
OKLAHOMA		
COTTON		
Wayne Winsett, Altus, Okla.	520 bales	87,728.86
Clark T. McWhorter, Blair, Okla.	232 bales	36,929.17
R. P. Roudebush, Humphreys, Okla.	139 bales	23,468.69
S. H. Vineyard & Son, Altus, Okla.	124 bales	20,409.26
E. R. Fowler, Roosevelt, Okla.	123 bales	19,679.50
WHEAT [44]		
Margaret and Lula Petree, El Reno, Okla.	17,009.83 bushels	36,060.84
F. W. Zaloudek, Kremlin, Okla.	24,033.67 bushels	50,951.38
E. B. Mitchell & Sons, Enid, Okla.	15,315.66 bushels	33,464.29
Herb Coulter, Meno, Okla.	15,087.17 bushels	34,273.91
Hugh L. Akin, Frederick, Okla.	18,149.57 bushels	38,260.54
OREGON		
WHEAT [45]		
Wilcox Investment Co., Arlington, Oreg.	77,730.02 bushels	185,743.26
Marion T. Weatherford, Arlington, Oreg.	65,760.65 bushels	154,823.69
E. M. Hulden, Arlington, Oreg.	62,637.48 bushels	151,434.83
Harold Barnett, Pendleton, Oreg.	53,518.07 bushels	112,167.88
Loyd E. Smith & Sons, Mayville, Oreg.	47,000.04 bushels	103,684.32
PENNSYLVANIA		
CORN [46]		
H. B. Kreider, Annville, Pa.	12,692 bushels	22,718.68
York Stone & Supply, York, Pa.	7,175 bushels	12,843.25
Charles H. Schriver, York, Pa.	6,800 bushels	12,172.00
B. J. Forney, Millersburg, Pa.	5,796 bushels	10,374.84
A. B. and W. S. Haines, Landsdale, Pa.	4,551 bushels	8,146.29
WHEAT [47]		
E. O. Mastin, Quakerstown, Pa.	8,195 bushels	18,758.45
Samuel Firebaugh, New Freedom, Pa.	7,393.33 bushels	18,269.24
J. L. Miller, York, Pa.	5,871 bushels	14,187.31
W. E. Bittinger, Hanover, Pa.	5,258.01 bushels	12,257.09
Hyles Hagy & Son, Harrisburg, Pa.	4,870.11 bushels	11,196.09
SOUTH CAROLINA		
COTTON		
Frank B. Rogers, Bennettsville, S. C.	600 bales	97,159.33
McGee Bros., Starr, S. C.	482 bales	78,483.37
Cokers Pedigreed Seed Co., Hartsville, S. C.	462 bales	73,088.31
P. A. Wallace, Wallace, S. C.	378 bales	61,018.84
J. E. Mayes, Mayesville, S. C.	360 bales	57,109.18
WHEAT [48]		
R. V. Segars, Oswego, S. C.	8,085 bushels	19,323.15
J. V. Spigener, Allendale, S. C.	7,026.20 bushels	15,182.03
W. L. Long, Estill, S. C.	4,935.50 bushels	10,660.68
Bruce Harter, Fairfax, S. C.	3,846 bushels	8,307.36
E. S. Willis, Florence, S. C.	3,621.66 bushels	8,474.68
SOUTH DAKOTA		
CORN [49]		
Bones Hereford Ranch, Parker, S. Dak.	20,091 bushels	30,136.50
Milton Ayers, Madison, S. Dak.	16,019 bushels	24,028.50
Jamesville Colony, Utica, S. Dak.	15,603 bushels	23,560.53
Elmer Bottolfson Estate, Esther Bottolfson, administratrix, Vermillion, S. Dak.	15,097 bushels	22,796.47
Otto J. Hafner, Mitchell, S. Dak. / Richard Naasz, Alexandria, S. Dak.	12,714 bushels	19,071.00
WHEAT [50]		
J. E. Cheek, Pierre, S. Dak.	49,089 bushels	110,941.14
W. J. Asmussen, Agar, S. Dak.	28,346 bushels	61,512.31
Orville Schwarting, Batesland, S. Dak.	26,039 bushels	28,874.10
Harold Kuckartz, Denver, Colo.	14,976 bushels	33,845.76
William Letellier, Belvedere, S. Dak.	14,642 bushels	32,639.27

[33] Estimated State average per wheat loan, $1,540.
[34] Estimated State average per corn loan, $2,713.
[35] Estimated State average per wheat loan, $2,300.
[36] Estimated State average per wheat loan, $2,791.33.
[37] Estimated State average per wheat loan, $1,425.
[38] Estimated State average per corn loan, $2,184.
[39] Estimated State average per wheat loan, $805.
[40] Estimated State average per corn loan, $1,418.
[41] Estimated State average per wheat loan, $1,410.
[42] Estimated State average per corn loan, $1,400.
[43] Estimated State average per wheat loan, $800.
[44] Estimated State average per wheat loan, $2,003.38.
[45] Estimated State average per wheat loan, $5,300.
[46] Estimated State average per corn loan, $1,500.
[47] Estimated State average per wheat loan, $1,060.
[48] Estimated State average per wheat loan, $1,439.
[49] Estimated State average per corn loan, $1,600.
[50] Estimated State average per wheat loan, $2,000.

Producers with largest quantity of products under loan on the 1954 crop—Continued

Name of producer and address	Quantity	Amount
TENNESSEE		
CORN [51]		
Johnson & Teeter, Guthrie, Ky	5,524.34 bushels	$9,612.35
J. Kenneth Stackpole, Guthrie, Ky	1,567.36 bushels	2,742.88
R. D. Campbell, Stevenson, Ala	1,899.20 bushels	2,563.92
John L. Bailey, Dresden, Tenn	1,495.03 bushels	2,556.50
S. D. Dunbar, Woodlawn, Tenn	1,426.82 bushels	2,482.67
COTTON		
N. J. Henderson, Ripley, Tenn	146 bales	25,093.24
I. R. Sanders, Somerville, Tenn	55 bales	9,898.34
R. L. Bond, Denmark, Tenn	39 bales	6,770.54
Lynn Hawkins, Bells, Tenn	36 bales	6,076.36
Mrs. E. H. Buford, Stanton, Tenn	34 bales	6,030.99
RICE [52]		
Norman Burks, Dyersburg, Tenn	3,742 hundredweight	17,281.76
O. P. Piper, Collierville, Tenn	1,474 hundredweight	7,163.64
WHEAT [53]		
G. S. Moore & Son, Springfield, Tenn	6,003.67 bushels	12,182.42
B. E. Glass, Jr., Burlison, Tenn	5,283 bushels	12,072.86
H. A. Dewberry and Jim S. Brock, Lawrenceburg, Tenn.	5,476.14 bushels	11,198.69
Dale Glover, Obion, Tenn	4,753.32 bushels	10,932.63
Johnson & Teeter, Guthrie, Ky	5,037.33 bushels	10,779.88
TEXAS		
COTTON		
Chandler Co., Saragosa, Tex	3,945 bales	814,801.73
Buchanan Farms, Pecos, Tex	2,298 bales	449,661.96
Lowe Bros., Midland, Tex	2,186 bales	385,273.45
A. J. Hoelscher, Pecos, Tex	1,171 bales	239,176.38
C. & L. Ranch, Dell City, Tex	1,209 bales	220,369.26
RICE [54]		
Peltier Bros., Danbury, Tex	36,949 hundredweight	210,675.60
Koop Bros., Edna, Tex	36,603 hundredweight	200,656.42
Gulf Coast Rice Farms, Inc., Bay City, Tex	36,662 hundredweight	200,451.50
R. E. Smith, Houston, Tex	37,606 hundredweight	192,520.50
Blue Creek Rice Farm, El Campo, Tex	34,482 hundredweight	191,731.86
WHEAT [55]		
Waggoner Estate, Vernon, Tex	107,673.97 bushels	244,783.39
Perrin Bros., Hereford, Tex	47,555.80 bushels	103,098.51
Delmar Durett, Amarillo, Tex	41,955.61 bushels	96,879.74
J. R. Durrett, Amarillo, Tex	37,183.72 bushels	79,923.58
Fred Zimmerman, Jr., Floydada, Tex	28,032.65 bushels	71,311.59
UTAH		
WHEAT [56]		
Lee's Ranch, Brigham City, Utah	20,437 bushels	38,831.08
Lawrence G. Whitney, Tremonton, Utah	14,698 bushels	29,396.00
Potato Marketing Co., Milford, Utah	10,504 bushels	21,412.76
A. D. Rich, Tremonton, Utah	10,158 bushels	20,316.00
Howard Glenn & Sons, Tremonton, Utah	9,387 bushels	18,774.00
VIRGINIA		
CORN [57]		
W. E. Hudgins, Jr., Fentress, Va	7,554.93 bushels	13,502.75
Hall Bros., Norfolk, Va	7,276.50 bushels	12,952.17
R. C. Etheridge, Back Bay, Va	6,350.07 bushels	11,366.63
G. F. and H. T. Nettles, Portsmouth, Va	4,695.14 bushels	8,404.30
J. B. and Roger Sawyer, Lynnhaven, Va	4,221.23 bushels	7,556.00
VIRGINIA—Continued		
WHEAT [58]		
Taylor & Caldwell, Inc., Walkerton, Va	7,333.85 bushels	$17,444.25
Evelynton Plantation, Charles City, Va	6,884.87 bushels	15,700.09
Brandon Farms, Spring Grove, Va	6,559.30 bushels	14,686.76
Paul Kreynus & Sons, Tunstall, Va	6,282.81 bushels	14,335.69
Adolph Hula, Charles City, Va	6,280.17 bushels	14,228.51
COTTON		
Allen J. Harris, Drewryville, Va	14 bales	2,089.20
Robert M. Owen, Emporia, Va	6 bales	946.05
William F. Ferguson, Emporia, Va	5 bales	886.70
W. V. Rawlings, Capron, Va	6 bales	879.26
H. E. Outland, Norfolk, Va	4 bales	608.82
WASHINGTON		
WHEAT [59]		
Broughton Land Co., Dayton, Wash	136,969.39 bushels	298,308.98
Grote Farms Inc., Walla Walla, Wash	122,281.15 bushels	286,830.31
R. H. Phillips, Lind, Wash	111,969.49 bushels	268,830.53
Vollmer & Bayne, Prosser, Wash	101,784.17 bushels	226,724.66
Horrigan Farms, Prosser, Wash	97,104.17 bushels	219,221.93
WEST VIRGINIA		
CORN [60]		
John C. Davis, Glennwood, W. Va	4,894 bushels	6,557.96
Andrew McCausland, Pliney, W. Va	3,316 bushels	4,443.66
Carroll Elliott, St. Marys, W. Va	3,210 bushels	4,301.40
William Dale McClure, Williamstown, W. Va	2,739 bushels	3,670.26
D. H. Corbin and Norman Ingram, St. Marys, W. Va.	2,130 bushels	2,854.20
WHEAT [61]		
Oliveboy Farms, Charles Town, W. Va	1,789 bushels	4,132.59
C. L. Nicodemus, Charles Town, W. Va	1,318 bushels	3,000.71
John S. Rissler, Charles Town, W. Va	1,104 bushels	2,512.40
Bonney Youngblood, Harpers Ferry, W. Va	948 bushels	2,159.40
H. A. Kimble, Upper Tract, W. Va	948 bushels	2,158.53
WISCONSIN		
CORN [62]		
Earl Putney, Brodhead, Wis	12,195 bushels	19,999.80
Orrin House, Prescott, Wis	11,113 bushels	17,780.80
Jerome Blaska and J. M. Blaska, Sun Prairie, Wis.	10,489.3 bushels	17,097.64
Batz Seed Farms, Sun Prairie, Wis	9,087 bushels	14,812.10
August Maier, Route 2, Baraboo, Wis	7,900 bushels	12,766.00
WHEAT [63]		
Kiehlbauch, Bros., Sturtevant, Wis	3,811 bushels	9,023.62
Leo Hribar, Sr., Caledonia, Wis	2,210 bushels	5,259.80
Milo Hagan, Rio, Wis	1,838 bushels	4,135.50
Charles Kuiper and Henry Kuiper, Union Grove, Wis.	1,632 bushels	3,865.98
Arthur Hribar, Caledonia, Wis	1,636 bushels	3,844.60
WYOMING		
WHEAT [64]		
T. W. Poag , Lost Springs, Wyo	13,331 bushels	28,128.41
Jacob Goer z, Slater, Wyo	7,837 bushels	17,056.36
W. T. Young, Pine Bluffs, Wyo	7,514 bushels	16,380.52
E. C. Lund, Cokeville, Wyo	7,453 bushels	14,610.21
Morris Hitt, Sr., LaGrange, Wyo	7,116 bushels	14,650.31

[51] Estimated State average per corn loan, $1,672.21.
[52] Rice loans were made to only two producers in Tennessee. Estimated State average per rice loan, $12,222.70.
[53] Estimated State average per wheat loan, $910.
[54] Estimated State average per rice loan, $14,775.17.
[55] Estimated State average per wheat loan, $2,192.79.
[56] Estimated State average per wheat loan, $2,654.
[57] Estimated State average per corn loan, $3,434.03.
[58] Estimated State average per wheat loan, $930.39.
[59] Estimated State average per wheat loan, $8,500.
[60] Estimated State average per corn loan, $1,786.
[61] Estimated State average per wheat loan, $1,188.
[62] Estimated State average per corn loan, $1,356.11.
[63] Estimated State average per wheat loan, $1,175.
[64] Estimated State average per wheat loan, $2,240.

The Cheese Case

EXTENSION OF REMARKS
OF

HON. LESLIE C. ARENDS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1955

Mr. ARENDS. Mr. Speaker, much ado has been made about the Department of Agriculture's purchase and sale of cheese in connection with its administration of the Agricultural Act of 1949 and its efforts to assist the dairy farmer under the price-support program.

I have had occasion to look into this whole matter. There has been a great deal of both misunderstanding and misrepresentation with respect to it. I think that we should try to keep the record straight as to just what is involved.

The Comptroller General recently concluded that transactions in supporting cheese prices by the Department of Agriculture pursuant to announcement of DA–112 did not constitute a purchase within the meaning of the Agricultural Act of 1949. He also stated that he does not in any way question the sincerity of purpose or infer that there was intentional wrongdoing on the part of any officer concerned. What are the facts and the implications inherent in this decision?

The Agricultural Act of 1949 directs that the price of milk, butterfat, and the products thereof be supported through loans on or purchases of the products of milk and butterfat. This necessarily requires that the price support be provided by transactions with manufacturers, processors, cooperatives, and other handlers of dairy products, particularly

butter, Cheddar cheese, and nonfat dry milk solids.

The Department, since 1947, has consistently under the law extended this price support to producers by offering to purchase dairy products meeting required specifications at announced purchase prices from all manufacturers, processors, cooperatives, and other handlers without discrimination. Thus, farmers are able to market their milk production at price-support levels through their regular trade outlets, since such outlets have the assurance of this Department that the products of such production can be sold to the Department at the guaranteed purchase price for the product.

The effective operation of the dairy price-support program depends upon the full play of competition which exists between handlers and manufacturers and their willingness to pay support prices in a competitive market for milk in reliance upon the assurance which this Department gives of a market for the dairy products at guaranteed prices.

This Department has also consistently, since 1950, offered to sell to any person dairy products which the Commodity Credit Corporation acquired under the price-support program at a specified markup—2 cents per pound in the case of cheese—above the price-support level prevailing at the time it sold such products.

The transactions under announcement DA–112 in which the Commodity Credit Corporation contracted for the purchase of dairy products in March at regular purchase prices under the support level of 90 percent of parity then in effect and simultaneously contracted for the sale thereof in April at regular sales prices based on the new support level of 75 percent of parity, beginning April 1, 1954, plus markup, were in keeping with these long-established policies.

At least three successive solicitors and general counsels of the United States Department of Agriculture, along with the legal staff of the Department have construed such transactions as authorized under the law.

The action taken by the Department was an integral part of the overall price-support efforts to bring stability to the dairy industry and was instituted solely in the interest of the American dairy farmers.

The transactions stabilized the price for American dairymen during the period of price-support adjustment by halting a downward trend in the farm price of milk in March 1954.

The procedure by which such purchase and sales were consummated, as set forth in Announcement DA–112, effected an efficient, businesslike operation, saved the Government the cost of at least 1 month's storage plus the cost of moving into and out of storage on all of the commodities involved.

It assured consumers a continuing supply during the time when the market was undergoing a transition between the old and new price-support levels.

It should be noted that every action taken by the Department represented a transaction to provide farmers with the announced support price throughout the entire period and maintain a movement of cheese through the established outlets. Some of the basic questions which should be considered in appraising the effect of the Fountain committee report are—will this report be detrimental to farmers and future farm programs? Newspaper headlines and cartoonists have used this report as a vehicle for attacking the entire farm program. The costs and difficulties involved in dairy price-support programs have been spotlighted to the disadvantage of the dairy producers. Will this report make future administrators less aggressive in trying to protect the interests of farmers? I am sure that Congressman FOUNTAIN did not intend these unfortunate effects on agriculture.

A further effect of these hearings and the unfortunate publicity may be less aggressive efforts on the part of future governmental administrators to try to save money for taxpayers. In the past there has been too much attitude in Government of "take the most protected courses of action—why risk a congressional investigation."

The Department of Agriculture should not be deterred from trying to protect the interests of farmers, taxpayers, and the public generally. I am sure that the approach of the Department, in checking with its General Counsel to determine the legal aspect of any proposed action and then moving forward to administer the law in accordance with the overall objective of protecting the interest of producers, will meet with the approval of the dairy farmer and those Members of Congress serving dairy districts.

Cooperation of Many Individuals Results in House Interior Committee Accomplishments

EXTENSION OF REMARKS
OF
HON. CLAIR ENGLE
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. ENGLE. Mr. Speaker, the House Comittee on Interior and Insular Affairs, during the session of the 84th Congress just ended, has again established what I believe to be an outstanding record of performance of its legislative responsibilities.

There is published elsewhere in the RECORD for the information of Members a summary of the major measures acted upon by this standing committee which I serve as chairman. Here, I wish to comment briefly on a few of the aspects of our committee's functions which made that performance possible.

Notwithstanding the large number of bills reported from the committee, we have received prompt attention and fair consideration by the Speaker, Mr. RAYBURN, of Texas; by the majority leader, Mr. MCCORMACK, of Massachusetts; and by the chairman of the Rules Committee, Mr. SMITH of Virginia, in the scheduling of bills for floor action. In this matter, the majority has fully consulted with, and has received the cooperation of the minority leader, Mr. MARTIN, of Massachusetts. The patience and persistence of the majority whip, Mr. ALBERT, of Oklahoma, and the minority whip, Mr. ARENDS, of Illinois, has assured advance notice of the legislative program in a manner which has resulted in full attendance of Members.

COMMITTEE MEMBERS AND STAFF

The committee has broad responsibilities in the field of natural resources and the public domain, including administration and development of our national parks system, and with respect to the administration and welfare of our Indians, Indian tribes, and our other fellow citizens in the Territories and possessions of the United States.

Reflecting recognition of the breadth of our assignment, the committee roster of 32 members shows representation from 19 States, Hawaii, Alaska, and Puerto Rico. A substantial portion of our legislation deals with matters directly affecting the development and economy of the West and our offshore areas, which perhaps accounts for representation from 14 of the States west of the Mississippi River—Arizona, California, Colorado, Idaho, Missouri, Montana, Nebraska, Nevada, Oklahoma, Oregon, South Dakota, Texas, Utah, and Washington—and 5 east of the Mississippi—Florida, Michigan, New York, North Carolina, and Pennsylvania.

This geographic distribution of the membership results, I believe, in a balanced legislative approach in the national interest, and at the same time retain the regional know-how which permits full understanding of the matters considered. For example, this distribution means that—

Members come from States, Territories, or possessions embracing approximately three-fourths of the land areas—continental and offshore—of the United States.

Of the 17 States of the reclamation West, 13 have Members serving on the committee.

Of the 11 mining States of the West, 9 have Representatives on the committee.

More than 320,000 of the approximately 405,000 Indians of the United States and Alaska have a direct voice by reason of the areas represented.

The achievements of the session just ended—and I wish particularly to emphasize this—were made possible only through the cooperation and diligence of all of the 32 members of our committee.

Members on both sides have worked closely together and have given freely of their time to subcommittee and committee sessions averaging well over one per working day throughout the 1st session, a total of 191 meetings. To help advance measures reported, committee members have given many hours from their crowded schedules in appearances before the Committee on Rules, in debate on the floor, and in our several conference committees on the disagreeing votes of the two Houses.

But for the energy and leadership of our subcommittee chairman—Mr. ASPINALL, of Colorado, Irrigation and Reclamation; Mr. O'BRIEN, of New York, Territories and Insular Affairs; Mr. ROGERS, of Texas, Mines and Mining; Mrs. PFOST, of Idaho, Public Lands; and Mr. HALEY, of Florida, Indian Affairs—and the continuing cooperation and work output of the ranking minority Member, Dr. MILLER, of Nebraska, and his colleagues, we would have been unable to perform our mission.

I am particularly pleased, too, with the work of the committee staff: our committee clerk, clerical and stenographic staff of four, and professional staff—reclamation engineer-consultant, mining engineer-consultant, Territories and ethnic consultant, and legal counsel—have met a high standard of performance in committee activities and in their service to Members.

LEGISLATIVE WORKLOAD AND PERFORMANCE

With 486 House and Senate bills, resolutions, and concurrent resolutions referred to the committee, a total of 279 were disposed of through reporting out, tabling, or as duplicates.

Of 103 bills reported to the House, 56 became public law, 13 private law, 10 were pending in the House, and 21 in the Senate at adjournment, and there were single bills in each of 3 other classifications—1 in Senate-House conference committee, 1 recommitted, 1 disapproved by the President.

The fact that 56 of the 390 public laws of the 1st session of the 84th Congress—better than 1 of every 7—came from the House Committee on Interior and Insular Affairs helps to support the assertion that committee members and staff were kept busy.

Congress convened on January 5, 1955, and adjourned sine die on August 2, 1955, a total of 210 calendar days. If Members of Congress are entitled and obligated to take notice of the 5-day workweek enjoyed by most employees throughout the Nation, this means that there were 150 working days during the first session, that is, Mondays through Fridays. The committee performance, statistically, means this:

During those 210 calendar days, 150 working days, or 112 legislative days, the Committee on Interior and Insular Affairs of the House convened a total of 191 separate meetings—157 subcommittee meetings, and 34 sessions of the full committee. I believe these figures speak for themselves.

Finally, a word of praise of some people sometimes overlooked in discussions of the activities of the Congress.

DEPARTMENTAL, LEGISLATIVE REFERENCE, AND COORDINATOR'S CONTRIBUTION

As a natural result of our committee legislative responsibility, the bulk of our initial requests for reports on pending legislation are directed to the Department of the Interior. Interior received from our committee alone in the session just ended request for reports on 236 pending bills, a number of them after July 1. As of adjournment, we had received 163 reports, a performance record representing a substantial improvement over the comparable period, the 1st session of the 83d Congress. Then, our committee requested reports on 233 bills, and Interior submitted reports on 90 of them as of adjournment.

The Department is to be commended for this improvement, and particular credit is due the personnel of the Legislative Division, responsible for preparing and expediting reports.

Again this session, the Legislative Reference Service of the Library of Congress has produced on numerous occasions—and frequently on short notice—statistics, information, legal briefs, legislative history reports, general reference, and related materials so essential to full and orderly development of a base for consideration of matters within the committee jurisdiction. I believe that its staff of experts and research specialists make available to the Congress an indispensable service.

Similarly, the Office of the Coordinator of Information of the House in the past session has proven the depository of factual and statistical material and information regarding the legislative, executive, and administrative functions in our Federal system—all on a current basis.

Committee output, Mr. Speaker, does not just happen. It takes the energy, leadership, initiative, and cooperation of many individuals to fulfill the congressional mission; the session of Congress just ended has demonstrated how successfully that mission can be fulfilled.

The New Small Business Act

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1955

Mr. MULTER. Mr. Speaker, the following is a statement I issued recently regarding the newly amended Small Business Act:

STATEMENT OF HON. ABRAHAM J. MULTER, CHAIRMAN, SUBCOMMITTEE NO. 2 ON GOVERNMENT PROCUREMENT, DISPOSAL, AND LOAN ACTIVITIES, SELECT COMMITTEE ON SMALL BUSINESS, HOUSE OF REPRESENTATIVES

Hon. ABRAHAM J. MULTER, Democrat, of New York, today stated that "the newly amended Small Business Act will enable the Small Business Administration to play a far more dynamic and effective role than ever before in encouraging the growth of small business in this country."

Congressman MULTER, a member of the House Banking and Currency Committee, which had legislative jurisdiction over the bill, is chairman of the Subcommittee on Government Procurement, Disposal, and Loan Activities of the House Select Committee on Small Business, of which Hon. JOE L. EVINS, Democrat, of Tennessee, and Hon. R. WALTER RIEHLMAN, Republican, of New York, are members.

The Small Business Act recently signed by the President and enacted into law extends the life of the Small Business Administration to June 30, 1957, and considerably increases the scope of its activities. Under the original 1953 law, the Small Business Administration had three major functions:

1. The granting of loans to deserving small-business concerns who could not obtain loans through regular banking channels.

2. The rendering of expert technical advice on business matters whenever small business seeks such advice.

3. The securing for small business of a fair and equitable share of Government defense contracts.

"The new law," Mr. MULTER stated, "increases the effectiveness of these major functions." The amount of any individual loan by the Small Business Administration has been increased to $250,000. The interest rate for such business loans shall be the prevailing rate in the area where the loan is to be used but shall not exceed 6 percent per annum.

The disaster loans were extended to be applicable to drought areas, and all disaster loans are limited to an interest rate of 3 percent per annum.

Mr. MULTER stated that another new feature of the law will permit loans to small-business concerns who pool their assets in order to establish a corporation producing and securing raw materials or supplies. The limit of any loan extended under this pooling provision shall be $250,000 multiplied by the number of small-business concerns participating in the formation and capitalization of such corporations.

The act now provides for the issuance of a certificate, when requested to do so, which will certify an individual concern as a "small-business concern." Such certification by the Small Business Administration shall be conclusive proof that a firm is a small business. The act provides that "officers of the Government having procurement or lending powers, or engaging in the disposal of Federal property or allocating materials or supplies, or promulgating regulations affecting the distribution of materials or supplies shall accept as conclusive the administration's determinations as to which enterprises are to be designated 'small-business concerns'."

New provisions have clarified the definition of small business, and the old arbitrary formula of 500 employees or less, may not be used as the sole standard. The criteria for defining a small business is set forth in the act as follows:

"A small-business concern shall be deemed to be small business when it is independently owned and operated, not dominant in its field of operation. In addition to the foregoing criteria the number of employees and dollar volume of business may be used by the Small Business Administration to determine whether a firm is or is not small business."

This definition binds all governmental agencies and particularly requires the Defense Department to abandon its arbitrary numerical definition in all procurements.

The act, as amended, indicates congressional intent to eliminate duplication of work pertaining to small business among Government agencies. The new law states that "the Administration shall not duplicate the work or activity of any other department or agency of the Federal Government and nothing contained in this act shall be construed to authorize any such duplication unless such work or activity is expressly provided for in this act."

In the executive branch of the Federal Government it is now the exclusive jurisdiction of the Small Business Administration to protect and encourage the growth of small-business concerns. The duty of the Small Business Administration is to aid, counsel, assist and protect insofar as possible the interest of small-business concerns

in order to preserve free competitive enterprise, to insure that a fair proportion of the total Government purchases and contracts for supplies and services be placed with small business, and to maintain and strengthen the overall economy of the Nation.

An Expression of Appreciation to the Honorable Jere Cooper, of Tennessee

EXTENSION OF REMARKS
OF
HON. JOHN D. DINGELL
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. DINGELL. Mr. Speaker, in the closing days of the 1st session of the 84th Congress I would like to pay tribute to the beloved and esteemed chairman of the Committee on Ways and Means, the Honorable JERE COOPER, of Tennessee. His leadership, wisdom, and counsel have made an important contribution to the outstanding accomplishments of our committee in this 1st session of the 84th Congress and to the impressive record of accomplishments of the House of Representatives.

Early in January of this year it was my privilege to nominate my friend and colleague from Tennessee to be chairman of the Committee on Ways and Means. At that time I reviewed my long friendship with him and his record of distinguished service to his country as a lawyer, soldier, and statesman. It is significant to note that virtually every member of the committee joined in my expression of congratulations to Mr. COOPER and offered his own laudatory remarks.

Since that day in January, Chairman COOPER has not only proved that the plaudits of his committee colleagues were fully warranted but also that those remarks were perhaps inadequate to greet a man who has proved himself to be a great chairman of what I regard as the most important committee in the Congress of the United States. He has placed the national interest above every other consideration in his wise guidance of the committee in its work. Under his leadership the committee has prepared major legislation improving and strengthening our trade-agreements program, simplifying our customs laws, liberalizing our social-security program, and making our tax laws more equitable. To my recollection the only time that the committee has given consideration to every bill referred to the committee on which a Member has requested consideration was under the chairmanship of the Honorable JERE COOPER in this 1st session of the 84th Congress.

Mr. Speaker, it is by no accident that the gentleman from Tennessee has already achieved this distinguished record as chairman of the Committee on Ways and Means. At each step in his illustrious career, JERE COOPER has capably and conscientiously performed his responsibilities in preparation for the greater responsibilities that inevitably came to him. As a lawyer, city official, and as an officer in the American Expeditionary Forces in World War I, JERE COOPER has done his job well.

Based on that record of accomplishment, it is not surprising that his neighbors in the community in which he was born should send the gentleman from Tennessee to Congress as their elected Representative in 1929 and that they should continue to do so ever since. JERE COOPER has rendered over 25 years of distinguished and outstanding service as a legislator to the people of his congressional district and to the citizens of the United States.

In the intervening years my beloved friend, JERE COOPER, has become dean of the Tennessee delegation; he has served longer on the Committee on Ways and Means than any living American; he has become a deserved leader in National and State affairs as well as a leader of his party.

Mr. Speaker, it was appropriate, therefore, that JERE COOPER, of Tennessee, should follow in the footsteps of those illustrious Tennesseans, the Honorable George W. Campbell and the Honorable James K. Polk, in becoming chairman of the Committee on Ways and Means. It was inevitable that with his attributes of wisdom, experience, and integrity that JERE COOPER should do the job well.

His experience and ability have resulted in JERE COOPER being given a large number of positions of responsibility and influence. He is chairman of the Joint Committee on Internal Revenue Taxation and a ranking member of the Joint Committee on Reduction of Nonessential Federal Expenditures. In addition, the gentleman from Tennessee is chairman of the Democratic committee on committees which has the important responsibility of designating the Democratic Members for membership on the other 18 standing committees of the House. As a veteran with a distinguished war record, JERE COOPER has found time to be active in veterans' affairs and to maintain a constant and beneficial interest in the welfare of our Nation's veterans.

I would like to commend my committee colleague and beloved chairman for the outstanding record he achieved in the 1st session of the 84th Congress. I know that I speak for everyone on the committee when I express appreciation for Chairman COOPER'S understanding leadership and his wise counsel. I am confident that his future years of service as chairman of the Committee on Ways and Means will be years of selfless service to the Nation with an unsurpassed record of achievement.

More Facts on Small Tracts

EXTENSION OF REMARKS
OF
HON. CLIFTON (CLIFF) YOUNG
OF NEVADA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. YOUNG. Mr. Speaker, in the past few years America has experienced a rebirth of the homesteading spirit. The popular phrase of the 1860's—"doing a land-office business"—has taken on new meaning as thousands upon thousands of pioneering Americans have discovered that our land frontiers have yet to be reached and have acted to take advantage of that fact.

The American dream of some land to call my own has been given a healthy new channel in the Small Tract Act of 1938, and once again families are moving out onto the dormant public domain and through perseverance and hard work are making this once-wasted territory a contributing part of our expanding western economy.

Nevada, the state with the largest amount of federally owned land, has become the focal point of small-tract activity but the modern homesteader is dreaming, planning, and working in every state in the West.

While the 19th-century homesteader found his greatest challenge in the elements, his 20th-century counterpart is most beset by the tangled complexity of our 5,000 public-land laws. In applying these laws to local conditions, many valuable suggestions have been received from numerous individuals and organizations in the State. One of the most helpful groups in this respect has been the Southern Nevada Home-Siters, Inc. We are to some extent still pioneering in the small-tract field, trying to work out sound rules to enable the best use of our land resources to be effected.

The most frequent questions asked by the people I serve are with regard to regulations surrounding the Small Tract Act. Last year I was able to assist hundreds of land applicants in this respect by compiling a series of questions and answers entitled "Clear Facts on Small Tracts."

Since publication of that data, there have been numerous new developments in the small tract field. Accordingly, I have again endeavored to obtain authoritative and up-to-date information on this vital subject—"More Facts on Small Tracts."

It is my hope that this material will serve to clarify the rights of the small-tract applicant and the procedures under which he is presently required to proceed.

First. How much land is available for small-tract entry in the State of Nevada?

Public lands become available for small tract entry only when they are classified as chiefly valuable for residential, recreation, business, or community sites by the authority of the Secretary of the Interior (43 CFR 257.1). The lands may not be leased or sold until classified for small-tract purposes and may not be occupied until the lands are leased or sold.

As of May 1, 1955, a total of 89,000 acres of public lands has been classified as chiefly valuable for small-tract purposes in Nevada. Of this area, approximately 28,000 acres had been leased or sold. Approximately 50,000 acres of the unleased land has been applied for. The number of lease applications pending on June 1 was 14,010.

Small tract lease or lease and sale applications may be filed by any qualified person on any vacant and certain reserved public domain tracts of 5 acres or less whether they have been classified or not under the Small Tract Act.

Theoretically, small-tract applications could be filed on any of the vacant public lands and certain reserved public lands in Nevada, totaling 47 million acres.

Second. How can one find out which land in Nevada is classified for small tract entry?

Each classification order by which lands are classified as chiefly valuable for small tract purposes is published in the Federal Register and is posted on a bulletin board in the Land Office of the Bureau of Land Management at Reno, Nevada. The order contains a detailed list of lands affected. A notation that such order has been signed is placed in the official plats and tract books in the Land Office at Reno in the section of such records pertaining to each legal subdivision that is affected. The official plats and tract books and other public land records are open to public inspection during regular office hours.

Third. How do I go about filing for a small tract in Nevada? Must I appear in person?

A qualified applicant may file an application on Form 4–776 in conformity with the instructions therein except for lands which have been classified for direct sale at public auction. Copies of the form may be obtained from the Land Office at Reno, the Office of the Bureau of Land Mangement at Las Vegas, or the Bureau of Land Management, Washington 25, D. C. Applications should be filed by mailing or appearing in person at the Land Office in Reno. The duplicate forms must be signed by the applicant.

It is not necessary that the applicant appear in person to file the application but the applicant must certify that he has examined the land sought or lands within a mile thereof. Any person desiring to purchase a tract classified for sale at public auction may submit a bid in accordance with the provisions of the classification order.

Fourth. Once my application is filed, how long will be it before a lease is issued to me?

There is no single answer to this question. The amount of time required for the processing of an application for a lease is extremely varied, depending upon, first, whether the lands have already been classified for small tract purposes; second, whether there are previously filed conflicting applications; third, whether there are conflicting mining claims; and, fourth, other variables including the status of workload in the local Bureau office.

A large work backlog has delayed the handling of all applications up to a year or more in addition to the working time required on each case. Cases are taken in the order in which they are received or become available for processing unless grouped for economy of processing.

Fifth. Can I buy a small tract directly from the Government without first securing a lease?

Yes, under two separate situations. First, where the land has been classified for direct sale by public auction. This is stated in the classification order. Second, where the law has been subject to a small tract lease which has been terminated, relinquished, or canceled, and where the land is offered for sale at public auction.

Sixth. After I get a lease, can I then buy the land from the Government?

Leases for lands classified for lease and sale will contain an option-to-purchase clause. This clause will afford the lessee or his duly qualified successor in interest an opportunity to purchase the tract at any time within the term of the lease, provided all conditions of the lease have been met.

Seventh. Is it possible to buy a small tract at public auction?

Yes, under the two situations mentioned in the answer to question 5 above.

Eighth. It has been said that there are four options in buying a small tract which is under lease. What does this mean?

All of the so-called four options are available only to lessees who hold lands under lease that were classified as suitable for small tracts prior to August 9, 1954. Only options 1 and 2 may be applied to lands classified on or after that date. The use of option 2 is discretionary with the officer of the Bureau of Land Management who has authority to classify the lands. The four options, briefly, are:

Option 1: Construction of a home or other improvements of the minimum type and character specified in the lease, possibly including but not consisting of only a satisfactory domestic well.

Option 2: Construction of improvements for the minimum type and character specified in the lease, consisting of only a satisfactory domestic well.

Option 3: Tender of an offer to purchase the land at a reappraised price representing present fair market value.

Option 4: Tender of an offer to purchase the land at a reappraised price representing a so-called convenience factor, computed under the following formula: Estimated cost of improvements under the standards of the lease, less salvage value of materials, plus the price of the tract specified in the lease.

Ninth. (a) There has been mention also of a fifth option arising from paragraph 257.13 (d) (1) appearing in Circular No. 1899, published in the Federal Register January 15, 1955, which states that "groups of lessees of small tracts in any area may enter into binding agreements among themselves to observe, in the development of their leased tracts, standards of building, sanitation, and health requirements consistent with the terms of their leases. Lessees who participate in this agreement may exercise at the discretion of the Bureau of Land Management their option to purchase without prior compliance with the improvement requirements of their leases." With regard to this quoted paragraph, what is meant by "groups of lessees of small tracts in an area"? Can this be only 2 or must it be a larger number, such as 10 or 20 lessees?

The number may be two or more. Any group of small-tract lessees may avail themselves of this so-called option regardless of the date of their lease, providing they can meet the requirements of the option.

(b) What is meant by "binding agreements among themselves"? Would this contract be recorded and would it be binding on successors in interest?

A binding agreement among lessees is an irrevocable contract which is enforceable under state laws. The regulations are purposely silent as to the details of such agreements in order to permit applicants to work out that type of agreement that under state laws would most adequately fit their particular situation. All agreements, however, must have certain basic features. They must be enforceable, that is, they must contain provisions to insure compliance with their terms. They must also be irrevocable, and the terms of the contract must be consistent with the small tract leases of the contracting parties. Since acceptance of the agreements is at the discretion of the Bureau of Land Management, the agreements must also be consistent with the proper development of the area involved.

Several possibilities are available. Agreements making certain conditions covenants running with the land will work well in certain situations. Escrow agreements whereby title will be held by a trustee until compliance with their terms may prove satisfactory under many conditions. Officials of the Bureau will assist interested groups in working up acceptable agreements.

As to recording of these agreements, state law governs. Generally, state law requires recording of transactions affecting land titles.

The agreement must be so drafted that a successor in interest to the lessee would be bound to its terms.

(c) What is meant by "standards of building, sanitation, and health requirements consistent with the terms of their leases," and who would determine these?

The standards provided for in the classification order or the leases or both, as established by the officer of the Bureau of Land Management who has authority to classify the lands, are the minimum standards the agreements must call for. Lessees desiring by agreement to establish higher standards for their area are, of course, free to do so.

Tenth. Does paragraph 257.13 (d) (1) referred to above mean that merely by signing a binding agreement I can secure a patent to my small tract without putting any improvements thereon?

Yes, providing you hold a lease with an option-to-purchase contract. However, an acceptance of the agreement is discretionary with the Bureau of Land Management. This discretion is retained by the Bureau so that assurance can be had that minimum standards will be observed and so that compliance is had with the basic provisions of the Small Tract Act. The Bureau will have the responsibility of determining the

methods used to insure the binding nature of the agreement and the terms to which the lessees bind themselves.

Eleventh. How do I know where the boundaries of my small tract are and what, if any, right-of-way is reserved for roads or other uses?

Small tracts are sometimes surveyed and marked or staked on the ground by the Bureau of Land Management. If such is the case, each tract may be located on the ground by reference to the corner stakes.

Small tracts which are not individually surveyed and staked by the Bureau of Land Management may be located on the ground by reference to the monuments of the regular rectangular public survey in the vicinity. The location of the corners of the small tract, in such event, may be determined by ordinary methods used in private land surveys. The services of a private land surveyor may be necessary.

The rights-of-way, if any, reserved in a small tract lease or patent are specified in the classification order and will be specified also in the patent.

Twelfth. If I obtain my tract, how can I can get water, roads, and sewage facilities?

These are matters in which the Federal Government can offer no direct help. The responsibility to obtain these utilities rests with each individual lessee or patentee in accordance with the local conditions in the area and the availability of local community or public utility services. However, the Government helps by reserving rights-of-way for streets and roads, ordinarily along the boundaries of the tract.

Thirteenth. Can I get a FHA or VA loan on my small tract?

This is a matter to be taken up with the FHA and VA authorities. It is understood, however, that FHA or VA loans are not available on small tracts while in lease status. Small tracts which have been patented are subject to application for FHA and VA loans on the same basis as any other privately owned lands.

Fourteenth. What is a reasonable fee to pay somebody for filing a small tract application for me?

There is no single answer to this question. The reasonable amount of the fee, if the services of a person are hired, depends upon the utility of the services rendered to the person who hires them and the amount of labor or other costs involved to the person who furnishes them. In some instances, filing services have caused a disservice to applicants by misleading them as to the quality of the land or the lease and sale requirements or filing for them on lands that are under prior application by other persons.

The services offered by persons who prepare applications for a fee are varied depending upon the circumstances. None of the services is licensed or regulated by the Federal Government. Such services afford the applicant no preference over other applicants who file the applications themselves.

The services of land locators are not necessary so far as the Government is concerned. All that is necessary is that an application be filed in accordance with the law and the regulations. Whether a filing service is used is strictly a matter for individual choice.

Fifteenth. What is the conflict between mining claimants and small-tract applicants that is discussed so frequently in the newspapers?

After small-tract applications are filed for public lands that have not been classified by the Bureau of Land Management for small-tract purposes, it is necessary that the Bureau examine the status and character of the lands applied for in order to determine their availability and suitability for small-tract classification. It is sometimes discovered that such lands are embraced within mineral locations filed under the United States mining laws and the mining laws of the states in which the lands are located. Such locations, recorded in the county records, constitute prior claims against the land. Such lands are not available for small-tract lease or sale unless and until the claims are abandoned, relinquished, or canceled.

If upon examination it is determined that charges should be brought against the claims by the Government, a contest is initiated. In the meantime, the pending small-tract applications may be either rejected or suspended, as the officer in charge may determine, subject to a right of appeal.

If after due process in accordance with law the conflicting mining claims are declared to be null and void, the lands may be classified and opened to small tracts.

Sixteenth. How many acres are in conflict between mining claimants and small-tract applications in Nevada?

This figure has been estimated at 39,000 acres.

Seventeenth. Several hearings were held in Nevada during December 1954, between some of those who had filed mining claims and certain small-tract applicants. What was the decision on these cases, and is it being appealed?

The hearings, held in November and December, 1954, involved contests brought by the Government against certain sand and gravel mining claims in Clark County, Nevada. The decision of the hearings officers was that the Crocus No. 1, Crocus No. 2, a portion of Bradford No. 1, and Bradford No. 2 placer claims are valid; and that a portion of Bradford No. 1 and all of Bradford No. 3 placer claims were void from their inception.

The mining claimants have appealed to the Director of the Bureau of Land Management from the adverse decision pertaining to Bradford No. 1 and Bradford No. 3.

The intervenors in the hearings representing small tract applicants have requested a new trial to present additional evidence concerning all of the claims.

Eighteenth. How many steps are there in an appeal from such a decision and how long will this take?

Any party aggrieved by a decision of a hearings officer in a mineral contest may appeal first to the Director of the Bureau of Land Management, who issues a decision either affirming or reversing the decision. Any party aggrieved by the Director's decision may appeal to the Secretary of the Interior.

Appeals are ordinarily time consuming because of complicated issues involved. Decisions on appeals are additionally delayed because of a backlog of appeals work.

It is impracticable to forecast how long the various steps will require in any individual case.

Nineteenth. Are more hearings on these conflicts being planned for the State of Nevada in the future?

Additional hearings have been tentatively planned for August, 1955. Definite dates have not been set.

Twentieth. Can the Bureau of Land Management withdraw land from mining claim location when it has been classified for small tracts?

Lands classified for small tract lease, lease and sale, or sale are segregated from all appropriations, including locations under the mining laws, except as provided in the order of classification or in any modification or revision thereof.

Twenty-first. Is it possible for nonprofit clubs and organizations to secure small tracts of public land?

An application under the Small Tract Act may be made by an association, each of the members of which is a citizen of the United States or has filed declaration of intention to become a citizen. An application may be filed by a corporation, including nonprofit corporations, authorized to do business in the state or territory in which the land is located.

Twenty-second. Can political subdivisions of government, such as municipalities, obtain federally owned lands for public purposes?

A state or any political subdivision thereof, including a municipality, may make an application for a tract of 5 acres or less under the Small Tract Act. States and territorial governments, including instrumentalities and subdivisions, may also apply for the lease or sale of larger tracts of public lands for recreational and public purposes under the act of June 14, 1926 (44 Stat. 741), as amended by the act of June 4, 1954 (68 Stat. 173; 43 U. S. C. 869). Information concerning the sale or lease of public lands for recreation and public purposes is contained in 43 CFR, part 254 (Circular 1880).

Twenty-third. What is being done to speed up the rate of issuing leases and patents in the State of Nevada?

The Bureau of Land Management has increased its staff in Nevada insofar as possible under the available appropriated funds. Additional office space is being made available to relieve crowded conditions in the Land Office at Reno.

Under the recent Bureau reorganization, all cases may be completely handled within the Bureau offices in Nevada. The steps required to process cases have been streamlined.

If additional appropriations are made available for the fiscal year beginning July 1, 1955, additional staff and facilities will be assigned to Nevada. Other

developments, including the completion of mineral examinations, will permit the expedited issuance of leases and patents in the fiscal year beginning July 1, 1955.

Twenty-fourth. Does the Bureau of Land Management have any long-range plans for Nevada to prevent being swamped by applicants in the future?

The long-range objective is to carry out the intent and purposes of the Small Tract Act and related public-land laws as effectively and efficiently as possible. The operating plans to make this possible are under continuous scrutiny.

No fixed long-range plans have been adopted, but a number of alternatives are under consideration. Valuable suggestions and advice have been received from members of the Nevada Congressional delegation, state and local officials, associations of "home siters," and others. Adjustments in operating plans will be made wherever appropriate under the circumstances.

Twenty-fifth. What facilities does the Bureau of Land Management have to help me in locating a small-tract homesite?

All of the public-land records in the Land Office are available for public inspection. These include the public survey plats and field notes, the land-status plats and tract books, and the land-classification orders. In addition, land status for Clark County is maintained in the Bureau office in Las Vegas within 24 hours of the notations made at Reno.

Upon request, the Reno Land Office will supply without charge the status of any particular tract of public land which has been described by reference to the public survey. A copy of any official map or record maintained in the Land Office may be obtained upon payment of a fee. Copies of classification orders and lists of public lands, when available, for free distribution may be obtained upon request.

Application blanks and circulars containing the applicable provisions of the laws and regulations may be obtained from the Land Office. Local offices of the Bureau will assist applicants in preparing aplication blanks upon request.

Twenty-sixth. What fees must be remitted with my application?

No fees or payments are required with veterans' drawing entry cards.

Each bid by mail for a tract being sold at direct public auction must be accompanied by a certified or cashier's check, post office money order, or bank draft for the amount of the bid. These are returned if the bid is not successful.

Any application for a lease must be accompanied by the following amounts: $10 filing fee plus 3 years' advance rental at the rate indicated in the classification order or, if no classification order has been issued, advance rental of $15. The $10 filing fee submitted with lease applications is nonreturnable and will not be refunded even though the lease application is rejected; however, if the lease application is fatally defective, the entire payment will be returned. By "fatally defective" is meant that the application is improperly prepared and, therefore, returned to the applicant without being considered.

Accomplishments of the House Committee on Interior and Insular Affairs During the 1st Session, 84th Congress

EXTENSION OF REMARKS
OF
HON. CLAIR ENGLE
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. ENGLE. Mr. Speaker, I take this opportunity to summarize for Members the major accomplishments of the standing committee which I have been honored to serve as chairman during the 84th Congress, the House Committee on Interior and Insular Affairs.

I am elsewhere commenting briefly on the statistical aspects of our committee's functions during the session just ended and here comment on the legislative activity of the committee so as to assemble in one place a ready reference to the legislation processed.

For our committee the session just ended has seen several landmark accomplishments in carrying out the prime responsibility of the Committee on Interior and Insular Affairs. That responsibility involves considering, reporting, and helping to secure enactment of legislative measures providing for the maximum development, utilization, management, and conservation of the natural resources of the United States, its Territories, and possessions; legislative matters involving the Government and administration of our Territories and possessions; and all legislation, except appropriations, affecting the Indians, Indian tribes, trust lands, and claims of Indians of the United States and Alaska.

The summary is presented under five major headings, reflecting the basic jurisdiction of our standing subcommittees: Irrigation and Reclamation, Chairman WAYNE N. ASPINALL, Colorado; Mines and Mining, Chairman WALTER ROGERS, Texas; Public Lands, Chairman GRACIE PFOST, Idaho; Territories and Insular Affairs, Chairman LEO W. O'BRIEN, New York; and Indian Affairs, Chairman JAMES A. HALEY, Florida.

After designation of the public law and/or bill numbers the author—or authors—is indicated, with the first name shown that of the author of the bill reported, considered by the House, or enacted into law, those which follow the authors of bills having the same or a similar purpose.

The summary follows:

I. WATER RESOURCE UTILIZATION AND DEVELOPMENT

TRINITY RECLAMATION PROJECT

In reporting and securing enactment of Public Law 386 (H. R. 4463, ENGLE), authorizing construction of the Trinity division, Central Valley project, California, the committee was responsible for having approved the largest single reclamation project unit authorized by Congress in history.

This $225 million project will make available nearly 1.2 million acre-feet of vitally needed additional water for lands in the Sacramento and San Joaquin Valleys, in addition to assuring more than 1 billion kilowatt-hours of electric energy annually to meet the ever-increasing needs in central and northern California. Time did not permit disposition of several other irrigation and reclamation measures providing for project construction.

COLORADO RIVER STORAGE PROJECT

H. R. 3383 (ASPINALL, DAWSON of Utah, FERNANDEZ, and ROGERS of Colorado), upon which a rule was granted in the closing days of the session, would authorize the Colorado River storage project in the States of Colorado, Utah, Wyoming, and New Mexico. Anticipating a $760 million development, the 3 storage reservoirs and 11 participating projects would effectively harness the water and hydropower resources of one of our great remaining undeveloped areas, would provide irrigation water for approximately 133,000 acres of new land and supplemental water for an additional 234,000 acres, and assure billions of kilowatt-hours of electric energy annually from facilities having an installed capacity of 933,000 kilowatts. The Echo Park Dam and Reservoir proposed for construction in the Dinosaur National Monument was deleted from the bill.

WASHITA BASIN PROJECT

Favorably reported, but with a rule denied for this session on the eve of adjournment, S. 180 (H. R. 310, WICKERSHAM) would authorize construction of the Washita River Basin project, Oklahoma. This $40.6 million project would provide irrigation, flood control, municipal water supply, recreation, and fish and wildlife benefits in an area plagued with serious adverse affects on agricultural production brought on by drought, floods, and erratic distribution of annual rainfall.

HELLS CANYON, AINSWORTH

Two additional project measures were pending in full committee at adjournment—H. R. 4719 (PFOST, GREEN of Oregon, METCALF, MAGNUSON), the authorizing legislation for the Hells Canyon Dam on the Snake River, Idaho-Oreg., and H. R. 5749 (MILLER of Nebraska), providing for construction of the Ainsworth unit of the Missouri River Basin project, Nebraska.

FRYINGPAN, VENTURA, TUOLUMNE

Considered and still pending in subcommittee was legislation proposing authorization of three other projects: H. R. 412 (CHENOWETH), the Fryingpan-Arkansas project in southeastern Colorado; H. R. 3427 (ENGLE, TEAGUE of California), the Ventura project, California; and H. R. 2388 (ENGLE), to authorize certain additional power development on the Tuolumne River, Calif.

Other committee-sponsored measures acted on reflect congressional recognition of the absolute need for insurance of full water resource utilization throughout the Nation to meet our present and future needs.

RECLAMATION DISTRIBUTION SYSTEMS

Public Law 130 (H. R. 103, ENGLE), authorizes Federal loans to local districts for construction of distribution systems on reclamation projects authorized for Federal construction, and through this substitution of local for Federal construction, will make possible substantial reduction of costs to water users.

SMALL PROJECTS BILL

Premised on the same Federal-local cooperation approach as Public Law 130, H. R. 5881 (ENGLE; MILLER of Nebraska; YOUNG), the small projects bill, providing loans for construction locally of small reclamation projects in the West, was reported by the committee and passed by the House. It was amended in the House to include the 31 nonreclamation States, Alaska, and Hawaii.

The House-passed version differed from that of the Senate; the latter expanded the scope of the legislation to include for the nonreclamation States—in addition to tra-

ditional reclamation purposes—drainage, water storage, and saline water intrusion control projects. On those differences a House-Senate conference committee was unable to agree prior to adjournment. It was agreed that during the adjournment, the administration's views on these varying approaches would be requested to assist the conference committee in its deliberations when Congress convenes.

TOSTON (MONTANA) AND ARCH HURLEY (NEW MEXICO) IRRIGATION DISTRICTS

Two measures enacted into law affect individual irrigation districts. Senate Joint Resolution 82 (H. J. Res. 353, METCALF), which became Public Law 374, authorizes the Secretary of the Interior to enter into a contract with the Toston Irrigation District, Montana, to furnish water on a temporary basis for not more than 10 years, provides for repayment of costs, and anticipates ultimate negotiation of a long-term contract. Public Law 277 (S. 1965; H. R. 5169, JEMPSEY), pertains to the Arch Hurley Irrigation District, New Mexico, and repeals a provision included in a 1938 act as an antispeculation measure which had served its purpose and had since acted only to work hardships on parties involved in normal land transactions.

YUMA MESA DISTRICT, ARIZONA

H. R. 5806 (UDALL), pending in the House at adjournment, authorizes execution of a repayment contract by Interior with the Yuma Mesa Irrigation and Drainage District of the Gila project, Arizona, paving the way for businesslike and orderly operation of this district serving nearly 20,000 acres.

SALINE WATER RESEARCH PROGRAM

Public Law 111 (H. R. 2126, ENGLE, BOW) extended the saline water research program through fiscal 1963, and increased the amount authorized to be appropriated from $2 million to $10 million. The program involved may well serve to trigger scientific solution to the problem of making available to our coastal cities—and some inland areas—virtually inexhaustible quantities of saline water converted to a quality usable for domestic and industrial purposes. Accomplishments to date are encouraging and may well result in revising our present concept of available supplies of this one indispensable natural resource.

INTERSTATE WATER COMPACTS

Finally, in the field of major water-resource legislation, the committee reported and Congress aproved Public Law 346 (S. 2260; House bills, (BROOKS of Louisiana, ALBERT, HARRIS, PATMAN), granting the consent of Congress to the States of Arkansas, Louisiana, Oklahoma, and Texas, to negotiate and enter into a compact relating to the waters of the Red River and its tributaries.

Public Law 353 (S. 1391) paves the way for compact negotiations between the States of California and Nevada with respect to the distribution and use of the waters of the Truckee, Carson, and Walker Rivers, Lake Tahoe, and their tributaries.

Public Law 316 (H. R. 3587, ENGLE, COON) provides for negotiation of a compact between the States of Oregon and California relating to the waters of the Klamath River.

Pending in the Irrigation and Reclamation Subcommittee, after a counterpart bill passed the Senate, H. R. 5804 (THOMPSON of Wyoming, HOPE) would authorize negotiation of a Missouri River Basin compact between the States of Montana, Wyoming, Colorado, North Dakota, South Dakota, Nebraska, Kansas, Minnesota, Iowa, and Missouri.

II. MINERAL RESOURCES LEGISLATION

The session of Congress just ended saw enacted into law several landmark measures in the field of Federal legislation governing the development, utilization, management, and conservation of the minerals and materials resources of the United States.

MATERIALS ACT AMENDMENT; MINING LAW AMENDMENT TO PROVIDE FOR MULTIPLE SURFACE USE

Public Law 167 (H. R. 5891, ROGERS of Texas; DAWSON of Utah, FJARE, YOUNG, ELLSWORTH, COOLEY, HOPE, UDALL, BUDGE, ENGLE), known as the Multiple Surface Use Act, represents the most significant change in the mining laws of the United States in more than 80 years—since 1872—and is the end-product of almost continual study and debate by industry associations, by advisory groups to Federal agencies and commissions, and by Members of Congress over the past 15 years.

H. R. 5891 was considered and passed by the Congress in recognition of the needs and demands of a fast-growing population and an expanding economy for greater and more effective utilization and management of the surface and surface resources of the public lands of the United States.

Public Law 167, without limiting or interfering with bona fide mining or prospecting, achieves the following objectives:

1. Amends the Materials Act of 1947—by barring future locations under the mining laws for certain materials commonly occurring throughout the United States; by extending the act's operations to national forest lands; and by giving to the Secretary of Agriculture responsibility for administering the act with respect to lands under his jurisdiction.

2. Amends the general mining laws—by limiting and defining the rights of locators to surface resources prior to patent for locations hereafter made; by providing for the utilization and management of the surface and surface resources (which would include but not be limited to forestry products, forage crops, grazing, water, fish and wildlife, recreational areas, camping grounds, scenic values, and access to adjacent lands) on mining locations hereafter made, or on existing claims placed in the status of locations hereafter made in accordance with well-defined procedures; and by permitting quieting of title to surface resources on locations made prior to the effective date of the act through procedures established in the act.

MINERAL ENTRY ON POWER WITHDRAWALS

Public Law 359 (H. R. 100, ENGLE), called the Mining Claims Restoration Act of 1955, is another measure aimed at making compatible competing surface and subsurface resource development on a large area of the public domain closed to general mineral entry for many years. This bill was passed by the 84th Congress after expiring in four previous Congresses at some stage of the legislative process.

Approximately 7 million acres of public lands withdrawn or reserved for power development—95 percent of them closed to mineral entry since about 1910—are open by Public Law 359 to entry under the mining laws, subject to carefully drawn provisions preserving existing and future power development rights, and establishing procedures for permitting placer mining operations in such manner as to minimize interference with other land values.

SOURCE MATERIAL ENTRY ON COAL LANDS

Public Law 357 (H. R. 6994, BERRY) was designed by the committee to provide statutory authority required for the mining and removal of uranium-bearing lignite coal found in the public lands of the United States classified as or known to be valuable for coal. Found necessary to clear title complications inherent in a large number of mining claim located in good faith on public lands in the States of South Dakota, North Dakota, and Montana, Public Law 357 will also further exploration and development of uranium-bearing lignite coal deposits considered by the Atomic Energy Commission as an important potential source of uranium.

DOMESTIC MINERALS PROGRAM EXTENSION

Passed by the Congress but disapproved by the President, H. R. 6373 (ENGLE, MILLS, HARRISON of Virginia, ABBITT, HARRIS, METCALF, BLATNIK, YOUNG, PFOST, RHODES of Arizona) had as its purpose amending the Domestic Minerals Program Extension Act of 1953 to increase the quantities of domestically producted tungsten, manganese, chromite, asbestos, mica, beryl, and columbium-tantalum to be purchased by the United States.

Principal aim of the committee in urging its enactment was to prevent disintegration of important segments of the domestic mining industry and thereby to maintain a newly won mobilization base composed of hundreds of producing mines until a comprehensive, long-range domestic minerals program might be formulated through promised recommendations of the recently established Office of Minerals Mobilization.

I interpret the memorandum of disapproval accompanying H. R. 6373, unsigned, to the House, as containing implicit assurance that such a long-range program will shortly be recommended to the Congress, and that in the meantime the going domestic industry in these essential minerals and materials will not be permitted to wither and die. I believe with many of my colleagues that the President—as his memorandum of disapproval makes clear—has a right to expect early performance in this respect by the responsible executive and administrative agencies.

CONSERVATION OF ANTHRACITE COAL RESOURCES

In recognition of the ever-increasing danger of loss of the vast reserves of anthracite coal by flooding of coal formations and underground workings, the committee secured enactment of Public Law 162 (H. R. 7066, FLOOD, FENTON, CARRIGG, WALTER, SAYLOR).

This measure will provide $8.5 million of Federal funds—to be matched in an equal amount by the Commonwealth of Pennsylvania—for the purpose of establishing a program for the control and drainage of water in anthracite-coal formations so as to conserve vital national resources, promote national security, prevent injuries and loss of life, and to protect and preserve public and private property. The saving of our valuable anthracite-fuel reserves, amounting to approximately 5 billion tons and comprising an area of 480 square miles in the anthracite region of northeastern Pennsylvania, is a matter of national concern. Public Law 162 will also serve to a degree to stabilize the economy of that area, dependent to an appreciable extent on the anthracite industry.

TIMBER AND STONE LAW REPEAL

Public Law 206 (H. R. 4894, ROGERS of Texas) repeals the outmoded timber and stone law of 1878, which is inconsistent with more recent statutes permitting the sale of timber alone without including the land, and laws which facilitate sustained-yield management of timbered public lands.

III. PUBLIC LANDS, NATIONAL PARK SYSTEM

Looking to the future, and guided by past experiences, the committee considered and acted on several important measures relating to the regulation, utilization, and development of our public lands and our national park system. Without exception, this legislation has one common aim: fuller development and utilization of the timber, forage, recreational, scenic, historic, and related values of our public domain.

TIMBER ACCESS ROADS

In obtaining enactment of Public Law 171 (H. R. 4664, ENGLE; S. 1464), the committee and Congress authorized the Secretary of the

Interior to acquire rights-of-way and existing connecting roads adjacent to public lands when needed to provide access to timber on public lands under his jurisdiction.

This act will facilitate the perpetual, sustained yield forest management program of Interior on 2 million acres of highly valuable forest lands in western Oregon, and a similar but less intensive forestry program on approximately 4.5 million acres of scattered public domain lands elsewhere in the 11 Western States.

DESERT LAND ENTRY

More than 10 million acres of arid and semiarid public lands have been entered and settled under privately managed irrigation development since Congress passed the Desert Land Entry Act of 1877. As amended, the 1877 Act established a maximum allowable acreage of 320 acres to any one person, and was limited to entry on nonmineral lands. Subsequent legislation provided for entry on mineral lands but limited the acreage allowable on such lands to 160 acres.

Public Law 76 (H. R. 1844, THOMSON of Wyoming; S. 265) is designed to bring uniformity into the laws governing desert land entry by permitting maximum mineral land entry of up to 320 acres, the maximum allowable on nonmineral lands. It recognizes the necessity of making available a true economic base in consonance with the historic policy of Congress of encouraging agricultural homestead entry, thus fuller development and use of land, water, and human resources.

FEDERAL IN-LIEU PAYMENTS

With 11 bills pending on the subject of Federal reimbursement to States and local government by reason of Federal ownership of tax-exempt real property, the committee initiated hearings on this major public lands policy legislation.

Concurrent with the report to the President by the Commission on Intergovernmental Relations of recommendations with respect to this matter, the Subcommittee on Public Lands held preliminary hearings on H. R. 4884 (ENGLE) and related bills by Representatives MCDONOUGH, LANE, KEATING, LIPSCOMB, WHITTEN, MULTER, HYDE, PHILBIN, WILSON of California, directed the launching of a recess research program, and laid the base for a determination of the position of the administration and executive agencies so that this far-reaching legislation might be advanced during the second session.

"MISSION 66" AND THE NATIONAL PARK SYSTEM

During the first session the committee heard, and discussed with, the Director and staff members of the National Park Service the subject of a legislative approach which would effect a comprehensive, long-range program for full development of the 180 units of the park system under the Department of the Interior.

For some months, the Park Service has devoted many man-hours to what is labeled "Mission 66," which calls for legislative initiation of a program for funding and administration, concentrating on such matters as campground development; employee housing; bringing of existing roads and trails up to standard and construction of badly needed new ones; reexamination of the concessions program within the system; park facilities construction and development; and installation and improvement of water, sewage, and sanitation facilities.

In addition, it is hoped that plans for "Mission 66" will include recommendations for land acquisition to provide for acquiring title to non-Federal lands within the exterior boundaries of units of the existing system, and for accompany boundary adjustments.

Anticipating an approximately 10-year program, this ambitious project is aimed at completion in time for the 50th anniversary of the National Park Service in 1966. It recognizes these basic facts:

1. Park system visitations have increased 129 percent since 1946;

2. More than 48 million people visited the park system areas in 1954;

3. Present development of land, water, and facilities within the 22 million acres of the system are such as to properly accommodate about 21 million day-visitors; and

4. Current usage-rate increases indicate that by 1966 the park system will have to accommodate annually 75 million day-visitors.

"Mission 66" legislation, when developed and enacted, may well represent revitalizing of the entire national park system program, minimize the piecemeal "emergency" approach of the past, and constitute a base for full utilization of the priceless recreational, scenic, and historic resources of our public domain.

PARK MUSEUM PROPERTIES

By its enactment of Public Law 127 (H. R. 5597, ENGLE; S. 1747), Congress has provided authority in Interior for increasing the benefits from the national park system by facilitating the management of various museum properties within the system.

Public Law 127 is designed to provide additional authority in the operation of museums and the acquisition and disposition of museum properties within the park system by permitting the Secretary to accept donations of money and personal property; purchase, exchange, make and accept loans of museum objects and collections. With little if any, additional cost to the Government, this bill serves a desirable public purpose, and will enable more efficient public service.

BOSTON, NEW YORK HISTORIC PROPERTIES

In its continuing effort to establish coordinated programs for the preservation of the Nation's historic properties, the committee reported, and Congress enacted, two measures in this legislative area.

Public Law 75 (H. J. Res. 207, MCCORMACK; S. J. Res. 6) establishes a commission to investigate the feasibility of a coordinated local, State, and Federal program in Boston and vicinity for the purpose of preserving the historic properties, objects, and buildings of that area. Their existence is inextricably associated with the colonial and revolutionary periods of American history; a program for their preservation will be of incalculable value to the Nation as an inspirational and cultural resource.

Similarly, Public Law 341 (H. R. 3120, KLEIN; S. 732) authorizes establishment of a commission for the purpose of advising the Secretary, and furthering public participation in the rehabilitation and preservation of three of the Nation's most important and significant historic shrines in the New York City area: Federal Hall National Memorial, Castle Clinton National Monument, and the Statue of Liberty National Monument.

Recommendations of both the Boston and New York Commissions would, upon completion, be forwarded to the Congress for appropriate action.

BROOKLYN MONUMENT

Public Law 214 (H. R. 473, ROONEY, MILLER of Maryland) authorizes an investigation and report to Congress regarding the advisability of establishing a national monument in Brooklyn, N. Y., in honor of 256 Maryland soldiers killed in the Battle of Brooklyn on August 27, 1776.

DEVILS TOWER, WYOMING

Public Law 287 (S. 2049; House bill, THOMSON of Wyoming) provides recognition of the 50th anniversary of the Devils Tower Monument, Wyoming, the first national monument—established in 1906—and authorizes the addition of certain lands to the monument for use as additional campgrounds, parking areas, and other facilities.

SITTING BULL, NORTH DAKOTA

Enactment of Public Law 261 (H. R. 7284, KRUEGER; S. 535) conveying certain land of the United States and the Standing Rock Tribe of Indians, North and South Dakota, to the State of North Dakota, will make possible establishment of a State historic site. The land conveyed contains the original burial site of the legendary Chief Sitting Bull; creation of the proposed historic site will serve to commemorate one of the principal figures of the Sioux Nation, the most numerous and powerful of the Plains Indians.

COLONIAL PARK, VIRGINIA

Having passed the House, H. R. 5280 (ROBERTSON, Virginia), if enacted, would authorize the Secretary of the Interior to exchange on a land-for-land basis certain Federal lands for other non-Federal lands within the exterior boundaries of Colonial Historical Park, Virginia, thus permitting more orderly administration and development of this outstanding area.

GENERAL GRANT TREE, CRAZY HORSE MEMORIAL

Two other measures were reported from committee, and were pending in the House at adjournment: House Joint Resolution 194 (SISK), which would designate the General Grant Tree in Kings Canyon National Park, Calif., as a national shrine; and House Joint Resolution 303 (BERRY), which would establish the Crazy Horse Memorial Commission to provide for the construction of a permanent national memorial to the North American Indians.

OKLAHOMA LAND CONVEYANCE

Public Law 215 (H. R. 4001, ENGLE), provides legislative authority, now lacking, for the management and disposition by the Secretary of the Interior of the interest of the United States in the surface rights to approximately 20,000 acres of reconveyed Choctaw and Chickasaw Indian lands in the State of Oklahoma. Its enactment quiets title to numerous small tracts scattered throughout an area 100 miles long and 60 miles wide in eastern Oklahoma, will permit proper management and maximum utilization of the lands, and will also make possible a higher dollar return to the United States for the amount spent in purchasing these lands from the Indians.

MILES CITY, MONT., LANDS

Public Law 191 (H. R. 6296, FJARE; S. 1878) extends for a 5-year period the provisions of a 1950 act which authorized conveyance by the Secretary of certain public lands in Miles City, Mont., to the city on a term-purchase project. Its enactment will make possible the development of further proposals by the city's industrial planning board for industrial uses of the land.

CHANDLER, OKLA., LANDS

H. R. 4747 (STEED), which became Public Law 241, permits the Secretary to quitclaim to the city of Chandler, Okla., the interest of the Federal Government in approximately 154 acres of land given to the city in 1923. The provisions of the original conveyance, limiting city use to public park, military, and aviation purposes, have proven unduly restrictive, and this conveyance will permit the city to obtain a clear title to the lands and to proceed with plans for civic benefit.

RECORDATION OF SCRIP

After predecessor legislation having the same purpose passed the House in both the 82d and 83d Congresses, but expired each time before final action by both bodies, H. R. 2972 (ENGLE) became Public Law 247, to provide authority for determining how much Federal "paper" in the form of scrip, lieu selection and similar rights is outstanding. Issued under more than 40 acts of Congress between 1815 and 1922, this "paper" constitutes an outstanding claim by the holders of lands of the United States. Enact-

ment of Public Law 247, with its recording requirements, will enable the Department of the Interior to determine the amounts outstanding under formulated procedure for satisfying them.

INDIAN RIVER LANDS, FLORIDA

Public Law 258 (H. R. 6101, HERLONG; S. 464) is another measure made necessary by reason of erroneous private surveys of Federal lands under congressional policy in effect prior to 1910. In this instance, the act constitutes authority for issuance of patents to some 586 acres of land bordering on the Indian River in Florida; patentees would be individuals who have for many years occupied and used these lands with accompanying indicia of real-property ownership, including, in most instances, payment of taxes thereon. Its enactment will effectively settle substantial title uncertainties presently existing in the area.

ARIZONA FOREST LANDS

Public Law 39 (H. R. 2679, UDALL) amends existing law providing for supervision of mining locations in certain Arizona national forest lands by extending present statutory authority to include approximately 80,000 acres of national forest land in the Sedona-Oak Creek area within the Coconino National Forest. Its enactment will assure bona fide mineral development and will help to preserve public recreation and timber values, without blocking development of mineral resources.

IV. TERRITORIES AND INSULAR AFFAIRS

The 1st session of the 84th Congress recorded substantial progress in disposing of legislation referred to the committee dealing with the Territories and insular possessions of the United States.

HAWAII-ALASKA STATEHOOD

While perhaps the most important single piece of legislation involving our Territories and possessions, H. R. 2535 (ENGLE; SAYLOR), the joint Hawaii-Alaska statehood bill, was not approved during the first session, the record made in committee and on the floor will prove valuable, I believe, in future consideration of this key legislation.

In addition to extensive deliberation in committee, and more than 12 hours of presentation before the Committee on Rules in support of a rule, H. R. 2535 was ordered recommitted by the House only after 7 hours of floor debate.

Bills for Alaska statehood only were introduced by Delegate BARTLETT, Congressmen SAYLOR, and MACK of Washington; and for Hawaii statehood by Delegate FARRINGTON, Congressmen SAYLOR, ENGLE, and MACK of Washington.

ALASKA MENTAL HEALTH

Ordered reported by the committee, and ready for early consideration in the second session in the House is H. R. 6376 (GREEN of Oregon; O'BRIEN of New York, BARTLETT), the Alaska mental health bill.

This measure, if enacted, will remedy an historic deficiency in Alaska's ability to perform one of its basic governmental responsibilities, will completely write off the statute books the archaic commitment procedures presently in effect, and will make possible initiation of a long-range comprehensive program for construction of adequate mental health facilities in the Territory.

GENERAL TERRITORIES LEGISLATION

In recognition of its responsibility for legislation aimed at securing orderly administration, securing full development of resources, and encouraging establishment of sound economic bases in the Territories, the committee acted on several important measures.

ALASKA, HAWAII WATER RESOURCES

Two measures acted on will complement H. R. 5881, the small reclamation projects bill referred to above, in promoting water-resource development in the Territories. Public Law 322 (H. R. 3990, BARTLETT) authorizes the Secretary of the Interior to further utilize Bureau of Reclamation facilities in Alaska to investigate and report to the Congress on projects for the conservation, development, and utilization of water resources in Alaska. H. R. 6461 (FARRINGTON) passed the House and delegates authority to the Territory of Hawaii which will promote sound economic development of irrigation projects by the Hawaii Irrigation Authority.

CITY OF REFUGE, HAWAII

H. R. 5300 (FARRINGTON), which became Public Law 177, provides for establishment of the City Refuge National Historical Park on the Island of Hawaii and assures preservation of an area both unique and of great historic significance.

WAIKIKI BEACH DEVELOPMENT

Another measure is tailored to meet the ever-increasing demands for recreational facilities, and will make for fuller utilization of the Waikiki Beach area. Public Law 199 (H. R. 6331, FARRINGTON) authorizes officials to acquire from abutting property owners littoral rights to certain tidelands adjacent to Waikiki, which acquisition will make possible transactions assuring construction of a new public recreational area and tourist attraction to be known as Crescent Beach.

HAWAII LAND CLAIMS

H. R. 7186 (FARRINGTON) passed the House, and if enacted, will establish a procedure permitting a number of eleemosynary organizations of Hawaii composed of persons of Japanese ancestry to file claims for lands conveyed by them to the Territory during World War II.

HAWAII LAND USE

Three measures which passed the House prior to adjournment reflect a continuing congressional willingness to delegate authority to territorial officials with a common objective of broadening the land-utilization base.

H. R. 6463 (FARRINGTON), ratifies and confirms an act of the territorial legislature providing, among other things, a practical method of disposition of small remnants of public lands resulting from eminent domain proceedings and from the abandonment of all or portions of existing but unused public roads, streets, or other rights of way.

H. R. 6807 (FARRINGTON) would vest authority in the Territory to amend certain patents by removing restrictive covenants on their use for residents for eleemosynary purposes whenever changes in surrounding land use justify restriction removal.

H. R. 6808 (FARRINGTON) deals with existing provisions of law governing the sale of public lands for residential purposes in Hawaii and, if enacted, would modify the present procedure so as to eliminate a requirement for readvertisement of sale where lands had been once offered for sale and not sold.

ALASKA DEVELOPMENT MEASURES

Consonant with its desire to accelerate resource and economic development of Alaska, the committee secured enactment of several measures designed to achieve that purpose:

Public Law 158 (H. R. 245, BARTLETT), authorizing road-building activities on through highways within the boundaries of Alaska municipal corporations; Private Law 163 (H. R. 4853, BARTLETT), authorizing the sale of a tract of public land in Alaska to permit construction of a $3 million sawmill and plywood plant; Public Law 232 (H. R. 3338, BARTLETT), to promote industrial development on trackside property of the Alaska railroad by permitting term leases designed to encourage national bank loans; Public Law 56 (S. 1650; H. R. 5462, BARTLETT), correcting a technical situation so that Alaska will be able to obtain full benefits of the Employment Security Administration Financing Act of 1954; Public Law 213 (H. R. 605, BARTLETT), opening to sale and entry—subject to certain limitations protecting the Federal interest—reserved spaces between claims on shore water areas of Alaska; and Public Law 154 (S. 1633; H. R. 5166, BARTLETT), relating to a constitutional convention in Alaska.

HOUSE PASSED MEASURES

Three additional measures involving Alaska development passed the House: H. R. 4047 (BARTLETT), authorizing Federal construction and maintenance of public recreational facilities in Alaska for a 5-year period; H. R. 603 (BARTLETT), granting additional land for the support and maintenance of the University of Alaska, by amending existing law to permit the selection of both mineralized and unsurveyed lands (presently prohibited) and to give meaning to a 1929 act granting 100,000 acres to Alaska for use of its university but limiting selections to vacant non-mineral, surveyed, reserved public lands; H. R. 607 (BARTLETT), promoting fuller development of Alaska school lands by lessees through permitting leases of sufficient length to attract mortgage investment loans; and H. R. 4096 (O'BRIEN), permitting supervised disposal by the Secretary of the Interior of lands closed to entry and sales because withdrawn for highways, telephone, and pipeline purposes.

H. R. 604 (BARTLETT), to provide port of entry and related facilities on the Alaska Highway at the Alaska-Canadian border, was favorably reported and pending in the House at adjournment.

V. LEGISLATION RELATING TO INDIANS

Another of the prime areas of legislative responsibility of the committee is that involving relations of the United States with the Indians and Indian tribes of the United States and Alaska. With more than 100 measures proposing Indian legislation referred, the committee made considerable progress in its continuing effort to effectively aid in management and conservation of Indian resources and funds, to assist in bettering individual and tribal economic conditions, and to help resolve difficulties arising from claims against the United States.

INDIAN CLAIMS COMMISSION LEGISLATION

H. R. 5566 (HALEY, METCALF), which passed the House, and S. 1746, which passed the Senate, have as their common purpose amending the Indian Claims Commission Act of 1946 so as to extend the Commission termination date only to such time as will permit complete, but expeditious, disposition of a backlog of 750 pending claims. Since only 102 of 852 claims filed under the act have been disposed of, the committee concluded an extension beyond the present April 10, 1957, termination date is necessary to assure proper hearings on the remaining claims.

LAND UTILIZATION MEASURES

Public Law 255 (H. R. 7157, UDALL, METCALF; S. 34), permitting Indian owners of restricted lands to lease all or part of their holdings for a period of up to 25 years for specified purposes will, it is believed, add substantially to income received from use of these lands. It will also encourage investment in permanent improvements on them, attract improvement, livestock, and agricultural loans because of the longer lease period permitted, and make possible more effective management, utilization and conservation as full development goes forward.

MOHAVE-CHIMEHUEVI LANDS

Public Law 390 (H. R. 6418, UDALL; S. 2039) has long-term lease provisions identical to

those of Public Law 255, but applies only to unassigned lands on the Colorado River Indian Reservation, Arizona, authorizes leases by the Secretary of the Interior for the benefit of the Mohave and Chimehuevi Indians, and permits exercise of such authority only during a 2-year period following enactment.

INDIAN LAND LOANS

In the same general purpose area, the committee secured House passage of H. R. 4802 (HALEY, BERRY), authorizing—subject to Secretarial approval—execution of mortgages and deeds of trust on individual Indian trust or restricted land, thus permitting competent individual Indians to use their real property resources for obtaining capital necessary to development of true economic units. No final Senate action was taken on this measure prior to adjournment.

PAPAGO MINERALS BILL

Public Law 47 (H. R. 2682, UDALL), withdraws from all forms of exploration, location, and entry under the mining laws some 2.7 million acres of lands within the Papago Indian Reservation, Ariz., and provides that minerals underlying the reservation are made a part of it, to be held in trust by the United States for the Papago Indian Tribe. Existing mineral rights of non-Indians are safeguarded, with this act blocking further loss of surface utilization brought on by accelerated uranium prospecting and location. Existing provisions make possible continued mining operations through tribal leasing, thus providing increased income to the Papagos and retention of surface title, without locking up needed mineral resources.

FIVE CIVILIZED TRIBES RESTRICTIONS

Public Law 348 (H. R. 7218, STEED, ALBERT, EDMONDSON; S. 2198) extends the period of restrictions against alienation or encumbrance of lands belonging to the Indians of the Five Civilized Tribes in Oklahoma, in order to guard against injudicious business transactions leading to complete loss of such lands. The act does provide authority, however, for the Secretary of the Interior to issue an order removing restrictions under the act's carefully drawn provisions, and provides appeal procedure in the State courts.

INDIVIDUAL TRIBAL LAND MEASURES

Other measures acted on involving Indian lands include these: Public Law 188 (H. R. 1801, HOLMES) authorizes the Yakima tribe to purchase and sell trust lands now in heirship status on the Yakima Indian Reservation, Washington, and to make exchanges of lands, thus providing for blocking-up and consolidation of lands for greater economic utilization and improved management.

Public Law 263 (H. R. 7248, DAWSON of Utah; S. 878) authorizes the State of Utah to exchange State-owned mineral lands lying within the exterior boundaries of the Uintah and Ouray Indian Reservation for mineral-bearing public domain lands outside the reservation boundaries, to the mutual advantage of both the Indians and the State, through resulting consolidation.

Public Law 252 (H. R. 727, SCUDDER) authorizes conveyance of certain land in the Hoopa Valley Indian Reservation, California, from the United States and the Hoopa Indians for use as a school site.

Public Law 276 (S. 1906) authorizes the Pueblo Indians of San Lorenzo and Pojoaque in New Mexico to sell certain lands to the Navaho Indians, making available funds to the former for improving their economic status, permitting the latter to consolidate lands for more efficient administration; and Public Law 187 (H. R. 1802, HOLMES) authorizes the Yakima (Washington) tribe to lease the State some 200 acres of tribal land for development, maintenance, and preservation of historic Fort Simcoe.

UTILIZATION OF CREEK, KAW, AND SHOSHONE-ARAPAHO TRIBAL FUNDS

Three measures involving Indian tribal funds will permit direct individual financial assistance by providing for fund distribution. Public Law 202 (H. R. 4367, EDMONDSON) provides for distribution of all funds held by the United States in trust for the Creek Nation of Indians and certain members thereof. Public Law 281 (H. R. 6804, BELCHER; S. 2197) authorizes equal distribution of approximately $2.1 million to members, heirs, or devisees of the Kaw Tribe of Indians of moneys held in trust by the United States, and as is the case in Public Law 202 reflects current congressional policy of making Indian moneys available to those Indians regarded as competent to wisely utilize it.

Similarly, Public Law 278 (H. R. 6945, THOMSON of Wyoming; S. 2087), amends a law providing for semiannual per capita payments from tribal funds to members of the Shoshone and the Arapaho Tribe, of Wyoming, so as to permit quarterly payments, thus encouraging more judicious expenditure of payments received as periodic needs arise.

MONTANA LANDLESS INDIANS

H. R. 7433 (METCALF), directing the Secretary of the Interior to provide immediate relief and welfare services to Indians residing on Hill 57, at Great Falls, Mont., was reported by the committee and was pending before the House at the time of adjournment. Its counterpart, S. 2556, passed the Senate.

SIOUX REHABILITATION LEGISLATION

Initial hearings were held on three measures authorizing Federal appropriations for damage resulting from, and rehabilitation partially necessitated by, construction of two mainstem dams on the Missouri River, Fort Randall Dam, and Oahe Dam.

Proposing substantial fund expenditures for comprehensive rehabilitation measures and as additional reimbursement by reason of damages, H. R. 3544 (BERRY), Lower Brule Sioux, South Dakota; H. R. 3602 (LOVRE), Crow Creek Sioux, South Dakota; and H. R. 5608 (BERRY), Standing Rock Sioux of North Dakota and South Dakota, if enacted, may well be the keys to substantial strides forward in Sioux Indian Nation progress. Field hearings are planned at each reservation during the present recess.

COLVILLE INDIAN LANDS

Initial hearings were also held on H. R. 6154 (HORAN) and H. R. 7190 (MAGNUSON), providing for restoration to tribal ownership of more than 800,000 acres of land within the exterior boundaries of the Colville Indian Reservation, Wash. If enacted, this legislation would constitute a keystone in the economic base of the reservation.

Report to Constituents by Hon. Thomas M. Pelly, of Washington

EXTENSION OF REMARKS

OF

HON. THOMAS M. PELLY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1955

Mr. PELLY. Mr. Speaker, the story is told of a certain underworld character suddenly blossoming out as a deacon of the church and when this man was asked about it, he justified his selection to this position of leadership on the grounds that even the unrighteous are entitled to representation. Unlike that church deacon, and in all seriousness, I have never considered in my own case any special group obtained representation out of proportion to the entire population as far as the First Congressional District of Washington State was concerned. I may add, too, that during the 1st session of the 84th Congress my constituents have been unusually kind in recognizing my desire to put the public interest first and support what would promote the greatest good for the greatest number. Perhaps this understanding attitude was due to my activity during important debates on the floor of the House and, therefore, my position and reasoning on these public issues became a matter of public record and, of course, the members of the press do a very excellent job of keeping the public well informed.

The record, in my case, will show consistent support of President Eisenhower's program. In foreign policy matters and the administration waging its peace campaign I am listed as a 100 percenter; on domestic issues, while I have never put partisanship above conscience, it has been a great privilege to be able to support our great Republican leadership in practically every major measure.

There is no political party that has a monopoly on wisdom but to me, a Republican, it is a source of great pride that mine is a party of fiscal responsibility. For example, during the past 100 years, if you take all the years when the Republicans were in control of Congress, you find there has been an accumulated Federal Government financial surplus of receipts over expenditures of more than $5 billion as against the record of the years with Congress controlled by the Democrats when there was accumulated an aggregate deficit of nearly $269 billion.

Now I am taking great satisfaction from the prosperity which has come under the policies of my party and which might result in a balanced budget even this fiscal year. Quiet now are the dire, dismal and dour Democratic prophets of doom and gloom. Silent are those who actually seemed to wish public confidence shaken in order to discredit the administration. Right now more American wage earners are receiving more disposable income and producing more goods than in any peacetime year in our history. Yes, peace and prosperity are being waged successfully by the Republican administration and by our great President. It is certainly pleasing to be able to return to my home district and my neighbors and friends under these circumstances and in the light of the Nation's progress.

Legislativewise much in the way of important legislation remains for consideration at the next session. This is in part because a Democratic Congress, such as this one, will never be able to enact any civil-rights legislation, and partly because this Democratic Congress is fearful that the Eisenhower Republican label will be attached to measures prior to the 1956 election.

Fortunately, two projects of great interest to my district were nonpartisan in character. Certainly the million dollars to commence construction of the Eagle Gorge flood control dam will be greatly appreciated by my constituents.

Also my district benefits from planning funds given the United States engineers for the Shilshole breakwater off the Ballard Locks in Puget Sound. For 27 years the people of Seattle have sought this project, and, after having it authorized last year, I am hopeful of its critical need being recognized and construction funds appropriated next year.

One of the congressional duties I greatly enjoy is appearing before various House committees to explain the projects before the Congress of particular interest to my constituents. For example, I like to think my personal effort in behalf of such projects as Eagle Gorge Dam and Shilshole breakwater has been an influencing factor. But nothing can diminish the credit due to local citizens' groups and individuals who labor long and hard to get the merits of such improvements recognized. In this connection, I am asking congressional approval of the name "Howard Hanson Dam" after the chairman of the local committee which for years worked for a program to stop the periodic floods in the Kent-Auburn Valley south of Seattle. In Bremerton, in my district, is the Puget Sound Naval Base Association. I wish it were possible to name some naval vessels for some members of this organization who have worked with me in civic matters. I am very fortunate to have such friends on the homefront.

And now, Mr. Speaker, I will conclude these brief remarks. In doing so, I want to express to friends and colleagues on both sides of the aisle my appreciation of being associated with them. We have often personal differences of viewpoint, but we all recognize, I know, that it is our very conflict of opinion and our public debate which makes America a great country and ours a great Government. I have increasingly enjoyed being the Representative in Congress from the First District of Washington State and I look forward to future service with keen satisfaction and pleasure.

First Session, 84th Congress Record in Behalf of Farmers

EXTENSION OF REMARKS
OF
HON. HAROLD D. COOLEY
OF NORTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. COOLEY. Mr. Speaker, when the 84th Congress convened in January the Nation was confronted by a growing recession in agriculture. The average of farm prices had dropped 22 percent below the level of February 1951. Net farm income in 1954 had dipped about 30 percent under the income of 1947. The parity ratio was at the lowest since 1941. Farm operating costs remained near record highs, and farm debt was increasing. Farmers' purchasing power had declined to the lowest level since 1940.

Moreover, our farmers awaited a further deterioration of their income in 1955, under the lower price supports enacted by the preceding Congress at the behest of Secretary of Agriculture Ezra T. Benson.

This was the situation in agriculture at a time when all other major segments of our economy enjoyed unparalleled prosperity.

The House Committee on Agriculture, which it is my honor and privilege to serve as chairman, immediately set to work to stem this recession in agriculture, and again to put our farmers on the road toward income equality with our nonfarm population.

My purpose in addressing the House at this time is to report on our work.

The most apparent and the most effective action open to us was to undo the damage of the Agricultural Act of 1954 which required that, beginning in 1955, flexible—lower—price supports should be applied to the basic crops.

Our work was opposed by the Secretary of Agriculture, who made it plain to our committee that a Presidential veto was likely for any bill that sought to return to a system of firm price supports for agriculture.

Notwithstanding, the committee on March 10, 1955, reported H. R. 12 to the House.

This bill called for a restoration for 1955, 1956, and 1957 of 90 percent of parity price supports for wheat, corn, cotton, rice, and peanuts—along with tobacco which has a continuing program of 90 percent of parity supports. This legislation proposed repeal of that part of the 1954 act which allows the supports on all these crops, except tobacco, to go as low as 82½ percent of parity in 1955 and down to 75 percent in 1956, and subsequent years. The bill also placed the minimum level for support of dairy products at 80 percent of parity, instead of 75 percent under present law. It enlarged the school milk program; it extended the program for eradication of brucellosis in dairy herds. The bill, as approved by the committee, proposed a two-price system for wheat, authorizing producers to hold a referendum on whether to accept the existing price support program for wheat or a new program under which wheat consumed domestically as human food would be supported at 100 percent of parity and that going into other domestic uses and into export would sell at world prices. The two-price provision for wheat later was taken out of the bill, to be considered in separate legislation.

The House passed H. R. 12 on May 5 by a vote of 206 to 201. The bill now is pending in the Senate Committee on Agriculture and Forestry which is conducting extended hearings on the general farm program.

Mr. Speaker, although H. R. 12 won approval by the House, the debate was to agriculture a dark foreboding of the troubles that lie ahead. It disclosed that those who seek to destroy or weaken the farm program, built up through so many trying years, have succeeded to an alarming degree in dividing farmers, to set one group or one region against another, so that their common interests are confused. We saw the damaging effect of the effort to beat down farm prices, even at this time when the per capita income of farm people is only half the income of that 87 percent of our population that lives in our cities and towns.

I shall not use this occasion to single out those responsible or to place blame. But I do want to refer the Members of the House to the CONGRESSIONAL RECORD of June 15, 1955, pages 8366–8369, and of June 27, pages 9298–9300, in which I emphasize the need to get across to the people of this country the truth about agriculture. I hope that each of you, before the 2d session of the 84th Congress convenes next January, will make it your business to learn and preach the truth about agriculture, so that we shall come back here ready to act promptly and positively to reverse the recession in agriculture that not only is causing widespread hardships among our farm people but also holds a threat over the prosperity of our total economy.

In this it is my hope we may return to a nonpartisan consideration of the farmers' problems and the legislative remedies necessary to restoration of a sound agricultural economy. Through some 20 years, while we were building the farm program, our Committee on Agriculture considered farm legislation from a purely nonpartisan standpoint, and in the debates on this floor we saw the Members discussing the bills on their merits, devoid of political reference. Recently we have seen farm legislation in danger again of becoming a political football. We must know the truth about agriculture, and we must understand that the farm problems are of such tremendous economic importance to this country that they must be kept entirely out of partisan politics.

Mr. Speaker, while H. R. 12 represented our major effort to stop the recession in agriculture, the Committee on Agriculture was busy throughout this session on other legislation, dealing with the problems of small farmers, with foreign markets for our farm products, with farm credit, program improvements, distribution of food to needy persons, and other matters of importance to farmers and to our people generally.

Four hundred and fifty bills were referred to the committee in the first session of this Congress. On the same date in the first session of the four previous Congresses the total number of bills referred were: 80th Congress, 120; 81st Congress, 250; 82d Congress, 96; 83d Congress, 184. Hearings were held on every bill for which hearings were requested by its author, and the committee took official action with respect to more than half of the bills referred to it. The committee reported favorably to the House on 53 bills, and 39 bills within the jurisdiction of this committee were enacted and signed by the President.

The Congress provided funds through appropriations to finance the various programs in behalf of agriculture.

Among the major subjects handled by our committee were:

LOW-INCOME FARMERS

The Congress, through Public Law 132—S. 1755 and H. R. 6092—put a ceiling of 3 percent per annum on the interest rates for emergency loans made by the Farmers' Home Administration.

This legislation, of special benefit to small farmers, was prompted by the action of the Department of Agriculture, effective January 3, 1955, which raised the interest rate on emergency loans made by the Farmers' Home Administration from 3 to 5 percent. In this legislation the Congress took the position that a farmer in distress, who must go to the FHA because he is unable to get a loan from a private commercial banking institution, should not be forced to pay a higher rate of interest than 3 percent.

Through Public Law 360—S. 2098—the Congress authorized additional appropriations to the extension service for special programs to aid low-income farmers.

Our committee and the Congress recognize the necessity of improving the income and living standards in the low-income rural areas. Congress in the past has provided special credit facilities and other services for this purpose, including the program that has aided tenant farmers to become farm owners.

However, in recent years the number of farms in the United States has decreased and the tendency now is toward larger and larger farms. Meanwhile, many small-farm operators receive inadequate incomes for a satisfactory standard of living.

The fading out of the family owned and operated farm is of great concern to the Nation. The steady lessening of the number of family farms in recent years has resulted in the deterioration of many prosperous farm communities, and many rural churches have been closed as the farm population dwindled away.

This is a development warranting the attention of the Congress.

Moreover, there is a need for consideration of the part-time farmer who supplements his meager income from agriculture by working part time in town.

Therefore, Mr. Speaker, I have appointed a special subcommittee of the House Committee on Agriculture, under the chairmanship of Representative CLARK W. THOMPSON of Texas to make a thorough study of the ways and means to protect, foster and promote the family farm as the continuing dominant unit in American agriculture, and to improve the income and living standards of low income farm areas. This will include special attention to the manner in which we can adjust our farm programs to accommodate the convenience, productivity, and prosperity of the family farm unit.

This study will be entirely devoid of partisanship. Both major political parties are pledged in their platforms to safeguard the family farm.

FOREIGN TRADE

Through Public Law 387—S. 2253—Congress provided for a vast expansion of operations under the Agricultural Trade Development and Assistance Act of 1954—Public Law 480 of 83d Congress. The original act established a principle that America's abundance of food and fiber should be managed to expand international trade and to promote the economic stability of agriculture in the United States and the national welfare. To expand foreign trade outlets for farmers and to develop new markets, this act authorized sales of our food and fiber for local currencies of other countries. The 83d Congress provided $700 million to reimburse the Commodity Credit Corporation for commodities taken out of its stocks, to convert to dollars the local currencies of other countries received by private American exporters for goods delivered abroad under this program. Public Law 387 just enacted more than doubles this amount, making available $1,500 million for this reimbursement purpose. Several improvements were made in the language of the original act, to facilitate movement of this commerce.

Public Law 25—S. 752—enacted by this Congress, also improves operations under the Agricultural Trade Development and Assistance Act, by removing the requirement that private stocks exported under title I be replaced by CCC stocks.

FOOD FOR THE NEEDY

The Congress took an important step to open wider the doors to storehouses of abundant foods for the relief of our needy people at home.

Through Public Law 311—H. R. 2851—it authorized, until June 30, 1957, distribution of wheat flour and cornmeal to needy individuals and families upon the request of the governor of a State. The distribution to a central location or locations in each State will be made by the Secretary of Agriculture, using up to $15 million a year for this purpose. This makes bread available to the needy, who previously have been receiving principally perishable commodities, such as butter, cheese, and dried milk, from the Government food holdings.

This legislation helps meet an immediate need among unemployed coal miners and others.

Moreover, the committee is conducting thorough studies of the food-stamp plan and the various other proposals for the most beneficial use of the abundance of our agriculture.

AGRICULTURAL CREDIT

A major enactment in the agricultural credit field was Public Law 347—H. R. 5168—which opens the way for greater farmer ownership and control of the cooperative farm-credit agencies. The farm-credit system is an entirely separate operation from the Farmers' Home Administration, which makes direct loans from appropriated funds for many farm purposes where private funds are not available, and FHA insures private loans in several fields. The lending institutions of the farm-credit system are the Federal land banks which make long-term farm-mortgage loans, the Federal intermediate credit banks, production credit associations, and the banks for cooperatives which finance the operations of farmers' cooperative associations.

Other enactments related to agricultural credit included:

Public Law 55—S. 941—authorizes the Federal land banks to purchase in bulk the remaining assets of the Federal Farm Mortgage Corporation in their respective districts.

Public Law 117—S. 1582 and H. R. 5822—to extend for 2 years the period of making emergency loans under Public Law 727, 83d Congress, which provided $15 million of economic disaster loan authority.

Public Law 166—H. R. 4915—to extend the period for making special livestock loans for 2 years.

Public Law 273—S. 1758 and H. R. 6914—to simplify administration of the insured-mortgage provisions of the Bankhead-Jones Farm Tenant Act.

Public Law 270—S. 1621—authorizing the Secretary of Agriculture to adjust or compromise debts of settlers on the Angostura project at Hot Springs, S. Dak.

Public Law 132, putting a 3-percent ceiling on the interest rates of FHA emergency loans, already has been mentioned in the discussion of legislation relating to low-income farmers.

SOIL CONSERVATION

Public Law 42—H. R. 1573—repeals that portion of the Agricultural Act of 1954 that denied agricultural conservation program payments to any farmer who knowingly harvests any basic commodity in excess of his acreage allotment.

Our committee found that this provision in the 1954 act would seriously retard the agricultural conservation progam and that, in fact, it was in direct conflict with the spirit of several provisions of the acreage allotment and marketing-quota laws.

The committee said that programs designed to stabilize the price and the supply of specific agricultural commodities are and should be kept entirely separate from those programs having as their objective the preservation and improvement of our soil and water resources.

The marketing quota penalties and the loss of price supports in the case of acreage allotments have proved sufficient deterrents to overproduction of those commodities which are accorded price support in return for this measure of production control by farmers. Conservation programs are designed for the long-range benefit of the Nation as a whole. The carrying out of proper conservation measures, in many instances, may actually be unprofitable to the farmer who is working the land. The objectives of this program are entirely separate and different from the objectives of our price-support programs and should be kept so.

Public Law 264—S. 1167—provides that persons carrying out conservation practices on federally owned noncropland be eligible to receive ACP cost-sharing assistance if such practices directly conserve or benefit nearby or adjoining privately owned lands and such persons who use and maintain such Federal land, under agreement with the Federal agency having jurisdiction.

RESEARCH

Public Law 352—S. 1759—consolidates into 1 act the provisions of 12 acts authorizing expenditures for agricultural experiment stations. The new act is intended to improve the efficiency and effectiveness of the experiment stations by simplifying their procedures.

TOBACCO

Public Law 21—H. R. 4951—directs the Secretary to redetermine the national marketing quota for burley tobacco for the 1955–56 marketing year. Authorizes reductions in redetermining this

quota, by an amount not exceeding one-tenth of an acre the existing burley allotments which are seven-tenths of an acre or less but more than five-tenths of an acre. Makes a permanent change in the minimum acreage allotment by establishing the new minimum as the smallest of the allotment established for the farm for the immediately preceding year, five-tenths of an acre, or 10 percent of the cropland. Provides that excess tobacco acreage for 1955 and thereafter shall not be considered as part of the farm history in establishing future acreage allotments. Penalizes tobacco producers who file, or aid in the filing of, false reports on tobacco acreage grown on their farms. Increases the excess-marketing penalty from 50 percent to 75 percent of the average market price for such tobacco for the preceding marketing year.

Public Law 96—Senate Joint Resolution 60—directs the Secretary to conduct a study of the burley tobacco program and report to Congress not later than November 1, 1955.

Public Law 279—S. 2297—provides that if marketing quotas on any kind of tobacco are disapproved in three consecutive referenda subsequent to 1952, a referendum on each kind of tobacco would be held only once every 3 years thereafter unless at least one-fourth of the growers of such kind of tobacco petition the Secretary prior to November 10 for a referendum before the end of the 3-year period.

Public Law 351—S. 2295 and H. R. 6847—provides that for the 3 years 1956 to 1958 the acreage allotment for any farm which has not been retired from agricultural production shall not be reduced below the acreage allotment which otherwise would be established because the harvested acreage was less than the allotted acreage unless the acreage harvested was less than 50 percent of the allotted acreage in each of the preceding 5 years, in which case it shall not be reduced for such reason to less than the largest acreage harvested in any year in such 5-year period.

Public Law 361—S. 2296 and H. R. 6846—provides that the production of tobacco on a farm for which no farm acreage allotment has been established shall not make the farm eligible for an allotment as an "old" farm, provided that by reason of such production the farm need not be considered as ineligible for a "new" farm allotment but such production shall not be deemed past tobacco experience for any producer on the farm.

RICE

Public Law 29—H. R. 4647—increases each 1955 State rice acreage allotment by 2 percent. Provides each State with a 1955 rice allotment at least equal to its 1950 allotment. Provides each county whose base acreage for 1955 exceeded by at least 2 percent its base acreage for 1950 with a 1955 rice allotment at least equal to its 1950 allotment. Increases each State reserve for new producers and new farms to a minimum of 500 acres.

Public Law 28—H. R. 4356—provides that joint acreage allotments of rice shall be divided on the basis of acreage planted by each participant instead of on the basis of each participant's share of the crop.

Public Law 27—H. R. 2839—authorizes the reapportionment of land which will not be planted in rice, and is voluntarily surrendered to the county committee, to other farms in the same county.

Public Law 228—S. 2511—provides that for 1956 no national rice acreage allotment be established which is less than 85 percent of the final allotment established for the immediately preceding year.

Public Law 292—S. 2573—provides that in States where farm rice acreage allotments are established on a producer basis only the past plantings of rice by the producer within the State and acreage allotments previously established in the State for the producers shall be used in determining such allotments.

WHEAT

Public Law 8—S. 145—amends the Agricultural Adjustment Act of 1938, as amended, so as to provide for increased durum wheat acreage allotments and marketing quotas for the 1955 crop for farms located in Minnesota, Montana, North Dakota, and South Dakota. Provides that this increase in allotments shall be in addition to the National, State and county wheat acreage allotments, and that acreage of class II durum wheat thereon shall not be considered in establishing future State, county, and farm acreage allotments.

RURAL ELECTRIFICATION

Public Law 70—H. R. 5376 and S. 1531—modifies the State allotment formula by making 25 percent, instead of the present 50 percent, of the annual loan fund appropriations subject to State allotment on the basis of unelectrified farms during the first 6 months of the fiscal year. Thereafter the unexpended or unobligated funds will be merged with the remaining 75 percent of the annual loan funds which will be available without allotment, with not more than 25 percent of the unallotted loan funds to be employed in any one State, or in all the Territories. Loan funds which are not loaned or obligated may be carried over to the following years.

FARM LABOR

Public Law 319—H. R. 3822—extends until June 30, 1959 the Mexican farm-labor program. Relieves employers of double liability for the cost of returning a worker to Mexico where the employer has paid once for such movement but the Mexican does not return and is later apprehended. Specifies that the Secretary of Labor is to obtain information on the availability of domestic workers, prevailing wage rates, and labor shortages in the area, and then post publicly the number of workers to be imported.

COMMODITY EXCHANGE AUTHORITY

Public Law 82—S. 1398 and H. R. 4514—to strengthen the investigation provisions of the Commodity Exchange Act, by extending the subpena power to investigations as well as proceedings under the act.

Public Law 174—H. R. 122—includes onions in the commodities subject to regulation under the Commodity Exchange Act.

Public Law 248—S. 1051—authorizes the Secretary to adjust the fees and charges for registrations and renewals under the Commodity Exchange Act.

MARKETING PENALTIES

Public Law 272—S.1757—provides that anyone who knowingly falsely marks or causes to be marked an agricultural commodity as being officially inspected or graded, when it has not in fact been so marked or graded, shall be liable to a fine of not more than $1,000 or 1 year imprisonment, or both.

OTHER ENACTMENTS

Public Law 30—House Joint Resolution 107—authorizes the Secretary, upon consent of California Department of Agriculture, to release reversionary rights to the Vineland School District, Kern County, Calif.

Public Law 43—H. R. 1831—protects from claims and suits innocent purchasers of fungible goods converted by warehousemen.

Public Law 54—S. 1133 and H. R. 4576—authorizes payment equal to 50 percent of losses incurred, but not exceeding any State indemnity, in Iowa for swine destruction due to vesicular exanthema.

Public Law 81—S. 998 and H. R. 1762—provides for conveyance of certain lands by the United States to the city of Woodward, Okla.

Public Law 116—H. R. 2973—conveys all right, title, and interest of the United States in a certain tract of land in Macon County, Ga., to the Georgia State Board of Education.

Public Law 237—H. R. 4280—directs the Secretary to release on behalf of the United States conditions in 2 deeds conveying certain submarginal lands to Clemson Agricultural College of South Carolina.

Public Law 257—S. 72—provides that certain lands acquired by the United States shall be administered by the Secretary as national forest lands.

Other legislation of importance to agriculture was passed by the Congress, including Public Law 86—H. R. 1—extending the authority of the President to enter into reciprocal trade agreements; and Public Law 84—H. R. 5106—amending the Servicemen's Readjustment Act of 1944 to authorize loans for farm housing to be guaranteed or insured under the same terms and conditions as apply to residential housing.

Public Law 344—S. 2604 and H. R. 7541—increased the borrowing power of the Commodity Credit Corporation from $10 billion to $12 billion. Public Law 14 repealed the law providing a revolving fund for the purchase of agricultural commodities and raw materials to be processed in occupied areas and sold.

The House Committee on Agriculture developed legislation in several fields where final action awaits the deliberations of the 2d session of the 84th Congress. These included:

SUGAR

The committee reported and the House approved H. R. 7030 to reenact and extend for 4 years, to December 31, 1960,

the Sugar Act of 1948, as amended, with further amendments dealing primarily with adjustments of quotas intended to give domestic producers a fair share in the growth of the United States sugar market and to bring about an equitable participation by foreign suppliers in this market.

The legislation now is pending in the Senate. The Sugar Act, in the absence of any action by the Congress, would expire December 31, 1956.

Participation by the United States sugar producers in the future market growth in this country, as provided in H. R. 7030, does no more than restore to them the status they had under sugar-quota legislation prior to World War II.

In the Sugar Act of 1948, quotas for the domestic areas were limited to fixed quantities in order to assist Cuba in making the transition from wartime to peacetime conditions by assigning to her virtually all of the increases in the United States sugar market. It was recognized at the time that the change was of temporary nature and that at the appropriate time the domestic areas should resume participation in market growth.

Cuba, under H. R. 7030, retains its status as our largest foreign supplier. The actual tonnage which Cuba will market in the United States is expected to increase from year to year because of her participation in our market growth. Additional quotas granted to other foreign suppliers, as provided in the bill, are in line with our national policy of broadening our trade relations.

MARKETING FACILITIES FOR PERISHABLE AGRICULTURAL COMMODITIES

H. R. 4054 seeks to reduce the cost of food to consumers and to improve the income of farmers through more efficient marketing of perishable agricultural commodities.

The bill authorizes the Secretary of Agriculture to insure loans by private lending institutions for the improvement and development of wholesale marketing facilities, designed to lessen the uneconomic practices in antiquated facilities that now cause greatly increased costs, undue losses, excessive waste, spoilage, and deterioration in the handling of these perishable foods.

Our Committee on Agriculture approved this bill for action in the House and Senate in the second session of this Congress.

Mr. Speaker, our committee and this House made a proud record in behalf of the farm families of America during the 1st session of the 84th Congress, although we confronted hard and sometimes bitter opposition in our efforts to stop the growing recession in agriculture.

In closing, I want to stress that the farmers' problem is everybody's problem; that we cannot have a continuing prosperity in America without prosperity in agriculture; and I again appeal to each of you that, in these intervening months until we meet again, you acquaint yourselves with the plight of our farmers and their families, and that we return here ready to act promptly and decisively to remedy this blight of economic injustice on our farms.

The Political Executive and the Senior Civil Service

EXTENSION OF REMARKS
OF

HON. FRANK THOMPSON, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1955

Mr. THOMPSON of New Jersey. Mr. Speaker, much of the work now being done in the Federal Government is in the process of being contracted out to private industry, a step that is decreasing the nonveteran Federal employees at a terrific rate, as the National Association of Federal Career Employees points out.

In his message delivered to the Congress on July 13, 1955, the President said, in approving H. R. 6042, that—

I do not, by my approval of H. R. 6042, acquiesce in the provisions of section 638, and to the extent that this section seeks to give to the Appropriations Committees of the Senate and House of Representatives authority to veto or prevent executive action, such section will be regarded as invalid by the executive branch of the Government in the administration of H. R. 6042, unless otherwise determined by a court of competent jurisdiction.

Earlier in his message the President says that—

The Constitution of the United States divides the functions of the Government into three departments—the legislative, the executive, and the judicial, and establishes the principle that they shall be kept separate.

Now, while the President speaks of the separation of powers in his message he must surely know that line or section veto of legislation enacted by the Congress is unconstitutional. He must also recognize that the determination of whether legislation is constitutional or unconstitutional is a function expressly reserved to the judicial branch of the Federal Government.

The President's position is clearly in direct conflict with the position taken by Abraham Lincoln in his First Inaugural Address in which he said:

I take the official oath today with no mental reservations and with no purpose to construe the Constitution or laws by any hypercritical rules; and while I do not choose now to specify particular acts of Congress as proper to be enforced, I do suggest that it will be much safer for all, both in official and private stations, to conform to and abide by all those acts which stand unrepealed than to violate any of them trusting to find impunity in having them to be held to be unconstitutional.

On the fundamental basis that it is for the Congress to say how and on what conditions public moneys shall be spent, the position of the General Accounting Office has always been to accord full effect to the clear meaning of any enactment by the Congress so long as it remains unchanged by legislative action and unimpaired by judicial determination. The General Accounting Office is responsible for seeing that the appropriations made by the Congress to carry out the provisions of law are disbursed and accounted for in accordance with the laws relating thereto. I am confident that the Congress has made itself unmistakably clear as to its intent by the plain and positive provision of section 638 of H. R. 6042.

The establishment of a senior civil service, as provided in my bill, H. R. 6549, would, I believe, be of assistance to the President in avoiding the kind of egregious errors he seems to have made in his message regarding H. R. 6042.

I include as part of my remarks the letter by my distinguished friend and colleague, the gentleman from Virginia, PORTER HARDY, JR., in which he seeks an official determination by the Comptroller General of the issues involved in the President's message. Also included is the text of the President's message.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C.

Hon. JOSEPH CAMPBELL,
The Comptroller General,
General Accounting Office,
Washington, D. C.

DEAR MR. CAMPBELL: Section 638 of the Department of Defense Appropriation Act of 1956 provides that funds appropriated in that act cannot be used for the performance under contract with private industry of functions theretofore carried on by civilian Government personnel if the Appropriations Committee of the Senate or the Appropriations Committee of the House of Representatives disapproves.

Under date of July 13, 1955, the President of the United States sent to the Congress a statement setting forth his position in connection with section 638. He stated, in substance, that he had approved the bill, but that were it not for the urgent need of the funds by the Department of Defense he would have withheld his approval of the bill, since he had been advised by the Attorney General that section 638 constitutes an unconstitutional invasion of the province of the Executive; that he believed it to be his duty to oppose such a violation; and that while Congress has the right to deny an appropriation, it has not the right to confer upon its committees the power to veto executive action in the administration of an appropriation. A particularly pertinent part of the statement reads as follows:

"Since the organization of our Government, the President has felt bound to insist that executive functions be maintained unimpaired by legislative encroachment, just as the legislative branch has felt bound to resist interference with its power by the Executive. To acquiesce in a provision that seeks to encroach upon the proper authority of the Executive establishes a dangerous precedent. I do not, by my approval of H. R. 6042, acquiesce in the provisions of section 638, and to the extent that this section seeks to give to the Appropriations Committees of the Senate and House of Representatives authority to veto or prevent executive action, such section will be regarded as invalid by the executive branch of the Government in the administration of H. R. 6042, unless otherwise determined by a court of competent jurisdiction."

The question upon which I should like to have your advice concerns the authority and the responsibility of the General Accounting Office in the audit of appropriated funds to disallow credit for payments which contravene the provisions either of the act which makes the appropriation, or of any other applicable statute.

I am in full accord with the President when he refers to the fact that three separate and independent branches of government were established by the Constitution of

the United States; when he refers to the duty and responsibility of each of these branches to refrain from exercising functions which properly have been conferred upon another branch; and when he refers to the duty of public officials to resist encroachments upon their constituted responsibilities. However, I must part company with the President when he takes to himself the right to declare unconstitutional the provisions of any law prior to a binding decision by the Supreme Court of the United States.

If I interpret the President's statement correctly, he takes the position that since he believes section 638 to be unconstitutional, upon advice by his legal adviser, the Attorney General, he does not intend to comply with that section unless it be declared valid by a court of competent jurisdiction. I had always thought that once a bill is passed by both Houses of the Congress and signed by the President of the United States, the provisions of that law were binding on all of us. I had always thought that personal views with respect to constitutionality, no matter by whom those views might be entertained, could not detract one iota from the conclusive effect of the law so long as it remained on the books unrepealed, or until its provisions were declared to be unconstitutional by a court of last resort. In this I am reminded—and I might say supported—by a portion of Abraham Lincoln's first inaugural address, in which he said:

"I take the official oath today with no mental reservations and with no purpose to construe the Constitution or laws by any hypercritical rules; and while I do not choose now to specify particular acts of Congress as proper to be enforced, I do suggest that it will be much safer for all, both in official and private stations, to conform to and abide by all those acts which stand unrepealed than to violate any of them trusting to find impunity in having them to be held to be unconstitutional."

Unless I am greatly mistaken, former Comptroller Generals have taken the position that it is not a proper function of that office to determine constitutionality of laws duly enacted by the Congress. I believe, too, that in the past when there have come to the attention of the Comptroller General facts which indicate an intention not to conform to duly enacted provisions of law, firm steps were taken by the General Accounting Office to obviate such intended violations of law, even to the extent of withholding funds from the agency involved. Specifically, I should like to know what the General Accounting Office intends to do in the situation at hand.

Sincerely yours,

PORTER HARDY, Jr.,
Member of Congress.

To the Congress of the United States:

I have today approved H. R. 6042 making appropriations for the Department of Defense for the fiscal year ending June 30, 1956, and for other purposes. I have done so because the funds which the bill makes available are urgently needed by the Department of Defense. Except for this imperative need, I would have withheld my approval of the bill, for I am advised by the Attorney General that one of its provisions, section 638, constitutes an unconstitutional invasion of the province of the Executive.

Section 638 deals with the authority of the Department of Defense to rid itself of many of the manifold activities that it has been performing with its civilian personnel, and that can be adequately and economically performed by private industry without danger to the national security. That section states that funds appropriated in the bill cannot be used to enable the Secretary of Defense to exercise this authority if, in the case of any activity of the Department proposed to be terminated, the Appropriations Committee of the Senate or the Appropriations Committee of the House of Representatives disapproves such proposed termination.

The Constitution of the United States divides the functions of the Government into three departments—the legislative, the executive, and the judicial—and establishes the principle that they shall be kept separate. Neither may exercise functions belonging to the others. Section 638 violates this constitutional principle.

I believe it to be my duty to oppose such a violation. The Congress has the power and the right to grant or to deny an appropriation. But once an appropriation is made the appropriation must, under the Constitution, be administered by the executive branch of the Government alone, and the Congress has no right to confer upon its committees the power to veto executive action or to prevent executive action from becoming effective.

Since the organization of our Government, the President has felt bound to insist that executive functions be maintained unimpaired by legislative encroachment, just as the legislative branch has felt bound to resist interference with its power by the Executive. To acquiesce in a provision that seeks to encroach upon the proper authority of the Executive establishes a dangerous precedent. I do not, by my approval of H. R. 6042, acquiesce in the provisions of section 638, and to the extent that this section seeks to give to the Appropriations Committee of the Senate and House of Representatives authority to veto or prevent executive action, such section will be regarded as invalid by the executive branch of the Government in the administration of H. R. 6042, unless otherwise determined by a court of competent jurisdiction.

One other rider added to the bill is most unfortunate. This rider—contained in section 630—virtually precludes the Services from considering the purchase of foreign made spun silk yarn for cartridge cloth.

This rider—attached to the bill without adequate opportunity for reasons against it to be presented—runs directly counter to the steps which have been taken by the administration in the field of Government procurement policy. No reason appears why foreign made spun silk yarn, or indeed any other article or commodity of foreign origin, should be singled out for special exemption from the general provisions of the buy-American legislation. By making it virtually impossible for our friends abroad to sell us goods when such goods are materially less expensive to our taxpayers than those that can be procured domestically, such provisions could effect a deadly attrition of our whole international trade policy and bring about impairment of our relations with other nations.

It is my earnest hope that as soon as possible the Congress will repeal section 630 of the bill in its entirety.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *July 13, 1955.*

Annual Report of Hon. Stuyvesant Wainwright, Member of Congress, First District of New York

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EXTENSION OF REMARKS

OF

HON. STUYVESANT WAINWRIGHT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1955

Mr. WAINWRIGHT. Mr. Speaker, this is my annual report to you, the citizen, the taxpayer. As your Congressman, I am your employee; consequently, you are entitled to know what has transpired in the Congress of the United States this year.

To properly present the picture to you, we must start with the President's state of the Union message in January. At that time President Eisenhower asked the Congress for specific legislation for the benefit of all of the people. He set the guideposts for Congress to follow. Rather than say whether this was a good or bad Congress, let me present a basic score chart. Then you can determine whether we were useful or whether we were "do-nothing." Remember one thing: This Congress was controlled by the Democratic Party. They had enough votes alone to carry out the President's program had they been so inclined.

THE EISENHOWER REQUESTS

First. A badly needed national highway program was offered. This was killed by a straight Democratic Party vote.

Second. A strong resolution on the defense of Formosa was requested. This was passed with only three dissenting votes.

Third. Extension of flexible farm supports to help all farmers was part of the Eisenhower Republican program. This was defeated by a coalition of midwestern Republicans and the Democrats.

Fourth. Extension of the draft was recommended. This measure was passed by a bipartisan vote.

Fifth. A military Reserve program was proposed. The Congress, on a split-party vote, gave the President a very weak manpower law.

Sixth. Federal aid to school building was called for. The Democratic leadership refused to let the measure be debated.

Seventh. Better health and welfare requirements were urged. The Democratic leadership refused to let this measure be debated.

Eighth. A reasonable increase—from 75 cents to 90 cents—in the minimum-wage law was suggested. "Big" union pressure forced the Democrats to pass a $1 minimum. This action killed all chance of widening coverage. The 90-cent figure would have offered the opportunity to give coverage to those unfortunate people who do not have the benefit of "big" union representation.

Ninth. The President's atom-powered merchant ship proposal would have done much to advance our practical application policy for the peaceful use of atomic energy. The Democratic-controlled committees of Congress turned down this reasonable request on straight party-line votes.

Tenth. Statehood for Hawaii was defeated by the Democratic leadership forcing Alaska into the vote.

Eleventh. Pay increases for the military and for the Federal employees were passed by a large bipartisan vote.

Twelfth. Foreign military assistance was passed by a moderate bipartisan vote.

These 12 major items are symbolic of the treatment the President received. As you can see, six measures were defeated outright. The balance, except the

noncontroversial, were reduced in potentiality.

It is difficult to understand why, for example, the Democratic leadership turned a deaf ear to the President's request for juvenile delinquency studies. In the field of foreign affairs, tariff and trade, the Democratic Congress has supported the President rather well. But this impression has tended to mislead the public into believing that this has also been true with respect to domestic matters. While I have mentioned a number of key items in the President's program which the Congress killed or pigeonholed, additional mention must be made on one issue: Roads. What better way of expressing my own opinion than to quote the President's statement:

I am deeply disappointed by the rejection by the House of Representatives of legislation to authorize a nationwide system of highways.

The Nation badly needs new highways. The good of our people, of our economy and of our defense, requires that construction of these highways be undertaken at once.

There is difference of conviction, I realize, over means of financing this construction.

I have proposed one plan of financing which I consider to be sound. Others have proposed other methods. Adequate financing there must be, but contention over the method should not be permitted to deny our people these critically needed roads.

I would devoutly hope that the Congress would reconsider this entire matter before terminating this session.

Congress did not reconsider; 214 Democrats joined 7 Republicans in voting down the President's proposal. But they went even further; 128 Democrats voted against their own road bill. This is another example proving the difficulties a Republican President must endure with a Democratic Congress. Newspaper accounts tend to overplay what has been done; they skip lightly over the failures.

Yet the President on his own initiative carried out two more Republican pledges. He obtained the release of our fliers, unjustly imprisoned by the Chinese Communists. But possibly more important, he also put forward the key to peace at the Geneva summit conference. There is now a cautious hope for world harmony.

A report to the people that neglected to present these facts to you would be worthless. Now you can be the judge of this 1st session of the 84th Congress.

CONTINUED LOCAL PROSPERITY

In my annual report of 1954 I predicted for Long Island—for 1955—abundance and prosperity. I predicted a continuance of our population increase; of our building boom; of continued industrial expansion. My political opponents cried, "Politics." Yet every bureau of Government shows that, for once, people in a peacetime economy "never did have it so good." The population figures obtained from unofficial sources—we do not have a census until 1960—shows that this congressional district is probably well over 600,000, or double the size at the time of my election in 1952.

For the next 12 months, I predict a continuation of this expansion and prosperity for Long Island in nearly all manner or means with the principal exception of the potato farmer. And why is he suffering? Overproduction is the simple and correct answer. California, for example, has planted thousands upon thousands of new acres in potatoes. But what is worse is to be found with the sometimes termed free-ride farmer. He is being paid by your Government not to plant wheat and corn. So what does he do? Why, of course, he plants potatoes; and, this activity has greatly added to this year's overlarge crop. The farmers' price has been cut to a diminutive figure. The Congress opposed my proposals to restrict the so-called free-ride farmer from planting potatoes in diverted acres.

However, your Congressman has attacked this problem by recommending to the Department of Agriculture a 7-point program. We have held a series of meetings with the Department leaders and with the potato industry in an effort to define an effective policy. It is not quite as easy as it sounds: 400 million bushels will be grown this year; the country can absorb only 340 million by home consumption and through export. What does one do with the 60 million bushels? Dump them in the ocean? This even goes against the grain of the socialist types. Crop price support? Maybe. It is certainly better than starvation. The ultimate answer is less production; but, how do you tell a free American farmer not to plant this or that? By this potato example you see but one of the major problems a Congressman must face.

POSTAL MATTERS

On the positive side of our efforts in the postal field, I am pleased to point up some of the present achievements:

A. Obtained new postoffice facilities for Bayport, Centereach, North Massapequa, and Rocky Point.

B. Obtained an extension of R. F. D. services from the Central Islip office.

C. Obtained city delivery for the Parkdale area from the Farmingdale Post Office.

D. Awaiting an appropriation of up to $725,000 for a new post office in Babylon.

E. Approved city delivery in the village of East Hampton on a permanent basis.

F. Obtained the continuance of operation of the Shinnecock Hills Post Office—the Department had closed this facility.

G. Obtained city delivery for West Sayville.

MILITARY AND FOREIGN ACTIVITIES

Our military appointments have been most successful. Two young men from Suffolk were among the 21 sent by New York to the new Air Force Academy. As you can see, this county can well be proud to send 10 percent of New York's representation when we have less than 2 percent of the population. The periodic grades of the young men in all of the service academies are sent to me. I have written them letters of encouragement, and sometimes, of warning. Next year I will fill additional vacancies based, as usual, on a comprehensive examination.

One great field of service by our office involves foreign travel. Our office expedited the issuance of over 50 passports. From the date of application a passport takes nearly 6 weeks before it is issued. We are averaging slightly better than 10 days.

People say the Refugee Relief Act has not been working. This is fallacious. This year we have assisted more than 40 people in obtaining admission to this Nation, and over half of these were admitted under this act. Of seven private immigration bills introduced in this session of Congress, favorable action was taken by the House of Representatives on all but one. Two have already received final action by the President. The other four bills will be acted upon by the Senate early in the next session. It is anticipated that final action by the President would be taken no later than March 1.

We have serviced over 50 veterans' cases, clarifying such matters as national service life insurance dividends and disability compensation. We have gone to the Veterans' Administration in 10 instances of reported abuses by builders in veterans' housing matters. For all but one instance the complaints have been successfully resolved; and, in this one, we believe a settlement will be obtained.

We have received over 80 requests from servicemen for compassionate transfers and emergency leaves or discharges. The policy for our Government must be observed, yet in desperate situations we are able to be of immediate assistance. We are able to obtain special discharges in cases of extreme hardship. In one instance we were able to arrange, on 8 hours' notice, for a mother to fly to England to visit her GI son, badly injured in an auto accident.

EROSION AND PUBLIC WORKS

In the field of public works for Long Island, we believe that more has been achieved, with one major exception, than in any single year. For example, Fire Island Inlet was accepted as a permanent maintenance project. The United States Army engineers have allocated funds for studies of both the Moriches and Shinnecock Inlets. This will require an expenditure of $16,400. Based on these studies, permanent programs will be instituted. In addition to these achievements, for the two inlets in question, the Coast Guard has made sizable commitments with regard to their receiving new channel markings

For years the users of Mattituck and Montauk Harbors have been demanding a better channel. This year we succeeded, and dredging work has just been completed. More must be done. For example, in the Montauk Harbor case we will make an all-out effort to obtain funds for repair and maintenance of the southeast jetty. Maintenance funds were obtained for the dredging of the Great South Bay inland waterway channel. This, too, must be kept open or else the advantage of this natural waterway is lost.

One unfortunate story must be related. Due to a refusal on the part of the Governor of the State of New York to permit the contribution of $12,500, a $50,000 cooperative study has been willfully delayed. No progress on erosion can be realized until the United States Army engineers make the survey in question. Fifty percent of the funds must come

from State and local sources and 50 percent from the Federal Government. Late last year the county of Suffolk put up its share—$12,500. This was to be added to last year's token amount provided by the Federal Government. Congress completed the balance of the Federal funds this year. However, even after a visit to Suffolk County, and, recognizing our plight, the Governor of New York—Averell Harriman—withheld State moneys from this project until recently. It is utterly incomprehensible why politics should be injected into beach erosion. In Washington, Republicans and Democrats work in harmony where the public welfare requires. Why should this not be true in New York State?

HURRICANE WARNINGS

You may remember that directly after hurricane Carol, in September 1954, I visited with the Chief of the Weather Bureau and his staff. At that time I recommended vast changes in the hurricane advisory services. The results will be seen this year in the excellent warning systems provided when and if a hurricane is sighted.

The Weather Bureau is only one phase of hurricane work. A disaster plan on the local level is essential.

MISCELLANEOUS

In addition to these major projects, a number of local and miscellaneous items should be called to your attention:

First. A special column has been written for your weekly newspaper. In this manner you can be constantly aware of current problems. For the balance of this year my column will be written by members of the President's Cabinet and other executive heads.

Second. A regular radio broadcast report has been made over all local radio stations each Sunday from January through August. These will be resumed in January 1956.

Third. Office hours are held periodically in Huntington and Wainscott. In addition, the Washington office will provide daily service 52 weeks a year and members of my staff will be available on Long Island at all times.

Fourth. Consultations have been held with the Director of Fish and Wildlife and the Secretary of the Interior in an effort to have the special Long Island wildfowl hunting season continued.

Fifth. Prohibited the closing of the Shinnecock Canal bridge by the United States Army Antiaircraft Command. Had this action taken place, the south fork would have been cut off during the crucial weekend traffic periods.

Sixth. Have advocated and am pursuing the possibility of erecting a new bridge across the Shinnecock Canal to accommodate present traffic demands.

Seventh. Have interceded in behalf of local residents with the United States Army to see that no community harm occurred in the selection and operation of Nike sites. This often proved difficult, due to the personal interests involved. However, location of the existing sites are in the best interests of the national defense.

Eighth. Polled, at my own expense, a cross section of the citizens of the district on the issues of the day. Only by sampling your opinion can I be kept constantly aware of your views.

Ninth. Conducted an Americanism essay contest for youngsters with the prize—a framed parchment of the oath of allegiance—being presented to the winner by President Dwight Eisenhower in his office in the White House. Not only were the winner and his family present, but also the leaders of Suffolk County's veterans' organizations participated.

Tenth. Established and presented a political-science prize at the United States Merchant Marine Academy at Kings Point. While this institution is not in the district, we on Long Island are proud of its record.

Eleventh. Assisted First District small-business firms in obtaining their fair share of defense contracts.

Twelfth. Introduced legislation for the reimbursement of federally impacted school districts which had already gone ahead with their school-building programs. This legislation passed the House of Representatives, the Senate, and was signed by the President of the United States. Many Long Island school districts have benefited from this, as well as other school districts throughout the United States.

As usual, it has been a pleasure to serve you for another year. Your patience, where we have tried and have not been successful, is especially appreciated. Your comments, advice, and suggestions are always welcome.

Legislative Division, Department of the Interior

EXTENSION OF REMARKS
OF
HON. A. L. MILLER
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. MILLER of Nebraska. Mr. Speaker, I take this opportunity to commend the Department of the Interior and its Legislative Division for their outstanding and improved legislative service to the committee and the Congress during the session of Congress just ended.

The Department has made an invaluable contribution to our House Committee on Interior and Insular Affairs and the Congress with respect to timely submission of requested reports on legislation, making available departmental witnesses when requested, and in their continuing service in supplying needed informational background material.

A comparison of the activities of the Department in submitting reports during the 83d and 84th Congresses reveals that experience gained early in the Eisenhower administration has resulted in streamlining of this important liaison function. In the session just ended we had received 163 reports on pending bills against 233 requests. For the same period during the 1st session of the 83d Congress, Interior submitted reports on 90 bills against 233 requests.

I am advised that of a total of 732 such requests from all committees during the first session of the 84th Congress, Interior had submitted 489 reports, and that with cancellations deducted only 210 requests were pending at adjournment. This compares with 571 requests for the comparable period in the 82d Congress, when 235 reports were submitted and 351 were pending at adjournment. For a like period—the 1st session of the 83d Congress—630 reports were requested by all committees, 234 submitted, and 273 pending at adjournment.

An inquiry directed to the Department has revealed how these beneficial procedural changes were made possible.

I am advised that Interior, based on experience gained during the last Congress, completely revamped reporting procedures in 1954 by establishing a Legislative Division reporting directly to the Department solicitor. Prior to that, I understand, final draft reports were prepared by the several bureaus and agencies under Interior, in addition to their other day-to-day duties, and that presently reports are actually written in the Legislative Division, based on memorandum opinions from the bureaus and agencies.

This centralizing of reporting procedures, in addition to markedly speeding up elapsed time between report request and report submission, has substantially reduced the total personnel assigned to this function in the Department and has freed bureau and agency personnel to concentrate on their principal duties. Further, it has placed in the Office of the Legislative Counsel of the Legislative Division a single desk responsible for the legislative liaison function with Congress; this permits direct inquiries to one source when it is necessary to determine the status of pending requests.

In light of the foregoing, I wish to commend the Secretary and the office of the Legislative counsel and his aides in the Legislative Division of Interior for their work which has made possible improved assistance to the Congress and the committee in their functions.

Activities of the Select Committee on Small Business of the House of Representatives—The Chairman's Report

EXTENSION OF REMARKS
OF
HON. WRIGHT PATMAN
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. PATMAN. Mr. Speaker, the Select Committee on Small Business was created in the 84th Congress by House Resolution 114, agreed to on January 27, 1955. Creation of the present committee marked the seventh consecutive Congress in which a Small Business Committee has been appointed since the first such committee was created in 1941, by a resolution which I introduced.

During the first session of the 84th Congress, as in past years, a large part

of the committee's time and staff assistance has been taken up with the handling of a large volume of day-to-day requests from small businesses. These requests were referred to the committee, for the most part, by Members of the House. They cover, it would seem, almost every topic under the sun. The bulk of these, however, have been from small-business men who have become enmeshed in a procedural snarl while attempting to conclude some business transaction with the Government, who wish to transact some business with the Government, or who find that some Government procedure or regulation is working a hardship. Not a few of the complaints reaching the committee concern alleged violations of law, or alleged malfeasance or misfeasance on the part of Government personnel, and the complainant wishes to preserve a degree of confidentiality from the executive branch, or is not sure of the proper place to make his complaint.

Altogether there have been many hundreds of requests for individual assistance or information, and these have required a large volume of correspondence and a large number of meetings. The committee has given attention to each request made of it, and has tried in each instance to render useful assistance or advice. The committee has given particular attention, however, to those requests which indicate that in helping an individual firm, we will also help small business generally. In short, the committee has paid particular attention to requests which indicate that some Government practice or procedure is adversely affecting small business, or that some other condition exists which may adversely affect numbers of small-business firms.

PROSPERITY OF SMALL BUSINESS

The large volume of requests for assistance in transacting business with the Government may reflect in part the not-too-prosperous state of the small-business segments of business. The unprecedented earnings and dividend payments enjoyed by many of the big corporations during recent months reflect a business prosperity in which smaller firms have not fully shared. Reports of the Federal Trade Commission and the Securities and Exchange Commission for the first quarter of this year show that profit rates of manufacturing corporations were graduated in accordance with the corporate-size class. Furthermore, while profit rates of the largest manufacturing corporations have gone up in recent years, profit rates of smaller corporations have drastically fallen. Annual rates of profits—after taxes—for four selected size groups of manufacturing corporations may be compared for the last several years, as follows:

[In percent]

Asset size of corporations	1952	1953	1954	1st quarter 1955
Less than $250,000	9.3	6.8	3.2	3.6
$1,000,000 to $5,000,000	8.0	7.5	5.6	7.9
$10,000,000 to $50,000,000	9.7	9.9	8.7	9.3
Over $100,000,000	11.8	12.1	12.1	13.8

(Profits as percent of stockholders' equity.)

While there are no official figures for profits in the trade and service fields, Dun & Bradstreet's reports of business failures suggest that small firms in these fields have likewise failed to keep pace in the big business prosperity. Although there were slightly fewer failures in retail trade and commercial service during the first 6 months of the year than there were in the business downturn of the first half of 1954, failures in both of these fields have been considerably greater than in the 2 previous years. The number of retail-trade failures in the first half of 1955 were 36 percent and 31 percent greater, respectively, than in the first half of 1952 and 1953. Similarly, failures in commercial service firms were 33 and 28 percent greater than in 1952 and 1953. Failures in wholesale trade have increased steadily since 1952, and the number of such failures in the first 6 months of 1955 were 47 percent greater than in the first half of 1952. Substantially all of the failures in these three fields—retail, wholesale, and service trades—have been failures of small firms, where liabilities of less than $100,000 were involved.

FORMAL INVESTIGATIONS

In addition to its day-to-day operations, the committee has organized five subcommittees to carry on planned programs of study and investigation. On February 23, 1955, the committee met in open session and announced work programs which encompass a wide variety of subject matter. On introducing the committee's work program at this meeting I pointed out that—

It has been principally for the reason that so many subjects impinge upon the welfare of small business that the House of Representatives has maintained a Small Business Committee during the last 14 years. This committee's job is to study these subjects from the standpoint of small business, and to keep the House advised. For the same reason, however, our committee can hope only to investigate those subjects which are of the more pressing importance to small business. Yet, even so, our agenda is an ambitious one.

I should like to take up now, a brief review of each of the subcommittees' programs and the progress of each during the session of Congress recently closed.

SUBCOMMITTEE NO. 1 ON FEDERAL REGULATORY COMMISSIONS

Subcommittee No. 1 is composed of the Honorable JOE L. EVINS, of Tennessee, chairman; Hon. ABRAHAM J. MULTER, of New York; and Hon. WILLIAM M. MCCULLOCH, of Ohio.

The subcommittee has as its goal a careful study and investigation of the organization and procedures of some 6 or 8 independent Federal regulatory agencies. The duties of these agencies include enforcement of trade and anti-monopoly laws, and the regulation of several major segments of business. Several of these so-called regulatory agencies, such as the Federal Power Commission, the Federal Communications Commission, and the Civil Aeronautics Board, exercise powers to decide which private firms shall be licensed to operate the quasi-monopolistic business under the jurisdiction of these agencies, and under which terms and conditions these business franchises shall be enjoyed. Manifestly, the manner in which these agencies exercise their powers determines competitive relationships in which small business has a vital concern. The Federal Trade Commission, while it has no duties for regulating commerce, in the strict sense of the phrase, is no less of vital importance to small business. Its function is to try to maintain competition so that competition will be an effective regulator of those segments of business which are not regulated by the other regulatory agencies. It has the duty of enforcing certain of the anti-trust laws, including the Robinson-Patman Act, which have been designed to protect small business and the public generally from monopolistic practices.

One frequently made allegation which the subcommittee is looking into is that these regulatory agencies have lost their independence, through reorganization, and have in practical effect become a part of the executive branch. In announcing the program of the subcommittee, the chairman [Mr. EVINS] said:

We shall pay particular attention to those commissions which have been reorganized under a Hoover Commission reorganization plan. These regulatory commissions were originally conceived to be nonpartisan, or at least bipartisan, and they were intended to be of a judicial character. Most certainly, they were set up to be independent of the executive branch of the Government. The Hoover Commission plans made a radical change from this original conception. These plans made the chairman of each commission responsible to the President, to serve at the pleasure of the President, and they gave the chairman complete control and direction over the commissions' staff. It is now time to find out how these reorganizations have worked out.

The subcommittee has collected and analyzed a considerable body of information bearing upon the organization and enforcement procedures of the FTC and the FPC. In addition, public hearings were held at which officials and former officials of the FTC and the FPC testified on July 18 through 22 and on July 27 and 28.

Conceptually, the independent regulatory agencies operate under delegations of Congress' powers to regulate commerce. They were originally intended to be arms of the Congress and were charged with the enforcement of no policy but the policy of the law. Hence, if through reorganization, or otherwise, these agencies have come under big-business domination, control or even influence, then the Federal agencies and laws which were intended to give impartial treatment to small business have been subverted.

Investigations to date have revealed that if the top managements of the Federal Trade Commission and the Federal Power Commission have not demonstrated injudicious leanings in favor of big business, these officials have demonstrated at least a lack of candor in accounting to congressional committees, and to the public generally, for their stewardships of these public agencies.

FACTS AND CLAIMS ABOUT FTC AND FPC

With reference to the Federal Trade Commission, the record reveals several

items of too serious a nature to be lightly dismissed.

First. The present Chairman of the Federal Trade Commission—Mr. Howrey—while holding this judicial office, became a member of a group known as the Attorney General's National Committee to Study Antitrust Laws, and assisted that group in preparing a major lobbying effort against the antitrust laws. Among other things, the FTC Chairman assigned staff members of the FTC to assist this group in writing its report, thus diverting funds which had been appropriated by Congress for enforcement of the antitrust laws to the benefit of a private lobbying group whose efforts are directed at wrecking the antitrust laws. The membership of this group was well known when the FTC Chairman joined it; and the group was well known to be made up almost exclusively of lawyers who specialize in defending big business clients in antitrust suits. Another fact which Mr. Howrey could easily have learned before joining this group, if he did not know, was that half of the lawyers in this group were representing defendants in antitrust suits which were actually pending at the very time these lawyers set out to write their report. Subsequently Mr. Howrey signed the report of this group, thus lending the prestige of his high office to a long list of recommendations for weakening the antitrust laws, including both recommendations for tricky changes in the interpretation of these laws by the FTC and the courts and recommendations for weakening these laws by new legislation. Several of the antitrust laws which would be wrecked or substantially weakened by these recommendations, including the Robinson-Patman Act, are among the laws which this official took an oath to uphold and enforce.

Second. During the 2 years of Mr. Howrey's chairmanship of the FTC, he and his General Counsel—Mr. Kintner—have made numerous public references to the Chairman's alleged purity of judicial conduct in disqualifying himself from participating in cases in which he had represented big business clients before the FTC as a private lawyer. Moreover, FTC's General Counsel testified under oath before the subcommittee that the Chairman had never discussed with him the FTC's quantity limit case against the rubber-tire manufacturers, a case in which Mr. Howrey had been counsel for the Firestone Tire & Rubber Co. Yet 2 minutes later, the Chairman of the FTC was forced to admit that he had accompanied the FTC's General Counsel on a secret visit to the Solicitor General of the United States and that together they discussed this case with the Solicitor General. In explanation for their conduct, both FTC Chairman Howrey and Mr. Kintner told the subcommittee that the purpose of their visit to the Solicitor General was to urge him to comply with a formal request of the Federal Trade Commission that he petition the Supreme Court of the United States to review this case. The facts show that after the informal visit from the FTC Chairman and his General Counsel, the Solicitor General rejected the FTC's formal request. An inevitable result of this was that the case was remanded to a United States district court; and a probable further result will be that another 10 years will elapse before this case reaches the Supreme Court, during which time the FTC's cease-and-desist order will be held in abeyance; and the tire companies involved in this case will be free to continue the monopolistic practices which the FTC's order was intended to stop.

Third. Both the FTC Chairman and his General Counsel have made a number of speeches during the past 12 months giving the impression that the FTC had mobilized to combat the wave of business mergers which has been receiving a great deal of public attention, and that this agency was going vigorously about the enforcement of the new antimerger law. For example, on January 27, 1955, FTC's General Counsel made a speech which was headlined in the press as "Mergers Jam FTC Work, Official Says."

A subcommittee questionnaire answered by the FTC in March shows, however, that through mid-February 1955 only 6 percent of FTC's expenses had been made for antimerger work, including a substantial sum spent in making a study of mergers. A further answer to the subcommittee's questionnaire revealed that the FTC had not issued a single antimerger complaint in the 9½ months since Chairman Howrey's much-ballyhooed reorganization of the Federal Trade Commission, which was to mobilize the FTC to cope with mergers and other monopoly problems.

In mid-May 1955, the Federal Trade Commission released a 230-page report on mergers. Data in this report showed that 522 corporate mergers had been made by combines having in excess of $50 million of assets, and the report shows such other facts as these: 22 big corporations had acquired and merged 244 other corporations; 1 huge corporation had acquired and merged 48 other corporations in the dairy-food field, and another huge corporation had acquired and merged 17 corporations in the same field. FTC still had issued no antimerger complaint during the fiscal year 1955. In June 1955 a hearing before a subcommittee of the House Committee on the Judiciary revealed that FTC had still issued no antimerger complaint during the fiscal year 1955, and that it had made only 4 field investigations of mergers.

Fourth. Over the past 18 months the FTC Chairman and his General Counsel—Mr. Kintner—have made numerous speeches describing a new and vigorous program for prosecuting violations of the FTC cease-and-desist orders which have accumulated over the years. In testimony before the subcommittee on July 18, 1955, FTC's General Counsel was forced to admit that under Mr. Howrey's chairmanship the FTC has not brought a single suit seeking penalties for a violation of FTC's cease-and-desist orders in antimonopoly cases. The vigorous new program, which is under the General Counsel's direction, has, however, resulted in civil penalty suits against small-business firms for alleged violations of orders against allegedly misleading advertising.

The factual basis for FTC's recent claims that its work during the past fiscal year has set an alltime record for vigorous enforcement of the antimonopoly laws are yet to be examined. The FTC publicity handouts make much of the point that 30 cease-and-desist orders were issued in antimonopoly cases during the year, as compared to an average of 24 per year in the 4 previous years. These handouts neglect to mention, however, that 18, or nearly two-thirds, of the 30 antimonopoly orders issued during the past fiscal year were worked out in agreement with the alleged law violators, and were consented to by them without contest. The quality of the orders issued even without the violator's consent, moreover, is a matter which can be appraised only after the contents of these orders are carefully compared with the exact charges previously made against the alleged violators in the FTC complaints. A former FTC Commissioner told the subcommittee, with reference to these statistics, that "it is very easy to make out a case of great activity if you do not differentiate the elephants from the rabbits."

The other basis on which the FTC lays its claims to record-sitting antimonopoly activity is the fact that it issued 36 new complaints in the past year, as compared to an average of 29 new complaints in the 4 previous fiscal years. An often-made allegation is that FTC has recently directed its antimonopoly complaints at small-business firms and has thus shifted its fire from the monopoly "elephants" to the monopoly "rabbits." This allegation could be quickly and definitely settled by comparing the asset sizes of the firms against which complaints have been issued during the past several years. On July 19, 1955, the subcommittee requested FTC Chairman Howrey to submit such comparisons, but to date this information has not been received by the subcommittee.

With reference to the Federal Power Commission, the investigation to date likewise indicates that if the top management of this agency has not shown injudicious leanings in favor of big business, it, too, has been less than candid in discussing with congressional committees certain of its actions which have favored big business.

First. The subcommittee's investigation revealed that the FPC and certain of its staff members advised on and assisted in the drafting of the proposed Dixon-Yates contract. Evidence adduced at the hearings on July 28, 1955, reveals that the General Counsel and two assistant general counsels of the FPC's Bureau of Laws had been asked for legal opinions on the Dixon-Yates contract at the time this contract was being negotiated and that these three officials had rendered opinions strongly condemning the proposed contract. Two legal memoranda on this subject prepared by the Acting General Counsel and the Assistant General Counsel of the FPC were submitted to the FPC in late August of 1954, and the FPC formally heard the opinion of its General Counsel on the same subject in mid-September

of 1954. Yet in November 1954, when the Joint Committee on Atomic Energy sought to obtain from the FPC Chairman—Mr. Kuykendall—any opinions which FPC's Bureau of Laws might have rendered on the Dixon-Yates contract, the FPC Chairman told that committee that the Bureau of Laws had not been asked to render an opinion.

Second. While the Small Business Committee has not and will not attempt to appraise the question whether the public interest would have been better served by the construction of Federal high dam in Hells Canyon than by turning this power site over to a private utility for the erection of low dams, the committee has noted that in its announcement of August 3, 1955, the Federal Power Commission states that it formally decided this question on July 27, 1955. In testifying before the subcommittee on July 28 the FPC Chairman refused to answer questions pertaining to the Hells Canyon matter on the ground that this matter was pending before the Federal Power Commission for decision.

QUESTIONS OF INDEPENDENCE

The subcommittee's studies to date indicate that a number of the regulatory agencies were reorganized not only as a result of the Hoover Commission reorganization plans, but that they have subsequently been reorganized to meet recommendations of private firms of management consultants, or consultants employed for this purpose. Information obtained from the Civil Aeronautics Board, the Securities and Exchange Commission, the Federal Trade Commission, and the Federal Power Commission indicates that all of these agencies have been twice reorganized since 1950.

The investigations and hearings to date have raised a number of important issues about which the subcommittee has not yet reached conclusions. It may be noted, however, that a diversity of views has been expressed concerning the system whereby the Chairmen of these Commissions are named by the President.

With reference to the FTC, the Chairman—Mr. Howrey—testified that he approves the present system. Commissioner Gwynne indicated that he likewise favors the system of a permanent Chairman and believes this system contributes to more prompt handling of the Commission's work. Commissioner Secrest indicated that because of his limited experience on the FTC he had no recommendation on the question whether the system of Commission selection of its Chairman, or Presidential selection, is better, but Commissioner Secrest did recommend taking away the power of the President to change the Chairman. Commissioner Mead, who will retire from the FTC on September 26, strongly recommended a return to the system whereby the FTC selects its own Chairman, with the creation of a strong executive officer to be responsible to the whole Commission. Former Commissioners Carson, Spingarn, and Caretta—who likewise served on the FTC both before and after the Hoover Commission reorganization plan went into effect—made similar recommendations. Former Commissioner Freer, who is now a practicing attorney before the ICC and the FPC, gave the subcommittee a history of the various organization plans which have been tried in those Commissions, and strongly urged a return to the system whereby the regulatory Commissions select their own Chairmen.

Testimony of officials of the FPC was unanimous on the point that this Commission is intended, a d must be in fact, an arm of Congress, free from executive influence. Hearings brought out that the Chairman—Mr. Kuykendall—had sought and received from the White House an opinion concerning the scope of his power and duties as Chairman.

The Chairman—Mr. Kuykendall—expressed agreement with the reorganization plan under which the FPC now operates, although he pointed out that he had not been a Commissioner prior to the adoption of this plan. Commissioner Draper, who has been a member of the FPC for 22 years, told the subcommittee that he preferred the old system and that he had dissented on the reorganization plan.

Commissioner Steuck told the subcommittee that he was appointed to the Commission since the adoption of the reorganization plan, but that he thinks under the plan the FPC is pretty efficient.

Former Commissioner Leland Olds indicated that he has had no firsthand experience with the reorganization plan, but he strongly advised against any plan of organization which tends to isolate the Commission's staff from the Commission or which tends to inhibit the free exchange of policymaking considerations and technical information between the Commission and its staff.

Investigation and study of the independent regulatory agencies will continue throughout the fall and winter.

SUBCOMMITTEE NO. 2 ON GOVERNMENT PROCUREMENT, DISPOSAL, AND LOAN ACTIVITIES

This subcommittee is composed of Hon. ABRAHAM J. MULTER, of New York, chairman; Hon. JOE L. EVINS, of Tennessee; and Hon. R. WALTER RIEHLMAN, of New York.

For several years now we have had laws which declare our public policy to be that small business shall have a fair share of the Federal business transacted with private firms. These declarations of policy have been especially clear with reference to Government purchases and Government disposals of surplus property, and they have also applied at times to Government-provided inducements for expansion of business capacity. One of the primary functions of the Small Business Committee has been—likewise for several years—to determine to what extent this policy is being carried out and to recommend steps for seeing that the policy is carried out.

In announcing the program of the subcommittee on February 23 the chairman [Mr. MULTER] said:

> Of course, we already know many of the answers; the problem is in many respects not new to us. The solution of the problem requires constant attention and hard work. Perhaps our public policy can never be carried out completely, but we think that improvements can be made. Great improvements already have been made in past years, largely as a result of the work of this committee.
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> The procedures and practices surrounding the Government's transactions with private firms are vastly complex. It was largely for this reason that the programs of the Small Business Administration were established. In instituting these programs, Congress created an agent to stay on the job constantly, to work continuously at finding ways to carry out our public policy on safeguarding small business in these procurement and disposal matters, and to provide certain technical and informational assistance to small business of all kinds so as to build up the Nation's economic strength.

As the Small Business Act of 1953 was to expire on June 30, 1955, the first order of business of the subcommittee was to appraise the operations of the Small Business Administration and to determine whether there was a substantial need for continuing this agency. Consequently, during the past session of Congress the subcommittee devoted a major portion of its time to these problems. Since the SBA was created as a planning agency, with quasi-supervisory duties over the operations of certain programs of the other Federal agencies, it was necessary to review the operations of these programs in order to obtain a comprehensive review of SBA's operations, and to appraise the success of its mission.

Public hearings were held on 8 days during March. Officials of the Department of Defense, the General Services Administration, and the Atomic Energy Commission testified concerning their procurement and disposal programs, and concerning SBA's part in these programs. In addition, SBA officials testified on its activities in these fields, as well as on its loan, technical assistance, and other programs. Several small-business men, officials of small-business trade associations, and several Members of Congress testified concerning their experiences with SBA and made thoughtful recommendations for improving the agency's operations. The subcommittee's report—House Report No. 1045—was filed with the Clerk of the House on July 1, 1955. Since that date investigations and study have continued, particularly for the purpose of devising recommendations for a new law. Several of the recommendations thus made were adopted by Congress and appear in the new law—Public Law 268—which was signed by the President on August 9, 1955.

The subcommittee found almost unanimous agreement that there is a substantial need for continuing a Federal small business agency to carry out the functions which SBA has been authorized to perform. The committee also found, however, the SBA's performance of these functions has fallen considerably short of the success that could be hoped for.

SMALL HELP TO SMALL BUSINESS

One of the principal functions of the SBA is to carry out the financial assistance programs authorized by the Small Business Act. It has long been recognized that there is a serious gap between the legitimate needs of small firms for business capital and the amount of such

capital which can be supplied under the present organization of private financing institutions. Generally speaking the central equity markets do not provide a practical means whereby small business can raise funds. Moreover, the local commercial banks upon which small business must generally depend for loan funds cannot supply such funds adequately or on the terms which loan funds are available to big business. In view of the ever-increasing need for business loan funds, the deficiency in such funds available to small business is an especially serious matter. With the abolition of the RFC in mid-1953, the SBA was given the job of helping to increase the flow of loan funds to small business.

Information made available by the subcommittee indicates that although SBA has operated its loan program under rather narrow definitions of "small business," there are at least 3½ million firms falling within these definitions, and they account for somewhere between one-third and one-half of the total volume of nonagricultural business done in the Nation. Yet, the maximum amount of business loans which can be credited to SBA's activities over the past 2 years has amounted to only $1 out of every $1,700 of business investment in new plant and equipment during these years. Similarly, the maximum amount of business lending which can be attributed to SBA—including lending from private funds—has amounted to less than one-half of 1 percent of the total expansion in business debt during these years.

SBA has received inquiries from small-business men concerning loans at an average of better than 11,000 per month. In its entire 21 months of operations, however, only 5,085 of these inquiries successfully passed SBA's screening tests and became formal applications for loans. And of these few which SBA did allow to become formal applications, it approved only about one-fifth, or a net of 1,141. Only 395 of these approved applications were for direct loans, which involve no bank participation, and SBA had actually made disbursements of only 276 of these.

Although $80 million had been appropriated for SBA's loan fund, as of April 30, 1955, it had actually disbursed only $19.1 million on business loans, of which $2.5 million of principal had been repaid. SBA had, however, charged its loan fund with $4.1 million for the administrative expense of its financial-assistance program.

The second major function of the SBA is to carry out its statutory obligation to assist small business in obtaining a fair share for Government purchases and production contracts. The volume of such purchases and contracts continues to account for an important part of the total sales of manufactured goods. The Department of Defense alone is awarding contracts at the rate of approximately $16 billion a year, and is, in addition, distributing between $1 billion and $1.5 billion a year to encourage research and development. Manifestly, the way in which these production contracts and these funds for research and development are distributed will have a continuing effect upon private competitive relationships for many years to come.

SBA has handled its all-important obligation for seeing that small business obtains a fair share of defense contracts by its joint determination program. This program is one by which SBA reviews proposed procurements and recommends to the military procurement officers that certain of these procurements be earmarked for distribution among firms having less than 500 employees. From August 1953, through March 1955, the contracts so earmarked amounted to 1 percent of the total value of all the military contracts awarded in that period, and the contracts so earmarked that were actually awarded to firms with less than 500 employees amounted to less than three-fourths of 1 percent of the value of all the military contracts awarded in the period. In the same period, military contracts awarded to firms with less than 500 employees, whether or not earmarked, amounted to 15 percent of the value of all the contracts awarded. In contrast to the 15 percent of the defense business which firms with less than 500 employees actually obtained, and to the three-fourths of 1 percent of the contracts which such firms obtained as a result of SBA's efforts, firms with less than 500 employees normally account for about 42 percent of all the manufacturing in the United States.

SBA's failure to achieve more than microscopic results from its two major programs has inevitably raised a grave question whether the expense and trouble which this agency has caused small-business firms have not, on the whole, been greater than its positive contributions to small business; and this does not take account of the intangible effects of holding out false hopes to small-business men that assistance can be had where, according to the record, the overwhelming odds are that assistance cannot be had. It is strongly hoped, however, that SBA's performance will rapidly and markedly improve.

Your Small Business Committee will watch and work for improvements in the SBA and in this effort the committee will need and welcome the observations and suggestions of every Member of the House. The new small business bill which was recently passed into law gives the SBA additional and broader authorities for assisting small business, but only public opinion and the continuing attention of Congress can compel that these authorities be used. It should be plain by now that without the continuous support and help of the peoples' elected representatives, who are in a unique position to know about and understand the complex ways by which the Government can be organized and run for the special benefit of a few giant corporations, our Nation would soon be paying the price of a totalitarian control over our economic lives.

Several programs and activities of the SBA are urgently in need of immediate review and decision. The new SBA law prohibits the SBA from engaging in activities which duplicate the activities of other Federal agencies. This does not mean that where there is now a forbidden duplication the SBA will necessarily be the agency to withdraw from the activity; but it does mean that a number of so-called technical assistance programs for small business must be either centered in the SBA or another agency, such as the Department of Commerce. The committee will appreciate any suggestions from Members of the House concerning any of these specific activities.

Without question it is proper and necessary that small-business men who apply to SBA for a loan be investigated as to their credit standing, their general character, and their business reputation, as is common in commercial practice. Small-business men naturally expect to be so investigated. It has recently been revealed, however, that in addition to investigations of the type which are normal in commercial practice, SBA has secretly been subjecting small-business men who apply for loans to security or suitability investigations similar to those required for Federal employees. This too, to my mind, raises questions for reappraisal, both as to the necessity and propriety of Federal prying into personal histories beyond the requirements of prudent commercial safeguards.

SUBCOMMITTEE NO. 3 ON MINERALS AND PRODUCTION MATERIALS

This subcommittee is composed of the Honorable SIDNEY R. YATES, of Illinois, chairman; Hon. TOM STEED, of Oklahoma; and Hon. TIMOTHY P. SHEEHAN, of Illinois.

The subcommittee has as its work program investigations of certain minerals and other basic production materials which have been in recurring short supply. In announcing the program of the subcommittee on February 23, 1955, the chairman [Mr. YATES] said:

> This whole matter of recurring shortages of certain raw materials needs a searching investigation. The small businesses that depend upon these essential production materials cannot survive unless steps are taken to see that they get a fair share of whatever supplies are available.

Shortly after this announcement was made the subcommittee received a number of requests for help from the nonintegrated aluminum fabricators. Shortages of aluminum became more acute, and a number of small fabricators reported they were able to obtain only a fraction of the amount of aluminum they normally use and need. Such reduced supplies appeared to be considerably less than were required to maintain their plants at normal operating levels. Businesses which had expanded in anticipation of adequate supplies of primary aluminum found themselves unable to obtain the amounts needed, making it necessary for them to curtail production.

The subcommittee undertook hearings in an effort to help alleviate the shortage. Hearings were held on 6 days during May 1955, at which members of the industry and officials of the Government testified. In addition, on June 21, 1955, the subcommittee had hearings in the nature of a roundtable discussion among all segments of the industry, hoping to establish standards which would assure equitable distribution of the aluminum released from stockpile requirements. Both the primary producers and the

nonintegrated users indicated that they felt that the hearing had been constructive. For example, the executive secretary of one of the fabricator trade associations wrote the subcommittee, in part, as follows:

> In conclusion, we wish to compliment the committee for the attention given to this serious problem in the aluminum industry and also commend the members for holding a special hearing on June 21, in Washington, in which all segments of the aluminum industry were present. This indeed was an accomplishment, since it was the first time that all segments of the aluminum industry were afforded the opportunity to sit down at a roundtable and present the facts and discuss them in the open. A continuance of this type of hearings would be in order so that problems of the aluminum industry, and particularly those affecting the independents, could be voiced and solutions offered.

The investigation indicated that the acute shortage stemmed, in part, from a serious miscalculation of the increasing industrial demand for aluminum. It was indicated, too, that operations of the Government stockpiling program have aggravated the situation, by taking the entire surplus aluminum production over and above the estimated demand for industrial uses. Inasmuch as the stockpile proposed to take all aluminum produced in excess of industrial demand, when estimates of industrial demand were drastically in error, the quantities of aluminum allocated for delivery to the stockpile materially added to the pinch on small aluminum businesses.

With an inadequate supply to go around to all aluminum users, and in the face of competition in fabrication by the three primary producers, small fabricators had to press constantly to obtain enough raw materials to stay in business. A further complication was the continued purchasing by the primary producers of aluminum scrap, which resulted in some measure in raising the price of aluminum scrap.

The subcommittee is continuing to make a careful and detailed study of the aluminum problem, in order to arrive at recommendations which will safeguard both the interest of national defense and the small fabricators. One of the underlying considerations is that the producers of primary aluminum have reached their present stage of output with considerable Government assistance. Since the outbreak of hostilities in Korea, productive capacity for primary aluminum has been more than doubled, largely as a result of Government-provided incentives. These incentives include Government contracts to purchase surplus output under specified terms and conditions. Conversely, however, these contracts also call for the producers to make specified quantities of primary aluminum available to the nonintegrated users. One of the questions which the subcommittee has under study, therefore, is whether there should be more vigorous enforcement of the Government's contractual rights on behalf of the small fabricators. Similarly, the subcommittee has under study questions whether the executive departments, such as Office of Defense Mobilization, the Office of Export Supply, and the Business and Defense Services Administration of the Department of Commerce, are following policies and procedures which properly protect the interests of small business. Finally, the subcommittee also has under study the question whether a new expansion program should be encouraged.

Considerable staff work has been done on copper and nickel. In addition, careful study was given to the plan for disposing of the Government-owned synthetic rubber plants which was submitted to Congress early in the session, and the chairman [Mr. YATES] testified before the House Armed Services Committee, pointing out several respects in which the plan drawn up by the Rubber Facilities Disposal Commission could be improved from the standpoint of safeguarding the interest of small rubber fabricators.

SUBCOMMITTEE NO. 4 ON THE AIRCRAFT INDUSTRY

This subcommittee is composed of Hon. TOM STEED of Oklahoma, chairman; Hon. JAMES ROOSEVELT, of California; and Hon. HORACE SEELY-BROWN, JR., of Connecticut.

The mission of the subcommittee is to complete an investigation which was begun during the last term of Congress. Its primary concern is with the aircraft parts industry, which is largely a small-business industry. This industry is comprised of firms which make a countless variety of parts, pieces, components, instruments, and so forth, which go into the assembled aircraft.

The problems in this industry arise from two conditions, as were explained by the chairman [Mr. STEED] on February 23, as follows:

> First, the prime contractors are negotiating the subcontracts on private deals instead of placing them on competitive bids. This means that the smaller parts makers are getting a smaller share of the subcontracts in the first place.
>
> * * * * *
>
> In the second place, the small parts maker who does get subcontract work can never be sure that he can keep it. Whenever production schedules are curtailed, or the prime contractor has idle capacity for other reasons, he is likely to pull the parts work into his own plants. Thus, the prime contractor stabilizes his workload while the subcontractor may be in production one day and out the next.

Because of recent high levels of aircraft production and limited staff assistance needed for more pressing problems, active investigation of the aircraft industry has been held in abeyance. The subcommittee is maintaining a watchful eye for new developments, however, and plans to complete its investigation at an early date.

SUBCOMMITTEE NO. 5 ON DISTRIBUTION PROBLEMS

This subcommittee is composed of Hon. JAMES ROOSEVELT, of California, chairman; Hon. TOM STEED, of Oklahoma; and Hon. TIMOTHY P. SHEEHAN, of Illinois.

The subcommittee has a planned program of investigations of the problems of small business in the distribution fields. The chairman [Mr. ROOSEVELT] explained the nature of these problems on February 23, as follows:

> Our subcommittee is concerned with what—to my mind—are some very serious sore spots in our business system. These arise in the trade relations between numerous small and highly competitive firms on the one hand, and a few big monopolistic or quasi-monopolistic suppliers on the other hand. In the typical distribution pattern today, you find these small companies dependent upon such monopolistic suppliers—either for the products they distribute or for essential production materials—and there is a constant struggle to try to get fair and equitable treatment. If these monopolistic sore spots are not cleared up, not only will the small-business man suffer, but the consumer will be paying higher prices.

Even prior to the organization of the subcommittee, a great number of complaints had been received from retail gasoline dealers and their trade associations concerning alleged coercive and discriminatory practices on the part of the large oil company suppliers. More specifically, these complaints are to the effect that while there are approximately 200,000 retail gasoline dealers in the United States which are said to be independent dealers, these dealers are, in fact, independent to operate their businesses only on the terms and conditions dictated by their oil company suppliers.

The subcommittee held hearings on 11 days in March through June and heard 68 witnesses, including retail dealers from all sections of the country, officers of their trade associations, representatives of the major oil companies, and officials of the Federal Trade Commission. Representatives of the retail dealer's trade associations estimated that of the 200,000 retail gasoline dealers in the United States, as many as one-third go out of business each year. Considerable evidence was presented, moreover, to show that the turnover of retail gasoline dealers involves an overall loss to the individual dealer running to several thousands of dollars, which losses frequently represent an individual's life savings and exhaustion of credit and veterans' benefits.

Much of the testimony centered upon the arbitrary control which the oil companies exercise over the retail dealers by virtue of the short terms of the leases which the oil companies enter into with their lessee dealers, and the clauses characteristically contained in these leases affording conveniences by which the oil companies may cancel their leases.

The subcommittee also heard testimony concerning oil company practices of discriminating in the prices charged for gasoline, as between competing dealers, which practices are allegedly for such purposes as disciplining price cutters, eliminating outlets for off-brand gasoline, or for moving surplus stocks of gasoline which may occur in a particular market area. Vigorous complaints were also heard concerning the practice of some of the oil companies of requiring their retail dealers to handle and sell exclusively certain designated lines of tires, batteries, and other auto accessories. Several of the major oil companies in question admitted to ar-

rangements whereby they received an override or kickback from the manufacturers of tires and auto accessories on sales made by their gasoline dealers.

The subcommittee's interim report—House Report No. 1423—makes a number of recommendations for vitally needed steps which must be taken to correct the unfair practices found in this industry. This report recommends, among other things, several amendments to the antitrust laws to better protect small and independent businesses, and it recommends that the Department of Justice and the Federal Trade Commission review several other problems set out in the committee's report in the light of present antitrust laws, and make reports and recommendations to Congress as to the adequacy of these laws for meeting these problems.

The subcommittee's unanimous report subscribes to the purposes and principles of H. R. 11, a bill for strengthening the Robinson-Patman Act, and H. R. 7096, a bill for freedom of choice in trade, the latter of which was introduced by the chairman [Mr. ROOSEVELT] as a result of the subcommittee's study and findings.

Pursuant to the subcommittee's plans for investigating small-business problems in the distribution of automotive parts and accessories, electrical equipment and appliances, and many food items, considerable staff work has been done on these topics.

ACTIVITIES OF THE FULL COMMITTEE

One of the more serious problems which has occupied the committee and its staff has arisen from the numerous proposals which have recently been made for amending the antitrust laws. Not a few of these proposals, while perhaps well-meaning, misconceive the purpose and effect of those sections of the antitrust laws which were especially designed to protect small-business men from monopolistic practices; and there has been considerable momentum in the drive to amend these sections of the law in ways which would substantially weaken them.

On March 31, 1955, the chairman [Mr. PATMAN] issued a report analyzing the proposals contained in the report of the Attorney General's National Committee To Study the Antitrust Laws; and on May 10, 1955, testified before the Antimonopoly Subcommittee of the House Committee on the Judiciary, explaining, among other things, the legal aspects of the Robinson-Patman Act and the practical trade problems which led to the passage of this antitrust law. It was pointed out that the experiences of substantially all of the members of the Attorney General's committee had been with legal and theoretical matters, rather than practical trade matters, and that more than half of the lawyers on this committee were representing defendants in pending antitrust suits.

On July 13, 1955, the chairman [Mr. PATMAN] testified before the same subcommittee in opposition to H. R. 6875, a bill which the Department of Justice had recommended for removing the provision of section 4 of the Clayton Act which makes it mandatory a violator of the antitrust laws be assessed threefold damages, where a plaintiff in a private suit proves that he has been damaged through a violation of these laws.

During March, the chairman [Mr. PATMAN] testified before the House Armed Services Committee on the plan of the Rubber Facilities Disposal Commission for disposing of the Government-owned synthetic rubber plants, calling attention to certain monopolistic aspects of the plan and recommending certain alternative provisions for better safeguarding small business.

LEGISLATIVE RECOMMENDATIONS

The Select Committee on Small Business is not a legislative committee and therefore does not report bills. The committee has, however, adopted formal resolutions of recommendation on legislative proposals, as follows:

A series of resolutions recommending extension of the Small Business Act of 1953, and recommending several amendments to that act to broaden the authority of the SBA for assisting small business.

A resolution in support of the principles and purposes of H. R. 11—introduced by Mr. PATMAN—a bill for strengthening the Robinson-Patman Act.

A resolution in support of the principles and purposes of H. R. 7096—introduced by Mr. ROOSEVELT—a bill for freedom of choice in trade.

A resolution in opposition to changing the mandatory triple-damage feature of the provisions for private damage suits contained in the antitrust laws.

Social Security Coverage for Members of the Dental Profession

EXTENSION OF REMARKS

OF

HON. HUBERT H. HUMPHREY

OF MINNESOTA

IN THE SENATE OF THE UNITED STATES

Tuesday, August 2, 1955

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a letter I have written to Dr. Garrett Reilly, president of the Congress of American Dentists for Old Age and Survivors Insurance. This is an organization that has been recently formed to work for the inclusion of all self-employed members of the dental profession under the coverage of social security benefits. I support the efforts of this organization and welcome the assistance of the dentists in extending old-age and survivors insurance to the members of this distinguished and worthy profession.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AUGUST 2, 1955.

J. GARRETT REILLY, D. D. S.,
President, Congress of American Dentists for OASI, Washington, D. C.

DEAR DOCTOR REILLY: Allow me to say how pleased I am that the Congress of American Dentists for OASI is working to bring about social security coverage for members of the dental profession. I am sure that the support of your organization will help immeasurably in getting the legislation through the Congress.

You may know that I have been the sponsor of bills both during this session and in the last session of Congress that would make Federal old age and survivors insurance available to members of your profession.

The amendment I first introduced to extend social security benefits to dentists during the 83d Congress was prompted by the result of a poll taken in my own State of Minnesota. At that time Minnesota dentists gave overwhelming support to the extension of the old age and survivors insurance program to cover their own profession.

Quite recently I have received further proof that the dentists of Minnesota wish to receive the benefits of the social security system. The Minnesota Dental Society completed a poll on June 10, 1955, in which 1,423 voted approval of old age and survivors insurance for dentists and only 232 were opposed. This means that 85.9 percent of the dentists in my State favor being included under social security coverage.

I understand that this unusually high percentage of support has also been reflected in other polls carried on recently, indicating that 87.8 percent of the dentists in New York and 86.5 percent of the dentists in Illinois likewise support extending OASI to members of your important profession. Other evidence that has come to my attention, both as a result of the mail I have received and on the basis of conversations I have had, convinces me that a large part of the dental profession in the United States favors being covered by old age and survivors insurance. I think they would demonstrate this in numbers in proportion to those revealed in the polls I have cited, if they were given a chance to do so in all parts of the country.

This indicates a wise choice on the part of dentists of America, for they will benefit greatly from having social-security coverage extended to them. As they undoubtedly know, being included under the old-age and survivors' insurance system will assure them that they and their families will be protected beyond the age of 65, or in the unfortunate event that the head of the family should die before he has been able to provide adequately for the family.

I believe that Representative KEAN, of New Jersey, has already given you in some detail the benefits social-security coverage would bring to your fine profession. His letter, which you called to my attention, did point out, however, that it is important that the program be extended to dentists as soon as possible. I would like to reiterate that point. As the 4 years of lowest earnings can be dropped from the calculation upon which retirement benefits are determined from the beginning date of January 1, 1951, unless the dentists are brought under social-security coverage soon, the years during which they are not covered will be counted as zero earnings and so will pull down the total upon which their average wage is based. But if legislation is passed in time to include the dental profession under old-age and survivors' insurance before April 15, 1956, they will not have to include any zero earning years when figuring their average and so will receive the maximum in benefits.

I feel that the evidence that has come to my attention indicates that the vast majority of dentists want to receive the benefits of old-age and survivors' insurance, and I surely welcome the efforts of your organization in seeking to help bring about this worthy objective. I hope that you will do everything possible to bring to the attention of the dentists of our country the importance of commencing the program during the coming year if they are to enjoy the maximum of benefits. I assure you that I intend to do everything possible in the coming session of Congress to assure that we are successful in passing legislation that will provide social security to the dentists of America and their families.

Sincerely,

HUBERT H. HUMPHREY.

Mr. Orme Lewis, an Outstanding Public Servant

EXTENSION OF REMARKS
OF

HON. A. L. MILLER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1955

Mr. MILLER of Nebraska. Mr. Speaker, on July 27, 1955, I learned officially that Mr. Orme Lewis has announced his retirement as Assistant Secretary of the Interior, effective September 15, 1955.

As chairman of the House Committee on Interior and Insular Affairs during the 83d Congress, and as ranking minority member of that committee in the present Congress, it has been my honor and privilege to work closely with Orme Lewis since he was appointed Assistant Secretary for Public Land Management of the Department of the Interior by President Eisenhower on February 10, 1953.

To understand the responsibilities accompanying that office is to realize that the primary mission in public land management is the conservation of human and natural resources. The broad scope of the responsibilities is best understood by specific reference to the functions of Interior through its Assistant Secretary of Public Land Management.

Five important bureaus come under the jurisdiction of the office headed by Mr. Lewis. He has, during the past 30 months, directed the activities of those 5 key offices and, in a sense, has thus headed up a corporation employing more than 27,000 persons.

PUBLIC LANDS MANAGEMENT

As a lifetime resident of Arizona and one of the State's outstanding lawyers, Mr. Lewis was able to bring to Washington a broad understanding of some of the problems raised by reason of Federal land ownership, which in his own State of Arizona amounts to more than 30 percent of the total land area.

The Bureau of Land Management has under its exclusive jurisdiction nearly 470 million acres in the continental United States and Alaska. In the conservation of natural resources, Mr. Lewis has encouraged and directed actions which will result in lasting benefit to our Nation.

A program of multiple use and protection of the public lands initiated by the Congress during his tenure will end many of the legalized abuses which marked the past administration of public lands and national forests.

A revised Federal range code containing regulations for administration of Taylor grazing districts has been developed and is now awaiting approval of the Secretary of the Interior.

A 20-year program of soil and moisture conservation was instituted last year and will provide the Department, for the first time, with the weapons to make headway against the forces of erosion and forage depletion which have been wasting vast areas of the public range, Indian reservations, and other lands administered by Interior.

Under his direction, the Department has had under continuing study, with resulting modification of regulations, a program to assure compliance with the intent of Congress in amending the legislation providing for small tracts entry on the public domain and, similarly, regulations have been developed to end abuses under Federal statutes providing for issuance of prospecting oil and gas permits and leases.

INDIAN AFFAIRS

As a resident of a State containing nearly one-fifth of the Indian population of the United States, and intimately acquainted with the Federal-State-local Indian relationship, Mr. Lewis brought to the Department a perspective which assured a sound, sensible, and humane approach in the field of Indian affairs administration.

During his tenure, legislation has been enacted, appropriations obtained, and regulations put into effect to provide, through an emergency program for Navaho education, an educational opportunity for each Navaho boy and girl by September 1955. Programs were initiated for improving the health of the Indian people under administration by the United States Public Health Service and to provide machinery under which enlightened and self-sufficient Indian tribes and individuals will have the opportunity to terminate their dependency upon the Federal Government.

Through his contribution, a substantial portion of the more than 56 million acres of Indian tribal and trust land holdings will receive the benefits of improved intensive long-range resource management, development, and utilization measures.

NATIONAL PARK SERVICE

The fact that his native State of Arizonia is second in the Nation in total land area set aside to provide the recreational, scenic, and historic values made available through the National Park Service, particularly qualified Orme Lewis for this administrative responsibility.

His administrative direction of the National Park Service has resulted in expansion of the physical boundaries within the park system and the integrity of that system has been protected and strengthened by numerous actions rejecting proposals not in keeping with the system's high purpose. That the long cycle of neglect of the parks has been turned into one of improvement is best indicated by the 40-percent increase in Park Service appropriations for the current year and the expansion of the ranger force to its greatest strength in park history.

While his retirement precedes the finalizing of the program, much of the impetus behind the "mission 66" legislative program proposed to be transmitted to the Congress during this adjournment comes as a result of his energetic and active role in its development. "Mission 66," anticipating accomplishment by 1966—the 50th anniversary of the establishment of the National Park Service—if enacted into law, would assure a 10-year intensified program of development of facilities for areas within the national park system, provide for employee housing, roads and trails development, campground expansion, acquisition of non-Federal lands within the exterior boundaries of the system, improvement of such utilities as water and sewerage and related matters.

FISH AND WILDLIFE SERVICE

Under his direction, the Fish and Wildlife Service has carried out vigorous programs designed to expand and improve wildlife refuges which, with other steps taken, has resulted in placing the Fish and Wildlife Service in its strongest position in history to carry out the important program entrusted to it. The Service has been greatly strengthened for meeting its responsibilities in the field of commercial fishing by the enactment of the Saltonstall-Kennedy Act and appointment of an American Fisheries Advisory Committee.

OFFICE OF TERRITORIES

The Department has under its jurisdiction American Samoa, the Virgin Islands, Puerto Rico, Guam, and the trust territory of the Pacific, in addition to Hawaii and Alaska. Exclusive of Alaska, this means that there are under Interior's jurisdiction—if the atolls and separate islands constituting the trust territory are broken down into single units—2,161 islands in the Pacific and Caribbean. One hundred and seventeen of these are inhabited, with a total population in excess of 3.3 million.

In the field of Territorial affairs, a notable achievement was the revision of the Organic Act of the Virgin Islands. This act conferred a greater degree of self-government on the local inhabitants and will place the island government on a sound and economical footing. In Puerto Rico, a long-overdue liquidation of the Puerto Rico reconstruction administration was successfully accomplished to the mutual satisfaction of the commonwealth government and the citizens most closely involved in its operations. In Alaska, the Alaska Railroad, historically a deficit operation of the Federal Government, through injection of leadership from private industry, found itself operating in the black for the first time. Numerous administrative actions and individual legislative measures providing for industrial, commercial, and agricultural development of Alaska have received favorable action during the tenure of Mr. Lewis.

Hawaii, by securing congressional approval of several measures involving territorial land use, has been assured fuller development of its agricultural industry and one of its major commercial attractions—tourism.

Finally, with respect to the Trust Territory of the Pacific, the Office of Territories, under the direction of Secretary Lewis, has made substantial progress in continuing the development of proposed legislation which would create an organic act for this vast land and water area in the Pacific, and in the implementation of the obligations of the United Nations Trusteeship Council. Matters affecting the government and administration of American Samoa and

Guam, key outposts of the United States in the Pacific, have assured more orderly development and administration of the human and natural resources of those areas.

The foregoing is devoted almost exclusively to the ability of Mr. Lewis in matters of administration and leadership in one of the most complex functions of our Federal system.

DEVOTION TO DUTY

There is another aspect deserving comment, involving his intense and continued devotion to duty.

Through frequent personal contacts with Mr. Lewis in his official capacity, I, with my fellow committee members, have found him an outstanding example of a highly qualified and dedicated public servant.

In his appearances before our committee, his frankness, candor, his obvious interest in, and full comprehension of, the matters under discussion have been notable. In his presentation and under direct detailed examination by committee members, he demonstrated a knowledge of the subjects under discussion which could only have resulted from a precise, logical, and workmanlike advance study. Perhaps the true mark of his stature as a lawyer and in his official capacity is his ability to say, "I do not know," or "That is one of the aspects of this problem with which I am not familiar," when a question is put to him. As rarely as this happened, his immediate willingness to candidly and honestly so reply was a refreshing departure from a different approach too often employed by our public servants.

He will return to Arizona to resume his law practice, and in so doing I trust that he carries with him a conviction that his has been an outstanding contribution to the welfare of the Nation. I cannot believe that it will mark the end of his public-service contribution. Demands will always be made for the type of leadership and service in the public interest which Orme Lewis has so ably demonstrated his ability to contribute. I wish for him and his fine family continued successes and happiness for the future and congratulate the State of Arizona on recapturing one of its most outstanding citizens.

It Would Be Tragic if the Geneva Conference Caused Us To Slacken Our Information and Cultural Offensive—A Federal Advisory Committee on Cultural Interchange Needed

EXTENSION OF REMARKS

OF

HON. FRANK THOMPSON, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1955

Mr. THOMPSON of New Jersey. Mr. Speaker, the president of the Advertising Council, a nonprofit organization representing all phases of advertising and dedicated to the uses of advertising in the public service, recently returned to this country after a 6-month study of United States information and propaganda methods in the Orient, the Near East, and Europe under the auspices of the Eisenhower exchange fellowships. The head of this great organization, Mr. Theodore S. Repplier, is the first nongovernment American to study our information activities abroad.

Mr. Repplier has written me in part as follows:

I can testify from firsthand experience that sending samples of American culture abroad, from art shows to symphony orchestras to trade fairs, is a tested way to explode the damaging myth that Americans are cultureless dollar chasers. Often one American exhibit or performance can create a favorable impression that has lasting weight.

I heartily concur also with your view that an advisory committee could be helpful in counseling on this cultural offensive, although I am sure there are people better qualified to serve than I.

It seems to me important that there be wider recognition of the all-important fact that the more the danger of atomic warfare recedes, the more certainty there is that the ultimate outcome of the struggle between the Communist and free worlds will be decided by ideas and ideas alone.

It seems to me that victory is increasingly likely to go to the side which most successfully projects its ideas and ideals to the rest of the world. It would be tragic if the Geneva Conference caused us to slacken our information and cultural offensive just when it is beginning to hit its stride.

Thank you so very much for your attention to my earlier remarks. And congratulations on your grasp of a subject the importance of which is so often underrated.

In a brilliant speech at the Hotel Pierre, New York City, on June 30, 1955, at a meeting of the Advertising Council's board of directors and guests, Mr. Repplier reported on his study of our information methods abroad. He said our propaganda offensive needs to sharpen its ideas. Also, we need to draw into our propaganda program more of the skills and talents of America. Mr. Repplier is convinced that no group of professional propagandists, however able, can project a true image of the country, at an art exhibit, a trade fair, or anywhere else. "In America we have private organizations—from the Philadelphia Symphony to the Advertising Council—whose weight must be added to the idea war," he declared.

We can win the cold war but we cannot win it in a walk. It is time we started running. Mr. Repplier pointed out in his speech that—

The idea war needs more firepower. We are terribly outgunned. We now spend less than two-tenths of 1 percent of our military budget on propaganda. How can we possibly expect that truth can triumph over falsehood with that sort of niggardliness? The propaganda appropriation should be greatly increased.

Mr. Repplier is not alone in making these recommendations. A firm and open decision "to win the cold war," as the "surest way to prevent a hot war," was urged upon our Government by Brig. Gen. David Sarnoff, chairman of the board of the Radio Corporation of America, in a memorandum presented to the White House on April 5, 1955. Pointing out that the Kremlin's fixed goal is world dominion by means short of an all-out war, General Sarnoff declared:

Logically we have no alternative but to acknowledge the reality of the cold war and proceed to turn Moscow's favorite weapons against world communism. Our political counterstrategy has to be as massive, as intensive, as flexible as the enemy's.

The question, in truth, is no longer whether we should engage in the cold war. The Soviet drive is forcing us to take countermeasures in any case. The question, rather, is whether we should undertake it with a clear-headed determination to use all means deemed essential, by governments and by private groups, to win the contest.

General Sarnoff's memorandum entitled "Program for a Political Offensive Against World Communism," grew out of his discussion of the subject with President Eisenhower in Washington on the morning of March 15, and announced at the time by James Hagerty, White House press secretary.

The same afternoon, at the President's request, General Sarnoff conferred with Nelson Rockefeller, Special Assistant to the President on psychological warfare, and officials from the United States Information Agency and the Central Intelligence Agency. At the end of the meeting he undertook to submit his views on the subject and a suggested program of action.

The result was his memorandum, in which he emphasized that—

We must go from defense to attack in meeting the political, ideological, subversive challenge. The problem—

He said—

is one of attaining the requisite magnitude, financing, coordination, and continuity of action. The expanded offensive with nonmilitary means must be imbued with a new awareness of the great goal and a robust will to reach it.

General Sarnoff urged the establishment of a Strategy Board for Political Defense, the cold war equivalent of the Joint Chiefs of Staff on the military side. As to financing such a strategy board, the general recalled that appropriations over the past 4 years for our military defense averaged approximately $45 billion annually. In contrast, he noted, it is significant to note that for the fiscal year 1955 the total appropriation for the United States Information Agency was $79 million, of which $17 million is available for the worldwide activities of the Voice of America.

As a working hypothesis General Sarnoff suggested that a specific and more realistic ratio between military and nonmilitary appropriations be worked out, say an amount equivalent to 5 or 7½ percent of military-defense appropriations to be granted to the Strategy Board for Political Defense—this, of course, without reducing the military budget and not counting foreign military aid and point 4 types of expenditure. General Sarnoff made this further point:

I am convinced that if the American people and their Congress are made fully aware of the menace we face, of the urgent need for meeting it, and the possibility of doing so by means short of war, they will respond willingly as they have always done in times of national crisis. They will realize that no investment to win the cold war is exorbitant

when measured against the costs of the bombing war we seek to head off.

In a historic speech at the National Press Club here in Washington, D. C., on February 26, 1955, William Randolph Hearst, Jr., editor in chief of the Hearst newspapers, said that our reliance upon armed strength is permitting communism to take long strides forward in those fields which we have largely neglected. He pointed out that in Russia and the satellite countries "sports, ballet, the theater, literature—all are shaped toward aiding communism's long-range scheme of world domination. Top artists know they are not only expected to perform, but to give their services at clinics where the plastic minds of youthful visitors can be influenced."

Like General Sarnoff and Theodore S. Repplier, Mr. Hearst advocated the establishment of a permanent planning board commissioned to formulate a strategy on all fronts for meeting the challenge of competitive coexistence. This board should be, he said, scrupulously nonpartisan. It should be culled from the finest minds and talents available, both in public and private life. He said on this that—

> It should survey the whole global scene and develop plans for getting the peoples of the world on our side. Sports, the theater, educational exchanges—no field should be neglected in this competition of the two conflicting systems.
>
> Who can doubt that America would emerge on top in any such competition?
>
> My suggestion is not blueprinted. It may even be a little vague. But formulating and implementing it would be the job of the planning group of men and women, each devoting time and energy to developing an overall American strategy in those nonmilitary fields for 1955—and for the next generation.
>
> We have a National Security Council. I would like to see a national competitive coexistence council to combat communism.
>
> One side or the other is going to win the battle of competitive coexistence.
>
> It had better be our side.

Everyone and everything we love and cherish is at stake.

There is, of course, deep and profound concern in the Congress with cold war strategy. Senator LYNDON B. JOHNSON of Texas has called for the "greatest political offensive in history to win the cold war" and Senator ALEXANDER WILEY, ranking minority member of the Senate Foreign Relations Committee, speaking at the Wayne University student forum, has called for all-out support of the proposals before the 84th Congress for the establishment of a program of cultural interchange with foreign countries to meet the challenge of competitive coexistence with communism. Hearings have been held on H. R. 6874 and a number of related bills which would make such a program a permanent part of the armament of our country in this cold war period and action is expected on them early in the second session of this Congress.

The Congress recently appropriated $5 million to continue the President's emergency fund for participation in international affairs. With funds supplied by this fund the United States is fighting the cold war on two new fronts. Both are important and on both the Communists have a head start on us. Under the program the United States has participated in 15 trade fairs during the current year, and more than 23 cultural projects have been undertaken. Among the most successful of the cultural programs sent abroad under the fund are Porgy and Bess, which toured Europe, and the symphony of the air which was a smash hit in Asia. In the sports field, the program includes tours by star athletes who have been sent abroad by the State Department in cooperation with the Amateur Athletic Union. Trade fairs and cultural activities are areas of the cold war which the United States cannot neglect any longer.

Communist goods exhibited at trade fairs have often been of inferior quality—but how are other peoples to know that if there are no United States exhibits to make the contrast clear? In the absence of first-rate American participation, the Communists have been winning by default.

In the cultural field it is, again, only a question of giving other peoples an opportunity to see, listen, and judge. Here, again, we have the goods. The best rebuttal of Communist charges that Americans are uncultured, crass, material-minded barbarians, a favorite Communist propaganda line, is to present our country's cultural programs abroad. For years the Communists have tried to present themselves as devoted to the arts, to the better things of life. For years troupes of artists from the U. S. S. R., and more recently from Communist China, have been sent abroad by their governments to make friends and influence people for communism. That the Russian ballet, admittedly among the best in the world, has its roots in Czarist Russia is ignored. The ballet is Communist, they say. It is a potent argument for the Marxian line. Music, art, sports—all are grist for the Communist mills. They exploit their artists and sportsmen as they exploit everything else, and they have been doing it effectively, make no mistake about that.

In his testimony before the Subcommittee on State, Justice, Judiciary, and related agencies of the Committee on Appropriations of the House of Representatives, Frank Coniff of the Hearst newspapers had this to say in support of the activities being carried on under the President's emergency fund for participation in international affairs:

Mr. ROONEY. Now, Mr. Coniff, we shall be very glad to hear from you.

STATEMENT OF FRANK CONIFF

Mr. CONIFF. Thank you, Congressman ROONEY, for the opportunity to be here. I am sorry Mr. Hearst himself is not here. I talked to him yesterday. He is on a business trip through Europe, and he said he would certainly be here if his schedule had permitted.

I have here a report on Russia which I would like to have inserted in the record. These are a series of articles which appeared in our newspapers several months ago.

Mr. ROONEY. If you have sufficient copies and will leave them here, we shall see that each member of the committee gets one. It costs a lot of money to print these, but each member will have an opportunity to read it.

Mr. CONIFF. This booklet is interesting in view of the fact it was written mostly in the week of February 13, which was 5 days after the Malenkov upheaval in Russia, and I think it accurately forecasts the shift in Russian tactics we have encountered in recent months. We were there at the time the new shift was heralded, when Malenkov stepped down, and Mr. Khrushchev became the chief power in Russia.

While we were there we gained the impression that our policy of building armed strength had proven a detriment to Russia in any thoughts Russia might have of precipitating a third world war as a means of gaining its end. Anything I say is predicated on the belief we should continue to build our strength and continue to build our technical proficiency to the extent they will exceed anything Russia can bring against us.

However, as Mr. Hearst says in this booklet—and again I say this was written at a time when alarmist reports filled most of the air and the press in the wake of the disturbance in Russia so that even at the time we were writing this we wondered if we were right, and we are gratified we did not give anyone a wrong steer—Mr. Hearst says on page 46:

"The Soviet Union can't stand a war with the West within the foreseeable future, and therefore won't start one. I have further predicted that Russia's realistic rulers will exert a cooling influence to keep the Chinese teapot from boiling over."

This was at the time of the Tachen evacuation, when it looked like war would break out at any moment. [Continuing reading:]

" 'We're glad the fire in Korea was put out,' Khrushchev told us. 'We don't want to see another one start up.' "

Mr. Hearst writes:

"The democracies won't start a war with the Soviet Union because it is against the very nature of democracy to launch an aggressive war.

"The only spark that might touch off an atomic showdown, as I have repeatedly stated, would be the failure of the West to keep up its guard and encourage the Kremlin to think we were weak and defenseless."

Then Mr. Hearst writes—and I think it gets to the core of what you gentlemen are considering here:

"If I am right in thinking that war is no solution to the current struggle, and that Russia will not pull the trigger for varying reasons, then we pass into the much more difficult battleground of peace.

"The West is well equipped in any trial at arms. But are we prepared practically and philosophically to surpass communism in the thornier problems of peace?"

It was a strange impression to gather in Russia that these leaders who were talking so belligerently on the floor of the Supreme Soviet were so anxious to convey the impression back here that they were not going to start a war, but we did gain the impression that they had the idea that in the coming years they could so manipulate events that they would gain an edge on us in this cold war, which I think is now more a soft war. A cold war is a form of a hot war, and this soft war will be another form of a hard war, a hard war by another means, so to speak.

In accordance to their own theory, the Russians seem to feel that every form of endeavor is subject to the ideological struggle, and a thing like sports and the theater and an avenue like literature are weapons to the Russians in this struggle with us.

If there was any one frightening thing to us in talking to these Russian leaders, it was their belief that in coming years communism would gain the upper hand. Khrushchev said to us in so many words that communism would gain the upper hand in the long run. That is quite jarring to Americans and leads to the conclusion that it is up to us to devise a strategy to help

in preparing America for this conflict that the Russians do not think we have a chance of winning. They think we are going to ignore most of these fields and leave them open to the Russians and to Communist infiltration and Communist propaganda, and that in our concentration on material things we will ignore these things of the spirit.

They have taken such a subject as sports and they are taking dead aim on the Olympics next year as a source of great prestige for the Communist idea. We have enjoyed the fact that America has dominated the Olympic games for some time. They hope to appeal to the youth of the world with their athletes who, in 1956, and certainly in 1960, will pose a serious threat to our superiority.

In the other fields, in the theater and in literature, they are also using their own artists and their own performers as agents of Communist imperialism. They do it very subtly. The artists know they are subject to the State and must carry out their dictates.

It is the impression of Mr. Hearst and Mr. Kingsbury Smith and myself that our American artists can help also in winning opinion among our allies, among the uncommitted nations, and even back of the Iron Curtain we can do a lot to dispel the thought that America is concerned only with material things. Some headway has already been made in that.

It is our belief, after seeing and talking to the Russians and seeing what they have in the limited scope of our trip, that America has so much to offer, so many fine things to be seen, and so many more decent and good things to show, that we must bring them to bear in whatever way we can in this struggle, which, of course, we think will continue within our time and certainly within the foreseeable future.

I hesitate to inflict an opinion on the committee because the operations of Congress are not exactly my purview, but I do think that some start has to be made, and in saying this I echo the opinion of Mr. Hearst. Some start has to be made first in comprehending the phase of communism we are now entering, and secondly, in fashioning the weapons that will aid us in winning this struggle.

Mr. Hearst said at the National Press Club, and has repeated in numerous statements, the belief that one side or the other one will prevail. We are in agreement with Mr. Khrushchev on that, that the second half of this century will determine which way of life will gain the upperhand, and our observations—Mr. Hearst's, Mr. Smith's, and my own—have seen our country emerge into world leadership whether it asked for it or not, and we have seen it acquit itself of this responsibility in a way which I believe no previous recorded history presents any example quite as fine or as magnificent.

If I may use Mr. Hearst's words in approaching this subject, he said we of this generation can see very clearly that perhaps we are not in immediate danger, for strategic reasons we feel our generation will survive any attempt to overthrow it, but he says we have to think of the future years, of our children and the kind of world they will live in, and therefore it becomes necessary to organize the planning and the thinking that will enable us to emerge victorious in this struggle.

It is fundamental with Mr. Hearst and with our appreciation of what is going on in the world that the struggle with communism will last a long time, that these complacent interludes are more difficult to understand and to win than the sheer showdown of a shooting war or of a tense period in international relations. He wrote in February that the cold war—and we were using the term at the time—that the cold war is going to be much more subtle than it was under Stalin. Of course at that time we had no means of knowing that the moves of the Russians were then in progress, the Austrian settlement and the overtures to West Germany and things like that. So it will be more subtle and more difficult to understand, and in passing I might say that the Communists by their own theory will make any move and condone any move if it helps them in their struggle. For instance, Khrushchev and Bulganin went to Belgrade recently in a mood that might be interpreted as an apology, with hat in hand, but it was not an apology and Tito understood it was a shift and a tactical move.

We say in here—again pointing out it was written in February when much alarmist talk filled the air—we say Russia wants peace because it needs peace. It is not equipped for a showdown with us at this time on a shooting basis so they are bargaining for time. If there is a part of this booklet we are proud of it is chapter 3, dealing with Russia's weaknesses. Communism in Russia, as we saw it, is under great stresses. They have many conflicts that might well be insoluble. They have problems which, even without a cold war, would still remain, and they are having terrible trouble in solving them.

I do not want to take too much of your time, but this is all a prelude to our thinking that a good deal of planning for the coming phase of what we call competitive coexistence is needed. If there is some money available that will aid us in this year of 1955 to accurately anticipate Russian moves, that will bring us into contact with them in ways that will not provoke a war but will still enable us to make ground in this struggle, we are confident the net result will be a gain to the United States.

I must apologize for not having our idea of a competitive coexistent council in more concrete terms, but, as we say in this book, that would be the task of a planning board, to understand the struggle and to perhaps plan the ways of bringing it to a successful conclusion.

I understand before this committee is a specific recommendation for certain moneys to be allotted for cultural endeavors. We believe that any of our artists that go abroad should recognize that in a sense they are American citizens who are doing a duty to their country and that their appearance and their performance and their conduct will have a direct bearing on the results of our trouble with the Communists. We think that they should attempt to get close to the people in the countries where they perform, they should be available at clinics where the young people who might be interested in the theater or in sports could get to them, and it should not be regarded as a triumphant parade or excursion, but as a definite contribution to good competitive coexistence.

I was reading that Oklahoma! will be shown in Europe, and I think that is fine, and I understand some dignitary is giving the cast a garden party and that it will be the social event of the season. A little social life does not hurt anybody, but my opinion is that it will not particularly contribute to our success in the ideological struggle; but if it could be arranged, by planning and by knowledge of what is going on, for them to see the young people and talk to them and answer their questions, I am sure it would be a step forward.

We just came back from Russia so full of the belief that the American way of life has so much more to offer than the Russian way of life that if we can let the people of the world see it, believe me, any comparison is bound to tip the balance in our favor.

I think I am rambling a little bit here and perhaps getting away from the core of what you gentlemen are interested in, but that is our only message, the message of Mr. Hearst, that some comparison of what is going on must be grasped by our policymakers now, and some means of combating this cold war must be devised.

Mr. ROONEY. Thank you for your very interesting statement. You must realize that the committee has the advantage of advice from the State Department from the top level and has access to intelligence, and so forth, in regard to the situation between the Soviet Union and the United States today.

The conclusion reached by Mr. Hearst, General Sarnoff, and Theodore Repplier was that our propaganda offensive needs to sharpen its ideas and needs to be increased many times in size. Also, that we need to draw into our propaganda program more of the skills and talents of America. As Mr. Repplier says, "In America, we have private organizations—from the Philadelphia Symphony to the Advertising Council—whose weight must be added to the idea war."

One place to begin adding the weight of private organizations to our idea war would be to bring them in, in an advisory capacity, and thus make them part of any program for the expansion of cultural, scientific, and social contacts which the Federal Government undertakes. Authority for this very step is contained in Public Law 402, 80th Congress, particularly in title VIII, section 801 (6). In carrying out the purposes of this act the Secretary of State is authorized "to create, with the approval of the Commission on Information and the Commission on Educational Exchange, such advisory committees as the Secretary may decide to be of assistance in formulating his policies for carrying out the purposes of this act." It is my understanding that the powers and authorities granted under this act of the Congress for the appointment of such an advisory committee on the arts and cultural exchange have never been exercised. In any event, now would seem to be a particularly appropriate time to create such an advisory committee.

This advisory committee, if it is appointed, will obviously be of great importance in our relations with other nations and it should, therefore, be composed of men of the highest caliber and leadership ability. If I may take the liberty of making a few suggestions I would think the following admirably exemplify the qualities needed: Theodore S. Repplier; Brig. Gen. David Sarnoff; Senators Alexander Wiley, H. Alexander Smith, Karl S. Mundt, Theodore Francis Green; William Randolph Hearst, Jr.; Eugene and Agnes E. Meyer, of the Washington Post and Times Herald; James C. Petrillo, George Meany; Walter Reuther; Dr. Detlev W. Bronk, president, National Academy of Sciences and the National Research Council; Alan T. Waterman, National Science Foundation; Dr. Leonard Carmichael, of the Smithsonian Institution; Dr. Sammy Lee, outstanding American athlete who recently made a special tour to 12 countries in the Far East to tell about the American way of life in behalf of the Department of State; Clarence E. Pickett, American Friends Service Committee; and Secretary of Agriculture Ezra Taft Benson.

Also, from the world of business and philanthropy: Nelson Rockefeller, Henry Ford II, and Harvey Firestone. From

the theater and movies: Robert W. Dowling, president of the congressionally chartered American National Theater and Academy; Dr. Gilbert V. Hartke, president of the American Educational Theater Association; Ralph Becker, of the National Association of Legitimate Theaters; and Eric Johnston, president of the Motion Picture Association of America, Inc.; and Lee Norvelle, president of the National Theater Conference.

From the art world, David E. Finley, director of the National Gallery of Art; Lloyd Goodrich, chairman of the Committee on Government and Art; Henry R. Hope, editor of the College Art Journal.

As architects: Wallace K. Harrison, Pietro Belluschi, Eero Saarinen, and Otto Eggers.

From music: Dr. Howard Hanson, president of the 800,000-member National Music Council; Bruno Walter, conductor; Rudolf Bing, of the Metropolitan Opera Co.; Patrick Hayes, chairman of the Cultural Development Committee of the Washington Board of Trade; Dr. Frederick Fall, conductor of the United States Department of Agriculture Symphony Orchestra and former conductor-in-chief of the Vienna Volksoper; and Dr. Warner Lawson, head of the department of music at Howard University, Washington, D. C.

Also, Milo Christiansen, past president, American Recreation Society.

For composers and authors: Richard Rogers; Oscar Hammerstein II; Ira Gershwin; Norman Dello Joio; Gian-Carlo Menotti; William Faulkner and Ernest Hemingway, Nobel Prize winners; Harold Spivacke, of the Library of Congress; and Howard Mitchell, conductor of the National Symphony Orchestra, Washington, D. C.

The Domestic Parity Plan for Wheat

EXTENSION OF REMARKS

OF

HON. CLIFFORD R. HOPE

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1955

Mr. HOPE. Mr. Speaker, we have a serious wheat problem in this country. This year we had a carryover of more than 1 billion bushels. The August crop report estimates that the production this year will be 910,958,000 bushels.

It is estimated that for the marketing year July 1, 1954, to July 1, 1955, total domestic consumption and exports amounted to 856 million bushels which is less than this year's crop to say nothing of the more than 1 billion bushel carryover.

ACREAGE HAS BEEN SEVERELY CUT

The surplus situation would be even more serious except for the fact that wheat acreage was cut from about 78 million acres in 1953 to 62 million acres in 1954, 55 million acres in 1955, and 55 million acres again for 1956.

Marketing quotas have been invoked and all wheat farmers who produce more than 15 acres of wheat can sell, generally speaking, without penalty only what they produce on their allotted acres. Any amount sold above that quantity must pay a penalty of 45 percent of parity, which penalty during this marketing year will be $1.13 per bushel.

PRICE SUPPORTS HAVE BEEN REDUCED

In addition, wheat price supports have been reduced from 90 percent of old parity, the rate for 1954 and preceding years, to 82½ percent of old parity in 1955 and 76 percent of transitional parity in 1956.

To state the figures in dollars and cents average price supports on wheat in 1954 were $2.24 per bushel, for 1955 they were $2.06 per bushel and for 1956 they will be $1.81 per bushel. This includes the 5 percent reduction in parity due to the shift to modernized parity. There will be another drop of 5 percent in the parity price for 1957 and an additional 5 percent drop in 1958.

With wheat stocks as high as they are at present if flexible supports are continued farmers can expect no more than 75 percent of transitional parity for 1957, which as near as can now be estimated will be $1.70 per bushel; for 1958 it will be $1.60.

Based upon the present supply situation acreage allotments will be no higher than 55 million acres in 1957 and 1958 if the present program of flexible price supports is kept in effect. In fact, the only thing which prevents a much smaller allotment is the provision of the law which says the minimum allotment shall be 55 million acres.

EFFECT OF FLEXIBLE PRICE SUPPORTS IS TO REDUCE FARMERS' INCOME

Flexible price supports have not had the effect of reducing wheat acreage or expanding wheat consumption. Such acreage reductions as have taken place have been the result of acreage allotments and marketing quotas. The principal effect of flexible price supports has been to reduce farmers' income from wheat. Another effect has been to reduce the value of all governmental wheat stocks to the level of the reduced support price. This is compensated for to some extent by the fact that lower supports make it possible to reduce export subsidies.

FARMERS NOT RESPONSIBLE FOR PRESENT SITUATION

Farmers feel, and justifiably so, that they are not responsible for the present wheat-surplus situation. During the war and up until the crop-year of 1954, farmers were urged to go all out in the production of wheat. As a matter of fact, all of our present surplus has accumulated since the harvesting of the 1952 crop. On July 1, 1952, our carryover was only 256 million bushels, which is less than a normal or desirable carryover in these times. The large 1952 crop should have resulted in the imposition of marketing quotas and acreage allotments for 1953, but the then Secretary of Agriculture did not do so. Instead he set a goal of 72 million acres of wheat which was only 6 million acres less than the goal for the preceding year of 1952. As indicated above, acreage allotments and marketing quotas have been imposed for the 1954, 1955, and 1956 crops. Farmers have cooperated well in these programs with the result that there has been a substantial reduction in the total amount of wheat produced. However, declining exports and decreased use of wheat for livestock feeding has resulted in an increase in our carryover even with these reductions in production.

WHEAT PRODUCERS SEEKING MORE ACCEPTABLE PROGRAM

Confronted by the present situation, it is no wonder that wheat producers have been desperately looking for a more acceptable program. Many of them who have studied the matter feel there is great promise in the proposal known as the domestic parity plan, which has the support of both the National Grange and the National Association of Wheat Growers.

APPLICATION OF DOMESTIC PARITY PLAN

The purpose of these remarks is to discuss and explain the domestic parity plan. This plan is also known by other names, such as the certificate plan and the two-price system. The term "two-price system," however, is a misnomer as applied to the domestic parity plan, because under this plan all wheat would be sold on the market at one price, that is, the going market price. The principles of this plan are in successful operation in the field of dairy products under marketing agreements and have been discussed in connection with other commodities.

Briefly, the plan and its operation may be described as follows:

First, all wheat would be sold without marketing quotas or restrictions of any kind.

Second, at the beginning of each marketing year the Secretary of Agriculture would make an estimate of the average going market price for that year. He would also announce the parity price of wheat for the year.

Third, the Secretary would estimate the probable amount of wheat which would go into domestic consumption for human food during the marketing year. This amount, which for many years has been approximately 500 million bushels, would then be allotted among the wheat farms of the Nation on substantially the same basis as acreage allotments are made now, except that in this case the acreage would be translated into bushels and the allotment to each farm would be in bushels. Each wheat farmer would receive a certificate stating the number of bushels constituting his share of the estimated domestic consumption of wheat for food.

This certificate would have a value in dollars and cents of the number of bushels which it represented multiplied by the difference between the going market price of wheat as estimated by the Secretary and full parity.

Let us assume for the sake of illustration that the number of bushels represented by this certificate is 1,000 and that the difference between the estimated price of wheat and full parity is 75 cents per bushel. In that event the certificate would have a value of $750.

WHERE WOULD THE MONEY COME FROM?

The next question is how would the farmer realize cash on this certificate and from whence would the money come? The answer to that question is that each miller or other processor of wheat will have to purchase certificates covering the total amount of wheat which he processes for domestic consumption as human food.

It will not be necessary for farmers to deal directly with millers because under the pending legislation the Secretary of Agriculture is authorized through the Commodity Credit Corporation to buy and sell marketing certificates. Thus the Commodity Credit Corporation would act as a clearing house. Farmers would turn their certificates in to the Commodity Credit Corporation through the county agricultural stabilization committee and millers in turn would buy certificates from the Commodity Credit Corporation.

The program in general would be administered by the county agricultural stabilization committees which administer other agricultural programs.

This is but a brief outline of the program and I would like to develop it further by means of questions and answers as follows:

ACREAGE ALLOTMENTS

Question 1: Would there be acreage allotments under this program?

Answer: If times were normal it would be possible to operate without acreage allotments. Under conditions as they exist now it seems desirable to give the Secretary authority to impose acreage allotments for the following reasons:

First. It would prevent overproduction in the present and immediate future when we have such a large supply of wheat on hand.

Second. It would enable the Secretary to adjust production in line with the supply of corn and other feed grains.

Third. It would permit the Secretary to take into account world wheat supplies and prevent the production of excess supplies which could not be absorbed by the world market at fair prices.

Question 2: Without marketing quotas and penalties how could production be effectively restricted through acreage allotments?

Answer: This would be done by providing that no farm would receive a certificate unless the producer stayed within his overall wheat-acreage allotments. The value of this certificate would constitute an incentive sufficient to induce most producers to stay within their allotments. However, farmers growing wheat as a part of their crop rotation or in small quantities for feeding on the farm or who for some other reason were not interested in securing certificates would be free to exceed the current allotments without the payment of penalty. The amount of wheat involved in these cases would be small and would have little effect on market prices or total supply.

WHEAT LOANS

Question 3: Would there be wheat loans under this program?

Answer: If this program were being instituted at a time when production and carryovers were normal it would probably operate better without Government loans. However, in times like the present with large supplies of wheat and other grains on hand it seems advisable to have a low level loan to prevent the market price of wheat from going so low as to adversely affect the price of corn and other feed grains and to constitute a disturbing factor in the world market.

Under the provisions of the legislation now pending in Congress the level of these loans would be determined by the Secretary after taking the following factors into consideration:

First. The supply of the commodity in relation to the demand thereof.

Second. The economic feasibility of producing substitute crops on acreage withdrawn from the production of wheat.

Third. The price levels at which corn and other feed grains are being supported and the feed value of such grains in relation to wheat.

Fourth. The provisions of any international agreement relating to wheat to which the United States is a party.

Fifth. Foreign trade policies of friendly wheat-exporting countries.

Sixth. Other factors affecting international trade in wheat including exchange rates and currency regulations.

It is anticipated that most of the time such a loan program would not prevent the free movement of wheat into export channels without subsidies.

THIS PROGRAM WOULD NOT ADVERSELY AFFECT THE PRICE AND SUPPLY OF CORN AND OTHER FEED GRAINS

Question 4: Producers of corn and other feed grains have expressed the fear that this legislation might result in increasing the total quantity of livestock feed and have adverse effects upon the price thereof. Is there any basis for these fears?

Answer: No. It is realized by those who are sponsoring this legislation that whatever benefits accrue to wheat must not be at the expense of corn or any other crop. That is the reason for the provision in the legislation which protects corn by providing for price support on wheat at a level slightly higher than the support price on corn and in giving the Secretary the authority to impose acreage allotments. Under this authority the Secretary would be able to limit the amount of wheat which would be available for livestock feed if this was thought desirable.

However, all the evidence which is available indicates that if this program results in expanding wheat acreage it will reduce rather than increase the available supply of feed grains. This is because the feed value of the product of an average acre of wheat in this country is less than the production of the average acre if it were used for feed grains. In 1954 we produced approximately 37 percent more feed grains on the acres diverted from wheat than if they had been used for feed-wheat production.

Feed-grain production in the form of oats, barley, and grain sorghums in 1955 on land taken out of wheat will be considerably greater than the feed value of the reduction in wheat production as a result of wheat marketing quotas. In addition, a part of the land diverted from wheat was used to contribute to our record crop of soybeans in prospect this year.

Based on August 1 estimates the increase in production of oats, barley, and grain sorghums in 1955 over the 10-year average 1944–53 will be 558 million bushels or 11.1 million tons, while the reduction in wheat production in the same period is only 243 million bushels or 7.3 million tons.

All of this means that shifts out of wheat acreage increase the available supply of feed grains and increases in wheat acreage decrease feed grain supplies even if all wheat produced on the increased acreage is used for livestock feed.

DOMESTIC PARITY PLAN WOULD NOT CONSTITUTE DUMPING

Question 5: Under the present farm program it is necessary to subsidize all wheat exports by direct payments from the Federal Treasury, thus constituting what is known as dumping and arousing resentment and antagonism from other wheat exporting and importing countries. Would the domestic parity plan constitute dumping in the export market?

Answer: It would not. Wheat going into export would move at the market price and without the benefit of a subsidy such as is being paid under our present program. The adoption of the domestic parity plan will enable us to get away from the charge of dumping. Furthermore the fact that producers would only receive the market price for wheat exported and that the Secretary of Agriculture has authority to impose effective acreage allotments will prevent the production of excessive quantities of wheat which might have the effect of lowering world prices.

PLAN WOULD BENEFIT TAXPAYERS

Question 6: How will the adoption of this plan affect the taxpayers of this country?

Answer: It will benefit them in several ways. First, it will do away with the need for export subsidies which during the last 6 years have amounted to $771 million. Second, by providing a market for wheat it will reduce and eventually eliminate the tremendous sums that are being paid every year as storage charges. Third, losses on wheat placed under price-support loans will be reduced or eliminated. Fourth, administrative costs of the wheat program will be reduced as compared with the present price-support loans and marketing quota program.

COST OF BREAD WILL NOT BE INCREASED

Question 7: Will this plan increase the cost of bread to domestic consumers?

Answer: No. Under this plan wheat will cost domestic millers less than they have been paying in recent years. This is true notwithstanding the fact that under this program wheat will cost millers 100 percent of parity instead of the 90 percent of parity which was in effect until the 1955 crop came on the market. However, wheat is shifting from old parity to modernized parity which

will be in full effect after 1958; 100 percent of modernized parity is less than 85 percent of the old parity.

It should also be kept in mind that the amount of wheat in a loaf of broad costs about 2½ cents and has little effect on the retail price. For instance, in January 1948, the farm price of wheat reached a peak of $2.81 per bushel, and the average price of a 1 pound loaf of bread was 13.8 cents. Today the farm price of wheat has dropped to less than $2, yet the average price of a pound loaf of bread has increased to 17.5 cents.

Question 8: What effect will this plan have on the production of quality wheat as compared with the price support plan which is now in effect?

Answer: Because all wheat will be sold on the open market its price will be based on quality and producers of those wheats most in demand by millers will receive premiums because of this high quality. Thus this plan, unlike the present program, will directly encourage and reward high-quality production and permit the value of wheat to be determined freely in the market place instead of by Government edict.

Question 9: It is contended that the distribution of domestic parity certificates among wheat farmers based upon past production without regard to the kind of wheat they produce is unfair in that a larger percentage of some kinds of wheat is consumed for human food than others.

Answer: In this respect the program follows the present law under which price supports are the same on wheat irrespective of whether it goes into domestic consumption for food, into export, for livestock feed, or simply piles up in the elevators. If this new plan is unfair then the present plan is unfair also.

However the real answer to this question is covered by the answer to question No. 8 which points out that the types of wheat in demand will bring higher prices on the market and the total income of producers of those types of wheat will be greater than the income of producers of less desirable types, although the value of the certificates in each case will be the same.

POULTRY PRODUCERS AND DAIRYMEN WILL BENEFIT

Question 10: What about poultry producers or dairymen who desire to produce wheat for feed or to purchase the same at feed prices?

Answer: Under this program they can produce all they need for feed on their own farms and will be able to purchase wheat at feed prices for their further needs.

WILL HELP EXPORT TRADE

Question 11: Will this plan increase wheat exports?

Answer: In the long run it probably will because it will make it easier for exporters to carry on business with their customers. Under the existing program a great deal of the wheat exported comes out of Government stocks and in the case of the remainder exporters can make sales only after they have made arrangements with the CCC as to the amount of the subsidy which will be paid. The redtape, delays, Government price fixing, and other annoyances brought about by this procedure constitutes a handicap which undoubtedly results in foreign buyers going to other countries such as Canada where it is easier to do business.

Under the domestic parity program exporters would be in a position to make their own deals without government interference.

Question 12: What would the cost of this program be to the Federal Government?

Answer: Practically nothing excepting the small cost of administration.

INCOME OF WHEAT FARMERS WILL BE INCREASED

Question 13: How would the wheat farmer's income under this plan compare with his income under existing support programs?

Answer: Estimates prepared by the Legislative Reference Service of the Library of Congress indicate that wheat producers would have received approximately the same income from their wheat under a domestic parity plan as they actually did receive in 1954 when supports were 90 percent. If an allowance is made for some increased use of wheat for feed and export there would be an income difference in favor of the domestic parity plan.

In 1955, with the support level dropped to 82½ percent of parity, producers would have received a minimum of 7 percent more income than they will realize under the current program for the wheat produced on the 55-million-acre national allotment.

In 1956, with the support level under the present program dropped even further to 76 percent of parity, the estimated minimum income advantage of the certificate plan is 9 to 10 percent.

SUMMARY

Question 14: Will you summarize the principal advantages of the domestic parity plan over the present program?

Answer: First. Returns to the farmer would be somewhat greater than under the present program, and there is a good prospect that expanded outlets might substantially increase these returns in the future. Second. Marketing quotas and marketing penalties would be eliminated and acreage controls greatly minimized and possibly eliminated in the course of time. Third. Relief to taxpayers would be afforded through an immediate substantial reduction in the costs of the present program and eventual elimination of practically all such costs. Fourth. To a large extent, it would take the Government out of the warehousing and marketing of wheat and in the end probably do away with such activities altogether. Fifth. Wheat would be produced for market instead of for Government loans and storage, thus encouraging the production of wheat with superior milling qualities. Sixth. Producers of livestock and poultry, wherever situated, would be able to produce wheat for feed or buy wheat at feed prices. Seventh. There would be some expansion of wheat exports through the elimination of redtape and other obstacles existing at present. Eighth. The plan would be a recognition of the fact that wheat is produced and used for various purposes and would furnish an effective method of moving wheat into its natural outlets and market channels. Ninth. It would return to the farmer greater freedom and control over his activities.

The Stakes Are High—The Fight Over Western Rights Is Under Way

EXTENSION OF REMARKS
OF
HON. FRANK A. BARRETT
OF WYOMING
IN THE SENATE OF THE UNITED STATES

Tuesday, August 2, 1955

Mr. BARRETT. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a statement by me on the control, appropriation, use, and distribution of water.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

I take this opportunity to call attention to a problem of tremendous importance to the people of the West. For nearly a century it has been the settled rule that western water rights are dependent on and determined by State law. That's precisely what the Congress intended down through the years, yet a small but determined group continue to carry on the fight for the control of our western waters. It is true that we have lost a legal skirmish or two but the stakes are high and now the people of the West are alarmed and they are ready to fight. Let no one be so fooled as to believe that the people of the western empire will under any circumstances surrender their water rights to the Federal Government. We are prepared to battle to the bitter end to preserve and protect our western water rights.

The economy of thriving communities all over the West depends almost entirely on the crops produced from the 27 million acres under irrigation. Water has been applied to 75 percent of that acreage as a result of substantial local investments over a period of many years. The stability and security of western water law provided the incentive for these large investments of private capital. These unwarranted attacks on our water rights strike directly at the foundation of the economy of the Western States. Freedom to divert water and apply it to beneficial uses long distances from the point of diversion is essential to the growth, development and prosperity of our public land States.

To my way of thinking the time has come for the Congress to reaffirm, restate, and reinforce that long list of Federal laws enacted for the express purpose of preserving the integrity of State water law. If we fail to do so I am very fearful there will be a continuing trend toward Federal encroachment on this traditional field of State jurisdiction. Strange as it may seem, this movement could constitute a serious threat to water rights long since acquired and put to beneficial use in the Western States.

Many Members of the Senate and the House from the Western States have been greatly concerned with this problem and appropriate bills have been introduced seeking a solution of this problem. In the last session of Congress I introduced S. 863 for myself and for Senators MALONE, BIBLE, DWORSHAK, ALLOTT, GOLDWATER, WELKER, and CURTIS. Many other Senators indicated

their desire to be associated with legislation along the lines of my bill. Earlier this year H. R. 741, H. R. 3404, and H. R. 6147, all being similar in purpose and effect, were introduced in the House. The position of the National Reclamation Association on the objectives of legislation of this general character is plain and evident from resolution No. 2, adopted at its 1954 annual convention, which reads as follows:

"Whereas the authority to regulate and control the appropriation, distribution, and use of the waters of streams arising in States lying wholly or partly west of the 98th meridian is properly the exclusive sovereign function of the States; and

"Whereas existing laws have not resulted in clear and uniform practice in accordance with said principles by all Federal agencies and officers having to do with use or development of water resources: Now, therefore, be it

"Resolved by the National Reclamation Association, reaffirming and amplifying its policy developed during past years by appropriate resolutions, That the association urges the enactment of a Federal law clearly and unequivocally recognizing the title of the States to waters therein, and requiring all Federal agencies and officers to proceed in conformity with State water laws in all matters having to do with appropriation, adjudication, use, ownership, and distribution of water and water rights in such States; be it further

"Resolved, That the association strongly urges the cooperation of the executive branch of the Government in the attainment of the above objectives."

In my judgment the decision of the Supreme Court rendered on June 6 last in the case of the *Federal Power Commission* v. *The State of Oregon* has made the need for this type of legislation more urgent than ever. In a sincere effort to find proper and adequate language to clearly define and restate the Federal law in this field, I have sought the aid and assistance of a number of highly qualified and interested persons in revising the language of S. 863 and also in preparing this statement. It seems to me that some of the safeguards afforded Federal interests in the revised bill are unnecessary, but we have incorporated them in the new draft to meet some of the objections which have been raised to S. 863 at various times.

I have forwarded the redraft to the staff of our Senate Committee on Interior and Insular Affairs and I have been assured that a committee print of the new draft will be made available in the nature of a proposed amendment to my bill, S. 863. The revised language submitted is as follows:

"Be it enacted, etc., That this act may be cited as the 'Water Rights Settlement Act of 1956.'

"DECLARATION OF POLICY

"SEC. 2. In the arid and semiarid regions west of the 98th meridian rights to the use of water are property rights which are fundamental to the economic life and well-being of the American people. In view of the fact that the needs for water do not coincide with the location or the natural flow of the available sources of supply, it is recognized that rights to impound and divert water and to apply it to beneficial purposes, frequently at places substantial distances from the points of diversion or storage, are matters of paramount importance. To promote the beneficial application of the available water supplies in these regions it is and has been necessary that public and nonpublic entities be encouraged to make investments in water resource developments. Security of right to the use of water for beneficial purposes is essential to such encouragement, and regulating the acquisition of water rights must be orderly and with full regard to the need for stability of such rights if public and private investments in water-resource development are to continue on a sound basis. Neither the proprietorship functions of the United States derived from the ownership of the public lands nor the exercise of its powers relating to interstate commerce and the general welfare should be permitted unduly to interfere with prior rights to the use of water or the orderly acquisition of such rights in the future. For more than 90 years this policy has been recognized by the Congress and the acquisition of such rights under State law has been encouraged and repeatedly protected by Federal legislation. Under this policy these States have been able to make their proper contribution to the strength of the Union, and 27 million acres of arid and semiarid land have been brought under irrigation, of which only one-fourth are a result of federally assisted projects. It has not been and is not the intention of the Congress that Federal agencies, in pursuing their programs for water resources development in these arid and semiarid areas, shall have any prerogative to preempt the field or to cast clouds on the security of prior rights under State law acquired for beneficial purposes. Because of the fact that previous acts of Congress have been and may be interpreted with respect to these States so as to cast clouds on such prior rights and to interfere with the future orderly development of water resources in accordance with the foregoing declaration, it is the purpose of this act: (1) to remove any such clouds; (2) to provide for the future acquisition of unappropriated waters, navigable and nonnavigable, in compliance with State laws; and (3) to provide adequate protections of the Federal interests to the end that the Federal Government may perform its functions in a manner consistent with the foregoing purposes.

"DEFINITIONS

"SEC. 3. For the purpose of this act—

"(a) 'Federal agency' means the executive departments and independent establishments of the United States, and corporations primarily acting as instrumentalities or agencies of the United States;

"(b) 'Employee of the Government' includes officers or employees of any Federal agency, members of the military or naval forces of the United States, and persons acting on behalf of any Federal agency in an official capacity, whether temporarily or otherwise.

"APPLICABILITY

"SEC. 4. This act shall apply only to States lying wholly or in part west of the 98th meridian.

"FEDERAL INTERFERENCE WITH WATER RIGHTS PREVIOUSLY ACQUIRED UNDER STATE LAW

"SEC. 5. In the use of water for any purpose in connection with Federal programs, projects, or activities no Federal agency or employee of the Government shall interfere with the exercise of any right to the use of water for beneficial purposes heretofore acquired under and recognized by State custom or law except when expressly authorized by law and upon payment of just compensation therefor: *Provided,* That the provisions of this act shall not be construed to preclude, when authorized by Federal law, the acquisition by the United States of such rights by purchase, exchange, gift, or condemnation.

"FUTURE ACQUISITION OF WATER RIGHTS

"SEC. 6. Subject to existing rights under State law, all navigable and nonnavigable waters are hereby reserved for appropriation and use of the public pursuant to State law, and rights to the use of such waters for beneficial purposes shall be acquired under State laws relating to the appropriation, control, use, and distribution of such waters. Federal agencies and permittees, licensees, and employees of the Government, in the use of water for any purpose in connection with Federal programs, projects, activities, licenses, or permits, shall, as a condition precedent to the use of any such water, acquire rights to the use thereof in conformity with State laws and procedures relating to the control, appropriation, use, or distribution of such water: *Provided,* That nothing in this act shall be construed to preclude the storage and release of water by the United States solely for the prevention of floods: *Provided further,* That the United States may acquire such rights, when authorized under Federal law, by purchase, exchange, gift, or condemnation: *Provided further,* That no right acquired under State law shall be enforceable against the United States if such right would be enforceable against the United States only because of a State law or custom which discriminates against the United States or denies the United States the opportunity to acquire such rights on terms and conditions at least as favorable as those under which any other entity or person may acquire such rights: *And provided further,* That nothing in this act shall be construed to permit any person or entity to acquire the right to store or divert waters in any national park or monument unless otherwise authorized by act of Congress.

"WAIVER OF IMMUNITY TO SUIT

"SEC. 7. (a) Consent is hereby given to join the United States as a defendant in any suit relating to the control, appropriation, use, or distribution of water which is to be used for beneficial purposes when (1) the United States is or claims to be the owner of any right to the use of such water or is in the process of acquiring any right to the use thereof by appropriation under State law or otherwise, and (2) the United States is a necessary party to such suit. The United States, when a party to any such suit, (1) shall be deemed to have waived any right to plead that said State laws are inapplicable or that the United States is not amenable thereto by reason of its sovereignty, and (2) shall be subject to the judgments, orders, and decrees of the court having jurisdiction of any such suit in the same manner and to the same extent as a private individual under like circumstances: *Provided,* That judgment for costs shall not be entered against the United States in any such suit.

"(b) Summons or other process in any such suit may be served on the Attorney General of the United States or his designated representative, or on the United States attorney for the district in which the court having jurisdiction of any such suit is situated.

"(c) In the absence of the service of summons or other process in any such suit, the Attorney General of the United States or his designated representative is authorized, either in person or by writing, to make an appearance on file pleadings in any such suit on behalf of the United States and thereby to subject the United States to the jurisdiction of any such court.

"(d) On petition of the United States any such suit may be removed pursuant to title 28 of the United States Code from a State court to the district court of the United States for the district and division within which such action is pending.

"INTERSTATE LITIGATION

"SEC. 8. Nothing in this act shall be construed as authorizing the joinder of the United States in any suit or controversy in the Supreme Court of the United States relating to the rights of States to the use of the water of any interstate stream.

"EQUITABLE APPORTIONMENT AND TREATY OBLIGATIONS

"SEC. 9. Nothing in this act shall be construed to interfere with the rights of any

State to waters apportioned under any interstate compact or judicial decree, or to permit appropriations of water under State law which interfere with the fulfillment of treaty obligations of the United States."

Congress has repeatedly endeavored to express its intention that Federal programs should not interfere with State law relating to the ownership, control, appropriation, distribution, and use of water. The Congress defined its policy as early as 1866 when it encouraged State control by permitting the acquisition of water rights first on nonnavigable streams and bodies of water, on the public lands of the 3 Western States and 8 Territories and later when it subordinated navigation west of the 98th meridian to appropriative rights and by subjecting flood-control projects to the policy of protecting present and future beneficial consumptive uses and recently by providing for adjudication of water rights, other than on interstate streams, in State courts. Down through the years the Congress has reaffirmed its position time and again that western water laws are to be observed and followed by the Federal Government. Let me cite these provisions of law:

1. The act of July 26, 1866 (14 Stat. 253);
2. The act of July 9, 1870 (16 Stat. 218);
3. The Desert Land Act of March 3, 1877 (19 Stat. 377);
4. Section 8 of the Reclamation Act of 1902 (32 Stat. 390);
5. Sections 9 (b) and 27 of the Federal Power Act of 1920 (41 Stat. 1077);
6. Section 3 of the Taylor Grazing Act of 1934 (48 Stat. 1269);
7. The Great Plains Water Conservation and Utilization Projects Act of October 14, 1920 (54 Stat. 1119);
8. The Water Conservation Act of 1939 (53 Stat. 1419);
9. Section 1 of the Flood Control Act of February 22, 1944 (58 Stat. 887);
10. The National Parks Act of 1946 (60 Stat. 885);
11. Section 208 of the act of July 10, 1952, authorizing suits against the United States in State courts for the adjudication of water rights;
12. Subsection 3 (e) of the Submerged Lands Act of May 22, 1953 (67 Stat. 31); and finally,
13. The act of July 23, 1955 (being section 4 (b) of Public Law 167—84th Cong.), the act providing for multiple use of the surface of tracts of public land.

Until very recently it was generally believed that the Desert Land Act of 1877 effectively severed the usufructuary rights to water from the Federal ownership of all public lands so as to render the water subject to appropriation under State law. *California Oregon Power Co.* v. *Beaver Portland Cement Co.* (295 U. S. 142): see *Nebraska* v. *Wyoming* (325 U. S. 589, 611 et seq.). The sweeping opinion in the former case seemed to provide ample justification for such a belief. The Supreme Court said in the case *California Oregon Power Co.* v. *Beaver Portland Cement Co.* (295 U. S., at 162–163):

"As the owner of the public domain, the Government possessed the power to dispose of land and water thereon together, or to dispose of them separately * * *. The fair construction of the provision now under review is that Congress intended to establish the rule that for the future the land should be patented separately; and all nonnavigable waters thereon should be reserved for the use of the public under the laws of the States and Territories named. The words that the water of all sources of water supply upon the public lands and not navigable 'shall remain and be held free for the appropriation and use of the public' are not susceptible of any other construction. The only exception made is that in favor of existing rights; and the only rule spoken of is that of appropriation. * * *. What we hold is that following the act of 1877, if not before, all nonnavigable waters then a part of the public domain became publici juris, subject to the plenary control of the designated States."

In the case of *Federal Power Commission* v. *Oregon* (Docket 367), decided on June 6 last, the Supreme Court injected great doubt and uncertainty into the validity of many water law principles accepted generally in the public land States. The applicant in that case did not acquire water rights for power generation under the laws of Oregon, notwithstanding the provisions of section 9 (b) and 27 of the Federal Water Power Act of 1920, as amended. The proposed dam would abut an Indian reservation created in 1855 on one side and a power site reserve, established in 1909, on the other. The Court sustained the granting of the license, notwithstanding the failure to comply with State law, on the ground, among others, that the Desert Land Act of 1877 does not apply "to the use of waters on reservations of the United States." It appears clear that the Court used the term "reservations" to include all public lands withdrawn or reserved from sale or disposition under the public land laws, such as national forests.

Justice Douglas, in a dissenting opinion filed on June 6, 1955, in the case of *F. P. C.* v. *Oregon* above referred to, said:

"The argument pressed on us by the United States is akin to the one urged in *Nebraska* v. *Wyoming* (325 U. S. 589, 611 et seq.). In that case, the United States struggled to be rid of the rule of law that made its water rights on nonnavigable streams of the West dependent on State law. It claimed that it owned all the unappropriated water in the basin of the North Platte River. The argument was made not only under the Reclamation Act of 1902 (32 Stat. 388), but also under the Desert Land Act of 1877 (19 Stat. 377), the act involved here. We reserved decision as to whether under some circumstances the United States might be the owner of unappropriated water rights. But we held that under those acts the United States took its water rights like other landowners, viz., pursuant to State law governing appropriation.

"Unless we are to depart from that ruling, we must accept Oregon's claim here."

Justice Douglas cited two cases supporting his position, *Power Company* v. *Cement Company* above mentioned and also the case of *Ickes* v. *Fox* (300 U. S. 82), arising in the State of Washington, in which case the Secretary of the Interior contended that because the Government diverted, stored, and distributed the water it thereby acquired ownership of that water. The Supreme Court rejected this contention. Appropriations, under the Reclamation Act, it said, were made not for the Government but for the use of the landowners, and by the terms of that law, as well as Washington law and of the contract, the water rights became the property of the landowners, wholly distinct from the property of the Government in the irrigation works.

Justice Douglas concluded his opinion with this powerful and impelling statement:

"The Desert Land Act applies to 'public land'; and the Federal Power Act (41 Stat. 1063, as amended, 16 U. S. C. 791a et seq.), grants the Commission authority to issue licenses for power development 'upon any part of the public lands and reservations of the United States.' * * * The definition of those terms in the act says nothing about water rights. And, as I have pointed out, it has been the long-term policy of Congress to separate western land from water rights.

"The final resort of the Commission is to the act of June 25, 1910 (36 Stat. 847), providing:

" 'That the President may, at any time in his discretion, temporarily withdraw from settlement, location, sale, or entry any of the public lands of the United States, including the district of Alaska and reserve the same for water-power sites, irrigation, classification of lands, or other public purposes to be specified in the orders of withdrawals, and such withdrawals or reservations shall remain in force until revoked by him or by an act of Congress.'

"It was under this act that some of the lands here involved were reserved for a power site. But the act of June 25, 1910, by its very terms, did no more than withdraw these public lands 'from settlement, location, sale, or entry.' The act did not purport to touch or change in any way the provision of the Desert Land Act that pertains to water rights. If the words of the 1910 act are to control, water rights remained undisturbed. The lands remained 'public lands,' save only that settlers could not locate on them. I assume that the United States could have recalled its grant of jurisdiction over water rights, saving, of course, all vested rights. But the United States has not expressly done so; and we should not construe any law as achieving that result unless the purpose of Congress is clear.

"The reason is that the rule adopted by the Court profoundly affects the economy of many States, 10 of whom are here in protest. In the West, the United States owns a vast amount of land, in some States over 50 percent of all the land. If by mere Executive action the Federal lands may be reserved and all the water rights appurtenant to them returned to the United States, vast dislocations in the economies of the Western States may follow. For the right of withdrawal of public lands granted by the 1910 act is not only for 'waterpower sites' but for a host of public projects—'irrigation, classifications of lands, or other public purposes.' Federal officials have long sought that authority. It has been consistently denied them. We should deny it again. Certainly the United States could not appropriate the water rights in defiance of Oregon law, if it built the dam. It should have no greater authority when it makes a grant to a private power group."

The possible ramifications of this new decision are practically unlimited. Millions of acres of public lands have been withdrawn or reserved since 1877. Many of these are prime watershed areas. A good many questions arise as a result of the confusion created by the recent Supreme Court decision in the Oregon case.

(a) Are State law appropriations made on such lands since their withdrawal totally invalid? Or only invalid against Federal uses on such lands?

(b) Are the Federal rights riparian in character and limited to the watershed of the stream? Or are they applicable to any beneficial use on Federal lands? Cf. *Winters* v. *U. S.* (207 U. S. 564).

(c) Are such Federal rights subject to the doctrine of equitable apportionment among States? Or are they a first charge against the stream capable of destroying appropriative rights acquired under State law? Cf. *Hinderlider* v. *La Plata* (304 U. S. 92). See *Petition of Intervention of the United States, Arizona* v. *California,* pending in the Supreme Court.

(d) Are rights of the United States to use water for irrigation on reclamation projects carved from Federal reservations or withdrawals superior to those for use on privately owned lands? Or does section 8 of the 1902 Reclamation Act constitute a specific modification of the Supreme Court's interpretation of the Desert Land Act?

(e) Are Federal rights to use water for the generation of power on Federal reservations as a part of the reclamation project valid without reference to the doctrine of priority?

(f) Are nonirrigation uses on reclamation projects carved from Federal withdrawals

superior to irrigation uses since section 8 of the 1902 act refers specifically to State laws relating to "water used in irrigation"?

These questions are not intended to exhaust the possibilities. They merely illustrate the confusion and uncertainty which could result if Congress does not act to clarify the appropriability of water under State law.

It could take 30 years of litigation to know the full import of this decision. Only Congress can prevent such a cloud on the future development of the West.

Back of this bitter struggle over western water rights, as I have pointed out, is a long history of efforts by Congress to protect western water laws and prevent administrative supersedures of those laws. This history commences with the discovery of gold in California. The public lands on which it was found were unsurveyed and not open by Federal law to occupation and settlement. Miners and settlers nevertheless rushed into these areas and, lacking regulatory Federal laws, they framed in every district rules of government whereby peace and order were reasonably well maintained. These rules, customs or laws of the miners as they have been variously called, recognized that discovery and appropriation should be the foundation of a possessor's mineral and water rights. They secured to all persons, with practicable limitations, an absolute equality of right and privilege.

Gold mining, in most cases, could not be undertaken without water, so it was necessary to bring water from streams and lakes to the mining localities. Under the rules of the miners, the first appropriator of water to be conveyed to these localities for mining or other beneficial purposes, was recognized as having, to the extent of actual beneficial use, a prior or better right. So-called common-law doctrines respecting the rights of riparian owners could not be applied. Nature and necessity dictated otherwise.

For 18 years, from 1848 to 1866, these local regulations and customs as enforced and molded by the State courts and implemented by State legislation, constituted the law governing all property in minerals and water on the public lands. The system was basically good and Congress recognized that fact. Its recognition in legislative form became the act of July 26, 1866, declaring that mineral lands of the public domain were free and open to exploration and occupation, and providing that water rights which had vested and accrued by priority of possession under local customs, laws and decisions should be federally recognized and protected. Mr. Justice Field correctly construed the intention of Congress in enacting this law, holding that it was to secure existing and future possessory rights by a patent from the Federal Government. *Jennison* v. *Kirk* (98 U. S. 453, 459).

The possessory rights vested by the 1866 act were further extended and protected by Congress in the act of July 9, 1870. Mr. Justice Sutherland stated that the effect of these two acts was not limited to rights acquired before 1866. "They reach into the future as well," he said, "and approve and confirm the policy of appropriation for a beneficial use, as recognized by local rules and customs, and the legislation and judicial decisions of the arid-land States, as the test and measure of private rights in and to the nonnavigable waters of the public domain." (See sec. 17, 16 Stat. 217.) *California Oregon Power Co.* v. *Beaver Portland Cement Co.* (295 U. S. 142).

In the Desert Land Act of March 3, 1877, which was applicable to 11 States and potential States, Congress specified that all surplus nonnavigable waters, over and above bona fide prior appropriations, should remain free for the appropriation and use of the public for irrigation, mining, and manufacturing purposes. Mr. Justice Sutherland said that if the language of this act was to be given its natural meaning, and the Supreme Court at that time saw no reason why it should not be given that meaning, it effected a severance of all nonnavigable waters upon the public domain, not theretofore appropriated, from the land itself, and made such waters available for appropriation under State laws. *California Oregon Power Co.* v. *Beaver Portland Cement Co.* (supra, p. 158).

Do not get the impression, however, that the Supreme Court went along willingly in all instances with congressional intent. Navigability in law does not always mean navigability in fact. This presents a problem which can send the Court off on unforeseen tangents. Some of these excursions continue to be matters of great concern to the reclamation States. The first such excursion, of importance here, was the result of a complaint filed by the Attorney General in 1897 against the Rio Grande Irrigation Co. to restrain it from constructing a dam across the Rio Grande River at Elephant Butte, New Mex. The Attorney General persuaded the Supreme Court that the contemplated construction would seriously impair the navigable capacity of the river. The Rio Grande, within the boundaries of New Mexico, obviously was not a river which in its ordinary condition carried trade and travel, and the Supreme Court acknowledged that fact. Nevertheless, on the theory that depletion of flow might affect navigable capacity elsewhere, it said the 1866 law, as amended, formed no basis for inferring that Congress intended to release its control over the upper Rio Grande River. Further, it said that section 10 of the act of September 19, 1890, prohibited obstructions to navigable capacity "not affirmatively authorized by law." This decision impelled Justice Sutherland to say at a later date that, subject to the technicality noted, the Supreme Court still recognized and assented to the appropriation of water, under the congressional acts of 1866 and 1877, in contravention of the riparian law rule. If these acts of Congress did not constitute an entire abandonment of the common law rule of running waters insofar as the public lands, and subsequent grantees thereof, were concerned, they foreshadowed, according to Justice Sutherland, the more positive declarations of the Desert Land Act of 1877. I have already noted his statement that he saw no reason why that act did not effect a severance of all nonnavigable waters upon the public domain, not theretofore appropriated, from the land itself. However, the act did not, according to Justice Sutherland, bind or purport to bind the States to any particular policy. "It simply recognizes and gives sanction," he said, "insofar as the United States and its future grantees are concerned, to the State and local doctrine of appropriation, and seeks to remove what otherwise might be an impediment to its full and successful operation." *Power Co.* v. *Cement Co.* (supra, pp. 158–159); *U. S.* v. *Rio Grande Irrigation Co.* (174 U. S. 690, 703).

As I have pointed out, when a Secretary of the Interior wrongfully sought to diminish water rights which had vested under a doctrine of prior appropriation, Justice Sutherland said that mere ownership of the irrigation works and diversion, storage and distribution of water did not divest prior acquired water rights. Indeed, even appropriations under the Federal reclamation acts are not made for the United States Government but for the landowners and by that law, as well as applicable State law, the later water rights also become the property of the landowners, wholly distinct from the property of the United States in the irrigation works (*Ickes* v. *Fox* (300 U. S. 82)). A similar attempt to claim water rights, by reason of ownership of the project works, was brushed aside by the Supreme Court in *Nebraska* v. *Wyoming* in line with the earlier pronouncements of Justice Sutherland. However, while the line was held there against administrative attrition, it has been seriously weakened by other decisions involving questions of navigability and Federal Power Commission licenses for hydroelectric power developments.

The Federal Power Act is another, but related, story which need not be recounted here. Of importance to the reclamation States are the provisions of section 27 of that act in which Congress specifically stated that nothing therein should be construed as affecting or intending to affect or in any way interfere with State laws relating to the control, appropriation, use, or distribution of water used in irrigation or for municipal or other uses, or any vested right acquired therein. As a result of the decisions of the Supreme Court in the First Iowa Co-op case and *Oregon* v. *Federal Power Commission*, this provision should be strengthened to effectuate the original intent of Congress that the issuance of licenses must be consonant with State laws on water rights.

Congress continuously has sought since 1866 to protect western water laws and water rights. The 1944 Flood Control Act had the effect of releasing navigable waters for appropriation. The Submerged Lands Act specifically provided that the control, appropriation, use and distribution of ground and surface waters in States lying wholly or in part westward of the 98th meridian "shall continue to be in accordance with the laws of such States."

Congress should continue to give special attention to water problems in the West. The customs and laws which it has sought since 1866 to protect and strengthen are vital to the economy and the welfare of the Western States. The early landmark principles enunciated by the Supreme Court in decisions written by westerners, such as Justice Field and Justice Sutherland, which are in the process of being nullified by decisions such as the New River case, the Red River case, the First Iowa Co-op case and the Oregon case, must be restated and strengthened. This attrition must be stopped by Federal legislation if recognized and accepted principles of western water law are to survive.

The problem outlined in this statement constitutes a serious threat to the people of my section of the country. The issue is one of paramount importance to the Nation. I have discussed the issue in great detail and I have printed the proposed revision of my bill in the hope that western lawyers and other interested citizens will take the time to study the problem and to give me their candid views and suggestions on the proposed legislation before the Congress convenes next January. I am confident that the Congress will follow its long and consistent policy of protecting State water laws, once the issue is clearly and forcefully presented. In this fight the sovereign States of the West can enlist the support of all those people who believe that water rights should be administered under State law.

Myths About Aging

EXTENSION OF REMARKS

OF

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1955

Mr. RODINO. Mr. Speaker, the Members of this Congress are aware of my long-term interest in the special problems which face the older members of the American community in our time. I

have always insisted that we must obtain more information as to the nature and complexity of these problems so that we may act intelligently and humanely to relieve them. We know that one result of the fact that our life expectancy has been increased by about 20 years since 1900 has given more people a chance to live longer. We know that census estimates indicate that, by 1975 there will be 20 million people aged 65 and over in this country—or nearly twice the number we have today.

Last year, in introducing my bill (H. R. 3313) to establish a commission to study old-age and retirement benefits, I said:

> Some people talk as if the facts of our time—this miracle of a longer life—is in the nature of a national calamity. I do not agree with that kind of thinking for 1 minute. We have never, in this country, been afraid of problems growing out of progress. And one of the healthiest indications of the dynamics of democracy is the evidence that American communities, churches, labor unions, and public officials are starting to study these problems with the confidence that intelligence, sympathy, and imagination will produce good answers.

Mr. Speaker, the results of one such study have just appeared in the form of a 172-page report, The States and Their Older Citizens, conducted for the Council of State Governments. Summarizing the contents of this report, the Christian Science Monitor made the following comments:

> The Council of State Governments has produced an excellent study of the needs of older people in the United States in response to a request from the Governors' Conference of 1954. Entitled "The States and Their Older Citizens," it draws together the findings of many studies made in various States and localities in the last few years.
>
> The outstanding feature of this report is its indication that people of retirement age or near are more concerned now about retaining the opportunity to work than they are about increased pensions or other retirement income. This does not mean that company pensions, old-age insurance, and old-age assistance are unimportant, but that, with these foundations laid, the average oldster does not wish to incur idleness as the price of security.
>
> The bill of objectives for older people formulated in the study lists, first, equal opportunity to work. In a program for action, the report urges governments, employers, and unions to abolish compulsory automatic retirement at a fixed age and to substitute flexible, selective retirement policies. It urges State governments to lead in abandoning the age critierion in hiring or laying off employees.
>
> Other recommendations include: Assurance of adequate minimum income, including more liberal old-age assistance where needed; encouragement of older people to live in their own homes so far as feasible; provision to homelike institutional care for those who require it; rehabilitation work, including vocational retraining; and opportunity for older citizens to participate in recreational and other community activities.
>
> Not all of the matter of employment opportunities is to be reached by legislation or even working contracts. "A prime requisite," says the study, "is an extensive program of public education—one that will dispel popular myths about aging. • • • Once the myths about aging and its inevitable helplessness are dispelled, the major roadblocks to constructive action for older citizens will have been removed."

I am convinced that a thorough study of this report would be of inestimable value to all of us. For it contains the statistical story of what is happening to our senior citizens in terms of the inadequacy of their income, of the problem of living arrangements and family relations, and the problem of employment. Moreover, it goes beyond this necessary background data to show how hundreds of communities throughout the country are beginning to seek the kind of good answers I predicted we would find.

We must, of course, know the facts—many more facts than we have available at the present. For in its own important way the factual story dispels some of the myths which have grown up in our time. One of these myths is that our older citizens retire from their jobs as soon as possible to live the rest of their years in the sun.

But, as this report shows, the facts are quite the opposite. Most older persons want to work and continue working as long as they are physically fit and can find employment. Less than 1 out of 25 workers retire to enjoy leisure, the remainder are compelled to retire either for reasons of health or because they have lost their jobs and cannot find new employment. Also cited in the report are the preliminary findings of a study of 3,515 employees aged 63 and 64, working in 265 businesses, industrial, governmental, and private organizations in 23 industries, which showed that older workers are opposed to compulsory retirement at a fixed age. According to these findings, 77 percent of the workers interviewed said that, if it were up to them alone, they would continue working for the same employer. Similarly, results of the 20th century fund retirement survey, also cited, show that 57 percent of pensioners are retired by the company because of age, that another 25 percent are retired because of poor health or accident, and that only 9 percent retired voluntarily to have some time to themselves. In my own State of New Jersey, for example, 42.4 percent of persons aged 65 and over are still working, another 16.5 percent are receiving old-age social-security benefits, and just 4.6 percent are receiving old-age assistance.

These are the kind of facts which will help to dispel the myths which so often becloud the real issues when we consider the problems of our older citizens. The time has come when we must consider those problems against the broad-gage background used in this study. For, as this report emphasizes, the overall problems of aging involve problems of opportunity to work, of inadequate income, of home and family relations, of physical and mental health, and of leisure time activities.

In many respects the second section of the report is the most challenging. For here the data goes behind the facts which are developed to show activity now underway in various communities throughout the land to meet the complex problems facing our senior citizens.

To meet the problem of housing—a special problem for the older members of our population—a former logging camp, in Ryderwood, Wash., is being transformed into a new community of retired workers. A Philadelphia settlement house, the Lighthouse, enlists volunteers to pack and deliver two meals a day to older people living alone in furnished rooms. In Boston, the first project of the Commonwealth Housing Foundation will contain 300 dwelling units for 400 persons at low rentals, of whom at least 50 percent are to be 65 years of age or over.

To provide the opportunity for older workers to participate in recreational activities in Detroit, the Automobile Workers Union, in 1953, established the first of three drop-in centers. The activities include educational and discussion programs, group games, community singing, hobbies, visiting sick persons in hospitals, and certain welfare activities. A day-center program in New York City combines the cooperation of the city's department of welfare, which supplies the staff; private social agencies, which provide building space and some equipment; and citizens who organize a separate board of directors for each of the 14 centers. One analysis of the value of this program showed that a group of older persons reduced their attendance at health clinics 50 to 70 percent after joining a center.

These, then, are a few of the many examples cited in the report of the activities now just beginning to develop on behalf of our senior citizens. But, as the report makes clear, they are few and far between. Indeed, the major conclusion growing out of this study is that we have only just begun to overcome the apathy and neglect which has too often characterized our attitude toward our senior citizens. We are just beginning to learn what society, the economy, and Government can and should do for the older person. We are just beginning to understand that each older person has an indispensable role to play in our society. We are just beginning to recognize that, in the words of the report:

> Older as well as younger persons should be guaranteed their fullest expression, and that is impossible if attempts are made to impose uniform and preconceived ways of life upon them. For a great many older people, moreover, and for most of those with good health, the prerequisite of successful living is opportunity to be as productive both economically and socially as their capacities will permit.

Mr. Speaker, I am convinced that we should have more studies of this kind. My own bill, H. R. 574, would establish a commission on old-age and retirement benefits. Under its provisions a 12-member bipartisan commission would be established, the membership to be equally representative of the Government and of private citizens. For I have been concerned with the fact that we know almost nothing about the character and amount of present old-age benefits in terms of their adequacy. I have been greatly concerned with the economic plight of so many of our older men and women, and I believe we must separate the myth from the reality in this very vital area. Such a commission as I propose would accomplish such a purpose.

Meanwhile, I applaud the action of the Council of State Governments in preparing this admirable study and for making it available to all of us. For I am convinced that, in coping with the problem

of aging, all resources must be mobilized—those of the public at large, the economy, and of Government at all levels.

Report to the People of the Second District of New Hampshire

EXTENSION OF REMARKS
OF
HON. PERKINS BASS
OF NEW HAMPSHIRE
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. BASS of New Hampshire. Mr. Speaker, the first session of the 84th Congress has now adjourned. As I view it in retrospect it is obvious that during this crucial year many issues of tremendous importance to the people of the Second New Hampshire District have been debated and resolved before this body.

By personal letters, telephone calls, telegraph messages, and personal contact, my constituents have given me the benefit of their opinions on the major issues. To each of those who offered me their valuable advice, Mr. Speaker, I wish to express my most sincere appreciation.

The accomplishments of the 1st session of the 84th Congress represent congressional achievement, considering the fact that the executive and legislative branches of the Government were controlled by different political parties.

In the vital fields of foreign affairs, mutual assistance and national defense, we have experienced an unusual degree of harmony based on a genuine appreciation of the seriousness of present world and national conditions.

This, in large measure, reflects the gravity of the times and the able leadership of the President and the responsible leadership of Congress.

The major problem facing our country today is the assurance of world peace. It has long since been obvious that our best approach to this aim is the adherence to a strict and effective policy of internal strength.

In this field President Eisenhower had congressional accord, and I was privileged to support the administration in the following measures:

First. Extension of the Draft Act for 4 additional years.

Second. Authorization for the President to defend Formosa and the Pescadores Islands from Communist aggression.

Third. Establishment of a Reserve program to total 2,900,000 men by 1959 and increasing the service opportunities available to our young men entering the armed services.

Fourth. Allowed the President to continue for 3 more years the reciprocal trade program to assist our allies and friends in maintaining strong economies in face of the Communist threat.

Fifth. Extended certain war powers; revised the Philippine Trade Agreements Act and supported President Eisenhower's requests for military expenditures and atomic energy.

Through effective bipartisan senatorial support, treaties of worldwide importance were entered into with the Republic of China, Austria, and the West German Republic. In addition, Members of Congress supported the President and Secretary of State in their successful efforts to reduce world tension for which the whole free world has reason to be indebted.

On the domestic front, Congress and the President were often in disagreement and most of the legislation passed was of a noncontroversial nature. It has been my feeling that the Congress failed President Eisenhower and the people in the critical fields of aid to school construction, the building of an adequate road system, and the extension of social security. Among the items passed by the House which I supported were:

First. Increased to $1 the minimum wage to assist our skilled labor in New Hampshire compete with southern cheap labor. This is by far the most important item passed to help New Hampshire.

Second. Extended high rates of taxation on liquor, tobacco, and the 52-percent-tax rate for corporations.

Third. Repealed the penalty clause against farmers under the Commodity Credit Act and reduced to 3 percent the interest on farm disaster loans and extended the act.

Fourth. Increased salaries for public servants—our Federal judges, postal employees, members of the armed services, classified Government workers as well as employees and members of the legislative branch of our Government. This is in accordance with my belief that Government today as never before needs competent people.

In January the Congress will begin its second session and I am hopeful that it will follow more closely President Eisenhower's domestic program and continue a policy of bipartisanship in our foreign affairs. This will not be easy; 1956 is an election year and the pressure of politics will be formidable, but I am hopeful that the second session will be productive and beneficial to the people of the Nation and the people of the New Hampshire Second District.

Mr. Speaker, in conclusion, I would like to announce that I will be holding office hours in more than 60 towns throughout the New Hampshire Second District, starting after Labor Day and continuing for several months, so that I may be better acquainted with the problems of my constituents and better able to represent them. Thank you.

The Nursing Dilemma

EXTENSION OF REMARKS
OF
HON. FRANCES P. BOLTON
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mrs. FRANCES P. BOLTON. Mr. Speaker, I have written an article on the urgent need for more nurses, which will appear shortly in the Courier, the quarterly publication of the George Washington University Medical Center. Because of the great interest throughout the Nation in the nurse shortage and its effect on the health care of all people, I am inserting my article into the RECORD to make it available to all Members:

THE NURSING DILEMMA

(By the Honorable FRANCES P. BOLTON, Congresswoman from Ohio)

There is an urgent need for more nurses. This has long been recognized by the hospital and medical professions. Although we have more nurses on active duty today than ever before, an additional 60,000 could be used to good advantage today.

The need arises from growth in population, increased longevity, improvement in standards in care of the sick, new scientific and technical advances, care of veterans, and expanding Government, State, and city institution requirements—all of which are familiar to the readers of the Courier.

The situation has become so acute that it has given rise to proposed remedial Federal legislation. The Department of Health, Education, and Welfare has recommended Federal grants for the training of more practical nurses and for scholarships for the teacher training of graduate nurses and other public-health officials. I have introduced a bill which would give traineeships only to graduate nurses, which I hope might be passed in case it should be considered that Federal grants should be confined to this more limited field.

I intend to support the nursing-aid bills proposed by the Department of Health, Education, and Welfare when they come up for hearings before the House Committee on Foreign and Interstate Commerce, early in the next session of the Congress.

I do not, however, believe that such Federal grants will represent an actual remedy to the nursing dilemma. As urgently as they may be needed, they remain nevertheless an attempt to alleviate a bottleneck without actually getting at the reasons for the bottleneck itself. We cannot solve the nursing situation simply by continuing to increase Federal grants as the picture becomes worse. We must get at the basic problems which cause the difficulty which Federal grants are attempting to correct.

This requires careful study of the entire nursing field; a study undertaken by an authority which is unbiased, independent, and concerned primarily not with nurses, doctors, or hospitals, but with the patient himself, who is the person vitally to be considered on behalf of the public welfare.

I believe that such a study can best be made by a commission, set up along the lines of the Hoover Commission, composed of representatives of nurses, hospital administrators, doctors, laymen, and Congressmen and Senators, reporting to the Congress of the United States.

I have, therefore, introduced into the House of Representatives a bill (H. J. Res. 171) providing for the setting up of a National Commission on Nursing Services. This bill will be considered by the Interstate and Foreign Commerce Committee of the House early next year, at the same time that the committee holds hearings on the nursing legislation recommended by the Department of Health, Education, and Welfare. My bill has also been introduced into the Senate by Senator H. ALEXANDER SMITH. It is my hope that my bill will be enacted at the next session of the Congress.

WHY A COMMISSION ON NURSING SERVICES?

My conclusion that a Commission on Nursing Services was imperative was reached after a lifetime of interest in the profession

of nursing and care of the sick, with all of the problems involved.

As a member of the board of the NOPHN, I worked arduously with the League of Nursing Education and the American Nurses Association to bring nurse training out of the apprentice method and into the education field. I have sat on hospital boards and with public-health groups where I have represented the public patient, and the patient public, over a long period of years. I have watched experimental efforts to improve the nursing situation with a growing sense of frustration; and finally, last year, decided to make a survey of my own in an attempt to gather facts which might serve as a guide to a solution.

Toward this end I sent a questionnaire to some 10,000 representative nurses and nursing associations, doctors, hospital administrators, nursing schools, educators, laymen, State governors, Federal and State health authorities, and others, to which more than 4,000 replied.

The main substance of the replies can be summed up in these two sentences: Everybody agreed that there was an urgent need for more nurses. But there was absolutely no agreement, within or among the related professional groups, as to what should be done about it.

It was because of this utter lack of agreement, this complete absence of recommendations, pointing in the main in any general direction, that I came to the decision that a constructive course of procedure could only be arrived at by submitting the entire problem for study and analysis to an impartial agency, such as a national commission.

I would like to comment briefly on the pattern of disagreement as revealed by the answers to my questionnaire.

As to the reasons for the nursing shortage, the majority said that nurses' pay was too low; but any occupational group would say that about itself. There were comments to the effect that "the private-duty nurse is pricing herself out of her profession"; some people cited state regulatory laws as the difficulty; others blamed restrictions imposed by the nurses' board; some discussed the inadequacy of nursing schools; and some said that today's opportunities in industrial and business fields proved more attractive to high-school girls than the profession of nursing. No clearcut pattern emerged.

As to nursing education, there was no agreement whatever. Some said that we need more hospital training courses; others that hospitals should not be permitted to operate schools of nursing. Some said that we need better teaching and administration in colleges and universities offering graduate nursing programs; others that we need more practical nurse education which should be handled in vocational schools and junior colleges. Some said Government should assume responsibility for training nurses; others that Government should have no part in it. Some said nursing should be taught in the high schools, etc. No clearcut pattern emerged.

On the subject of financial aid, opinions were again divided. Should such aid be administered on the national or local level; should it go to the schools or to the students; should it be directed chiefly toward better courses for highly skilled professional nurses or shorter courses for practical nurses? Again no clear-cut pattern emerged.

Perhaps this was not surprising—because as I realized, after due reflection, I was getting the views of three different groups, each of which viewed the picture, you might say, through its own particular glasses—for which they cannot in the least be blamed.

First—there are the doctors. They are professional men, operating, like any profession, on a basis of earned income. While every doctor assumes responsibility toward charity patients, the economy of the medical profession is, after all, one of pay received for services performed.

Next let us take the hospital administrators. A hospital is a tax-free and more or less public institution, with an obligation to care for charity patients from whom no pay can be expected, save as State or local welfare funds are supplied. A hospital does not operate for a profit—in fact, it usually operates at a deficit which is made up by philanthropic contributions from private individuals. This, of course, is not the case with city, State or Federal hospitals, which operate on public funds. The point I'm making is that the economy of a hospital is one of a public institution instead of a private business—whereas doctors are in the main in private business.

Now what of the nurses? Theirs is an occupation the financial rewards of which are today substantially below the average. Why therefore do young women go into the nursing profession? The answer comes back again and again from the literally thousands of nurses with whom I have corresponded; and it does one's heart good to hear it.

Most of these women are, in fact, dedicated to their profession. They have devoted their lives to the sick as a matter of choice. There is otherwise no possible explanation for their willingness to remain in the profession when in industry and Government other jobs are open at higher pay.

Small wonder that they grow weary and write: "The Florence Nightingale conception of pure altruism is a poor substitute for inadequate compensation."

Nevertheless I am convinced that a deep urge to care for the sick and make them well is the basic motivation behind the profession of nursing.

The nurses naturally are more keenly aware than any other group of the reasons contributing to the urgent need for more nurses today. Their associations, the ANA and the NLN, have done much constructive work on this problem and deserve great credit for it—far more indeed than is generally granted them. But contrast their economic status with that of the doctors and the hospitals. The nurses are employees; the doctors are in business for themselves; the hospitals are semipublic and charitable institutions. There is no common economic ground for all three professions. Therefore, all three cannot be expected to view problems in the same light.

And meanwhile the individual most concerned—namely the patient—has no spokesman; and he is after all the person primarily concerned.

I am interested in the setting up of a national commission which will represent primarily the patient—the man who is sick—and acting in the interests of public welfare, reconcile the respective viewpoints of the nurses, the hospital administrators, and the doctors on behalf of a constructive program designed for better care of the patient.

WHAT PROBLEMS WOULD SUCH A COMMISSION CONSIDER?

The first problem might be that of defining the duties of a nurse.

It has been suggested by various students of the situation that if nurses could be relieved of nonnursing duties and thereby enabled to devote their full time to actual nursing, the problem might well be solved.

It is pointed out that in many hospitals today a nurse must devote much of her time to coordinating the work of the porter, the ambulance attendant, the messenger, the dietary aide, the plumber, the carpenter, the electrician, the painter, and the people delivering drugs, linen, food, and surgical supplies, etc., not to mention taking care of patients' visitors and flowers.

In addition, the nurse is usually required to handle the supply of a vast array of hospital instruments and utilities.

On top of that nurses are often expected today to possess, as surprising as this may seem, an accurate knowledge of the mechanical operation of a wide variety of intricate machines required for special treatments—which puts them practically in the classification of mechanical upkeep personnel. On the other hand, nurses these days are often instructed by doctors to use these machines in the care of patients—which gives nurses a responsibility almost equal to that of the doctors themselves. This presents a difficult question. Does one have to be a mechanical expert in order to administer treatments? Does this situation call for a special classification of "technician," for which as yet no particular allowance has been made in the medical and nursing profession?

Beyond that nurses are customarily expected to keep laboratory reports, housekeeping and dietary records, requisitions of repairs, equipment, supplies, records for business accounting, and personal time records, etc. In fact, it is reported that nurses spend up to one-third of their time in record work.

In view of the above, how much time do they have for actual bedside nursing? If recordkeepers, machine technicians, inventory up-keep personnel and administrative help, with no knowledge of nursing but knowledge of these particular functions could relieve the nurses of such responsibilities, would that solve the present nursing dilemma?

The second problem to be studied might be one of nursing education. Who is to educate the nurses? Hospital training schools, independent nursing schools, high schools, colleges or universities? And how is the cost to be met? Is the primary need today for more nurses with college and post-graduate work, who are professional experts, or is the primary need for more bedside nurses who can do a competent job after 2 years' training?

Another field to be investigated is that of licensing. There are various laws and regulations dealing with nursing in the various States. Who should be licensed, and on what basis? Are present restrictions in some parts of the country excluding qualified people from practising practical nursing; or are too many unqualified people allowed to practice and should legal qualifications be tightened? What should be done about the accrediting of schools of nursing by the nursing associations? Is this practice healthy by way of making certain that only competent people are admitted to the profession; or is it unhealthy because it discourages schools of nursing and makes it more difficult for girls in some parts of the country to enter the profession?

What about nurses pay? If the pay is too low to attract enough girls into the profession, what can be done about it and where is the money to come from? This latter problem raises of course the question of Federal aid; but as you can see from what I have said above, this is only one of many facets contributing to the difficulty. If a constructive pattern could be worked out for the education of nurses and the functioning of nurses, this might lead to a logical corrective course of action with respect to the compensation of nurses. None of these basic considerations are solved by the simple device of Federal grants for traineeships, or for more teaching. The latter are merely stop-gap measures, praiseworthy in object, but representing no actual solution.

WHY PUT CONGRESS IN THIS PICTURE?

It is the function of the Congress to look after the welfare of the people. In this particular case we are concerned with the welfare of the people who are sick and need hospital care.

In my many years of experience in the field of nursing I have learned that the man

most concerned, namely the patient, needs a champion and a spokesman. No matter how dedicated the doctors, the hospitals, and the nurses may be to public service, they naturally look at things, as I said before, through their own glasses. Therefore, I think it is imperative that the commission which I propose should include in its personnel Members of Congress, and that the commission should make its report to the Congress.

The bill which I have introduced into the House of Representatives (H. J. Res. 171) provides for a commission to be composed of 12 members as follows:

1. Four appointed by the President of the United States, two from the executive branch of the Government and two from private life;

2. Four appointed by the President of the Senate, two from the Senate and two from private life; and

3. Four appointed by the Speaker of the House of Representatives, two from the House of Representatives and two from private life.

Among the six members appointed from private life should be representatives of the nursing, hospital administration, and medical professions. Provision for members from the executive branch of the Government allows for adequate participation by the Department of Health, Education, and Welfare. But of particular importance, to my mind, is the provision for 2 Members from the Senate and 2 from the House of Representatives, plus the provision that the commission, not later than 2 years from the time of its inception, shall give the Congress a report as to the reasons for the growing urgent need for nurses and recommendations as to what steps might best be taken to meet this demand.

Another reason for the participation of Members of the House and the Senate on this commission is that under their urging it may be possible to gather together, for the benefit of the commission, the many excellent and comprehensive studies on the nursing situation and the care of the sick that have already been made by hospital, nursing, and medical authorities in their respective fields.

Present nursing legislation, as imperative as it is—and as I said, I shall vote in favor of it—represents definitely in my opinion stopgap measures. I am a firm believer in legislation of whatever type is required to remedy the nursing dilemma on a long-term basis. But in order to determine just what type of legislation might be desirable or effective, I think we first need the findings of a commission. That is why I have introduced House Joint Resolution 171, providing for a National Commission on Nursing Services.

What Has Happened to the White House Report on Energy Supplies and Resources Policy?

EXTENSION OF REMARKS

OF

HON. HARLEY M. KILGORE

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

Tuesday, August 2, 1955

Mr. KILGORE. Mr. President, I ask unanimous consent to include in the CONGRESSIONAL RECORD a statement prepared by me entitled "What Has Happened to the White House Report on Energy Supplies and Resources Policy."

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. President, 6 months have elapsed since release of the White House Report on Energy Supplies and Resources Policy. Inasmuch as this heralded document was presumed to suggest answers to problems involving the national security as well as the welfare of our people, I feel that we should wait no longer for an examination of whatever may have been accomplished in the half-year that has since expired. To remind you of the publicized importance of the group responsible for the report, let me point out that the committee's membership was made up of the Secretaries of the Department of State, Treasury, Defense, Justice, Interior, Commerce, and Labor, with the Director of the Office of Defense Mobilization serving as chairman.

Among other things, the committee expressed the opinion that coal and other energy industries "must maintain a level of operation which will make possible rapid expansion in output should that become necessary." The report also acknowledged that coal is "a great national asset." It further stated: "We recognize that serious unemployment exists in the coal industry."

Those obvious facts established and officially proclaimed, the report made a series of recommendations which, if carried out, would without question serve at least as a starting point in enabling coal to return to the position denied to it because of unfair governmental policies and practices. What I should like to know—and I feel that every Member of Congress who is familiar with the Cabinet study will be interesting in learning—is what the administration has done in the intervening 6 months to implement the report's recommendations. Take, for example, the following paragraphs:

"The committee believes that if the imports of crude and residual oils should exceed significantly the respective proportions that these imports of oils bore to the production of domestic crude oil in 1954, the domestic fuels situation could be so impaired as to endanger the orderly industrial growth which assures the military and civilian supplies and reserves that are necessary to the national defense. There would be an inadequate incentive for exploration and the discovery of new sources of supply.

"In view of the foregoing, the committee concludes that in the interest of national defense imports should be kept in the balance recommended above. It is highly desirable that this be done by voluntary, individual action of those who are importing or those who become importers of crude or residual oil. The committee believes that every effort should be made and will be made to avoid the necessity of governmental intervention.

"The committee recommends, however, that if in the future the imports of crude oil and residual fuel oils exceed significantly the respective proportions that such imported oils bore to domestic production of crude oil in 1954, appropriate action should be taken."

Make no mistake about it, it is not adequate restitution to merely check oil imports at the same rate or ratio at which they deluged United States markets in 1954. It is far from adequate relief for an industry that has been progressively sacrificed to a foreign product over the past 8 years. It may serve to prevent additional American workers from being unfairly separated from their jobs; it does nothing for those who have already been relegated to the ranks of the unemployed. The recommendations nevertheless did offer a modicum of hope for the industry as a whole assuming, of course, that the stipulated limit would be recognized by importers and enforced by Government officials. To date, there is little evidence that this provision is being carried out. For the first 6 months of 1955 residual oil imports amounted to 78,010,900 barrels, an increase of 20 percent over the corresponding period last year. In view of the Cabinet committee's findings, plus the fact that the committee's recommendations were included by Congress in the extension of the Trade Agreements Act, these statistics are a shameful reflection on the patriotism and integrity of importing companies and responsible administration officials.

I was one of the 27 Members of the Senate who, on August 1, placed in the hands of the Director of Defense Mobilization a letter asking for information on what action has been taken or is contemplated to halt the continued defiance and disrespect of Government mandate by the grasping profiteers who have been funneling an ever increasing amount of foreign residual oil into the markets upon which the American coal miner and oil worker depend for their bread and butter. In response, the Director of Defense Mobilization has indicated that he is conducting an investigation into the matter and that he expects to issue a statement within the near future. We are eagerly awaiting results of this investigation.

At this time, I should like to emphasize that paragraph 3 in the recommendations which I have quoted above specifically stipulates that appropriate action should be taken in the event that the voluntary limitation program breaks down. Since there is no interpretation of the term, appropriate action, offered by the Cabinet committee, I would assume that it refers to legislation. As such, I trust that in the future, if it is necessary to enact a law to protect our security and economy from excessive imports, the administration will accept the principle implied in the verbiage of the Cabinet report and discontinue its active opposition to the efforts of Members of Congress who have time and again attempted to remedy the situation, only to be rebuffed by the hustling and bustling members of the Cabinet who have heretofore journeyed to Capitol Hill to cry out against every effort that has been made to place a definite restriction on oil imports.

Another phase of the Cabinet committee report which merits study after the 6 months since its release, is the chapter on natural gas regulation. On this subject, the Cabinet committee recommended prohibition of sales of natural gas by interstate pipelines which drive out competing fuels because the charges are below actual cost plus a fair proportion of fixed charges. When it came time to the actual enactment of a law to provide the carrying out of this provision, the administration again took off like a wounded elephant and refused to support the position which it had advocated.

Still another paragraph in the White House report deals with coal freight rates. Lest this recommendation be entirely forgotten by the administration—and I have no evidence that it is being remembered—I quote that paragraph in its entirety:

"In order to maintain coal's vitality as an instrument of national defense by improving currently its ability to compete with other fuels, the railroads, by voluntary action, and, in the absence thereof, the Interstate Commerce Commission, by compulsory order, should adjust freight rates to the extent necessary to remove the excessive and disproportionate contribution that coal rates are making to meet the cost of other unprofitable services of the railroad industry. Train-load rates should be established to reflect the lower costs of such service."

I feel that no one, including our great coal-hauling railroads, would object to whatever adjustment is necessary to bring about

an equitable transportation rate structure. What appears to be lacking, however, is leadership on the part of the Government that would start the wheels rolling on the way to a fair and balanced system of hauling charges for coal and other commodities.

A move to encourage the sales of United States coal to countries abroad was also included in the Report on Energy Supplies and Resources Policy. At the present time, largely through the aggressive sales efforts of the industry, and supported by the encouragement of the men who mine the coal, our export program has been moving somewhat satisfactorily. I do not know whether the Government officials charged with the responsibility of carrying out the recommendations of the White House report have had anything to do with promoting the sale of our coal abroad. I do know that the politically inspired export program, gratuitously announced by the then Director of the Foreign Operations Administration last year, burst like the bag of wind with which it had been inflated.

Then there was a recommendation relative to the Government's fuel purchasing policy. Whatever progress has been made in this direction remains intangible. Meanwhile, we who are interested in giving coal a fair opportunity to compete with other fuels in the sale of energy for use by the Government will not relent in our demands that this stated proposal by the Cabinet Committee be carried out.

As we approach the final 5 months of 1955, we trust that some action on the part of the administration will be forthcoming. Let me remind you that the bituminous coal industry is currently running at 50 to 60 million tons short of the annual production required to meet the accelerated demands of an emergency program. The deficit can be reduced if the report issued by the White House on February 26 is executed. Otherwise Congress may be forced to take the matter into its own hands immediately after the beginning of the new session in January of next year.

Excise-Tax Reduction Is Overdue

EXTENSION OF REMARKS
OF
HON. JOHN D. DINGELL
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1955

Mr. DINGELL. Mr. Speaker, as a member of the Committee on Ways and Means, I would like to address the membership of the House briefly on the subject of our excise-tax structure.

At the outset I would like to reiterate my strongest condemnation of excise taxes as a means of raising Federal revenues. I would also like to state for the record that I have opposed every excise levy since I have been a Member of Congress and have consistently voted to reduce or eliminate excises at every opportunity. I believe it is a modest statement to express the view that the Dingell record on excise taxation and the Republican record on excise taxation are not in any way in agreement. The truth of the matter is they are at complete variance.

I have waged an unrelenting battle in opposition to the enactment of excise taxes and have fought for the reduction of excises with unceasing vigor. The basis for my stand in opposition to these iniquitous superduper sales taxes is that I wholeheartedly subscribe to the principle of taxation according to ability to pay. I have strenuously objected to any tax legislation which departed from this historically honored tax principle and believe that it is a demonstrable fact that excises comprise the most regressive form of taxation.

Therefore, Mr. Speaker, I have consistently voted my convictions by opposing the imposition of excise taxes which bear their greatest burden on the middle- and low-income families in America. In this regard I would like to compare for a moment my position on excises as I have just stated it with the traditional position of the Republican Party on these onerous consumer exactions.

It can be said without contradiction that the Republican record on excise taxes is, indeed, an unsavory one. Let us examine the record of the Republican 80th Congress on this subject. At that time there were unmistakable indications and expressed intentions that the Republican Party was leaning in the direction of a Federal sales tax. A ranking Republican of the Committee on Ways and Means introduced a bill providing for a general manufacturers' sales tax. The then Republican chairman of the Committee on Ways and Means appointed a so-called special tax-study committee composed of New York bankers and Wall Street lawyers, which filed a report stating in part:

> In the opinion of our committee, excise taxes should continue to form an important part of the Federal revenue system. A case can certainly be made for strengthening the excise tax structure.

It is significant to note that a ranking Republican member of the Committee on Ways and Means has again introduced legislation which would provide a general manufacturers' sales tax, this legislation having been introduced despite the knowledge that its impact would bear heaviest on the American families who are less able to bear the tax burden.

Other evidence of the Republican reliance on sales taxes as a source of Federal revenue in total disregard to the principle of ability to pay is found in the Republican record on the repeal of the so-called temporary wartime excise taxes. In the Revenue Act of 1943 provision was made for certain wartime excise tax rates. I opposed the inclusion in the legislation just as I have always opposed the imposition of any excise tax. While I was not successful in keeping these levies from being included in the bill, I did succeed in having a provision included which called for the termination of these taxes not later than 6 months after the cessation of hostilities.

At the time the Committee on Ways and Means was considering the Revenue Act of 1945, I succeeded in having a provision included that called for the termination of these wartime excise taxes on June 30, 1946—1 year before they would have been terminated under the provisions of the Revenue Act of 1943. This proposal which was included in the House-passed version of the 1945 bill was deleted in the Senate; but I would point out that the then existing law still provided a termination date for these wartime excises.

The 1946 election campaign found the Republican candidates for office eagerly pledging themselves to tax reduction generally and to excise-tax reduction in particular. The then ranking minority leader of the Committee on Ways and Means, who became chairman of the committee during the Republican 80th Congress, introduced a bill to repeal the wartime excise taxes in an effort to capitalize on the public's annoyance with these excise nuisance taxes. During the 1946 election campaign, all the Republican members of the Committee on Ways and Means promised in a public statement downward adjustments in Federal excise taxes.

But, Mr. Speaker, the Members of the House will well recall that when the Republican Party came into power in the 80th Congress one of the first major bills passed by the Republican majority was legislation to make permanent the temporary war excise-tax rates. This action was taken so that the Republicans could grant income-tax reduction to the privileged few who were fortunate enough to be in the upper-income brackets. At that time the Republican chairman of the Committee on Ways and Means blatantly announced that it was "the hope of the committee to be able to shift much of the burden that is now being carried by the income-tax group over to the excises, at least in part" and he added further:

> Obviously, if we are going to extend the excise field we will have to include a great many items that are not now included.

Thus, the Republican tax philosophy of shifting the tax burden to the shoulders of the consumer and the lower income families becomes patently clear.

In the first session of the 81st Congress, the Democratic members of the Committee on Ways and Means prepared legislation that would have granted excise tax relief of more than $1 billion. Unfortunately, the outbreak of the conflict in Korea prevented the Senate from favorably considering this legislation. The needs for financing the defense effort required by the Korean action made it necessary to temporarily defer tax reduction and to provide instead increased revenues. However, I was again successful in providing for a termination date of April 1, 1954, on the increases in the excise taxes which were enacted to finance the defense preparations required by the Korean incident. In the Republican 83d Congress the Republican Party again acted true to form by trying to enact legislation which would repeal the April 1, 1954, termination date and thereby make the Korean increases a permanent part of our excise-tax structure. However, the Democratic House Members with the threat of a motion to recommit forced the Republican Party to reluctantly provide a termination date so as to keep these excise increases from becoming permanent law. Thus, we have the Republican record of twice in recent years repudiating their campaign pledges of granting excise-tax relief and

instead attempting to make excise increases, that were necessary to finance defense preparations, a permanent part of our Federal tax system.

Mr. Speaker, in addition to opposing excise taxes because of their regressive effect on consumers, I have also opposed them because of the adverse consequences they have had with respect to American industries and American labor. There are innumerable instances where discriminatory excise-tax rates have threatened the solvency of an entire American industry. The depressed economic conditions that have existed in industries affected by high excise-tax rates have frequently resulted in unemployment and have denied the opportunity for expansion that is so necessary to provide jobs for our growing American population.

As proof of this condition I would cite the alcoholic-beverage industry which has been the whipping boy of bigoted persons who have unfairly sought the detruction of this legal and honorable industry. The effect of the indiscretion of these people in imposing exorbitant excise taxes on this industry has resulted in a loss of Federal revenues and in the illicit trafficking in alcoholic beverages by bootleggers and moonshiners.

The motorcycle industry is another example of an American industry being virtually destroyed by high excise-tax rates. It was with a great deal of pleasure that I was able to support legislation in this Democratic Congress which removed the excise tax on motorcycles. The automobile industry is another example of an American industry that has been denied the opportunity to fully develop its expansion potentialities by reason of exorbitant excise-tax rates. Similarly the excise taxes on moderate-priced jewelry has not only depressed that industry but has also caused considerable unemployment in that area.

It is my intention during the 2d session of the 84th Congress to press for the enactment of the Dingell program for providing tax relief to the American taxpayer. I will insist that tax relief be considered in the following order of priority:

First. Excise taxes: Congress must give special attention to this category with a view to repealing all wartime excises and restoring others to their 1939 level.

Second. Individual income taxes: All taxpayers should be considered for tax reduction, but those in the lower-income brackets should be the first to have a substantial reduction made in their tax liability. In this connection action must be taken to increase exemption levels to an amount that is realistic and in conformity with today's cost of living.

Third. Corporate, normal, and surtax rates: These taxes should be restored to their levels existing prior to the Revenue Act of 1951.

It is my view that taxes must be kept at the minimum level consistent with the necessary functions of Government. But whatever tax burden is imposed on the American public must be equitably distributed based on the ability to pay. Therefore, in granting tax relief in the forthcoming second session of the 84th Congress, it is essential that we bear in mind that the bulk of the tax relief granted during the Republican 83d Congress went to corporations and high-income individual taxpayers. This Republican program of tax relief to the privileged few which was enacted in the 83d Congress makes it imperative that the Democratic 84th Congress act to restore balance to our tax structure by granting tax relief first to our middle- and low-income taxpayers.

It was extremely gratifying to me that the distinguished chairman of the Committee on Ways and Means, the Honorable JERE COOPER, has established a subcommittee to study technical and administrative problems existing in our excise-tax structure. It is my view that by making improvements in this area and by providing substantial excise tax-rate reductions, the Congress will have taken a very significant step in giving renewed life to that most fundamental of all tax concepts—taxation according to ability to pay.

Appeasement of Communism

EXTENSION OF REMARKS
OF
HON. JOSEPH R. McCARTHY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES

Tuesday, August 2, 1955

Mr. McCARTHY. Mr. President, I ask unanimous consent to insert in the CONGRESSIONAL RECORD a statement prepared by me.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR JOE MCCARTHY

Recently on the Senate floor, I was challenged by a Republican Senator to cite an instance in which the Eisenhower administration had appeased communism. I had been making the general argument that on this score the Eisenhower record was hardly better than that of the Democrats, and my challenger arose to demand chapter and verse. I replied: "Korea, Indochina, and the Tachen Islands." Since the Senate that day was debating a specific issue, that of whether it should risk expressing its views about Eastern Europe, I did not think the time appropriate for pressing the general charge I was making. But I realized then that we Republicans could not continue to encourage the notion that the appeasement business is a Democrat monopoly without doing great injury to the anti-Communist cause.

The record of the Eisenhower administration is one that I take no particular pleasure in documenting. I do not, however, see that it is possible for this country to get back on course until the American people realize fully the extent to which administration policies have steered us away from our objective of defeating communism.

COMMUNISTS ARE ASIA-FIRSTERS

The Eisenhower administration's record of knuckling under to communism has been enacted, for the most part, in the Far East—and this for the not too surprising reason that the Far East is the area in which the Communists have made serious efforts to beat us down.

Communist strategists, historically, have viewed the conquest of Europe as posterior to the conquest of Asia. Lenin stated very early in the game that after Russia had been secured communism must seek to engulf Asia, and, as the first step toward this goal, China. Of course, if circumstances seemed to promise a cheap local victory in Europe—as they did in Eastern Europe during and immediately after the Second World War—the Communists would exploit their opportunities. But in the main the battle in Europe would be a holding action, pending domination of Asia.

The Far East has always been, in Communist eyes, the free world's line of least resistance. In the Far East, there have been no strong national armies—except, before the war, the Japanese—that could destroy the armed forces the Communists planned to recruit from the native populations. In the Far East, resentment against the West, characterized by European imperialism and colonialism, has been running high for over a century. In the Far East, nationalistic sentiments have lately become articulate and militant, and the Communists have recognized the opportunity to shape Asiatic nationalism into their own mold. Moreover, after World War II, the Communists knew that real opposition would come, if it came at all, only from the United States—that while the Soviet Union would probably be confronted with a united anti-Communist front in Europe, the Western European countries would have no stomach for collective action in the Far East. For such reasons, the Communists have heeded Lenin's advice, and trained their sights on Asia.

Members of the Republican Party's right wing, so-called, have often been accused by our Europe-oriented press of being Asia-Firsters. The obvious answer here is that the Communists are Asia-Firsters, too.

THE DEMOCRAT LEGACY

Messrs. Truman, Acheson, and Marshall, in their day, advertised themselves as tough anti-Communists. But their policies, insofar as they were anti-Communist, affected only Europe where the risks were minimal. The Communists' main drive was in Asia, and the Democrats responded by attempting to build up Europe's defenses. The single exception was the Korean intervention; but in this case, too, the Democrat administration showed its stripes by backing down at precisely the point in history where we might have delivered world communism a serious setback.

The responsibility of Democrat administrations for the overthrow of Free China is second only to that of the Communists themselves. The Roosevelt administration betrayed China at Yalta by handing over to the Soviet Union strategic Chinese ports, and by inviting the Soviet armies to occupy Manchuria, China's richest industrial province. Under Truman, General Marshall attempted to force on China a coalition government with the Communists, and when that failed, the Truman administration deliberately denied to the Nationalist Government the military support that would have enabled Chiang Kai-shek to defeat the Communists on the battlefield.

Moreover, the Truman administration deliberately prevented the United States from defeating the Communists in Korea. Gen. Douglas MacArthur was relieved of his far eastern commands because he insisted on telling the American people that political considerations were denying our forces a military victory. The Truman administration established a privileged sanctuary across the Manchurian border from which Red Chinese aircraft could attack American troops and return with impunity. It further obliged the Communists by removing the Nationalist threat to the Red Army's rear. On June 27, 1950, President Truman announced, "I am calling upon the Chinese Government on Formosa to cease all air and

sea operations against the mainland. The 7th Fleet will see that this is done."

The American Navy was thus ordered to protect an enemy that was engaged in a life and death struggle with the American Army.

But even with these handicaps, United States forces could have won in Korea had the Truman administration not forbidden further land advances in the spring of 1951. Why was our offensive stopped just short of victory? Because the Communists asked for a truce. The Communists knew that the American Army, if permited to do so, could break through their lines. A truce was requested on the theory that once hostilities had stopped, the United States would never resume the war, and would in time withdraw its forces from Korea. The Communists would thus have an opportunity to reestablish their military position in Korea; and meanwhile, the Communists reasoned, they would be free to turn primary attention southward, toward Indochina.

Such was the situation inherited by the Eisenhower administration. With the Communists asking for a truce to gain time in Korea and to facilitate a new aggression in Indochina, and with the American Armed Forces in a position to smash the Communist armies if they were permitted to do so, the disastrous Truman regime bowed out.

Now, the question that should be kept in mind as we proceed is, Did the Eisenhower administration, after it took the reins of Government, deal with Communist aggression in some way different from the Truman administration's way of dealing with it, or did it perpetuate its appeasement legacy? I contend that the record of the past 2½ years shows that the Eisenhower administration, at the beginning of every crisis, took a strong position, but eventually fell back in the face of Communist pressure, and settled into the old appeasement groove.

THE EISENHOWER APPEASEMENT: KOREA

We should look first at the handling of the Korean situation, since that was the first test of whether the Eisenhower administration was prepared to adopt new policies. As we have seen, the overriding question with respect to Korea was whether the Communists would be permitted to get out of a bad military situation there, and move on to a new and more promising aggression in the south. On April 16, 1953, President Eisenhower called attention to the danger and strongly indicated that his administration would not play the Communist game. A Korean armistice, the President said, "should mean no less importantly an end to the direct and indirect attacks upon the security of Indochina and Malaya. For any armistice in Korea that merely released aggressive armies to attack elsewhere would be a fraud."

But since any armistice that left the Communist armies intact would release Red Chinese forces for an attack against Indochina, the President's remarks implied there would be no armistice until we had won a military victory and had moved our lines forward to the Yalu.

And let us remember that from a military standpoint, we had a clear-cut victory within our grasp. Last year the Senate Subcommittee on Internal Security conducted an investigation of the conduct of the Korean war, and that subcommittee's report, unanimously adopted, settles, as conclusively as it can ever be settled, the question of whether the United States could have won that war. After it had heard the testimony of the field commanders in the Korean war theater, Gen. Mark Clark, Lt. Gen. George E. Stratemeyer, Gen. James A. Van Fleet, Lt. Gen. Edward M. Almond, and Adm. Charles Turner Joy, the subcommittee reported these conclusions:

1. The senior military commanders in the Korean war theater who appeared before the Internal Security Subcommittee of the Senate Committee on the Judiciary believed that victory in Korea was possible and desirable.

2. The senior military commanders in the Korean war theater who appeared before the Internal Security Subcommittee of the Senate Committee on the Judiciary believed that the action required to achieve victory would not have resulted in World War III.

3. The senior military commanders in the Korean war theater who appeared before the Internal Security Subcommittee of the Senate Committee on the Judiciary believed that political considerations were permitted to overrule military necessity.

But even though we could have won the war, the new Eisenhower policy of firmness never got beyond the talking stage. The President did not change Truman's orders to our field commanders, and did not authorize a resumption of the march to the Yalu. Instead, the new administration gave the Communists their armistice.

The result has been precisely as expected. The Communists have proceeded to build up their military establishment in Korea while ours has progressively deteriorated. They have repeatedly violated the armistice agreement with no retaliation from us. The most tragic of these violations, in human terms, is the continued imprisonment of American servicemen. At the time of cessation of hostilities, in the summer of 1951, there were 941 Americans who, in the words of our Department of Defense, "there is reason to believe were at one time in Communist custody but for whom no accounting has yet been made." By the latest authoritative accounting, 465 American servicemen are still alive and are still in Communist prisons. Fifteen airmen, so far, have been released. The rest are held, as the 15 were held, as hostages, and are apparently to be used in bargaining with the free world for territorial concessions.

Finally, the Korean armistice permitted the Communists to concentrate military forces, and their attention, elsewhere—to move into Indochina, and to prepare an attack against Nationalist bastions in the Formosa Straits.

To oblige the Communists by granting them a truce when we were strong was appeasement where it was least justified. We held all of the military and political advantages, but for the sake of an illusory peace, proceeded to hand them over to our enemy.

THE EISENHOWER APPEASEMENT: INDOCHINA

Let us turn now to Indochina, and see how the Communists made the most of our generosity. By the spring of 1954, a crisis had developed there that was the direct consequence of appeasement in Korea. For 8 years the war between the Vietnam and the Viet Minh had been stalemated. By themselves, the Viet Minh had been unable to win a decisive victory. But after Chiang Kai-shek had been driven from the Chinese mainland, and the Korean war had ended, the Chinese Communists were in a position to intervene and thus to tip the scales in the Viet Minh's favor. Chinese volunteers and war materials poured into Indochina in decisive volume. As a result, French and Vietnam forces faced a crushing defeat at Dienbienphu, and a catastrophe on the Hanoi Peninsula.

The administration's reaction to this new Communist threat was, at first, encouraging. I think it is well to recall the statements of various American leaders as the crisis developed, for then we can see how fast and how far the administration retreated in the face of Communist pressure.

President Eisenhower, on August 4, 1953, explained that if Indonesia fell, "the peninsula, the last little bit of land hanging on down there, would be scarcely defensible." "All India," he continued, "would be outflanked," and "Burma would be in no position for defense." On April 7, 1954, the President was still warning that if Indochina fell, all of southeast Asia would collapse like "falling dominoes." The President said, that as the last domino in the line falls inevitably from the toppling of the first, the loss of Indochina would lead to the loss of Burma, of Thailand, and Indonesia, and a threat to Australia and New Zealand.

On March 29, 1954, before the Overseas Press Club of America, Secretary of State Dulles made his then-famous promise of collective defense of Indochina. "Under the conditions of today," Mr. Dulles warned, "the imposition on southeast Asia of the political system of Communist Russia and its Chinese Communist ally, by whatever means, would be a grave threat to the whole free community. The United States feels that that possibility should not be passively accepted but should be met by united action. This might have serious risks, but these risks are far less than would face us a few years from now if we dare not be resolute today."

On April 15, 1954, Admiral Radford, the Chairman of the Joint Chiefs of Staff—who was known at that time to be advising, privately, military opposition to the Communists at Dienbienphu—said this publicly: "The free nations cannot afford to permit a further extension of the power of militant communism in Asia. In the interests of preventing aggression full advantage should be taken of the fact that non-Communist Asia has a considerable potential for development of defensive military forces. * * * Indochina's loss would be the prelude to the loss of all southeast Asia and a threat to a far wider area."

The next day, on April 16, Vice President NIXON urged that American troops be used, if necessary to prevent Indochina from falling to the Communists. The Vice President took a stand squarely opposed to the sort of deal that the administration eventually agreed to. The following are excerpts from a digest of the Vice President's off-the-record speech, as it appeared in the New York Times:

"Negotiations with the Communists to divide the territory or in any form would result in Communist domination of a vital new area. * * * The United States as a leader of the free world cannot afford further retreat in Asia. It is hoped that the United States will not have to send troops there, but if this Government cannot avoid it, the administration must face up to the situation and dispach forces. * * * French pressure will be exerted at the conference (beginning April 26 at Geneva) for negotiation and the end of the fighting. The British will take a similar position, because of mounting Labor Party pressure and defections in the Conservative ranks. The British do not want to antagonize Red China, which they have recognized. This country is the only nation politically strong enough at home to take a position that will save Asia. Therefore the United States must go to Geneva and take a positive stand for united action by the free world."

These, of course, were heartening words; it seemed that the United States had at long last decided to face up courageously and realistically to Communist aggression. But in 10 short days everything had changed. On April 26, the Geneva Conference opened, and on that very day President Eisenhower announced that the United States was no longer prepared to hold the line against Communist aggression but was seeking a modus vivendi in Indochina. The British and French took the President's line, and repudiated Mr. Dulles' policy of united action. With electrifying swiftness, our strong position had been reduced to shambles, and the Western Powers abjectly agreed to hand over northern Indochina and 12 million human beings to the Communists.

On the 12th of May, 1954, Secretary Dulles weakly explained to his press conference that

Indochina had not been so important after all.

EISENHOWER APPEASEMENT: THE FORMOSA STRAITS

Let us turn now to the growing crisis in the Formosa Straits, and our policy toward the Nationalist Government of China. To keep our China policy in proper perspective, we must remember that when it took office the Eisenhower administration was firmly committed to the view that the Nationalist Government in Formosa was the rightful Government of China, and that the Chinese Communists were criminal usurpers whose claim to rule the mainland was legally and morally fraudulent. Moreover, the Republican Party was officially on record against a passive policy toward China. The Republican platform of 1952 contained a solemn promise to seek the liberation of captive nations—the most conspicuous of which was, of course, China.

In its early days, the Eisenhower administration took steps to implement the Republican platform. In his first state of the Union message, the President revoked the Truman order directing the 7th Fleet to protect Communist China from attack by the Nationalists. Here is what the President said:

"[T]here is no longer any logic or sense in a condition that required the United States Navy to assume defensive responsibilities on behalf of the Chinese Communists. This permitted those Communists, with greater impunity, to kill our soldiers and those of our United Nations allies, in Korea.

"I am, therefore, issuing instructions that the 7th Fleet no longer be employed to shield Communist China."

This was the famous policy of unleashing Chiang Kai-shek. The President disavowed any aggressive intent on our part, but his message was interpreted as a go-ahead sign to Free China—an encouragement to make preparations for eventual liberation of the mainland. Meanwhile, the administration appeared determined that Free China should not lose any territories it then held. In September 1953 the Joint Chiefs of Staff unanimously recommended that the United States defend Quemoy and the Matsus. Aside from the fact that these islands were advance bases from which liberation forces could be launched, the Joint Chiefs recognized that they were vital to the defense of Formosa itself. The United States thereupon sent new equipment and technical personnel to Chiang Kai-shek, and the Nationalist Government was urged to fortify and garrison the offshore islands against the possibility of Communist attack. This the Nationalist Government did. Fifty thousand men were sent to Quemoy and twelve thousand to Matsu, and three airfields were built on Quemoy. Nationalist preparations continued throughout 1954.

Perhaps we should ask at this point why the administration was maintaining a strong position in the Formosa Straits, while it was giving ground in Korea and Indochina. The answer here is quite simple: The offshore islands were the third step on the Communist timetable. The Communists did not begin to exert serious pressures in this area until, first, they had been let off the hook in Korea, and, second, had won the Indochina war. But as soon as the Communists had achieved these objectives and turned their sights toward Formosa, the American position began to buckle. It is a familiar characteristic of appeasement that firm stands are taken when the enemy is momentarily inactive, only to be abandoned as soon as he shows signs of meaning business.

After their Indochina victory in the late spring of 1954, the Communists began to concentrate troops along the eastern coast of China, opposite Formosa and the offshore islands. This military buildup, especially the construction of airfields, would take some time; but the administration knew the Peiping regime was preparing an assault across the straits. Meanwhile, Communist aircraft began to batter the Tachens, Quemoy, and the Matsus.

In January of 1955, in the face of mounting Communist pressures, the administration began a new retreat. The first signs, as usual, were deceptive. The President appealed to Congress for blanket authority to use American Armed Forces in the Formosa area—a request that clearly suggested the American Government meant business about resisting further Communist aggression. But it shortly developed that the bellicose Formosa resolution was but a guise for concealing a policy of appeasement and retreat. The resolution was interpreted to give the President power to defend Formosa and the adjacent areas; but it was so worded as to give the President authority not to defend the Formosa area—which is what the administration proceeded to do. The Congress was thus deceived and maneuvered into a position where it could only look on resentfully as the new appeasement unfolded.

First, the administration ordered the Nationalist Government to hand over the Tachen Islands to the Communists. It is no longer a secret that Chiang Kai-shek came very close to disobeying this order, for his government saw the Tachen surrender as the first in a series of steps leading to total disintegration of the Nationalist position. But Chiang finally agreed to evacuate the islands because he was given to understand on no less authority than the President of the United States that if the Nationalists behaved in the Tachens, the United States would defend Quemoy and the Matsus.

The next blow fell on March 2, 1955. When asked at a press conference whether the United States would support an attempt by Chiang to liberate the mainland, President Eisenhower gave the astonishing answer: "The United States is not going to be a party to an aggressive war." Thus, in 2 short years, a war of liberation had become, in administration terminology, an "aggressive war."

Simultaneously, the State Department suggested a cease-fire in the Formosa Straits. Now, to add to their woes, the specter of Munich arose to haunt the Nationalists: Chiang feared that the American Government was preparing to deal directly with the Communists about a cease-fire and was thus ready to sell free China down the river. But on March 3 Secretary Dulles temporarily assuaged this particular fear. In a statement that was interpreted around the world as a solemn undertaking by the American Government, Mr. Dulles said: "The United States will not enter into any negotiations dealing with the territories or rights of the Republic of China except in cooperation with the Republic of China."

In April, the Communists appeared to be ready, at last, to attack Quemoy and the Matsus. For several tense weeks, America's position was in doubt. Although a clear statement from President Eisenhower that we would defend the islands would probably have caused the Communists to change their minds, and although the Joint Chiefs had recommended that the islands be defended, the President remained ominously silent. Finally, in May, the administration said the United States would defend Quemoy and the Matsus only if they were attacked in conjunction with an attack on Formosa itself. This meant, of course, that Quemoy and the Matsus would not be defended, since it would be foolhardy for the Communists to attack simultaneously the offshore islands and Formosa.

The Communist attack on Quemoy and the Matsus did not materialize as soon as anticipated. The Peiping regime apparently realized the chances were good that the Eisenhower administration could be talked into giving them the islands without a fight. But the Communists would not wait forever.

It is reliably reported that on his recent visit to the United States, Krishna Menon, India's goodwill ambassador, conveyed to President Eisenhower and Secretary Dulles a Chinese Communist ultimatum to the effect that unless the United States agreed to a conference dealing with Quemoy and the Matsus, those islands would be attacked immediately following the Big Four Conference. It is an educated guess that the Soviet leaders repeated this threat to President Eisenhower at Geneva.

At any rate, on August 1, just a week after the close of the Big Four Conference, the administration did what it had promised 6 months previously it never would do: It entered into direct negotiations with the Chinese Communists about questions that vitally affect the rights, territories, and interests of the Republic of China—without the participation of the Republic of China. Mr. Dulles announced that at the conference the United States would seek a cease-fire in the Formosa straits.

It thus appears that the administration will force Chiang to hand over Quemoy and the Matsus if it can obtain, in return, a Communist agreement to a cease-fire.

Now, let us be very clear about why a cease-fire in the Formosa Straits cannot possibly benefit the free world and is just another instance of appeasing communism. In Communist eyes, cease-fire agreements are made to be broken when it is advantageous to do so. From our point of view, such agreements are presumably made with the purpose of keeping them. Thus, in ordering Chiang Kai-shek to observe a cease-fire arrangement in the Formosa Straits, the administration restores precisely the situation that existed when President Truman ordered the Seventh Fleet to protect Communist China against Nationalist attack: The Communist regime is protected by the American Government. If such an agreement is signed, the Communists will be free to move their forces in any direction they choose—possibly to the south for another crack at the Malay Peninsula, possibly to the north for a renewal of the attack on South Korea, and possibly they will keep their main strength right where it is in preparation for a later attack against Formosa when the Communists feel they can move against the main Nationalist position without incurring American military opposition.

Moreover, a cease-fire will deal the forces of Chiang Kai-shek a mortal blow. Not only will free China lose—assuming Quemoy and the Matsus are thrown in as part of the deal—its advance bases for an attack upon the mainland; the Nationalists will be hard put to mount an effective defense against Communist attack. Chiang Kai-shek has always insisted—and who is to disagree with him?—that the moment his forces lose hope of returning to the mainland, the will to defend against Communist attacks will no longer exist.

Such is the record of the Eisenhower administration in its first 2½ years of office—a record of giving ground in every instance in which the Communists exerted heavy pressures against free world positions. It is a record of appeasement, retreat, and surrender in the pattern of the Truman administration—and it shows not the slightest sign of abating.

LIBERATION VERSUS AGGRESSIVE WAR

I think the best measure of the administration's appeasement policy is a comparison of the Republican Party platform in 1952—which presumably represented the original administration view of our objectives—with certain statements made by Secretary Dulles on July 26, 1955. The relevant

plank of the Republican platform is as follows:

"We shall again make liberty into a beacon light of hope that will penetrate the dark places. That program will give the Voice of America a real function. It will mark the end of the negative, futile, and immoral policy of containment which abandons countless human beings to a despotism and godless terrorism, which in turn enables the rulers to forge the captives into a weapon for our destruction."

Those were the Republican views on liberation 3 years ago. Now let us listen to Mr. Dulles' discussion of the subject in 1955:

"There is no doubt that North Korea is a part of Korea, but the security treaty which we made with the Republic of Korea makes clear that the United States will not extend its protection other than to areas which we recognize as having been lawfully brought under the jurisdiction of the Republic of Korea and we do not believe that aggressive force is such a lawful means.

"There is no doubt but that North Vietnam is part of Vietnam, but we stated in connection with the Indochina armistice that we were opposed to any renewal of aggression to bring about the unification of Vietnam.

"Both the Republic of China and the Chinese People's Republic claim that the area held by the other is part of China. But in connection with the mutual security treaty which the United States made with the Republic of China, it was agreed that the Republic of China would not use force except as a matter of joint agreement."

In other words, attempts by the free peoples of Asia to recover their homelands are now defined by the Government of the United States—just as the Communists themselves define them—as "aggressive wars." What a mammoth betrayal of our fighting allies. What a monstrous perversion of international morality.

Let us test the administration's definition of aggressive war by some events of the past. The administration is saying that any attempt to achieve a rightful objective by force is aggressive and therefore wicked. But is not the American Revolution condemned by this definition of aggression? Our revolution was a resort to force in order to drive out tyrants and establish a free government. The reasoning of the Eisenhower administration would have prevented George Washington from undertaking offensive operations.

Or take the Civil War. Here is an even closer analogy to the Far Eastern situation. In 1861, the South seceded from the Union, and the question for the North was whether to resort to force in order to reunify the country, or permit permanent dissolution of the Union. As we compare that situation with the Korean problem today, let us note that in 1861 the cards were stacked in favor of the administration definition; for the moral position of the South was much stronger than that of the Communists in North Korea. The South had accomplished its secession peacefully and there was obviously no danger of the South attacking the North. And yet Mr. Eisenhower and Mr. Dulles seem to be saying that Abraham Lincoln committed an act of aggression when he employed force to keep the Union together. If the administration is prepared to stick by its present definition of aggressive war, then I am afraid our history books need an extensive job of rewriting.

Or take our position vis-a-vis occupied Europe during the Second World War. Is the Eisenhower administration now saying that the armies led by Gen. Dwight D. Eisenhower embarked on a war of aggression against Nazi Germany when they landed in Normandy in 1944? Probably not, but how is that situation distinguished from the one in the Far East today? The Nazis had conquered various countries by force, and the exiled leaders of those countries proposed, with American and British aid, to recapture their homelands by force. If the present administration position is the correct one, we should have desisted from forcible liberation. And let us not be put off by the argument that because an armistice has been signed in Korea and Indochina, the situation now is different. For France and Germany, in 1940, also concluded an armistice. Yet we left no stone unturned to persuade the French people to resume hostilities and help us liberate their country. And there was very little talk emanating from General Eisenhower's headquarters about the United States being a "party to an aggressive war."

No, this talk about "aggressive war" in behalf of restoring freedom to captive Asiatic countries will not wash. Characterizing such liberation efforts as "aggressive wars" is simply an attempt to rationalize a weak, cowardly, and immoral American foreign policy.

UNITED STATES MUST PERMIT AND SUPPORT FREE ASIATIC OFFENSIVE OPERATIONS

One year or two years from now, it may be too late to liberate Asia. By that time the will and the capacity of the free Indochinese, the free Koreans, and the free Chinese to undertake serious military operations may no longer exist. Today, however, those nations have under arms a million and a half men ready and eager to attempt to liberate their homelands. Perhaps, they will be unsuccessful. But if there is a chance of success, it is morally and practically indefensible for our Government to prevent these nations from making the attempt.

At the present time the free Asiatic nations are in a position to launch a huge, three-pronged pincers movement against Communist China. It should be the policy of the United States to encourage the launching of such an attack. South Vietnam should be encouraged to attack North Vietnam; Free China, to cross the Formosa straits; and South Korea to move north from the 38th parallel. The free Asiatic countries should receive at least material and technical assistance from the United States.

There is every reason to believe that once the armies of free China have landed on the mainland, they will be joined by great numbers of the Chinese people. If the Korean war is a good precedent, desertions from the Red Army itself will occur in substantial volume. During the Korean war, over 90 percent of the Chinese soldiers who ended up in allied prison camps were deserters—men who chose freedom, at great personal risk, in preference to continuing to serve the Communist regime.

I am convinced that such a policy is the only alternative to an appeasement policy. In an ideological struggle of this sort, a static situation is impossible. This is a dynamic struggle in which we move either backward or forward. We can continue to give ground—to appease, to retreat and to surrender—as the Eisenhower administration has done, and the Truman administration before it; or we can start to gain ground. There is no middle course. Either the Communists will win or we will.

As I say, there is no guaranty that Asian wars of liberation will succeed. But the United States, in my judgment, cannot afford to miss what may be our last opportunity to defeat communism without the total commitment of American Armed Forces. The free Asiatic peoples want to fight. In justice to them, and in justice to the millions of American boys who will otherwise be called upon to sacrifice their lives in a total war against communism, we must permit and help our allies to carry the fight to the enemy.

A Review of the Social Security Amendments of 1954

EXTENSION OF REMARKS

OF

HON. DANIEL A. REED

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1955

Mr. REED of New York. Mr. Speaker, President Eisenhower has termed the old-age and survivors insuranse system of the Social Security Act "the cornerstone of the Government's program to promote the economic security of the individual." Since the inception of the social-security program in 1935, the Congress of the United States has enacted six bills making major amendments to the social-security system. The most recent of these was the social security amendments of 1954, Public Law 761 of the 83d Congress, which, in my view, made the most sweeping improvements in the program since its original enactment. One of the most gratifying experiences of my congressional career was to be the author of the social security amendments of 1954 and to serve as chairman of the Committee on Ways and Means at the time this legislation was being considered by the Congress.

It will soon be 1 year ago that the 1954 amendments to our social-security law were approved by the President. It is appropriate, therefore, that we should briefly review the broad scope of those amendments, consider their impact on the social-security program, and the contribution these amendments have made to the welfare of our people.

The principal provisions of the social-security amendments of 1954 may be enumerated as follows:

First. Old-age and survivors insurance coverage was extended to approximately 10 million persons who work during the course of the year in jobs previously excluded from the program. The result is that approximately 9 out of 10 jobs in paid civilian employment are now covered under social security.

Second. Social-security benefits were increased for persons on the benefit rolls, for persons who will retire in the future, and their survivors. The range of increases in primary insurance amounts was from $5 to $23.50 per month with comparable adjustments in survivors and dependency benefits.

Third. In computing average monthly wage, the total earnings on which benefits are computed and on which contributions are made was raised from $3,600 to $4,200. It was also provided that up to 5 years in which earnings were lowest or nonexistent could be dropped from the computation.

Fourth. The limitation on earnings of beneficiaries—the so-called work clause—was liberalized to permit a beneficiary to earn as much as $1,200 a year without any loss of benefit, and the age at which the retirement test would not be applicable was reduced from 75 years to 72 years.

Fifth. Under the disability freeze provision, the benefit rights and entitlement of an individual were preserved for the period of disability.

Sixth. An adjustment was provided in the schedule of contribution rates so as to insure continued actuarial soundness of the system.

Seventh. The temporary increase in Federal payments to States for public assistance was extended for 2 years through September 30, 1956, so that the benefit amounts of persons receiving public assistance would not have to be reduced.

Since the enactment of these amendments, I have received countless communications from farmers and other persons expressing approval of the extension of old-age and survivors insurance coverage to farm families and of the other improvements made in the system by the Social Security Amendments of 1954. These amendments eliminated many of the basic causes of instances of low benefits, so that an individual's benefit level will more realistically reflect the individual's earnings on which he customarily depends for his support. The important improvements made in the old-age and survivors insurance system by the 1954 amendments have done much to remove inequities that were existing in the system and to make the program more adequately serve its intended purpose.

A review of comparable statistics for May 1954 and May 1955 indicates the tremendous growth in the social-security program that has occurred since the enactment of the 1954 amendments. In excess of one million new beneficiaries have been added to the benefit rolls in that short time. In May 1954 there were 6.4 million persons receiving old-age and survivors insurance benefits; in May 1955 the number of beneficiaries had increased to 7.4 million persons. Monthly benefit payments have increased from $275 million in May 1954 to $377 million for a comparable period in 1955. The average primary insurance benefit received by a retired worker has increased from $51.72 per month to $60.85 per month. The number of people covered by old-age and survivors insurance working in a particular week has increased from 45.7 million persons in 1954 to an estimated 54 million persons in 1955. Despite increased benefit payments, the assets of the old-age and survivors insurance trust fund has increased from $19.6 billion in 1954 to $20.7 billion in 1955.

These statistics clearly reveal the increasing importance of the old-age and survivors insurance program in protecting our American citizens in their old age and upon the untimely death of the principal family provider.

I have taken the time of the membership of the House to set forth the recent gains that have been made in our social-security program because I realize the tremendous interest there is in this program on the part of the people of our Nation. It is my hope that with careful study and prudent planning we can accomplish further improvements in our social-security program.

The Los Angeles County Senior Citizens Service Center

EXTENSION OF REMARKS

OF

HON. THOMAS H. KUCHEL

OF CALIFORNIA

IN THE SENATE OF THE UNITED STATES

Tuesday, August 2, 1955

Mr. KUCHEL. Mr. President, I ask unanimous consent to insert in the CONGRESSIONAL RECORD a statement prepared by me on the establishment of the Los Angeles County senior citizens service center.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. President, there is now pending in the Senate Committee on Labor and Public Welfare a bill, S. 693, introduced by the distinguished Senator from Michigan [Mr. PORTER] and a great many other Senators, to establish the United States Commission on the Aging and Aged.

I was honored to be asked to be one of the authors of this measure. I feel rather confident that the proposal to establish such a Commission will receive favorable consideration when the Congress returns next January.

Such a Commission, in my opinion, will perform a magnificent service to our country and to our society through focusing enlightened attention on the problems of our older citizens and on programs for the solution of those problems. In this connection, I am happy to report that one of the great communities of my State, the county of Los Angeles, has recently taken a great new forward step of its own in this very field. I refer to the establishment of a senior citizens service center, where older people of the community may seek and obtain information and counseling in a single place on the various problems which come up in their personal lives.

Ten years ago, in order to assist several hundred thousand veterans returning from World War II to reestablish themselves in civilian life, the county established a veterans' service center. This continues to service the day-to-day problems that inevitably occur in so large a group.

In a county of 5 million people, the group described as "senior citizens" is also of considerable size. Many of these citizens are alone. Occasions arise when they need to seek advice, information and assistance. The county board of supervisors felt that if these older citizens could turn to one central place, it would lighten their problems by the very fact that they would be simplified.

The senior citizens service center will be under the direction of the man who has directed the veterans' service center since it was founded, Mr. Arthur Tryon. The cost will be small. A small staff will be augmented by volunteers, older people themselves whose active minds necessitate their keeping busy at something useful and helpful.

The plan is set forth in a letter from Mr. Arthur J. Will, the chief administrative officer of Los Angeles County, to the board of supervisors, as follows:

"The proposal closely parallels the veterans' service center, instituted some 10 years ago to provide a central information, counseling and referral service for war veterans in the Los Angeles area. The outstanding contribution of the veterans' service center has merited nationwide acclaim. It is now proposed that the same concept be established for the needs, guidance and counseling of the aged, as well as those community organizations devoted to the same purpose.

"The senior citizens service center would be under the general direction of Mr. Tryon, chairman of that committee, who is in the position of old-age counselor, without compensation (bureau of public assistance). Adequate quarters are available in the presently leased space at 306 West Third Street, on the floor immediately below the veterans' service center. This would permit the use of the receptionist and the telephone services already available in the veterans' service center, and more particularly, the benefit of experience resulting from the continuous supervision of Mr. Tryon, who also serves as executive director of the veterans' service center.

"The proposal offers one of the most promising and tangible ideas yet advanced for assisting the aged, and for integrating, coordinating, and providing a central clearing house for all community agencies participating directly or indirectly in the same problem. It is proposed that the program be initiated on a modest scale so as to permit a flexible operation capable of adjustment as the needs arise. The following gives some idea of how the program will develop:

"1. The superintendent of charities, who is directly concerned with the aged and their employability, will immediately assign a nucleus of approximately six positions, thereby permitting concentration of such departmental activities in a logical and central place.

"2. The California Department of Employment will assign personnel for assisting in the placement of aged persons.

"3. The A. F. of L. and CIO will maintain representatives.

"4. The city and county recreation departments can from time to time provide recreation counseling and advice for community agencies and for aged clubs and groups who are developing recreation programs geared to this segment of our population.

"5. The Legal Aid Foundation will provide services.

"6. The schools can participate in offering advice and counseling on adult education programs suitable for the aged. The county superintendent of schools will assign one person to the center.

"The program will be developed through the full use of cooperating agencies and personnel. Conferences have been held with a few carefully chosen community leaders and officials of community agencies. All have endorsed the plan of the senior citizens service center and have pledged their enthusiastic support to such an activity. Many have volunteered the statement that the proposed center appeared to be the most economical and down-to-earth approach to meeting the problems of the aging, which service was desperately needed in Los Angeles County."

Record of the 1st Session of the 84th Congress

EXTENSION OF REMARKS

OF

HON. GRACIE PFOST

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1955

Mrs. PFOST. Mr. Speaker, for the benefit of the people of Idaho, and particularly those of the First Congressional

District, I would like to sum up the record of the 1st session of the 84th Congress and my part in it.

A Democratic Congress worked in comparative harmony with a Republican President—in sharp contradiction to the political cold war that was forecast. The legislative record shows that Democrats supported the President's foreign policy to a greater extent than did the members of his own party. On domestic issues, Democrats supplied the winning roll-call votes in almost every case where the Eisenhower program was enacted. Two of the President's major legislative requests—his trade and public housing programs—were passed only because the Democrats came to his rescue. A majority of House Republicans voted to kill both of them.

We Democrats sincerely tried to give the President's requests fair, just, and reasonable consideration. I know that I approached every piece of legislation recommended with a "What's best for the people?" and a "What's best for Idaho?" attitude. Our job—my job—was made easier, I must confess, by the fact that much of the Eisenhower foreign policy and part of his domestic policy has been taken lock, stock, and barrel from Democratic programs.

On the other hand, the Democrats maintained a responsible, constructive opposition. We vigorously opposed those moves and measures which ignored the common good. We successfully fought the infamous Dixon-Yates giveaway—and I predict we will fight the Hells Canyon giveaway to an equally successful finish. And although we increased the President's budget requests in a number of instances—for medical research on cancer and arthritis, and for school lunches as examples—we proved a good friend to the taxpayer by cutting the President's over-all budget requests on unnecessary items by $1.8 billion—a substantial savings.

IN THE PEOPLE'S INTEREST

I believe we Democrats demonstrated again this session that we are the party of the people—of the workingman and woman, of the farmer, of the small-business man.

Social security: Democratic-sponsored amendments to the Social Security Act passed by the House will benefit over a million deserving women by allowing them to draw old-age and survivors benefits at 62 instead of 65. Other amendments allow disabled workers to draw benefits at 50, continue disabled dependent children's benefits after they are 18, and extend coverage under old-age insurance programs to certain professional groups. The Senate will consider the amendments next session.

Taxes: We Democrats tried to reduce taxes for the smaller income groups. A $20 reduction was passed by the House but administration disapproval killed it in the Senate.

Minimum wage: Over the opposition of the administration, the minimum wage was increased from 75 cents to $1. The administration held out for only 90 cents. Employers who hire less than six people are exempt.

Farm legislation:

With dairy and other farm income down for the third year in a row, I supported the bill passed by the House and opposed by the administration, to restore high, rigid price supports for all basic commodities. The Senate did not act on this bill. I am seriously concerned about the deepening farm recession.

This session also passed a bill to place a ceiling on disaster-loan interest rates at 3 percent instead of the 5 percent set by Secretary Benson. Legislation was enacted to increase farmer ownership of the farm-credit system, and to modernize the REA loan allocation system. I am also glad to report that a bill was passed to prevent speculation in onions, one of Idaho's important crops.

Small business: This session of Congress extended the Small Business Administration for 2 years, and increased its revolving fund. The SBA has approved more than 1,700 loans to small business in the gross amount of $87 million. A bill was also passed by the House to curb the influence of bank holding companies.

GOOD SESSION FOR THE WEST

This has been a relatively good session for the West. I had an opportunity to serve Idaho and other Western States as chairman of the Public Lands Subcommittee of the House Interior and Insular Affairs Committee. This is a particularly valuable assignment for an Idahoan, since public lands comprise almost 68 percent of the State. This session my subcommittee considered 64 bills and reported 23. Sixteen were passed by both the House and the Senate.

Sugar: I was one of the sponsors of the bill the House passed to change sugar quotas. Under this measure, Idaho sugar beet farmers—and all American sugar producers—will be able to plant a reasonable acreage of the crop so essential to their operations. I regret that the bill was stalled in the Senate.

Mining: I also authored a bill to extend scheduled termination dates of the domestic minerals purchase program for tungsten, manganese, chromite, mica, asbestos, beryl, and columbium-tantalum-bearing ores, which would have stabilized the industry for some time. Because of positive assurance of a Presidential veto, I reluctantly settled for a compromise which administration spokesmen led us to believe the President would sign. The compromise bill merely increased quotas, but kept scheduled termination dates. The bill passed both Houses, but when it reached the White House it was vetoed.

Hells Canyon:

As the principal sponsor of the Hells Canyon bill in the House, it was a red-letter day for me when hearings were opened in the Irrigation and Reclamation Subcommittee of the House Interior Committee, of which I am a member. A number of Idahoans came East at their own expense to testify. In spite of heavy lobbying by the Idaho Power and other power companies, the bill was favorably reported by the subcommittee shortly before adjournment, and on a straight party vote—Democrats for, and Republicans against. A Senate subcommittee took similar action.

The bill was therefore ready for full House and Senate committee consideration when Congress reconvenes in January. Hells Canyon legislation had never been so far along toward passage before. Yet the Federal Power Commission with ruthless haste awarded the Idaho Power Co. a license to build three low, single-purpose dams in the Hells Canyon stretch of the Snake River. The decision was dated July 27—a full week before adjournment—but it was kept secret until Congress quit and most of the Members had gone home. The fight for the high dam is far from over, however. We who believe in the full development of our natural resources for the benefit of all the people are not giving up. In the end the people's interest will prevail.

Public works: Starts on a large number of projects not requested by the administration were written into the public-works appropriation bill by the Democratic Congress. A million-dollar start was authorized for Ice Harbor. This is the first Federal dam on the lower or middle Snake River. Among other projects on which long-delayed work can now begin are the Yellowtail Dam in Montana, and the Hills Creek Dam and Coos Bay projects in Oregon.

IMPORTANT ACCOMPLISHMENTS

This Congress passed a number of other bills which will give assistance to those who need and deserve it.

Veterans and servicemen: The direct VA loan program was extended for 2 years, and broadened to include home improvements. The same benefits were extended to GI farmers. Disabled veterans were given until October 1956 to apply for the purchase of special automobiles, and this privilege was extended to veterans of the Korean conflict. Legislation was enacted to permit men and women in the service on January 31, 1955, to continue to build up GI school benefits.

Pay adjustments: We Democrats were successful in winning a fairer pay increase for both Federal and postal employees than was recommended by the administration. As a member of the House Post Office and Civil Service Committee, I was in the middle of both pay raise fights—on the side of the employee. I voted against any increase in my own salary, however.

Retirement: Bills were enacted to liberalize benefits to railmen's wives and widows, and to give a cost-of-living increase to Federal retirees and survivors. Both were well deserved.

Conservation: Conservationists do not have as much to cheer about as I had hoped they would, but this session of Congress passed a bill releasing $13½ million of earmarked wildlife funds that had been tied up in the Treasury for 10 years, and also increased by 10 percent the appropriations for the Fish and Wildlife Service, the Forest Service, and the Soil Conservation Service.

THE CHALLENGE AHEAD

Much yet remains to be done in the 2d session of the 84th Congress. A satisfactory way must be found, for example, to finance the highway program. The President suggested a special bond issue which would have cost the tax-

payers $11 billion in interest. A bill was brought to the floor of the House which called for financing the highway program by pay-as-you-use taxes, but it was defeated. We seriously need more and better highways, particularly in the West, so I hope a satisfactory highway bill can be worked out early next session.

Our schools must also have help. For the first time in history a school construction bill cleared a committee of the Congress this session. The bill provides for a 4-year program of grants to help States meet the crucial classroom shortage. Idaho would receive $1¾ million a year, or $7 million over the 4-year period. An attempt will be made to bring the bill up for action as soon as the new session convenes.

A bill should be passed to move agricultural surpluses out of warehouses and on to meager American dinner tables. It doesn't make sense to have food wasting in warehouses while many Americans suffer from a substandard diet.

There are many other problems—taxes remain high, the cost of living remains high, and farm income is down approximately 30 percent. We Democrats will continue to give careful consideration to any remedies the administration offers for any of our problems—and to offer remedies of our own. We will support the President when we believe his proposals are in the people's interest, and vigorously oppose those proposals which would benefit only the privileged few.

We have demonstrated we are not blinded by partisanship. We are not giving our enemies an opportunity to say that a Republican President and a Democratic Congress have divided and weakened America. We know that the President's program cannot be successful without the Democratic Party.

Whether the world has moved toward peace in the past few months—only time will tell. We all pray that the apparent change of heart and the willingness of the Soviet leaders to negotiate is sincere. But we must not pin all of our faith in these developments. We must continue to take every practical step to keep the free world strong—we must not be lulled into a false sense of security.

Fair Trade

EXTENSION OF REMARKS
OF
HON. THOMAS E. MARTIN
OF IOWA
IN THE SENATE OF THE UNITED STATES
Tuesday, August 2, 1955

Mr. MARTIN of Iowa. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a statement prepared by me on the results of one business leader in the fight for fair trade.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Recently the Senate Small Business Committee took official notice in its weekly staff report of the activities of one of the leaders in the fight for fair trade. Those who believe the repeal of fair trade would deliver a hard blow to the small retailer should be encouraged by the results of the Sheaffer Pen Co.'s drive to enforce fair-trade merchandising of its products. The pen company's experience seems to show that a national brand manufacturer can prevent illegal price cutting of its products without losing sales volume.

Last year the Iowa company intensified its efforts to enforce resale price maintenance of its products and declared all-out war on price cutters of Sheaffer pens. Detective agencies and shopping services were retained to check retailers suspected of bootlegging pens and pen products and all dealers throughout the country were warned that retail discounting of Sheaffer merchandise would not be permitted.

In the past 18 months, this company has cut off 650 retail outlets for price cutting, has started legal action against 397 discounters, has obtained fair-trade injunctions against 54 and fair-trade agreements from 230 retailers otherwise faced with legal action. Thus, "fair-trade violations have been reduced to a trickle," the company said.

The pen company has spent nearly $1,500,000 in a year and a half in its fair-trade drive. In that time sales have risen steadily. Net sales for the fiscal year ended February 28, 1955, were $27,072,821, an increase of 7.6 percent over the preceding year. Some of the gain is attributed by the company to the increased support of retailers in appreciation of the Sheaffer fight for fair trade.

This successful experience of one company should be heartening to the many thousands of small, independent retail stores throughout the Nation who still refrain from joining in vicious price-cutting practices, which, in the end, are competitively harmful to everybody, even the discounter himself.

Help the Consumer

EXTENSION OF REMARKS
OF
HON. IRWIN D. DAVIDSON
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. DAVIDSON. Mr. Speaker, I have introduced House Resolution 220 to establish a select seven-man committee of the House to study the problems of consumers. It is my belief that such a study is absolutely necessary. The study I propose would include consideration of all the problems confronting consumers today. The committee would give particular attention to advertising methods, the effectiveness of the Federal Trade Commission and the need for a permanent Federal agency for consumers.

As we all know, the Government maintains vast departments devoted to labor, agriculture, and business. Nowhere, however, is there any comparable agency which is concerned with the consumers' welfare. Who is there to speak on behalf of all the consumers when Congress considers legislation affecting their interest? Who speaks up for the consumer at Presidential Cabinet meetings? No one. Which agency of the Government provides information and assistance to consumers? None. What Federal efforts are being made to protect, inform, and help the consumer? Very few, I am sorry to say.

Not only is there no adequate governmental service available to consumers, but the lack of it is highlighted by the vast Federal agencies devoted to all the other major economic groups found in American society.

Let us consider only one field where such a Federal agency could be of service. Here in Congress in the necessary course of all legislative proposals, each bill, following its introduction, is referred to a committee. There it remains unless the Member who introduced it contacts the chairman of the committee and requests that the usual reports from the interested administrative agencies be obtained. This is an absolutely essential step in order to obtain any sort of consideration for the measure. The committee then requests the reports. Nowhere in the Federal Government can any congressional committee obtain a report as to the effect of a bill on the consumers or secure an administrative opinion on the needs of the consumers. Where can we go to get some plain information on the consumers' interest? I submit that there is no Federal agency in existence at this time which is in a position to supply this data and information. I do not mean that critically. No agency is charged with that responsibility directly, although the Federal Trade Commission does have a bureau where members of the public can go when they have been sufficiently aroused to file a complaint.

We have recently held extensive hearings on a subject of vital concern to the consumers: Federal regulation of natural gas producers. Many witnesses appeared and testified that the consumers need continued Federal control and protection. Has any agency of the Federal Government reported to the committee that this is the case? Has any agency of the Federal Government testified to that well-established fact? I think not.

As further indication of the present compelling need for the establishment of a consumers' department we need only look at any edition of a newspaper or tune in certain radio and television commercials to find an abundance of misleading bait advertising.

Would you like an aluminum combination storm and screen window, triple section, heavy gage, satin finished, and made of all extruded aluminum? A Philadelphia newspaper carried an advertisement for such a window priced at $9.95. New York newspapers, television, and radio advertisements have offered such windows for as little as $7.50. Baltimore and Boston have also been plagued by similar bait advertisements.

I challenge anyone to buy this window. An attempt to do so will be met by a fast-talking salesman's spiel that "there is a 3 months' factory delay for this window; installation charges and special carpentry will be over $10 for each window; no guaranty goes with this window and it needs to be scrubbed with steel wool weekly; it will rust and corrode; but this other window, selling for $32.50, is available immediately and with

a guaranty, not for years, not for a lifetime, but forever." The fact that the company offering the window has been in business only 6 months is not mentioned.

Perhaps it is uranium stock you would like. Offers abound in public advertisements. Each company is, of course, actually producing and the stock sells for only 5 cents a share. Sure the company is producing. It is producing profits for the promoters. Even the New York Stock Exchange is alarmed by the rash of these fake promotions.

Have you ever been in the unfortunate position of having to answer the advertisement for a funeral complete for $100? Yes; it is "complete." There are only a few extras, such as cards, potted palms, chairs, pallbearers, plot, lowering charge, and several other incidentals which bring the cost up to $500; and for this fee you do not get much more than the simplest pine box.

Are the bereaved even able to think about these incidentals so casually mentioned? Certainly they cannot. Not until payment is demanded—and then, it's much too late.

The housewife is confronted with her usual multitude of problems, but generally overlooked is the poultry inspection situation. Most meat is inspected and stamped by United States inspectors, but not poultry. Only about 20 percent of commercially slaughtered poultry is inspected under voluntary arrangements. The other 80 percent may be in any condition from fairly clean to disease-ridden, tubercular birds, slaughtered under filthy, unsanitary conditions.

A recent advertisement in the cautious New York Times points up the extremes to which bait advertising and gimmick selling have gone. According to this advertisement you can now purchase for only $17.85 a special phonograph record brush which "operates on an extremely simple nuclear principle." This is the atomic age and the high pressure sales promotions are part of it.

The Nation is being deluged by outright phony and fraudulent offers to sell just about anything. Scandals have been uncovered in garden seedling sales and in sewing machines, stocks and bonds.

Automation, with adequate planning, can create more goods for a better life. But the innocent consumer will still have to figure out which is the legitimate offer and which the baited trap.

Local district attorneys, States' attorneys, and the better business bureaus are doing an outstanding but unfortunately inadequate job in this field. The better business bureau can point out the evils. The county district attorney has his hands full with increasing crime. The States' attorneys are equally burdened by the tremendously growing case loads and the same size staff.

As an indication of the extensive bait advertising uncovered by the better business bureau, this pointed statement, contained in the May issue of the New York City bureau's Monthly Memo, is most succinct:

> Unfortunately, we still have some advertising appearing in newspapers and on radio and TV offering aluminum storm windows installed for less than $8, reupholstery of living-room furniture for $59, vacuum cleaners for $12, and electric sewing machines for $23. Everybody loves a bargain, but when the facts reveal that these low-priced items cost the advertiser more than the advertised price and can only be sold at a loss, it takes no mental giant to conclude that these highly ballyhooed offers are insincere and are made solely for the purpose of getting leads to sell much higher-priced models of the same kind of product.

It is time for all the facts to be exposed; prices and monopolistic practices vitally affecting consumers are mounting. In many fields the consumers' interest is entirely overlooked. Distribution practices and the quality of basic foods constitutes such an area. The poultry situation has already been mentioned. In addition, the cost of milk to the consumer remains virtually static while the return of the farmer goes down. Where does the difference go?

A great many more examples could be cited. However, the need for the proposed study is clear, I believe. The knowledge and information to be gained is sorely needed. The increase in public information would be most helpful. The consumers are entitled to know where their dollars go. I respectfully urge the adoption of my resolution.

Accomplishments of the Select Committee on Survivor Benefits

EXTENSION OF REMARKS
OF

HON. PORTER HARDY, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1955

Mr. HARDY. Mr. Speaker, under unanimous consent previously granted, I present for printing in the RECORD a statement of the work accomplished by the Select Committee on Survivor Benefits during the present session.

As chairman of the committee, I am proud of the record which has been made, and I desire to express my appreciation to all of the members of the committee whose cooperation has made this record possible. In addition, I would like to express the committee's appreciation to the several Government agencies who have cooperated consistently with the committee, and the veterans' organizations who likewise have demonstrated a spirit of cooperation with the committee and a genuine desire to be helpful.

On June 28, 1955, our committee reported to the House, H. R. 7089. House Report No. 993, 84th Congress, 1st session, accompanied this legislation.

The committee's report in considerable detail comments on the many provisions of the committee's bill. It will not be my purpose, in this summary for the RECORD, to attempt to paraphrase the committee's report, but rather to highlight again certain provisions of the committee's bill that demonstrate its fiber and tenor.

The work of the select committee was begun in the 2d session of the 83d Congress. Because of time limitations the job could not be completed, but under the able leadership of my colleague from Massachusetts [Mr. BATES], a firm foundation was laid for the activities of the committee that was recreated by the present Congress.

The purpose of the committee was to attempt to bring some order to the present confused survivor benefits picture. The combination of laws today represents a hodge-podge which in practical application results in many cases of actual hardship and in serious inequities which offend the sense of justice.

At the present time there are seven standing committees of the House that have jurisdiction in the field of survivor benefits for Armed Forces and former Armed Forces personnel. This select committee, by its resolution, having been authorized to report legislation, has attempted to bring into focus all existing survivor benefits, and by consolidation and coordination make of the present hodge-podge an orderly package of survivor benefits which is equitable in its practical application.

The five major survivor benefits which exist today are:

First. Six months' death gratuity.

Second. Servicemen's indemnity of $10,000.

Third. Veterans' Administration compensation.

Fourth. Social security.

Fifth. Federal employee's compensation.

In the committee's bill the 6 months' death gratuity is continued. At the present time where this payment is based on 6 months' basic pay, plus special and incentive pays, the survivors of enlisted men are receiving a minimum payment of $468, while survivors of high ranking officers are eligible to receive a maximum of $7,656. The committee's bill provides that the minimum payment in the future will be $800 and the maximum payment $3,000. This will provide for larger benefits for the lower enlisted grades, and will curtail somewhat the excessive payments in the higher ranks.

The servicemen's indemnity of $10,000 is currently paid at the rate of $92.90 per month for a period of 10 years and then abruptly ceases. The committee proposes that this be discontinued and these payments in the future be replaced by higher VA compensation. In so doing one of the five existing programs would be eliminated.

At the present time VA compensation rates are set at a fixed dollar amount for certain classes of beneficiaries, with income limitations considered for some, but not all, and rate differentials for deaths occurring in peacetime and wartime.

The committee's bill proposes that for widows the compensation be a base of $112 per month plus 12 percent of the basic pay of the serviceman. Under this formula the minimum payment to a widow would be $122 per month and the maximum payment $242 per month. At the present time, under VA compensation, the monthly payment for a wartime death is $87 and $69.60 for a peacetime death. The committee's bill provides for certain upward adjustments in compensation payments to children only and dependent parents.

With regard to dependent parents, there is currently an income limitation which if exceeded precludes the parents from receiving any VA compensation. If the income of the parent is slightly less than this statutory maximum the full benefit is receivable. The committee in attempting to overcome this "all or nothing" philosophy provided a sliding scale of benefits. Under this provision, as the parents' income increases, VA compensation decreases. Thus, a parent could receive in income an amount greater than the present statutory limitation and continue to receive some VA compensation on a reduced basis.

At the present time all men in the Armed Forces are being provided with a constructive social-security wage credit of $160 per month. This gratuitous wage credit has been retroactively granted since September 15, 1940, and is currently in effect. There have been no contributions to the OASI trust fund for these credits, but the Federal Government has a moral, if not legal, obligation to the trust fund for reimbursement of benefits expended by virtue of this $160 wage credit. To date no funds have been appropriated as reimbursements to the OASI trust fund. The present amount accrued will approximate three-quarters of a billion dollars.

The committee did not deem it appropriate or financially sound to continue indefinitely the granting of gratuitous wage credits to Armed Forces personnel.

In its bill the committee recommends that all Armed Forces personnel be placed under social security on a contributory basis.

Under existing law, survivors of certain reservists have the right of election to receive either Federal Employees' Compensation Act benefits or VA compensation. Only survivors of reservists have this right of election. Since 1949, when FECA benefits were significantly increased, the survivors of thousands of reservists have elected the benefits under FECA, which were considerably in excess of benefits to which they would have been entitled under VA compensation.

This disparity in treatment of Armed Forces survivors offends one's sense of equity.

The committee's bill provides that extension of FECA benefits to certain Armed Forces personnel be terminated.

There are other provisions of the committee's bill which we feel do much to remove certain inequities and to provide a more uniform and concise survivor benefit package for Armed Forces personnel than exists today.

Under the provisions of the committee's bill no person today receiving compensation payments from any source will experience a reduction in his present survivor benefits. Those on the rolls today will have the right of election to the higher benefits provided under the committee's bill.

As to cost, the proposed legislation for the first 8 or 10 years, by providing the right of election, may prove to be somewhat more costly than existing legislation. However, by placing all Armed Forces personnel under social security on a contributory basis, where the serviceman himself as an employee will make a monthly contribution, it is projected that within 8 or 10 years the cost to the Federal Government of the proposed survivor benefit bill will be less than the cost of legislation on the books today.

There are today approximately 465,000 cases on the various death compensation rolls. The annual expenditure required of the Federal Government approximates a half billion dollars.

In closing, I would like to emphasize the thoroughness with which the committee considered the legislation which was reported. In the present session the committee met 57 times, holding 29 public hearings and 28 executive sessions or hearings. I am of the opinion that the committee's bill represents a composite of the thinking of the best available talent on the subject of survivor benefits both within and without the Government.

My colleagues, Mr. KILDAY and Mr. BATES, with me are members of the Armed Services Committee and we have long been interested in the subject of survivor benefits for Armed Forces personnel. Certain inequities which exist have been a source of concern to us. Therefore, it was gratifying to me to have an opportunity to serve with them on a select committee created exclusively to deal with this subject.

As chairman of the select committee I felt extremely fortunate to have as members, in addition to Mr. BATES and Mr. KILDAY, our very able and distinguished colleagues, Mr. TEAGUE of Texas and Mr. KEAN of New Jersey. Mr. TEAGUE, currently chairman of the Committee on Veterans' Affairs, brought us his wide experience in the field of veterans' legislation, and Mr. KEAN, a ranking member of the Committee on Ways and Means, added his vast store of knowledge on the subject of social security.

The task assigned the committee was an extremely difficult one, but I feel that the committee has accomplished its assignment. The committee's bill passed the House on July 13 and is currently pending before the Senate Finance Committee. It is our hope that favorable action will be taken by the other body of the Congress early in the 2d session of the 84th Congress.

Termination of Rapid Amortization

EXTENSION OF REMARKS
OF
HON. HERMAN P. EBERHARTER
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. EBERHARTER. Mr. Speaker, on June 19, 1953, I addressed a letter to the Secretary of the Treasury, the Honorable George M. Humphrey, requesting that the Treasury Department make recommendations for the termination of the rapid amortization authority granted under the Internal Revenue Code. I took this action because of my belief that the need for tax incentives for capital investment in the defense program had largely been eliminated and, as I stated in my letter to the Secretary, "the accelerated depreciation—rapid amortization—is undoubtedly costing the Federal Government many hundreds of millions of dollars in the way of revenue."

Two years later that same Secretary of the Treasury, the Honorable George M. Humphrey, has apparently come to my point of view. He has recently recommended that the granting of authorizations for rapid amortization be either terminated or greatly restricted. Between the date of my letter to the Secretary and the time of his recommendation, several additional billion dollars of capital investment have been certified for rapid tax amortization with the result that the Federal revenues have sustained very substantial losses.

Members of the House will recall that at present law provides that a business wishing to take a rapid tax writeoff on a capital investment for defense-facility construction can arrange to do so by obtaining a certificate of necessity covering the facility involved. This certificate permits the writeoff of the investment in a 5-year period instead of over the normal lifetime of the asset as required under normal depreciation procedures. The law requires that the certification relate to the defense effort.

At the inception of the national-defense program instituted in connection with the Korean conflict, the rapid amortization provision of the Internal Revenue Code provided a necessary incentive for defense-plant expansion.

It is my view that the administration of this program providing for the issuance of certificates of necessity has exceeded the original intent of Congress. In conducting the program the administrators have certified high percentages of the construction cost without taking proper account of the fact that in most instances those plants would have obvious production uses in peacetime, and in some cases a certificate has been granted where only a very tenuous defense relationship existed.

The accelerated amortization program does not constitute a cash grant or subsidy of a defense plant by the Federal Government. However, its end result is similar in that it brings about reductions in Federal income taxes during the acceleration period, it makes more cash available to the taxpayer, it helps to finance the cost of new facilities, and it has the nature of an interest-free loan of funds that would be otherwise available to the Federal Government. The resulting reduction in Federal income-tax collections resulting from tax amortization occurs at a time when tax rates and interest rates are high. These facts magnify the gain to business and the loss to Government from the amortization privilege.

To date over 20,000 certificates of necessity have been issued under the present program at an average certificate rate of 60 percent with the result that over $18 billion of plant investments has been certified for rapid tax writeoff. At the present time there are 900 applications pending for the issuance of a certificate of necessity covering approximately $5 billion in plant investment.

The action of the Secretary of the Treasury in asking for the termination of this program more than 2 years after I first expressed concern over the problem to the Secretary comes in my opinion rather late.

The effect of the delay by the Eisenhower administration is that the Federal Government has had to borrow money and pay interest charges thereon to make up for the deficit in receipts caused by the tax postponement occurring under rapid tax amortization.

The ordinary taxpayer has had to pay in several ways for the cost of the tax amortization program. He has had to pay in higher cost of Government purchases because a company with a certificate of necessity is allowed to use the additional amortization as a cost factor to get higher prices from the Government. He has had to pay interest on the portion of the Federal deficit that resulted from the loss of tax revenues through rapid amortization. He has also had to bear in higher taxes the distortion in the distribution in the tax burden that occurred under the rapid amortization.

It is a matter of great concern to me that the Eisenhower administration did not act more promptly to either restrict or terminate this practice of granting rapid tax amortization. In the early days of the armament buildup that attended the Korean defense effort, speed in the allocation of defense contracts was essential. However, Secretary Humphrey and other responsible officials of the administration have had long months since my letter to make the necessary review of the program. That they have failed to do so more promptly will cost the American taxpayer several billions of dollars in added taxes and interest charges.

The Future of Highway Legislation

EXTENSION OF REMARKS
OF
HON. BRADY GENTRY
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. GENTRY. Mr. Speaker, it has now been a few days since highway legislation was defeated in the House. It would seem well, therefore, to discuss the situation which this has brought about and the possibilities of future legislation for better highways for our people.

At the Governors' Conference at Lake George, N. Y., on July 12, 1954, more than 1 year ago, President Eisenhower, speaking through Vice President NIXON, launched a drive for a greatly expanded highway program.

Few proposals were ever advanced with such attendant publicity. Meetings supporting it were held throughout the country, and those in Washington were widely publicized. Editorial writers, commentators, columnists, and many public speakers joined in the chorus that a great system of modern highways was a vital necessity for our country's future. It was described by some Republicans as a key proposal in what was termed the dynamic program of the Republican administration.

As a result of the impetus that was being given an expanded highway-construction program the President appointed a committee to make a report to him as to the desirability of such a program and the ways and means of realizing it. This committee became known as the Clay committee because of its chairmanship by Gen. Lucius Clay. Subsequently this committee made its report.

The recommendations of the Clay committee, which in effect were adopted by the administration, involved major expenditures, especially by the States and the Federal Government. They concerned not only the 40,000 miles comprising the interstate highway system but the entire more than 3 million miles of roadways in our country and were generally characterized as a $101 billion program, a fairly large portion of which was to be contributed by agencies of government other than the Federal Government. Particular emphasis, however, was placed on the reconstruction of the interstate system, which was held by the Clay committee to be a primary obligation of the Federal Government. It had been estimated by the highway departments of the States that the reconstruction of the interstate system would cost $27 billion, of which the Federal Government's share, as recommended by the committee, would have been approximately $25 billion.

The Clay committee further recommended that Congress accept the thesis that the interstate system be reconstructed to modern standards; that the construction be accomplished in a fixed number of years; that the funds for its construction be allocated yearly according to its needs within the various States instead of by the traditional formula heretofore used in Federal aid; and that these funds be raised through a new Federal Corporation which would issue and sell bonds, the last of which would mature in 1987.

The Fallon highway bill, which was reported by the Committee on Public Works and finally rejected by the House last week, accepted the principle of every recommendation by the Clay committee except that pertaining to the creation of a Federal Corporation to finance the reconstruction of the interstate system by the issuance of long-term bonds and one other provision concerning toll roads which, by common consent of both Democrats and Republicans, had been dropped. Since it was obvious that the Republicans would have supported the Fallon bill almost unanimously had it contained the Clay committee financing provision, and since it is possible that this same difficulty may be encountered if we are to have highway legislation in the next session of Congress, it might be well to first discuss in some detail the worthiness of the Federal Corporation idea as applied to highway legislation.

Just what would the Federal Corporation have done, as planned by the Clay committee? It would have issued $21 billion in bonds, with which to partially finance the construction of the interstate system. The interest on these bonds would have been $11,500,000,000, or 55 percent of the principal of the bonds. These bonds finally would have been paid in 1987. By General Clay's testimony the interest on the bonds would have been substantially higher than if they had been issued by the Treasury. He estimated that the additional interest required to be paid in order to have them issued outside the Government would be from $475 million to $1,900,000,000. This high interest rate would have resulted from the fact that the bill incorporating the Clay committee financing provision specifically stated that the bonds of the Federal corporation would not be a debt of the Federal Government. General Clay testified that while not a debt of the Federal Government they would be a moral obligation of the Government and would, of course, have to be paid by the Government.

By this arrangement, the Clay committee was seeking to capitalize the 2-cent gas tax now levied by the Federal Government as a general revenue tax, which it said would be sufficient to pay off the bonds by 1987, and provide $622 million yearly in Federal aid through that date. Such calculations wholly disregarded the fact that $622 million is insufficient Federal aid today—it actually is $700 million at present—and would be a mere yearly pittance long before that distant day in 1987 on which the bonds finally would have been paid, and at which time we will have twice the number of vehicles and almost three times the ton-miles of traffic we have on the highways today. In freezing the 2-cent gas tax returns for 32 years, it also wholly disregarded the finding of the Bureau of Public Roads that even though the interstate system is constructed by 1965 there will have to be additional construction thereon between 1965 and 1985 of $9,700,000,000. All these great, additional outlays would come at a time, under the Clay committee bond financing provision, when the taxpayers of our country also would be paying the $11,500,000,000 interest on only $21 billion of the Federal Corporation bonds.

Up to the present every dollar expended by the Federal Government on roads has been subject to authorizing legislation by Congress, full budgetary control, complete appropriation procedure, and has been paid out of general revenue and accounted for within the statutory debt limit. It would be a revolutionary departure from fiscal fundamentals and long recognized governmental principles to adopt the Federal corporation idea in financing highway construction. If we begin, in effect, capitalizing taxes out of general revenue for highway construction it could and would be adopted for other purposes and would finally result in the complete destruction of the authority of Congress over the appropriation of public funds. If we pile up debts for which succeeding generations must pay, the least we should do is to leave them an honest set of books in order that they will know the sum total of obligations bequeathed to them.

While the administration bill, which included the Federal Corporation device, specifically provided that the bonds of the Federal Corporation would not be a

debt of the Government, it also included a provision that gave the Government the authority to accept these bonds as security for all fiduciary trust and public funds, including that of social security. It is completely contradictory to say in one section that the corporation bonds would not be a debt of the Government and then declare in another that they are eligible for Government trust-fund investment. And, it is unthinkable that Congress would ever pass legislation which would permit bonds not guaranteed by the Government to be sold to its trust funds. This alone should have resulted in the rejection of the Federal Corporation idea from any highway legislation.

Our committee, as well as this House, had a great amount of other evidence on the validity of the Clay committee financing provision. On March 30, 1953, President Eisenhower, in a message to Congress, said:

> In the state of the Union message I expressed my deep concern for the well-being of all our citizens and the attainment of equality of opportunity for all. I further stated that our social rights are a most important part of our heritage and must be guarded and defended with all of our strength. I firmly believe that the primary way of accomplishing this is to recommend the creation of a commission to study the means of achieving a sounder relationship between Federal, State, and local governments.

Pursuant to the above statement by the President he created the Commission on Intergovernmental Relations and directed it to examine the role of the National Government in relation to the States and their political subdivisions. On this Commission were many of the country's ablest citizens. This Commission rendered its report in June 1955, after more than 2 years of the most exhaustive study. In reaching its decision it had before it the report of the Clay committee to which it had given long and careful consideration. In the chapter in its report on the financing of highways, it had the following to say:

> The Commission recommends that the expanded highway program be financed substantially on a pay-as-you-go basis and that Congress provide additional revenues for this purpose, primarily from increased motor fuel taxes.
>
> The effect of the Commission's recommendation on highway aids will be to increase Federal expenditures. An increase in taxes is preferable to deficit financing as a means of supporting larger highway outlays by the National Government. The latter method would result in high interest charges and would shift the burden to citizens of a future generation, who will have continuing highway and other governmental responsibilities of their own to finance.

It must have weighed very heavily with the President's Commission on Intergovernmental Relations to find that his Clay committee's Federal Corporation bond proposal was without merit. Yet, that was the effect of their very forceful and logical recommendation quoted above and released in June at the very crux of the controversy over highway legislation. But that was not all. The Honorable Joseph Campbell, a 1954 appointee of President Eisenhower as Comptroller General, appeared before both the Senate and House Committees on Public Works while these committees were considering highway legislation. On each occasion he strongly disapproved the recommendation of the Clay committee that a Federal Corporation be organized outside the regular channels of the Government in order to sell bonds in the deficit financing of a highway program. Among other things, Comptroller General Campbell stated:

> Insofar as we are aware, such a financial arrangement for a Federal expenditure program of the scale and magnitude contemplated for the proposed Federal Highway Corporation has never been used by the Federal Government.
>
> The corporate form of government activity is objectionable because, for the most part, it is free from the normal safeguards set up by the Congress to maintain adequate control over the conduct of public business and the expenditure of public funds.

In passing on the validity of the Federal Corporation idea it is well to remember that before final action in the House last week on the highway bill, and even before action thereon in our House Committee on Public Works, the Senate had passed a highway bill in which not only the Federal Corporation proposal but all other major recommendations of the President and the Clay committee were rejected. The final vote in the Senate on the Gore highway bill was 60 to 31. After a long and thorough Senate debate 13 of the 47 Republican Senators had joined with the Democrats in opposition to the main points of the President's program, including the Federal Corporation device.

The President's Secretary of the Treasury was a witness before the House Public Works Committee during the consideration of highway legislation. While expressing a preference for the Clay committee recommendation concerning financing of highway construction, as would be expected from a member of the President's own Cabinet, Secretary Humphrey definitely did not disapprove the financial provision of the Fallon bill reported by your committee. In fact, he stated that neither he nor any other Secretary of the Treasury would ever object to a pay-as-you-go program. He also testified that the credit program as recommended by the Clay committee would be inflationary and that the pay-as-you-go program of the Fallon bill would not. And, he affirmatively confirmed that from $475,000,000 to $1,900,000,000 of the $12,000,000,000 interest which would be paid on the bonds under the Federal Corporation plan would result from the higher interest rate occasioned solely by their being issued by the Federal Corporation instead of by the Treasury.

It can also be said to the credit of the Fallon highway bill that the one Presidential recommendation which the Public Works Committee did not accept had received substantial criticism from numerous other citizens of repute throughout our country. Many public figures had pointed out the obvious fact that it was nothing more or less than deficit financing. In addition to the 13 Republican Members of the Senate, the President's own Commission on Intergovernmental Relations and his own Comptroller General, Mr. Campbell, it had been denounced by Senator BYRD, considered by almost everyone as the Senate's outstanding financial authority. Among many other things, Senator BYRD had stated that it amounted to an attempt to deceive the American people as to the amount of their Federal debt.

Just how did this financial provision get into the report of the Clay committee? This seemingly is answered by a statement made in January of this year by General Clay himself. Speaking on his committee's recommendation, the General said:

> We want to avoid a higher debt limit, further taxes, or greater deficit.

These were highly laudable ambitions but in its proposal to expend $21 billion under the limitations of this statement, the Clay committee left itself no fiscally responsible course of action. The political situation being what it always is in Washington, it is not difficult to understand why this Presidentially appointed committee would necessarily accept assignment to the committee in the knowledge that it would not be advisable to advocate either the raising of taxes, increasing the public debt or doing deficit financing. But, it is somewhat amazing that the Clay committee felt it had found a way by which Congress could authorize the borrowing of $21 billion, pay almost $12 billion interest on it, and still evade each of these political liabilities. Certainly only a severely strained interpretation would admit of any such claim.

The hurdle supposedly was accomplished by simply saying in the act of authorization of the Federal Corporation that its bonds would not be a debt of the Federal Government. Congress was thereby being asked to authorize obligations against the people of our country but declaring at the same time that they were not debts. Yet they would have to pay them. And, General Clay himself testified as much. If any hurdle remained it was to be eliminated by having the Federal Corporation keep its books separate and apart from the Treasury Department. Even accepting this slight-of-hand way of evading the charge of raising the national debt and making necessary an increase by Congress of our debt limit, it still is more than difficult to understand the assertions of the Clay committee that no deficit financing was involved. Borrowing $21 billion in any manner by which the taxpayers must repay it, along with $12 billion interest, would seem to be deficit financing with a vengeance.

This Federal highway corporation idea is represented as an easy way. It is the painless solution. It deludes the people into believing that somehow they are to get something for nothing. It holds out the promise that if the Federal Corporation is set up as another bond-selling deficit financing agency, somewhat outside the Government but with the Government and the taxpayers still morally but not legally responsible for its acts and obligations, your highway problem is solved. What a snare and delusion. All such a gimmick would do would be to

widen and deepen our Government's financial jungle, and with our taxpayers right in the bottom of the pit. What could be more vicious in its evil potentialities for a government's fiscal soundness than this financial device? It could be the beginning of a chain of Federal Corporations, each one nibbling away a portion of the Government's general revenue which, during the boom time of the last few years, still has been insufficient to pay our yearly expenses and prevent deficit financing. This is illustrated by the fact that a paper with the integrity and repute of the Christian Science Monitor seriously suggested in a front page article a few days after the Clay financing plan was publicized that the schoolroom shortage problem could also be solved in like manner by the organization of a Federal school corporation and assigning to it part of the revenue of the Treasury for long-term capitalization. It is worth noting that no one has suggested what will happen to the present manifold obligations of the Treasury when all its revenues are assigned to newly organized Federal Corporations in order to secure entirely new services and benefits not now enjoyed. It must be admitted that its possibilities are tremendous. It would seem charitable to say, as did Senator Byrd, that this provision would have evaded fiscal responsibility by legerdemain and public debt by definition.

In desperately trying to reach an easy solution of a problem incapable of any such solution, the Clay committee violated basic principles of fiscal responsibility. The more reasonable and more logical appraisal of the President's own Comptroller General, the President's own Commission on Intergovernmental Relations, the considerable number of the President's own party members in the Senate, and of Senator Byrd and many others, must be accepted as to the undesirability of the financing provision recommended by the Clay committee and rejected by your Committee on Public Works in the Fallon bill which we reported to you.

It is worthy of note that while this political juggling act in high finance was taking place a few months ago, our known Federal debt was $278 billion and we were still extending our record of constantly recurring yearly deficits. Not only was that true but the Secretary of Defense had just announced that defense expenditures could be expected to remain at or above the then present level for a considerable number of years. No one has been sufficiently bold to predict that so-called normal expenses of Government will ever again be reduced. Unless there is a decided change in the political climate, they will continue to increase.

Now, with this record before us your Public Works Committee, Democrats and Republicans alike, voted 22 to 9 to favorably report the Fallon bill which contained all major recommendations of the Clay committee except the Federal Corporation device. Yet, when it came to a final vote on the Fallon bill in the House last week only 29 of more than 200 Republicans voted for it. Even though only 4 of the 15 Republican members on the Public Works Committee voted against favorably reporting the Fallon bill to the House, 9 of the 15 finally voted against it. Remember, too, that at the time the vote was taken in the House all other possible highway legislation had already been eliminated. It was the Fallon bill or nothing. After having espoused a campaign of many months for highway legislation, after having wrung every possible political benefit from it, after a Democratic controlled committee had cooperated in reporting a bill that generally followed Clay committee recommendations except in the one highly questionable particular of a $21 billion high-interest bond issue, they disowned their own child and voted against better highways for our country.

It is true that many of the Democrats had opposed the administration recommendations from the beginning. Some were not convinced that a sum such as was recommended should be expended within the proposed number of years. Some felt that the Fallon bill, in making the administration recommendations fiscally responsible by substituting user-taxes for the dangerous Federal corporation bond proposal, had assumed a political liability for their party. Other Democrats who were inclined to vote for it did not do so when it became obvious that the Republicans, with practical unanimity, were voting to kill their own baby. Still, almost half the Democrats voted for the Fallon bill and better highways for the American people.

Even in defeat there were some great virtues in the highway measure on which your Public Works Committee had labored for many months. While it was known as a 13-year bill, actually the construction under it, and the payments for such construction, would have covered a period of almost 16 years, commencing immediately upon its enactment. Under the total authorization of $24 billion provided therein, it meant a Federal expenditure of $1.5 billion per year, instead of $2.5 billion per year as it was considered by the general public when first proposed as a 10-year program. The construction period recommended by the Clay committee was extended to make certain that sufficient time was allowed to guarantee that every possible economy would be effected in construction contracts. This money would have been expended wholly within our own country, which, while not a complete novelty, certainly should have commended it. All costs for labor would have gone into the pockets of American workers and all materials would have been purchased from American business. The $24 billion would have been expended for something we not only greatly need now, but for which the need will be desperate long before the termination of the 16-year period in which it could have been realized under the proposed legislation. It could not have been other than of great value in advancing our economy and, if highway authorities are correct, it would have paid for itself. Stated differently, now that highway legislation has been rejected, we will be paying for a great highway system in loss of time, human life, and destruction to property, but we won't be getting the highways. Although it is true that many motorists might not greatly use the limited mileage of the interstate system, the Fallon bill, by also providing for the accelerated construction of the remainder of the Federal-aid system, would have guaranteed good highways for everyone. Finally, the enactment of the bill not only would have avoided inflation, not only would not have greatly increased our national debt, it would have been an example of sound fiscal policy at its very best.

It can be taken for granted that our Republican friends really would have liked the great highway system they had proclaimed to the world that they wanted, provided, of course, every "t" was crossed and every "i" dotted with respect to the Federal Corporation device. But, that would have made the American taxpayers pay an extra almost $12 billion in interest, a possible almost $2 billion of which would have been necessary only to give some little appearance of validity to the claim that we were not raising our public debt. If your Public Works Committee had been willing to report such a financial provision, the Fallon bill would have gotten some 200 Republican votes instead of 29 and we would have had highway legislation. But if there was to be full fiscal responsibility in connection with the building of highways, if equitable user-taxes were to be imposed on those who would profit greatly by their direct use of the new highways and thereby prevent raising the public debt and destroying the peoples' earnings through needless inflation, then their desire for highways was lost and the legislation could not be realized. In the final interment of the Fallon bill it sometimes seemed that our Republican friends might be more interested in the issuance of many billions in bonds carrying high interest rates than they were in securing highway legislation that would provide a greatly expanded highway system for the people of our country.

We are told that the Republicans are saying in defense of their votes on highway legislation that they had promised not to raise taxes. If they were not willing to have the highway user pay for finer highways—highways which will make him money and which he even now is paying for even though he is not getting them—then why all the tremendous campaign and publicity regarding the vital necessity of a greatly expanded modern highway system? If it is remembered correctly, the Republicans also promised not to permit further deficit financing. In adopting the Clay committee financing provision they were embracing deficit financing not only to its fullest but in a manner highly dangerous to sound fiscal policy. And, by accepting the Clay deficit-financing program they not only were just delaying the imposition of additional taxes, they were also making it absolutely certain that the taxes, when levied, would be at least $12 billion more than if levied at the present time, this sum representing the amount of interest which the Clay committee deficit-financing plan entailed.

It now seems that the trucking industry is receiving plaudits for killing highway legislation. It is being said that the big tractor-trailer commercial highway operators induced a 100,000-telegram barrage of Washington in opposition to the Fallon bill and that this secured the votes for its defeat. Even if true, one might wonder whether this is all gain and no loss for the trucking industry. The 600,000 heavy commercial trucks operating on our highways, comprising only 1 percent of our motor vehicles but monopolizing a great share of our country's roads, not only congest the highways and make motoring an onerous burden for the other 57 million motorists, they are the vehicles which contribute so disproportionately to the destruction of our roadways. To a very great extent the operation of freight trains on the highways had made necessary the highway legislation which the commercial truckers are given credit for having defeated.

It is very true that a motor-fuel tax alone is a highly inadequate measure of road use for the heavy vehicle. The owners of the 48 million automobiles of our country which weigh between 1 and 2 tons as compared to the heavy trucks' weight of 36 tons, and which travel an average of only 9,000 miles yearly as compared to the heavy trucks' approximately 50,000 miles, would seem to have a particularly great interest in the user taxes to be imposed provided the Federal Government is to furnish substantial funds for highway construction. And, if there is to be an imposition of a Federal gas tax of 3 cents, certainly the disparity such a levy creates as between the automobile and small-truck owners on one side and the commercial-truck owners on the other should be equalized in some manner. It should be remembered in this connection that the Federal Government has provided less than $7.5 billion for highways during the entire 40-year life of the Bureau of Public Roads. If it is to furnish more than 3 times as much in 1 piece of legislation—and it would seem that it should—it certainly is only right and proper that equitable user taxes be imposed with which to pay at least a substantial portion of it.

It can be said for the Fallon bill that it not only represented fiscal responsibility, but its user tax approximated equity as between user groups. If there was injustice in the tax provision, it was against the 57 million automobile and small-truck owners and not against the big, commercial tractor-trailer operator. The 40,000- to 80,000-pound trucks have never paid a tax commensurate with their use of the highways, their damage to the highways, the congestion they create on the highways, and the great inconvenience their relatively small numbers necessarily cause to the general motoring public. As they continue to multiply, and especially if they become higher, wider, longer, and heavier, for all of which their lobby continually applies increasing pressure, they will finish the job of making nervous wrecks of America's motorists. It is only natural to object to taxes, regardless of the advantages they may bring, provided it is felt that others may be made to pay them or should pay them. But there seems little doubt that the trucking industry might have paid their portion of the taxes imposed by the Fallon bill and still have made more profits than it will realize from the continued use of our present greatly congested, time-consuming, and highly inadequate arterial highways. In an address in New York City after the plan was unfolded to reconstruct the 40,000 miles of interstate system and there had been time to study it, Karl Richards, head of the Motor Truck Division of the Automobile Manufacturer's Association and secretary of the highway policy committee of that association, said that the trucking industry alone would save $1½ billion yearly on just labor and accident costs by such reconstruction. That would amount to a saving for the trucking industry alone of $24 billion in the 16-year construction period or twice the amount of the proposed additional taxes against not just the trucking industry, but the entire motorcar industry. It would seem conclusive that Mr. Richards, who is an honorable, able man and, by reason of his employment, greatly interested in the trucking industry, can be relied upon for the facts concerning this situation. It would also seem conclusive from the carefully prepared presentation of this national authority that the trucking industry was getting a bargain in the Fallon highway bill.

The big trucker has flaunted the entreaties of the highway administrators of the Bureau of Public Roads and of the 48 States with reference to the axle weights and gross weights which the highways can reasonably withstand. With powerful lobbies he has pressured State legislatures into increasing the weight of his load and the size of his truck even when highway administrators were pleading that his action could only result in inordinate damage to the Nation's highways which they were trying to protect in order to serve him. He has maintained this action without ceasing through the years. While this was going on, records in many courthouses throughout our country were being made which attest the fact that he did not always abide by the laws which he could not change by the pressure of his lobby. Naturally his violations of weight limitations were causing highway destruction and needless economic loss to the other 57 million motorists and to our country generally.

So, while there is reveling in the applause which the big commercial truckers are now receiving for their contribution in defeating a fine highway system for our people, while an unjust tax situation is being continued in behalf of the large vehicle combinations at the expense of the general motoring public, I just wonder if the final reaction to this wrecking operation is going to be as rosy as it now appears on the morning after. While the many telegrams reaching Washington were quite formidable, they will not build a highway system and, in the end, they may serve to remind our people not only of what caused the present condition of our highways but also of what prevented us from getting the kind of highways we need and must have.

Now it is being said on all sides that we ought to pass a highway bill. Some are suggesting the calling of a special session and the President himself has mentioned such a possibility. Others are saying that there should be a compromise on highway legislation. The Fallon bill was a compromise, and a considerable compromise at that. There would now seem to be nothing left on which compromise should be made. Had the Democratic members of your Committee on Public Works agreed to report the Gore Senate bill, which was sponsored by Senate Democrats and a strong minority of Senate Republicans, a bill that rejected all the President's recommendations, it would have passed. Had that happened, the President would have been placed in a very trying and very embarrassing position.

Having reported a bill which followed every Presidential recommendation except one—a bill in which the only rejected provision was one condemned by the President's own appointed Comptroller General, by his own Commission on Intergovernmental Relations, and by a substantial number of his own Republican Senators—there seems reason to wonder not only as to whether there is anything on which to comprise but especially as to whether there is any highway legislation for which the Republicans might vote, except, of course, that which would provide for a bond issue and a great increase in the people's debt. Since the President's own Secretary of the Treasury testified that the substituted financing section was fiscally responsible, uninflationary, and unobjectionable to him, what else could be asked? The substituted tax provision, while possibly not equitable to the 57 million automobile and small truck owners, was at least a step in that direction.

Your Committee on Public Works was given, and it accepted as a duty, the assignment of writing a tax provision in highway legislation. In reporting the Fallon bill, it felt that it had acted responsibly and that it had presented an excellent measure to the House. In view of the great need for better highways and the enormous losses being suffered by the traveling public in the use of the present ones, it is somewhat difficult to understand the House vote on this measure. An expenditure of $24 billion in 16 years for better highways and the promotion of our economy is a large one but it is relatively small when it is considered that, if there is no change in the present rate of expenditure, we shall spend in the same 16-year period $650 billion on defense, $55 billion on foreign aid, and more than $67 billion on public works. It might be added that a portion of the public works program, justly or unjustly, is oftentimes referred to as pork-barrel. As finally presented to the House after it had been amended, no such criticism of the Fallon bill would have been merited.

Therefore, if and when the House determines to again consider highway legislation, might it not be well for us to seriously ask ourselves the question as to whether that consideration should not be

given to the very proposal which we recently rejected so hastily? If we are to act responsibly, if taxes are to be imposed equitably as between the groups of motorists which should mainly pay for highways, it is difficult to conceive of legislation that would more fairly accomplish that purpose. In the interest of our country and its people the Republicans ought to be willing to forego the unwise investment bankers' high interest, multibillion-dollar bond issue and the Democrats should forget, if such influenced them, that the administration originally recommended the highway program. The sole issue should be whether our motorists need better roads and whether they can afford the user-taxes that will build them. The answer seems to be that they do need them and that they actually will be saving money when they pay the taxes necessary to secure them. To act in the obvious interest of the people, the duty of Congress seems quite clear.

A Tribute to Oveta Culp Hobby

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. REED of New York. Mr. Speaker, pursuant to the terms of Reorganization Plan No. 1 of 1953, the Nation's 10th Cabinet post was created by law on April 11, 1953. That new Cabinet office was the position of Secretary of the newly created Department of Health, Education, and Welfare.

To become the first Secretary of Health, Education, and Welfare in the history of our great Nation the President selected an outstanding citizen who had a distinguished record of public service prior to assuming the new Cabinet post. The Honorable Oveta Culp Hobby, as the Nation's first Secretary of Health, Education, and Welfare, further distinguished herself by her performance of duty in her new position.

In his message to Congress of March 12, 1953, pertaining to the establishment of the Department of Health, Education, and Welfare, the President of the United States in outlining the need for the new executive department and defining its purposes stated as follows:

> But good intent and high purpose are not enough; all such programs depend for their success upon efficient, responsible administration.

Secretary Hobby provided in full measure both efficient and responsible administration. In addition to those attributes, she demonstrated an organizational genius and an understanding of public needs to the end that the vital functions performed by the multifold agencies under her supervision attained outstanding achievements in the field of public service during her tenure in office.

Under the guidance of Secretary Hobby expanded Federal-State programs were developed to provide better schools, improved medical facilities, more realistic care for the disabled and the aged, liberalized child welfare services, and accelerated medical research. She instituted a program of vocational rehabilitation and education that in the years to come will find increasing numbers of our disabled again becoming productive, self-sufficient citizens.

Secretary Hobby must share in the credit for the improvements that were made in our social security program by the Social Security Amendments of 1954. Her department worked in close cooperation with the Committee on Ways and Means to prepare this important legislation which provided liberalized benefits, expanded coverage, and improvements in the retirement test.

It is not possible to detail Mrs. Hobby's many accomplishments as Secretary of Health, Education, and Welfare. Suffice it to say that every American citizen will realize enduring benefits from her capable and selfless performance of duty.

Mrs. Hobby has recently found compelling personal reasons that have necessitated her return to private life. Her absence from public office will be sorely felt by those who were privileged to work with her and, indeed, by all Americans.

Mr. Speaker, it is reported that one of her Cabinet colleagues once referred to Mrs. Hobby as "the best darn man in the Cabinet." I would like to join in that remark and observe also that she is one of the most gracious ladies I have ever met.

Mrs. Secretary, you have performed your task well and have the grateful thanks of your fellow citizens.

Synthetic Fuels

EXTENSION OF REMARKS
OF
HON. JOHN P. SAYLOR
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1955

Mr. SAYLOR. Mr. Speaker, on June 15, I recommended to the Congress that it consider the feasibility of diverting into a synthetic-fuels project some of the vast Federal expenditures that are now being earmarked for the development of commercial atomic energy. Since then I have inquired further into the possibilities of a synthesis-fuels industry, and I have also attempted to pursue the multitudinous reports on atomic energy that have originated in this country and abroad. I believe that it is now time to take another look at the situation.

Many of the statements issued from Geneva during the conference on atoms for peace have tended to give the impression that commercial application of atomic power on a universal scale is just around the corner. The general public has been led to believe that electricity produced by nuclear fission will soon be marketable at prices far less than the cost involved in the use of conventional fuels. On closer examination, however, we discover that cheap electric power from the atom is still confined to the realm of theory; there are no definite assurances, in fact, that reactors will ever be able to produce the lowest-cost electricity, particularly in areas within close proximity of the coal areas of our country.

There are too many factors involved for us to go all out in the direction of atomic power to the exclusion of coal and other fuels. If the Government is going to subsidize construction of the reactors and other necessary facilities, if the Government is going to undertake to insure property and personnel against damage that could be inflicted in the event of an accident in an atomic plant, if the Government is going to underwrite commercial operations against losses incurred in developmental programs—then there may be a basis for the assertion that nuclear fission will become a principal source of electric power. I would imagine that it can be authoritatively stated that electricity at TVA rates can be made available in various areas of the country if the Federal Government is willing to pour sufficient funds into the atomic energy program.

The hazard problem alone would add considerable expense to overall operational costs of a commercial atomic energy plant unless—as has been suggested by some of the ready spenders of Federal funds—the Government is willing to accept insurance risk. Harold L. Price, Director of the Division of Civilian Application, United States Atomic Energy Commission, has stated that the hazard catastrophe potential is more serious than anything now known in the insurance industry. Mr. Price states that the possibility of a serious catastrophe seems very remote, but he nevertheless raised a question which is of maximum importance in the promotion of nuclear fission on a commercial basis.

In our enthusiasm for this new type of power, let us try to be realistic and attempt to determine just how much it would be practical for our Government to invest in the program. Fuel experts are of the opinion that, even if the most optimistic predictions on atomic power come true, this method of generation will provide only about 10 percent of the electricity to be consumed by the United States in 1975. The fact is that coal, which has always been the principal source of electric power, will be consumed in constantly increasing quantities by the utilities within the next 20 years. Coal will get a rising share of newly developed electric capacity; it will also supplant oil and gas under boilers as the reserves of those short-term fuels gradually become depleted. According to the United States Geological Survey there are upward of 1 trillion 200 billion tons of recoverable coal in the United States—enough to produce more than a billion tons a year for a thousand years. Because of this abundance of coal, America can face the future with full confidence that there will be ample supplies of liquid and gaseous fuels irrespective of the duration of our petroleum and natural gas resources. These fuels will come from coal through synthesis.

The Bureau of Mines has informed me that, according to the consensus of experts in the field, the fuels synthesis process will eventually furnish the bulk of our requirements of liquid fuels. The Bureau of Mines further states:

> The switch from petroleum and natural gas to coal in the long run is understandable when one considers that more than 80 percent of our mineral fuels (exclusive of radioactive materials) is coal—enough to last for centuries.

Both Japan and Germany manufactured important amounts of synthetic gasoline and oil during World War II. In the Union of South Africa, a new synthetic-fuels plant is expected to produce annually a total of 55 million gallons of gasoline, 7 million gallons of oil, and 15 million gallons of chemicals.

One of the methods for producing fuels and chemicals from coal is the hydrogenation process. The Carbide & Carbon Chemicals Co., which at Institute, W. Va., in 1952 pioneered the first commercial plant to produce chemicals directly from raw coal, has isolated and identified more than 100 different chemicals in its short history. Some of these chemicals have interesting possibilities as medicines, new fabrics, paints, plastics, and insecticides. Whereas it took nearly an hour to process coal by German methods, Carbide's new process does it in about 4 minutes.

The research which eventually led to the establishment of the Carbide hydrogenation plant was actually undertaken because the company was concerned about the future supplies of petroleum and natural gas, and it was decided to explore the possibilities of a synthesis fuels plant in this country. While the need for manufacturing gasoline and oil from coal has not yet materialized, there is no question about the ability of the Carbide plant to produce them. Dr. J. George Davidson, president of the company, said at the time of the plant's opening:

> Carbide & Carbon has no intention of making any gasoline at Institute if we can help it, but we would have to be pretty dull if after running the plant for a few years we didn't know how to make gasoline.

Certainly it would not be fair to a progressive organization such as the Carbide Co. if the United States Government were to subsidize construction of a plant to be operated in competition with this firm, and I want it understood that I am making no such recommendation. I am convinced, however, that it would be to the distinct advantage of this Nation—from the standpoint of security as well as to protect fuel supplies for use over the long range—if some of the money which is going into the development of atomic power for commercial use would be diverted into one or more synthesis plants. The time has arrived for at least the consideration of such a program.

With billions of dollars being invested each year in the Nation's defense structure, the future need for synthetic fuels cannot be questioned. Should the United States be forced into another world conflict, there is definite danger that we would be prevented from bringing any foreign oil whatsoever into our ports. Under these circumstances our industrial and military machines would place such a sudden demand upon the petroleum and natural gas industries of this country that a supplementary supply by synthesis might be the only deterrent to a fuels shortage. What better investment, then, could be made at this time that a potential stockpile of gasoline and oil in the form of a coal hydrogenation plant?

Despite the fact that there has been some upturn in the production of coal during the first 8 months of this year, as compared with 1954 output, there is heavy unemployment in some of the coal-mining communities of America. Here is a laboring force eager to participate in the construction of a synthetic-fuels plant. By providing employment for these men the Government would encourage them to remain in coal areas and thus be available for mining work when demands for coal increase. In my district we have the men, and we have adequate coal and water resources for the operation of such a plan. The citizenry of my area are most enthusiastic about the possibility of having the Government give some attention to the idea.

Mr. Speaker, perhaps during the second session of this Congress it would be advisable to review the progress that has been made thus far in synthetic fuels and to look into their potentials and the expected time that they will become a necessary part of the overall energy program. Congress should solicit the views of fuel experts connected with the petroleum, natural-gas, and coal industries, as well as with Union Carbide and other firms which have ventured in some way or another into synthetic-fuels research. Let us ascertain whether or not it would be to the general interest if we were to earmark some funds for the building of coal, oil, and gas plants that would be available for conversion into commercial enterprises.

No doubt we will also hear from those factions whose objection to such a program is that synthesis fuels cannot compete with other sources of energy on a price basis. I say to you that neither can atomic energy compete. Let me quote for your perusal the following two paragraphs of a news story from Geneva that appeared in the Wall Street Journal:

> Now turn to America. The United States, with abundant cheap coal and oil, really has no urgent need for atom power. Officials of the companies which make reactors say frankly that most of their utility company customers have no early expectation of cutting costs by building atom plants; their primary motive is to stake this out as an area of private rather than public power.

At this time, I quote from an editorial that appeared in the United States Press Association's Commentary on National Affairs. This editorial material is used widely in newspapers throughout the country and I recommend it to you because it raises a question which has too often been overlooked in the headlong drive toward a utopia powered by atomic energy:

> PEACEFUL POLLUTION
>
> It is a long time since anyone has believed in a gas saver so miraculous that the car owner is required to stop now and then to bail out the tank * * * but the topflight physicists of the United States, Britain, France, and the U. S. S. R. now know how to get power out of the atom and create, at the same time, more atomic fuel than they burned in the first place.
>
> In their Geneva confab, the scientific wizards have revealed their innermost, hitherto top secrets—on the peaceful uses of atomic energy—including the last remaining secret of the neutron which forever banishes the fear of running out of what it takes to stoke the atomic furnace.
>
> There is obvious emphasis in the enthusiastic reports from this latest Geneva Conference that the discussions have nothing to do with the earlier and more homicidal use of the atom. It is all a part, of course, of the furious effort to distract the world's attention from further progress at annihilation. Yet it is difficult for the unscientific mind to grasp the fact that these dissectors of protons and neutrons can share their innermost secrets, yet reveal nothing of military significance.
>
> But discussion of a study of the earth, air, and water around the vast plutonium plant at Hanford, Wash., revealed something of a hazard that has been kept pretty quiet since the early days of atomic tinkering. In spite of elaborate protective measures, the plant is leaking radioactivity which is showing up in fishes in the Columbia River, in birds and even in jackrabbits. The concentration (or radiophosphorus) was found to be over 100,000 times normal in small fish and 5 times as great in some birds, yet the biologists considered this well below the dangerous levels. They admitted, however, that if the concentration in the Columbia River were to reach the allowable maximum for drinking water, the fish could not be eaten.
>
> This, together with earlier discussions of the problem of disposing of radioactive trash from atomic plants, suggests that when atomic energy comes into general use, ash removal will be far more costly than fuel.
>
> You can't fill in swamps with it. And you can't kick it around till it gets lost. That takes thousands of years.

Mr. Speaker, it is my hope that the day is not too far away when there will have been developed a safe and efficient method of using the atom to generate electricity and for other peacetime purposes. But, meanwhile, it should be remembered that the United States cannot afford to invest indiscriminately in a project whose practicability has not yet been established. Coal is a proved source of heat and power and of gaseous and liquid fuels. Under the circumstances, is it not logical to consider investing in a number of synthetic-fuels plants rather than to continue to spend vast amounts in the belief that the dollar sign will eventually efface the question mark that hovers over commercial atomic power?

Results of the Republican Tax Program of the 83d Congress

EXTENSION OF REMARKS

OF

HON. DANIEL A. REED

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1955

Mr. REED of New York. Mr. Speaker, it has always been my opinion that our free-enterprise system operates best

when there is the minimum amount of governmental restriction and regulation that is consistent with the protection of the public interest. When American initiative and ingenuity are permitted to go forward without artificial restraints imposed by needless barriers in our tax structure and without other unnecessary governmental restraints, it can be expected that our American economy will prosper and expand. I have seen this happen time and time again with agriculture, labor, and business sharing in the resulting benefits because of the built-in incentives contained in our free-enterprise economy.

It is for that reason that I now view with great interest the healthy condition of our economy and the effect of the tax reduction program carried out in the Republican 83d Congress. It will be recalled that in 1954 the greatest tax reduction program in the history of our Nation was carried out with total annual tax relief of $7.4 billion being granted to our American taxpayers. At that time individual income taxes were reduced $3 billion; excise taxes were slashed $1 billion; the expiration of the excess-profits tax reduced the tax burden by another $2 billion; and $1.4 billion in tax savings resulted from the enactment of the Internal Revenue Code of 1954.

The tax reduction that resulted from the enactment of the Internal Revenue Code of 1954 was only an incidental effect of this monumental legislation. Principally, this legislation was designed to provide a just and equitable tax law and a sound tax structure that would be conducive to the dynamic development of our American economy.

Recent economic statistics released by the Department of Commerce indicate that this program of tax reduction and tax revision has acted to stimulate our economy and provide unprecedented prosperity in our Nation.

Calendar year 1953 was the peak year for our Nation's economy as a whole previous to 1955. This new high in the level of economic activity has been achieved despite drastically reduced Federal expenditures. Statistics for 1955 indicate that the current year will substantially exceed in terms of production, employment, and income any other comparable period in our history. For example, our gross national product in 1953 was $364.5 billion; the annual rate in the second quarter of 1955 is $385 billion. Personal income in 1953 was $286 billion; the annual rate in July 1955 was $301 billion. The industrial production index—1947 to 1949 equals 100—for 1953 averaged 134; for July 1955 the index stood at 140. Average weekly earnings in manufacturing for 1953 was $71.69; a comparable figure for July 1955 stood at $75.76. Employment in 1953 averaged 62.2 million persons; in July 1955 a comparable figure was 64.9 million persons.

Thus, it is apparent that by creating an economic environment that is favorable to development and growth we have achieved a prosperity never before attained in our history. It is a prosperity in which our citizens from every segment of our economy have shared.

Under the able leadership of our President and the distinguished Secretary of the Treasury and with sound legislation enacted by the Congress, our country today can view with confidence new economic and social goals to be obtained in the foreseeable future. But continuing to act with prudence and courage, we can look forward to sustained national progress and prosperity.

Mr. Speaker, it is gratifying to me, as it must be to all the Members in the House of Representatives, to review the salutary advantages that have been derived from the tax program enacted during the Republican 83d Congress.

How the Settlement of Kansas Affected Our National Life—The Struggle Between Freedom and Slavery Still Goes On

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EXTENSION OF REMARKS
OF

HON. DEWEY SHORT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1955

Mr. SHORT. Mr. Speaker, a few years ago William Colfax Markham endowed the Markham lecture course to be delivered at Baker University in Baldwin, Kans.

Dr. Markham is a widely known publisher, a great poet, and true statesman. He has done as much or more for the development of our public highways and country roads as any other one man in this country. He is a philanthropist who has served his God, his country, and his fellow man well.

To my surprise and gratification, I was invited to deliver the Markham lecture at Baker University on May 30, 1954. Because I have had many requests for copies of that address I include it under permission to extend my remarks in the CONGRESSIONAL RECORD:

President Horn, friends of Baker University, citizens of the great State of Kansas and my fellow Americans, the history of Kansas is long, rugged, challenging, thrilling, and romantic. As far back as 1541 Francisco De Coronado traveled over the plains of what is now Kansas and for the two centuries following, fur traders from Louisiana and Spanish explorers came into what is now your great State. Those explorations and surveys were followed by expeditions by men like Lewis and Clark in 1804 and later by Col. John C. Fremont.

From about 1830 to 1854 Kansas was an Indian territory settled by many different Indian tribes, many of whom had been driven from the east and southeast of this great State. White men who dared settle the Indian territory during those years, particularly since Missouri became a State in 1821 until 1854 when Kansas became an organized territory, did so at great risk and great peril. Those pioneer men and women who marched westward to carve out of the wilderness a mighty empire were men and women who prized liberty, who sought new and larger freedoms and who through their fortitude and patience and perseverance, through hardships and sacrifices and endurances helped build this great commonwealth in the center of our great Nation.

Kansas is in the heart of America which your great United States Senator John J. Ingalls once characteristically said was the "navel of the Nation." And the activities and incidents attendant to the forming of an organized territory and the carving out of a State here in the heart of America led the great historian George Bancroft to say that "Kansas was the miracle of the ages."

I hope that we have not forgotten completely those brave men and women who marched westward in covered wagons, who lived in dugouts, and houses; who burned buffalo chips for fuel, who lived on buffalo and antelope and deer and prairie chicken and wild game until they could carve out homesteads, cultivate the soil, build them crude huts, to make Kansas one of the leading States of our Union.

I want to say now, President Horn, that I consider it a rare privilege, a great pleasure and a distinct honor to be invited to come back to this memorable institution of learning, my beloved alma mater, Baker University, at its 96th commencement. And especially being a Missourian I am flattered and more than honored, just a wee bit surprised, that I would be invited to speak on this particular day in the history of Kansas celebrating the 100th anniversary of the signing of the Kansas-Nebraska bill that repealed the Missouri Compromise. I am much aware of the events that took place from 1854, 100 years ago today when Franklin Pierce as President signed this bill, down to January 29, 1861, 7 years later. I am reminded of all the tumult and turmoil and strife and conflict and the highway robbery and the arson and the murders that were committed between the people of Missouri and Kansas back and forth across the line that separated them. So I am just a bit surprised and I am much aware that the events that took place during those years of 1854 to 1861 while Kansas was a Territory, would hardly encourage a warm welcome to any neighbor from Missouri.

Nevertheless I am glad to be here. And lest I forget it I want to point out that in spite of the fact that Quantril a little later with 400 men marched into Lawrence and sacked it killing ruthlessly 150 helpless citizens and burned the town, some of you Jayhawkers got what was given by you to my fellow Missourians in the days gone by because of the retaliatory power you possessed in inflicting punishment upon the Missouri maurauders.

Not all Missourians were cutthroats and assassins, though we can boast of our share of the men who stole elections in those days. It hasn't completely died out. You know there is a little machine that operates in Kansas City, that still operates effectively, because it goes back a long time. They still vote people who have been dead for 20 years by taking the names off the tombstone and can when they ask to see ballots they have written, destroy or burn those ballots. Pendergastism can still do a more effective job than was done back in Kansas when it was a Territory. But not all of the Missourians even in those days of the 1850's were bad people and not all of them were against the views entertained by many of the early settlers of Kansas who came from New England and Pennsylvania and in whose breasts fiercely burned the love of freedom.

It might interest you to know that my own grandfather who came from the hills of east Tennessee in 1849 on his way to California, when he hit the Ozarks in southwest Missouri said, "This is as near heaven as I ever hope or want to get" so he settled there. And though he came from Roane County, east Tennessee, which happens to be the county of our former great Speaker of the House, Mr. RAYBURN, of Texas, he believed in the Union and he fought for the Union and he fought the bushwackers in Stone County of southwest Missouri north of the

Arkansas line at the same time John Brown and Jim Lane and Charley Robinson and some others were fighting them over on the Kansas side of the Missouri line.

Not all of the Kansans agreed in those terrible years. Kansas became a Territory in 1854 and until she was admitted to the Union, in 1861, LeCompton, Leavenworth, and Atchison were proslavery. But you have old Wakarusa, Lawrence, and Topeka that believed in free soil and free men and free State. So the conflict was intense first between the white settlers who had fought the native Indian tribes, later on between the white men themselves, who so violently disagreed in their views on the matter of slavery.

My friends, Baker University here at Baldwin is really a most suitable place to commemorate the signing of the Kansas-Nebraska Act of a century ago because Baldwin is the first stopping place along the Old Santa Fe Trail. The Federal Government had established it in 1853 and 40 days after Franklin Pierce had signed the Kansas-Nebraska bill allowing them to decide whether or not they wanted to be freemen or slaves. Within 40 days after he signed the bill, Bishop Ames sent a preacher on horseback into the territory of Kansas whose job it was to spy out the land and see what contributions the church could make in helping to improve and encourage educational and cultural development of the lives of this new prospective State. So it came to pass that the first sermon to white settlers in Kansas was preached by the Reverend William H. Goode on July 9, 1854, in the Kibbee cabin just north of Baldwin.

Here at this place on the Santa Fe Trail in this particularly sacred spot steeped in history, we gather on this anniversary so meaningful in the history of this great State. My, what a change. Today this rectangle, 210 miles stretching from Nebraska on the north to Oklahoma on the south, 410 miles from Missouri on the east to Colorado on the west, with 2 million people, rich in oil, coal, lead, and zinc, is the breadbasket of America, the greatest wheat-producing State in the Nation and in the world, with the great oil refineries, with your flour mills, with your cattle raising and livestock, and meatpacking industry.

Kansas had only 100,000 people at the beginning of the Civil War. After Horace Greeley and Abraham Lincoln had come out to the Territory and made speeches against the extension of slavery, Kansas showed her appreciation and loyalty to the cause of the North and against slavery by sending more than 20,000 troops, President Horn, out of approximately 100,000 population. And in every conflict in which we have been engaged since as a Nation, the loyal sons and citizens of Kansas who believe in freedom have always shown a willingness if not an eagerness to contribute their part in order to bring about victory and to extend the blessings of liberty which we ourselves enjoy to others less fortunate.

This legislation signed by the President and passed by the Congress in 1854 making Kansas a Territory naturally had a massive and almost terrible impact. A violent situation arose between proslavery and antislavery factions. Fraudulent elections were held, conflicting constitutions were written, rival slates of candidates were elected. There was bitterness and strife and bloodshed so that Kansas was referred to in the days of John Brown as "bleeding Kansas." It resulted in the historic Lincoln-Douglas debate, through which it helped prepare the way for Lincoln to enter the White House. It triggered the Civil War; it laid the base for the great Republican Party. This great act permitted the people in Kansas and Nebraska to determine whether each State should come into the Union as free or slave.

The impact of the settlement of Kansas upon our national life was momentous and far reaching. It determined the future destiny of our country, when the repeal of the Missouri Compromise aroused men as they had never been aroused before. How mightily the course of the history of the United States was changed by raising this one great question, whether this great State of Kansas should be settled by homesteaders or by planters with servants? This by the way brought forth a new party, the Republican Party, dedicated to free soil, to free labor, to free speech, and to free men.

Thus it is that Kansas stands as a symbol in our Nation of the eternal struggle between freedom and slavery. Today 100 years later after the signing of the Kansas-Nebraska Act which evolved from the issue of slavery a fight for men's minds again envelopes the world. Again Kansas has a central role in this crusade. This time she provides, instead of the issue as 100 years ago, the man. She provides a Kansan to lead the crusade for freedom. I asked President Eisenhower 3 or 4 weeks ago saying I would like a statement from him to read to the Jayhawkers out here in the heart of America on this particular occasion. Though he happened more or less accidently to have been born in Texas he said he spent the impressionable years of his young life here in Kansas on the rolling prairies of your sublime and ostentatious climate where you can have heat and cold and everything between. If you don't like the weather just wait 15 minutes and you will get a different brand. I want to read to you, President Horn, this letter sent as a greeting to you through me from the President of the United States:

THE WHITE HOUSE,
May 28, 1954.

The Honorable DEWEY SHORT,
The House of Representatives,
Washington, D. C.

DEAR DEWEY: I wish I could be present when you deliver the Markham lecture at Baker University. I know how vivid and absorbing will be your treatment of the effect of the settlement of Kansas on our national life.

In this great event and the closely related settlement of Nebraska were embedded many issues that loom important in the history of our country. A symbol of westward expansion, the settlement of the Kansas territory characterized the Nation's growth during the 19th century. Strongly influenced at birth by the terrible intellectual and physical struggle involving slavery in this country, Kansas visually symbolized the tension and the strife that finally burst into the War Between the States. In many ways these events of a century ago was the genesis of the Republican Party.

It is fitting, therefore, that during this centennial year—a year in which slavery and freedom on a global scale are in deadly contest for supremacy—Americans everywhere should give recognition to this deeply meaningful anniversary.

Sincerely,

DWIGHT D. EISENHOWER.

My only regret about this occasion this afternoon is that your dear friend and my dear friend, one of the greatest boosters Baker University ever had, a fraternity brother of mine, and perhaps that is the only reason I was invited to deliver this lecture, is not present. Although he knows that while I was born and lived all my life in the Ozarks in southwest Missouri that I am more or less a Kansan by adoption because I did graduate from Baker University and taught for 4 happy years down at Southwestern at Winfield under a great Baker alumnus, Dr. Albert Emanuel Kirk, whom I am happy to see is present this afternoon with his son-in-law, Harold Case, whom I am going to stay over to hear tomorrow. I refer to Billy Markham. We call him Dad Markham down in the Delta House.

I have this letter from Dad Markham. As you know he is a great publisher, poet, and statesman, who has done as much for the development of our national highways and Federal roads as any other one man in this country. He now lives at Swarthmore, Pa., but I have written to him 3 or 4 times and on May the 10th Dad Markham wrote me:

"DEAR DEWEY: In reference to your receiving a message from President Eisenhower for you to include in your address at Baldwin I would like to suggest that I presume that this will be addressed to you and I want to request that having incorporated it in your address you turn it over to President Horn with the suggestion that I shall be very glad to have the message framed and hung up on the Old Castle Museum.

"Fraternally,

"W. C. MARKHAM."

And I turn it over to you now, President Horn.

On an occasion like this naturally it is a great temptation to reminisce. I have reviewed and brought out altogether too inadequately and too briefly the romantic challenging and interesting history of the territory of the State of Kansas. But for the few minutes remaining I would like for us to turn our thought about to this great conflict between freedom and slavery that is still raging throughout the world.

Lincoln said shortly after Kansas became a State, that this Republic could not remain half slave and half free. I don't think that this world can forever remain half slave and half free. Twice in our generation we have fought and won two world wars but have lost the peace in both instances. In addition we have been engaged in a sort of so-called police action over in Korea that has cost us over 145,000 casualties and more than $15 billion. Fortunately the spilling of blood has ceased. The shooting has been stopped, but no one can rest assured that there is any peace in the Far East or anywhere else in the world in this tragic and sad hour.

It's an uneasy truce under which we live, I have had my fingers crossed ever since negotiations began at Panmunjom. My fears question whether there can be any permanent peace or economic stability in the Far East or throughout the world with a divided Korea. You cannot arbitrarily draw an artificial line across a country dividing it in two, separating 30 millions of people of the same origin, who speak the same language, have the same ideals and aspirations and hopes to remain at peace, any more than you could divide the people of the United States east and west of the Mississippi River.

There is no peace in the world today and I fear there will be none in our time because unfortunately after winning two World Wars and becoming bogged down in a Korean stalemate the world today is divided into two armed camps between East and West, between free men and slaves. And unfortunately since V–E and V–J Days in 1945, less than a decade since, our so-called ally has reached out and drawn within her orbit nearly 800 million of peoples or nearly one-third of the total of the world's population. The Western countries that believe in God, believe in the Christian religion are alined against a country that is dogmatic and aethistic that considers all religions an opiate of the people. Wonderful nations that believe in the democratic processes of free men, in government of and by and for the people stand against other nations behind the Iron Curtain that believe in totalitarian powers of government under a ruthless dictatorship. These wonderful nations that believe in the fundamental economic philosophy of private enterprise and individual initiative face another group of nations that believe in everything owned and controlled by the state, and the individual a helpless

cog in a grinding wheel. There are two contrasting philosophies of life, two hostile, irreconcilable ideologies of politics, religion and economics. The world which the President referred to is separated between slaves and free men in the fight that is going on today.

Now then whether you like it or not, or whether I like it, we have got to put forth every effort in our power to live decently with men, to achieve a just and a lasting peace because the world is so small. It is closer from Baldwin, Kans., to Leningrad than it was from Baldwin to Kansas City in the Civil War. The remotest spot on this earth is only a few hours from Baldwin. Coming back from Australia after visiting the Far East and Korea, this was several years ago, I spoke to the Chamber of Commerce at Honolulu at its noon luncheon and had dinner with my family the next evening in Washington, D. C. The year following, coming back from the Near East, I had breakfast in Bermuda, lunch in my office, spent 3 hours in Washington and that evening had dinner with my folks down in southwest Missouri near the Kansas-Oklahoma line. And I was traveling in an ox cart, a C–54. The other day two of our boys flew from Los Angeles to New York in 3 hours and 45 minutes.

We are going to have to do our best to get along with other people but we also know this, enigmatic as the Russian people are they are bent on world domination and as long as you have 14 mad dogs in the Kremlin, as long as this hungry Russian bear reaches out with her hungry paws and pulls in all of the countries in eastern Europe from the Baltic to the Balkans, as long as she takes over all of Manchuria, the south half of Sakhalin and the north half of Korea, and now is backing the aggression in Indochina and threatening all southeast Asia, we must remain practical and be realistic and fortify ourselves against any eventuality. In sheer self-protection and for our own survival in this global conflict between slavery and freedom today we must build up and maintain our military might, our economic strength, and our spiritual power. We must build up and maintain our military might and remain invincible on land, sea, and in the air. We must live within our means, preserve the value of the dollar, expand a healthy economy, and fortify our religious faith. There is no easy way out of our dilemma.

A day or two after his confirmation by the United States Senate, Secretary of Defense Wilson came into my office and paid me a courtesy call and I said, "Mr. Secretary, I feel flattered and honored that you called on me. We are going to have to work together as a team. I think the President and the American people are most fortunate to persuade a man with your long and successful business experience to dispose of your stock and to accept one of the most responsible positions in our Government, a job that forced one man to leap out of the window and another man to resign. I think we are lucky to have you, Mr. Wilson, who as head of General Motors employed 486,000 people doing a $7 billion volume of business each year. Agreed, Mr. Secretary, that is peanuts to what you have now. Instead of employing fewer than a half million people you have 5 million working for you, 3½ million in uniform, 1,280,000 civilians, and instead of doing a volume of $7 billion a year, in 1 year we spent over $52 billion on our national defense, twice as much money as our total national debt at the end of World War I which was 26 billion."

We can't forever go on with all our wealth and resources, our inventive, scientific genius carrying such an onerous load. Heavy as our taxes are, great as the sacrifices made, it's much cheaper to have adequate national defense than to suffer defeat. And anyone who has traveled through the Third Reich or Japan since the close of World War II will realize that without an argument. We must build up and maintain our strength on land, sea, and in the air, but we must also realize that the same time we cannot have military might without economic strength. So America must be strong not only militarily but economically because the battlefront can never be stronger than the homefront. We want security, but we have to secure it with solvency. The two are wed. Whenever you divorce them you destroy both. Lenin once wrote that America, like every capitalistic country, would spend herself into bankruptcy.

The hope of Stalin and Molotov is that we will knock ourselves out by our own profligacy. They know that a bankrupt nation never licked anybody and never will. If they can syphon off our wealth in economic and military aid to foreign nations all over the world, if they can engage us in sideline wars on the vast periphery of the Soviet Union, Korea yesterday, Indochina today, Iran tomorrow, if Russia can drain our resources and bleed us white, then she can win the cold war and she can win this conflict between freedom and slavery without ever firing a shot or losing a man. She has been doing a pretty good job of it.

I don't want us to become bogged down in another jungle war. If we must fight I want us to choose the place and the time on grounds to our advantage. Should we become involved in another global conflict I think I can assure you there will be no sanctuary behind any line of demarcation.

America must remain strong in these trying and troublesome times. During these days of tumult and terror, of toil and trouble, we have got to remain strong not only in military strength, but also in an economic sense because after all every military man with whom I have talked, be he admiral or general, will quickly confess to you that after all, the thing that won World War II for the allies over the axis power was not only the men in uniform in our Army, Navy, and Marine Corps and Air Force, it was also the men and women who toiled on our farms, in our mines and forests and factories, that produced the food and the weapons and the sinews of war to feed, clothe, and equip 12 million men and women in our own Armed Forces, and millions of our allies, to save the battle of Stalingrad and the battle of Britain.

But there is one other way in which I think we have got to be strong. Not only must we build up and maintain our military might against this threat facing us, not only preserve our economic strength without which you cannot build up strong military forces, but folks, most important of all is to have a moral resurgence, a spiritual revival in this country where men and women will realize that no nation or people can be stronger than the intelligence and character of its citizens.

We must realize that we are engaged in a global war for the hearts and minds and souls of men. We are not going to win the global conflict between slavery and freedom with guns and tanks and planes and bombs alone. As I tried to tell my fraternity brothers down at the Delta House last night, this is an ideological war in which we are engaged. It is a war between ideals and philosophies and the only way to overcome a bad philosophy is with a good one.

An idea can be the most dangerous weapon on earth. You can't shoot it with a rifle, you can't stab it with a bayonet, you can't destroy it with an atomic bomb. Truth, though crushed to the earth, will rise again; murder, though it hath no tongue, will speak with most miraculous organ.

Let us go forth from this commencement at Baker University, whose history has been side by side with the history of Kansas, this institution of learning that realizes the importance and the value of religious training in vocations of spiritual idealism, this college to which Abraham Lincoln contributed at its beginning and which has proved its worth over almost a century of time. Because of the magnificent contribution which Baker has given not only to the physical development and material growth, but to the spiritual enlightenment and the moral advancement of this great State and Nation, let us go forth from this commencement resolved in our hearts and in our wills that we will put forth every effort to keep America strong, not only to build up and maintain military might, not only to preserve our economic strength, but to extend good will and to teach a gospel of love, a fellowship, and cooperation with men everywhere in order that we can end this age-old conflict between slavery on the one hand and freedom on the other and bring about a just and lasting peace among ourselves and all men.

The Distinguished Leadership of Joseph W. Martin, Jr.

EXTENSION OF REMARKS
OF

HON. DANIEL A. REED

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1955

Mr. REED of New York. Mr. Speaker, the Honorable JOSEPH W. MARTIN, JR., of the 14th Congressional District of Massachusetts, deserves the praise and appreciation of the Nation for his outstanding leadership in the House of Representatives and as an influential leader in our national affairs.

Since 1939 the beloved gentleman from Massachusetts has served as either Speaker or minority leader of the House of Representatives. Previous to that time he had served in a succession of important positions in the House of Representatives since first coming to Congress in 1925.

It has been my cherished privilege to claim JOE MARTIN as a friend and colleague during his entire term of service in the United States Congress. In war and in peace, in adversity and in prosperity, the example and wisdom of this sturdy New Englander have lent courage and forthrightness to all who have seved with him. His perception and understanding embody the steadfastness of the past, the reality of the present, and the hope of the future. The leadership qualities of JOSEPH W. MARTIN, JR., put him foremost as the guardian of the rights and liberties of men and of nations.

The counsel and guidance of our admired minority leader have served to ease the legislative burdens that each of us must bear. Regardless of seniority in the House or tenure in office, each Member of this distinguished body has done his assigned tasks better because of the able leadership of our esteemed colleague. JOE MARTIN'S knowledge of the problems confronting all geographical areas of our Nation and his awareness of the needs of each segment of our economy have made his judgment on national matters respected by all.

Mr. Speaker, in closing, I would like to express the view that our American ideals and our way of life will long endure under the able leadership of our beloved minority leader, JOSEPH W. MARTIN, JR., of Massachusetts.

